

Good Governance Brief

The Role of DPRD in Promoting Regional Autonomy and Good Governance Framework, Challenges and New Approaches

Introduction

Local councils are critical to democracy and development, and to the achievement of the democratic potential embodied in elections. The legislature is the institution where citizen interest and preferences are expressed and transformed into policy. As their primary function, legislatures *represent* citizens and their needs, aspirations, concerns and priorities. They do so by articulating citizens' input and preferences and transforming them into policy. Legislators should thus respond to the needs of citizens when they are *drafting laws*, their second important function, the rules that govern a jurisdiction, including government budgets. The third function of legislatures is to *practice oversight*, ensuring the political and financial accountability of the executive branch of government.

Indonesia's democratic decentralization has created a system of checks and balances in the carrying out of local governance reforms by granting devolved authority to regional councils (DPRDs, lit., "Regional Houses of Representatives"). The 2004 elections resulted in more than 11,000 members of local councils taking office by popular mandate and with great public expectation. The subsequent direct elections of mayors and governors, a first for Indonesia, and the accountability of local executives to citizens mark a move to a new political dynamism within local governance.

DPRDs are today more astute and competent than in the past. Member of DPRDs are actively involved in drafting local regulations and play key roles in the local budgeting process. Local governments consult with DPRDs on key policy decisions and DPRDs are actively taking part in planning for developing the economy and society of their regions.

This good governance brief will focus on the "governance nexus," the relationship between various governance stakeholders at the local level.

Specifically, the brief will portray how councils are opening up for citizens to provide input into and oversight of public policies. This is mentioned in Article 45e in Law 32/2004 on Regional Governance as the obligation to "absorb, document, accommodate and follow-up on people's aspirations." Other laws, including Law 25/2005 on National Planning and Law 10/2004 on Lawmaking, also provide the legal framework for how DPRD members should interact with citizens.

Following from the above, the present brief will describe the following:

- The role and function of DPRDs in Indonesia;
- Key issues, challenges and opportunities for strengthening the role of DPRDs as promoters of regional autonomy and good governance;
- Opportunities for strengthening civil society involvement in DPRD policymaking, specifically related to

local regulations that allow citizens to play a role in formulating and monitoring public services, with concrete examples;

- Recommendations for future action, based on a national conference organized by LGSP in November 2007 in Jakarta.

Framework: The Role and Function of DPRD

Governance in Indonesia was for decades characterized by authoritarianism and distrust. Under the New Order regime (1966–1998), DPRD merely rubber-stamped executive drafts with little capacity or authority to analyze executive-initiated policy. Councilors did not have the powers or skills to conduct their own independent analyses or to seek citizen input in the process. This weakened the local councils' representative function and their ability to ensure that local government programs, services, and budgets reflected constituent priorities. Elections were carefully engineered to select DPRD members loyal to the regime. DPRD thus had little autonomy or even interest to build good relations with citizens, and the gap between citizens and DPRD members was very wide.

This started to change with the fall of the authoritarian regime in 1998. Free and fair elections in 1999 and 2004, together with new decentralization reforms, have allowed for DPRD to become more responsive regional councils. Their authorities and powers have significantly increased and DPRD have claimed their legitimate role in local governance as the legislative branch of government.

Indonesia has DPRD at two government levels¹: provincial and district or city. At the provincial level, a DPRD has 35–100 members depending on the number of districts and cities in the province, while at the district or city level, a DPRD has 20–45 members depending on the number of subdistricts in the jurisdiction. As of February 2008, there are 33 provincial DPRD and 465 district/city DPRD in Indonesia, a total of 498 DPRD with more than 11,000 councilors. DPRD are regulated by Law 32/2004 on Regional Governance (a revision of the original Law 22/1999). DPRD are mandated through this law to “draft local regulations, prepare budgets and conduct supervision” (Article 41). They are part of the regional governance system, and thus under the authority of the Ministry of Home Affairs. Members of DPRD have the rights of interpellation, petition, speech, questioning, providing suggestions and immunity (Article 44).

