

OECD Open Government Review

# Indonesia

**HIGHLIGHTS**

2016





### WHAT ARE OECD OPEN GOVERNMENT REVIEWS?

**OECD Open Government Reviews** support countries in their efforts to build more transparent, participatory and accountable governments that can restore citizens’ trust and promote inclusive growth. They provide in-depth analyses of open government policies and initiatives, coupled with actionable recommendations based on good practices and OECD principles and instruments. They also help to embed further the principles and practices of open government within policy-making cycles and to evaluate their impact.

### WHAT IS THE OECD APPROACH TO OPEN GOVERNMENT?

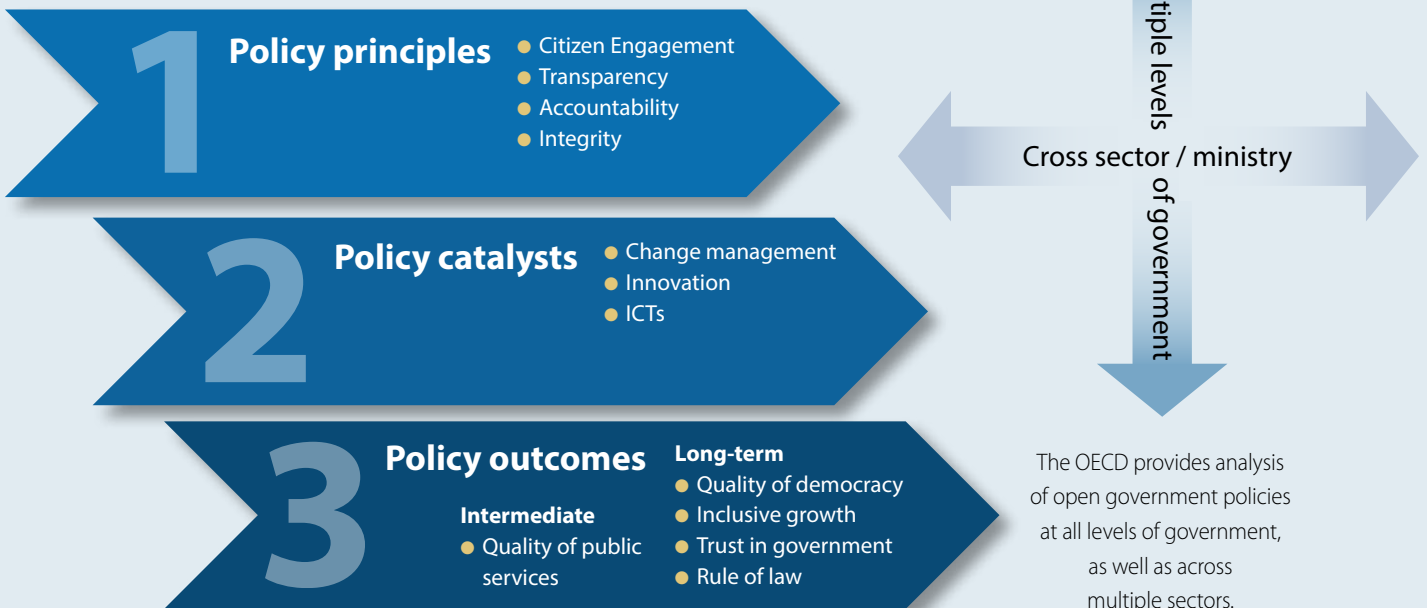
The OECD defines open government as **“the transparency of government actions, the accessibility of government services and information, and the responsiveness of governments to new ideas, demands and needs”**.

Open government policies are a means to improve the quality of a country’s democratic life in order to better meet the needs of its people. They yield a great variety of benefits to businesses and citizens as well as to implementing governments. Key examples include:

- Ensuring better policy outcomes
- Enhancing policy efficiency and effectiveness
- Strengthening policy and regulatory compliance
- Promoting inclusive socio-economic development
- Fostering innovation

### OECD OPEN GOVERNMENT FRAMEWORK

The OECD uses the following theory of change to frame its analysis of open government reforms. Open government policy principles are transformed into intermediate and long-term policy outcomes through the use of policy catalysts. This theory of change is designed to adapt to country-specific contexts.



## WHAT IS THE PURPOSE OF THIS HIGHLIGHTS BROCHURE?

**This Highlights brochure presents key facts and the preliminary findings and recommendations of the “OECD Open Government Review of Indonesia”. The Review includes the following Chapters:**

1. **The context and drivers for open government in Indonesia**, which analyses the legal, institutional, policy and implementation frameworks for open government in Indonesia and includes information on the key actors involved and the initiatives through which open government policies are developed and implemented.
2. **Open government policy implementation from the Centre-of-Government**, which examines the leadership and co-ordination functions of the main central government actors that guide and co-ordinate open government policies, then goes on to analyse the link between on-going public sector reforms and open government policies.
3. **Citizen participation, from information and consultation to active involvement**, which discusses citizen engagement in the policy cycle and recommends enhanced mechanisms to expand it.
4. **Open government, integrity and anti-corruption**, which reviews the role of open government initiatives in the country’s anti-corruption strategies, as well as the role of the public in anti-corruption activities.
5. **Open government, ICTs, and Open Data**, which reviews Indonesia’s digital policies, online service delivery tools, open data initiatives, etc. that support its open government agenda.
6. **Public financial management with a focus on budget transparency**, which provides an overview of the extent of data provision regarding budget expenditures of and public involvement in overseeing budget formation and monitoring.
7. **Innovation in the public sector**, which explores how Indonesia has developed innovative approaches and tools that support open government principles and their implementation and impact on public service delivery.
8. **Open government and the link with the UN 2030 Sustainable Development Agenda**, which provides a general overview of how open government links to the UN Sustainable Development Goals (SDGs), and discusses how open government can support both the process by which Indonesia can pursue its SDG Goals and the substantive attainment of these goals by contributing directly to the achievement of the policy outcomes.







# Indonesia

## An open government leader

**Over the past 10 years, Indonesia has made impressive progress in promoting transparent and inclusive policy making and the active participation of its citizens. As a founding member of the Open Government Partnership (OGP) and a leading member of ASEAN, with the association's biggest economy, Indonesia has demonstrated a strong interest in disseminating open government principles and practices around the world, with a particular focus on Southeast Asia.**

### A FOUNDING MEMBER AND LEADER OF THE OPEN GOVERNMENT PARTNERSHIP

In September 2011, the Government of Indonesia signed the OGP Declaration as a co-founder of the organization.

- By endorsing the Declaration, Indonesia committed to “foster a global culture of open government that empowers and delivers for citizens, and advances the ideals of open and participatory 21st century government.”
- In September 2012, Indonesia and the United Kingdom became co-chairs of the OGP; starting on 31 October 2013, Indonesia served as the lead chair of OGP and co-ordinated the direction of the OGP for its year-long term.
- In 2015, Indonesia was re-elected to the OGP Steering Committee for a three-year term.

### INDONESIA'S STRATEGIC SUPPORT FOR OPEN GOVERNMENT

- Indonesia established a National Secretariat in 2015 to oversee open government implementation, staffed by personnel from the Ministry of Foreign Affairs, the Ministry of National Development Planning, and the

Executive Office of the President. The National Secretariat will foster interaction between government ministries and agencies, sub-national governments, civil society, academics and the private sector.

