

**Dissertation**

**STUDY OF GOOD GOVERNANCE INDEX  
IN YOGYAKARTA AFTER ENACTMENT  
OF LAW NO.13 OF 2012**



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# CONTENTS

<b>COVER</b> .....	i
<b>ABSTRACT</b> .....	ii
<b>CONTENTS</b> .....	v
<b>LIST OF FIGURES</b> .....	ix
<b>LIST OF TABLES</b> .....	x
<b>ABBREVIATIONS</b> .....	xi
<b>Chapter 1 INTRODUCTION</b> .....	<b>1</b>
1.1 Background .....	1
1.1.1 Location and Geography of Yogyakarta .....	1
1.1.2 History and privilege status of Yogyakarta .....	2
1.1.3 Polemics of privilege status of Yogyakarta .....	6
1.1.4 Spirit of Yogyakarta to improve the good Governance .....	9
1.2 Problem Statement .....	10
1.3 Necessity and Target .....	11
1.4 Outline of the argument .....	12
<b>Chapter 2 GOOD GOVERNANCE LITERATURES AND OVERVIEW OF GOOD GOVERNANCE IN INDONESIA</b> .....	<b>14</b>
2.1 Good governance literatures .....	14
2.1.1 The definitions of good governance .....	14
2.1.2 The definition of arena of governance .....	19
2.2 Good governance in development of government policy .....	20
2.3 The issue of good governance in Indonesia .....	21
2.4 Conclusion of literature analysis .....	29



<b>Chapter 3</b>	<b>RESEARCH METHODOLOGY .....</b>	<b>30</b>
3.1	Establishing Kemitraan (Partnership for Governance Reform) .....	30
3.2	IGI index .....	31
3.2.1	Arena and governance principles .....	31
3.2.2	Indicators .....	34
3.2.3	Type and source of data .....	37
3.2.4	Indexing process .....	40
3.2.5	Index scaling .....	40
3.3	Conclusion of Research Methodology .....	41
<b>Chapter 4</b>	<b>COMPARISON OF GOOD GOVERNANCE INDEX IN YOGYAKARTA SPECIAL REGION BETWEEN 2012 AND 2016 CONCERNING THE ENACTMENT OF LAW NO.13 OF 2012.....</b>	<b>42</b>
4.1	2012 index .....	43
4.2	2016 index processing .....	43
4.2.1	Data acquisition process .....	44
4.2.2	Index Calculating process .....	48
4.3	Comparison of Yogyakarta governance index in 2016, 2012 and national average 2012 .....	57
4.3.1	The Analysis of Arenas Level as Whole .....	58
4.3.2	The Comparison of Overall Principles .....	60
4.4	Conclusion of Comparison of Good Governance Index in Yogyakarta Special Region between 2012 and 2016 concerning the Enactment of Law no.13 of 2012.....	67

<b>Chapter 5</b>	<b>ANALYSIS OF THE EFFECTS OF ENACTMENT OF LAW NO. 13 OF 2012 TO THE IMPROVEMENT OF GOVERNANCE INDEX IN YOGYAKARTA PROVINCE 2016 .....</b>	<b>70</b>
5.1	The effects of Law No. 13 of 2012 on policy formulation .....	70
5.1.1	Primary substance and essence of the privilege .....	70
5.1.2	Privilege programs and work units in charge..	74
5.2	Analysis of the effect of Law No. 13 of 2012 to the Yogyakarta governance index through the governance indicator and public policy .....	80
5.2.1	Analysis of the results in the government arena	86
5.2.2	Analysis of the results in the bureaucracy arena	90
5.2.3	Analysis of the results in the civil society arena	96
5.2.4	Analysis of the results in the economic society Arena .....	99
5.3	Conclusion of Analysis of the Effects of Enactment of Law No. 13 of 2012 to the Improvement of Governance Index in Yogyakarta Province 2016 .....	103
<b>Chapter 6</b>	<b>CONCLUSION .....</b>	<b>107</b>
<b>Reference</b>	<b>.....</b>	<b>110</b>
<b>Acknowledgements</b>	<b>.....</b>	<b>115</b>
<b>Appendix 1</b>	The list of Indicators for Yogyakarta Governance Index .....	116
<b>Appendix 2</b>	Analytical Hierarchy Procedure (AHP) .....	121
<b>Appendix 3</b>	Type of Transformation Techniques used in Data Cleaning Process .....	124
<b>Appendix 4</b>	Observation sheets .....	130

<b>Appendix 5</b>	Data Recording Sheet .....	<b>137</b>
<b>Appendix 6</b>	Questioner Governance Index 2016 .....	<b>144</b>
<b>Appendix 7</b>	Tabulation of Questionnaire .....	<b>151</b>
<b>Appendix 8</b>	Discussion forum with experts in related areas .....	<b>155</b>
<b>Appendix 9</b>	Data Tabulation and Transformation to Scale 1-10 for Yogyakarta Governance Index of 2016 .....	<b>157</b>
<b>Appendix 10</b>	Special fund budget 2013-2015 .....	<b>161</b>
<b>Appendix 11</b>	Steps to convert data to scores --- Technical explanation ...	<b>176</b>

## LIST OF FIGURES

Figure 1.1 Map of Yogyakarta Special Region (DIY) .....	2
Figure 2.1 The illustration of governance arena .....	17
Figure 2.2 World Governance Survey by the UNDP and United Nations University (Paper 3, published November 2002) .....	22
Figure 2.3 The Indonesia's governance score during 1996 to 2015 .....	24
Figure 3.1 Governance arena .....	30
Figure 3.2 The schema of arena and governance principle .....	31
Figure 3.3 Weights of 6 Principles within each Arena .....	34
Figure 3.4 Indexing process .....	38
Figure 4.1 The index scale .....	46
Figure 4.2 The summary of questionnaire data for indicator G1P1 .....	52
Figure 4.3 The comparison of Yogyakarta governance index .....	56
Figure 4.4 The comparison of arenas index .....	57
Figure 4.5 The participation index in different arena .....	59
Figure 4.6 The fairness index in deferent arena .....	61
Figure 4.7 The accountability index in different arena .....	61
Figure 4.8 The transparency index in deferent arena .....	62
Figure 4.9 The efficiency index in different arena .....	63
Figure 4.10The effectiveness index in deferent arena .....	64
Figure 5.1 The detail of governance index in the government arena .....	84
Figure 5.2. Budget and realization of financial privileged fund for fiscal year 2013-2015 (Unit in IDR) .....	86
Figure 5.3. The detail of governance index in the bureaucracy arena .....	89
Figure 5.4 Economic zoning area .....	91
Figure 5.5 The detail of governance index in civil society arena .....	94
Figure 5.6 The detail of governance index in economic society arena .....	98
Figure 5.7 Foreign and domestic investment in Yogyakarta 2011-2015 ....	99
Figure 5.8 Democracy index .....	100
Figure 5.9 The schema of economic zoning and environmental protection	103

## LIST OF TABLES

Table 3.1 An excerpt from the List of IGI's Indicators (Adopted from Kemitraan, 2012:59-66) .....	33
Table 3.2. Types and Sources of data (Kemitraan, 2012:55, modified) ..	36
Table 3.3. Informants and requirements for informants (Kemitraan, 2012:55 ) .....	37
Table 4.1 The processes of collecting objective data in Yogyakarta Province .....	43
Table 4.2 List of responders for perception data .....	44
Table 4.3 an example indicator index calculation G1T1 .....	47
Tabel 4.4 The summuray of observation data .....	48
Table 4.5 An example indicator index calculation G2F1 .....	50
Table 4.6 An example indicator index calculation G1P1 .....	52
Table 4.7 The principles index of Participation principle in arena Government .....	53
Table 4.8 The arena index of government .....	54
Table 4.9 The Yogyakarta government index .....	54
Table 4.10 Governance index of Yogyakarta 2016 (by Author) .....	55
Table 4.11 Indonesia Governance index 2012 (by Kemitraan, 2012:37) ....	55
Table 4.12 Governance index of Yogyakarta 2012 (by Kemitraan, 2012: 73)	55
Table 4.13 The institution performance accountability report Yogyakarta ...	59
Table 5.1 Privilege effect table .....	80
Table 5.2 Governance index of Yogyakarta 2012, 2016 .....	83
Table 5.3 Indicators of the fairness governance principle .....	85
Table 5.4 The special fund budget 2013-2015 .....	87
Table 5.5 Indicators of the accountability governance principle .....	88
Table 5.6 Indicators of the transparency governance principle .....	97
Table 5.7 Indicators of the effectiveness governance principle .....	98
Table 5.8 Foreign and domestic investment in Yogyakarta 2011-2015 .....	99

## ABBREVIATIONS

AHP	: Analytical Hierarchy Procedures
AIDS	: Acquired Immune Deficiency Syndrome
APBD	: Provincial/District Local Budget
Bappeda	: Provincial/District Planning and Development Board
BPS	: Statistics Indonesia
DPRD	: People's Regional Representative Council
DPR RI	: People's Representative Council
Dispenda	: Provincial Revenue Collection Office
Disnakertrans	: Provincial Office of Man Power and Transmigration
HDI	: Human Development Index
IGI	: Indonesia Governance Index
LKPj	: Annual Accountability Report
NGO	: Non-Government Organization
Perda	: Provincial/District Regulation
Pergub	: Governor's Regulation
PAD	: Realized Local Revenues
Dinas PU	: Provincial Public Works Office
RKA	: Provincial/District Bureaucracy Offices Workplan
RPJMD	: The Mid-term Regional Development Planning
SKPD	: Provincial/District Bureaucracy Offices

# Chapter 1

## INTRODUCTION

The progress of good governance in Yogyakarta after enactment of the privilege Law No. 13/2012 seems an important and interesting topic to be studied. This could be because the privilege Law No. 13/2012 provided the substantial authority to Yogyakarta province in the formulation of regulatory framework and policies that will eventually determine the direction and pace of local development. After its privilege was clearly denoted in Law No. 13/2012, the law may have influenced its governance and thus improved the index thereafter. Therefore, the purpose of this study are 1) to know the good governance index of Yogyakarta (DIY) before and after enacted privilege Law No. 13 of 2012 and 2) to analyze if the privilege Law No. 13 of 2012 affected the governance index improvement.

### 1.1 Background

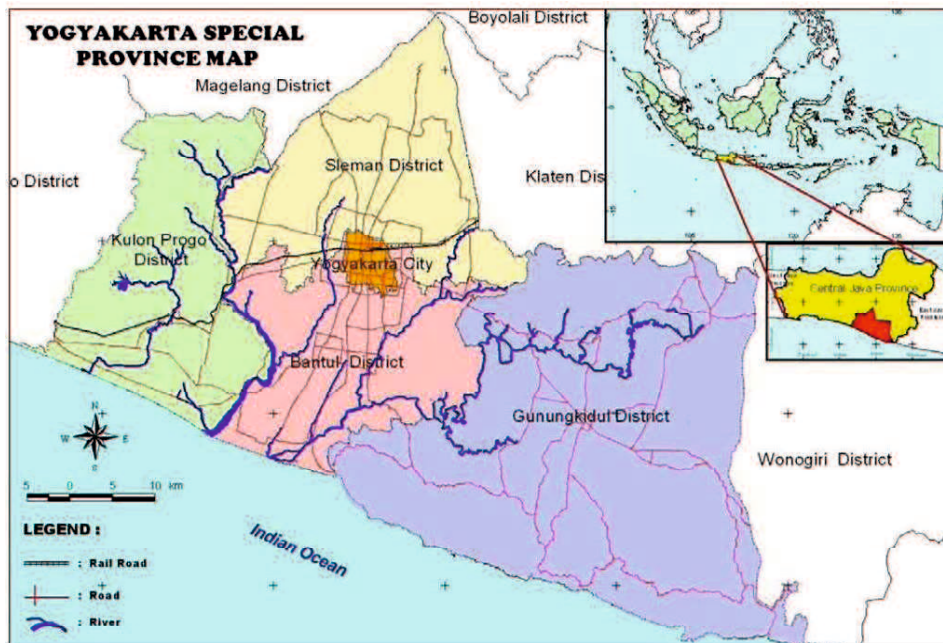
#### 1.1.1 Location and Geography of Yogyakarta

Yogyakarta Province (DIY) is one of 33 provinces of Indonesia and lies in Middle Java. Geographically, Yogyakarta (DIY) is located approximately between 70 49' 26" - 70 50' 84" South Latitude and 1100 23' 79"- 1100 28' 53" East Longitude. The province has five districts, namely Sleman, Bantul, Kulonprogo, Gunungkidul, and Yogyakarta as city center. Yogyakarta Special Province (DIY) is located in southern central part of Java Island, with boundaries: the west side is Purworejo district of Central Java province, the northwest side is Magelang district of Central Java province, the northeast side is Klaten district of Central Java province, the east side is Wonogiri district of Central Java province and the South side is Indian Ocean <sup>1</sup> as shown in the Fig. 1.

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<sup>1</sup> Yogyakarta Province, 2013. LAKIP

Figure 1.1 Map of Yogyakarta Special Region (DIY)



Source: Yogyakarta province, LKPI (2013:5).

### 1.1.2 History and privilege status of Yogyakarta

Yogyakarta Sultanate was established in 1755 by the Prince Mangku Bumi (Sri Sultan Hamengku Buwono I). Yogyakarta sultanate was a local self-government which was called *Zelfbestuur landschappen/Autonomous Region*<sup>2</sup>. In the Dutch colonial administration, the latest political contract of Yogyakarta Sultanate as a local self-government was listed in Staatsblad No. 47 of 1941<sup>3</sup>. The Duchy Pakualaman was established in 1813 by Prince Notokusumo (Paku Alam). The Duchy Pakualaman was also *Zelfbestuur landschappen/Autonomous Region*. The latest political contract of the Duchy Pakualaman as a local self-government was listed in Staatsblad No. 577 of 1941<sup>4</sup>. During the Japanese occupation, Yogyakarta was recognized as special region or Kooti with Koo as the head is Sri Sultan Hamengku Buwono IX<sup>5</sup>. The existence of Yogyakarta Sultanate and Pakualaman Duchy as state institution had been recognized by the Dutch

<sup>2</sup> Yogyakarta province (2012:2). *Academic Paper of Privilege status of Yogyakarta*.

<sup>3</sup> Yogyakarta Province, LAKIP. (2013:3).

<sup>4</sup> Ibid3

<sup>5</sup> Ibid3



government and Japan. Therefore, the existence of Yogyakarta Sultanate and the Duchy was recognized in the International Law long before the establishment of Republic of Indonesia.

Yogyakarta has the attention, commitment, and great support for the establishment of the Republic of Indonesia. Sri Sultan Hamengkubuwono IX and Sri Paku Alam VIII declared to the Sukarno President (first Indonesian president) that the Sultanate of Regional and Duchy Pakualaman merge into the territory of the Republic of Indonesia as Special Region of Yogyakarta (DIY) through Charter position in 19 August 1945. The existence of Yogyakarta as an integral part of the Republic of Indonesia formally regulated in the Law No. 3 of 1950 on the “Establishment of the Special Region of Yogyakarta”<sup>6</sup>. The Constitution of the Republic of Indonesia (UUD 1945) Article 18b paragraph (1) contains the recognition of the existence of areas that are special<sup>7</sup>. However, this Act at the same time also recognized the authority and governance of some special regions in Indonesia, such as 1). Jakarta as the special region of capital city, 2). Special Region of Aceh, 3). Special Region of Yogyakarta, 4). Maluku and 5). Irian Jaya).

In the legislation which was published as a legal basis for the implementation of the Republic of Indonesia (Constitution of the Indonesia Republic, UUD 1945 article 18b paragraph 1) stated that the Indonesian government recognizes the existence of an area having the special character in the framework of the Unitary Republic of Indonesia. Therefore, the recognition of the privilege of Yogyakarta remained consistent since the founding of the Republic of Indonesia. Thus the recognition of the specialties of Yogyakarta Special Region was based on 1) the right of origin of Yogyakarta as the successor of Mataram Kingdom, 2) its role in the history of national struggle (during the Netherland and Japan occupation), and 3) the Indonesian government's award for Yogyakarta to become part of the Republic of Indonesia.

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<sup>6</sup> Law No.3 of 1950 only regulated the region of Yogyakarta province, province capital, number of parliament members, government authority and transition period into the integration of Indonesia Republic.

<sup>7</sup> The state recognizes and respects the units of special or privileged region that are regulated by the law of the Republic Indonesia.

As for Indonesia, after the fall of Suharto's presidency in 1998 (reformation era), good governance reform in Indonesia efforts got underway. One of the foundations of government reform was the enactment of the decentralization Law No. 22/1999, which laid the framework on which the devolution of administrative and fiscal authority from the central government to local governments was based. During the transition phase (1999-2004), the transition from centralized to decentralized government did not go smoothly, due to the unstable politics in Indonesia<sup>8</sup>. The unstable politics is seen from the frequency of replacements of Indonesia president during the 1998-2004, i.e. Bacharuddin Jusuf Habibie (1998-1999), Abdurrahman Wahid (1999-2001) and Megawati Sukarnoputri (2001-2004). It is also seen from the rapid change of the way of regional head selection from appointment by local assembly in 1999 regional administrative law to direct election system in 2004 law<sup>9</sup>. On the other hand, the transition from centralized to decentralized government has not been easy for local governments (province and city/district), due to limited human resources capacity and ineffective institutions<sup>10</sup>. In 2004 Susilo Bambang Yudhoyono became Indonesia's first directly elected president and he became the Indonesia president for two periods (2004-2014). At that time the Indonesia politics became stable and finally the progress of Indonesia governance increases as reported by The World Bank (2015).

However, the consistency of the recognition of the Yogyakarta privilege status was not followed by legislation that comprehensively and clearly regulated the form and status of the privilege. The authority granted to Yogyakarta by the

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<sup>8</sup> For example, refer to Mokhsen (2003). She explains the background and situation of the inappropriateness in the implementation of decentralization from the unpreparedness at the central government side, which was pressured to hurry by the then existing independence movement, and lack of capacities at the local side, particularly from the weak training in democratic politics until then. However, she expresses hope for the parallel progress of decentralization and democratization that from today's point of view, seems to be a correct forecast.

<sup>9</sup> The Conversation, Sept. 15, 2014.

<sup>10</sup> See Green (2005), p.4. He describes this problem as a mismatch between new responsibilities and abilities of local governments, including fiscal problems and also Utomo (2011), pp.248-249, "the failure of decentralization is caused mostly by the low capacity of local government" and p.269.

Law No. 3 of 1950 merely referred to the Law No. 22 of 1948 on local government that treated equally all regions in Indonesia. The same thing happened at the time of the enactment of Law No. 1 of 1957 on the main points of local government through Law No. 32 of 2004 on the local government. Thus rose the interpretation that the privilege of Yogyakarta province was only on the position of governor and vice governor. Therefore, the substance of the Law No. 3 of 1950 or as amended by Law No. 9 of 1955 and Law No. 32 of 2004 about local government was necessary for change and adjustment related to the privileges granted to the province of Yogyakarta. In other words, in order to change and affirm the privilege of Yogyakarta was necessary to establish a privileged law of Yogyakarta such as other provinces in Indonesia (special region capital city of Jakarta, Aceh province, and Papua Province) which has a special status.

Yogyakarta province was the only special region that didn't have separate law. On the other hand, the special law for other special provinces was smoothly enacted, such as Law No. 34 of 1999 on special region capital city of Jakarta, Law No. 44 of 1999 concerning the implementation of privileged Province Aceh, and Law No. 21 of 2001 on the special autonomy for Papua Province.

According to the Law of the Republic of Indonesia No. 34/1999, the specializations for DKI Jakarta Province are as follows: a) Jakarta Province is a special area that serves as the capital of the Republic of Indonesia as well as an autonomous region in the provincial level. Jakarta has the specific duties, rights, obligations, and certain responsibilities in the administration and for the establishment of foreign representatives, as well as center / representatives of international agencies. b) The governor of Jakarta is elected by general election while the mayor is determined by the governor. c) Funds for the implementation of the specificity of the Province of Jakarta as the capital city are established jointly between the central government and the central parliament in the budget proposed by Jakarta provincial government.

Based on Law no. 44/1999, the privilege of Aceh includes the implementation of religious life in the form of the implementation of *Islamic Shari'ah* for its followers in Aceh while maintaining the harmony of interfaith life,

the implementation of customary life of the Islamic religion, the provision of quality education and adding material local content in accordance with the shari ' at Islam, the role of *ulama* (A body of Muslim scholars who are recognized as having specialist knowledge of Islamic sacred law and theology) in the determination of Aceh policy, as well as the implementation and management of Hajj (It is one of the five pillars of Islam that was obligated on every adult Muslim who can afford to go to Makkah during the Hajj season) in accordance with the laws and regulations.

Special autonomy (Law No. 21/2001) for Papua Province is a special authority recognized and granted to the Papua Province, including provincial provisions of Papua Province, to organize and manage the interests of local communities according to their own initiative based on the aspirations and basic rights of Papuans.

The measurement of Yogyakarta governance (DIY) index in 2012 by the Kemitraan (Partnership for Governance Reform) show that the Yogyakarta governance index was the first ranks in Indonesia. The Yogyakarta governance index in 2012 is 6.80. Although the index was in the first ranks in Indonesia, the Yogyakarta index was only fairly good level. This can be discussed to be the result of the fact that the governance index was measured when Yogyakarta had the unclear status of the privilege because there wasn't the privilege law of Yogyakarta. If Yogyakarta had the privilege law, the result of governance index of 2012 might have been different because the privilege law could be used as a legal basis for the policy making in Yogyakarta. Therefore, the progress of good governance in Yogyakarta after enactment privilege Law No. 13 of 2012 seems an important and interesting topic to be studied. This could be because the privilege Law No. 13 of 2012 provided the substantial authority to Yogyakarta province in the formulation of regulatory framework and policies that will eventually determine the direction and pace of local development.

### **1.1.3 Polemics on privilege status of Yogyakarta**

Unitary Republic of Indonesia consists of provincial regions. The state recognizes and respects several local government units that are special and that

are regulated by law. The definition of local government units is the areas that are specifically granted special autonomy. Yogyakarta is the only special region that did not have a separate law. Thus, before the release of Law No. 13 of 2012 reose polemics in governance in Yogyakarta. The polemics are as follows:

- a. In 2004 and 2009, political parties and Indonesia society nominated Sultan Hamengku Buwono X as a candidate for the position of Indonesian President by the, However, the candidature was hampered by the problem that the lack of clarity on the status of Yogyakarta province since 1945, which has been used by successive Indonesian governments for bargaining power purposes.
- b. Every product of legislation that regulates local government, i.e., Law No. 5 of 1969, Law No. 5 of 1974, Law No. 22 of 1999, Law No. 32 of 2004 on Regional Government are not able to reach, organize and protect the original rights proposed of a special region of Yogyakarta, as mandated by the constitution - Article 18 of the 1945 Constitution.
- c. The bilateral agreement between the Yogyakarta (HB IX - PA VIII) and Indonesia government (Soekarno – Hatta) about the privilege status of Yogyakarta became unclearness after the independence day of Republic of Indonesia. This is due to the various dynamic changes that had occurred in Indonesia government.

The culmination of polemic is after President Susilo Bambang Yudhoyono issued a statement regarding the status of Yogyakarta that there should not exist the privilege of a monarchy system that is contrary to democratic values and unconstitutional. The statement of President Susilo Bambang Yudhoyono arose the diverse reactions from a variety of Indonesian society. President Susilo Bambang Yudhoyono had forgotten his past history about the Yogyakarta privilege status.

Privileges of Yogyakarta has started from the time of issuance of the mandate of Hamengku Buwono IX (HB IX) and Paku Alam VIII (PA VII), as the Sultan Yogyakarta and as the Duke of the Pakualaman, on September 5, 1945, which was recognized as contained in Article 18 B of the Constitution of the Republic of Indonesia (UUD 1945) and explained in the Law No. 3 of 1950 on the

Establishment of the Special Region of Yogyakarta.

Therefore, “ why the privilege of Yogyakarta should be maintained?” will be answered as follows:

- a. Privileges of Yogyakarta are rooted in facts and historical events that form the basis for legal recognition of the privilege of Yogyakarta, such as: 1) the merger of the Yogyakarta Sultanate and the Pakualam Duchy into the territory of the Republic of Indonesia and 2) Yogyakarta was the capital of Indonesia (1946-1949). This is kinds of evidence that Yogyakarta had supported the establishment of the Republic of Indonesia.
- b. Bilateral agreement between the Government of Indonesia (Soekarno-Hatta) and Yogyakarta (HB IX-PA VIII) about the process of filling the positions of the Sri Sultan Hamengku Buwono and Sri Paduka Paku Alam in local government remain binding for the parties and has not been canceled.
- c. Regarding the privilege status of Yogyakarta, if anyone doubted the connective power of political documents (bilateral agreements) as mentioned above, the universal principle which is the good faith is much more preferred than just the legal aspects.
- d. If the bilateral agreement had been out of content, the absence of a written legal document cannot deny the existence of unwritten law (convention). This needs to meet with two elements i.e. factual elements and psychological elements. In this case it means that filling the positions of governor and vice governor can meet both of these elements.

Therefore, it can be concluded that the privileges of Yogyakarta has been lawful and based on the people’s desire.