The original law on regional autonomy, Law 22/1999, provided ample authority for DPRD. However, with the superseding revisions in Law 32/2004, the previous right of DPRD to impeach heads of government was abolished. Furthermore, with the introduction in 2005 of direct election of mayors and district heads, DPRD lost their previous important function of electing heads of local governments. Consequently, the DPRD is left on unsure footing in its dealings with local government heads and their bureaucracies. Local councils are struggling to find their role in a shifting system of checks and balances and given their expanded authority in budgeting and oversight (*Stock Taking on Indonesia's Recent Decentralization Reforms*, DRSP, 2006, page 86).

DPRD are today more astute and competent than in the past. Member of DPRD are actively involved in drafting local regulations (not just rubber-stamping drafts prepared by the government) and play key roles in the local budgeting process. Local governments consult with DPRD on key policy decisions and DPRD are

¹ Government in Indonesia is organized in five tiers: national, province, district or city, subdistrict and village government. Legislative councils exist at all levels but subdistrict. This note will focus on the third tier, DPRD at district or city level. Districts are rural jurisdictions with an elected district head, sometimes called a regent. Cities are urban jurisdictions headed by an elected mayor.

actively taking part in planning for developing the economy and society of their regions. Through free and fair elections, DPRD members are also more representative than in the past. DPRD members are key local leaders, and citizens have high expectations of them. Voter participation is consistently around 80 per cent throughout the country. Based on the May 2006 LGSP Governance Opinion Polling, the new local councils generally enjoy the trust of citizens as an institution.

Challenges to Effective DPRD

But if the authority of DPRD has improved during the past ten years and people's trust in the institution of DPRD has been established, citizens and individual DPRD members still confront challenges in establishing effective relations. As in many parts of the world, politicians are often seen as self-serving and aloof, disconnected from the realities of poverty and other hardships that still characterize daily life in Indonesia. There is a sense of entitlement among many DPRD members. They often perceive that as elected representatives they should be treated as such: speaking and acting on behalf of citizens. Many demand preferential treatment and are distancing themselves from ordinary citizens. Allegations of corruption and the misuse of public resources continue to plague local councils and threaten to erode public trust. According to data published by Indonesia Corruption Watch in June 2006, more than 1,000 DPRD members across the country were under investigation for corruption-related charges in 2006. There are also frequent complaints about the lack of effectiveness of DPRD: many only pass one or two local regulations per year, in spite of planning for many more. Local budgets are also often delayed, since DPRD are late in approving them.

There are several reasons for this. The two laws related to political parties and general elections encourage a centralized party system in which local members of parties, including DPRD members, have become oriented towards the party as their source of legitimacy rather than voters and citizens. Political parties also see members as sources of fundraising for upcoming elections, and most DPRD members must regularly provide part of their salary to their party. For many DPRD members, voters need only to be consulted every five years, as part of the re-election campaign. "Constituency relations" means taking care of the special interest groups that supported you to be elected, and often involves money (an important factor in understanding corruption, collusion and nepotism in Indonesia).

There is also the issue of representativeness of council members. Only seven percent of the councilors elected in 2004 are women, and other dominant groups such as farmers and the urban poor are also scantily represented. Across the world, local councils are becoming good ways for marginalized groups to participate more fully in decision making and compete for political positions, the accomplishments of women in the Indian local parliaments being one case in point. In Indonesia, however, DPRD are primarily male and dominated by local elites, amplifying the gap between politicians and the majority of their constituents.

Another complicating factor for the effectiveness of DPRD and the gap between legislators and citizens is the status of DPRD under Law 32/2004 as integral parts of the regional administration. As a consequence, they operate under the guidance of the executive branch of government, the Ministry of Home Affairs. It is often a struggle for DPRD to adjust to the apparatus of the executive. Government officials are career staff, unlike DPRD members who are political appointees for a limited period. The tensions between DPRD and Home Affairs were highlighted during 2007 by Home Affairs' new and compulsory regulations on DPRD work plans (*Renja DPRD*), which many DPRD found too difficult to draft—let alone implement—because the guidelines include unrealistic requirements. Being an integral part of the local government also puts limits on DPRD's legislative power. DPRD need the formal approval of the executive branch to draft and enact local regulations, which can make it difficult for DPRD to fully represent their constituents.

