



FOLLOW-UP OF THE IMPLEMENTATION OF THE WORLD FOOD SUMMIT PLAN OF ACTION NATIONAL REPORT

The World Food Summit (WFS) Plan of Action under Commitment Seven (Objective 7.3) called upon governments in partnership with all actors of civil society, in coordination with relevant international institutions and, in conformity with ECOSOC Resolution 1996/36 on the follow-up to the major international UN conferences and summits, *inter-alia*, to:

- Report to the Committee on World Food Security (CFS) on national, sub-regional and regional implementation of the WFS Plan of Action, drawing upon a food insecurity and vulnerability information and mapping systems, once established, as an analytical aid.
- Monitor through the CFS the national, sub-regional, regional and international implementation of the WFS Plan of Action, using reports from national governments, reports on UN agency follow-up and inter-agency coordination, and information from other relevant international institutions.

This Report documents the country progress in the implementation of the WFS Plan of Action. It consists of two sections. Sections I and II constitute the substantive parts of the Report on progress made, policies adopted and actions taken. In particular, Section II deals with programmes and measures taken by the country for each of the seven Commitments under the Plan of Action.

In order to facilitate the completion of the report, the Secretariat has prepared a set of Guidelines which are enclosed herewith.

Country:	Indonesia
Date of Report:	April , 2008

Institution or committee responsible for reporting

The Agency for Food Security, Ministry of Agriculture, Republic of Indonesia

Focal Point

Name	Dr. Ir. Hermanto, MS
Position	Secretary of the Agency
Telephone	62-21-7804476
Fax	62-21-78846536
E-mail	hermanto@deptan.go.id

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Section I: Priority Food Security Issues and Progress Towards the World Food Summit Goal

(for completion of Section I of the report please refer to paragraph 5 of the Guidelines)

The state of the country's food security situation, in terms of food availability, stability of supplies and access to food and the progress in reaching the hunger reduction targets are described below:

As previously reported (in the year 2006), we believe that a peaceful, stable and enabling political, social and economic environment is the most essential foundation which will enable the state to give adequate priority to food security and poverty eradication. Democracy and protection of all human rights and gender equity are essential for achieving sustainable food security for all.

Poverty is a major cause of food insecurity and sustainable progress in poverty eradication is critical to improve access to food. Conflict, terrorism, corruption and environmental degradation also contribute significantly to food insecurity. Increased food production, including staple food, must be undertaken.

Indonesia, for instance, is being faced to some more challenges in achieving the poor and hunger reduction targets. Tsunami case in 2005, for instance, caused transient poverty that definitely increased the number of poor people. Which was gradually reduced from 18.20% in 2002 to 15.97% in 2005 and lifted up to 17.75% in 2006 (CBS). Other calamities such as earth quake, flash floods, avian influenza (AI), mountain eruptions, and *Sidoarjo* mud flow are unpredictable challenges that slowed achievement for poverty reduction targets or even increased the number of poor people.

More over, global issue on climate change also gives negative impacts and affects to Indonesia efforts on reducing poverty and hunger. Climate change lowers rice production in some potential producer countries like India and Vietnam, whereas demand on rice in China (for instance) is increasing. This situation significantly rises global food price that threatens Indonesia and other developing countries' development goals particularly poverty and hunger reduction.

Realizing the complexity of those challenges, Indonesia is currently mobilizing all key stakeholders to play their roles in contributing to these efforts, particularly in catalyzing and generating inspiration or idea in the designing/planning process of programs up to its implementation with paying special attention to the poor or vulnerable societies.

In term of strategic food production, Indonesia in the period of 2003 – 2007 has nationally increased such as rice in average increased 2.3 % per annum; maize 5.46 %; sugar 9.40%(02-06); beef + buffalo meat 4.15%; chicken 4.66%; fish 8.81% (02-06) and eggs increased as 7.74% per annum. Meanwhile, in consumption side, on the national average, per capita energy consumption at the household level in 2007 was 100.75 % of energy required (2000 Kcal/capita/day) and Desired Dietary

Pattern (*Pola Pangan Harapan*) was 82.8 (recommendation is 100). Unfortunately this achievement is not reflected in the individual food intake. We, therefore, still concerning on the food shortages (caused by harvesting failure and poor distribution) and low purchasing power in some areas that led to the vulnerability and malnourished problems.

Food security development in Indonesia is aimed to achieve national food self-reliance that supports domestic economy and to be able to sustainably provide food for whole citizen. Indonesia with huge number of people in 2007 as 224.072 millions and its population growth 1.34 percent/year, food demand will increase time to time and should be fulfilled. In order to accomplish the targets of food security development, there is a general strategy namely twin-track strategy that includes (a) economy development on rural and agriculture base for generating income and job opportunities; and (b) provision of direct assistance for those who are food vulnerable to enable them to live appropriately.

Whereas, general policy for food security that guides government, private sector and whole community to establish together food security in household, regional dan national levels as follows: (a) to guarantee food availability are implemented through programs (i) development of 15 million hectares irrigated land-lasting and 15 million hectares dry land; (ii) development of conservation and land rehabilitation; (iii) preservation of water resources and managing river stream areas; (iv) development and procurement of high yield variety seed and agricultural equipment and machinery; (v) Increasing productivity through genetic improvement and better cultivation technology; (vi) increasing efficiency of post harvesting and processing; (b) to manage land utilization through programs of: (i): development of agrarian reform; (ii) formulation of local and regional land use development;(iii) improvement of land administration and land certification;(iv) implementation progressive tax system for converting land use; (c) to maintain food price stabilization, through programs: (i) periodical monitoring on staple food price; (ii) managing food supply and buffer stock; (d) to develop efficient food distribution system, through programs of: (i) establishment and rehabilitation of distribution means;(ii) obliteration of retribution for agriculture and fishery products; (iii) provision of transportation subsidy for severe insecure and remote areas; (iv) controlling on unfair trade; (e) to increase household access to food, through programs of: (i) empowerment for poor and food vulnerable community; (ii) increasing the effectiveness of rice for poor program; (iii) strengthening food management institution in rural area; (f) to implement food diversification, through programs of: (i) increasing on food consumption of diversified, nutritious and balance food; (ii) development of food technology;(iii) diversification of farming and promotion of local food; (g) to prevent and handle food and nutrition insecure condition through: (i) development of early warning and handling system for food and nutrition insecure incident;(ii) increasing family nutrition awareness program; (iii) promoting utilization of house yard for family nutrition source;(iv) utilizing of government food stock for handling food and nutrition insecure incident; (h) to implement policy for macro economy and conducive trade through (i) formulation of fiscal policy that gives incentive to farm business; (ii) provision national and local budget for development of food and agricultural sector; (iii) to formulate and implement trade policy that supports development of agriculture products. Basically we fight for fairer world trade to

support our efforts for establishing national food security.

Through well managed food production (environmental friendly) supported by a good governance with its appropriate policies and conducive situation of national social economy would ensure the achievement of poor reduction target and food security at household level as well. In the effort of establishing such condition, the government of Indonesia, through the FAO technical assistance, has drafted policies and programs to achieve sustainable food security through a program namely National Program for Food Security (NPFS). That particularly emphasizes on developing food security in food insecure areas, developing sense of belonging of local government towards this program and developing multi-sector surveillance system at local and national level. We also received Special Program for Food Security (SPFS) that addresses problem of food production, diversification, and food security in different agro-ecological zones.

In the frame of work of poverty reduction, the government of Indonesia has also formulated National Strategy for Poverty Alleviation (*Strategi Nasional Penanggulangan Kemiskinan*) with right based approach that emphasizes on the state obligation for respecting, protecting and fulfilling basic rights for poor community. The National Strategy for Poverty Alleviation is well integrated to the National Midterm Development Planning (*Rencana Pembangunan Jangka Menengah Nasional = RPJMN*) 2004 – 2009 or to the 2008 Government Working Plan (*Rencana Kerja Pemerintah = RKP*).

Whole nation committed to reduce poverty and hunger in Indonesia, however, there are some challenges (nationally and globally) that should be faced and solve properly as a nation and as world member country as well.