- The government's current **National Long-Term Development Plan (2005-2025)** highlights the government's commitments to establishing a country that is “just and democratic, and peaceful and united” by encouraging the greatest possible degree of equality and by ensuring that the rule of law is applied fairly and consistently.
- These goals are further elaborated in subsequent **National Medium-Term Development Plans**. The current plan (2015-2019) seeks to build a government that is “clean, effective, democratic and reliable,” by encouraging stronger partnerships between government, the private sector and civil society, and by strengthening and empowering civil society organisations and building transparent and accountable government performance.
- Indonesia is currently implementing its third OGP action plan, which was designed to improve public services; improve the integrity of the government apparatus; and manage public resources more effectively and transparently.



## The enabling environment for open government in Indonesia

**Robust institutional and legal frameworks are at the heart of a successful implementation of open government policies and initiatives. They provide the basis for co-operation horizontally across the country's national ministries and vertically to sub-national governments. Building on the country's current framework will extend the benefits of open government to a wider range of institutions and stakeholders.**

### INDONESIA'S LEGAL FRAMEWORK FOR OPEN GOVERNMENT

*Like in many OECD countries, the principles of a transparent, accountable and participatory government are enshrined in the Constitution. This guarantee is complemented by the country's other laws on Access to Information, National Development Planning, and anti-corruption, among other measures that support open government in Indonesia.*

- The **Constitution of 1945** provides the legal foundation for the principles of transparency and participation in general. Notably, it guarantees the rights of citizens to communicate freely and obtain information (Article 28F); it recognises the right to associate, assemble, and express opinions (Article 28); and stipulates that the state budget "shall be implemented in an open and accountable manner (Article 23-1)."
- Law No. 14 of 2008 on Public Information Disclosure guarantees citizens' **right to information and promotes transparent, accountable, effective and efficient governance**. The law also mandates the creation of the *Pejabat Pengelola Informasi & Dokumentasi* (PPID) offices to store, document and provide government information to the public.
- The primary legal vehicle that supports **citizen participation** is Law No. 25 of 2004 on National Development Planning, which seeks to "optimise public participation." The law establishes the national development planning system and delineates the public's ability to participate formally in the process via the Multi-Stakeholder Consultation Forum for Development Planning process (*Musyawarah Rencana Pembangunan*, or *musrenbang*).
- Two of the key legal mechanisms regarding **anti-corruption and integrity** are Law No. 30 of 2002 on the Commission for the Eradication of Criminal Acts of Corruption, which updates Indonesia's previous anti-corruption laws and establishes the Corruption Eradication Commission (KPK), and Law No. 13 of 2006 on the Protection of Witnesses and Victim, which serves as the primary whistle-blower protection law.
- Law No. 17 of 2003 on State Finances serves as the basis for **budget transparency**, and Law No. 23 of 2014 on Local Government supports **public sector innovation** through its creation of a de facto "right to innovate", which ensures legal protection of local innovators in case of failure.





## KEY GOVERNMENT INSTITUTIONS FOR OPEN GOVERNMENT IN INDONESIA

- The **National Secretariat** was established in 2015 to oversee open government implementation. Personnel from the Ministry of Foreign Affairs, Bappenas, and the Executive Office of the President staff it. The secretariat is designed to support public policy and co-ordination, including with entities at the sub-national level; build capacity; and provide public outreach and communication. It is also drafting the National Open Government Strategy.



**Current composition of the National Secretariat**

- The **Ministry of National Development Planning (Bappenas)** formulates, co-ordinates, and synchronises national planning, dealing with matters including the economy, regional issues and infrastructure development, as well as data and information planning. Bappenas, in partnership with the Ministry of Finance, also helps draft the annual budget.
- The **Executive Office of the President** co-ordinates the executive's delivery and strategy, helps the administration identify strategic issues and directs the executive branch's public communications.
- The role of the **Ministry of Foreign Affairs** in the National Secretariat primarily involves handling diplomatic matters related the country's open government global partnerships.
- Other ministries that play an important role in the pursuit of the country's open government activities include the **Ministry of Administrative and Bureaucratic**

**Reform (KemenPAN)**, which assists the President in formulating policies and co-ordinating policy implementation related to bureaucratic reform activities, including those related to public services, human resources, and business processes. **The Ministry of Communication and Informatics** establishes standard operating procedures and oversees the implementation of PPID offices at the national level, and it provides capacity-building support to PPID offices in government agencies; the ministry also leads the implementation of digital government policies, as well as policies on public sector infrastructure for ICTs.

## INDEPENDENT STATE INSTITUTIONS AND CIVIL SOCIETY

In addition to the National Secretariat and the ministries that support open government in Indonesia directly, there are other important actors in the implementation of open government initiatives, including independent state institutions and civil society. They play a dual role, both proposing reforms and holding the government accountable.

- The **Information Commission** is an independent institute that monitors and supports the implementation of the country's access to information law and provides technical directives and assistance in settling disputes that arise from information requests to the PPID offices.
- The **National Ombudsman Commission** (*Ombudsman Republik Indonesia, or ORI*) was established in 2000 by Presidential Decree Number 44/2000, with a mission to fight corruption, process complaints and initiate investigations of irregularities in the public sector; Law No. 37 of 2008 on the Ombudsman strengthened the legal basis for the ORI by making it an official state institution. One of the Ombudsman's primary objectives is to "encourage government and public administration which is free from corruption, collusion, nepotism; clean, open, fair, effective and efficient (Article 4)." Any Indonesian citizen or resident is entitled to file a grievance with the Ombudsman free of charge.
- The **Corruption Eradication Commission (KPK)**, established in 2002, is a special independent government body that deals with top-level cases of corruption and is supported by the **Court of Corruption**, which has proved to be an effective partner for the KPK in handling corruption cases.
- As a direct consequence of the democratic reforms in 1998, the role of civil society groups in Indonesia has continued to grow in importance. Indonesia's **civil society organisations** (CSOs) have been actively involved in open

government issues in Indonesia, both with the *Unit Kerja Presiden Bidang Pengawasan dan Pengendalian Pembangunan* (UKP4), which was tasked with supervising, co-ordinating, and helping to ensure the successful implementation of open government initiatives under the Yudhoyono administration, and with the current National Secretariat.

- Some of the more active CSOs in Indonesia on open government issues include **Transparency International-Indonesia (TI-I)**, which conducts policy reviews and drafts and administers the Open Government Scorecard, a baseline assessment on open government in Indonesia. Another organization, **Kemitraan**, focuses on strengthening the political participation of citizens in elections; promoting the capacity of citizens to participate in the process of planning and implementing development; and enhancing complaint management mechanisms and community oversight tools. Kemitraan also developed the Indonesia Governance Index, the first comprehensive governance database in Indonesia. Other CSOs have a more direct focus on democratic institution building and parliamentary oversight, among them the **Indonesian Parliamentary Centre (IPC)**, which specialises in parliamentary capacity building and the promotion of political reform for improved democracy and parliamentary accountability, and the **Komite Pemantau Legislatif (KOPEL)**, which promotes dialogue between the legislature and the community.

