

# CSR Initiative and Targeting Improvement for An Effective and Efficient Poverty Alleviation Programs

### **Bambang Widianto**

Deputy for Social Welfare and Poverty Alleviation Office of The Vice President The Republic of Indonesia/ Executive Secretary of The National Team for the Acceleration of Poverty Reduction (TNP2K)

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### Outline

- **1** About TNP2K
- 2 Government's Poverty Alleviation Approach
- 3 Role of Corporation in Poverty Reduction
- 4 Sharpening Targeting System
- **5** Defining Public Private Partnership Model
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# Achieving 8 – 10 % Poverty Rate in 2014

The National Team for the Acceleration of Poverty Reduction (TNP2K) is established to speed up Government's response to reduce poverty.

TNP2K led by the Vice President and report to the President, which **main role:** 



To improve the implementation of targeted poverty alleviation program by introducing better targeting system, promote coordination & integration of poverty alleviation program and effective monitoring & evaluation.



#### **TNP2K's Main Priorities:**

- Unification of National Targeting System through single database
- 2 Improvement of the implementation of health social assistance for the poor
- 3 Improvement of the implementation of PKH as a conditional cash transfer program
  - Integration of community empowerment programs into PNPM
  - The Implementation of Financial Inclusion
- System for social protection program

## A Comprehensive Strategy Approach

The strategy is articulated around three clusters to comprehensively reduce the proverty rate.

### Cluster

1

Householdbased Social Assistance

Cluster I focuses on household-based social assistance programs.









#### Cluster

2

# Community Empowerment

Cluster II emphasizes community empowerment programs.



#### Cluster

3

### Small/Micro Enterprise Empowerment

Cluster III seeks to expand economic opportunities for low-income households.



### Poverty Reduction: Everybody's Business

Government's resource is insufficient to combat poverty in Indonesia, hence huge participation is urgently needed.



# A Corporation Perspective: Triple Bottom Line

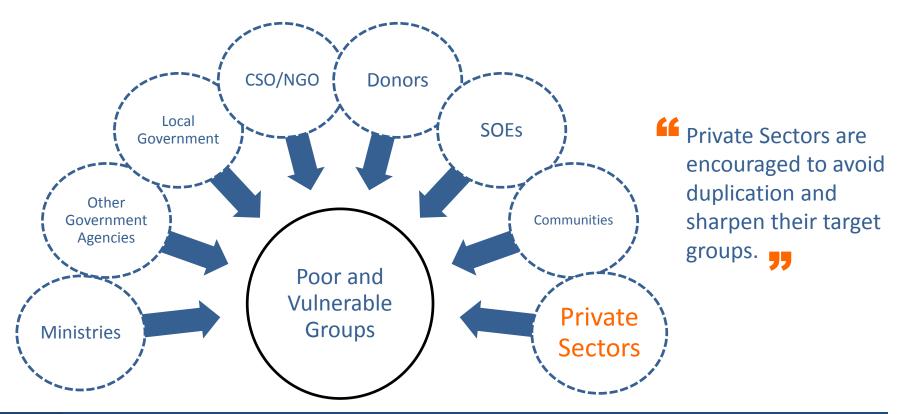
Triple Bottom Line concept suggests a corporation should be beneficial not only for the shareholders but also for the stakeholders, include the community.



## Targeting the Right Beneficiaries

Social assistance programs for poor households in Indonesia have previously relied on different approaches to target poor households using different databases, which results in duplication of efforts.

One of TNP2K main priorities is to define a single database to be used by various poverty reduction program/initiatives. Hence, we shoot at the same target.



### The Unified Database System

The unified database housed at TNP2K includes the lowest 40% of household's Social & Economic status in Indonesia.

The primary data source for the unified database was the Pendataan Program Perlindungan Sosial (PPLS), a survey of 26 million households conducted by the Badan Pusat Statistik (BPS) in July 2011.

### The goals of the Unified Database system at TNP2K

- To develop a system to identify the poorest households in Indonesia based on scientific methods and unified technical criteria;
- To minimize targeting errors in order to improve the effectiveness of Indonesia's social protection programs i.e. ensure low levels of exclusion of poor households (under-coverage) and low levels of inclusion of non-poor households (leakage);
- To facilitate the coordinated use of a high-quality database of poor households by social protection program stakeholders.