Evaluation studies (such as impact assessment, comparison between results and objectives) of programmes or projects related to the WFS Plan of Action are attached to this report and listed below:

1. The Number and Percentage of Poor People in 1990 – 2007

Year	Number of Poor People (in millions)			Percentage of Poor People (%)		
	Urban	Rural	Total	Urban	Rural	Total
1990	9.4	17.8	27.2	16.75	14.33	15.08
1993	8.7	17.2	25.9	13.45	13.79	13.67
1996	9.4	24.6	34.0	13.39	19.78	17.47
1998	17.6	31.9	49.5	21.92	25.72	24.23
1999	15.6	32.3	47.9	19.41	26.03	23.43
2000	12.3	26.4	38.7	14.60	22.38	19.14
2001	8.6	29.3	37.9	9.76	24.84	18.41
2002	13.3	25.1	38.4	14.46	21.10	18.20
2003	12.2	25.1	37.3	13.57	20.23	17.42
2004	11.4	24.8	36.2	12.13	20.11	16.66
2005	12.4	22.7	35.1	11.37	19.51	15.97
2006	14.49	24.81	39.30	13.47	21.81	17.75
2007	13.6	23.61	37.17	12.52	20.37	16.58

Source : Central Bureau of Statistic (CBS)

The number of poor people in Indonesia as illustrated in table above. In the year of 1999 the number of poor people was 47.9 millions and decreased to 38.70 millions in 2000. And since the year of 2000 to 2006, the number was in a range of 35 up to 39 millions. However, there was an increase both in number and percentage in year 2006 compared to 2005 as 39.3 (from 35.1) millions or 17.7 (from 15.97) percent, thus it was found an increase number 3.9 millions. Such a condition was caused by the increase of rice price around 33%, fuel price grimly into 114%, and kerosene gravely price escalates thrice. However, in 2006 and following years the number of poor people is being expected to gradually decrease and could reach 8.2 percent out of the population in 2009.

2. The Impact of PNPM (*Program Nasional Pemberdayaan Masyarakat*) THE COMMUNITY EMPOWERMENT PROGRAM, ON EMPLOYMENT AND POVERTY REDUCTION (Gustav F.Papanek, Boston Institute for Developing Economies(BIDE) Consultant, World Bank). Jakarta April 12, 2007.

The report shows big benefits of PNPM are due to the greater economic activity it generates, not people it hires directly: (1) In 2009 about 60 % of the benefits are indirect: increased economic activity; (2) Indirect benefits are due to: (a). The income “multiplier” – additional income generated in the village as those employed by PNPM spend their money on food, other goods and services; (b) The bigger impact is from investment in improved infrastructure which allows low cost shipment of higher-priced commodities; (3) The rural projects were estimated to generate a rate of return, an annual income as percent of investment cost, of 50% which continues for years with maintenance; this is very large; (4) In addition there are other indirect benefits that can not be measured in terms of jobs created and income increased:(a) PNPM can serve as a Social Safety Net or Social Insurance mechanism; (b) It helps to keep wages for all, even non- participants, from falling to distress levels in the off-season.

The Impact of PNPM on Poverty is great: (1) Some 16 million of the poor, 35-45% of all poor, will benefit from PNPM by 2009; (2) But if grants are frozen at Rp. 1.5 billion in 2008/09 then only 9.5 million will benefit; (3) Of the 16 million poor who will benefit: (a) 6.5 million will be pulled out of poverty and; (b) 9.5 million will get increased income of 10-14%, but not enough to escape poverty.

The report also considers the PNPM should be an important element in the program to reduce poverty and create jobs since several reasons as follows: (1) It can develop local/ village infrastructure at a cost 40% below that of government projects. So it is not only effective in reducing poverty and increasing employment it is also very efficient in developing local infrastructure; (2) Some of the funds for Social Insurance/ Social Safety Net purposes should also be allocated to PNPM for providing such services on an efficient basis; (3) PNPM was estimated to increase Indonesian National Income roughly: (a) Rp.17 trillion [\$ 2 billion] in 2009 and; (b) Rp. 26 trillion in 2010 [almost \$ 3 billion as a result of indirect effects in stimulating the economy; (c) about Rp. 3-5 trillion would be the Government's revenue from the taxes and non taxes revenues, which could be used to fund PNPM in future years.

Figure 1: Employment generated by PNPM

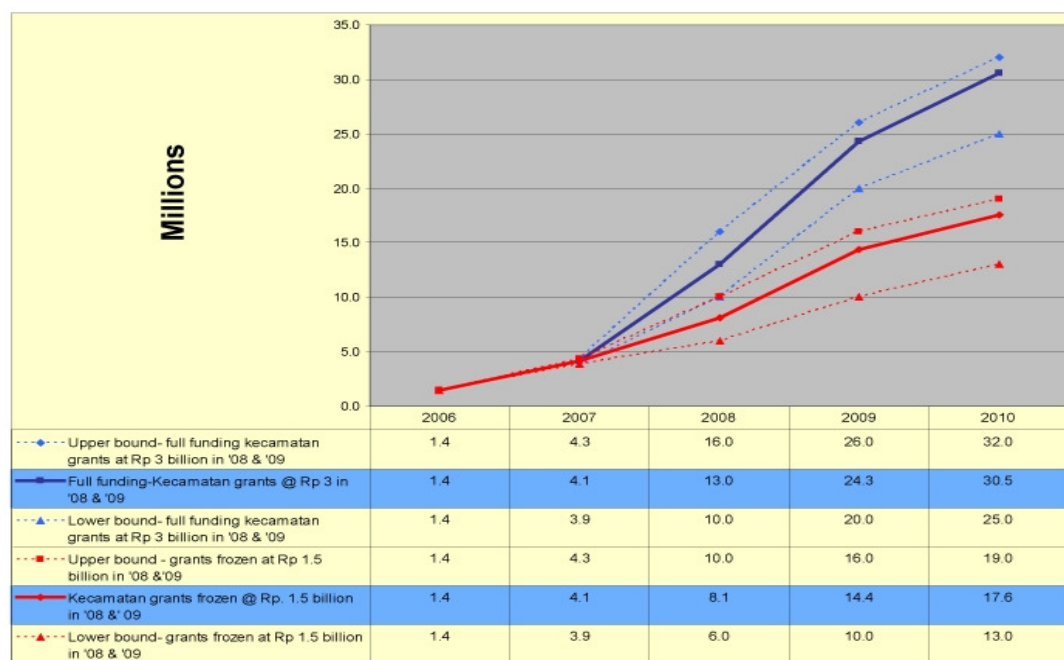


Figure 2: Sources of Employment by PNPM

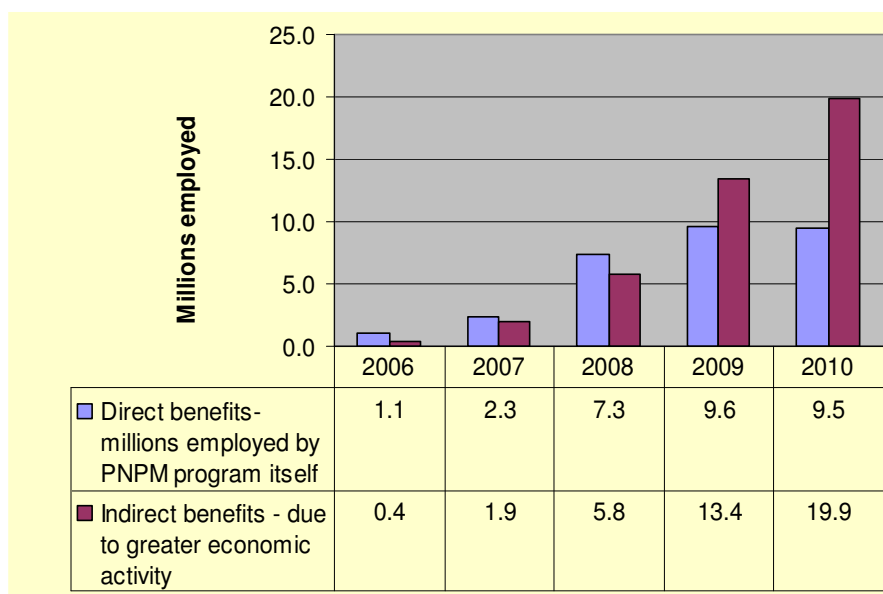


Figure 3a: Total Number of Poor to benefit from PNPM if each Kecamatan Grant is Rp. 3 billion or Rp. 1.5 billion in 2008 & 2009