## TOWARD THE CREATION OF AN “OPEN STATE”

- Broadly, Indonesia is faced with the **challenges of synchronising its work with the local level**, translating its broad aims into specific goals, and ensuring buy-in to the reform process across national ministries and agencies. Moreover, the **inclusion of the legislative and judicial branches in the national open government reform process** has been so far limited.
- These challenges suggest that the Government of Indonesia should seek to develop an **“open state” approach** that would formalise collaboration of open government issues among the executive, legislative and judicial branches and across levels of government to promote a more holistic and integrated agenda.
- To support this approach, the CoG should also **develop a national open government policy** to support open government reforms and streamline civic engagement within its current public sector reform priorities.
- This OECD Open Government Review will look at how Indonesia can respond to these opportunities for improvement, ensure complementarity across initiatives and identify multiplier effects.





## Steering and co-ordination of open government policies and practices: connecting the dots

**As a co-founder of the Open Government Partnership (OGP), Indonesia has been a frontrunner in fostering the international agenda on open government. At the national level, open government is incorporated into the Presidential Priorities and key policy documents, thereby promoting the visibility of open government throughout the government. Moving forward, the centre-of-government (CoG) in Indonesia will need to continue to identify how to best support open government initiatives across the national government and at different governmental levels in a mutually reinforcing manner.**

### OPEN GOVERNMENT: THE ROLE OF THE COG

OECD countries' experience shows that **three elements are crucial for an effective and efficient CoG-led implementation** of a national open government agenda:

- In order for the implementation of open government policies to be successful and sustainable in the long term, the centre-of-government needs to have the **necessary institutional mechanisms**, including sufficient human and financial resources and established procedures for monitoring and evaluation.
- The CoG institution(s) in charge of open government policies must provide **strong leadership** and possess **vision-setting capacities** to lead the whole-of-government toward the achievement of common cross-cutting policy objectives.
- CoG institution(s) must have the ability to **co-ordinate** all relevant stakeholders and provide the necessary incentives for them to **collaborate** both horizontally and vertically and with other state branches and civil society.

#### OECD DEFINITION OF CENTRE-OF-GOVERNMENT

The OECD defines the Centre-of-Government as the institutions that provide direct support and advice to the head of government and the Council of Ministers. In general, the CoG has three core roles:

- 1) **supporting quality decision making by the head of government;**
- 2) **policy co-ordination across government; and**
- 3) **monitoring of the implementation of government policy.**

### INDONESIA'S CURRENT COG ARRANGEMENTS

- In addition to the **three main CoG institutions that make up the National Secretariat** (Bappenas, the Executive Office of the Presidency and the Ministry of Foreign Affairs), the **Ministry of Administrative and Bureaucratic Reform (KemenPAN)** and the **Ministry of Finance** also have important roles as centre-of-government actors.
- Since the country's push for democratization began in 1998, Indonesia has identified openness in government as a tool to achieve its goals of providing better access to and quality of public services. In addition to the country's specific focus on open government, three broad reform areas affect the implementation of the country's open government reforms: the **bureaucratic reform agenda**, the country's **decentralisation** and its **strategic planning process**. Each of these reform areas can be linked with specific open government priorities and goals, such as increased transparency or increased consultation and participation.
- Notably, Indonesia's decentralization push since the turn of the 21st century has changed the structure of the public administration, as well as the state-citizen relationship: as the decision-making process came physically closer to citizens, new opportunities for citizen consultation and participation arose. Furthermore, the country's strategic planning process, via its National Long-Term Development Plans (the current plan covers 2005-2025) and the National Medium-Term Development Plans that are issued every five years (the current plan covers 2015-2019), stress the importance of citizen engagement.
- The country's **strategic planning process and increased attention to performance management** offer possible entry points to anchor the open government agenda.



- The government's establishment of the **National Secretariat** in 2015 also exemplify Indonesia's efforts to co-ordinate and support open government initiatives at the CoG. Specifically, the National Secretariat will co-ordinate public policy; support open data and IT platforms; promote capacity development; provide monitoring, evaluation and knowledge management support; and conduct public outreach and communication. The National Secretariat will also play a co-ordinating role for sub-national government open government efforts.
- Moving forward, the challenge will be to **support ministerial and local government capacity to implement open government reforms** while ensuring that the central government's national priorities are met. The country's centre-of-government actors will play an important role in enabling open government and in managing the complexity, size and different levels of capacity that affect the multilevel governance dynamics.
- **Improve both horizontal (between the CoG and line ministries) and vertical (between central government and decentralised levels of government) co-ordination** to help maintain broad ownership of the open government agenda. Indonesia is characterised by a high level of complexity when dealing with governance issues, both because of its size and its decentralised governance structure. The GoI should pursue the active involvement of line ministries and sub-national governments throughout the policy cycle, as well as the development of appropriate incentives for officials to deliver the open government agenda.
- **Connect the planning process for open government initiatives with strategic follow-up of deliverables, particularly by providing sufficient resources for the monitoring and evaluation of results.** Specifically, the CoG should ensure that the OGP Action Plan cycle is linked to the national planning and budget cycle to make sure that open government activities have a secured budget and are part of the national monitoring system.

## RECOMMENDATIONS

- **Strengthen the connections and integration between, and mutual reinforcement of, different governance agendas,** including the Presidential Priorities, the short-, medium- and long-term National Development Plan goals, OGP Action Plans, and other reform agendas such as the bureaucratic reform roadmap.
- **Build local capacity and foster a culture among civil servants that supports open government principles** so that understanding of, and support for, open government reforms is central to the public sector's activities.





## A focus on citizen participation: from information and consultation to active involvement

**A greater role for citizens in shaping government policies and in their implementation is a key pillar of open government and an objective of Indonesia's strategic planning documents and OGP Action Plans. Participatory policymaking and service delivery improve the quality of governments' actions, better tailor their goals to citizens' needs, and increase people's trust in public institutions.**

### THE OECD APPROACH TO CITIZEN ENGAGEMENT

The OECD defines the relationships between citizens and public administrations in terms of increasing levels of engagement. Generally, when governments encourage public consultation and engagement, they are able to receive new ideas and feedback from citizens on policies and services, thereby enhancing both their quality and compliance.

- **Information provision** is a one-way relationship in which the government produces and delivers information to be used by citizens.
- **Consultation** is a two-way relationship in which citizens provide feedback to the government.
- **Active participation** is a relationship based on partnership with the government, in which citizens engage in defining the process and content of policy making
- Another element of citizen engagement is the concept of **co-production** of policies and services, or those collaborative approaches wherein citizens engage in partnerships with service professionals in the design and delivery of a public service.

### CURRENT ARRANGEMENTS FOR CITIZEN PARTICIPATION IN THE POLICY CYCLE

- The role of citizens and civil society groups in public governance has continued to grow in importance since the democratic reforms that began in 1998. This has been due both to the effects of laws that have allowed for **increased freedom** of association and access to information and to the country's **decentralisation** process.
- The country's **legal framework**, beginning with the 1945 Constitution and including subsequent laws, regulations

and presidential decrees, provides a sound foundation for openness and citizen engagement. Taken as a whole, the country's legal framework recognises the public's right to participation, guarantees access to information, establishes the mechanisms through which information is disseminated and provides various independent state agencies and accountability mechanisms.