A further constraint is the varying degree of skills and capacity. The majority of members elected to the councils in 2004 were new to elected office, and there is wide variation in their capability, education, and experience. According to an LGSP capacity assessment diagnostic conducted in 2005, nearly 70 per cent of council members had no prior experience in elected office. Not surprisingly, the survey revealed that councils were generally weak in implementing newly drafted legislation, budget analysis, and constituency outreach. It is obviously also a challenge for a donor project such as LGSP to make the program sustainable beyond the election cycle.

The effectiveness with which DPRD carries out its main roles and functions depends on the capacity of its members to reach informed, independent and comprehensive decisions. This necessitates independent-mindedness, impartiality, freedom from intervention as well as access to research and office facilities. Weak legal authority, ineffective leadership, poorly trained administrative staff and lack of information are all factors that impede effectiveness and democracy. Each DPRD is supported by a secretariat funded by the local government (*Sekretariat Dewan*, or SEKWAN), but it is generally underfunded and thus unable to fully support the DPRD with independent research and background information.

There are three national associations for provincial, district and city DPRD—ADEPSI ADKASI and ADEKSI, respectively—as well as a newly established association for SEKWANs, ASES.² The three DPRD associations were initially mandated under Law 22/1999. However, national government support for ADEPSI, ADKASI and ADEKSI was withdrawn under Law 32/2004, which has left the associations in limbo. Potentially, they have important roles to play in both providing support to DPRD and representing DPRD at the national level. However, due to a lack of funding and unclear mandates, the actual operation of the associations is less than optimal. As noted in DRSP's *Stock Taking on Indonesia's Recent Decentralization Reforms* (page 130), all associations that support regional government in Indonesia (including those for the executive branch) suffer from inconsistent and uneven leadership, members do not pay their dues on time, and the services provided are quite limited. The association for provincial level DPRD has all but ceased to exist, while the others have been established as private associations with offices in Jakarta, and, in the case of ADKASI and ADEKSI, regional offices as well. Seen from the perspective of the individual DPRD member, there is both a frustration at the lack of support and a desire that the associations be more effective.

This lack of capacity and support is all the more crucial given the evolving national policy framework, the final contributing factor to the lack of effectiveness. As can be expected less than ten years after the change of regime, during a period of frequently shifting politics overseen by four different presidents, the Indonesian national policy framework has not stabilized. There is inconsistency and confusion. Regulations are passed by national agencies, but many are not fully communicated to regional counterparts, let alone implemented, before they are revised again. For a new DPRD member without governance experience, this can be highly confusing. Some of the alleged corruption cases seem to stem from a lack of clarity in regulations.

New Approaches: A Willingness to Reform

During LGSP's engagement with local councils over the past three years, a willingness to reform and to take on new innovative practices has become markedly evident. Compared to the inherited backdrop of corruption and distrust, a different approach is taking shape: one of innovation and responsiveness, of DPRD reaching out

² ADEPSI (*Asosiasi DPRD Provinsi Seluruh Indonesia*) is the Indonesian Provincial Councils' Association; ADEKSI (*Asosiasi DPRD Kota Seluruh Indonesia*), the Indonesian City Councils' Association; ADKASI (*Asosiasi DPRD Kabupaten Seluruh Indonesia*), the Indonesian District Councils' Association; and ASES (*Asosiasi Sekretaris DPRD Kabupaten/Kota Seluruh Indonesia*) is the Indonesian Council Secretariats' Association).

