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“DEVELOPING LOCAL INITIATIVES FOR POVERTY ALLEVIATION
THROUGH COMMUNITY BASED SUSTAINABLE LIVELIHOOD
IN OIC MEMBER COUNTRIES”

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THE POLICY AND THE SYNERGIES OF POVERTY ALLEVIATION IN
MINISTRY OF SOCIAL AFFAIRS REPUBLIC OF INDONESIA

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ABSTRACT

Poverty remains a serious problem in small islands area spreaded throughout Indonesia; some of them are on the border with other countries. The problem occurs as a result of a lack of management of natural resources, low of education level because it is far for going to school, far from decision-maker access, limited access to capital, science, technology and telecommunications, market and political support. The other problems are inequalities of income and development between urban and rural areas and the gap between the wealt and the poor. Ministry of Social Affairs takes responsibility to handle poverty alliviation by providing stimulantly Productive Economic Business (UEP). Based on the results of focus group discussion conducted with SKPD Nunukan and Sumenep are resulted some recommendations, namely; a) need for socialization and education about Productive Economic Business Program (UEP) with the orientation of the local natural resources management based on local livelihoods and prepare the marketing system for the product; b) need for further training to the community target program of marine, agricultural and plantation products (processing and packaging the product); and c) required further training for facilitators about knowledge and skills of processing and marketing of products, and need to coordinate between the Ministry of Social Affair and community institutions. The development of local initiatives in community-based poverty alliviation through sustainable livelihood in Border Areas and Small Islands successfully developed based on three practical components, namely; a) Socioeconomic Mapping; b) Empowerment through UEP; an c) UEP marketing and distribution product mechanism of the benefit receiver via E-Warong. This model can be used as a policy formulation on poverty alliviation based on local initiatives through sustainable livelihood in the border area and small islands.

Introduction

The causes of poverty at the border and small islands in Indonesia are the lack of natural resources managements, low of man power resources because of far from school, far from decision-maker access, limited access to capital, science, technology and telecommunications, market and political support. The other poverty problems at the outer small islands are the income gap among the society's incomes and inequalities of development between urban and rural areas. The Indonesian Government Constitution number 13 *of 2011* on Poverty Management is as a basis for Ministry of Social Affairs to run the poverty alliviation for improving the welfare of poor families in coastal areas, small islands and borders between countries. The efforts ofnthis institutions are in the forms of Productive Economic Business Program (UEP), Not Livable Hause Rehabilitation (RS-RTLH), Environment Facility (Sarling) and social assistance.

Based on the complexity of poverty problem in coastal areas, small islands and the borders between the States, the Ministry Social Affairs Regulation No. 20 Year 2015 has managed the Organizational Structure and Work Procedures at a new directorate, namely the Directorate of Poverty Management of Coastal, Small Islands and Border Inter-State. This directorate has to formulate and implement policies, has to prepare norms, standards, procedures, and criteria, has to provide technical guidance and supervision, as well as evaluation and reporting in the field of coastal management poverty, small islands and borders areas between countries.

The poverty alleviation based on the local community at the borders areas and small islands conducted through the empowerment approach. This is the way how to maintain the poverty problems through technical assistance and capacity building to the poor to strengthen their livelihood or diversify their income. The goal of developing local initiatives is to improve the ability of poor families based on their capacities in managing local resources, capital, infrastructure, social structures and local organizations, in order to achieve the optimal results. Local initiatives are expected to improve the prior situation to a better one, as well as to encourage for enlarging knowledge, insight, and motivation in improving the circumstances.

In the effort of poverty alleviation, it is found some opportunities and potencies in the community which are applied for making a personal goodwill and interdependencies that exist at the local level. This is called local initiatives in which communities have their own strategy to support / empower the poor families in their surrounding. Empowering families, in this case are also supported by local and central government for encouragement. This condition is able to support innovative solutions, greater community resilience and can improve the social welfare. This concept is implemented to empower the borders areas and small islands community to develop their productivities based on their livelihood.

Problem

The main problem of the group communities is due to the geographical conditions, like lack of infrastructure and also the backwardness of various developments, consequently it is lack of natural resources productivity management, but it is abundant natural products. The data of Kecamatan Raas Kabupaten Sumenep as target areas has been shown that the territory area is about 38,9 km² consisting 9 villages. The total population is 34.784 persons, and population density is 894,19 persons /km². The road has been 50,443 km² along road in the condition of 14,41% in damage and 19,82% in severely damaged. The kind of transportations are truck, pick up, viar, motor cycle and traditional padicap. Last, the electricity is not there.