Although the privileges of Yogyakarta has thus been lawful and based on the people’s desire, in the democratization and decentralization movement of Indonesia after 1998, concerning the special status of Yogyakarta, there existed an ambiguity because of the lack of clear stipulation of it in the form of a law in contrast to other privileged provinces that have been given such laws. The Yogyakarta provincial administration brought up this issue to the central government but it was slow in dealing with this question. During this “ambiguous”

period, when the traditional way of Yogyakarta and the new way of popular election by 2004 law were in tension, then President Yudhoyono issued two three-year-term and two one-year-term on the post of the Sultan as governor while the DPR, the national assembly, discussed the issue. After this tense “irregular” selection period of governor and vice-governor from either side, the polemics and the Yogyakarta people’s manifestation of their desire and support for the traditional way in it decided the course and the privilege law of 2012 was finally enacted. The issue was settled, admitting the traditional privileged way of Yogyakarta on one side and with the stipulation on the other side that the governor and vice-governor not belong to political parties. (Yaakub (2012: 105) and the privilege law, Article 18 (1), n.).

Since enrichment of the Law of the Republic of Indonesia Number 13 of 2012 concerning Yogyakarta Privileges, the polemic in Yogyakarta province has become resolved. President Susilo Bambang Yudhoyono ratified the privilege Law No. 13 of 2012 on August 13, 2012.

#### **1.1.4 Spirit of Yogyakarta to improve the good governance**

*"Yogyakarta toward a new civilization"* is the title of the speech of Sri Sultan HB X when delivering the vision, mission, and programs of the Governor of Yogyakarta Year 2012 - 2017 in front of the members of the parliament of Yogyakarta on September 21, 2012<sup>11</sup>. The speech delivered marked the start of a new era of hope after the passing of Law No. 13 of 2012 on the privileges of Yogyakarta. Based on the Law No. 13 of 2012<sup>12</sup>, Yogyakarta province (DIY) has the form and composition of government that are specific or special.

With the clearly stipulated privileges under the 2012 privilege law, improvement of governance has been a major target under the present province government. One of the missions of Yogyakarta province in The Mid-term Regional Development Planning (RPJMD) 2012-2017 is how to improve the

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<sup>11</sup> Sri Sultan Hamengku Buwono X, 2012. The explanation of RPJMD 2012-2017.

<sup>12</sup> RPJMD of Yogyakarta 2012-2017



efficiency and effectiveness of government based on good governance<sup>13</sup>. The targets, in the Mid-term Regional Development Planning (RPJMD) are as shown below:

- a. Realization of government that is responsive, transparent and accountable.
- b. Realization of a harmonious relationship between the central government, local governments, and between local governments.
- c. The realization of gender equality, justice and the rule of law, and
- d. Realization of synergy between government, communities and the private sector<sup>14</sup>.

## **1.2 Problem Statement**

We can look at this privilege issue from its impact to the governance quality of this province. The measurement of Yogyakarta governance (DIY) index in 2012 by the Kemitraan (Partnership for Governance Reform) showed that the Yogyakarta governance index in 2012 was 6.80, the first ranks in Indonesia. Although the index was in the first ranks in Indonesia, the Yogyakarta index was only fairly good level. This can be discussed to be the result of the fact that the governance index was measured when Yogyakarta had the unclear status of the privilege because there wasn't the privilege law of Yogyakarta. If Yogyakarta had the privilege law, the result of governance index of 2012 might have been different because the privilege law could be used as a legal basis for the policy making in Yogyakarta as will be discussed in chapters 4 and 5. Therefore, the progress of good governance in Yogyakarta after enactment of the privilege Law No. 13 of 2012 seems an important and interesting topic to be studied. The index improvement could be because the privilege Law No. 13 of 2012 provided the substantial authority to Yogyakarta province in the formulation of new regulatory framework and policies that would eventually determine the direction and pace of local development. Based on this question, the effect of enactment of privilege

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<sup>13</sup> Ibid 12

<sup>14</sup> Ibid 12



Law No. 13 of 2012 to the governance index of Yogyakarta 2016 will be discussed in this study.

### **1.3 Necessity and Target**

In Article 5 of Act No. 13 of 2012 on Privileges of Yogyakarta Special Region (Law 13/2012) is stated that a Privileges Setting for DIY aims to:

- a. Realize a democratic government;
- b. Realize the welfare and peace of society;
- c. Realize governance and social order that ensures unity in diversity in the framework of the Unitary State of the Republic of Indonesia;
- d. Create good governance; and
- e. Institutionalize the role and responsibilities of the Sultanate and the Duchy in maintaining and developing the culture of Yogyakarta, the cultural heritage of the nation.

Therefore, the necessities of this study are as follows:

- a. To know the good governance index of Yogyakarta (DIY) before and after enacted privilege Law No. 13 of 2012.
- b. To analyze if the privilege Law No. 13 of 2012 affected the governance index improvement.

Accordingly the targets of this study are as follows:

To review the implementation of good governance in Yogyakarta (DIY) after enactment of privilege Law No. 13 of 2012 by

- a. A comparison study of good governance implementation in Yogyakarta (DIY) before and after enactment of privilege Law No. 13 of 2012. The comparison study is based on the previous study of Indonesia Governance Index (IGI) by Kemitraan in 2012 as the good governance data of DIY before enactment privilege Law No. 13 of 2012 and a new data based on my own calculation.
- b. Analyze the public policies in Yogyakarta (DIY) after enactment of privilege Law No. 13 of 2012.

#### **1.4 Outline of the argument**

In this dissertation, the contents of the research consist of five chapters as follows:

- a. Chapter 1: Introduction of research. In this chapter, the background of research, the problem statement, the necessity and target of study are introduced. The question from the research background i.e. “The privilege law can be used as a legal basis for the policy making in Yogyakarta” and the question for this research i.e. “The effect of the privilege law” are discussed in detail. The target of this research was formulated in this chapter.
- b. Chapter 2: The good governance literatures, good governance in development of government policy, and the issue of good governance in Indonesia are explained to give the background understanding of the research.
- c. Chapter 3: Research methodology. In this chapter, the methodology of Indonesia Governance Index (IGI) that was used to measure the Yogyakarta governance index is explained. The arena and governance principle, indicators, type and source of data, indexing process, and index scaling are discussed in detail.
- d. Chapter 4: Comparison of Good Governance Index in Yogyakarta special region between 2012 and 2016 concerning the enactment of Law No.13 of 2012. In this chapter, the governance indexes of Yogyakarta Special Region in 2012 and 2016 are compared. The analysis of arenas’ level as a whole and the comparison of overall principles are discussed in detail.
- e. Chapter 5: Analysis of the effects of enactment of Law No. 13 of 2012 to the improvement of governance index in Yogyakarta province 2016. In this chapter is focused on the analysis of the effect of Law No. 13 of 2012 to the Yogyakarta governance index through the governance indicator and public policy. The effects of Law No. 13 of 2012 on policy formulation, analysis of the results in the government arena bureaucracy arena, civil society arena and economic society arena are discussed in detail.

- f. Chapter 6: Conclusions. The final conclusions of the study of good governance index in Yogyakarta after enactment of Law No.13 of 2012 are discussed in detail.

## Chapter 2

# GOOD GOVERNANCE LITERATURES AND OVERVIEW OF GOOD GOVERNANCE IN INDONESIA

In this chapter we examine literatures related to good governance question as is posed in this dissertation. We start with the definition of good governance and then proceed to the question of governance in Indonesia.

### 2.1 Good governance literatures

#### 2.1.1 The definitions of good governance

Firstly we start with the origin of the concept of good governance. The purposes of this concept are can be described as follows:

##### **Purpose 1: Improvement of assistance**

Good governance had been known a long time ago, but the implementation of good governance standard started after the international monetary institutions requested good governance in the monetary aid program such as by International Monetary Fund (IMF) and World Bank. UNESCAP describes this trend as *“Recently the terms "governance" and "good governance" are being increasingly used in development literature. ... Major donors and international financial institutions are increasingly basing their aid and loans on the condition that reforms that ensure "good governance" are undertaken*<sup>15</sup>. The IMF made clear the policy to implement financial support according to the

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<sup>15</sup> UNESCAP United Nations Economic and Social Pacific. <http://www.unescap.org/sites/default/files/good-governance.pdf> Retrieved October 12, 2016

country's success of good governance in 1996<sup>16</sup>. The World Bank's "**The Worldwide Governance Indicators (WGI) project**" reports governance indicators for over 200 countries and territories over the period 1996–2015<sup>17</sup>. Thus the governance has become the key point of entrance in the international community. The governance gained the prominent attention of donor agencies, philanthropists, social scientists, and civil society.

### **Purpose 2: Improvement of internal governance**

After the first purpose as above a different purpose was added to the concept of good governance. It focuses more on the improvement of internal governance within each country. Their purpose is not put on obtaining foreign assistance but improving their governance itself. Such examples are those of the UN Development Programme and UNESCAP. Kemitraan's Indonesia Governance Index is developed helped by the former and focuses on measuring each province's governance.

Based on the above understanding that there are two kinds of purpose in broad sense, we will now look at the respective definitions made by these agencies next.

### **Definitions by agencies:**

As described above governance or good governance are defined in various ways according to the agencies that have different purposes.

### **Definitions by International financial agencies:**

According to **the World Bank**, (1992:1)<sup>18</sup> "*governance is defined as the manner in which power is exercised in the management of a county's economic and social resources for development. Good governance, for the World Bank, is synonymous with sound development management.*" Already In 1992 the World

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<sup>16</sup> The IMF's Approach to Promoting Good Governance and Combating Corruption — A Guide. (2005:1). <http://www.imf.org/external/np/gov/guide/eng/index.htm#care> Mar. 14, 2017. Retrieved March 9, 2016.

<sup>17</sup> <http://info.worldbank.org/governance/wgi/#home> retrieved on Mar. 14, 2017.

<sup>18</sup> World Bank, (1992:1). Governance and Development.

Bank measured the good governance in four major component of governance i.e. 1) public sector management (efficiency, effectiveness, and economy), 2) accountability, 3) legal framework for development (justice, respect for human rights and liberties); and 4) transparency and information.

According to **IMF**, (2016:1)<sup>19</sup> governance is defined as “*a broad concept covering all aspects of the way a country is governed, including its economic policies and regulatory framework, as well as adherence to the rule of law.*” The areas that IMF consents to the implementation of good governance are 1) the public resources management through reforms covering public sector institutions, and 2) the development and maintenance of a transparency of private sector activities. It says “*The IMF places great emphasis on good governance when providing policy advice, financial support, and technical assistance to its 184 member countries.* The IMF's operations and its relations with member states have always been concerned with good governance. But in 1996, the policy-making committee of its Board of Governors added an explicit mandate. In its *Declaration on Partnership for Sustainable Global Growth*, the Interim Committee stressed, among other things, the importance of “promoting good governance in all its aspects, including by ensuring the rule of law, improving the efficiency and accountability of the public sector, and tackling corruption, as essential elements of a framework within which economies can prosper<sup>20</sup>.”

By observing the importance of such words as “*sound ... management*” (the World Bank) or “*rule of law*” and “*tackling corruption*” these agencies, as they are keen to emphasize transparent and efficient usage of financial assistance, they are to pay due attention to these standards.

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<sup>19</sup> IMF, (2016:1). The IMF and Good Governance. Retrieved from <http://www.imf.org/About/Factsheets/The-IMF-and-Good-Governance?pdf=1>

<sup>20</sup> The IMF's Approach to Promoting Good Governance and Combating Corruption — A Guide. (2005:1). <http://www.imf.org/external/np/gov/guide/eng/index.htm#care> Mar. 14, 2017. Retrieved March 9, 2016.

### **Definitions by the UN agencies:**

**The United Nations Development Programme (UNDP)** (1997:5)<sup>21</sup>, defined governance as *“the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises the mechanisms, processes, and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.”* As such, the characteristic of good governance referred to by UNDP, (1997:14-15)<sup>22</sup> are:

- a. Participation which includes that “All men and women should have a voice in decision-making”,
- b. Rule of law
- c. Transparency which includes free flow of information
- d. Responsiveness to all stakeholders
- e. Consensus orientation
- f. Equity for all men and women’s well-being.
- g. Effectiveness and efficiency
- h. Accountability
- i. Strategic vision which is that leaders and the public have a broad and long-term perspective on good governance and human development, and that there is also an understanding of the historical, cultural and social complexities in which that perspective is grounded. The question of this dissertation, the relation between the privilege law and its effect on governance index is concerned with this viewpoint.

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<sup>21</sup> UNDP, 1997. Governance for sustainable human development, UNDP policy document.

<sup>22</sup> Ibid 10

**The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)** <sup>23</sup> describes as “*Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law.*”

#### **Definitions by scholars:**

Good governance is referred to by Munshi. S.<sup>24</sup> as (it) “*signifies a participative manner of governing that functions in a responsible, accountable and transparent manner based on the principles of efficiency, legitimacy and consensus for the purpose of promoting the rights of individual citizens and the public interest, thus indicating the exercise of political will for ensuring the material welfare of society and sustainable development with social justice*”.

Leftwich, (1994:1)<sup>25</sup> defines good governance as “*a clear and predictable legal framework, accountability, transparency and information on the management of national affairs.*”

Not the definition itself but Graham et al., (2003:1) calls for our attention to the contexts where the concept of governance is used, as “*The concept of governance may be usefully applied in different contexts such as global, national, institutional and community.*” Here he refers to the level of governance. The financial agencies above focused on national level but focusing on sub-national level becomes of course important when we aim at improving the regional level governance.

Finally, based on the good governance definitions as mentioned above can be concluded that although there lies difference between international financial agencies that emphasize assistance efficiency and country-wise agencies that emphasize internal development, there seems to be a common understanding that

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<sup>23</sup>United Nation ESCAP, What is Good Governance?. Retrieved from <http://www.unescap.org/sites/default/files/good-governance.pdf> Mar. 19, 2017.

<sup>24</sup> United Nations, (2006:4). Definition of basic concepts and terminologies in governance and public administration.

<sup>25</sup> Leftwich, A., (1994:1). Governance, the State and the Politics of Development.

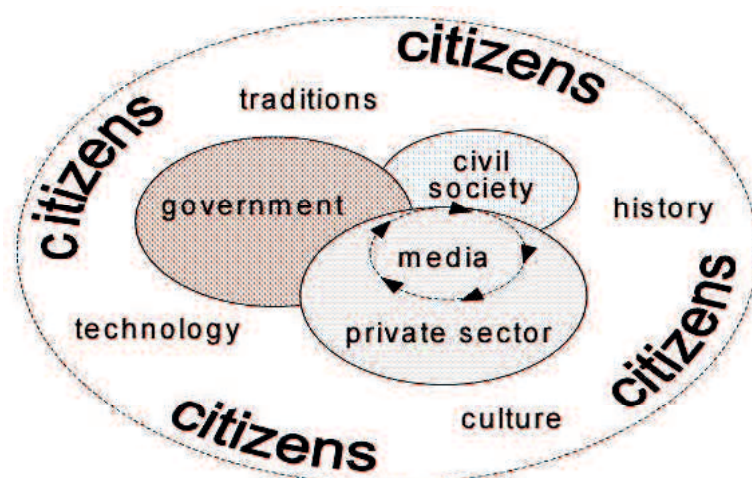


first, good governance is the activities of a governance arena (government arena, bureaucracy arena, economic society and civil society arena) which aims at increasing people's interests through evaluating related activities of these stakeholders by the chosen governance principles (such as participation, fairness, accountability, transparency, efficiency, and effectiveness).

### 2.1.2 The definition of arena of governance

As shown above, governance arena is generally understood to consist of government arena, bureaucracy arena, economic society and civil society arena. But this can be said to be an understanding when we focus on the national and sub-national level of the governing entity. If we pay more attention to the external side, the definition puts on a broader view. As such the UNDP, (1997:16-21) adds the global context to other governance arenas as the state, the private sector, and civil society. Similarly if we emphasize citizens as the most fundamental arena for governance and also the importance of media within the private sector, we can draw an illustration of governance arena as Graham et al., 2003 does in Figure 2.1. As such, we can define good governance and governance domain/area a little differently according to the purposes of the agencies. Which type of arenas and principles are used in this thesis will be explained in later chapters

**Figure 2.1** The illustration of governance arena



Source: Graham at al., (2003:1).

Therefore, if we take Graham et.al illustration as an example of arenas of governance<sup>26</sup>., the implementation of good governance plays an important role in every domain of the state (government and bureaucracy), the private sector and the civil society. The UNDP describes the respective importance of each of these arenas as follows:

The state provides various opportunities for the people but people's popular participation, government accountability, effective legal and judicial systems are regarded important<sup>27</sup>.

The private sector is today expected to be more effective and competitive in the international marketplace. As in many countries it is the primary source of employment, the government is expected to strengthen it through stable macroeconomic environment, maintaining competitive markets, ensuring easy access to credit for the poor and providing incentives for human resource development.

The civil societies are also effective development agents. *"The civil society through the civil society organizations can provide checks and balances on government power and monitor social abuses. ... They also need an enabling environment ... that guarantees the right of association"* and it is important for the government to *"facilitate support and ways for civil society organizations to be involved in public policy-making and implementation"*<sup>28</sup>.

## **2.2 Good governance in development of government policy**

Among the related arenas of governance, the most critical in the sense that it can work with coercive power is government (and bureaucracy). The main function of government is to provide public services, which includes services in the fields of education, health, economic, social, and others. The government needs the government policy as the instruments to carry out the main functions of government. In simple terms, the process of formulating government policy

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<sup>26</sup> Graham at al., (2003:1). Principles for Good Governance in the 21<sup>st</sup> Century.

<sup>27</sup> UNDP, (1997:16)

<sup>28</sup> Ibid 20, p.15.

consists of three stages. The first is original input, consisting of activities to filter and deepen the public issues that arise. Input can come from inside or outside the government system (articulation of interests). The second is conversion, in this stage the variety of interests or issues that enter will be discussed and deepened through various processes, including discussions with the legislative council. The last stage is output or the implementation of concrete policies and the results of them.

In formulation of government policies, it can be said that government policy will be a mirror of the implementation of good governance. The related principles are such as participation, transparency, accountability, efficiency, effectiveness, and so forth. For example, participation or public involvement in the whole process of formulation of government policies plays an important role for the success of the policy.

### **2.3 The issue of good governance in Indonesia**

Next we look at the issue of good governance in Indonesia. As this issue of good governance in Indonesia is deeply related to the 1990s' political change, we need to focus on this relation and particularly on the main issue there, which is decentralization in Indonesia.

The World Bank concisely defines decentralization as “the transfer of authority and responsibility for public functions from the central government to intermediate and local governments or quasi-independent government organizations and/or the private sector”<sup>29</sup>.

The political change began to be initiated and implemented since the outbreak of the Reformation era (after 1998), in which was a reform of the system of government for a cleaner and more democratic political process so that *good governance* has been a hallmark of reforms implemented in the new government<sup>30</sup>.

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<sup>29</sup> The World Bank Group. Decentralization & Subnational Regional Economics. <http://www1.worldbank.org/publicsector/decentralization/what.htm>, retrieved Mar. 17, 2017.

<sup>30</sup> Triwidodo Wahyu Utomo, 2012, Retrieved from [http://www2.gsid.nagoya-u.ac.jp/blog/anda/files/2012/01/7\\_tri-widodo-wahyu1.pdf](http://www2.gsid.nagoya-u.ac.jp/blog/anda/files/2012/01/7_tri-widodo-wahyu1.pdf)

One important change was that in 1999 Indonesia transformed the governmental structure from centralized to decentralized. This has become the key point for implementation of good governance in Indonesia.

As for decentralization's possibilities, the UN Department of Economic and Social Affairs (UNDESA), (2007:11)<sup>31</sup> describes that *"the decentralization ... an alternative model of government that builds trust, transparency, and accountability. Decentralized governance defines the systematic and harmonious interrelationship resulting from the balancing of power and responsibilities between central governments, other levels of government, and nongovernment actors, and the capacity of local bodies to carry out their responsibilities using participatory mechanisms."*

The implementation of decentralization in Indonesia was regulated in Law No. 22 of 1999 about the decentralization<sup>32</sup>. This policy was established to answer and meet the demands of democratic reform of the relationship between central and local governments as well as empowerment of local governments. The decentralization according to this law was understood to provide autonomous regional authority to regulate and manage the interests of local communities based on the aspirations of civil society. But we must pay attention to the warning that bear in mind that "decentralization should not be viewed as a panacea" (UN (2007:11)).

An UNDP study on human development in Indonesia (2001:45) by examining the past experiences of decentralization in developing countries reported that instead of strengthening local participation, decentralization can reinforce the power and influence of the local elites. *"The dangers of decentralization in developing countries – [is] that far from strengthening local democracy, the process can end up reinforcing the power and influence of local elites."* As the decentralization of this period was a *"mammoth logistical undertaking"*, concerning the two fundamental tasks to come, it forecasted that *"It*

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<sup>31</sup> UN Department of Economic and Social Affairs, 2007. Public Governance Indicators: A Literature Review

<sup>32</sup> Undang-Undang Republik Indonesia Nomor 22 tahun 1999 tentang Pemerintah Daerah <http://sipuu.setkab.go.id/PUUdoc/7168/UU221999.htm> retrieved on Mar. 15, 2017.

*will probably take some years before the administrative and fiscal relationships between the central government and the regions are clearly established. And will take a similar period to gather at the district level sufficient people with the training and capacity to take on many new responsibilities and duties.” (2001: 44)*

Green has conducted a study about the decentralization and good governance in Indonesia. According to him, the IMF and the World Bank at the time of financial crisis played an important role for its decentralization. The harsh experience of centralized regime under the Sukarno and the insufficient decentralization under Suharto made the people demand a stronger implementation of it at this time (Green 2005:3). At the same time he also pointed at a similar problem of “local elites” as pointed out by the UNDP as above. Green reported that *“Indonesian decentralization is mainly political and administrative decentralization. The political and administrative decentralization effort has had mixed results. Sub-national governments have used their newfound authority to implement conflicting rules and regulations and are in effect attempting to establish precedent that could be difficult to reverse in the future” (2005:9)*<sup>33</sup>.

