The Making of RPJMN

National Long-term Development Plan (RPJPN) 2005-2025

Elaboration

Vision & Mission of The New President & VP Elect

Guidance

National Medium-Term Development Plan (RPJMN) 2010-2014
Legal Basis and Structure of RPJMN 2010 -2014

Legal Basis:
- Law No. 25/2004 on the National Development Planning System;
- Law No. 17/2007 on the National Long-Term Development Plan.

Enacted by the Presidential Regulation No. 5 of 2010

Book I: Achievement of National Priority Targets
- Theme: to realize Indonesia that is prosperous, democratic and just;
- Vision, mission, agenda, national priority and macro framework;

Book II: Sector Development Strategy
- Cross-sector development synergy;
- Cross-sector issues & mainstreaming, 9 development area: socio-cultural, economy, technology, politics, laws & apparatus, security & defense, infrastructure, region & spatial, environment

Book III: Regional Development Strategy
- Central - regional and inter-region development synergy;
- Regional development issues (7 regions)

Vision of RPJMN 2010 – 2014

Vision: Indonesia that is prosperous, democratic and just

Prosperous: Strengthen the triple tracks strategy as well as inclusive and fair development

Democratic: Reinforce the consolidation of democracy

Just: Strengthen law enforcement and eradication of corruption as well as reduction of disparities
The National Development Priorities

11 National Priorities
- Bureaucracy & Governance Reform;
- Education;
- Health;
- Poverty Reduction;
- Food Resilience;
- Infrastructure;
- Investment and Business Climate;
- Energy;
- Environment & Disaster Management;
- Least developed, Frontier, Outer and Post-conflict areas;
- Culture, Creativity and Technological Innovation;

3 Other Priorities
- Politics, Laws and Security;
- Economy;
- People's Welfare;

Selected Development Targets

- Average Economic Growth of 6.3-6.8% p.a.
  Ec. Growth > 7% before 2014
- Average Inflation of 4-6% p.a.
- Unemployment rate of 5-6% by end of 2014
- Poverty rate of 8-10% by end of 2014
- Paddy, Corn, Soybean, Sugar and Beef production increase by 3.2; 10.0; 20.0; 12.6; 7.3% p.a.
Selected Sectoral Targets (1)

- Declining average population growth to be 1.1% p.a. in 2014
- Illiteracy rate of population aged >15 years reduced to 4.18% in 2014
- Life expectancy increase from 70.7 years (2008) to 72 years in 2014
- Mortality rate per 1,000 birth reduced from 34 (2008) to 24 (2014)
- HIV prevalence <0.5% (2014)

Selected Sectoral Targets (2)

- Electricity Generation Capacity addition of 3,000 MW per annum
- 5,000 MW geothermal power plant capacity in 2014
- Construction of roads 19,370 km e.g.: Trans Sumatra, Trans Java, Trans Sulawesi, Trans Kalimantan, Trans Papua
- Development of infrastructure and utilities of Integrated Inter-islands and inter-modes transportation networks
Targets in Democracy and Justice

Indonesian Democracy Index 73 of 100 in 2014

Indonesian Corruption Perception Index 5 in 2014

Mainstreaming & Cross-sectoral Development

Mainstreaming:
• Sustainable Development;
• Good Governance;
• Gender.

Cross-sectoral Areas:
• Poverty Reduction;
• Climate Change;
• Archipelagic Based Maritime Development;
• Child Protection.
Challenges: Inter-regional Disparity

**BAPPENAS**

**Sumatera**
- Share Regional GDP to National: 21.55%
- Economic Growth: 4.55%
- Per capita income: 9.80 Jt
- Poverty: 7.3 Jt (14.4%)%

**Kalimantan**
- Share Regional GDP to National: 8.83%
- Economic Growth: 5.26%
- Per capita income: 13.99 Jt
- Poverty: 1.21 Jt (9%)%

**Sulawesi**
- Share Regional GDP to National: 4.60%
- Economic Growth: 7.12%
- Per capita income: 4.98 Jt
- Poverty: 2.61 Jt (17.6%)%

**Jawa Bali**
- Share Regional GDP to National: 62.00%
- Economic Growth: 5.89%
- Per capita income: 11.27 Jt
- Poverty: 20.19 Jt (12.5%)%

**Nusa Tenggara**
- Share Regional GDP to National: 1.42%
- Economic Growth: 3.50%
- Per capita income: 3.18 Jt
- Poverty: 2.17 Jt (24.8%)%

**Maluku**
- Share Regional GDP to National: 0.31%
- Economic Growth: 4.94%
- Per capita income: 2.81 Jt
- Poverty: 0.98 Jt (30.1%)%

**Papua**
- Share Regional GDP to National: 1.28%
- Economic Growth: 0.60%
- Per capita income: 9.96 Jt
- Poverty: 2.98 Jt (30.1%)%

Source: BPS, 2008, Constant Price

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**Regional Development Strategy**

- Promoting development of non Java-Bali-Sumatra
- Promoting Domestic Connectivity
- Development of least developed, frontier, outer, post-conflict areas and special economic zone.
- Promoting marine and archipelago economy
- Promoting commodity development

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Strengthening of Central-regional & Inter-regional Synergy

Investment Needs

- To achieve 6.3 - 6.8% average annual growth requires total cumulative investment of IDR 11,913.2-Rp 12,462.6 trillion. About 18% will come from Government

- Strategy:
  - Optimization of development funding sources and schemes, both for the existing and new ones;
  - Increase the quality on the use of development funding sources and schemes;
Sources of National Development Funding

Private Sector

Government (Central & Local) 20% of GDP

Public Private Partnership (PPP)

Funding Requirement for National Priority

Indicative Budget RPJMN 2010-2014

Notes:
- Only expenditure for line ministries and agency excluding subsidy and transfer to the region
- 2010 is APBN number
Policy on Debt (1)

Reduce the debt to GDP Ratio to 24% by end of 2014 by maintaining the negative net transfer for foreign loans;

Improving debt management through:
- Increasing effective portfolio management;
- Diversification of debt sources;
- Development of prudent debt financing scheme;
- Improving foreign loan planning and implementation.

Policy on Debt (2)

Policy on Foreign Loans and Grants: A4DES

- Improvement of laws and regulations on the planning and management of foreign loans and grants (including PP2/2006);
- Improvement of planning and implementation capacity for projects funded by foreign loans and grants. Among the measures are:
  - Alignment to increase the use of Indonesia country system and harmonization with/among development partners to increase synergy;
  - Strengthening the quality of monitoring and evaluation
  - Strengthening management by results and accountability
The Relevance of the Jakarta Commitment to RPJMN 2010 - 2014

RPJMN 2010-2014 recognizes the strategic value of the Paris Declaration and Jakarta Commitment;

The guiding principles are fully adopted:
- country ownership over development;
- improving mechanisms for delivering and accounting for development results;
- building more effective and inclusive partnerships for development are adopted fully;

Challenges

Utilize our national system such as national budget and procurement system

Alignment of Development Partners' programs with RPJMN

Increasing use of national goods and services to employ our capacity and resources

Development Partners to immediately formulate its Country Partnership Strategy
Dare to Act ...

"Vision without action is merely a dream. Action without vision just passes the time. Vision with action can change the world."

Joel Barker

Thank you!