LGSP Support to DPRDs

The Local Governance Support Program has as one of its primary objectives to strengthen legislative councils at the district and city level by improving the capacity of DPRD members to carry out their core functions of lawmaking, budgeting, and government oversight. Through training, technical assistance and the organizing of governance events such as public hearings and town-hall meetings, the legislative strengthening program aims to:

- Strengthen DPRD capacity to inform and solicit citizen input on key local governance and resource allocation decisions;
- Improve DPRD capacity for formulating local policies supportive of transparent and participatory local government;
- Improve DPRD oversight capacity over the performance of local government agencies.

In three years of implementation, LGSP has developed training packages, identified and built the capacity of service providers and partners, delivered training in the fields of budgeting, legal drafting and public service oversight, and involved DPRD members in public hearings, participatory planning events and multi-stakeholder task forces. With LGSP technical assistance, local council members in more than 60 jurisdictions have started to actively engage in public consultations and participatory planning exercises beyond their own council chambers. This new level of outreach has increased members' ability to respond to community needs and aspirations and to solicit citizen input on key local governance and resource allocation decisions. LGSP has also assisted local councils in working with local government departments to draft new regulations and to initiate new standing orders on council procedures that support greater transparency in local government operations, public disclosure, and the participation of citizens in local governance processes.

to citizens and forging new relations. Critics have said that these are the exceptions and that they are happening only because of the upcoming 2009 general elections. Abuse of authority and funds should be acknowledged; nevertheless new practices in DPRD–citizen relations are emerging around the country that are worth highlighting. Such new practices may not be taking place in all jurisdictions, to be sure, but sufficient instances exist to warrant attention.

Progressive and reform-minded DPRDs are increasingly committed to listening to citizens not only during campaigns but as an everyday practice. Many of the new DPRD members are responsive and innovative, and understand the problems that are manifested through the distrust in politicians. Let us take a brief look at some of these innovations; the rules, regulations and practices through which a local DPRD reaches out and engages with citizens on local governance issues, specifically as they relate to the capacity of DPRD to inform citizens and solicit their input on key local governance and resource-allocation decisions, as well as encouraging individual councilors on managing relations with citizens.

Laws on transparency and participation. Many local governments in Indonesia have passed regulations that provide a degree of transparency and opportunity for citizens to be consulted in the policymaking process. This has legitimized citizens' active engagement as well as their access to public documents. In October 2007 the DPRD for the city of Madiun in East Java organized its first ever public consultation with a local coalition of key civil society organizations for the preparation of its 2008 work plan. The DPRD and civil society organizations established a Partnership Forum (*Forum Kemitraan*) in order to encourage further collaboration, to be facilitated by LGSP. This forum is the result of several earlier efforts. In 2006, the DPRD passed an internal standing order

that obligates them to hold public hearings for important policy decisions. In March 2007, they organized a two-day workshop to develop their 2007 work plan, in which the mayor participated in full for the first time. The October 2007 consultation was the culmination of this process of reaching out to different stakeholders.

Meaningful use of recess time. DPRD has two stipulated recess periods each year, allowing members to consult with constituents. Some DPRD has further supported this by actively encouraging DPRD members to time their travels to allow them to take part in the participatory Musrenbang planning process or to organize town-hall meetings in their home communities.

Citizens' involvement in legal drafting. DPRD and local governments are opening up their doors for input from civil society organizations (CSOs). In some cases, this has been institutionalized by local policies for the involvement of CSOs in the legal drafting process. By allowing citizens to be actively involved in the drafting of local regulations, the legal instruments have become sounder and easier to implement. As an example, during the period 1999–2004, the district of Pinrang in South Sulawesi passed 122 local regulations. Not a single one had been initiated by the DPRD.³ After working with LGSP, the Pinrang DPRD initiated and passed two regulations in 2006, and several more are in the pipeline. Several of the Pinrang DPRD members have been frustrated with the lack of implementation of a 2003 local regulation on participatory development, so they have now initiated a revision, and asked LGSP to facilitate consultations with local NGOs to ensure that the new regulation meets the expectations of Pinrang's citizens. Similar advances can be found in other jurisdictions. In the district of Enrekang in South Sulawesi the DPRD has constituted a formal working group of DPRD members and civil society activists for the drafting of a new local regulation on citizen participation. The district of Boyolali in Central Java passed an internal standing order in 2006 requiring all draft regulations to be prepared with both public hearings and a compulsory White Paper.