### **Progress of good governance of Indonesia in the era of political reform**

Utomo, (2012:247-248) shows Indonesia’s achievement in good governance in the several years period after 1999 decentralization, referring to Lankaseter’s argument (2007). Based on this we can further summarize the respective extent of progress in six dimensions of good governance for these years as follows:

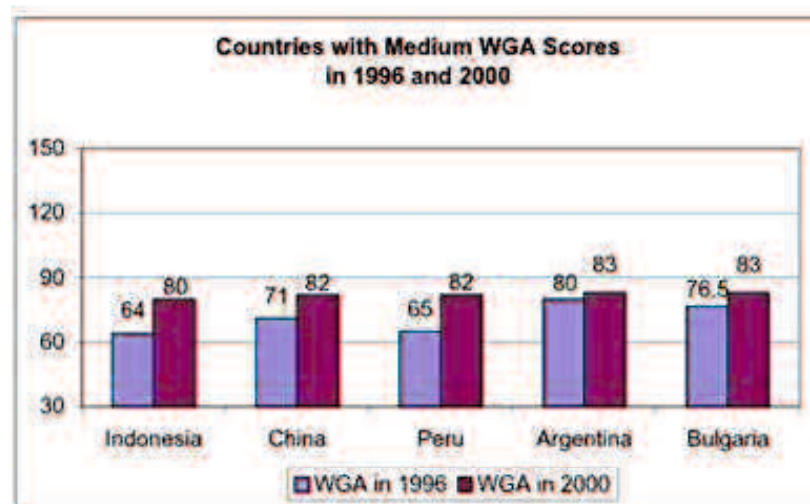
In the areas of “voice and accountability” large progress was made such as; increase of political parties and civil society organizations, press freedom established, two parliamentary elections held, local legislature elections held, direct election for the President held in 2004, direct elections of provincial governors, district heads and mayors held, peaceful transfer of power of President occurred, increased authority of national parliament on the executive. In “political

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<sup>33</sup> Green, 2005. Decentralization and good governance: The case of Indonesia.

stability” improvement was evaluated as exceptionally low such as; violence between Muslims and Christians and terrorist attacks in clouding Bali bombing of 2002. In “government effectiveness” was some improvement such as; impressive policy formulation and implementation in key economic ministries, education and health improvement following decentralization and record relatively good macro-economic record. In “rule of law/regulatory quality” was some progress such as; making the judiciary independent of the executive and a new commercial court system. In “control of corruption” was mixed results such as; establishing Anti-Corruption Commission and Court in 2002, but remaining corruption particularly in province and district level as well as parliament. The progress of good governance in Indonesia in this period is measured and shown by the following agencies as the UN and the World Bank as below:

**Figure 2.2** World Governance Survey by the UNDP and United Nations University (Paper 3, published November 2002)



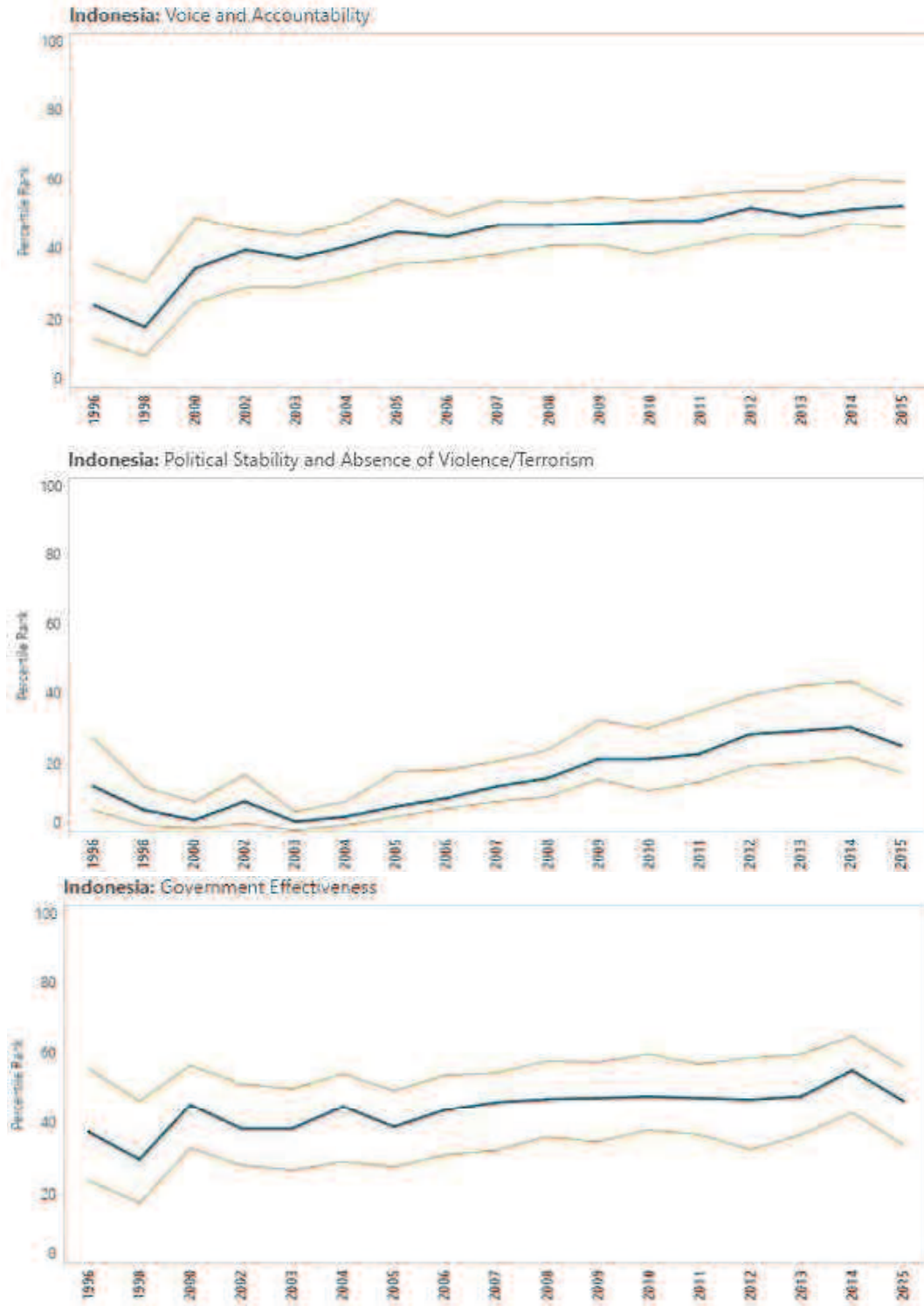
Source: UNDP and United Nation, (2002:9).

Figure 2.2 shows the good governance indexes by the UNDP and United Nation University in Indonesia for years 1996 and 2000. They reported that in 1998 Indonesia underwent a major political transition after it was hit by a

financial crisis in 1998 and the economic boom that shielded the economic elite, closely allied with the then President, Suharto, came to an end. In 2000, the good governance index in Indonesia increased after democracy and decentralization were applied. By reference to the scores shown there, good governance level of Indonesia was in the categorized countries with medium World Governance Aggregated (WGA) score, showing rapid increase.

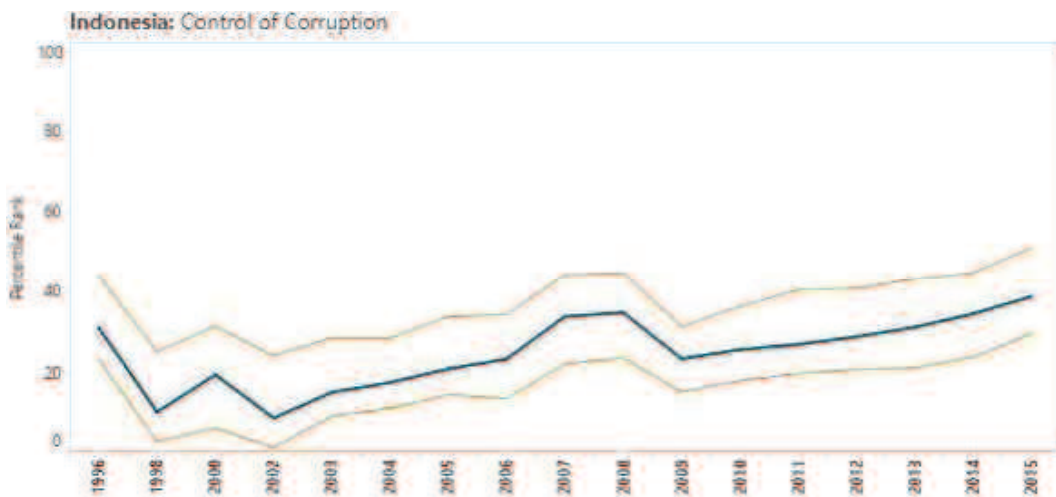
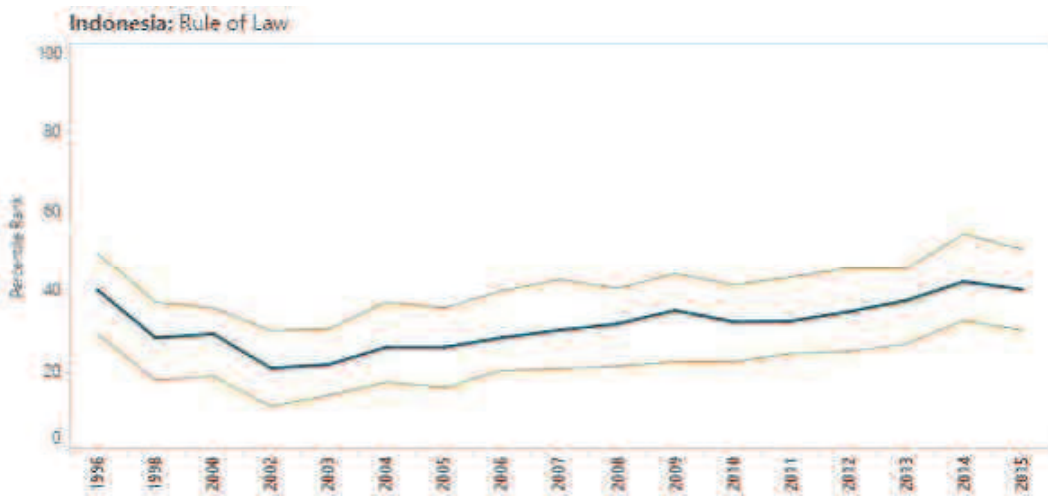
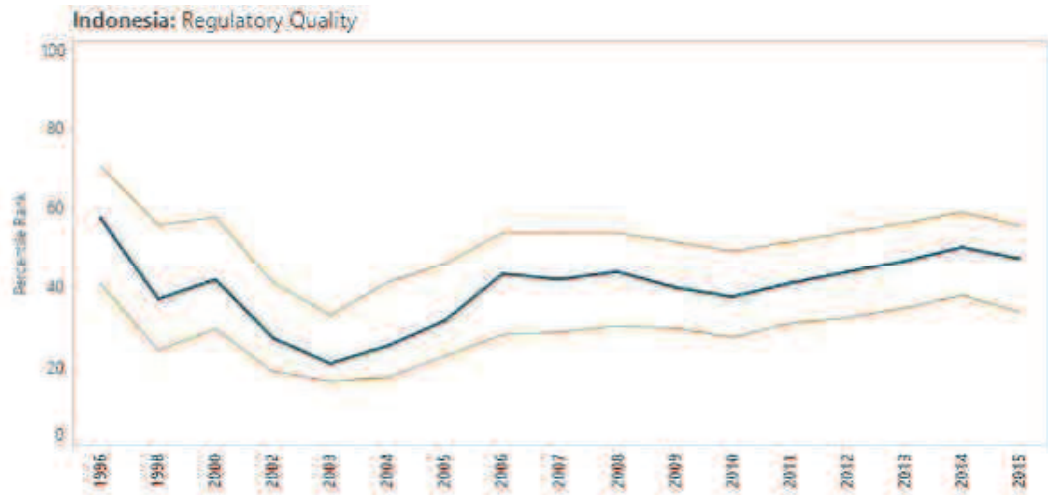


**Figure 2.3** The Indonesia's governance score during 1996 to 2015  
 The upper and lower lines show 90% confidence intervals<sup>34</sup>.



<sup>34</sup> Daniel Kaufmann Aart Kraay Massimo Mastruzzi, *Policy Research Working Paper 5430, The Worldwide Governance Indicators Methodology and Analytical Issues*, P. 12





Source: The World Bank, (2015:2-7) (modified)

<http://info.worldbank.org/governance/wgi/index.aspx#reports>

The World Bank Country Data Report for Indonesia shown in Fig. 2.3 summarizes the data from the Worldwide Governance Indicators (WGI) project for a single country. The WGI report shows six aggregate governance indicators for over 200 countries and territories over the period 1996-2015, covering 1) Voice and accountability, 2) Political stability and absence of violence/terrorism, 3) Government Effectiveness, 4) Regulatory quality, 5) Rule of law, and 6) Control of corruption. Figure 2.3 shows that after 1998 or reformation era the six aggregate governance indicators show an increasing tendency. It means the good governance level in Indonesia has grown up after reformation era.

Concerning the special status law of Yogyakarta 2012, Efendi, D (2012: 189-211) had studied on the situation of Yogyakarta people just before the enactment of the Law No.13/2012. It concluded that local-ethnic identity and cultural resources had become effective and legitimate means for mobilizing people to participate in protest movements supporting the privileged status of Yogyakarta Special Region.

After the enactment of the law, Sugiaryo et al. (2016: 664-668) conducted a study on the privilege law of Yogyakarta, focusing on the filling of the positions of governor and vice governor. They study from the viewpoint of legality and public opinion. Through questionnaire to 100 respondents and legal analysis the authors conclude that this privilege is legal and most of all it is supported by the vast majority of the people in Yogyakarta.

Such studies have been presented concerning the question of the special status law of 2012 of Yogyakarta special province. Efendi analyzed the situation leading to the enactment of the law and Sugiaryo et al. analyzed the legal aspect and public opinion. Compared to these works, this dissertation analyzes the question from a different perspective of its actual effects to the people. It focuses deeper into the effects of the privileges on which public opinion depends on and thus will help consider its continuity in the future.

## **2.4 Conclusion of literature analysis**

### **1) Good Governance**

According to the previous literature concerning good governance, we can summarize good governance as follows. Governance is an issue both of government and civil society. It aims at the improvement of public welfare. Government includes cabinet, bureaucracy and legislature. Civil society includes each individual, CSOs (civil society organizations) and economic society. They each act on certain common basic principles such as accountability, transparency, efficiency, etc. These principles all necessary for these actors to work for the common purpose of increasing public welfare. So good governance is accomplished when the actors perform on these principles in such a way as to realize the maximum public welfare.

### **2) The issue of good governance in Indonesia**

This issue means the improvement of governance in the reforming era after the fall of Suharto regime and emphasizes democracy and decentralization. Decentralization is particularly important in a regionally diversified country as Indonesia.

### **3) Progress of Good governance after the reformation era in Indonesia**

According to the international agencies such as the World Bank and the UN, there has been progress generally in good governance in Indonesia after the reformation era and decentralization has contributed to it in several areas.

This observation provides us an overview of the conditions of Indonesia's good governance as a whole. And as our interest in this study is the good governance of one province, Yogyakarta and its change after the privilege law of 2012 or its effect to its governance by using related indexes, we now proceed to dealing with provincial indexes of good governance in the next chapter.

## Chapter 3

### RESEARCH METHODOLOGY

According to our aim of this study as shown in chapter 1, we follow such analytical procedure as of 1) comparison of two years' governance indexes, that of 2012 and 2016 to find governance quality change, and of 2) analysis of the relation between the privilege law, affected policies and their influence to the indexes to find the privilege law' s effects to the governance change. The index comparison is mainly of quantitative character although in the framework setting is involved qualitative factors as choosing certain areas, principles and indicators and converting the data into indexes. As such the analysis of the relation is both qualitative and quantitative, as reasoning the connection among the related factors.

For the comparison of indexes firstly we can use the published governance index, Indonesia Governance Index (IGI) of the institution **Kemitraan**, for 2012. And for 2016 we use the indexes calculated by the author, following Kemitraan' s method. In working for this index the author was able to obtain much help in data collecting and calculating from Kemitraan and related institutions and many experts (the list of them and the permission to use these data are in the appendix).

As we make much use of the Kemitraan' s governance index in this way, we need here to see what it is closely. Below in sections 3.1 to 3.3 we will see its history and structure briefly.

#### 3.1 Establishing Kemitraan

Kemitraan or "The Partnership for Governance Reform ('the Partnership')" was established to promote governance reform. "It works hand-in-hand with government agencies, CSOs, the private sector, and international development partners in Indonesia to bring about reform at both the national and local levels." In the late 1990s people from civil society, government, the private sector and the donor community came together "in the desire to advance democracy in

Indonesia”. “The key problems were considered to be linked to the issue of governance and the prime target was to build a new, more accountable state. “The Partnership was established in March 2000 as a United Nations Development Programme (UNDP) project designed to help Indonesia realize good governance at all levels of government.” It became operational in May 2001 with the Directorate of State Apparatus, the National Development Planning Agency (Bappenas) as the Executing Agency, the Partnership as the Implementing Agency, and the UNDP as the Trust Fund Manager. Later the Partnership has grown from a UNDP project into an independent Indonesian-managed organization<sup>35</sup>. As is shown here Kemitraan is in line with the UNDP programmes which pursue internal development and its purpose is put on improving governance of internal sub-national regions or provinces. For this purpose it structured IGI index to measure governance of provinces.

## **3.2 IGI index**

### **3.2.1 Arena and governance principle**

According to Kemitraan (2012a:6) “*Indonesia Governance Index (IGI) defines governance as the process of formulation and implementation of rules, regulations, and development priorities through interaction among executive and legislative branches and bureaucracy with participation from civil society and economic society*”<sup>36</sup>.

Concerning governance arena, Kemitraan, (2012a:6)<sup>37</sup> holds the assumption that good governance is associated with how the society (civil society arena), political policy makers (government arena), policy implementers (bureaucracy arena), and business actors (economic society) are in synergy to

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<sup>35</sup> The Partnership became an independent legal entity in 2003 and was registered as a not-for-profit civil-law association under national ownership. <http://www.kemitraan.or.id/our-history>

<sup>36</sup> Kemitraan, (2012a:6).

<sup>37</sup> Kemitraan, (2012a:6). Kemitraan is a multi-stakeholder organization established in 2000, which has been working to initiate the Indonesia Governance Index (IGI) for the assessment.

strive for free, just, safe and well-off lives (Fig. 3.1). Good governance is achieved when all of the above four arenas interact in a balanced manner and in synergy which eventually result outcomes for the benefit of all people.

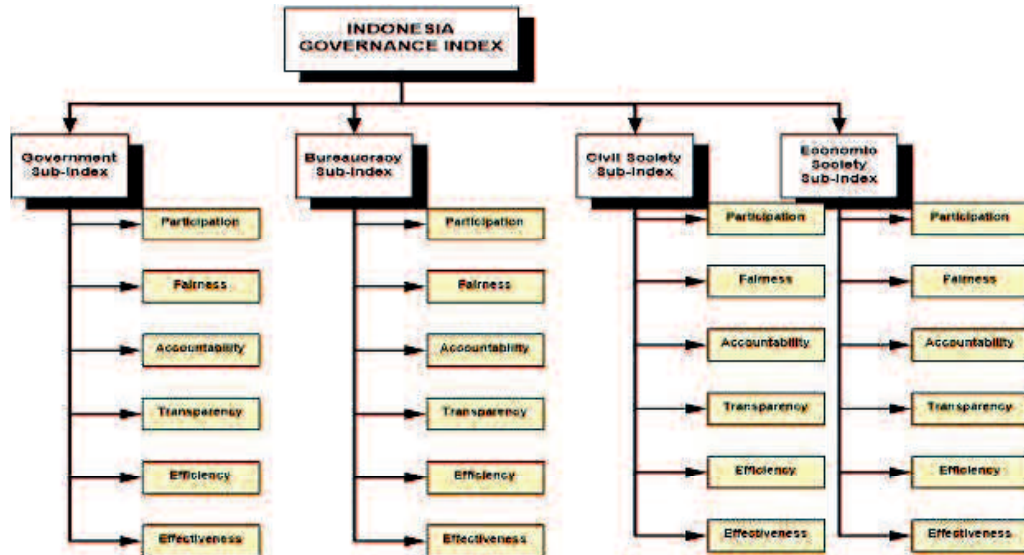
**Figure 3.1** Governance arena



Source: Kemitraan, (2012a:7).

In other words, good governance requires all “arenas”, i.e. civil society, government (both the executive and legislative), and economic society, to play their respective roles in a concerted effort with other arenas. Arena is the place where the political processes of governance take place. Kemitraan identifies four arenas in governance, i.e.: 1) government, 2) bureaucracy, 3) civil society, and 4) economic society. The governance principles that were used there are 6 governance principles, i.e.: 1) participation, 2) fairness, 3) Accountability, 4) Transparency, 5) Efficiency, and 6) Effectiveness. The schemas of arena and governance principles are shown in Fig. 3.2.

**Figure 3.2** The schema of arena and governance principle



Source: Kemitraan, (2012a:52).

More details of the four governance arenas 1) government, 2) bureaucracy, 3) civil society, and 4) economic society are as follows (Kemitraan 2012a:49), Note that they are all concerned with provinces. The government (political-office / political officer) are the executive and legislative. The executive refers to governor and deputy governor. Bureaucracy implements policies. Civil Society includes non-governmental and non-profit organizations. Economic Community includes business entities for profit.

As for principles, from the many principles to measure governance, the Kemitraan selects “6 principles that are considered as the most suitable for the socio-political context of Indonesia.” The principles are as follows<sup>38</sup>:

- a. **Participation**: the level of involvement of the stakeholders in the decision-making processes
- b. **Fairness**: condition where the policies and programs taken in governance are applied fairly (without discrimination) to everyone.

<sup>38</sup> Kemitraan (2012a), p.50, description modified.



- c. *Accountability*: condition where public officials will be responsible for their conduct and responsive to the demands of the public
- d. *Transparency*: condition where decisions taken by public officials are clear and open for the community to observe, scrutiny and evaluate
- e. *Efficiency*: condition where the policies and programs implemented have utilized the resources – human, financial and time – in an optimal manner
- f. *Effectiveness*: where the objectives of the policies and programs (output) have been achieved in line with the intended purpose (constitutional mandate –communities that are intelligent, prosperous, just and civilized—becomes the parameter)

### 3.2.2 Indicators

To assign values to a principle in a certain area we need indicators. The indicators are derived from the functions of the areas, i.e. government, bureaucracy, civil society, and economic society. According to Kemitraan, the number of indicators will vary from one principle to another in each area, because the Partnership team selects indicators that are the most important, most sensitive and able to differentiate between one province and the others. Sometimes the indicator selected to assess a principle is only one, and this will serve as a proxy for the other indicators that need not be assessed.

IGI is fully aware that method of selecting indicators can create questions as to why certain indicator is used while others are not. To answer this question, IGI structured indicators by categorizing indicators and placing relevant indicators in a hierarchy of relevance and significance. In the end this method could provide strong explanatory and discriminating power to avoid overlapping indicator and redundancy. "The IGI team generated and formulated appropriate indicators based on the provincial government's functions and authorities by providing clear justification on each indicator. The decision making process of indicator selection is based on the following criterion<sup>39</sup>":

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<sup>39</sup> Kemitraan (2012a) p.52.



- a. Significance,
- b. Relevance to provincial authority,
- c. Availability of data,
- d. Discriminating power, and
- e. Commonality across provinces,

“All IGI indicators were also reviewed by experts from the four arenas, experts from the government, bureaucracy, civil society and economic society. IGI team also invited experts in the field of statistics, governance, research methodology, and academicians to critically review the overall scheme” (Kemitraan 2012a: 50).

The 89 indicators chosen for IGI are in Appendix 1. To show some examples below is shown an excerpt from the list, the six indicators applied to Government arena related to Participation principle.

Table 3.1 An excerpt from the List of IGI’s Indicators (Adopted from Kemitraan, 2012a:59-66)

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight
Government						0.302
Participation						0.120
1	G1P1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting			v	0.170
2	G1P2	Quality of Public Hearing in DPRD (local parliament) in the Deliberation of Provincial Regulations			v	0.156
3	G2P1	The quality of public hearings to discuss Local Budget			v	0.219
4	G3P1	Quality of Governor consultation forum with stakeholder			v	0.092
5	G4P1	Quality of public complaint channels to strengthen DPRD monitoring function			v	0.199
6	G4P2	Quality of DPRD Public Engagement in conducting monitoring function			v	0.164

The table is read as follows. For example, take the No 1 and 2 indicators, which code numbers are G1P1 and G1P2.

- (a) **G1P1** means the first indicator in the area of **Government**, the **first** function (regulatory framework) in the **participation** principle

(b) **G1P2** means the **first** indicator in the area of **Government**, the **second** function (public service) for **participation** principle

### Weighting

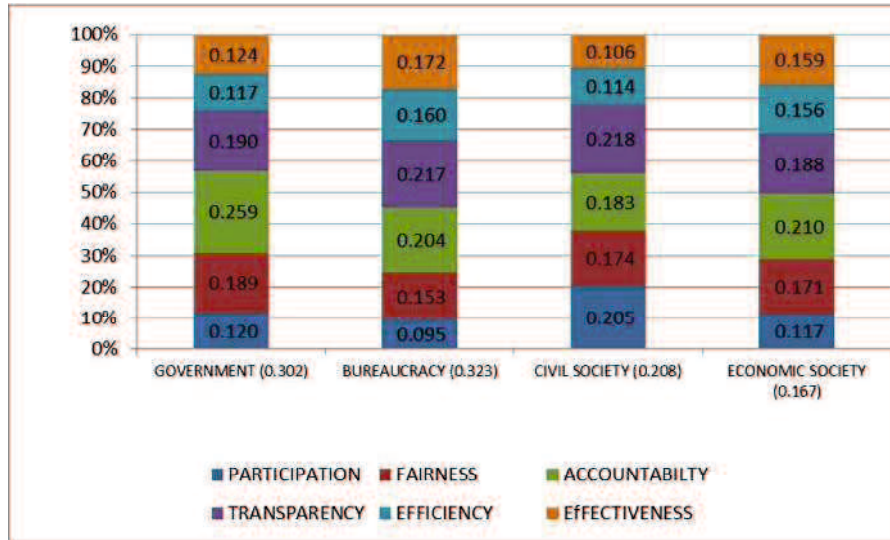
We now proceed to the stage of weighting. “the arenas, principles and indicators that are used in the Indonesia Governance Index (IGI) have different levels of contribution to the promotion of good governance. Therefore, one of the key steps before using the arenas, principles and indicators in assessing the governance performance of the provinces is to determine the weight of each arena, principle and indicator. The weighting method employed in the IGI is the Analytical Hierarchy Procedure (AHP) (Appendix 2). AHP is a mathematic/statistic method indicated by judgment/opinion of experts (well-informed persons) towards the contribution of each arena, principle and indicator. Through pair-ways comparison each arena, principle and indicator is compared to one another. The result of comparing is then processed mathematically/statistically to result weight in numerical.”<sup>40</sup> The weight of 6 Principles within each Arena and the detailed weight are shown in Fig. 3.3 and Appendix 1.

The abbreviation used will be as the following:

Area	Principle
G = government B = bureaucracy E = economic society C = civil society	P = participation F = fairness A = accountability T = transparency I = efficiency E = effectiveness

<sup>40</sup> Kemitraan, Indonesia Governance Index, Methodology. Retrieved from <http://www.kemitraan.or.id/igi/index.php/en/framework/methodology>

**Figure 3.3** Weights of 6 Principles within each Arena



Source: Kemitraan, (2012a:54).

### 3.2.3 Types and sources of data

IGI methodology is a composite of two types of data, objective data and perception/subjective (primary) data.