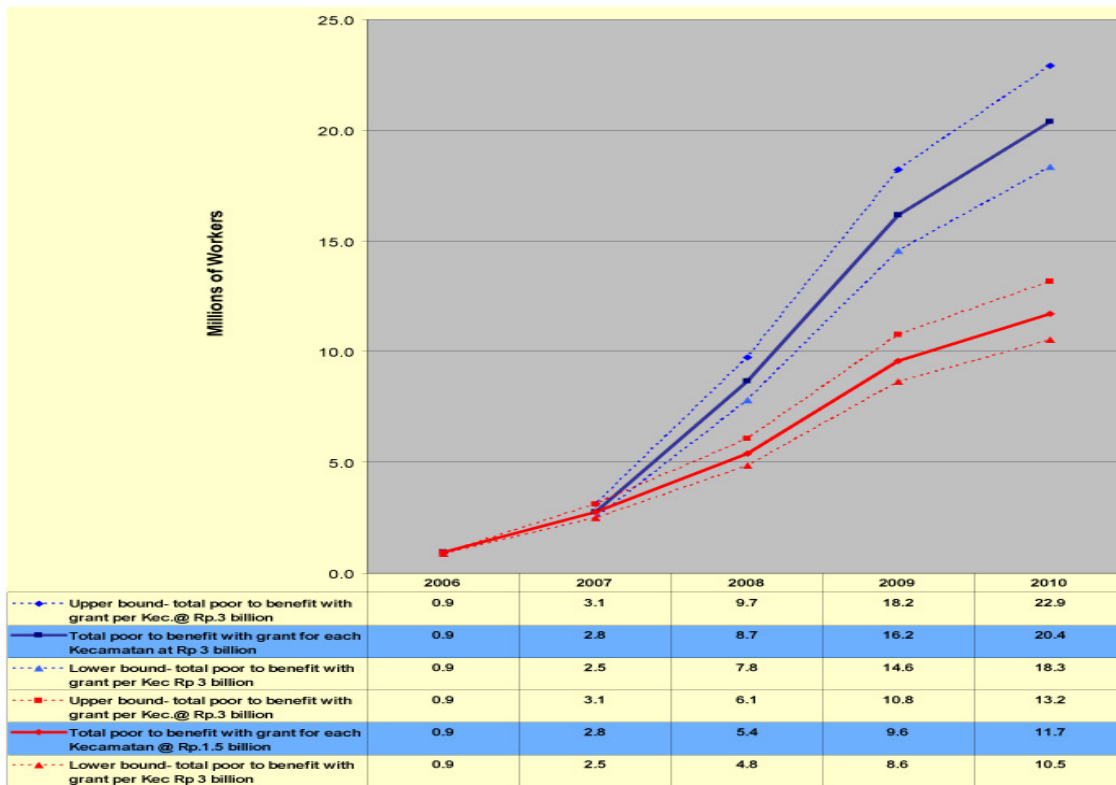
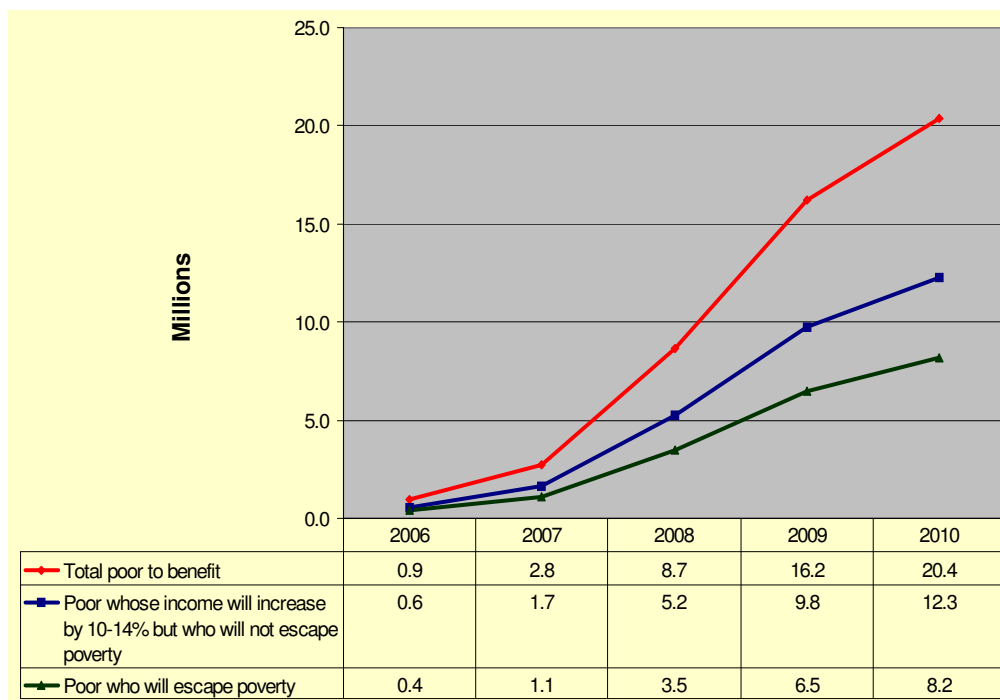


Figure 3b: The Number of Poor who Benefit from PNPM with Increased Income or to Escape from Poverty



<http://www.ppk.or.id/content.asp?pid=197&mid=228>

3. Gender Review and PNPM Strategy Formulation Mission Report (Working Paper on the Findings of Joint Donor and Government Mission) March 2007

The review states in response to increasing levels of poverty in the country, in September 2006, the President of Indonesia announced the government's decision to implement a new policy on poverty reduction and job creation. The target is to reduce poverty to become 8 percent in 2009 from 18 percent in March 2006 and to reduce unemployment rate from 10 percent in 2006 to 5 percent in 2009 through unified community driven development and labor intensive activities in 2007, by developing two models of community empowerment, namely urban and rural community development in 2008. In where, the conditional cash transfer payment will be integrated into this program. These models will mutually make up the *Program Nasional Pemberdayaan Masyarakat* (PNPM) - the National Community Empowerment Program. The PNPM presents a unique opportunity to address some of the constraints to women's empowerment that would affect the effectiveness of poverty reduction efforts. Ensuring equal opportunities across population groups, including between men and women, is an important instrument for achieving poverty reduction and growth. (World Bank 2005).

The review was undertaken to look at how gender and women's issues had been addressed in other projects to understand about what worked, and why in order to help influence the PNPM design. Specific objectives of the review were: **(i) To review the role of women in the entire project cycle and their longer-term; (ii) sustainable impact**-socialization, planning, decision-making, implementation, monitoring and maintenance; **(iii) To recommend ways forward for future gender programming in CDD-type programs** – Based upon lessons learned and results from this study, what can be applied to future programming?

Information on external assistance programmes, including a description of their impact on hunger reduction and lessons learned, is given below:

1. The Paritcipatory Integrated Development in Rainfed Areas (PIDRA)

PIDRA was initiated as supporting of International Fund for Agricultural Development (IFAD) to overcome the economic crisis in Asia especially Indonesia. The program will be carried out during eight years (2001 – 2008) divided into two phases, phase I (2001 – 2004) and phase II (2005 – 2008). The objective of the program is to increase the community income and farm production, in the framework of sustainable food security and to improve the quality livelyhood of 100,000 people under poverty line. The program focuses in three provinces (East Java, NTT and NTB) which covering 14 districts and 500 villages. After the first phase implementation, people welfare in project sites relatively improved and community were empowered both in terms of managerial and agricultural techniques.

Recently, rural community has shown their capacity improvement by developing (solely) bio-gas facility for improving their welfare through the improvemment of their product processing.

2. Special Program for Food Security (SPFS)

Special Program for Food Security (SPFS) is a pilot project design for empowering poor communities to develop a sustainable food security. It was launched in Indonesia as a response to declining performance of agriculture and food security as the impact of prolonged drought (El Nino) followed by

economic crisis in 1997. The overall objective of SPFS is to strengthen food security, revitalize the rural economy and alleviate rural poverty in order to enhance economic and nutritional well being. The program was undertaken with full participation from local communities as well as mobilization of group and community resources. Target areas are five provinces representing different agro-ecological zones (Java, Riau, Kalimantan, West Nusa Tenggara, South Sulawesi). According to the result of impact analysis (particularly irrigation development), productivity is increased and harvesting area is expanded that could increase people welfare. In 2007, the project was already terminated but the activities still continuing and even replicated into other areas.