The transportation between islands uses fishing boats from Raas to Sumenep vice versa; it is about 4 to 5 hours for one shipping. The boat is not always ready, and it would be depended on the marine weather or height of sea waves sometimes as tall as 2 meters due to the influence of the season. This condition, of course would obstruct the community activities including economic activities. This condition also happens at the borders area, Sebatik Island because it has a same territory condition. The business activities are stacked, it need more time to sell the local product. It is supported for the community for selling the product to Tawau, Malaysia. This is the good potencies and challenge in business.

Based on the social economic mapping done by COMCEC project in Sebatik and Raas show that; a) the strength of Social Actors in the Social Construction Change in Raas are village leader, Religious Leaders, and Community Leaders; b) the Dominant Power of Social Actors for Social Change in Sebatik are Village leader, Chairman of RT, and Community Leader; c) non-formal institutions which take a big role for social change in Raas are Gapoktan, community groups, PKK; d) non-formal institutions which take a big role for social change in Sebatik are Farmers Group, Youth, PKK, and Posyandu.

While the economic potential obtained are as follows: a) Resource Potential in Raas are Land Ranch, Chicken Coop, Coop Goat, and Agricultural Land; b) Potential Resources in Sebatik are banana plantation, Palm Plantation, Pepper, cocoas, choconuts, and Sea Results (shrimp and dried fish); c) Livelihood in Raas are Farmers, Livestock, Fisherman dominantly; d) Livelihood in Sebatik are palm plantation, bananas, cocoa, pepper, fishermen, Services, Labour garden / farmers.

Poverty Alliviation Models

The Indonesian Government Constitution number 13 of 2011 on Poverty Management states that the poverty alliviation at the border, coastal, and small island area are done by: a) improving the facilities based on the community livelihood in the field of fishery and marine resources, b) marketing product and supporting capital, and c) strengthening of institutions and coastal communities organizations and fishermen. While the efforts of poverty alliviation specifically at the border areas are through; a) providing a source of livelihood in agriculture, livestock, fisheries, and crafts; b) supporting capital and marketing access in agriculture, livestock, fisheries and handicraft, c) improving infrastructure development, and d) institutional strengthening and governance. Based on this regulation, the program of poverty alliviation at these areas (Raas and Sebatik) are: a) giving the infuse capital for productive economy business (UEP); b) home uninhabitable rehabilitation, and c) building environment facilities.

The COMCEC project steps as the results of discussion are as follows: a) need for socialization and education about Productive Economic Business Program (UEP) with the orientation of the local natural resources management based on local livelihoods and prepare the marketing system for the product; b) need for further training to the community target program of marine, agricultural and plantation products (processing and packaging the product); and c) required further training for facilitators about knowledge and skills of processing and marketing of products, and need to coordinate between the Ministry of Social Affair and community institutions.

These recommendations are attempts to create a product marketing opportunities for Productive Economic Business (UEP). This is the priority of attempt, because necessities needs of Sebatik society are supplied (food supplies) from Malaysia (Kota Tawau). Besides, still there is no a central store salesfor local food production, agricultural, plantation and fishery, and also there is no group-based bussiness production management in this region. This condition happen in Raas as well, the marketing of chicken eggs, seafood productions and craft, in fact these pruducts have a great opportunity to sell in Bali for rytual ceremony needs and for souvenir. It needs the local agencies which facilitate products marketing.

The implementation of social economy mapping and the strengthening the capacity of the poor families facilitated COMCEC talked into the international workshop for: 1) Presenting a model of local initiatives innovation to alleviate community-based poverty through sustainable livelihoods in Indonesia, Turkey, Indonesia, Malaysia, and Bangladesh, 2) Learn about best practices from similar intervention project / program presented by universities, research institutions, donor / NGO, central / local government internationally in Indonesia. From this international workshop gained valuable ideas that could be used to design a draft of development model of local initiatives in poverty alleviation through sustainable livelihoods.