- a. Objective data comprises of various formal and published documents, such as statistics data, Local Budget, Local Planning Document (RPJMD), Accountability Report (LKPJ), Financial Statement (PPUAS/KUA), Local Statistic Books, government records of activities, etc.
- b. Perception data is compiled through two approaches, i.e. (1) using questionnaire filled out by resource persons (well-informed persons) who are strictly selected through certain criteria related to their expertise as well as possess extensive information concerning indicators being measured, and (2) using evaluation form filled out by each provincial researcher based on direct field observation and objectively. Both data complements and increases the quality of IGI data (Kemitraan 2012a: 54).

The following Table 3.2 presents the sources and types of data that are collected. From the table it can be seen that in addition to the objective data collection, there are also interviews conducted with well-informed persons (WIPs) to dig further the aspects related to the selected indicators. On the other hand, for data outside the bureaucracy, the data collection will be done more by means of interviews.

**Table 3.2.** Types and Sources of data (Kemitraan, 2012a:55, modified)

No.	Party	Source of data	Objective	WIPs
1.	Bureaucracy	BPS	√	
		Health Office	√	√
		Education Office	√	√
		Social Affairs Office	√	√
		Public Works Office	√	√
		Revenue Collection Office	√	√
		Manpower Office	√	√
		Kesbanglinmas (Office for National Unity and Social Protection)		√
		Local Planning Agency	√	√
		BKPMD	√	√
		Provincial Secretariat	√	√
		BPK	√	
		BPKP	√	
		Tax Office	√	√
2.	DPRD	DPRD Secretariat	√	√
		Commissions in DPRD		√
3.	Civil society	CSO Management	√	√
4.	Economic society	Local Chamber of Commerce (Kadinda)		√
		Gapensi		√
		HIPMI		√
5.	Academicians/ observers	Lecturers, researchers		√
6.	Media	Journalists		√

In order that the data and information obtained will come from the right persons, the informants selected should meet some established prerequisites or criteria. The requirements for informants mostly relate to the level of their understanding or involvement in the indicators for the index. These requirements are elaborated in the below Table 3.3.

**Table 3.3.** Informants and requirements for informants (Kemitraan, 2012a:55 )

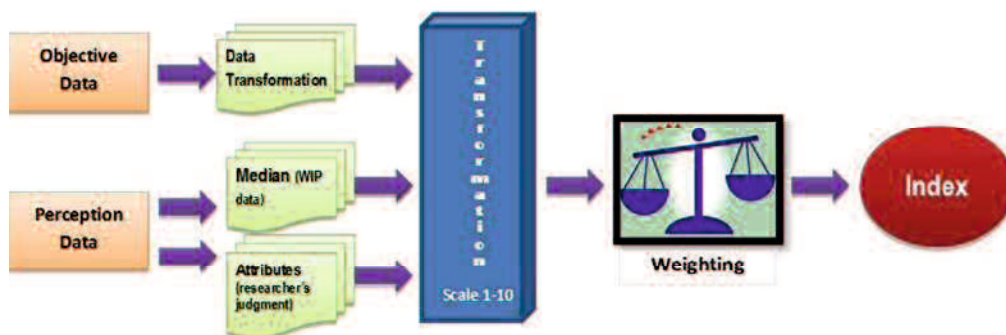
<b>Informants</b>	<b>Informants/requirements for informants</b>
Bureaucrats (11 persons)	<ol style="list-style-type: none"> <li>1. Provincial Secretariat (Public Relations Section)</li> <li>2. Bappeda (Planning and Monitoring-Evaluation Sections)</li> <li>3. Head of the Education Office</li> <li>4. Head of the Health Office</li> <li>5. Head of the Public Works Office</li> <li>6. Head of the Social Affairs Office</li> <li>7. Head of the Kesbanglinmas Office</li> <li>8. BKPM</li> <li>9. Revenue Collection Office</li> <li>10. Tax Office</li> <li>11. Manpower Office</li> </ol>
DPRD (5 persons)	<ol style="list-style-type: none"> <li>1. Commission for people's welfare</li> <li>2. Commission for the economy/industry/trade</li> <li>3. Commission for Local Budget and Expenditure (APBD)</li> <li>4. Commission for political affairs</li> <li>5. DPRD Secretariat</li> </ol>
CSO activists (5 persons)	<ol style="list-style-type: none"> <li>1. Involved in advocacy for the provincial government/DPRD</li> <li>2. Have been invited or made an audience with the provincial government/DPRD to share their views</li> <li>3. Have a base and work in the relevant province</li> </ol>
Economic Society (3 persons)	<ol style="list-style-type: none"> <li>1. Provincial Chamber of Commerce (Kadinda)</li> <li>2. Provincial Gapensi</li> <li>3. Provincial HIPMI (Indonesia Young Entrepreneurs)</li> </ol>
Academicians/ Observers (5 persons)	<ol style="list-style-type: none"> <li>1. Have become resource persons on issues related to the provincial government and DPRD</li> <li>2. Have been invited or made a collaboration with the provincial government/DPRD in relation to their field or sector of work</li> </ol>

<b>Informants</b>	<b>Informants/requirements for informants</b>
Journalists (3 persons)	<ol style="list-style-type: none"> <li>1. Within the last 2 years are working or have worked in the desk that tackle issues related to the government, DPRD, the economy</li> <li>2. Come from the most prominent media in the province</li> </ol>

### 3.2.4 Indexing process

Figure 3.4 shows the indexing process following IGI methodology. The details of calculating index scores of principles, arenas, and total score are shown in Appendix 1 and the types of transformation techniques used in data cleaning process shown in Appendix 3.

**Figure 3.4** Indexing process



Source: Kemitraan, (2012a:56).

### 3.2.5 Index scaling

According to Kemitraan (2012a), “IGI ranges from the scale of 1 (very poor) to 10 (very good).” There are two ways to interpret the index. “First is the normative way, by looking at the position within the scale of 1-10 using mid value of 5.50. The performance of a province in certain arena, principle and indicator can be interpreted by referring to this scaling”. Therefore, for example, “a score of 5.50 (between the range of 4.86-6.14) is categorized as fair score; score of above 3.57 up to 4.86 is categorized as fairly poor; while above 6.14 up to 7.43 is

categorized as fairly good.” The second way is a relative comparison. “Here, a province index in certain arena, principle and indicator is interpreted in terms of relative performance to other province. In this case, we are speaking of which province has better or worse performance than others.” (Kemitraan 2012a: 56)

### **3.3 Conclusion of Research Methodology**

- a. Kemitraan was established as a UN development programme and later has grown into an independent organization. One of its purposes is to structure Indonesian Good Governance Index (IGI) which are indexes of provinces. They are useful for provinces to improve their performance by knowing the scores and relative positions compared to other provinces.
- b. IGI index is composed of four arenas as 1) government, 2) bureaucracy, 3) civil society, and 4) economic society, and six principles as 1) participation, 2) fairness, 3) accountability, 4) transparency, 5) efficiency, and 6) effectiveness that are common for each arena, and lastly 89 indicators for these arenas and principles.
- c. The data for IGI are objective and subjective and are collected from various formal and public sources and experts.
- d. The index is processed through index scaling and weighting techniques.
- e. The index is interpreted through normative way and relative comparison way.

## Chapter 4

# COMPARISON OF GOOD GOVERNANCE INDEX IN YOGYAKARTA SPECIAL REGION BETWEEN 2012 AND 2016 CONCERNING THE ENACTMENT OF LAW NO.13 OF 2012

This chapter focuses on describing the progress of good governance index in Yogyakarta between 2012 and 2016. As shown in chapter 3, Kemitraan created the Yogyakarta governance index of 2012 using the IGI (Indonesia Governance Index)'s methodology and the author created the Yogyakarta governance index of 2016 using the similar method, but with newly collected data from the related government, bureaucracy, civil society and economic society in Yogyakarta. To deal with the main question of the 2012 privilege law's effects to the governance index, as a preliminary study for it, we compare the good governance index of 2012 and 2016 of Yogyakarta in this chapter. This index is, as described above, composed of the scores at three levels, the arena, the principles and the actual policy levels. As a result of this comparison, we could observe that the overall Yogyakarta governance index increased from fairly good level (6.80) in 2012 into the good level (7.93) in 2016. Then we analyze the scores that compose it at the arena and principle levels, asking each arena's contribution to the total governance index and then each principle's contribution to each arena's score. Through this procedure is *suggested* the possibility that this governance index increase could be related with the new privilege Law No.13 of 2012 for Yogyakarta. As mentioned in chapter 1, Yogyakarta had had the unclear status of the privilege before 2012, but the new law recognized the authority of privileged status of Yogyakarta and in this sense provided a new legal basis for policy making in this province. We remain here in this chapter to suggest this possibility



by referring to several examples that suggest it. The question of this connection between the privilege law and policy changes made possible by it, and also the relation between these policy changes and the governance index improvement is to be studied next chapter.

We will now proceed to the comparison of governance indexes of Yogyakarta province between 2012 and 2016. As mentioned above, the numerals, for 2012 are taken from Kemitraan's IGI report and for 2016, the numerals are calculated by the author following Kemitraan's IGI methodology. The author visited such institutions as local parliaments (DPRD), Local Planning Bureau, Provincial Office, Local Bureau of Statistic, Education Office, Local Chamber of Commerce, Lecturers, Researchers, and Journalists and collected the objective data by observation sheets and subjective data by questionnaire and then put them in the Kemitraan's calculation method.

#### **4.1 2012 index**

The 2012 governance index of Yogyakarta and Indonesia was created and published by Kemitraan (Kemitraan 2012a:56) based on the method shown in chapter 3, with four arenas and six principles consisting of 89 indicators, following the IGI's methodology. The index number in this study are organized into categories 1-10 scale, which is very poor (1 to 1.29), poor (2.30 to 3.57), fairly poor (3.58 - 4.86), fair (4.87- 6:14), fairly good (6:15 - 7:43), good (7:44 - 8.71) and very (8.72 - 10).

#### **4.2 2016 index processing**

Yogyakarta Governance Index 2016 was calculated based on 89 indicators that have special characteristics based on the type of data and data collection techniques. This index processing is a composite of two types of data, objective data and perception/subjective (primary) data.

#### **4.2.1 Data acquisition process**

The data acquisition process for Yogyakarta Governance Index 2016 was conducted use questionnaire techniques, workshops or group discussions, review of documents and publications. The data collection through the questionnaires and group discussion forum was conducted by utilizing the respondents as the primary data source. Meanwhile, data collection techniques through document review conducted with data recording and observation approach document. This approach was done in order to make an assessment (judgment) the quality of the provincial government institutions. Detailed explanations of these approaches are as follows:

##### **1) Documents observation and recoding the documents and publications**

In order to collect the objective data in Yogyakarta province the author used the document observation and recoding the documents and publications approach through Yogyakarta government websites and document files in Yogyakarta institutions. This data collection techniques using Observation Sheet and data recording sheet, such as attached in **Appendix 4** and **5**. The processes for collecting objective data take time 1 month (in April 2016) and during the data collecting processes, the author got the assistance from staff of Regional Development and Planning Board (BAPEDA) Yogyakarta province (Mr. Wisnu) and staff in each local government work unit (SKPD) of Yogyakarta province as shown in Table 4.1. The Yogyakarta province staff gave the assist for providing the document that listed in the Observation Sheet. Then the author observed and analyzed the documents. The supporting letter from Regional Development and Planning Board (BAPEDA) Yogyakarta is attached in the Appendix 11.

**Table 4.1** The processes of collecting objective data in Yogyakarta province

No.	Location	Source of data	Objective	Assistance
1.	Bureaucracy	BPS (statistic office)	√	1. Statistic office staff 2. BAPEDA staff
		Health Office	√	BAPEDA staff
		Education Office	√	BAPEDA staff
		Social Affairs Office	√	BAPEDA staff
		Public Works Office	√	BAPEDA staff
		Revenue Collection Office	√	BAPEDA staff
		Manpower Office	√	BAPEDA staff
		Local Planning Agency	√	BAPEDA staff
		BKPM	√	BAPEDA staff
		Provincial Secretariat	√	BAPEDA staff
		BPK	√	BAPEDA staff
		BPKP	√	BAPEDA staff
		Tax Office	√	BAPEDA staff
2.	DPRD	Regional Representative Council (DPRD) Secretariat	√	Secretary of Regional Representative Council (DPRD)
3.	Civil society	CSO Management	√	Community Empowerment Organization (LPM)

Source: By the author

## 2) Questionnaire

In order to collect the perception data in Yogyakarta province the author used the questionnaire approach. The questionnaire for collecting the perception data was attached in **Appendix 6**. The questionnaire was discussed with Kemitraan staff before shared to the respondents. The questionnaire was written in Indonesia language due to the common language of the respondents. The respondents were selected from people in charge in bureaucrats, Regional Representative Council (DPRD), CSO activists, Economic Society and Academicians as listed in Table 4.2. The respondent in this study also was used as well-informed persons in forum of group discussion. June 20<sup>th</sup> –July

4<sup>th</sup>, collecting data use the instrument and questionnaire research. The questionnaire tabulation for Yogyakarta Governance index of 2016 was attached in **Appendix 7**.

**Table 4.2** List of responders for perception data

<b>Location</b>	<b>Respondents</b>
Bureaucrats (15 persons)	<ol style="list-style-type: none"> <li>1. Head of the Education Office</li> <li>2. Head of the Health Office</li> <li>3. Head of the Public Works Office</li> <li>4. Head of the Social Affairs Office</li> <li>5. Head of the Kesbanglinmas Office</li> <li>6. Head of BKPM</li> <li>7. Head of Revenue Collection Office</li> <li>8. Head of Tax Office</li> <li>9. Head of Manpower Office Provincial Secretariat (Public Relations Section)</li> <li>10. Head of Bappeda (Regional Development Planning Agency)</li> <li>11. Regional secretary</li> <li>12. Head of Environmental agency</li> <li>13. Head of National and Political Unity Board (Bakesbangpol)</li> <li>14. Head of Department of Industry and Commerce</li> <li>15. Head of Department of Communication and Information Technology</li> </ol>
Regional Representative Council (DPRD) (5 persons)	<ol style="list-style-type: none"> <li>1. Commission for people's welfare</li> <li>2. Commission for the economy/industry/trade</li> <li>3. Commission for Local Budget and Expenditure (APBD)</li> <li>4. Commission for political affairs</li> <li>5. DPRD Secretariat</li> </ol>
CSO activists (6 persons)	<ol style="list-style-type: none"> <li>1. Community Empowerment Organization (LPM)</li> <li>2. Economic Empowerment Organization</li> <li>3. Integrated health service (Posyandu)</li> <li>4. Family Welfare Guidance (PKK)</li> <li>5. Village Credit Institutions (KUD)</li> <li>6. Workers alliance</li> </ol>

<b>Location</b>	<b>Respondents</b>
Economic Society (5 persons)	<ol style="list-style-type: none"> <li>1. Provincial Chamber of Commerce (Kadinda)</li> <li>2. Tourism Entrepreneur Forum</li> <li>3. Traditional Market Traders Forum</li> <li>4. Provincial Gapensi</li> <li>5. Provincial HIPMI</li> </ol>
Academicians/ Observers (6 persons)	<ol style="list-style-type: none"> <li>1. 3 lecturers from Yogyakarta State University</li> <li>2. 3 lecturers from Gajah Mada University</li> </ol>
Journalists (5 persons)	<ol style="list-style-type: none"> <li>1. Harian Jogja (new paper)</li> <li>2. Kedaulatan Rakyat (new paper)</li> <li>3. Viva news Jogjakarta (Television)</li> <li>4. Radar Jogja (new paper)</li> <li>5. Tempo (new paper)</li> </ol>

Source: By the author

### 3) Interview meeting with experts in related areas

The aim of this meeting with experts in related areas is to collect data of judgment performance of Yogyakarta in the four arenas (government, bureaucracy, civil society and the economy). The experts provided their judgment on the performance of their related areas of society but not direct observation of the relations among four areas. The question of relations are dealt with by the author through examination of the supposedly affected policies by the privilege law (see e.g. Table 5.1 Privilege effect table). The members invited to this meeting are similar with members of responders (Table 4.2). The meeting was held at:

- a. Bureaucrats on June 28<sup>th</sup> 2016
- b. Economic Society, Academician and Journalist on June 30<sup>th</sup> 2016.
- c. Regional Representative Council in Yogyakarta, on July 1<sup>st</sup> 2016.

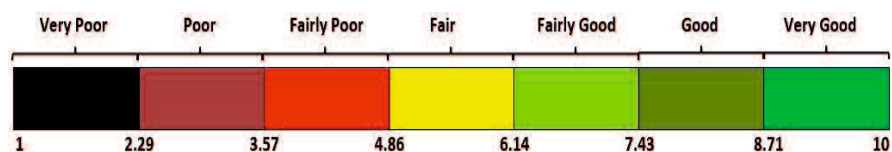
The discription of this meeting with WIP is shown in the Appendix 8.

#### 4.2.2 Index Calculating process

The next step after finishing the data collecting is index calculating and analysis the results. The index calculating was conducted by the author under the supervising staff of Kemitraan (Ms. Inda Lukman)<sup>41</sup>. The intensive discussions for index calculation were conducted on July 7 – 16, 2016 at Kemitraan office. The letter of institutional support from Kemitraan was shown in the Appendix 11.

The data that obtained for Yogyakarta governance index has not uniform scale. This is due to the two types of data i.e. objective data and perception/subjective (primary). The data should be transformed into similar scale. This transformation process basically will convert the raw data of Yogyakarta governance into 1-10 scale as shown in the Fig. 4.1. The techniques to transform objective data and perception/subjective (primary) data and the tabulation of Yogyakarta governance index was shown in the **Appendix 9**.

**Figure 4.1** The index scale



Source: Kemitraan, (2012a:56)

<sup>41</sup> The intensive discussions for index calculation were conducted on July 7 – 16, 2016 at Kemitraan office. The letter of institutional support from Kemitraan was shown in the Appendix 11

The step of calculation of Yogyakarta governance index are a) calculation of indicator index, b) calculation of principles index, c) calculation of arena index and d) calculation of Yogyakarta index. This following are explanation How to calculate the Yogyakarta index:

**a) Calculation of indicator index**

**1) Observation data**

The methode of collecting observation data was explained in section 4.2.1. this following is an example how to calculate indicator index based on observation data for indicator G1T1 (Table. 4.3). The summuray of observation data was shown in Table 4.4

**Table 4.3** an example indicator index calculation G1T1

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight	Index	
							2016	2012
Transparency						0.190	8.81	7.97
19	G1T1	Accessibility of non-budget local regulations (PERDA) and Governor's regulations documents		v		0.172	10.00	10.00
20	G2T1	Accessibility of complete local budget (APBD) documents		v		0.175	10.00	7.75
21	G2T2	Accessibility of Provincial budget accountability report through website		v		0.182	10.00	10.00
22	G2T3	Accessibility of information on Aspiration fund spendings of local parliaments (DPRD)		v		0.160	7.75	5.50
23	G3T1	Quality of Governor's communication in coordinating development			v	0.127	10.00	6.40
24	G4T1	Accessibility of monitoring activities by local parliaments, e.g. Executive summary, minutes of meeting, field work visit by local parliaments (DPRD)		v		0.183	5.50	7.75

Source: By the author



Tabel 4.4 The summuray of observation data

No	Code	Indicator	Assessment of reseacher
<b>Assessment of the Government Regulation</b>			
1	G1T1	Accessibility of non-budget local regulations (PERDA) and Governor's regulations documents	4.00
2	G1E2	Availability of regulation on environment protection	2.67
<b>Penilaian terhadap Akses pada Dokumen Anggaran</b>			
3	G2T1	Accessibility of complete local budget (APBD) documents	4.00
4	G2T2	Accessibility of Provincial budget accountability report through website	4.00
5	B1T1	Accessibility of Financial Documents in Local Bureaucracy Offices (e.g. RKA SKPD, RKA PPKD, summary of DPA SKPD, summary of DPA PPKD)	4.00
<b>Assessment of the Access to Documents Parliament</b>			
6	G2T3	Accessibility of information on Aspiration fund spendings of local parliaments (DPRD)	3.00
7	G4T1	Accessibility of monitoring activities by local parliaments, e.g. Executive summary, minutes of meeting, field work visit by local parliaments (DPRD)	2.00
<b>Assessment of the Quality of Public Services</b>			
8	B1P1	The existence of public complaint center (UPPM) in the Provincial Revenue Collection office (Dispenda)	4.00
9.a.	B2P1.a.	The existence of Public Complaint Center in health.	5.00
9.b.	B2P1.b.	The existence of Public Complaint Center in education sectors	5.00
9.c.	B2P1.c.	The existence of Public Complaint Center in and poverty eradication sectors	5.00
10	B3I1	Investment growth	3.00
11.a.	B2P2.a.	The presence of the health board	3.00
11.b.	B2P2.b.	The presence of the education board	3.00
11.c.	B2P2.c.	The presence of the poverty eradication board	3.00
12	B3P1	The presence of regular forum between provincial government and public to strengthen investment climate, job creation and local economic empowerment	3.00
13	B3T1	Accessibility to provincial investment regulations	4.00
<b>Assessment of State Auditor's (BPK) opinion</b>			
14	B2A1	State Auditor's (BPK) opinion to the Provincial Budget Spending (APBD)	3.00
<b>Penilaian terhadap Opini Audit BPK</b>			
15	B1F1	Percentage of women civil servants at echelon 2	5.00
16	B2F4	Performance of gender balance working group at provincial level	3.00

Source: By the author



The calculation of indicator index are as follow:

**Indicator G1T1:** “Accessibility of non-budget local regulations (PERDA) and Governor's regulations documents”.

Weight of Indicator G1T1= 0.172

Indicator score from direct observation = 4.0

Max. value of indicator =4.0

Min. value of indicator =0

Indicator score from direct observation \* Weight of Indicator G1T1= 0.69

Max. value of indicator \* Weight of Indicator G1T1=0.69

Using them, we follow steps to convert the data to score 1-10. (See Appendix 11 for observation data)

Formula for final score of the transformation result=

$$=10-[(0.69-0.69)/((0.69-0)/9)]$$

$$=10-0$$

$$=10$$

## 2) Objective data

The metode of collecting objective data was explained in section 4.2.1. this following is an example how to calculate indicator index based on observation data for indicator G2F1 (Fig. 4.5).

**Table 4.5** An example indicator index calculation G2F1

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight	Index		
							2016	2012	
<b>YOGYAKARTA GOVERNANCE INDEX</b>							<b>7.93</b>	<b>6.80</b>	
<b>1. Government</b>							<b>0.502</b>	<b>7.44</b>	<b>6.80</b>
<b>Participation</b>							<b>0.120</b>	<b>8.37</b>	<b>6.40</b>
1	G1P1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting			v	0.170	8.20	6.40	
2	G1P2	Quality of Public Hearing in DPRD (local parliament) in the Deliberation of Provincial Regulations			v	0.156	8.20	6.40	
3	G2P1	The quality of public hearings to discuss Local Budget			v	0.219	8.20	6.40	
4	G3P1	Quality of Governor consultation forum with stakeholder			v	0.092	10.00	6.40	
5	G4P1	Quality of public complaint channels to strengthen DPRD monitoring function			v	0.199	8.20	6.40	
6	G4P2	Quality of DPRD Public Engagement in conducting monitoring function			v	0.164	8.20	6.40	
<b>Fairness</b>							<b>0.189</b>	<b>6.04</b>	<b>2.94</b>
7	G1F1	Types of Formal Government Institution for Women's Protection and Empowerment			v	0.125	10.00	10.00	
8	G2F1	Local budget (APBD) allocation for health (excluding civil servant expenditures) per capita adjusted to the price index.	v			0.243	2.68	1.06	
9	G2F2	Local budget allocation (APBD) for poverty eradication per capita adjusted to the price index	v			0.228	5.50	3.07	
10	G2F3	Local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index	v			0.247	8.77	2.06	
11	G3F1	Equal opportunity to join Governor Consultation Forum with Stakeholders			v	0.039	9.10	6.40	
12	G4F1	Non-discriminatory conduct of DPRD (local parliament) in monitoring development			v	0.045	8.20	6.40	

Source: By the author

The calculation of indicator index are as follow:

**Indicator G2F1: “Local budget (APBD) allocation for health (excluding civil servant expenditures) per capita adjusted to the price index.”**

- Total health expenditure from APBD 2016 =  
 = (IDR19548864304,00 – 38518509229,00)  
 = 156966355075,00 (data from observation)
- Total population Yogyakarta2016 =  
 = 3666533 (data from statistic office)
- Expensiveness index province =  
 = 1.19 (data from statistic office)

Budgets for health per capita adjusted through Provincial expensiveness index =

$$\begin{aligned} &= (\text{Total health expenditure from APBD 2016} / \text{Total population 2016}) / \text{Expensiveness index province} \\ &= (156966355075 / 3666533) / 1.19 \\ &= \text{IDR } 35839.74 / \text{person} \end{aligned}$$

- APBD final for health 2016 = IDR 3867399956525.67
- APBD final 2016 = IDR 6482178005805.44
- Yogyakarta Score Local budget (APBD) allocation for health  
=  $(35839.74 * 6482178005805.44) / 3867399956525.67$   
= 60071.2523786436
  
- Steps to Convert Objective Data to Score 1-10 (Direct Transformation)  
Using them, we follow steps to convert the data to score 1-10. (See Appendix 12 for objective data)
  - Max. value = 279002.97
  - Min. Value = 9733.085
  - **Formula for final score of the transformation result=**  
=  $10 - [(279002.97 - 60071.2523786436) / ((279002.97 - 0) / 9)]$   
=  $10 - 7.3175$   
= **2.6825**

### 3) Questionnaire data

The method of collecting questionnaire data was explained in section 4.2.1. this following is an example how to calculate indicator index based on observation data for indicator G1P1 (Table. 4.6). The summuray of questionnaire data for indicator G1P1 was shown in Fig. 4.2

**Table 4.6** An example indicator index calculation G1P1

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight	Index		
							2016	2012	
<b>YOGYAKARTA GOVERNANCE INDEX</b>							<b>7.93</b>	<b>6.80</b>	
Government							0.302	7.44	6.80
Participation							0.170	8.37	6.40
1	G1P1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting			v	0.170	8.20	6.40	
2	G1P2	Quality of Public Hearing in DPRD (local parliament) in the Deliberation of Provincial Regulations			v	0.156	8.20	6.40	
3	G2P1	The quality of public hearings to discuss Local Budget			v	0.219	8.20	6.40	
4	G3P1	Quality of Governor consultation forum with stakeholder			v	0.092	10.00	6.40	
5	G4P1	Quality of public complaint channels to strengthen DPRD monitoring function			v	0.199	8.20	6.40	
6	G4P2	Quality of DPRD Public Engagement in conducting monitoring function			v	0.164	8.20	6.40	

Source: By the author

**Figure 4.2** The summary of questionnaire data for indicator G1P1

No	Code	INDICATORS	Lecturers					Civil society organization					Journalists					Bureaucrats										Legislators					Local Chamber of Commerce					Median			
			1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	1	2	3		4	5	1
<b>Government Arena</b>																																									
1	G1P1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting	4	5	5	5	5	4	2	4	4	3	4	3	3	3	3	5	5	5	4	5	5	5	4	5	4	4	5	4	5	4	4	5	4	5	4	4	5	4	

Source: By the author

The calculation of indicator index are as folow:

**Indicator G1P1: “Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting.”**

**Weight =0.170**

Median = 4

Max value= 5

Min value= 0

Using them, we follow steps to convert the data to score 1-10. (See Appendix 12 for data questionnaire)

Calculation

$$\text{Median} \times \text{weight} = 4 \times 0.170 = 0.68$$

$$\text{Max value} \times \text{weight} = 5 \times 0.170 = 0.85$$

$$\text{Min value} \times \text{weight} = 0 \times 0.170 = 0$$

Formula for final score of the transformation result=

$$= 10 - \left[ \frac{(0.85 - 0.68)}{((0.85 - 0) / 9)} \right]$$

$$= 10 - 1.800$$

$$= 8.2$$

#### b) Calculation of principles index

This following is an example explanation how to calculate the principles index of Participation principle in arena government (Table 4.7). the equation of principles index is **Indicator index** × **weight**. Finally we got the total index of participation in government arena is **8.365**.