3. National Program for Food Security (NPFS)

National Program for Food Security Formulation Assistance is program collaboratively implemented by FAO and Food Security Agency Ministry of Agriculture/the Secretariat of the National Council for Food Security in the beginning of 2004. The program is aimed to support achieving sustainable food security at national, local and household levels in Indonesia. The immediate objectives of this Technical Cooperation Program (TCP) project are: (1) facilitating government and other stakeholders by the detailed formulation of a National Program for Food Security (NPFS); (2) assisting for mobilizing of financial resources for its implementation through the organization of a workshop involving the stakeholders and the major development partners concerned; (3) increasing the awareness of district and provincial governments and agencies on issues relating to food security and how to address them, the responsibility for which is now decentralized; and (4) specifically to help establish the required processes and capacities to enable the Food Security Council at different levels to implement NPFS and undertake other responsibility allocated to them.

The main output of the project would be a document presenting NPFS in detail that would serve also as a base for resource mobilization (namely National Decentralized Support Program). The objective of National Decentralized Support Program phase I (2006-2009) is developing food security at household level in 192 food insecure districts, developing sense of belonging of local government towards this program and developing multi-sector surveillance system at local and national level. Phase I, which is starting in 2006, is incorporating with Village Food Self Reliance of the Agency for Food Security.

4. Institutional Support for Food Security (ISFS)

ISFS is technical cooperation between Food Security Agency and Japan International Cooperation Agency aimed to strengthen institutional capacity in establishing food security through five major activities like (a) Study on Food Security Policy; (b) Food Supply and Demand Policy Simulation Model; (c) Dialogue Meeting on Food Security Policy; (d) Monitoring and Evaluation System; (e) Improvement and Development of Food Security Management Information System. The model areas of the project are: North Sumatera,

north Sulawesi, South Kalimantan, and Central Java. The program is now going to be replicated into other provinces, recently still in the socialization phase.

5. **Kecamatan Development Program (PPK)**

Sub-district Development Program (*Program Pengembangan Kecamatan= PPK*) is a participatory and institutional development system. That is aimed to accelerate poverty management in rural areas through improvement of community income, society institutional strengthening, and local government also as a realization of good governance. PPK provides cash direct assistance to the rural community (BLM) for financing development activities proposed by them such as development or renovation of rural basic infrastructure, save and loan activities also social activities (education and health).

6. **Women Headed Household Empowerment Program (Program Perempuan Kepala Keluarga= PEKKA)**

PEKKA was originally developed in the year 2000, from the initial idea of the National Commission on Violence Againsts Women (**KOMNAS PEREMPUAN**), to document the life of the widows in the conflict region, and the intention of the Kecamatan Development Program (**PPK**) to respond to the request of the widows who are the victims of the conflict in Aceh, to get access to the resources, in order to overcome their economic problems and trauma. This project was originally named the "widows project" which was fully supported by a grant from the Japan Social Development Fund through the World Bank.

The **PEKKA** Program was started in December, 2001, with the vision to empower the head household women to help create a structure of a prosperous, gender just society with human rights values. While the mission of **PEKKA** is to organize and facilitate the women headed households to be able to improve their welfare, to have access to the various resources, to be able to participate actively in every cycle of development in their region, to have a critical awareness of their rights as human beings and as citizens, as well as to have control over themselves and over the decision making process within their family as well as in the society.

7. **Urban Poverty Project (Proyek Penanggulangan Kemiskinan di Perkotaan=P2KP)**

P2KP is a national project that was designed to handle/solve various poverty problems in urban areas. P2KP was aimed to manage poverty in urban areas through empowerment as social capital investment leads to sustainable development. Meaning, the project was initiated by government and expected could be develop as community initiative in the future. Since 1999 - P2KP was implemented in order to overcome structural poverty or the effect of the 1997 economy crisis. P2KP is aimed to accelerate poverty

reduction, that is not only as a reactive action upon the economy crisis effect but as a strategic effort in preparing a better society institution for the future. The kecamatan development Program (kdP) is a national government of Indonesia program aimed at alleviating poverty and improving local governance KDP began in 1998 and is implemented by the Ministry of Home Affairs, Community Development Office (PMD). The program is funded through government budget allocations, donor grants, and loans from the World Bank. KDP provides block grants of between Rp 500 million and Rp 1 billion to the *kecamatan* (sub-district). It targets poor *kecamatan* throughout Indonesia and is present in 30 of the country's 33 provinces. In August 2006, the Government of Indonesia announced that they would expand KDP to the entire country by 2009, and it would become the main national poverty reduction program for this administration.

Section II: Follow up of the WFS Plan of Action

(for completion of Section II of the report please refer to paragraph 6 of the Guidelines)

This section describes the actions taken under all of the seven Commitments adopted at the World Food Summit. Information is included on policies pursued and/or action programmes implemented, demonstrating, where possible, their impact in terms of contributing to overall social and economic development, poverty alleviation and hunger reduction.

The full text of the WFS Plan of Action is available online at the FAO internet site http://www.fao.org/monitoringprogress/summit_en.html, under the section “Key documents, Rome Declaration on World Food Security”.

PROGRESS REPORT OF THE IMPLEMENTATION OF THE FOLLOW-UP OF THE WORLD FOOD SUMMIT PLAN OF ACTION IN INDONESIA

INTRODUCTION

1. Agriculture is a major economic sector in Indonesia. There is more than 24.68 millions agricultural households, which is dominated by small farmers. Mostly, they only own and cultivate a small size of farmland, where more than 13,253 millions agricultural households own less than 0.5 hectares (based on Agricultural Census, BPS-Statistics Indonesia 2006). The very small-size land ownership is one of the major reasons for poverty existence in the rural areas, since small land ownership has less productivity, efficiency, production continuity and, therefore, less competitiveness.
2. Experienced from severe economic crisis in the past, which has not fully recovered, agricultural sector has proven itself as an engine of growth in the Indonesia economic development. Recognizing this importance role and considering the external changes, Indonesia is shifting over all its agricultural policy and strategy to adjust and to redesign its agricultural paradigm and strategy. Then, the development of agriculture should not be focused only on increasing production, but on economic improvement and increasing farmers' income as well, and on the overall effort on the achievement of national food security.
3. As we may be all aware, the world is facing a serious food problem: hunger, malnutrition, and poverty prevails in many developing countries. One of the reasons is world food supply has not kept up with the demand because the rate of population growth is higher than the food production growth; resources for food production are continuously depleted. These problems should not be seen solely as individual country, but as the global problem as well. Both developed and developing countries should work together to solve the world food security. It, then, is a major issue on international agenda.

4. For the next five years (2005-2009), the agriculture development in Indonesia has a vision "*Concerning on prosperity of agriculture society through the completion of clean bureaucracy in sustainable agriculture development*". It is implemented through realizing professional and high integrity agriculture bureaucracy, promoting strong and sustainable agriculture development, facilitating food security through production enhancement and consumption diversification, promoting the role of agriculture sector to national economics, facilitating the access of agriculture player to resource and service, and protecting farmer and agriculture in domestic and global trade system.
5. Furthermore, the government has also established coordinating bodies related to food security and poverty alleviation, namely: (a) Food Security Council and (b) Committee for Poverty Alleviation.
6. It is necessary to make a consensus that food security concept at the national level means sufficient supply of food, nutritious, secure to be consumed, and accessible for all people to obtain food which intend to have market system empowerment, efficient and effective distribution system of food from production center to the consumer and acceptable according to the culture. Achievement of food security is started from household / individual level up to the national level.
7. By realising that food security involves various stakeholders, basic strategy of improving food security is community empowerment that would establish self-reliance society, especially those who live in rural areas. Therefore, food security policy is formulated as inter-sectored activity that involves several institutions such as: Ministry of Agriculture, Ministry of Health and Ministry of Social Affairs, National Planning Board (BAPPENAS), Ministry of Industry and Trade, National Logistic Agency (BULOG), Cabinet Secretariat, Ministry of Defence, and State Ministry of Women Empowerment. This policy coincides with the objective of National Development in each sector, and at the end, is directed to eradicate poverty, hunger, and malnutrition.
8. Generally, national food security situation for period of 2000 - 2007 shows excellent tendency. It is shown by some food security indicators, include: (1) production of some important food commodities tend to increase; (2) progress of food prices are considered to be mor or less instable, either in normal situation or period in celebration day (Ramadhan, Christmas, and New Year); (3) Community income which is counted by value of wage is increasing (either wage of agriculture labor or wage of informal employee in industry sector); (4) the average of farmer exchange value (*nilai tukar petani*) is increasing; (5) quality of community consumption is increasing; (6) the role of community and local government is increasing, shown by creativity of local government in handling food security problems; and (7) proportion of poor and food insecure people is decreasing. This indications show that the food security policy and efforts have been done give positif impact.