- The primary mechanism through which government offices **disseminate information in Indonesia is the PPID offices**. The legal framework for access to information also establishes the support mechanisms to be applied when implementing procedures, to help settle disputes brought about by requests for information and to report on the implementation of the law. The government recognises the importance of continuing to expand PPID offices, as without them there is no designated government unit designed to handle public requests for information.
- The **Multi-Stakeholder Consultation Forum for Development Planning process (*musrenbang*) provides a key path for the public to participate formally in strategic government planning activities**. While the *musrenbang* process is an important opportunity to involve the public in determining development priorities across all levels of government, both government and CSO representatives have noted its limitations, primarily around ensuring public inputs are taken into account and in identifying the correct CSO partners.
- One of the GoI's primary means of increasing **citizen participation in overseeing public service provision is the Lapor online complaint-handling platform**, launched in November 2011.
- The government's explicit support for improving its relationship with citizens is also shown by its development strategies, the administration's governing platform (*Nawa Cita*) and the country's OGP Action Plan documents.



## RECOMMENDATIONS

- **Develop a more structured and consistent whole-of government strategy to foster citizen participation.** Though this priority is included in the country’s development strategies and OGP open government plans, Indonesia should focus on translating it into specific actions, including timelines, lead agencies and actors, etc.

- **Clarify the guidelines for citizen participation.** Establishing a structured, systematic and transparent mechanism for citizen engagement would help foster the involvement of a larger share of the population. For example, the government could develop a Code of Practice on Citizen Consultation to delineate the role of public consultation in the law-making process, specify the opportunities for public engagement and create mechanisms for government reviews of how consultation processes influence policy.

- **Promote a culture of civic engagement by communicating outcomes and success stories to the public and civil servants.** Investing in outreach and communication capacities – such as providing guidelines for public communication and training for government officials – is essential to promoting effective citizen engagement, as it helps give citizens the sense that their time and efforts are meaningful. Clearer communication, especially regarding success stories, can also help build support for open government initiatives throughout the government.

- **Support the capacity of the country’s civil society organizations to engage in governance activities.** Despite the deepening of the relationship between the public and the government in Indonesia, there is still scope to increase the role of CSOs. To this end, the GoI could provide tools and training opportunities to civil society representatives and the public to help support the planning, implementation and evaluation of government policies and to secure their position as partners in the provision of government services. The government could also seek to identify opportunities to engage with the public in the co-delivery of public services.

- **Promote public access to information.** Although Indonesia’s legal framework supports access to information, the government could do more to promote freedom of information (FOI) by helping to ensure the anonymity of requests and to expand knowledge of the FOI law.

- **Build the country’s capacity to evaluate the impact of citizen engagement efforts.** This could include enhanced tracking of statistics and information on the number and results of public consultations, as well as more consistent data collection on such interactions at the local level. The national government could also facilitate co-ordination among public engagement tools that are already in place, and deepen its analysis of the value-added of public consultations. Importantly, the GoI should also focus on building the capacity of public officials to process information received during consultations such as the *musrenbang*, and to report government decisions back to the public.



Source: OECD (2001), *Citizens and Partners*; updated in OECD (2009), *Focus on Citizens Public Engagement for Better Policy and Services*, *OECD Studies on Public Engagement*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264048874-en>.



## Open government, integrity and anti-corruption Indonesia

**Integrity and the fight against corruption remain important issues in Indonesia. While Indonesia has taken significant steps to prevent corruption through transparency and open government measures, the main challenge remains building a culture of integrity in the public sector.**

### CURRENT ARRANGEMENTS FOR CITIZEN ENGAGEMENT IN ANTI-CORRUPTION ACTIVITIES

**Tackling corruption, in all its forms, remains a priority in Indonesia**, and the government is committed to building a culture of integrity in collaboration with public officials at all levels, CSOs, the private sector and ordinary citizens.

- From an open government perspective, **citizens play a prominent role in promoting a culture of integrity** across three broad areas: participation in the policy cycle; oversight and accountability; and awareness raising.
- The **Government of Indonesia has shown its commitment to collaboration with citizens and CSOs**

in promoting a culture of integrity through consultation initiatives in the development of its anti-corruption policies, the use of citizen feedback in monitoring anti-corruption progress and by implementing jointly organised awareness raising activities.

- In addition to the corruption-specific whistle-blower channel operated by the KPK, **several other channels exist that contribute to improving government systems and to corruption eradication**, among them Lapor, the Ombudsman Offices and complaint services within line ministries and at the sub-national level.
- Another avenue through which citizens can strengthen the demand for integrity in the public sector and in





society as a whole is through their role as watchdogs, helped by CSOs, the media and public institutions. In addition to the KPK, relevant public integrity institutions include the two public audit institutions, the Audit Board of the Republic of Indonesia (BPK RI) and the Financial and Development Supervisory Agency (BPKP), but they have not yet been at the forefront in engaging with citizens.

- **Challenges arise in terms of processing capacity, willingness to adopt structural changes, and overlapping reporting channels**, all of which may further exacerbate capacity constraints. Moreover, with different institutions and channels involved, issues of data security and privacy rights may pose important integrity issues in their own right.

## RECOMMENDATIONS

- **Continue to involve CSOs throughout the anti-corruption policy cycle, including in agenda setting, the policy development process and monitoring and evaluation activities.** Specifically, further explore synergies between the KPK and CSOs in civic education and anti-corruption awareness raising. The GoI should also look to strengthen co-operation between citizens and the two public audit institutions in Indonesia, the Audit Board of the Republic of Indonesia (BPK RI) and the Financial and Development Supervisory Agency (BPKP) to promote of a culture of integrity.
- **Explore how the multiple reporting mechanisms and institutional arrangements can be made more effective and efficient** in producing structural changes for good governance. This may require a thorough assessment of processing capacity, analysis of gaps and overlap, and examination of data security and privacy rights of plaintiffs throughout the complaint handling cycle.
- **Examine the effectiveness of the legal and regulatory framework.** Specifically, review the whistle-blower protection regime and examine how to make improvements, for example by including legislation that stipulates disciplinary action; placing the burden of proof on the employer to prove that any measures taken against the employee are unrelated to his or her whistleblowing; etc. Also consider establishing a regulatory framework for lobbying, aiming to enable public scrutiny and to further protect the policy cycle from capture.
- **Strengthen the effectiveness of the asset disclosure system** for corruption prevention and prosecution, through setting priorities based on a risk assessment and an evaluation of processing capacity.