**Table 4.7** The principles index of Participation principle in arena government

Government					
Participation				Weight	INDEX
1	GIP1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting	8.2	0.17	1.394
2	GIP2	Quality of Public Hearing in DPRD (local parliament) in the Deliberation of Provincial Regulations	8.2	0.156	1.2792
3	G2P1	The quality of public hearings to discuss Local Budget	8.2	0.219	1.7958
4	G3P1	Quality of Governor consultation forum with stakeholder	10	0.092	0.92
5	G4P1	Quality of public complaint channels to strengthen DPRD monitoring function	8.2	0.199	1.6318
6	G4P2	Quality of DPRD Public Engagement in conducting monitoring function	8.2	0.164	1.3448
Total Index of Participation					<b>8.3656</b>

Source: By the author

**c) Calculation of arena index**

This following ia an example expalnation how to calculate the arena index of government (Table 4.8). the equation of principles index is **principles index** × **weight**. Fainaly we got the total index of participation in government arena is **7.444**.

**Table 4.8** The arena index of government

	<b>Principles index</b>	<b>Weight</b>	<b>Principles index * Weight</b>
<b>Participation</b>	8.37	0.120	1.004
<b>Fairness</b>	6.04	0.189	1.142
<b>Accountability</b>	8.14	0.259	2.108
<b>Transparency</b>	8.81	0.190	1.673
<b>Efficiency</b>	8.29	0.117	0.970
<b>Effectiveness</b>	4.40	0.124	0.546
<b>Government arena index</b>			<b>7.444</b>

Source: By the author

**d) Calculation of Yogyakarta governance index**

This folowing ia an example expalnation how to calculate the Yogyakarta governance index of government (Table 4.9). the equation of principles index is **arena index** × **weight**. Fainaly we got the total index of Yogyakarta governance is **7.933**.

**Table 4.9** The Yogyakarta government index

	<b>Arene Index</b>	<b>Weight</b>	<b>Arena index * Weight</b>
<b>Government</b>	7.444	0.302	2.248
<b>Bureaucracy</b>	8.242	0.323	2.662
<b>Civi Society</b>	8.200	0.208	1.706
<b>Economic Society</b>	7.884	0.167	1.317
<b>Yogyakarta governance Index</b>			<b>7.933</b>

Source: By the author

### 4.3 Comparison of Yogyakarta governance index in 2016, 2012 and national average 2012

Table 4.10, 4.11 and 4.12 shows the result summary of governance index of Yogyakarta 2016 as compared with those of 2012 and Indonesian average. Governance index of Yogyakarta 2016 (By author's calculation)

**Table 4.10** Governance index of Yogyakarta 2016 (by Author)

	Participation	Fairness	Accountability	Transparency	Efficiency	Effectiveness	Arena Index
<b>Government</b>	8.37	6.04	8.14	8.81	8.29	4.40	<b>7.44</b>
<b>Bureaucracy</b>	10.00	8.31	10.00	10.00	5.44	5.47	<b>8.24</b>
<b>Civil Society</b>	8.20	8.20	8.20	8.20	8.20	8.20	<b>8.20</b>
<b>Economic Society</b>	8.20	8.20	8.20	8.20	8.20	6.16	<b>7.88</b>
<b>Yogyakarta Governance index 2016</b>							<b>7.93</b>

**Table 4.11** Indonesia Governance index 2012 (by Kemitraan, 2012:37)

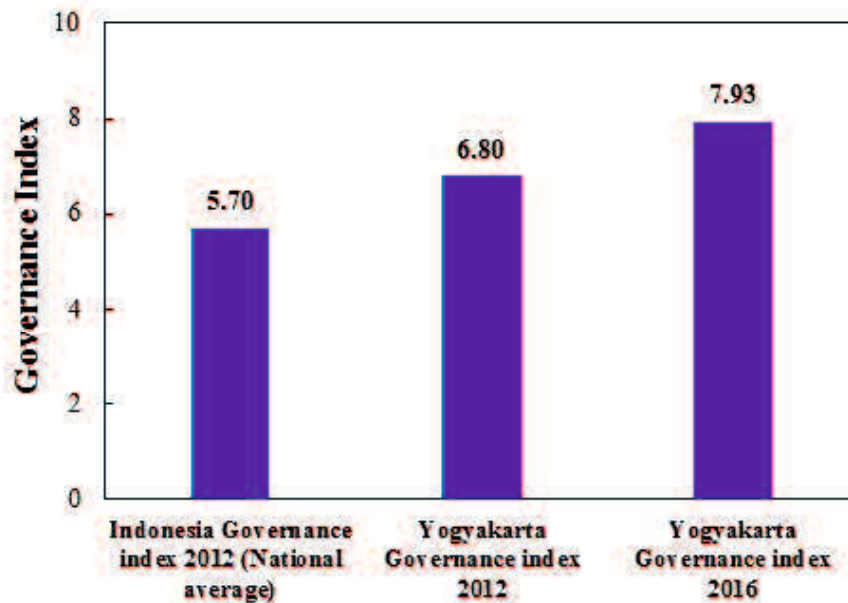
	Participation	Fairness	Accountability	Transparency	Efficiency	Effectiveness	Arena Index
<b>Government</b>	5.87	3.89	5.45	4.58	7.51	5.49	<b>5.28</b>
<b>Bureaucracy</b>	3.96	5.91	6.17	5.04	6.98	5.38	<b>5.6i</b>
<b>Civil Society</b>	6.53	6.28	6.17	6.28	6.22	6.48	<b>6.33</b>
<b>Economic Society</b>	6.16	5.83	6.18	5.80	5.54	4.74	<b>5.72</b>
<b>Indonesia Governance index 2012 (National average)</b>							<b>5.70</b>

**Table 4.12** Governance index of Yogyakarta 2012 (by Kemitraan, 2012: 73)

	Participation	Fairness	Accountability	Transparency	Efficiency	Effectiveness	Arena Index
<b>Government</b>	6.40	2.94	8.37	7.97	6.70	5.88	<b>6.52</b>
<b>Bureaucracy</b>	9.55	7.38	7.73	9.09	5.42	5.87	<b>7.46</b>
<b>Civil Society</b>	7.64	6.40	6.40	6.40	6.40	7.03	<b>6.72</b>
<b>Economic Society</b>	6.40	6.40	6.40	6.40	6.40	4.61	<b>6.12</b>
<b>Yogyakarta Governance index 2012</b>							<b>6.80</b>



**Figure 4.3** The comparison of Yogyakarta governance index



Source: The Indonesia governance index of 2012 and The Yogyakarta governance index of 2012 by the Kemitraan's calculation and Yogyakarta governance index of 2016 by the author's calculation.

Figure 4.3 shows that the Yogyakarta governance index in 2016 is 7.93. Yogyakarta governance index increased from fairly good level to good level compared with the governance index in 2012. The governance index of Yogyakarta in 2016 was also higher than the average national index in 2012. The increasing Yogyakarta governance index is very interesting to be analyzed, especially with the presence of privilege law No. 13 of 2012 between these two years and the fact that this law gives special authority in the five pillars (a. Procedures for filling the position, status, tasks and authorities of the Governor and the vice Governor, b. Regional government institutions, c. Culture, d. Land affairs, e. Spatial planning of governance in Yogyakarta: Listed in 5.1.1.)

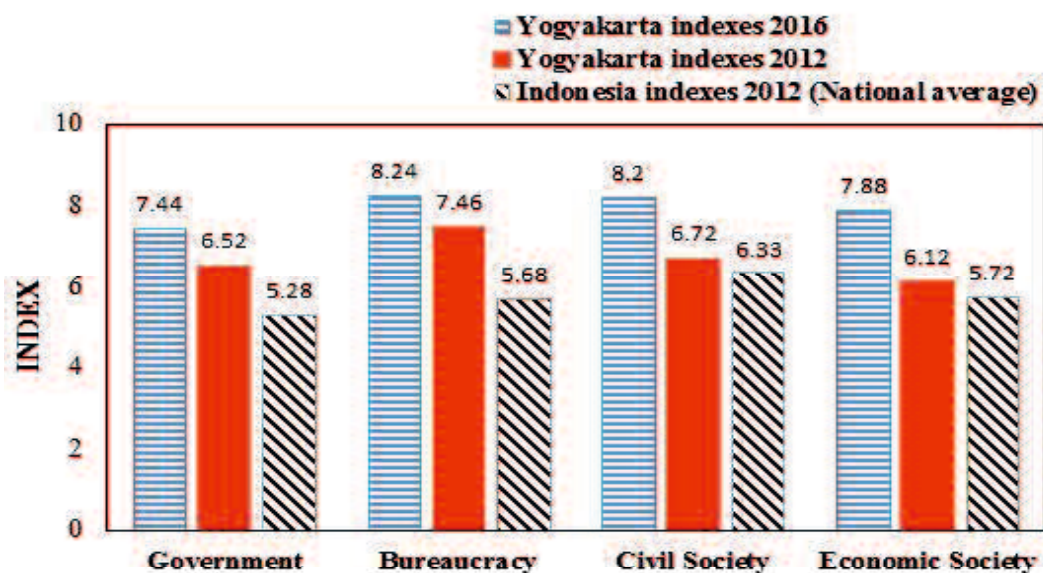
#### **4.3.1 The Analysis of Arenas Level as Whole**

We will now see the components of the governance index to find which factors have contributed to the total index increase of Yogyakarta. Figure 4.4 shows that the highest index was contributed by bureaucratic arena (8.24) then the



civil society arena (8.2), economic society (7.88) and the government arena (7.44). Consistently, all the arena indexes in Yogyakarta province is higher than the index in 2012 and the national average index in 2012. There is a significant difference in the arena of economic society, in which the index in 2016 increased by 1.76 points from the index in 2012. The same thing happened in the civil society arena, the index in 2016 was 8.2 or increase of 1.48 points from the index in 2012.

**Figure 4.4** The comparison of arenas index



*Source:* Kemitraan (2012a) and by author's calculation

**Possible relation with the privilege law:** The index improvement in these arenas show the possibility that in a span of four years, the Yogyakarta government possibly managed to improve the bureaucracy, the economic society and civil society through innovative policies. Government policies are not necessarily presumed to be the sole factors for the improvement, but referring to its relatively strong role within the four arenas, its policies are worth due attention. One hypothesis for this index improvement could be that this change be related with the enactment of the privilege Law No. 13 of 2012 and the Yogyakarta government has become more flexible for managing the institution conducting the

bureaucracy reform and delivering excellent society services in Yogyakarta helped by this flexibility. The fact that Yogyakarta province has formulated a road map of bureaucratic reform that cover 8 areas, such as: 1) Management, 2) Organization, 3) Legislation law, 4) Human resources, 5) Governance, 6) Accountability, 7) Monitoring and 8) Public services<sup>42</sup> could be an example of it and be worth being analyzed from this viewpoint. Thus, we can propose the hypothesis that the improved scores are affected by the result of the policies implemented by these reforms related with the new privilege law.

#### **4.3.2 The Comparison of Overall Principles**

Although the index level in every arena has increased and in the category of good level, if we look into the components of them at principles level, the scores of all the principles have not moved into the same direction. In this section a comparison between the principles in each arena will be observed and which principles have been going well and which are still weak in each arena as shown in Fig. 4.5-4.10 below.

##### **a. Analysis of participation principle**

The implementation of participation principles was very good level in bureaucracy arena and good level in arena of government, civil society and economic society. Bureaucracy arena has managed to achieve the maximum index (10.00 or very good level). Overall, participation index shows improved performance compared to the index in 2012 or the average of the national index in 2012, as shown in Fig.4.5.

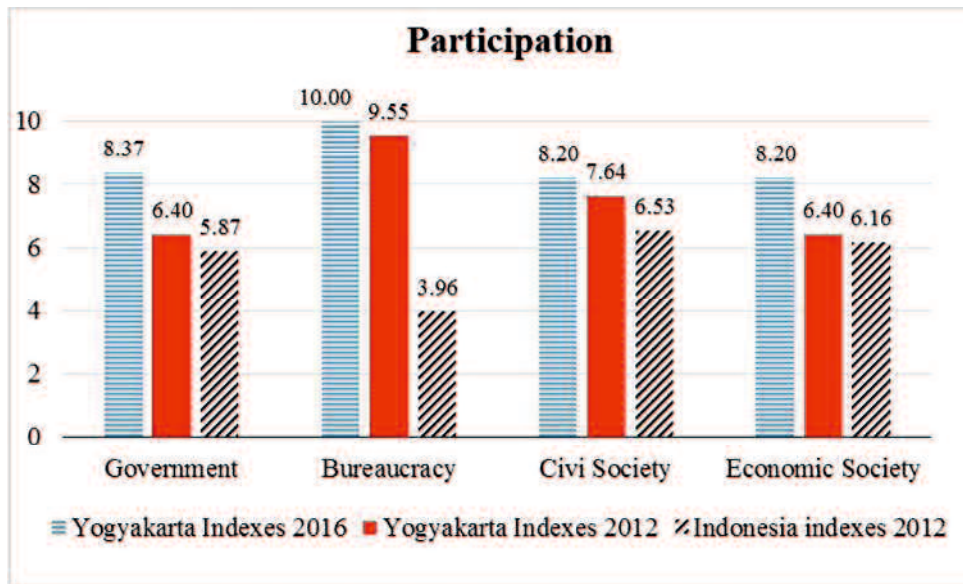
**Possible relation with the privilege law:** This could be the evidence that bureaucratic reforms undertaken by the Yogyakarta government managed to invite the participation of Yogyakarta society. For example, the newly formed of public complaint center (UPPM) in the provincial revenue collection, health, education and poverty eradication has been widely used by the Yogyakarta society as a place

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<sup>42</sup> Yogyakarta province. (2012b:290). The Mid-term Regional Development Planning (RPJMD) of Yogyakarta 2012-2017

to report and provide input to the government. Therefore, the communication patterns that occurred in the Yogyakarta province is a more two-way direction communication between the government and the society.

**Figure 4.5** The participation index in different arena

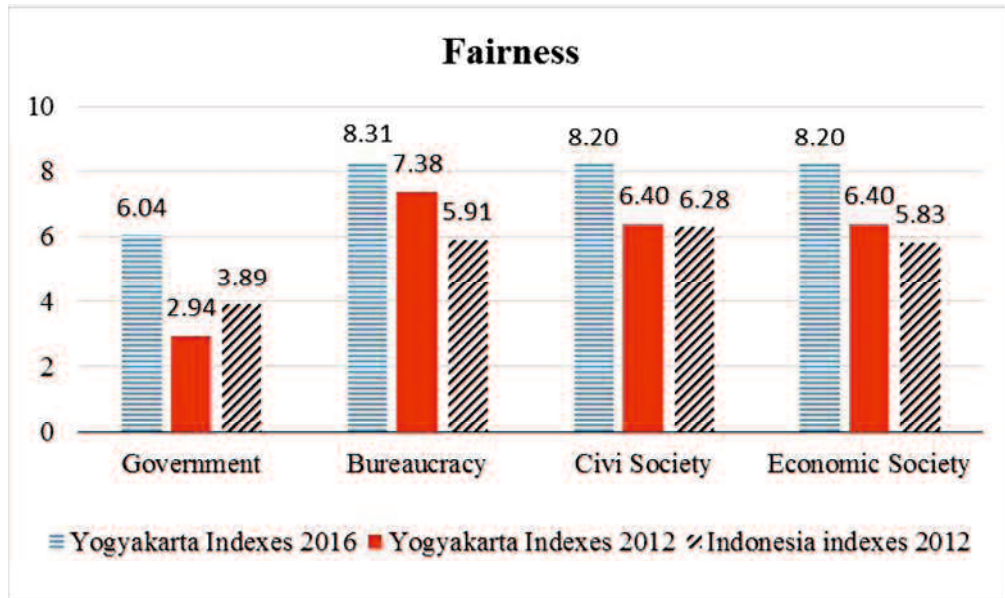


*Source:* Kemitraan (2012a) and by author's calculation

**b. Analysis of fairness principle**

The implementation of the fairness principle as reflected in three arenas: bureaucracy, civil society and economic society arena shows improvement that falls into the category of 'good', while the government arena achieved the category of 'fair'. Nonetheless, the performance of government arena in 2016 index shows marked improvement from that in 2012, despite merely registering fair level (Fig. 4.6).

**Figure 4.6** The fairness index in deferent arena



Source: Kemitraan (2012a) and by author's calculation

**Possible relation with the privilege law:** The issue that relates to fairness in the government arena concerns fairness in the distribution of the local budget (APBD). The existence of Law No.13/2012 on Yogyakarta special province, equips the province with the authority to use special funds to finance policies and programs that underpin the five pillars of Yogyakarta special status<sup>43</sup>. Thus, the existence of the special status law had made possible the availability of funds in the local government budget, which can be distributed equitably to key priority sectors. The fairness principle shows an upward trend in the four arenas. . This may indicate improved cooperation between the governor and legislature, in formulating fair local government policies.

**c. Analysis of accountability principle**

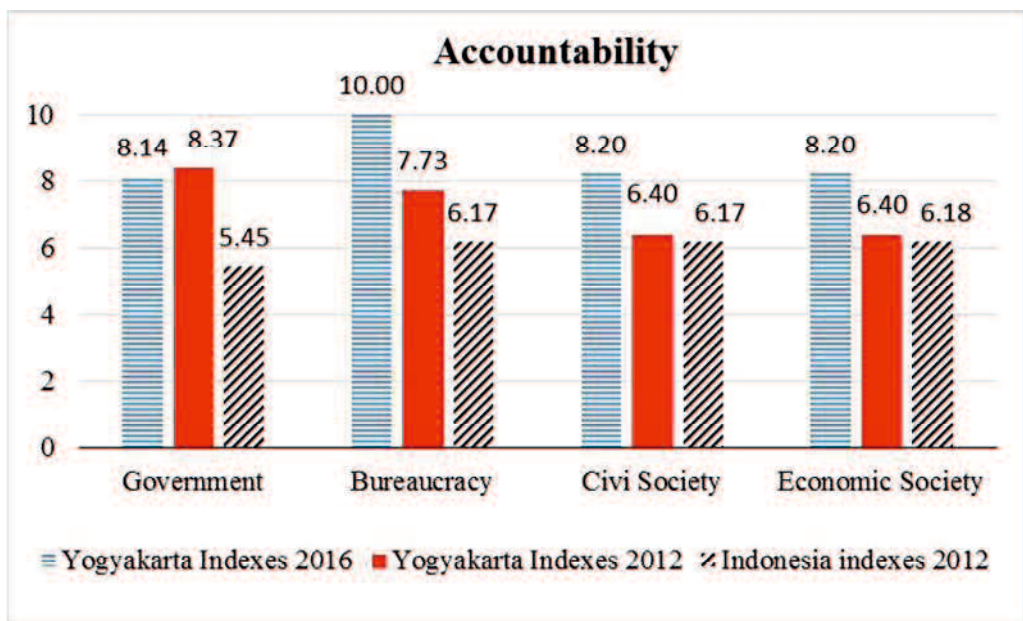
Figure 4.7 shows that the implementation of accountability principle in bureaucracy arena achieved the very good level (10.00) and in arena of

<sup>43</sup> The Republic of Indonesia (2012). *The law of the Republic of Indonesia Number 13 of 2012* Article 42

government, civil society and economy society achieved good level. When the accountability principle was compared with the governance index in 2012, accountability index in the bureaucracy arena, civil society and economic society shows the increasing tendency. However, accountability index in the government arena showed a slight decline but is not significant.

The result of this calculation is in line with the evaluations results of government performance accountability issued by the ministry of administrative reform and bureaucratic reform state apparatus that puts the province of Yogyakarta at grade “A” (Table 4.13).

**Figure 4.7** The accountability index in different arena



Source: Kemitraan (2012a) and by author’s calculation

**Table 4.13** The institution performance accountability report Yogyakarta

	Before Act No. 13 of 2012					After Act No. 13 of 2012		
	2008	2009	2010	2011	2012	2013	2014	2015
<b>The institution performance accountability report</b>	C	C	B	B	B	A	A	A

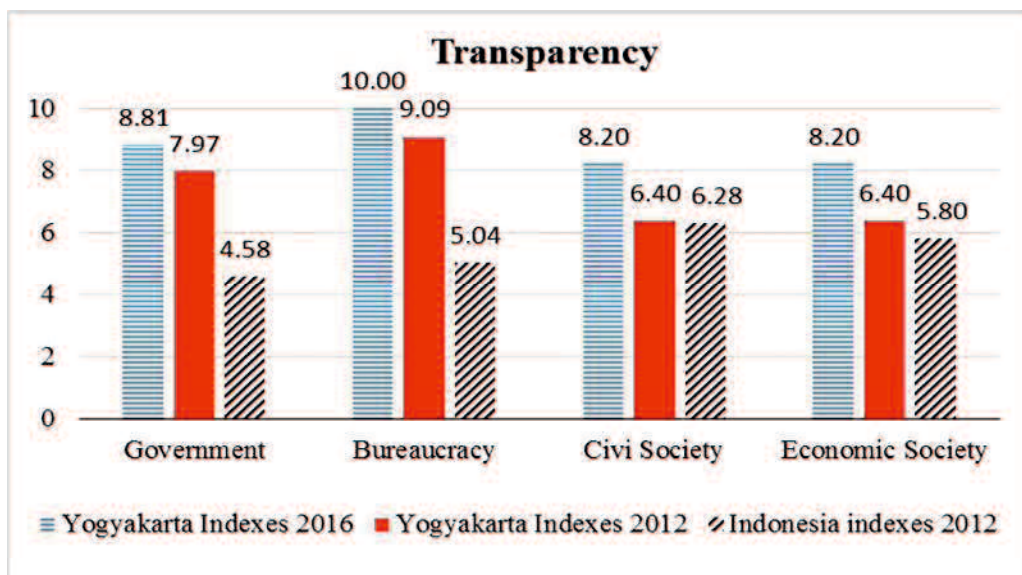
Source: The ministry of administrative reform and bureaucratic reform, 2015



**d. Analysis of transparency principle**

The implementation of transparency principles registers ‘very good’ level in the bureaucracy arena and ‘good’ grade in the government, civil society and economic society arenas. Bureaucracy arena achieves maximum score of 10 that is “very good”. Overall, transparency index shows an improvement in 2016 compared with the performance in 2012, as well as national average for 2012, as shown in Fig.4.8.