COMMITMENTS

ONE

We will ensure an enabling political, social, and economic environment designed to create the best conditions for the eradication of poverty and for durable peace, based on full and equal participation of women and men, which is most conducive to achieving sustainable food security for all.

Indonesia has been significantly changing its political system since 1998 through several steps; among others, enhancing law on political parties which broadens people opportunity and participation on the national political decision making as reflected through the increase number of political parties; secondly, changing development paradigm from centralized to a more decentralized government, heading to more democratic governance. In order to form clean government, Indonesia also promotes and strengthens well-function legal and judicial systems by eradicating corruption to create clean government.

The Law number 22/1999, and lately was reviewed to be the Law number 32/2004, to realize democratization in Indonesia politic. Through the implementation of this law central government, like foreign affair, national security, national safety, law and justice, monetary and fiscal policies, and religion. By the implementation of decentralization, each local government (kabupaten/districts) could formulate program/action plan precisely since they know better their own needs and conditions rather than central government does. Food security issue, for instance, becomes local government responsibility to ensuring that all people in his/her area are able to access the food both in term of quantity and quality, so, they could life in healthy manners. To achieve such a condition the government has been taking several policies such as (1) Improvement of women's quality and productivity through introducing wider opportunity to them to get better knowledge for both management an science; (2) Development of equal position between women and men by formulating program in every sectors that more consider on gender development.

Another problem faced by international world is terrorism. To maintain durable peace in the country, the government and parliament is preparing a Law on Terrorism, in which Government Act on Terrorism (*Peraturan Pemerintah Pengganti Undang-Undang*) is now enacted. The aim is to give a conducive environment for implementing development.

Indonesia also believe that equal participation across population groups (including between men and women) in national development particularly in poverty and hunger reduction is important, hence, to secure equal participation of women and men and to promote women empowerment, the government has established Ministry of Women Affairs for the last ten years. The Ministry is coordinating all related women affairs programs, for instance, improvement of women's quality and productivity through improvement of managerial capability as well as capability on science and technology.

In supporting the policy upon gender equity, there are several programs/activities being implemented, among others, (a) The enlargement of women business opportunity in agricultural sector by developing partnership to all related institutions like the establishment of Informal Business Group (*Kelompok Usaha*

Bersama), Women NGOs, and other activity groups. (b) The improvement of integrated programs in developing women's role on family health and prosperity (*Keluarga Sehat dan Sejahtera-P2WKSS*). These activities include back-yard farming, rural agribusiness development, healthy house environment maintenance and environmental conservation. (c) The establishment of income generating program for improving small farmers welfare like the Small Farmers' Income Improvement Program (P4K), Participatory Integrated Development in Rainfed Area (PIDRA), Special Program for Food Security (SPFS) with community participatory and gender mainstreaming approach, etc. (d) Women Headed Household empowerment Program (PEKKA) through this program the government intends to enhance women's role in local, regional up to national development as well; (d) The President of Indonesia recently has also announced the Self-Reliance National Community Empowerment Program (PNPM-Mandiri) and been expecting the program could be continuously implemented.

TWO

We will implement policies aimed at eradicating poverty and inequality and improving physical and economic access by all, at all times, to sufficient, nutritionally adequate and safe food and its effective utilization.

Indonesian government believes that accessibility to food is strongly influenced by two major aspects, which are the availability of food in term of quantity and capability of all people to obtain the food economically and physically. To ensure these two major aspects, the government formulated policies and /actions such as the establishment of the National Food Security Council which has members from various concerned institutions and has function as coordinating institution in attaining national food security. The government also stipulated Government Regulation for food to ensure food can be accessed by all people. For instance, for people who food insecure provided with food in low cost namely "*Raskin*" (rice for the poor).

There is also Development of Food Self-reliance Village (Desa Mandiri Pangan) which have target on food insecure area. The aim is to promote people in village area to obtain their needs and achieve food security. Steps in this program include preparation stage (identification data), growing stage (training, skill enhancement, community development with empowerment), strengthening stage (capital strengthening, planning) and self-reliance stage.

The Food Security Council has implemented several activities related with the achievement of poverty and hunger reduction as follows: (1) Regional Conference of Food Security Council in 2006 and 2007. Through this event, Provincial Councils (Chaired by Governors) has stressed the commitment on acceleration of rate reduction of poverty, food vulnerability and undernourishment, at least 1 percent per year by implementing economic empowerment for poor community;(2) Formulation of General Policy of Food Security (*Kebijakan Umum Ketahanan Pangan*) 2006-2009. That should be referred by concerned institutions/stakeholders in developing regional/national food security; (3) Establishment of National Alliance Against Hunger that functions as an independent organization for communication, coordination and

expertise integration in order to realize common commitment on against hunger, poverty and undernourishment.

In addition, the government has also formulated the National Poverty Reduction Strategy Document (SNPK), which is a strategic and action plan document prepared to accelerate the poverty reduction goal and target. The SNPK document is integrated in the Medium Term Development Plan Document (RPJM) 2004 – 2009 that incorporates the development policies and government work plan for five years. The SNPK document acknowledges poverty as a multidimensional issue. Poverty is not only measured by income, but also vulnerability and fragility of certain people or group of people both women and men to become poor people. Poverty issues also concerns of unfulfilled basic rights for the poor to maintain and develop a dignified life. The resolution of poverty issues should be based on the voices of the poor, respect, protection and fulfilment of their rights with respect to their social, cultural, economic and political rights. Thus, the strategy and policy formulated in the SNPK is right based approach.

The National Poverty Reduction Strategy (SNPK) is the national guidance for the government, private sector, society and all stakeholders in advocating the national poverty reduction 'movement'. The desired aim is to strengthen the commitment in poverty reduction, build a national consensus to implement poverty reduction through the right based approach, strengthen the commitment in achieving the Millennium Development Goals, especially poverty reduction, and promote poverty reduction mainstreaming in the state policies. The right based approach is relevant with the development and issues in Indonesia. The ongoing process of democracy is expected to sharpen the political awareness and process on the importance to realize the basic rights of the poor. The right based approach also underlines the importance of decentralization as a part of the effort in fulfilling basic rights of the poor. With more authority and resources, the district and city government has an obligation to provide uncomplicated, affordable and qualified basic services for the poor, also provide a broader participation space for the poor in decision making.

By prioritizing the participation process and the awareness of the voice of the poor, the poverty reduction strategy is implemented in 4 (four) action plans in the period of five years (2005 – 2009), which are (a) the action plan for macroeconomic framework;(b) basic rights fulfilment;(c) gender equality and equity, and (d) acceleration of regional development to support basic rights fulfilment.

The action plan for macro economic framework accommodate the policies and policy steps to create macro economic stability, increase economic growth, expand job opportunity and decrease regional inequality.

The action plan for basic rights fulfilment accommodate policies and policy steps to realize respect, protection and fulfilment of the right to food, health, education, employment, clean water, housing, land, natural resources and environment, secure feeling from violence, and participate in decision making.

The action plan to realize gender equity and equality accommodate policies and policy steps to decrease gender inequity and guarantee respect, protection and fulfilment of equal basic right for women and men.

The action plan for acceleration of regional development accommodate policies and policy steps to revitalize rural development, increase urban development, develop coastal areas and accelerate the development of least developed areas.

Moreover, to guarantee the implementation of the poverty reduction action plan, the SNPK document also defines the action plan of implementation mechanism that accommodates the necessities, institutions, implementing network, budgeting, safeguarding, and anticipation towards the barriers of the action plan implementation, also the monitoring and evaluation system.

In fact, Indonesia nowadays is classified as a 'middle-income' country. This is determined by looking at a country's Gross National Income (GNI) which is calculated by adding up the market value of all goods and services produced in a given period of time. In 2006, our GNI per capita was \$1,420/year which at current exchange rate roughly translates into Rp 1,077,000 per month. If it is compared to many other countries, taking into account average incomes and the cost of living, then Indonesia is placed 139th out of 209 in the global league table (World Bank, GNI Table, September 2007).