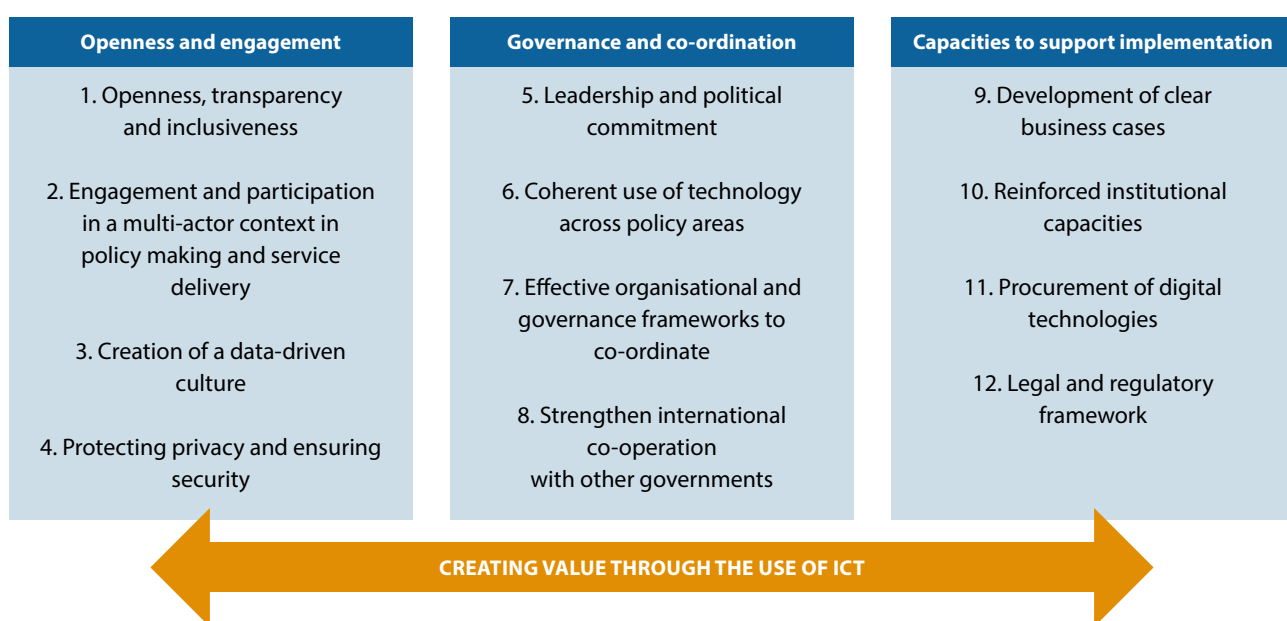




## Open government, ICTS and Open Data

**The changes brought about by more connected and informed citizens, as well as the desire by the Government of Indonesia to increase efficiency and live up to its open government commitments, have encouraged the country to expand its digital government efforts.**

### OECD RECOMMENDATION ON DIGITAL GOVERNMENT STRATEGIES



OECD Recommendation on Digital Government Strategies, 2014

### KEY CONSIDERATIONS

The digital transformations that have changed how people work, access information and share data present both opportunities and challenges to the Government of Indonesia. More connected and informed constituencies are demanding more tailored and agile interactions with the public administration, more effective policies and improved public sector performance. In Indonesia, as is common globally, budgetary pressures and the search for efficiency gains have also encouraged the government to improve and scale up its digitisation efforts.

- The Government of Indonesia has been able to produce **digital public services that represent an important step in the design of more citizen-oriented services**, supporting greater transparency and citizen engagement. For instance, the Ministry of Religious Affairs developed SISKOHAT, an innovative application that is helping Indonesian citizens monitor their status on the waiting list for the Hajj pilgrimage.
- The Government of Indonesia has also recognised the **potential represented by Open Government Data (OGD)** – in other words the release of data collected and produced by public organisations while performing their tasks or data commissioned with public funds – to enhance the transparency, accountability, integrity and performance of the public sector. Indonesia’s central open data portal, which is designed to provide easy access to key datasets and improve the transparency of key public sector activities, is reflected as one of the country’s current OGP commitments.
- The Indonesian public sector is increasingly interested in **leveraging the creativity, skills and ideas for innovation existing outside of the public sector to solve problems** while easing the financial burdens on public authorities. These initiatives pursue a more citizen-driven approach to the development of solutions and services, recognising citizens as partners and giving them the opportunity to determine service priorities. Such activities include hackathons, particularly at the local level, which



empower citizens and developers to propose innovative solutions. These activities have also provided local governments with the opportunity to engage with service users and better understand their needs.

- These initiatives operate as small pockets of innovation and **have not yet benefitted from the necessary co-ordination and scaling up mechanisms. Insufficient levels of interoperability of government information systems** have also hindered the public sector's ability to deliver transactional and integrated services.
- The GoI will need to respond to **challenges presented by the digital divide** between regions and income levels.

## RECOMMENDATIONS

Reaping the full benefits and efficiency gains offered by ICTs will require that Indonesia **develop a coherent approach to the use of digital technologies across levels of government**, despite significant levels of decentralisation.

- To unlock the transformative potential of technologies to change government-society dynamics, the **Government of Indonesia should make substantive efforts to achieve a greater scale for key initiatives**. Participatory platforms should be expanded to achieve a critical mass of users, and other potentially high-impact initiatives should be strengthened and streamlined for the government to be able to reap their full benefits (e.g. Lapor, public dialogues, hackathons, service design standards, etc.). This will require additional resources, and plans will have to be made to develop institutional capacities, regulatory frameworks – e.g. standards for service design-, robust co-ordination and peer-learning mechanisms.
- The **use of digital technologies should be guided by an overarching policy to help ensure strategic coherence across the administration**. The government should align this policy with broader policy objectives – such as those on open government and sustainable development – and with public sector reform strategies and action plans. The policy would provide coherent incentives to create a culture that strengthens the use of technology in more open, innovative and participatory service design and delivery. Involving the relevant stakeholders in the development of the digital government policy will help ensure that the resulting strategies reflect appropriately the different views. This will also help to develop a common vision and align objectives with the required levels of ownership for successful implementation and to deliver impact.
- The government should design **sound institutional frameworks that include strong co-ordination mechanisms at the strategic and operational levels** to ensure alignment with the government's ambitions and institutional mechanisms. The Government of Indonesia would also benefit from a Chief Digital Officer under the National Chief Information Officer, who could support the digital transformation, making government digital by design.
- The **development of the National e-Government Master Plan** should be complemented with the establishment of a business case methodology and an ICT project management model that could help public institutions better plan and structure their ICT investments.
- The Government of Indonesia should **develop a strategic approach to the use of alternative channels for public engagement and service delivery, such as social media platforms and mobile phones**. Such a strategic approach could help the government increase its outreach for service delivery to vulnerable or excluded segments of the population living in remote areas.
- The Government of Indonesia should **recognise data as a strategic asset and develop governance frameworks, infrastructure and institutional capacities to support the strategic use of government data for decision-making**. To avoid missing the opportunities afforded by government data and by the digital era more broadly, the Government of Indonesia must create a vigorous broadband ecosystem that includes an enabling legal and regulatory environment, as well as appropriate market conditions supporting high quality services.
- Make efforts to **develop a dynamic open government data ecosystem**, which will require addressing legal and regulatory challenges and limitations, raise awareness and ownership, develop data skills across society, and actively engage with data producers, providers and users to identify valuable datasets and foster reuse that can deliver social, economic and good governance values.