**Figure 4.8** The transparency index in deferent arena



*Source:* Kemitraan (2012a) and by author’s calculation

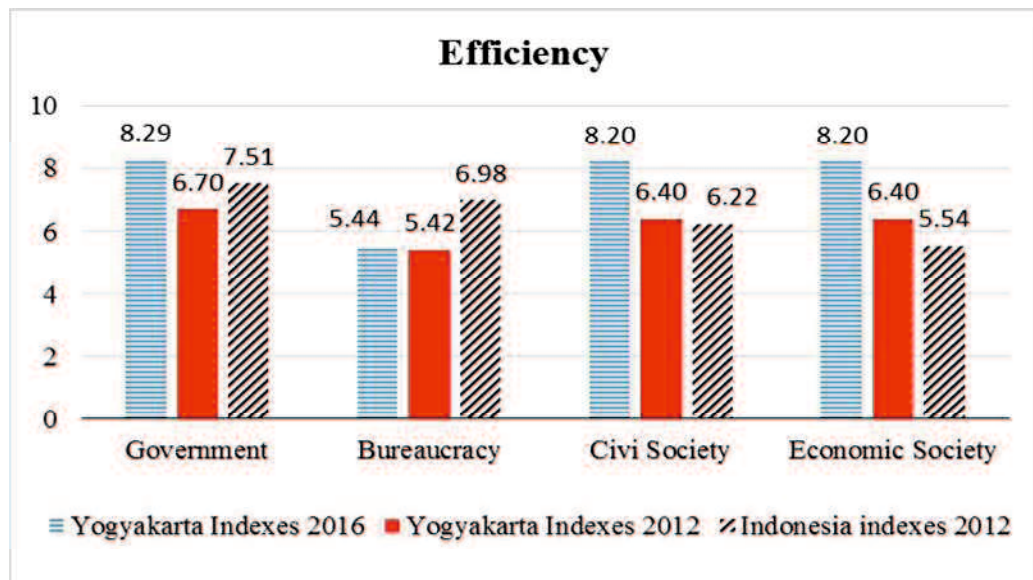
**Possible relation with the privilege law:** This could be evidence that bureaucratic reforms that Yogyakarta government has made are working (see 1.2, of 8 areas.) This is because the reforms have created a transparent and easily accessible public service delivery system to society. A good example of that is the fact that today, financial statements issued by local government offices are easily accessible to the public via the official website of Yogyakarta provincial

government. Thus, the public has the opportunity to provide inputs into reports that are issued by the provincial government offices.

**e. Analysis of efficiency principle**

The efficiency principle in the government, civil society and economic society arenas shows an upward trend (Fig. 4.9). However, the bureaucracy arena for 2016 shows no change from the value registered in 2012. Moreover, the value of the index is still below the national average.

**Figure 4.9** The efficiency index in different arena

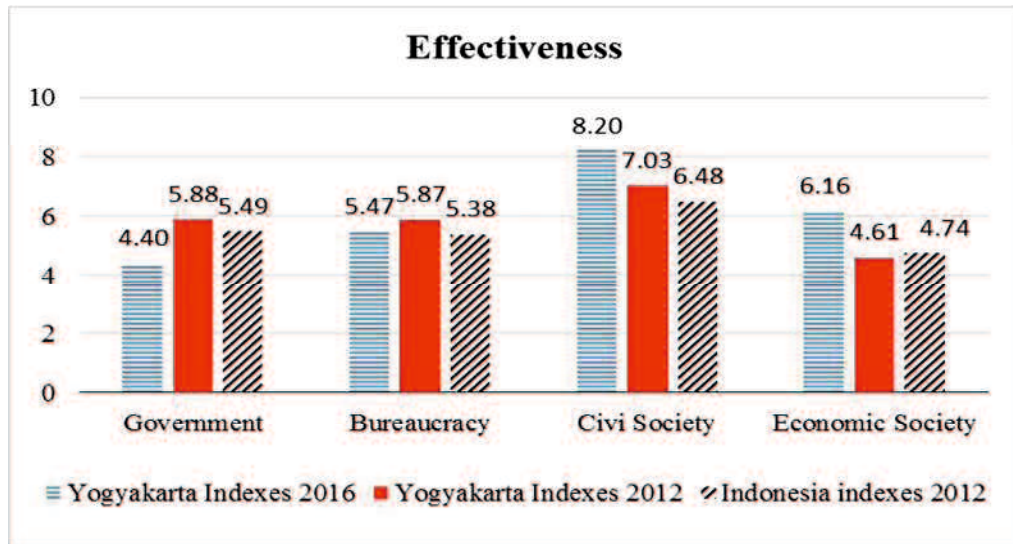


*Source:* Kemitraan (2012a) and by author’s calculation

**f. Analysis of effectiveness principle**

The effectiveness principle shows a declining trend in the government and bureaucracy arenas, but registers an upward trend in the civil society and economic society arenas (Fig.4.10).

**Figure 4.10** The effectiveness index in deferent arena



Source: Kemitraan (2012a) and by author's calculation

A decrease in the effectiveness index in the government arena could be caused by the increasing poverty rate (14.91% to 15.00 %) and unemployment rate (3.33% to 4.07 %) in 2015<sup>44</sup>.

**Possible relation with the privilege law:** Increasing effectiveness of the civil society arena could be caused by increased civil society's contribution to provincial corruption eradication effort and civil society's contribution to the quality improvement of provincial public services<sup>45</sup>. The increasing effectiveness index in the economic sector could be caused by the contribution of business sectors in providing easy access to doing business and its climate. It could possibly be further argued that the improvement in the investment climate in Yogyakarta might have been related with the stability in Yogyakarta, influenced by the new law concerning the new governor and deputy governor election system. Since the enactment of the privilege Law No. 13 of 2012 which states that the governor is the sultan that reigns, there has been no political upheaval at the turn

<sup>44</sup> Statistics central agency (BPS) (2015). Indonesia Democracy Index 2015, Jakarta.

<sup>45</sup> Yogyakarta province. (2016). The Review of Mid-term Regional Development Planning (RPJMD) of Yogyakarta 2012-2017.



of the governor as of 2012 as well as other provinces in Indonesia. This could be causing increased investment climate after 2012.

#### **4.4 Conclusions of Comparison of Good Governance Index in Yogyakarta Special Region between 2012 and 2016 concerning the Enactment of Law no.13 of 2012**

The target of this study about the good governance in the Province of Yogyakarta special region is to find the relation between the progress of good governance in Yogyakarta and the enactment of the privilege Law No. 13 of 2012. One of the purposes of the law No. 13 of 2012 is realizing conformity between the specialty of the province and unity in diversity in the framework of the Republic of Indonesia. And for this purpose this law has given special authority in 5 pillars to the Yogyakarta government as described above.

In order to answer the question of this relation or the new law's influence to Yogyakarta's governance improvement, the author has described the index by which to measure good governance itself and tried to see how this province's index has changed using it. In doing this the author collected the necessary data with the help of Yogyakarta provincial government and calculated the index of 2016 himself following the method of Kemitraan with assistance and advice of its staff. The results of this study have shown that the Yogyakarta governance index has improved between 2012 and 2016, which is from fairly good level into the good level and in all of the four arenas and most of the six principles. While examining the index change or governance improvement, the author also paid attention to and suggested possible policy changes that could have affected the governance index improvement, the policy changes that the privilege law might have had some influence on.

Based on this conclusion, we can now proceed in the next chapter to the closer examination of the reason of this change, which is what policy changes have been made possible and been practiced as a result of the new law and what influence the new policies have given to the improvement of the index. In order to

answer this question, the author would like to propose the **hypothesis** that **this Law No. 13 has influenced the government policies through the 5 pillars toward the improvement of good governance index in Yogyakarta through the following routes:**

- a. **Political stability** route: The procedure to fulfill the position, status, tasks and authorities of the governor and vice governor, has had an impact on the political stability and the sustainability of development in the Yogyakarta province.
- b. **Flexibility** route: Yogyakarta government has become more flexible for managing the institution, conducting the bureaucracy reform and deliver excellent society services in Yogyakarta. This can be called “**authority-flexibility**” route, meaning that the regional government, that is Yogyakarta provincial government in this case, has a larger autonomy compared to its past and also to other provinces, and now can exert more flexible authority on its own.
- c. **Special funds route**: Yogyakarta government has also been granted the authority in setting up and using special funds based on the new law. Therefore, the local budget (APBD) has become able to be distributed more equitably.
- d. **Spatial planning** route: The new law authorizes the controlling of development in spatial perspective and it has led to the improved spatial planning. This can be included in b. as a part of flexibility of authority but thinking of the importance of this single issue it can be separately paid attention as such.

These points have been suggested in the above analysis as in the cases of public complaint center in a. analysis of participation principle, special funds in b. analysis of fairness principle, financial statement on the website in d. analysis of transparency principle, stability in f. analysis of effectiveness principle. They are only partly referred to in this chapter as “possible relations with the new law” and is to be studied further in the next chapter. There we will focus on 89 indicators

which are the factors that construct the index scores of the six principles and then the four arenas. If we examine such policies out of the 89 indicators that have possibly affected related indicators, we will be able to find the relations between the privilege law and the governance index improvement and so confirm the above routes. The criterion by which to choose these policies will be that they are included in and have contributed much to the indicators that have shown significant change, mostly for the improvement. And the cases referred to above as “possible relations with the privilege law” will be included in this analysis according to the extent of their contributions to the improvement.

## Chapter 5

# ANALYSIS OF THE EFFECTS OF ENACTMENT OF LAW NO 13 OF 2012 TO THE IMPROVEMENT OF GOVERNANCE INDEX IN YOGYAKARTA PROVINCE 2016

In the previous chapter we measured the governance index of Yogyakarta 2016 and compared it with that of 2012. According to this result, the Yogyakarta governance index in 2016 increased to 7.93 (good level) as a whole. The results of these studies have been discussed in Chapter 4 at principles level, including possible suggestion to the connection between the privilege law, its affects to policies and their influence to the index change. Based on this, this chapter focuses on this connection, the effects of enactment of law no. 13 of 2012 to the improvement of governance index in Yogyakarta province (DIY) during 2012 and 2016.

### 5.1 The effects of Law No. 13 of 2012 on policy formulation

In this section we will see how the policy formulation has changed or been renewed according to the privilege law. We will see first the substance of privileges as a whole.

#### 5.1.1 Primary substance and essence of the privilege

The primary substance of the privileges given to Yogyakarta province by the Law No. 13 of 2012 is stipulated in Article 7<sup>46</sup>. This Article includes the following:

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<sup>46</sup> (<http://sipuu.setkab.go.id/PUUdoc/17637/UU0132012.pdf>, retrieved Mar. 23, 2017 )

- (1) DIY authority as an autonomous region includes the authority in matters of DIY Regional Government as stipulated in the law on local government affairs and Privileges specified in this Act.
- (2) Privileged authority in matters referred to in paragraph (1) shall include:
  - a. Procedures for filling the position, status, tasks and authorities of the Governor and the vice Governor.
  - b. Regional government institutions
  - c. Culture
  - d. Land affairs
  - e. Spatial planning

The essences of the privilege program in Yogyakarta are as follows (RPJMD:116):

- a. **Protection** aspects: activities in order to protect objects and activities that are very important in terms of substance (scale) and become part of the identity of Yogyakarta (privilege).
- b. **Maintenance** aspects: activities in order to protect the object from being endangered due to the changing times and social civilization.
- c. **Development** aspects: activities in order to protect the objects and activities that are very important in Yogyakarta by adding new values to what already exist and build new things by referring to the old value.

#### **Content of the privilege authority**

The content of the privilege authority, as of the second clause of Article 7, from a. to e. are as follows<sup>47</sup>:

**a. Procedure to fulfill the position, status, tasks and authorities of the governor and vice governor;**

Governor and Vice Governor of Yogyakarta province are Sultan Hamengku Buwono and the Duke of Paku Alam who reigns (Law No. 13 of 2012 Chapter VI and VII, Article 18-29)

**b. Regional government institutions;**

Yogyakarta Local Government institutional authority as referred to in Article 7 paragraph (2) b is to be organized to achieve effectiveness and efficiency of the

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<sup>47</sup> These are so-called 5 pillars of the privilege of Yogyakarta.

administration and public services based on the principles of responsibility, accountability, transparency, and participation by observing the shape and structure of the original rule (Law No. 13 of 2012 Chapter VIII, Article 30<sup>48</sup>).

**c. Culture;**

The authority of culture as referred to in Article 7 (2) c is to be organized to nurture and develop the creativity, taste, intention, and works in the form of values, knowledge, norms, customs, objects, art and noble traditions rooted in DIY community (Law No. 13 of 2012 Chapter IX, Article 31<sup>49</sup>).

**d. Land affairs;**

In the land of the authority referred to in Article 7 paragraph (2) letter d, the Sultanate and the Duchy with this Law is declared as a legal entity (Law No. 13 of 2012 Chapter X, Article 32 and 33<sup>50</sup>). (The question of Land affairs is

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<sup>48</sup> Law No. 13 of 2012 Article 30

(1) DIY Local Government institutional authority as referred to in Article 7 paragraph 2) b organized to achieve effectiveness and efficiency of the administration and public services based on the principles of responsibility, accountability, transparency, and participation by observing the shape and structure of the original rule.

(2) The provisions concerning the structuring and establishment of institutional DIY Local Government referred to in paragraph (1) is set in the local regulation for implementation of the privilege authority (PERDAIS). (URL: [https://www.setneg.go.id/index.php?option=com\\_perundangan&id=3753&task=detail&catid=1&Itemid=42&tahun=2012](https://www.setneg.go.id/index.php?option=com_perundangan&id=3753&task=detail&catid=1&Itemid=42&tahun=2012) )

<sup>49</sup> Law No. 13 of 2012 Article 31

(1) The authority of culture as referred to in Article 7 (2) c is organized to nurture and develop the creativity, taste, intention, and works in the form that values, knowledge, norms, customs, objects, art and noble traditions are rooted in DIY community.

(2) Provisions concerning the cultural authority as referred to in paragraph (1) is set in Perdais.

<sup>50</sup> Law No. 13 of 2012 Article 32

(1) In the land of the authority referred to in Article 7 paragraph (2) letter d, the Sultanate and the Duchy with this Law is declared as a legal entity.

(2) Sultanate as a legal entity is subject to the rights that have land titles Sultanate.

(3) Duchy as a legal entity is subject to the rights that have land titles Duchy.

(4) Land Sultanate and the Duchy of land referred to in paragraph (2) and (3) includes Keprabon land contained in all districts / cities in the area DIY.

(5) Sultanate and the Duchy authority is to manage and utilize the land Sultanate and the Duchy of land intended for the maximum development of cultural and social interests, and welfare.

Law No. 13 of 2012 Article 33

and has long been an important issue in Indonesia. It is discussed in the additional note in the end of this section 5.1.3.)

**e. Spatial planning;**

Authority of the Sultanate and the Duchy in spatial planning as referred to in Article 7 paragraph (2) letter e is limited to the management and utilization of land Sultanate and the Duchy land (Law No. 13 of 2012 Chapter XI, Article 34 and 35<sup>51</sup>).

Since the enactment of this law, the policy direction of Yogyakarta privilege development was structured to carry out the mandate of Law No. 13 of 2012 through the annual and five-year program. The programs were arranged in the form of Local Government Medium-term Development Plans (RPJMD) and Local Government Work Plan (RKPD). After enactment of Law No. 13 of 2012 Yogyakarta has two types of budgeting resource, local government budget (APBD) and special funds for privilege programs (Dana Istimewa). Thus, the programs (policies) related to the 5 pillars of the privilege of Yogyakarta is funded

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- (1) Rights to land Sultanate and the Duchy land as referred to in Article 32 paragraph (2) and (3) be registered at the land agency.
  - (2) Registration of land rights of the Sultanate and the Duchy of land referred to in paragraph (1) shall be conducted in accordance with the provisions of the legislation.
  - (3) Land management and utilization of the Sultanate and the Duchy land by another party must obtain the approval of the Sultanate for the Sultanate's land and Duchy for Duchy's land.

<sup>51</sup> Law No. 13 of 2012 Article 34

- (1) Authority of the Sultanate and the Duchy in spatial planning as referred to in Article 7 paragraph (2) letter e is limited to the management and utilization of land Sultanate and the Duchy land.
- (2) In exercising the authority referred to in paragraph (1), the Sultanate and the Duchy establish a common framework of spatial policy for the ground Sultanate and the Duchy of land according to specialty DIY.
- (3) The general framework of spatial policy ground Sultanate and the Duchy of land referred to in paragraph (2) shall be determined by taking into account national spatial planning and spatial planning of DIY.

Law No. 13 of 2012 Article 35

Further provisions on the management and use of land and land Duchy Sultanate and the Sultanate of spatial soil and ground Duchy is arranged in PERDAIS, which formulation is guided by the legislation.

by using special budget for privilege affairs or programs (based on Law No. 13 of 2012 Article 41 and 42<sup>52</sup>).

### 5.1.2 Privilege programs and work units in charge

The followings are privilege programs of Yogyakarta province (RKPD<sup>53</sup>, 2016). They comprise programs and the local government work unit in charge of them.

#### a. Programs related to privilege authority of procedure to fulfill the position, status, tasks and authorities of the governor and vice governor

No	Program	The Local Government Work Unit (SKPD) in charge
1	Program for filling the positions of governor and vice governor.	1. General bureau, public relations and protocol. 2. Parliament secretary. 3. Local development planning agency (Bappeda).

<sup>52</sup> Law No. 13 of 2012 Article 41

All legislation governing local finance apply to the Regional Government of DIY.

Law No. 13 of 2012 Article 42

- (1) The government provides funding for the implementation of DIY Privileged affairs (Dana Istimewa) referred to the Article 7 (2) in the Budget of the State in accordance with the needs of the DIY and financial capabilities of the country.
- (2) Funds for the implementation of the Regional Government Privileged DIY referred to in paragraph (1) are discussed and adopted by the Government based on the submission of the Regional Government of DIY.
- (3) The funds referred to in paragraph (2) in the form of specialty funds are earmarked for and managed by the Regional Government of DIY that the allocation and distribution are allocated and distributed via transfer mechanism to the area.
- (4) Further provisions concerning the procedures for the allocation and distribution of funds Privileged are governed by regulations of the Minister of Finance.
- (5) The Governor shall report the implementation of DIY Privileges to the Government through the Minister at the end of each fiscal year.

<sup>53</sup> Yogyakarta province (2016), Local Government Work Plan (RKPD).



**b. Programs related to regional government institution (RKPD, 2016:191)**

No	Program	The Local Government Work Unit (SKPD) in charge
1	Preparation of regulatory affairs programs privilege <sup>54</sup> .	Law bureau
2	Preparation of privilege affairs policy formulation <sup>55</sup> .	Regional secretary
3	Preparation of institutional affairs of regional policy formulation <sup>56</sup> .	Regional secretary
4	Institutional capacity building.	Organization bureau
5	Improvement of human resources planning policy apparatus.	Organization bureau
6	Facility and infrastructure improvement program implementing agencies privilege.	Organization bureau
7	The program to improve public services as the privilege characterizes <sup>57</sup> .	Organization bureau
8	Local development affairs <sup>58</sup> .	Local development planning agency (Bappeda).

<sup>54</sup> Activities that include legal studies, development of local regulations, documentation management and supervision of the products of local regulations to implement the privilege authority in Yogyakarta.

<sup>55</sup> Privilege policy of Yogyakarta is prepared based on the aspects of regional development, such as technology, protection of citizens, management, energy, conservation, economics, tourism, food, health, education, renaissance, cultural, spatial and environmental, art, norms, values social, noble traditions, and customs. (RKPD, 2016:494)

<sup>56</sup> The organization of Yogyakarta province consists of the Regional Secretariat, the Parliament Secretariat, the Regional Planning Board, Inspectorate, Civil Service Police Unit, the Regional Office, the Regional Technical Institute and other Institutions.

<sup>57</sup> Public services based on noble values and customs that grow in the people of Yogyakarta.

<sup>58</sup> Related to the privilege authority of Yogyakarta as mentioned in Law No. 13 of 2012 Article 7.

<b>No</b>	<b>Program</b>	<b>The Local Government Work Unit (SKPD) in charge</b>
9	Regional development planning of privilege affairs.	Local development planning agency (Bappeda).
10	The monitoring program of implementation of privilege affairs.	Organization bureau
11	Increasing the capacity and institutional relationships between palace and Pakualaman.	Organization bureau, Law bureau

**c. Programs related to culture**

<b>No</b>	<b>Program</b>	<b>The Local Government Work Unit (SKPD) in charge</b>
1	Management of cultural heritage.	Department of Culture
2	Development of cultural values.	Department of Culture
3	Management of value and history.	Department of Culture
4	The development of local arts and of local culture.	Department of Culture
5	Management of cultural assets.	Department of Culture
6	Cultural facility and infrastructure improvement.	Department of Culture
7	Improvement of the resilience of culture.	National and Political Unity Board (Bakesbangpol)
8	Environmental management based on	Environmental agency

No	Program	The Local Government Work Unit (SKPD) in charge
	culture.	
9	Character education based on culture.	Department of education, youth and sports
10	Preservation of customs, art and culture.	Department of Culture
11	Development and coaching museum.	Department of Culture
12	Management of cultural diversity.	Department of Culture
13	Coaching and development of creative industries.	Department of Industry and Commerce
14	The creation of small and medium business climate conducive.	Department of Industry and Commerce
15	Apparatus facility and infrastructure improvement.	Department of Culture
16	The development of communication and informatics based privileges.	Department of Communication and Information Technology
17	Improvement of archival information and literature.	Libraries and archives bureau
18	Increasing production of food crops.	Department of agriculture.
19	Increasing production of horticultural crops.	Department of agriculture.
20	Forest and land rehabilitation.	Department of forestry and plantations.
21	Raising awareness and law enforcement in the utilization of marine resources.	Department of marine and fisheries.
22	Improvement of fisheries production.	Department of marine

<b>No</b>	<b>Program</b>	<b>The Local Government Work Unit (SKPD) in charge</b>
		and fisheries.
23	Improvement of aquaculture production.	Department of marine and fisheries.
24	Development of tourism partnerships.	Department of tourism and culture.
25	Improving the quality of human resources and institutional fishing / marine.	Department of marine and fisheries.
26	Yogyakarta's cultural promotion and partnerships inside and outside the country.	Department of Culture
27	The Increase in promotion of local potential and cultural arts.	Department of Culture
28	Diversification of food.	Board of Finance and Development Supervision (BPKP)

**d. Programs related to land affairs**

<b>No</b>	<b>Program</b>	<b>The Local Government Work Unit (SKPD) in charge</b>
1	The increase in land administration.	Department of land and spatial management
2	Development of land information systems and land registration system.	Department of land and spatial management
3	Arrangement of land utilization.	Department of land and spatial management

**e. Program related to spatial planning**

<b>No</b>	<b>Program</b>	<b>The Local Government Work Unit (SKPD) in charge</b>
1	Spatial planning privilege of Yogyakarta.	Department of land and spatial, Department of Public Works, Housing and energy.
2	Arrangement of cultural area as a supporter of privileges.	Department of land and spatial, Department of Public Works, Housing and energy.
3	Development of transport based privileges.	Department of land and spatial, Department of Public Works, Housing and energy.

Such are the programs and work units in charge of them. The privilege authority works through these programs. More concretely the privilege programs of Yogyakarta as stated above are aligned with the development fields in Yogyakarta such as education, tourism, technology, economy, energy, food, health, resident's protection, spatial planning and the environment (RKPD, 2016:433). These programs are put into practice through respective policies in these fields and are supposed to give effect to the improvement of public service and then, to the governance index. As our focus of the argument in this chapter is put on the governance index, our attention will be put on the 89 indicators that comprise the principles' and arenas' scores and finally governance index. Thus we will in the analysis below focus on these 89 indicators, especially those indicators that are thought to have played relatively important roles to index change through larger change of scores of them. In analyzing these indicators and scores this way, our focus will eventually be put on the concrete policies that affect these indicators and connected with the privilege law.

## **5.2 Analysis of the effect of Law No. 13 of 2012 to the Yogyakarta governance index through the governance indicator and public policy**

In chapter 4, we measured the governance index of Yogyakarta 2016. The Yogyakarta governance index in 2016 increased to 7.93 (good level) from 6.80 in 2012 (Figure 4.6). We have also seen there that this increase in Yogyakarta governance index generally represents the increase of governance index at each arena. Figure 4.7 showed that the governance index in government arena increased by 0.93, the bureaucracy arena, 0.78, the civil society arena, 1.48 and the economic society arena, 1.76.

There we used 89 actionable indicators in order to measure the Yogyakarta governance index. As explained in chapter 4, these indicators are spread on six principles of good governance (participation, fairness, accountability, transparency, efficiency, and effectiveness). When the indicators show a positive tendency or increase, the governance index will increase and if the indicators show a negative tendency or decrease, the governance index will decrease.

In order to study the relationship between the Law No. 13 of 2012 and the increasing Yogyakarta governance index in 2016, the research indicators will be analyzed. Among these indicators used in the governance index measurement, here will be analyzed the indicators that are thought to have relatively dominant roles in improving governance index in each arena of government, bureaucracy, civil society and economic society.