Public hearings. It is becoming increasingly commonplace for DPRD to consult with citizens through public hearings on particular issues. The quality of these consultations is varied, but some DPRD have enlisted facilitators and more interactive, consultative mechanisms rather than the traditional monologues and top-down socialization. The remote district of Sibolga in North Sumatra held its first ever DPRD public hearing in 2007, inviting some 20 civil society organizations to discuss how basic public services such as education and health care could be improved. The DPRD plenary room was reorganized to improve communication among participants and the meeting was facilitated by a trained facilitator. This was such a novelty that seven newspapers in North Sumatra reported on it, and its success has led legislators to plan regular public consultations.

Budget transparency. Local annual budgets (APBD) are key government documents, outlining the annual priorities. The budget is by necessity a complex document, providing detailed guidelines for funding levels. Many DPRD have opened their doors for citizens to access the budget document, and some have even publicly disseminated the annual budget in poster form. Several DPRD have organized interactive radio talk shows discussing the local budget. Such innovations are also in line with the new central government regulation on performance-based budgeting (Permendagri 13/2006, see LGSP's good governance brief "Local Government Financial Management Reform in Indonesia," September 2007).

New spaces for citizen engagement in the budget process. Citizen input into the planning and budget process has to date mainly been in the Musrenbang, the annual participatory planning process (see LGSP's good governance brief "Musrenbang as a Key Driver in Effective Participatory Budgeting," July 2007). Reform-minded jurisdictions are now offering additional opportunities for citizens to engage in the budget process.

³ A legal regulation in Indonesia can be initiated either by the executive or by the DPRD. Historically, the great majority comes from the executive branch, although this is now slowly changing. One of the challenges for local legislators is their weak skills in legislative drafting, the strengthening of which LGSP has supported.

For instance, in several jurisdictions citizens delegated from the citywide Musrenbang forum can now take part every year in the DPRD-organized preparation for the General Budget Policy (KUA-PPAS), a key government document for the preparation of the annual budget.

Recommendations from the Conference

In November 2007, based on the above achievements and challenges, LGSP organized a two-day national conference in Jakarta on the topic “The Role of DPRDs in Promoting Regional Autonomy and Good Governance.” The conference was attended by more than 150 participants, representing DPRDs from all LGSP jurisdictions, the Government of Indonesia from the Ministry of Home Affairs, the State Ministry of Administrative Reforms and the National Agency for Development Planning, academics, the donor community, and civil society leaders. DPRD members who attended made the following conclusions and recommendations.

A robust legal framework that obligates DPRDs to carry out their main functions of law-making, representation and oversight. Good governance can only be achieved if there is an enabling legal framework and a willingness to implement these guiding principles. There is sometimes a tendency in Indonesia to blame DPRDs for many of the weaknesses in local governance, such as delays in the approval of local budgets and the lack of pro-poor policies. While this might be true in some cases, it is not necessarily the full picture. In the ongoing revision of Law 32/2004, it is imperative that the core roles and functions of DPRDs not be circumscribed in an attempt to achieve more “efficient” decision making. Empowered and effective DPRDs are a prerequisite for the separation of powers evident in any strong democracy. Conference participants also emphasized the need for a strong and binding legal framework that requires DPRDs to make room for citizen engagement.

Encourage stronger ties with local constituencies. Incentives play a key role in motivating leaders to change. The present incentive structure for DPRD members is oriented towards parties rather than voters and does not promote good governance. Stronger direct bonds between politicians and citizens need to be developed, because they would motivate leaders to be more accountable. The ongoing revision of Law 31/2002 on Political Parties should encourage stronger ties with local constituencies and regions, and avoid being too top-down.