In term of education and health, the government also has programs and actions like nine years schooling obligation, which encourages people to have better education at least up to junior high school level. In the health aspect, the government provides center for community health in village and sub district level and in provincial level there are local public hospitals (*RSUD*). The government, recently, has also launched a health insurance program for the poor namely "*ASKESKIN*". This program enables unfortunate/poor people to have medical services in public hospitals/health centers.

We also believe that healthy life should be started in juvenile ages, therefore, the government is implementing a movement namely "*Gerakan Makan Beragam Bergizi Seimbang dan Aman bagi Ibu Hamil, Ibu Menyusui, Balita dan Anak Sekolah*" → Movement of Diversified, Nutritious, Balanced and Safe Meal for Pregnant and Breast-Feeding Women, Under five and School Age Children. Through the movement, the government promotes and advocates the importance of diversified, nutritious, balanced and safe food for their health. The target beneficiaries are those groups that is considered as poor/insecure people who mostly live in remote/rural areas.

THREE

We will pursue participatory and sustainable food, agriculture, fisheries, forestry and rural development policies and practices in high and low potential areas, which are essential to adequate and reliable food supplies at the household, national, regional and global levels, and combat pests, drought and desertification, considering the multifunctional character of agriculture.

Changing development paradigm from centralization to decentralization as reflected in the Law 22/1999 and 25/2000 provides closer relationship between (local) government and its population, and hence, it is expected to induce and enhance people participation in the decision making processes. Ministry of Agriculture, for instance, reflects the decentralization shift by improving its budget allocation, where more than 80% of the Ministry budget is allocated for regional with activities designed and proposed by regional.

Policies related to Commitment III is encouraging people participation conducted through sustainable agricultural development, which is directed to environmentally friendly modern agriculture by involving people participation. The policies among others:

1. *To empower and to activate people household in order to enhance food security at the household level, local. The national activities of this policy include:*
 - A. *To enlarge the utilisation of rainfed areas, low tide areas, swamp, and dry-land to support the production acreage and at the same time increasing income by improving efficiency;*
 - B. *To improve food security at the household level through the utilisation of house yard and others at the nutrition sensitive areas, poverty and underdeveloped areas;*
 - C. *To stimulate food consumption diversification through extension on food and nutrient diversity from local vegetable and animal resources (pangan lokal);*
 - D. *To improve production situation analysis and food supply at the local areas in the framework of food plan based on expected food dietary pattern (PPH); to develop early management and prevention system to avoid food shock through production awareness system and food supply at the local level;*
 - E. *To develop rural economic activities to improve household income such as SPFS type program.*
2. *To improve the capacity of farmers and fishermen organisations in agricultural and rural development. Programs that have been set up to implement this policy, among others:*
 - A. *Rural economic corporate institution (lembaga usaha ekonomi pedesaan-luep). It is a capital strengthening program for main players in agricultural sector to buy agricultural product (rice) with standard price. The aim is to maintain price stability and protect farmers.*
 - B. *Food stock (lumbung pangan). It is a capital strengthening program for community group so that they can develop community business.*

Beside those activities, several new projects are also designed to encourage people participation in the sustainable agricultural development, such as Participatory Integrated Development in Rainfed Areas (PIDRA) which being implemented in upland

areas with relatively low rainfall by introducing conservation and water management system as well as, non farming activities (usually for women) that could improve their income. Special Program for Food Security (SPFS) addresses the problem of food production, diversification and food security in the several different agro-economical zones by mobilizing target beneficiaries participation and enhancing their capacity. The SPFS in Indonesia was started on 17 September 2001 and has been terminated on 16 September 2006 (5 years period) as technical assistance prepared by FAO based upon the framework of "G to G" agreement between the Government of Indonesia (recipient country) and the Government of Japan (donor country).

Moreover, agricultural development strategies have been launched in 2005 through national campaign of development policy called Revitalization of Agriculture, Fisheries and Forestry. This policy is considered as one of the triple track strategies of economic development in Indonesia (pro-growth, pro-employment, and pro-poor). From the point of view of agricultural revitalization, food security is unarguable step to encounter enormous problems and to achieve the objectives of the policy. The dynamic of food demand, including food quality, labor market, educational attainment, people's mobility, and gender development, is taken into account as it will picture the performance of agricultural development in the future. In this respect, there are three important aspects to be thoroughly considered, i.e., (a) the increase demand on food (quality, amount, and variety), (b) the increase of eligible manpower for agriculture, and (c) the increase demand on land use with pressure of land conversion from agriculture to non-agriculture (specifically for housing complex, industry plant, and other economic infrastructures). (Achmad Suryana and Tahlim Sudaryanto in Response of Indonesian Agriculture to Global Trends and Challenges, Paper presented at The Food Industry International Seminar: Global Trends and Challenges of the Food Industry, SEASFAST Center, 14 November 2006, Sahid Jaya Hotel, Jakarta, Indonesia)

Indonesian also believe that agricultural sector, especially wetland farming, has multifunctionality values on social economical and cultural functions, environmental sustainability function and enhancing food security function. Agricultural sustainability with its agricultural land extensification program can be implemented if the respective sector with its multifunctionality value was able to give the contribution on poverty reduction. To optimize the multifunctionality values, indeed, there would be some appropriate strategic policies needed (a) To facilitate the development of physical and institutional infrastructure, to improve farming incentive system, and to promote labor intensive agro industry development in rural area; (b) To conduct the reorientation of direction and objective of rice agribusiness development with the main goals to improve income as well as household food security of the rice farmers, and as a tool to promote dynamic rural economic development; and (c) To develop infrastructure (physical and institutional), technology, capital, price stabilization policy, and extension services for the non-rice alternative commodities, having high profitability at manageable.

FOUR

We will strive to ensure that food, agricultural trade and overall trade policies are conducive to fostering food security for all through a fair and market-oriented world trade system.

As a country which also ratified the General Agreement on Tariff and Trade (GATT) and World Trade Organization (WTO), Indonesia should commit with the WTO agreement. As consequence, during the economic crisis (1998), Indonesia had reduced all tariff barriers of agricultural products, eventhough some of member countries were not obeying their commitment to eliminate similar barriers in their economic and trade policies (tariff protection, direct and indirect subsidy, etc.). Such a condition caused market distortion and created unfair competition between other (developed) countries and Indonesia.

In responding this situation, the government of Indonesia should continuously apply selected protection to certain strategic commodities, such as rice, sugar, corn, and soybean. Import tariff and import regulations as well as input production subsidy, output price policy, and credit interest subsidy for farm credit are among the possible policies to protect local farmers. In the context of economic liberalization, Indonesia is currently taking an opportunity to promote its agricultural products in international market through facilitating the productivity improvement and business efficiency in line with policies related to quality improvement and enhancement of agricultural product standardization. Those are the strategic responses to problems facing the current dynamic regional or even global environment.

In order to achieve the fourth commitment, the government has set-up several policies which are implemented through meaningful actions/policies, programs, and activities which are directly related to international agreement such as World Trade Organisation (WTO), regional commitment such as APEC and ASEAN (through CEPT, AFTA), and national policies that support the said of international and regional commitment and development.

Plans of Action related to the fourth commitment for the next 5 years include:

1. To carry out International Cooperation
 - a) To develop international cooperation against hunger and poverty in order to strengthen Indonesia' position in world trade.
 - b) To improve capability of economy, politics, social and culture diplomacy to strengthen food security.
2. To implement conducive Macro and Trade Policy
 - a) To carry out fiscal policy which is giving incentive and tax reduction for agriculture and food business up to village level.
 - b) To allocate appropriate National and Regional Income and Expenditure Budget (APBN/APBD) for development of agriculture and food sector.

Realizing that in the context of WTO there has been inequality in terms of food trade, and in view of the Doha Development Agenda has not been fully implemented yet in the last three years. As a coordinator of G33 is strongly proposed WTO meetings on how to establish open but fair trade to achieve the objectives of WTO agreement, namely to benefit all worldwide nations without any preference to

developed, developing and less developing countries. The G33 has proposed Strategic Product (SP) within the framework of Special Safeguard Measure (SSM) to ensure open but fair trade to promote food security, poverty reduction and rural development. It seems that the proposal has been adopted in the last July Package. Similarly, in the context of AFTA framework, the members are also considering Sensitive Products to foster food security, poverty reduction and rural development in the region.