Table 5.1 Privilege effect table is an arena-principle matrix table that shows the programs made possible by the privilege law. In the discussion below we focused on several indicators because of their significance to the index improvement and this table also shows where these examined indicators are positioned concerning the arenas and principles (shown in bold letters). We have seen in chapter 4 the governance index change by examining the six principles and have suggested possible policies related to the privilege law. This gives a hint that we may find the relation between them by closely looking at the concrete policies that might connect the privilege law and the index improvement. For this

purpose here in chapter 5 our attention will be put on respective indicators. Here we pick up the principle that contributed to each arena's index improvement most for the first three arenas and by somewhat different criterion for the fourth arena, economic society. Throughout this selection, we focus on the indicator that significantly contributed to the principle's index improvement (Table 5.2). And then we examine the public policies that have contributed to these indicator scores improvement and ask if they are related to the privilege law.

Table 5.1 Privilege effect table

Arena /Principles	Participation	Fairness	Accountability	Transparency	Efficiency	Effectiveness
<b>Government</b>	<p><b>Indicator: G3P1</b> Quality of Governor consultation forum with stakeholder</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Development of communication and informatics forum.</p>	<p><b>Indicator: G2F3</b> Local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index</p> <p><b>Privilege program:</b> Character education based on culture.</p> <p><b>Policy:</b> Additional budget in education especially for character education in all level.</p>	<p><b>Indicator: G1A1</b> Coherency of Annual Development Targets stated in Governor's Accountability Report (LKPJ) with target priorities stated in Mid-term Development Planning (RPJMD)</p> <p><b>Privilege program:</b> Improvement of human resources planning policy apparatus</p> <p><b>Policy:</b> Human resources planning policy in government of Yogyakarta.</p>	<p><b>Indicator: G3T1</b> Quality of Governor's communication in coordinating development</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Development of communication and informatics forum.</p>	<p><b>Indicator: G1H1</b> Time needed to issue Governor's regulation concerning PERDA enactment</p> <p><b>Privilege program:</b> Improvement of human resources planning policy apparatus</p> <p><b>Policy:</b> Human resources planning policy in government of Yogyakarta.</p>	<p><b>Indicator:</b> G2E2:Poverty rate up G2E3:Unemplmnt rate up</p> <p>This due to the national economic condition.</p>
<b>Bureaucracy</b>	<p><b>Indicator: B1P1, B2P1</b> The existence of public complaint center (UPPM) in the</p>	<p><b>Indicator: B1F1</b> Percentage of women civil servants at echelon 2</p>	<p><b>Indicator: B3A1</b> Consistency between local economic policies with the environmental protection policies and</p>	<p><b>Indicator: B3T1</b> Accessibility to provincial investment regulations</p>	<p><b>Indicator: B3H1</b> Investment services</p> <p><b>Privilege program:</b> The creation of small</p>	<p><b>Indicator: B3E1</b> Investment growth</p> <p><b>Privilege program:</b> The creation of small and</p>



Arena /Principles	Participation	Fairness	Accountability	Transparency	Efficiency	Effectiveness
	<p>Provincial Revenue Collection office (Dispenda)</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Public complaint center</p>	<p><b>Privilege program:</b> Improvement of human resources planning policy apparatus</p> <p><b>Policy:</b> Human resources planning policy in government of Yogyakarta.</p>	<p>economic zoning area</p> <p><b>Privilege program:</b> Arrangement of land utilization.</p> <p><b>Policy:</b> economic zoning</p>	<p><b>Privilege program:</b> The creation of small and medium business climate conducive.</p> <p><b>Policy:</b> Improvement of archival information</p>	<p>and medium business climate conducive.</p> <p><b>Policy:</b> Integrated Licensing Services (GP2T)</p>	<p>medium business climate conducive.</p> <p><b>Policy:</b> Integrated Licensing Services (GP2T)</p>
<b>Civil Society</b>	<p><b>8.20</b></p> <p><b>Indicator: C2P1</b> Level of public involvement provided by civil society in the strive for local empowerment</p> <p><b>Privilege program:</b> Coaching and development of creative industries.</p> <p><b>Policy:</b> Empowering the Yogyakarta society for the creative industries.</p>	<p><b>8.20</b></p> <p><b>Indicator: C1F1</b> CSO's effort in gender mainstreaming and empowering marginalized groups on advocacy and monitoring activities</p> <p><b>Privilege program:</b> Coaching and development of creative industries.</p> <p><b>Policy:</b> Empowering the Yogyakarta society for the creative industries.</p>	<p><b>8.20</b></p> <p><b>Indicator: C2A1</b> Monitoring &amp; Evaluation Procedures for empowerment programs</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Development of communication and informatics forum.</p>	<p><b>8.20</b></p> <p><b>Indicator: C1T1</b> Accessibility of information on CSO's activities related to local empowerment programs</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Development of communication and informatics forum.</p>	<p><b>8.20</b></p> <p><b>Indicator: C1H1</b> Efficiency of CSO's advocacy and monitoring activities.</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Development of communication and informatics forum.</p>	<p><b>8.20</b></p> <p><b>Indicator: C2E2</b> CSO's contribution to empowering marginalized groups</p> <p><b>Privilege program:</b> Coaching and development of creative industries.</p> <p><b>Policy:</b> Empowering the Yogyakarta society for the creative industries.</p>

Arena /Principles	Participation	Fairness	Accountability	Transparency	Efficiency	Effectiveness
Economic Society	<p><b>8.20</b></p> <p><b>Indicator: E1P2</b> Involvement of business association in formulating development policy</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Yogyakarta business forum</p>	<p><b>8.20</b></p> <p><b>Indicator: E1F2</b> Equal opportunity among members of business association in acquiring information, facility and participate in project tender</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Yogyakarta business forum</p>	<p><b>8.20</b></p> <p><b>Indicator: E1P2</b> Involvement of business association in formulating development policy</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Yogyakarta business forum</p>	<p><b>8.20</b></p> <p><b>Indicator: E2A2</b> Business sector's compliance to regulations and business procedures</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Integrated Licensing Services (GP2T)</p>	<p><b>8.20</b></p> <p><b>Indicator: E1T1</b> Quality of transparency in implementing government projects</p> <p><b>Privilege program:</b> The development of communication and informatics based privileges.</p> <p><b>Policy:</b> Yogyakarta business forum</p>	<p><b>6.16</b></p> <p><b>Indicator: E2E1</b> Contribution of business sectors in providing easy access to doing business and its climate</p> <p><b>Privilege program:</b> The creation of small and medium business climate conducive.</p> <p><b>Policy:</b> Integrated Licensing Services (GP2T) economic zoning</p>

(Source: Laporan Pelaksanaan Dana Keistimewaan Tahun Anggaran 2013<sup>59</sup>, 2014<sup>60</sup> and 2015<sup>61</sup>)

<sup>59</sup> Privilege Fund Implementation Report for fiscal Year, 2013 was published on April 2014

<sup>60</sup> Privilege Fund Implementation Report for fiscal Year, 2014 was published on April 2015

<sup>61</sup> Privilege Fund Implementation Report for fiscal Year, 2015 was published on April 2016

**Table 5.2** Governance index of Yogyakarta 2012, 2016

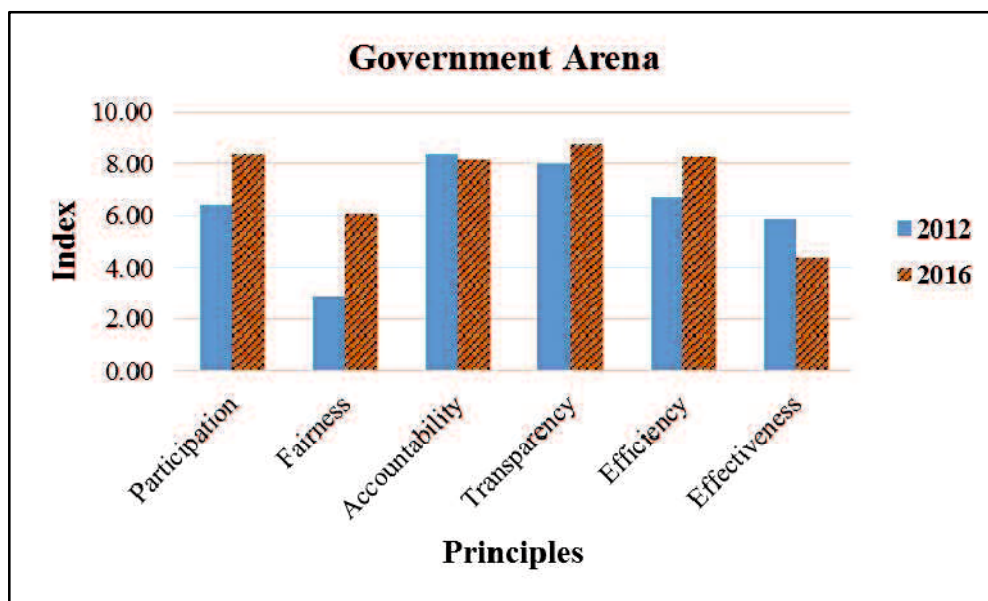
The governance arenas	The governance principles													
	Participation		Fairness		Accountability		Transparency		Efficiency		Effectiveness		Arena Index	
	2016	2012	2016	2012	2016	2012	2016	2012	2016	2012	2016	2012	2016	2012
<b>Government</b>	8.37	6.40	<b>6.04</b>	<b>2.94</b>	8.14	8.37	8.81	7.97	8.29	6.70	4.40	5.88	<b>7.44</b>	<b>6.52</b>
<b>Bureaucracy</b>	10.00	9.55	8.31	7.38	<b>10.00</b>	<b>7.73</b>	10.00	9.09	5.44	5.42	5.47	5.87	<b>8.24</b>	<b>7.46</b>
<b>Civil Society</b>	8.20	7.64	8.20	6.40	8.20	6.40	<b>8.20</b>	<b>6.40</b>	8.20	6.40	8.20	7.03	<b>8.20</b>	<b>6.72</b>
<b>Economic Society</b>	8.20	6.40	8.20	6.40	8.20	6.40	8.20	6.40	8.20	6.40	<b>6.16</b>	<b>4.61</b>	<b>7.88</b>	<b>6.12</b>

(Source: *Source: Kemitraan (2012)* and by author's calculation)

### 5.2.1 Analysis of the results in the government arena

In 2016, the governance index in the government arena showed an increasing tendency compared with the governance index in 2012. However, not all governance indexes in each governance principles showed an increased tendency as shown in Fig. 5.1, some showing an increase, and some showing a decrease.

**Figure 5.1.** The detail of governance index in the government arena



Source: 2012 by Kemitraan and 2016 by the author

Governance principle index which has increased significantly in the area of government occurred in fairness governance principle, increasing twice as much compared with the index in 2012. The fairness governance principle has 6 indicators as shown in the Table 5.3 The results of the analysis of the six existing indicators on fairness governance principle all showed increasing tendency. The indicator that has the biggest contribution to governance principle of fairness index is "*Local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index*".

**Table 5.3** Indicators of the fairness governance principle

Fairness		Index 2012	Index 2016
G1F1	Types of Formal Government Institution for Women's Protection and Empowerment	10.00	10.00
G2F1	Local budget (APBD) allocation for health (excluding civil servant expenditures) per capita adjusted to the price index.	1.06	2.63
G2F2	Local budget allocation (APBD) for poverty eradication per capita adjusted to the price index	3.07	5.50
G2F3	Local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index	2.06	8.77
G3F1	Equal opportunity to join Governor Consultation Forum with Stakeholders	6.40	9.10
G4F1	Non-discriminatory conduct of DPRD (local parliament) in monitoring development	6.40	8.20

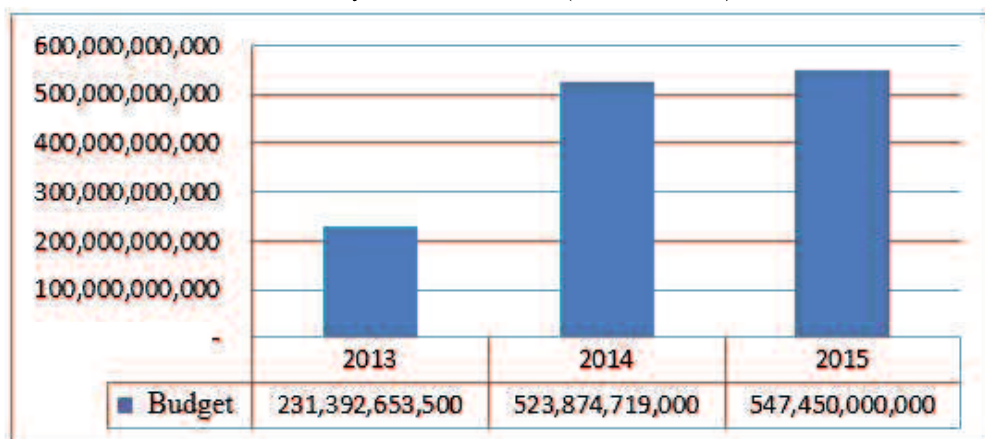
Source: 2012 by Kemitraan and 2016 by Author

Local budget allocation for the education sector experienced a significant increase from 143,245,330,317 IDR in 2012 to 251,018,328,930 IDR in 2016 (RKPD, 2016). This is due to the Law No. 13 of 2012. After enactment of Law No. 13 of 2012 Yogyakarta has two types of budgeting resource, local government budget (APBD) and special funds for privilege programs (Dana Istimewa) (Law No. 13 of 2012 Article 41 and 42). The ratio of realization of special funds to realization of local government budget (APBD) in 2015 is 547,450,000,000.00 IDR to 6,482,178,005,805.44 IDR = 0.085. The increase in the budget allocation shows the seriousness of the Yogyakarta provincial government to organize and develop human resources to meet the new civilization. Budget allocation for the education sector also increased in line with the five pillars of authority on the Yogyakarta privilege, especially here with the authority

in the field of culture. Educational policies related to cultural authority is reflected in the "character education<sup>62</sup> program based on culture". The objectives of Yogyakarta provincial government incorporate cultural values in education as the protection and maintenance functions, because culture and noble values held by the people of Yogyakarta can be maintained and protected through educational activities (Academic Paper of Privilege status of Yogyakarta, 2012).

The existence of privilege Law No.13 of 2012 also provides flexibility to the Yogyakarta government in managing the special funds for privilege programs. Special funds are funds given by the central government to the provincial government of Yogyakarta to finance the programs related to the five pillars of Yogyakarta privilege authority. The data on the budget and actual use of special funds in Yogyakarta province shows that the special fund is increasing every year, as shown in Fig. 5.2., and Table 5.4 shows the special budget for 5 pillars of Yogyakarta privilege. The detail of special fund budget 2013-2015 is shown in Appendix 10.

**Figure 5.2.** Budget and realization of financial privileged fund for fiscal year 2013-2015 (Unit in IDR)



Source: DPPKA of Yogyakarta, 2015; processed.

<sup>62</sup> Character education based on culture is a learning process in Yogyakarta's schools that enables students in a school community to understand, care about and act on core ethical values such as respect, justice, civic virtue and citizenship, and responsibility for self and others.(Source: Source: Yogyakarta province (2016a), RKPD 2016:505)

**Table 5.4** The special fund budget 2013-2015

No	Privilege authority	Budget realization		
		2013	2014	2015
1	Procedure to fulfill the position, status, tasks and authorities of the governor and vice governor	-	400,000,000.00	-
2	Regional government institutions	2,516,142,500.00	1,676,000,000.00	1,650,000,000.00
3	Culture	212,546,511,000.00	375,178,719,000.00	420,800,000,000.00
4	Land affairs	6,300,000,000.00	23,000,000,000.00	10,600,000,000.00
5	Spatial planning	10,030,000,000.00	123,620,000,000.00	114,400,000,000.00
<b>TOTAL</b>		<b>231,392,653,500.00</b>	<b>523,474,719,000.00</b>	<b>547,450,000,000.00</b>

The character education program based on culture is part of education policy relating to the culture authority in five pillars of Yogyakarta privilege. Therefore, the funds that were used to finance the program comes from special fund allocation. The data of budget allocation for the program of character education based on culture in 2016 is 5.200.000.000 IDR.

Moreover, the Yogyakarta province has another flagship program financed by the local budget allocation (APBD) such as a) Early childhood education program, b) Primary and secondary education programs, c) Formal and informal education programs, and 4) Accelerated development of leading educational programs<sup>63</sup> (Explained in footnote). Thus, in the development period of five years (2012-2017) the education sector has five main programs. Five programs are an effort of Yogyakarta provincial government in realizing the vision of the development of a five-year (2012-2017), i.e.: "Yogyakarta that is more humane, cultured, advanced, independent and prosperous that meets with the new civilization." (RPJMD, 2012).

The analysis of the factors associated with the increased index of indicator "local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index" has been conducted as above. We concluded that the five pillars of Yogyakarta privilege authority have an

<sup>63</sup> RPJPD 2005-2025. In 2025, Yogyakarta plans to become the center of education and culture in South East Asia (Local Long-term Development Plans).

influence on the amount of the budget allocation for education and so on. In other words, the presence of Law No. 13 of 2012 that provides convenience for the Yogyakarta government made the equitable budgeting policies into the flagship programs such as the program in the education sector.

### 5.2.2 Analysis results in the bureaucracy arena

The governance principles index in the bureaucracy arena showed the increasing tendency. Some of the governance principles successfully achieved the maximum index (10.00) although the governance principle of effectiveness showed a slight decrease, as illustrated in the Fig. 5.3. Governance principle which has increased significantly in the area of bureaucracy occurred in governance principle of accountability. The governance principle of accountability index reached maximum index (10), which previous index was 7.73 in 2012. The accountability governance principle has 2 indicators as shown in the Table 5.5 The indicator that has the biggest contribution to governance principle of accountability index is “Consistency between local economic policies with the environmental protection policies and economic zoning area.”

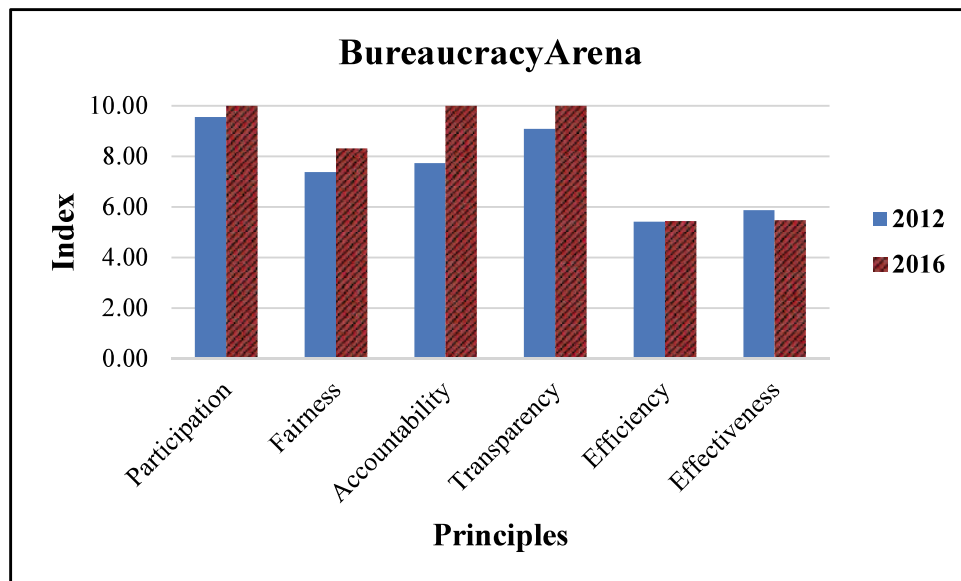
**Table 5.5** Indicators of the accountability governance principle

Accountability		Index 2012	Index 2016
B2A1	State Auditor's (BPK) opinion to the Provincial Budget Spending (APBD)	10.00	10.00
B3A1	Consistency between local economic policies with the environmental protection policies and economic zoning area	6.40	10.00

Source: 2012 by Kemitraan and 2016 by the Author.



**Figure 5.3.** The detail of governance index in the bureaucracy arena



Source: 2012 by Kemitraan and 2016 by the Author.

The improvement of indicator “*Consistency between local economic policies with the environmental protection policies and economic zoning area*” is related to the existence of privilege Law No. 13 of 2012. This is related to the existence of a special authority of Yogyakarta in terms of the determination of Sultan Hamengku Buwono and the Duke of Paku Alam as the governor and vice governor in Yogyakarta province.

The procedure to fulfill the position, status, tasks and authorities of the governor and vice governor has positive impact into the Yogyakarta province, such as:

- a. The scheme of local development planning and economic policy can be implemented in a sustainable manner. Thus, the implementation of Local Long-term Development Plans (RPJP)<sup>64</sup> in 20 years became more awake

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<sup>64</sup> RPJPD 2005-2012. Long-Term Development Plan of the Special Region of Yogyakarta (RPJPD of Yogyakarta) is a regional development planning documents for a period of 20 years (2005-2025). It has been drawn up as a continuation and renewal of earlier stages of development planning in Yogyakarta. The RPJPD, a development plan which stretches twenty years, aims to achieve the development goals as mandated in the Preamble to the Constitution of 1945. This RPJPD is for reasons of planning and efficiency divided in four stages, each with a lifespan of five years. These four stages

through the consistent stages of Medium-term Development Plans (RPJMD)<sup>65</sup> in 5 years. In the other provinces that implement direct election for governor and vice governor, the development planning has a laden short-term political interests and transactional tendency. Therefore, there is unclearness in the roadmap on long-term development plan.

- b. The existence of political stability in Yogyakarta. This is due to the lack of political upheaval as a result of the direct election of governor and vice governor. Other provinces in Indonesia often face unstable political conditions in the post-election period of governor and vice governor, for example: Province of Sulawesi Tengah (December, 2015), Province of Kalimantan Utara (December, 2015), Province of Kalimantan Tengah (January 2016), etc. (The Constitutional Court of the Republic of Indonesia, 2016).

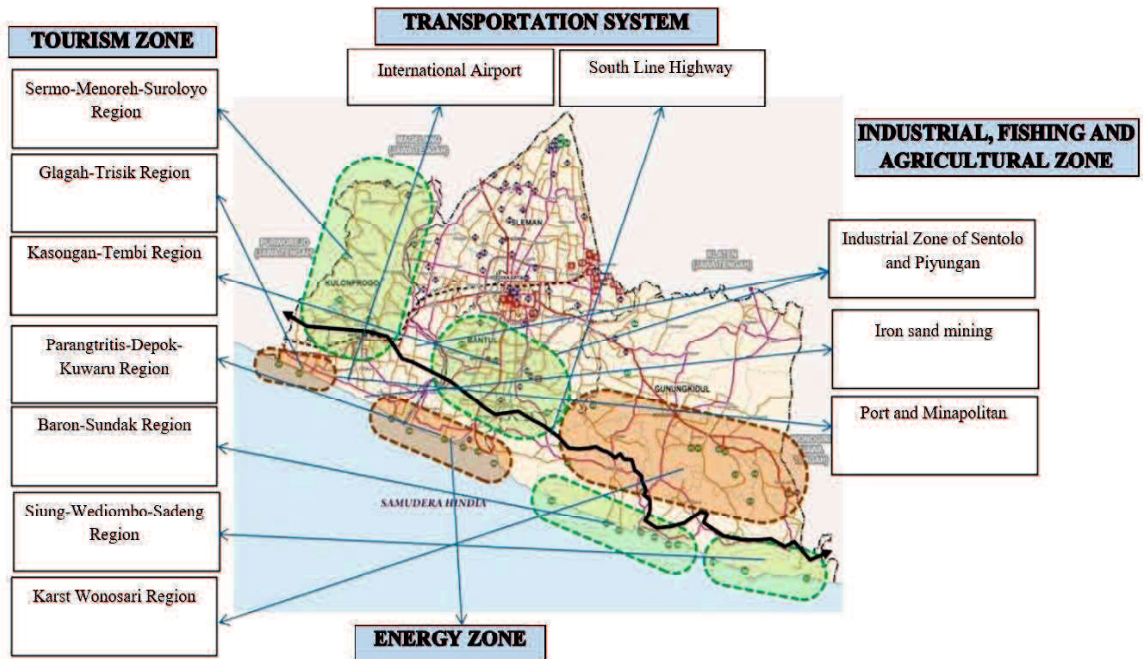
Economic zoning area in the province of Yogyakarta has been arranged starting in 2010 through local regulation No. 2 of 2010 but the implementation has not been able to be done optimally. This is due to the problem of pluralism of land rights in Yogyakarta, especially in the Sultan's ground and Pakualaman's ground (Concerning these lands, also refer to the note in page 75 on land question). Therefore, there wasn't the authority to manage the Sultan's ground and Pakualaman's ground. The economic zoning program began to grow-up rapidly after the Yogyakarta provincial government was granted special authority in the land and space through Law No. 13 of 2012, because the Yogyakarta government could optimize the Sultan's ground and Pakualaman's ground to support the economic zoning area. Figure 5.4 shows the economic planning zoning area in the province of Yogyakarta.

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are the four separate medium term plans called Regional Medium Term Development Plan (RPJMD).

<sup>65</sup> As for RPJMD 2012-2017, RPJPN is divided in four separate medium term plans (RPJMD) which all have a life span of five years. For the implementation of the National Long Term Development Plan, the RPJMN is to be further elaborated into the Local Government Work Plan (RKPD) that will then become the basis for formulating the Draft Government Budget (RAPBD).