## Public financial management with a focus on budget transparency and citizen participation

**Budget transparency promotes access to and openness about how governments plan, raise and use financial resources, in the process underpinning sound public financial management. It has therefore become a broadly accepted principle of public financial management over the past two decades and a cornerstone of public governance issues such as open government, civic participation and public-sector performance.**

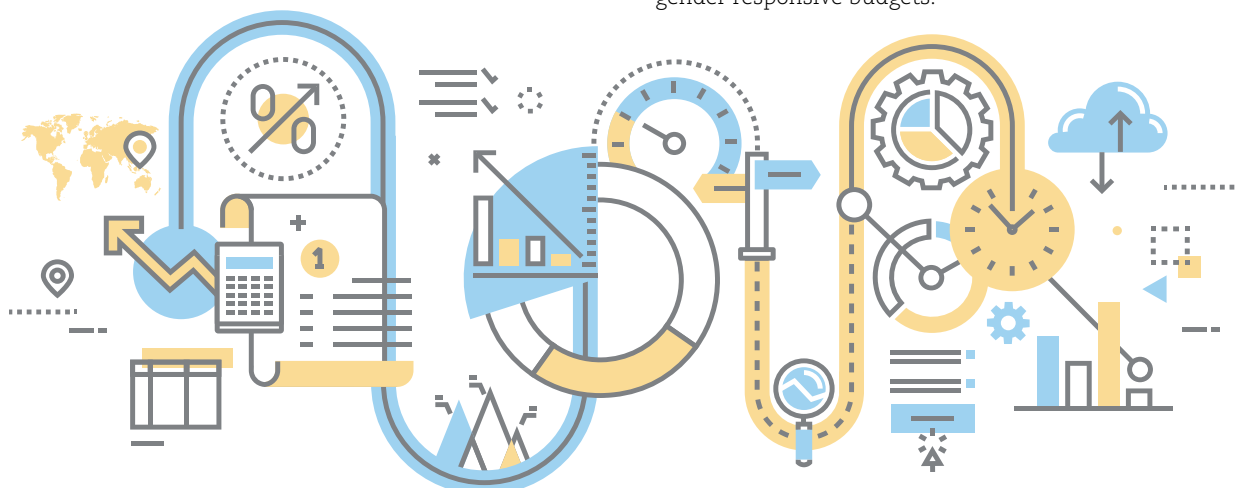
### OECD PRINCIPLES FOR OPEN, TRANSPARENT AND INCLUSIVE BUDGETING

The **2015 OECD Recommendation on Budgetary Governance** identifies transparency, openness, participation, integrity and accountability as pillars of modern budgetary governance.

- **Budget documents should be open, transparent and accessible**, and budgetary information should be presented in comparable formats at key stages of the budget process to promote effective decision making, accountability and oversight. Citizens, civil society organizations and other stakeholders should be able to access full budget reports in a timely manner.
- The **government should also offer opportunities for the public to engage with the budget process** at key stages of the budget cycle. Stakeholders should be engaged to pursue a realistic debate about key priorities, trade-offs, opportunity costs and value for money.

### BUDGET TRANSPARENCY AND CITIZEN PARTICIPATION IN BUDGETING IN INDONESIA

- The **legal framework for budgeting and public financial management** that emerged following the 1997 Asian financial crisis and the transition to democracy in 1998 is composed of relevant laws in the areas of development planning, budgeting, regional governance, state auditing, fiscal balance and disclosure of public information. The enactment of the laws related to the budget process was part of a broader reform agenda that has allowed the parliament to be more deeply involved in budget formulation, scrutiny, approval and oversight.
- While the Ministry of Finance provides **access to aggregated budget data** on its website, other public agencies, such as line ministries, committees and local governments, decide independently whether to follow this practice, and the practice is not yet universal. Nevertheless, several sub-national governments have developed transparency initiatives that may provide models for expansion.
- The GoI has also integrated a **gender perspective** into policy planning and implementation and has introduced gender responsive budgets.





## RECOMMENDATIONS

- **Improve the quality and quantity of data and information accessible to the public throughout the budget cycle.** The GoI should build on ongoing efforts to develop web-based solutions that provide open budget data on both central and local government levels using an integrated platform. The GoI should also look to improve access to information via the *musrenbang* process.

- **Strengthen public participation in the budget cycle.** This could include increasing the co-operation between the parliamentary budget office and civil society organizations, for example by providing opportunities to comment on the economic forecasts; improving the inclusiveness of the *musrenbang* meetings; granting public access to budget proposals and other budget-related meetings in the parliament; and allowing for select CSOs to submit suggestions.

- **Improve the content and the timing of the budget documents,** including the Pre-Budget Statement and

the Citizens' Budget. The GoI could also open the audit process to public engagement through regular reporting of audit results, and by soliciting the views of stakeholders on the quality and impact of public spending. This would enhance confidence in the integrity and efficacy of public financial management.

- **Strengthen the monitoring of local government by encouraging the participation of local stakeholders.** This could include continuing efforts to implement participative gender budgeting and other thematic approaches to budget monitoring.

- **Provide targeted training to local officials and citizens,** leading to proposals that fit local needs better and complement national development programs. Assisting certain sub-groups of the society (such as parents at home and citizens with disabilities) that face difficulties in attending meetings would promote greater representativeness. Improving Internet access in rural areas, as well as applying web-based solutions, would also contribute to more active participation and inclusiveness.







## Innovation in the public sector

**In instituting its reform agenda, Indonesia is focused on strengthening the institutional capacity of its public sector organisations to learn from and replicate international good practice while at the same time developing their own innovative solutions. Innovation is an important tool to support open government principles, the impact of policy reforms and the reach of government initiatives.**

### CURRENT ARRANGEMENTS FOR PUBLIC SECTOR INNOVATION IN INDONESIA

- The **legal framework supporting innovation** in Indonesia includes Law No. 25 of 2009 on Public Services and Law No. 5 of 2014 on the Civil Service, which provide a context for government action to increase the quality of public services and enhance the flexibility and transparency of the civil service. Additionally, Law No. 23 of 2014 on Local Government supports innovative behaviour through its creation of a de facto “right to innovate”, which ensures legal protection to local innovators in case of failure.
- The **country’s strategic planning documents** also support innovation and the link with open government, primarily

through the National Medium-Term Development Plan (2015-2019), which highlights public innovation as instrumental to improving the quality of public services, and the OGP 2014-2015 Action Plan, which recognises the contribution of innovation to “unlock Indonesia’s potential in the economy, public services and innovation”. The OGP Action Plan also notes specifically that one of the plan’s goals, namely to increase the availability of open data, will improve innovation in addition to public services and economic growth.

- While several initiatives identify and acknowledge public sector innovation at the central government level in Indonesia, these efforts appear to be isolated. **Formal structures for ensuring co-ordination of innovation**





**from a central government perspective are not yet in place.** Notably, the GoI lacks a comprehensive incentive system to motivate public officials to innovate; the lack of technical guidance and standard operating procedures has also been flagged as a barrier facing government innovators at the local level.

- In addition, as is the case in many OECD countries, **Indonesia does not have a stand-alone whole-of-government policy on fostering innovation in the public sector.**
- Nevertheless, Indonesia exhibits a number of important examples of public sector innovation at the national and local level, as well as others that focus on service delivery for improved social outcomes.