# Making Your CSR Targeted & More Effective

CSR initiative can significantly contribute in reducing poverty rate if done to right target and beneficiaries.

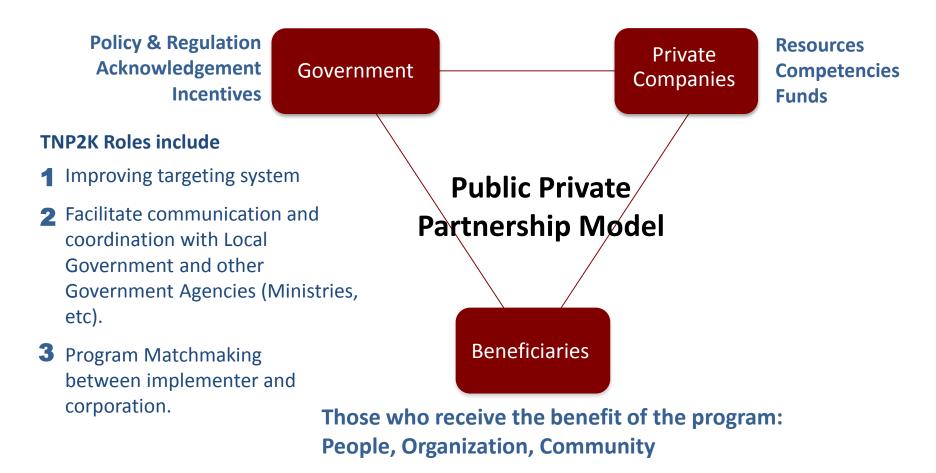
TNP2K has been working with BPS and other institutions to develop targeted data and information for multiple purposes, include for CSR initiatives, for better targeting.

TNP2K can advise you to sharpening your CSR target, hence improving effectiveness.



# Defining Proper Partnership

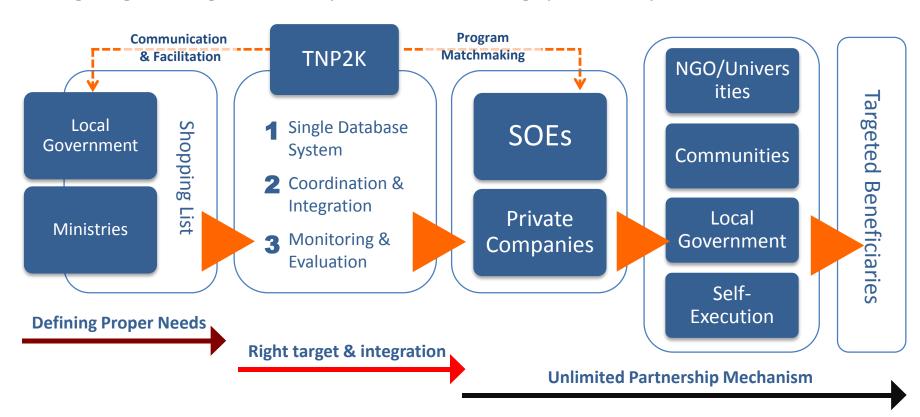
The Public Private Partnership for social assistance is one of the key idea. TNP2K is developing a PPP model and welcome you to join.



### Our Vision: A Seamless Partnership

Government realizes huge potencies and resources private companies have. Be able to allocate them in a seamless partnership with other stakeholders will ensure effective poverty reduction programs.

TNP2K is developing a PPP mechanism that involves local government and key ministries advice, using integrated single database system, and acknowledge private companies contribution.



### Conclusion

- Effectiveness of Poverty Reduction Initiative in Indonesia also depends on public participation, include participation from private corporation.
- 2 Corporate Social Responsibility can contribute to reduce poverty in Indonesia, through better coordination, targeting mechanism, and partnership.
- TNP2K is available to advise Corporate in sharpening its CSR targeting to improve CSR impact.
- Partnership between Government and Corporation, through a proper public private partnership mechanism can optimize Poverty Reduction initiative.