The ideas of poverty indicators consist of: 1) initiates a local poverty level chosen by members of the public. 2) Income level, 3) the condition of the food services, 4) healthconditions, and 5) the level of education. Based on these indicators, the strategy of poverty alliviation can be done by:1) capacity-building because the poverty arises when the people do not have the ability to improve the abilities, 2) program

focuses on improving the quality livelihood, 3) selecting a social and economic activities in accordance with local economic potential, 4) developing or finding new food variants. The programs which are implemented related to the indicators are as follows: 1) transferring cash or e-voucher to support the basic needs. 2) Conditional transferring to establish micro-enterprises, 3) Training or capacity building, and 4) providing guidance and facilitation of network development (marketing and information access).

The basic model of the poverty alleviation are namely; a) Socioeconomic Mapping; b) Empowerment through UEP; and c) Mechanism UEP marketing and distribution product. The practical steps of socioeconomic mapping hold a mapping team which consists of the related field expert. Then the mapping team will receive a technical guidance related to projects and the location selection is done by this team. The method to do the mapping is by using using non-directive approach socioeconomic (indirect) approach, and FGD is done for getting of community potential lokal issues. Field study method is for formulating the potential of social, economic, local resources and alternative analysis for the business plan. Socioeconomic mapping can be shown at the following diagram:

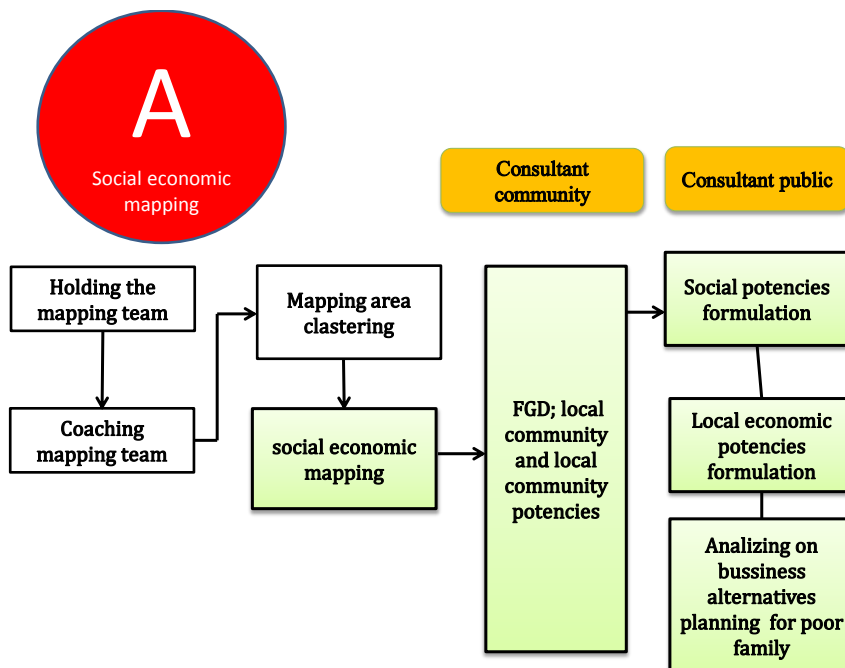


Figure: A.1 Socioeconomic Mapping

After having a mapping components resulted, the following components done by a team are to implement the empowerment activities by doing productive economic productivities (UEP). At this phase, a team socializes the program of poverty alleviation based on UEP program through FGD. The aims are to manage the poor family group based on the livelihood clusters and to make a deal on who are the member of the poor family, and then they propose the UEP program to the project organizer based on their livelihood. The proposal is as the first step for writing the ideas of business plan and for getting simultaneous capital. The family can begin the productivity or can start business plan when they receive the cash money from the funding institution. Economic empowerment through UEP can be illustrated practically by the following diagram:

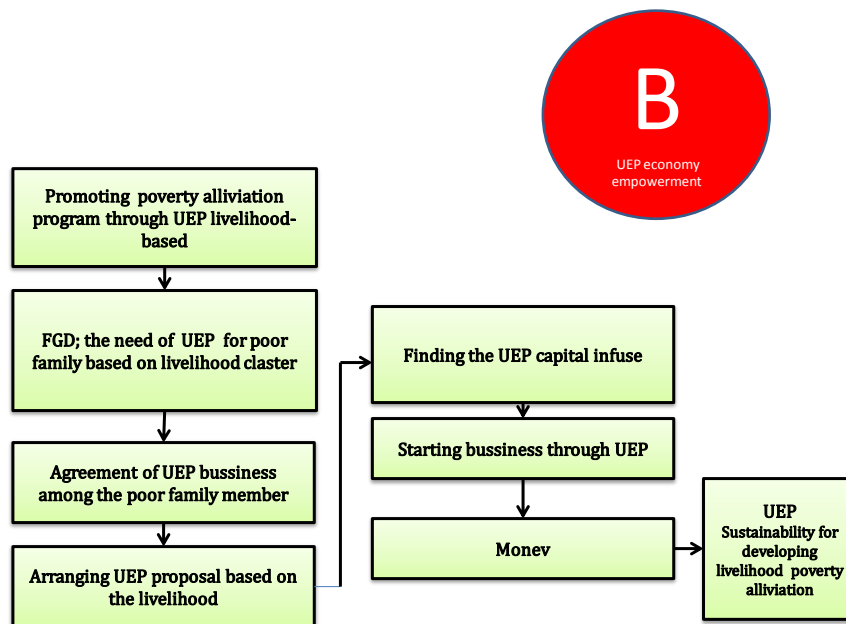


Figure: B.1 UEP Economic empowerment

The next component is about the mechanism of product marketing and distribution of UEP product, and benefit distribution. The foundation of UEP E-Warong UEP is as a central storage product, marketing product, channelling product of E-warongUEP.com. The function of E-Warong UEP is also a place for distributing the benefit which are in the form of relief aid Health Insurance, food supply, saving money, Program Indonesia Pintar and Family Hope Program. The UEP marketing and distribution product mekanism is illustrated by the following diagram:

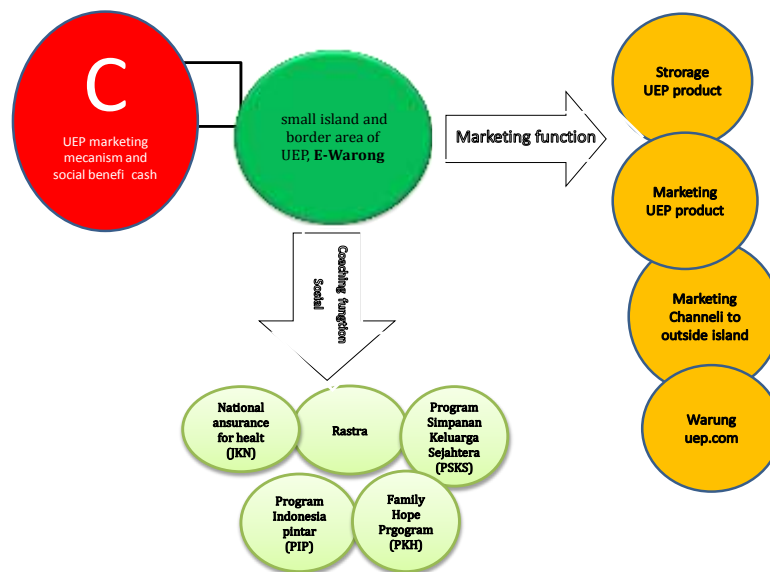


Figure: C.1 UEP marketing mecanism and social benefi cash

The function of e-warong in distributing the social benefit cash and marketing mechanism is as a price controls media. The trading e-warong mechanism is hoped that it can run well and can stabilize the basic needs prizes. The other function of e-warong is for destributing the non-cash benefit (agent bank), and for promoting the goods (as cooperation outlet). So that, the role of e-warong as an initiative product of the poverty alliviation group community is to reinforce the intensities and sustainabilities of productive economy programs. The advantages of UEP e-warong is shown as follows:

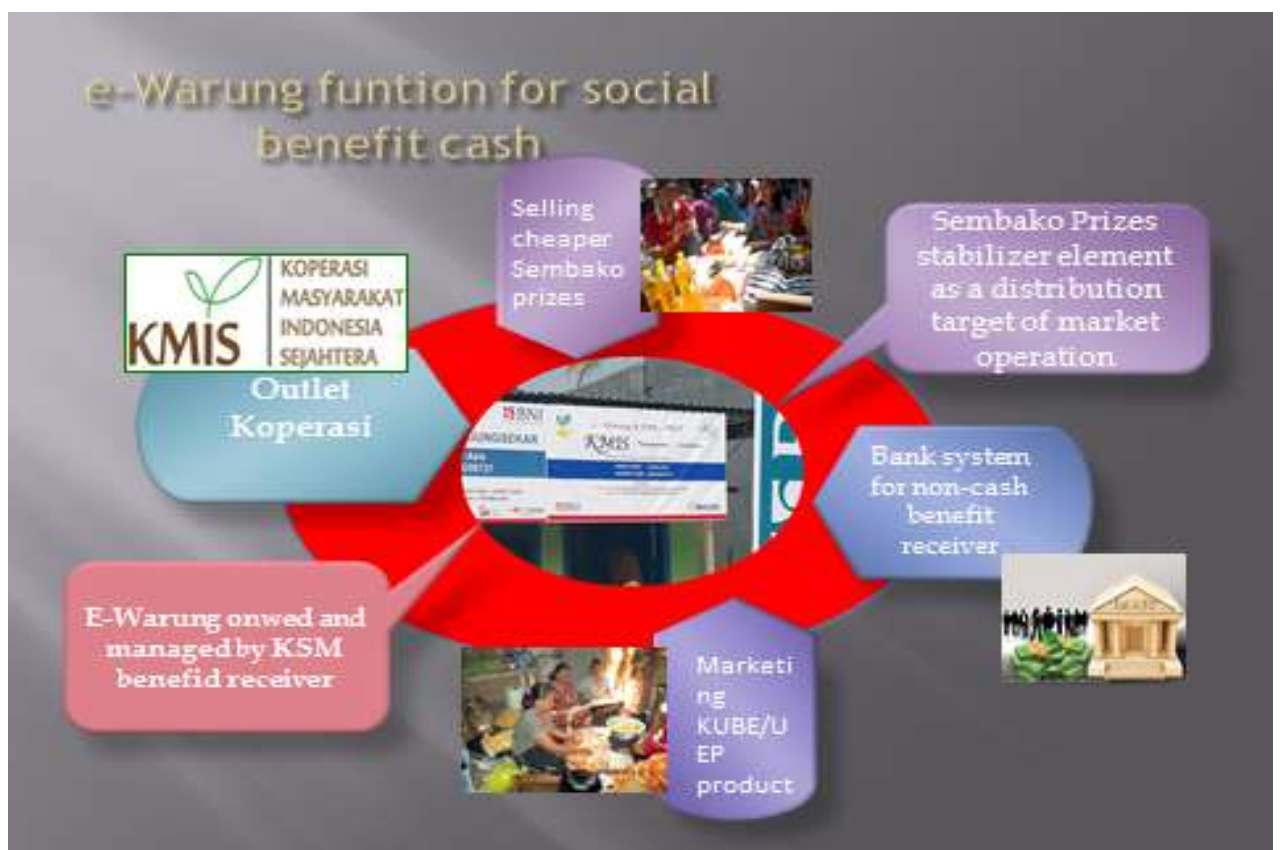


Figure: Diagram of economic empowerment through UEP

Explicitly the function of e-warong will result the big impact to the cooperation between e-warong and the basic needs distributors and it can be ensured that the goods

and money are ready to use and to display at the outlet. This system also sells the KUBE product and it is as a bank agent for cashing the social benefit.

The concept of UEP E-warung at Raas and Sebatik can cover 50 poor families who receive the benefit from COMCEC project. The e-warung will be handled by board members:

1. Protector : Village Head
2. Steering : village facilitators coordinator
3. Patrons : village facilitators.

Daily Board:

1. Chairman : Recipient UEP
2. The Secretary : Recipient UEP
3. Treasurer : Recipient UEP
4. Member : 7 People penerina UEP

Note:

UEP held by individuals, so the group is oriented to the marketing of 50 families products. The daily activities organized by the board that is protected by the village head and supervised by fasilitator..

Conclusions and Recommendations.

It can be concluded and recomanded:

1. Poverty alleviation model for border area ad small island can be implemented the model of local initiatives through sustainable livelihoods with three stages, namely: socio-economic mapping, economic empowerment through the UEP, and UEP mechanism of marketing and distribution product through UEP E -warung.
2. The UEP synergized with the local natural resources and livelihood program beneficiaries to provide an additional value.
3. Recipients UEP can be oriented to market their products.

4. E-Warung of border and Small Island areas oriented to the UEP products marketing and builds up channeling to the outer islands and warung.com.
5. The further training of the target program (community) are marine products, agricultural and plantation (processing and packaging the product)

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