FIVE

We will endeavour to prevent and be prepared for natural disasters and man-made emergencies and to meet transitory and emergency food requirements in ways that encourage recovery, rehabilitation, development and a capacity to satisfy future needs.

Referring to the substance of the Commitment Five, the government of Indonesia has been translating into several precautionary actions such as the stipulation of Law on Planology and the formulation of regulation on illegal logging.

Besides those mentioned above, the government has been implementing socialization to improve people awareness on the environmental conservation like introducing forest replanting and rehabilitation, water source conservation through water management practices and introducing sustainable agriculture practices.

To meet transitory and emergency food relief, the government is implementing several activities, such as: (a) increasing community awareness and readiness to cope with of disaster in order to reduce victims and loss of money, especially in natural disaster sensitive areas; (b) improving mapping of disaster sensitive areas, and its distribution to the users that can be utilize in development planning and formulation of regional general plan (*RTRW*); (c) improving provision of facilities and pre-facilities as well as to increase number of human resource and their capabilities in managing impact of disaster; (d) developing disaster information system; (e) developing integrated disaster management system and mechanism at various level, as well as devoting aid and guidance to recover social functions of the victims.

In order to prevent natural disaster effects related to food insecurity, government has implemented Monitoring and Evaluation (MONEV) system. This system is used to detect the possibility of food insecurity incident through data monitoring periodically (every month) from village up to province. Data/variable which is analyzed consist of data related to food and nutrition condition in community. This system known as Food and Nutrition Surveillance System (*Sistem Kewaspadaan Pangan dan Gizi-SKPG*). The other data which is used in SKPG system is Food Insecurity Atlas/FIA which was established in 2005.

SIX

We will promote optimal allocation and use of public and private investments to foster human resources, sustainable food, agriculture, fisheries and forestry systems, and rural development, in high and low potential areas.

Achieving food security for all is not solely the responsibility of government, but the community and all stakeholders as well. In pursuing such goals, the government and parliament are formulating decentralized, people oriented and pro-poor, and sustainable agribusiness approach as leading sector to eradicate poverty, to generate employment and to enhance fundamental economy. It is implemented through improvement of budget allocation where more than 80% the budget is allocated for region.

The government with the support from FAO is drafting policies and programs, to achieve sustainable food security (National programme for Food Security), with particular emphasis on rural and low potential areas.

SEVEN

We will implement, monitor, and follow-up this Plan of Action at all levels in cooperation with the international community.

As mentioned above, Indonesia politic has been shifted from centralized into decentralized governance with some consequence, program formulation and monitoring are designed in line with decentralization approached. In 2001, the Government created a Council for Food Security chaired by the President at the national level and has 16 members at the Ministerial level. The Council has two working groups, namely technical working group and expert working group. Members of the working group are director general level representing their minister while members of expert group consist of professionals, private food-related industries, and representation of farmers and NGOs.

In the provincial and district level, regional government are also created Food Security Council chaired by Governors at provincial and Bupatis at District level. Monitoring is done through Food Security Council Conferences, which are attended by Governors and Regional Meeting of the District Food Security Councils attended by Bupatis. The conference and regional meetings are conducted once in two years where, even year for conference and odd year for regional meeting.

Summary list of the most important programmes contributing to the WFS Plan of Action:

<u>Programme</u>	Year Initiated	Duration	Total Budget	Status
1. Participatory Integrated Development in Rainfed Areas (funded by IFAD)	2001	8 years	IFAD	Phase II is on going
2. Special Program for Food Security (SPFS)	2001 Sept	2007 Sept	US\$ 3,099,637 GoJ & US\$ 800,000 GoI	Terminated
3. National Program for Food Security (NPFS)	2004	1 year	US\$339.000	Terminated Phase I starting
4. Institutional Support for Food Security (ISFS)	2005	3 years	JICA Technical Assistance	Terminated
5. Food Self-Reliance Village Program (<i>Desa Mandiri Pangan</i>)	2005	2008	Natonal budgetary	On going
6. National Program on Community Empowerment (<i>Program Nasional Pemberdayaan Masyarakat</i>)				Being replicated
7. Kecamatan Development Program (<i>PPK</i>)	1998	2006	World Bank Assistance	Terminated
8. National Program on Self-Reliance Community Empowerment (PNPM-Mandiri)	2009	2015	National Budgetary	Preparatory phase

[add more programmes/rows if needed]

The policies, strategies and initiatives implemented, and their outcomes, are described below.

[enter text here]

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Food Security and Related Indicators

No	Indicator Name	1999	2000	2001	2002	2003	2004	2005	2006	2007
1	Number of Population (million)	204.784	205.800	209.900	212.600	215.300	216.400	219,264	218,869	224.072
2	Number of food insecure people (million)	37.454	na	na	33.906	27.509	27.509	18,139	0	0
3	% of food insecure people	18,29			16,73	12,63	12,67	8,27	0	0
4	Number of hunger people (million)	22.656	na	na	6.633	10.346	10.828	6.225	9.945	5.707
5	% of hunger people	11,06			3,12	4,805	5,004	2,84	4,544	2,540
6	Total Under Five (million)	na	17.904	18.134	18.370	18.608	19.686			
	Total Underfive with Moderate Nutrition Status (million)		3.067	3.066	3.545	3.573	3.150			
7	% Underfive with Moderate Nutrition Status		17,13	16,91	19,30	19,20	16,00			
8	Total Underfive with Severe Nutrition Status (million)		1.348	1.347	1.470	1.554	0.663			
9	% Underfive with Severe Nutrition Status		7,53	7,43	8,00	8,35	3,37			
10	Dietary Energy Consumption (kcal/cap/day)	1.851			1.986	1.991	1.986	1.997		
11										
12	Number of poverty (million)	47.9	38.7	37.9	38.4	37.3	36.2	35.1	39.3	37.17
13	% Poverty	23.43	19.14	18.41	18.20	17.42	16.66	15.97	17.75	16.58