## RECOMMENDATIONS

- Innovation happens across the country and the GoI recognises and rewards innovation efforts. The government has not, however, implemented the systems and procedures to ensure that innovation takes permanent hold, nor has it developed mechanisms to exchange systematically good experiences across the public sector. **The GoI should consider taking a co-ordinated approach to identifying and tackling the barriers to innovation and its diffusion throughout the public sector.** Detailing a vision and plan

of action with interventions could create momentum to support a change agenda and ensure the buy-in and support of responsible entities during implementation.

- **Innovation needs to be insulated from changes in the policy cycle by, for example, identifying formal structures for ensuring co-ordination at the central government level.** Indonesia might want to consider approaches to innovation co-ordination and promotion emerging from the experiences of other countries (e.g. innovation units, inter-agency committees, and innovation strategies) while examining adjustments to streamline administrative complexity.
- Indonesia might want to reflect on possible approaches to **replicating experience from the local to the national level**, looking at the drivers for scaling and potential benefits for diffusion of successful initiatives.
- Within the overall context of its commitment to open government reforms and its membership in the OGP, Indonesia could consider **prioritising the inclusion of innovative open government practices in its OGP Action Plans.** By doing so, the government could build on the considerable momentum for open government initiatives to better promote innovation across the public sector.





# Open government and the link with the UN 2030 Sustainable Development Agenda

The approval of the 2030 Agenda for Sustainable Development in September 2015 provides a useful occasion to look into how open government reform priorities can inform and help define the steps countries will take to respond to the global ambitions put forward in the agenda. Linking open government reforms to the Sustainable Development Goals (SDGs) outlined in the 2030 Agenda priorities is particularly relevant for Indonesia, as the country played a leading role both in designing the Agenda and in establishing the Open Government Partnership.

## THE SDGS AND OPEN GOVERNMENT

- Made up of 17 Sustainable Development Goals (SDGs) and 169 specific implementation targets, the 2030 Agenda for Sustainable Development is intended

to be comprehensive in nature and universal in its implementation. These goals and targets will play a large role in shaping the priorities for public governance reform in the coming years.

- The broad themes of improved governance and inclusion found in both the OGP principles and the SDGs provide an opportunity to connect open government

**SUSTAINABLE DEVELOPMENT GOALS**

United Nations Development Programme (UNDP)



practices and approaches to the ambitions represented by the 2030 Agenda for Sustainable Development.

- Open government principles, policies and practices contribute directly to the **substantive targets of the SDGs (specifically through Goal 16)**.
- Open government also contributes to the **process that leads to the identification, implementation and monitoring of all the SDGs**. Specifically, open government principles can inform countries' efforts to implement the SDG priorities by helping them respond to a wide range of public and private actors; reinforce transparency and accountability and facilitate co-ordination horizontally across line ministries and vertically between national and sub-national governments.
- Ultimately, **utilizing tools and strategies informed by open government will help governments meet the broad range of targets presented by the SDGs**.
- Through the establishment of an SDG Secretariat that has **institutional links to the Open Government National Secretariat and its endorsement of the OGP Joint Declaration on Open Government for the Implementation of the 2030 Agenda for Sustainable Development**, Indonesia has sought to link its open government agenda to the SDGs. This will help the government align and mainstream the SDGs into national development plans as well as other government reform objectives.
- **Ensure that CSO actors and government representatives familiar with the country's open government activities and OGP reporting cycles play a role in the design of the national SDG strategy, as well as in the implementation, monitoring and reporting of the activities**. The goal is to increase the involvement of citizens in the policy cycle of each SDG-related initiative, in order to ensure that they are inclusive and that they reflect public needs.
- Leverage **existing OECD platforms and networks for policy dialogue**, such as the OECD Network on Open and Innovative Government in Southeast Asia, to identify good practices identify lessons from OECD and non-OECD members alike how to link their open government agendas with their SDG implementation activities.

## RECOMMENDATIONS

- **Continue to develop the linkages between open government initiatives (including the OGP National Action Plan development process) and the design and implementation process for the SDGs**. This will help ensure that the government's implementation of its open government agenda supports the SDGs.
- **Promote the use of open data for reporting on SDG achievements**. This would not only support the role of CSOs as watchdogs, but it would also foster the reuse of public sector information in such a way that promotes the creation of social and economic value.
- **Ensure a formal mechanism for capacity building and sharing lessons** to increase the number of officials familiar with both the SDGs and the country's open government priorities.





## OECD Public Governance and Territorial Development Directorate – areas of work

**The OECD Public Governance and Territorial Development Directorate helps countries implement strategic, evidence-based and innovative policies to strengthen public governance and improve citizens' trust in government. The areas of work addressed in the reviews of Indonesia's open government reforms build upon the Directorate's daily work. This work involves carrying out policy analysis and peer reviews, facilitating policy committees and networks, and developing recommendations, instruments and principles.**

### Open government and citizen participation

Through the OECD Open Government Project, the OECD helps countries design and implement open government policies, in collaboration with citizens, civil society organisations and the private sector. To disseminate the importance of incorporating the principles of transparency, accountability, and citizen participation in public sector reforms around the world, it has further created Regional Networks on Open and Innovative Government in the Middle East and North Africa, Southeast Asia, and Latin America that gather open government champions to discuss common challenges and identify and disseminate good practices.

[www.oecd.org/gov/open-government.htm](http://www.oecd.org/gov/open-government.htm)

### Public governance for inclusive growth

In many countries inequality is growing as the benefits of economic growth go to the richest members of society. Inclusive Growth is all about changing the rules so that more people can contribute to and benefit from economic growth. OECD policy-making for inclusive growth aligns voice, design, delivery and accountability for joined-up outcomes. On 28 October 2015, ministers and cabinet-level officials from OECD countries and beyond met in Helsinki, Finland to help determine how we can shape the policy cycle to deliver growth and achieve greater equality in socio-economic outcomes.

[www.oecd.org/gov/inclusive-growth-and-public-governance.htm](http://www.oecd.org/gov/inclusive-growth-and-public-governance.htm)

### Centre-of-government

Moving away from the traditional role of serving the executive from an administrative perspective, centres of government are now playing a more active role in policy development. OECD work on centres of government explores how governments can adapt the institutions

at the Centre in order to play this expanded and more outward-looking role. As part of its work on centres of government, the OECD convenes the **Network of Senior Officials from Centres of Government** in annual meetings.

[www.oecd.org/gov/cog.htm](http://www.oecd.org/gov/cog.htm)

### Monitoring and evaluation

In the quest for inclusive outcomes, governments are increasingly making use of monitoring and evaluation systems to maximise the use of scarce resources and ensure that the results achieved reflect the intended outcomes. Recently, the OECD convened a **symposium on public sector performance**.

[www.oecd.org/gov/budgeting/seniorbudgetofficialsnetworkonperformanceandresults.htm](http://www.oecd.org/gov/budgeting/seniorbudgetofficialsnetworkonperformanceandresults.htm)

### Budgeting and public expenditure

The **Working Party of Senior Budget Officials (SBO)** undertakes country reviews of budgeting systems. The objectives are to provide a comprehensive overview of the budget process in the country under examination, to evaluate national experiences in light of international best practice and to provide specific policy recommendations, and to offer other countries an opportunity to comment on specific budgeting issues in the country under examination ("peer review").