Common understanding on the roles and functions of DPRDs defined in national government regulations. There is considerable confusion on conflicting regulations and the lack of clear implementing guidelines. In the revision of Law 32/2004 on Regional Governance and Law 22/2003 on Legislative Bodies, a common understanding on the roles and functions of DPRD needs to be established.

Opportunities for DPRD–citizen interaction should be expanded. Popular participation can increase if there is a commitment from leaders to improve participation and accountability. It is thus important to support such reform-minded leaders. However, institutionalizing citizen participation and accountability can complement the goodwill of leaders. Citizens’ capacity to advocate, lobby and contribute during public consultations needs to improve. Not all citizens in a jurisdiction understand their rights and responsibilities in relation to the government. DPRD members expressed their concern that citizens—even when properly invited—are not always prepared: they show up with a long list of demands rather than engaging in a proper deliberative process of consultation and negotiation. LGSP’s program of bringing citizens, DPRDs and citizens together, and providing training for all, was seen as a good mechanism for building meaningful state–civil society relations.

Training in organizing better public consultations. The poor quality of public consultations is a key factor limiting DPRD performance. Even when formal hearings take place, they often remain forums for the DPRD to pass on information rather than to deliberate and consult.

Clear plan for capacity building of the DPRD secretariats. In order to carry out their representational role, DPRD members need to have the skills to carry out their core representational, legislative, budgeting, and oversight functions. Practices also need to be in place for accountability and transparency. Weaknesses in capacity need to be assessed, and support provided to allow members to fully carry out their core functions. The Ministry of Home Affairs should agree on a clear plan for building the capacity of the DPRD Secretariat. The capacity-building role of the DPRD associations should also be clarified.

Next Steps

Legislative councils are crucial institutions for the success of regional autonomy, good governance and local democracy. LGSP will continue to support the accountability, openness and effectiveness of DPRD in Indonesia. Having delivered basic training packages in lawmaking, budgeting and government oversight during the initial three years of the program, the focus for LGSP's final two years (2008–2009) will be on implementation and concrete action: to ensure that the practices of citizen involvement and public accountability are adopted by DPRD and made sustainable. This will be done through supporting budget hearings, legal drafting consultations, participatory planning events, town-hall meetings, and in other ways encourage DPRD to open their doors to the public and be accountable for their actions.

At the same time, LGSP will work with DPRD members to ensure that their voices are heard in national policymaking, ensuring an enabling environment for effective DPRD and fruitful relations between citizens and legislators. LGSP will also disseminate good DPRD practices, and encourage the sustainability of pro-poor budget allocations through institutionalization in the form of local regulations, while also field testing new forms of citizen engagement in the formal budget process, such as budget commissions and delegate forums.

For DPRD members reading this good governance brief, the 2009 general elections are a little more than a year away. Now is the time for DPRD members to show that the trust invested in political institutions has been for good reason. DPRD members have a grave responsibility in ensuring the continued success of Indonesian democracy, having to date successfully avoided the kind of backlashes we have seen in some other newly democratizing countries in Asia. The *vox populi* will be heard during the general elections in 2009, and if the 2004 election is any judge, only those DPRD members and parties that have shown themselves to be trustworthy and reform-minded will be re-elected.

About LGSP

The Local Governance Support Program (LGSP) provides local governments in Indonesia with technical assistance that supports a framework for governing justly and democratically. LGSP works with more than 60 selected Indonesian local governments in nine provinces: Aceh, North Sumatra, West Sumatra, Banten, West Java, Central Java, East Java, South Sulawesi and West Papua. LGSP is implemented in partnership with the National Development Plan-

ning Agency (BAPPENAS), the Ministry of Home Affairs, the Ministry of Finance, and local governments and civil society organizations in the target provinces. LGSP is funded by the United States Agency for International Development (USAID) and implemented by RTI International (RTI) in collaboration with the International City/County Management Association (ICMA), Democracy International (DI) and Computer Assisted Development Incorporated (CADI).

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