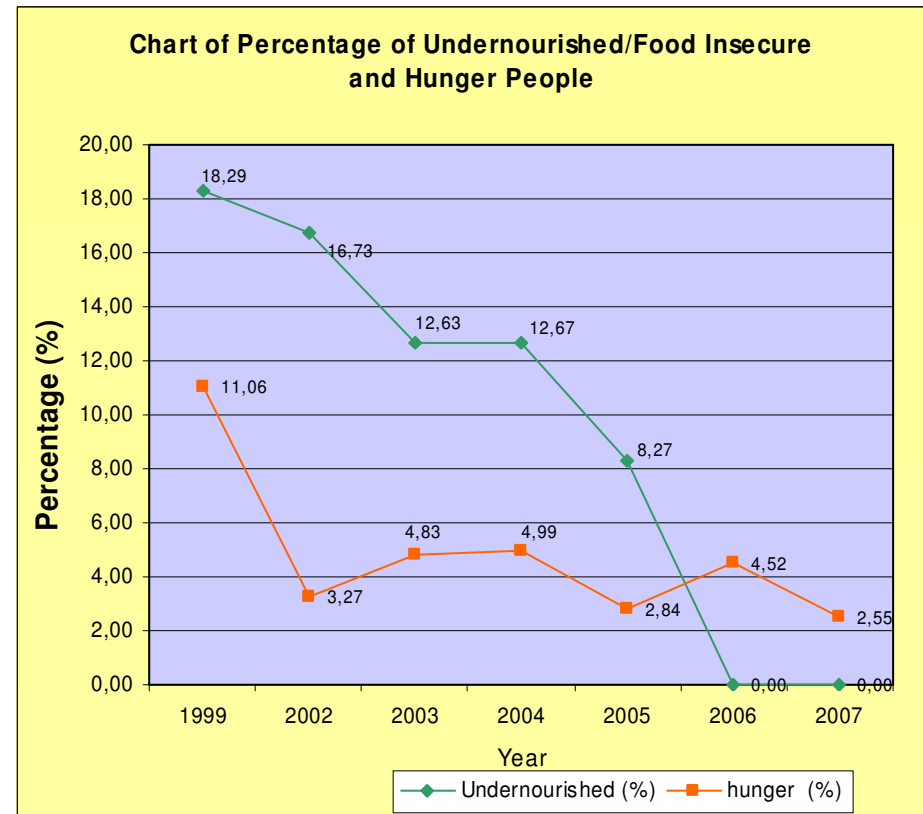
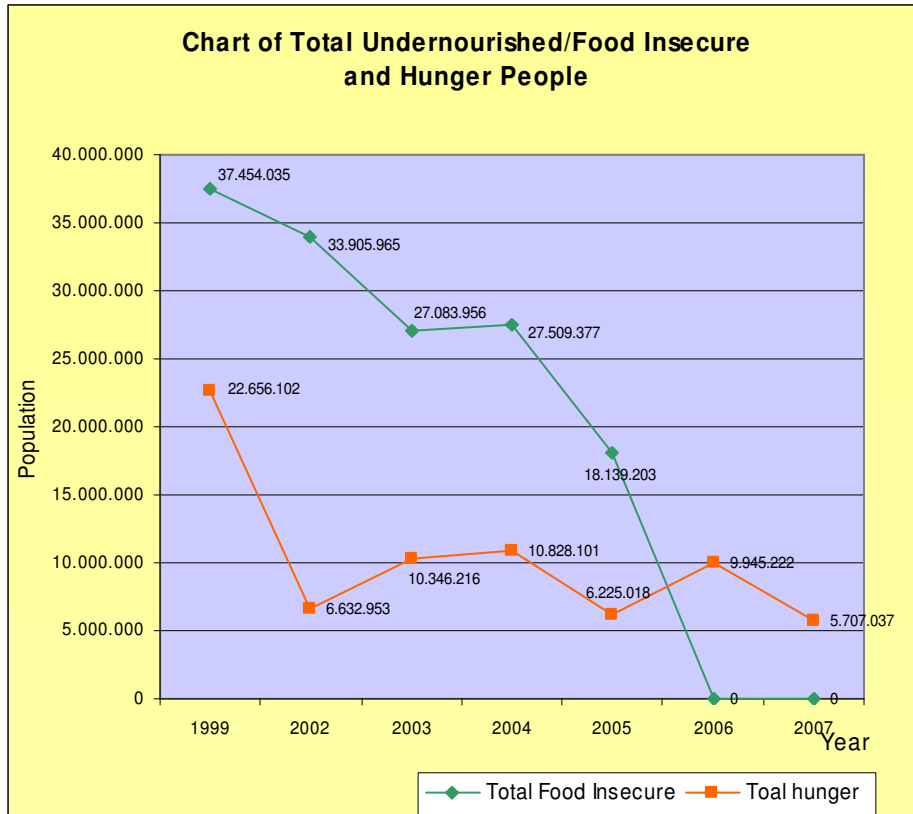
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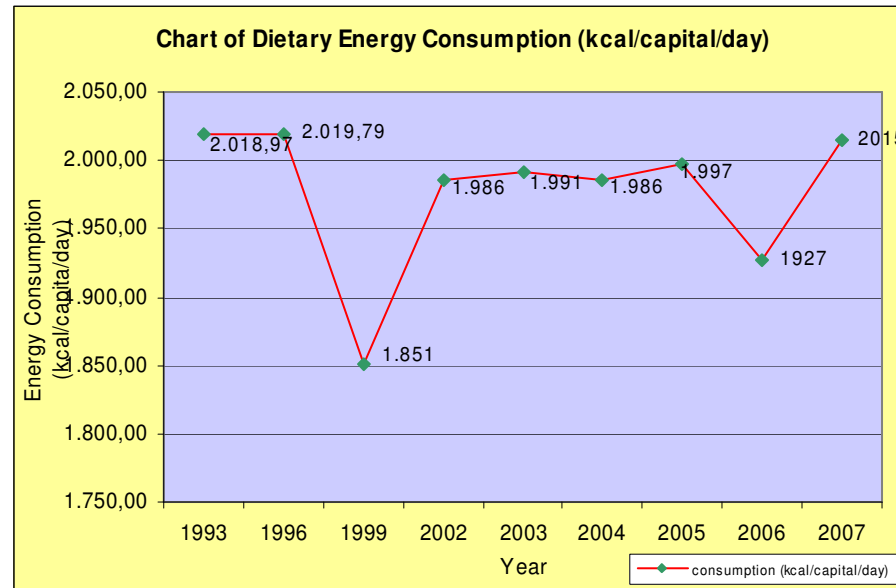
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Figure.





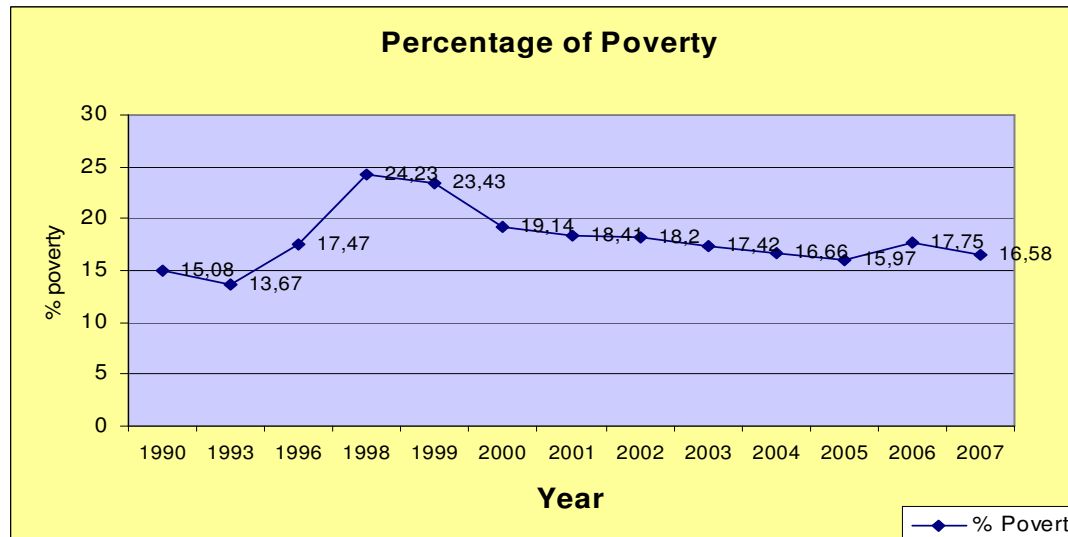
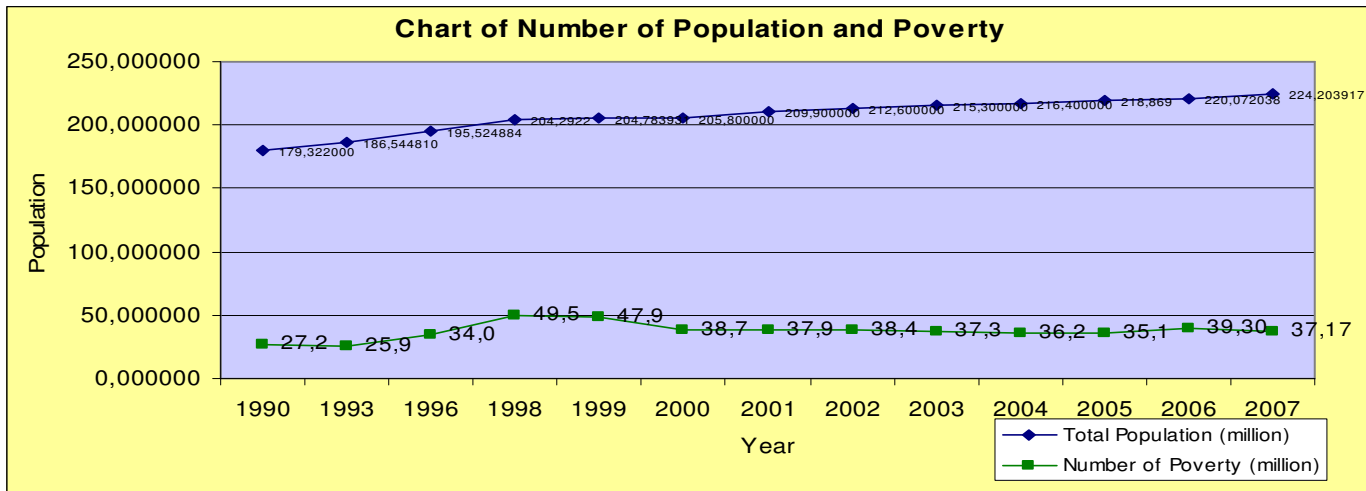


Chart of Percentage of Underfive's Nutrition Status