[www.oecd.org/gov/budgeting/seniorbudgetofficialsnetworkonperformanceandresults.htm](http://www.oecd.org/gov/budgeting/seniorbudgetofficialsnetworkonperformanceandresults.htm)

### Human resource management

Public administrations need the right people, in the right places, at the right time, and with the right skills if they want to meet today's challenges. The OECD's work on strategic workforce management, including reviews of

human resource management in government, highlights governments' efforts to promote strategic workforce planning.

[www.oecd.org/gov/pem/](http://www.oecd.org/gov/pem/)

### Multi-level governance

Sub-national governments provide substantial public services and they are close to the citizen. Therefore, effective multi-level governance plays an important role in delivering inclusive growth outcomes. The OECD publishes territorial reviews at the national, regional and metropolitan levels and promotes good practices in the area of multi-level governance of public investment.

[www.oecd.org/gov/regional-policy/multi-level-governance.htm](http://www.oecd.org/gov/regional-policy/multi-level-governance.htm)

### Regional development

Regional development helps governments foster competitive dynamic regions to achieve their economic, social and environmental objectives.

[www.oecd.org/gov/regional-policy/](http://www.oecd.org/gov/regional-policy/)

### Regulatory policy

Better regulation helps governments achieve their policy objectives through the use of regulations, laws and other regulatory instruments.

[www.oecd.org/gov/regulatory-policy/](http://www.oecd.org/gov/regulatory-policy/)

### Digital government

Digital government explores how governments can best use information and communication technologies and government data – including open government data – to embrace good government principles and achieve policy goals.

[www.oecd.org/gov/public-innovation/](http://www.oecd.org/gov/public-innovation/)

### Integrity and Anti-corruption

Integrity is essential for building strong institutions resistant to corruption. The OECD developed a set of recommendations to enhance integrity and prevent corruption in the public sector and to ensure a strategic use of public procurement. The OECD carries out reviews on public sector integrity and public procurement to help policy makers improve policies, adopt good practices and implement established principles and standards.

[www.oecd.org/gov/ethics/](http://www.oecd.org/gov/ethics/)

### ADDITIONAL AREAS OF WORK

**Government at a Glance**, now in its fourth edition, includes a dashboard of key indicators to help analyse international comparisons of public sector performance.

[www.oecd.org/gov/govata glance.htm](http://www.oecd.org/gov/govata glance.htm)

**Public sector innovation** – governments are finding new ways of operating and responding to public needs in a globalised and networked world characterised by rising citizen expectations and financial constraints. These efforts are supported through the OECD Observatory of Public Sector Innovation.

[www.oecd.org/governance/observatory-public-sectorinnovation/](http://www.oecd.org/governance/observatory-public-sectorinnovation/)

**Gender** – empowering and encouraging women to participate in the public sphere is essential to ensure a balanced perspective on policy making and is associated with improvements in social outcomes.

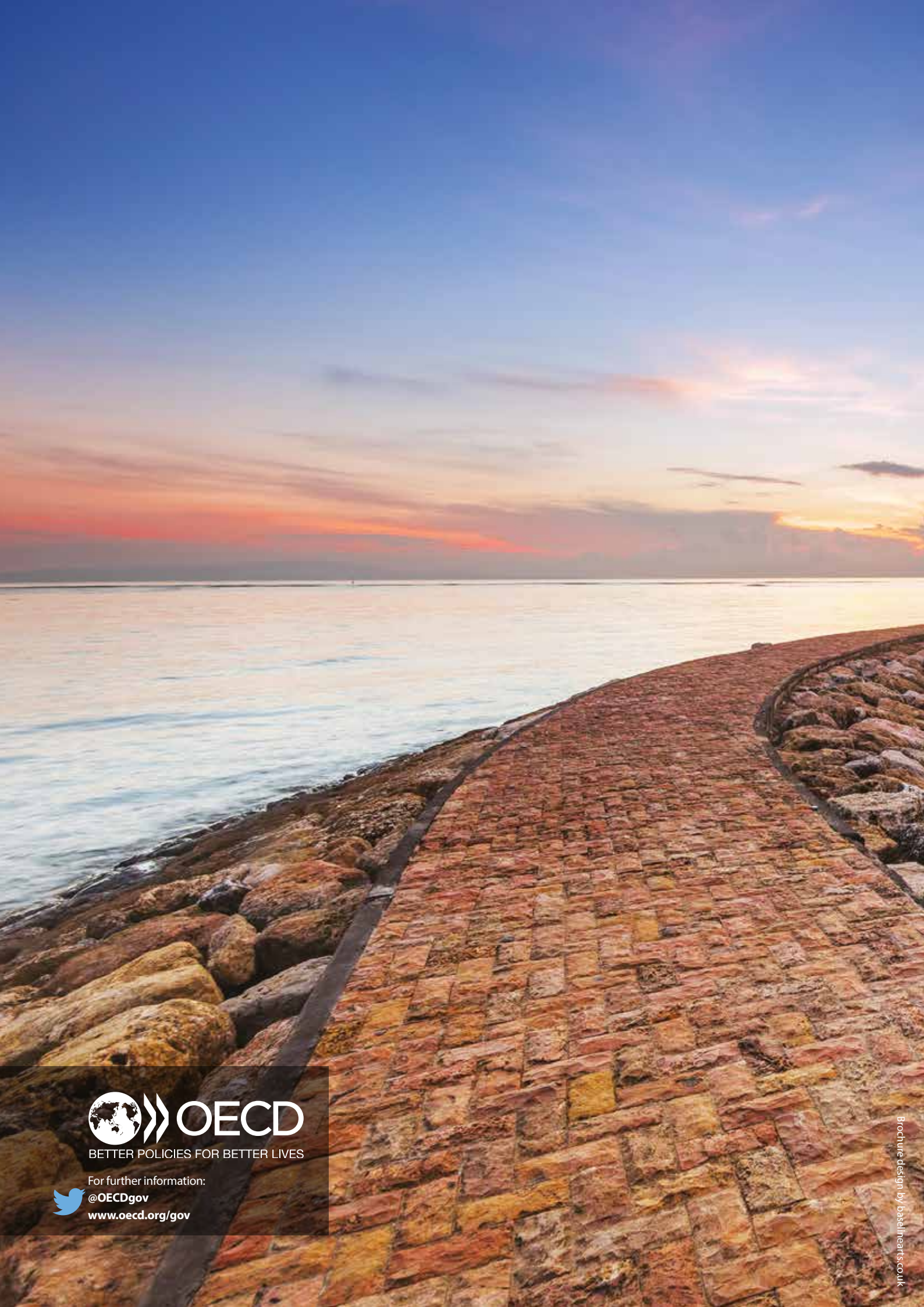
[www.oecd.org/gov/women-in-government.htm](http://www.oecd.org/gov/women-in-government.htm)

**Justice** – the OECD work on justice services aims at supporting improved citizen access to justice by strengthening citizen focus of justice services.

[www.oecd.org/gov/oecd-expert-roundtable-equal-access-to-justice.htm](http://www.oecd.org/gov/oecd-expert-roundtable-equal-access-to-justice.htm)







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