Figure 5.4 Economic zoning area



Source: RKPD of Yogyakarta (2016:525)

Geographically, the economic zone in Yogyakarta province is divided into three zones: 1) tourism zone, 2) energy zone, and 3) industrial, fishing and agricultural zone. For the program of economic zoning area, Yogyakarta government supported the development of infrastructure and transportation system that connect every economic zone in Yogyakarta and also provides convenience in making of business license. Such structuring of economic zone in the Yogyakarta province has been easily implemented after the special authority in the land and spatial through the privilege Law No. 13 of 2012.

The analyses of indicator “Consistency between local economic policies with the environmental protection policies and economic zoning area” have been thus conducted. We can conclude that procedure to fulfill the position of the governor and vice governor in Yogyakarta has positive impact and also provides warranty to the consistency between local economic policies with the environmental protection policies and economic zoning area. Moreover

structuring economic zoning area has become easy to do after their special authority in the land and space. Therefore, the existence of Law No. 13 of 2012 has made it easy for the bureaucracy to run the policies that have been made by the government (Governor and People's Regional Representative Council).

**Note on land question: Additional note concerning the Sultan's and Pakalaman's land or Article 7, clause 2-d. Land affairs of the privilege law**

In Indonesia after independence has experienced a long time trial in land or agrarian reform. Particularly since 1960 the Basic Agrarian Law (BAL)<sup>66</sup> has been the basis for it. The essence of the law is to utilize land in the most efficient way for the welfare of Indonesian people and how this is accomplished is determined by the government. In the following periods under Sukarno and Suharto the land use was decided by the government in many cases for economic development and often followed by conflicts with the indigenous farmers or users. Eviction from the land sometimes occurred under these state government's development projects with little amount of compensation fee. Some government elites, both state and regional, and national or foreign corporations gained much in this process. It became a cause for the political unrest in the last years of Suharto regime. In the "reformation era" that followed since 1998 these unjustly treated people had their voice and the reforming atmosphere was in favor of them. But as the land affair has had such long experience of difficulty and complicatedness it still remains a major problem in Indonesia<sup>67</sup>.

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<sup>66</sup> English version from [portal.fiskal.depkeu.go.id/dbpkppim/index.php?r=dokumen/basic\\_regulation\\_for\\_agrarian\\_affairs.pdf](http://portal.fiskal.depkeu.go.id/dbpkppim/index.php?r=dokumen/basic_regulation_for_agrarian_affairs.pdf). retrieved on Mar. 26, 2017.

<sup>67</sup> Lucas and Warren, 2013: chapter 1. As for the present situation of Indonesian farmers' poor land possession, refer to the following article: "Of the total 26.14 million farmer households in Indonesia, 56.12 percent are landless peasants or those owning a piece of land of less than 0.3 ha. ... The Environment and Forestry Ministry's director general of forestry planology and environmental design San Safri Awang said the redistribution of land would be carried out gradually nationwide with the biggest contributions expected from Central Kalimantan and Riau province." "Of the total 9 million ha, 4.1 million ha will derive from forest areas, while the rest will come from areas managed by the Agrarian and Spatial Planning Ministry." (The Jakarta Post, Jan. 14, 2017)

In Yogyakarta land question today has added a different character concerning the privilege law. According to Article 32 clause (2) and (3) the Sultan, governor and the Duchy, vice-governor are entitled to “the land of the Sultanate” and “the land of the Duchy”. Based on this they have advanced development projects on these lands after the enactment of this law. But as on these lands were long-time users there have occurred several conflicting cases between the developing side, provincial government being one of them and the people there<sup>68</sup>. This is a somewhat different type of conflict from the earlier ones before 1998 because it concerns the interpretation of the related article and clause of the privilege law. There have been twofold interpretations and thus it is the basis of these conflicts at present. The interpretation needs to be settled in near future but until then such conflicts will exist. If they grow into serious ones it will harm its governance and work against peace of this region, which means negative effects to good investment climate of it. Thus this newly occurring land question is a factor to be paid serious attention in the coming decade. Meanwhile as this question is still-ongoing at present we only remain here to suggest the necessity for paying due attention to this issue<sup>69</sup>.

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<sup>68</sup> An example is shown concerning recent Kulon Progo case by Dewi (2015).

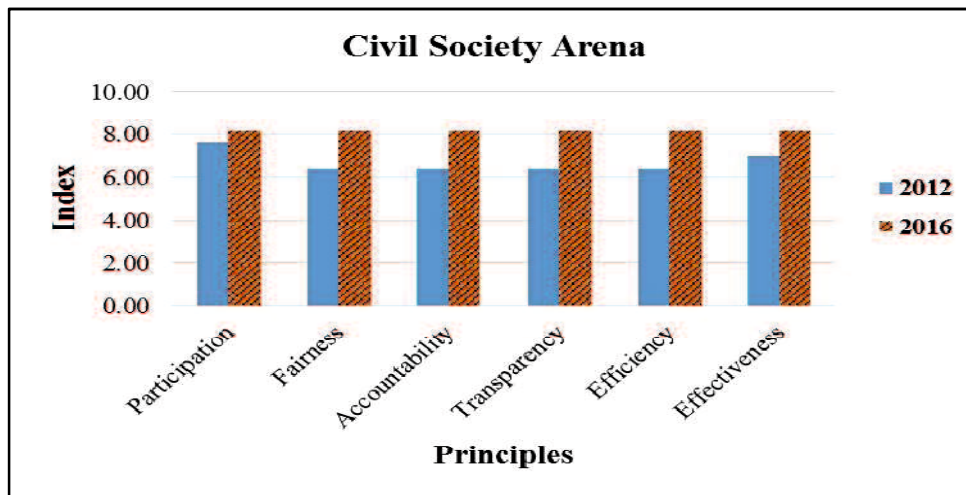
<sup>69</sup> For reference to this issue we can refer to a number of recently released related articles in Jakarta Post for example. An example of land eviction problem appeared when the Yogyakarta government wanted to manage the Watukodok Beach in Gunung Kidul regency administration as the tourism zone. The problems can be resolved through dialogue by looking back at the history of land ownership between Yogyakarta Palace and Gunung Kidul regency administration. In this case, finally, Yogyakarta Governor Hamengkubuwono could witness on June 21<sup>st</sup>, 2016 the signing of an agreement between the Yogyakarta Palace and the Gunung Kidul regency administration to document and clear land plots belonging to the sultan in the region, also known as sultan’s grounds. (The Jakarta Post, June 22<sup>nd</sup> 2016.)

### 5.2.3 Analysis results in the civil society arena

The governance principles index in civil society arena showed the increasing tendency (Fig. 5.5). The Governance principles that experienced large increase are fairness, accountability, transparency, and efficiency. These four of governance principles had same increasing value.

In order to determine the relationship between the Law No. 13 of 2012 with the increasing index in the arena of civil society, a selected indicator in the governance principle of transparency is to be analyzed. This is due to that the governance principle of transparency has the biggest of weighing scale in the civil society arena. The governance principle of transparency has 2 indicators and both of them have same increasing value as shown in the Table 5.6 The indicator “*Accessibility of information on civil society organization's (CSO's) activities related to local empowerment programs*” was selected because the civil society organization in Yogyakarta is very active in supporting the government programs.

**Figure 5.5** The detail of governance index in civil society arena



Source: 2012 by Kemitraan and 2016 by the Author



**Table 5.6** Indicators of the transparency governance principle

Transparency		Index 2012	Index 2016
C1T1	Accessibility of CSO's activities and institutional information	6.40	8.20
C2T1	Accessibility of information on CSO's activities related to local empowerment programs	6.40	8.20

Source: 2012 by Kemitraan and 2016 by the Author.

In an effort to increase community empowerment is more emphasis on the aspects of capacity building and self-reliance in development. The Yogyakarta government has conducted the social empowerment activities through: 1) Strengthening the capacity development of public institutions and the development of participatory development patterns, 2) Consolidation of the basic social values for society, 3) Development of productive economic activities and 4) The development of community participation in natural resource management and conservation of the environment by utilizing appropriate technology, (RKPD, 2016). The Yogyakarta privilege programs related to community empowerment are as follows:

- a. Program of art and local cultural development.
- b. Program of environmental management based on culture.
- c. Program of traditional art and culture conservation.
- d. Program of coaching and development of creative industries.
- e. Program of increasing production of food crops.
- f. Program of improvement of aquaculture production.
- g. Program to improve diversification of food.

The community empowerment programs are carried out using special funds. In the implementation of community empowerment programs, the Yogyakarta government has collaborated with civil society organization (CSO) such as the Community Empowerment Organization (LPM), Economic



Empowerment Organization, integrated health service (Posyandu) and Family Welfare Guidance (PKK), (RKPD, 2016).

- a. Community Empowerment Organization (LPM) is an organization that was created by the initiative of the community as government partners to accommodate and convey the aspirations of people in the field of governance. Currently there are 444 LPMs in Yogyakarta province, (RKPD, 2016). The number of LPMs in a province describes the support services that could be created by the local government in empowering the community to play an active role in regional development. The privilege program that was supported by the LPM are Program of art and local cultural development, Program of environmental management based on culture and Program of traditional art and culture conservation.
- b. Economic Empowerment Organization was formed as an organization of community empowerment in the economic field, such as Savings and Loans, Food Barn, Village Market and Village Credit Institutions. Village Cooperative System (In Indonesian: Koperasi Unit Desa/KUD) is the most popular economic empowerment organization in village. The privilege program that was supported by the KUD are Program of increasing production of food crops and Program of improvement of aquaculture production.
- c. Integrated health service (Posyandu) is a form of community development in the field of health, especially the health of infants and toddlers. The existence of Posyandu has a strategic value in the development of quality human being early on because in Posyandu will be given health services and information to mothers and children from a young age. The privilege program that was supported by the KUD are diversification of food for baby and distribution of vitamin for baby.
- d. Family Welfare Guidance (PKK) is an organization that empowers women to participate in development<sup>70</sup>. Family Empowerment includes all efforts

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<sup>70</sup> PKK empower families to improve the welfare of the family towards the realization of progress and self-supporting.

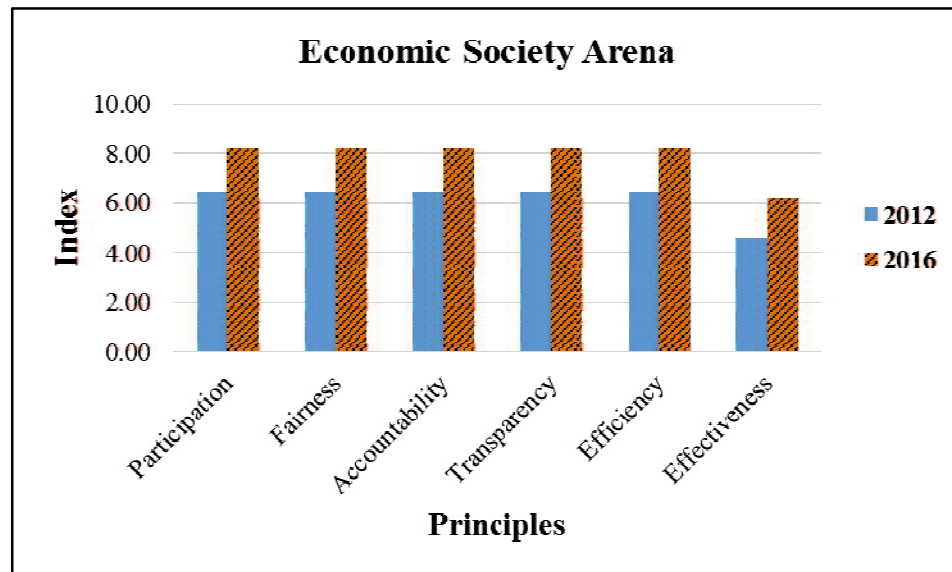
Guidance, coaching and empowerment so that the family can live a prosperous, advanced and independent. The number of active PKK in DIY in 2016 showed the encouraging figure of 522 PKK groups. The privilege program that was supported by the PKK is Program of coaching and development of creative industries, especially for women empowerment.

Through the collaboration of four organizations mentioned above to community empowerment, the programs related to community empowerment privileges can be easily accessed and followed by people in Yogyakarta province. That is why the indicator "Accessibility of information on CSO's activities related to local empowerment programs" has increased compared with the achievements in 2012. The presence of Law No. 13 of 2012 has increased the quality and quantity of empowerment programs of Yogyakarta society. This is due to the presence of the special budget for privilege authority programs (Dana Istimewa) as shown in the Appendix 10.

#### **5.2.4 Analysis results in the economic society arena**

The index of governance principles in the economic society arena showed the increasing tendency as shown in Fig. 5.6. The governance principles of participation, fairness, accountability, transparency, and efficiency significantly increased. Among them, to determine the relationship between the Law No. 13 of 2012 and the increasing index in economic society was selected the indicator governance principle of effectiveness. This is because governance principle of effectiveness in 2016 successfully rose to the fairly good level compared with the previous study in 2012 of fairly poor level. This choice was done by a different criterion from above three areas, the size of increase, but this progress deserves our attention and examination as much as the size factor, the author supposes. The effectiveness governance principle has 3 indicators as shown in the Table 5.7 section indicator of "Contribution of business sectors in providing easy access to doing business and its climate" will be discussed, because Yogyakarta province showed success as the destination for the investment helped by the privilege law.

**Figure 5.6** The detail of governance index in economic society arena



Source: 2012 by Kemitraan and 2016 by the Author

**Table 5.7** Indicators of the effectiveness governance principle

Accountability		Index 2012	Index 2016
E1E1	Business sector's capability to settle/resolve conflict with the public	6.40	10.00
E2E1	Contribution of business sectors in providing easy access to doing business and its climate	6.40	10.00
E3E1	Employment rate	4.26	5.77

Source: 2012 by Kemitraan and 2016 by the Author

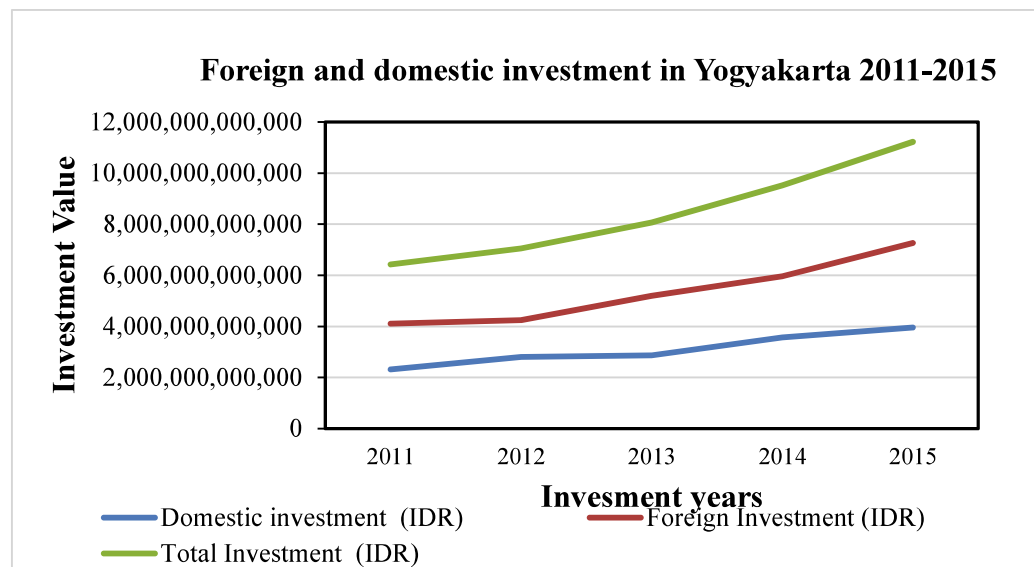
The data from the Investment Coordinating Board (BKPM) as shown in Table 5.8 and Figure 5.7 show that the investment in Yogyakarta increases annually. The investment in Yogyakarta is more dominated by the foreign investors (PMA) compared with the domestic investors (PMDM). After 2012, the investment in Yogyakarta has increased greater than the conditions before 2012.

**Table 5.8** Foreign and domestic investment in Yogyakarta 2011-2015

Year	Domestic investment (IDR)	Foreign Investment (IDR)	Total Investment (IDR)
2011	2,313,141,695,784	4,110,436,324,224	6,423,578,020,008
2012	2,805,944,605,930	4,250,121,535,829	7,056,066,141,759
2013	2,864,654,491,755	5,203,115,642,883	8,067,770,134,638
2014	3,568,546,291,755	5,955,853,842,883	9,524,400,134,638
2015	3,951,662,458,339	7,271,740,783,735	11,223,403,242,074

Source: BKPM, 2016.

**Figure 5.7** Foreign and domestic investment in Yogyakarta 2011-2015



Source: BKPM, 2016.

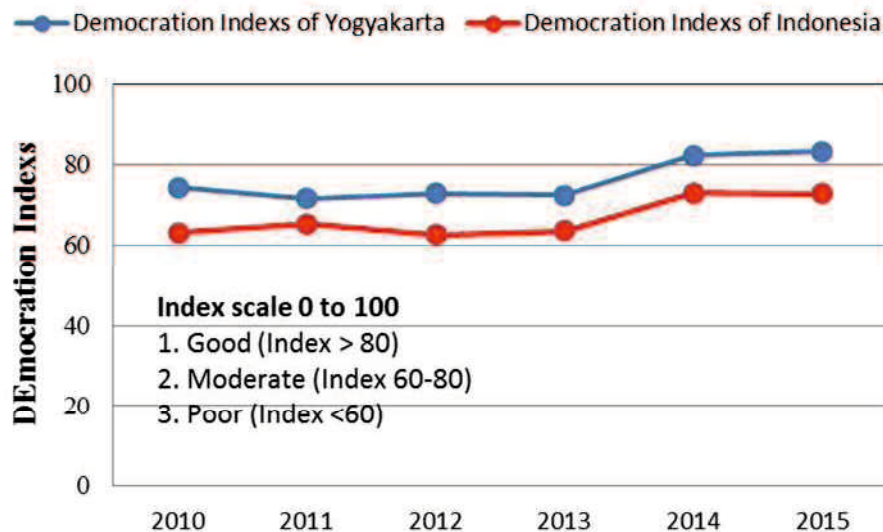
In 2014 and 2015, Yogyakarta investment significantly increased by around 18.50% and 17.84%. In 2015 it consisted of 3,951,662,458,339 IDR domestic investment and 7,271,740,783,735 IDR foreign investment. The

increasing investment in Yogyakarta after 2012 was influenced by several factors such as:

- a. Yogyakarta has good stabilization of politics compared with other provinces in Indonesia. We can use democracy score to measure stabilization. The objective and empirical condition of political democracy in Yogyakarta that was measured by the Statistics central agency (BPS), 2015 show that the democracy index of Yogyakarta is higher than democracy index of Indonesia (national) 2010 to 2015 (Fig. 5.8). The democracy index of Yogyakarta shown an increase from 2013 to 2015.

As shown, the Yogyakarta government has the special authority in setting the Sri Sultan Hamengku Buwono and Sri Paduka Paku Alam as governor and vice governor. Therefore, as mentioned in 5.2.2 concerning the bureaucracy arena (p.83), there was not political upheaval as a result of the election for governor and vice governor in Yogyakarta. Other provinces in Indonesia often face unstable political conditions in post-election for governor and vice governor. The stability of politics in Yogyakarta became the main factor for the investors interested to invest in Yogyakarta.

**Figure 5.8** Democracy index



Source: BPS-statistic of Yogyakarta published on September 1<sup>st</sup> 2016, (2016:2-3)

- b. Yogyakarta has the economic zoning area that is supported by the good infrastructure and transportation system. This is becoming the magnetism for the investors to invest in Yogyakarta as shown in the Table 5. Moreover structuring economic zoning area has become easy to do after their special authority in the land and space (as mentioned in section 3.2).
- c. In order to simplify business license in the province of Yogyakarta, the government made Integrated Licensing Services (GP2T). GP2T is a part of bureaucratic reform in Yogyakarta and the five pillars of privilege authority in Law no. 13 in 2012, especially in the authority of regional government institution (RPJMD 2012-2017). The existence GP2T has helped shorten the time of business permits. This is due to the business permit service was carried out in integrated system in one building. Unlike the prior establishment of GP2T, the business permit processing takes time because the service was carried out in separate units and different locations. Therefore, based on the BKPM data in 2015 through GP2T Yogyakarta government has given licensing service for 406 new investors or companies. In 2015, the number of companies that invested in Yogyakarta was 274, consisting of 139 foreign and 135 domestic.

### **5.3 Conclusion of Analysis of the Effects of Enactment of Law No. 13 of 2012 to the Improvement of Governance Index in Yogyakarta Province 2016**

In chapter 4 we showed the governance index of Yogyakarta 2016. The index in 2016 increased to 7.93 (good level). Based on the results of chapter 4, in order to find out if the privilege law affected this improvement, this chapter focused on the effects of enactment of Law No. 13 of 2012 to the improvement of governance index in Yogyakarta province (DIY) 2016. Therefore, in this chapter has been carried out an analysis of the indicators used in measuring governance index in Yogyakarta in 2016. The indicators analyzed were those that played a dominant role in improving governance index in government arena, bureaucracy arena, civil society arena, and a significant role in economic society arena. Based on the indicator analysis related to the improvement of the governance index, we

can conclude that these indicators examined have actually been affected by the privilege Law No. 13 of 2012 through related new public policies for them.

This can be seen in the results of indicators analysis as follows:

- a. In the government arena, the indicator of "*allocation of the local budget (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index*" showed a significant increase. This is because the existence of privilege Law No. 13 of 2012 provided flexibility to the Yogyakarta government in managing the special funds for privilege programs. Local budget allocation for the education sector experienced a significant increase from 143,245,330,317 IDR in 2012 to 251,018,328,930 IDR in 2016 (RKPD, 2016). The education budget increased through the program of *character education program* based on culture that is part of the education policy relating to the culture authority in five pillars of Yogyakarta privilege.
- b. In the bureaucracy arena, the indicator of "*Consistency between local economic policies with the environmental protection policies and economic zoning area*" showed a significant increase. This is because the procedure to fulfill the position of the governor and vice governor in Yogyakarta made possible by the Law No.13 has had a positive impact of making a long term program possible and thus implementation of Local Long-term Development Plans (RPJP) in 20 years which has become more effective through the consistent stages of Medium-term Development Plans (RPJMD) in 5 years and also warranty to the consistency of local economic policies in Yogyakarta. Moreover structuring economic zoning and environmental protection area has also become easier to do after their special authority in the land and space as shown in Fig 5.9. Finally, the development of economic zoning area with considering the environmental protection in Yogyakarta grew fast after the presence of 5 pillars authority in privilege Law No. 13 of 2012.



**Figure 5.9** The schema of economic zoning and environmental protection



Source: RKPD of Yogyakarta (2016:526)

- c. In the civil society arena, the indicator of “*Accessibility of information on CSO's activities related to local empowerment programs*” showed a significant increase. Through the collaboration between the civil society organization (CSO) and Yogyakarta government the programs related to community empowerment of Yogyakarta privileges can be easily accessed and followed by people in Yogyakarta province. The presence of Law No. 13 of 2012 had increased the quantity and quality of empowerment programs of Yogyakarta society. This is due to the presence of the special budget for privilege authority programs (Dana Istimewa).
- d. In the economic society arena, the indicator of “*Contribution of business sectors in providing easy access to doing business and its climate*” showed a significant increase. This is due to the political stability in Yogyakarta through privilege election system, economic zoning area through the privilege land management system made possible by the Law No. 13 and Integrated Licensing Services (GP2T) (also made possible by the new law No 13 of 2012) made Yogyakarta as the destination for investment. (Note that political stability effect through privilege election is not measured by governance indicator but shown in the democracy index and general observation.)



Through the analyses above we can conclude that the new law has provided new and better conditions for the related policies that have become possible through privilege authority and special funds, resulting in the governance index improvement. The improvement of Yogyakarta governance index was due to the clearness of legal basis for policies making. The important thing of enactment of privilege Law No. 13 of 2012 is the stability of Yogyakarta after the polemic. Based on the good stability condition, the Yogyakarta government can make the good policies and finally the governance index increase.

From the viewpoint of analytical methodology this result suggests that to examine the effect of political incidents, in our case here the enactment of the Law No. 13 of 2012, the research procedure to start from the comparison of changing governance indexes and then to ask the concerned incidents' effects to the index change by examining the policies made possible or affected by the incidents is useful as a research method in finding the connection between them; governance index, policy change and related political incidents. This type of research has been few in general and particularly so concerning individual country such as Indonesia.

And as for the possibility of usefulness of this research method, as the governance index making process keeps on developing and improving as in Kemitraan's case, this kind of research may prove its usefulness in more new cases in clarifying the relationship among the three factors: governance index, political incidents and the incident's effects to the indexes through concrete policies<sup>71</sup>.

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<sup>71</sup> I have proved the relation of the privilege law and governance index change through related public policies as above. This is in its essence an absolute dimension question whether there does exist such an influence or not. And so if we can find the existence of such influenced policies the proof is almost done. But taking into consideration the question of other factors that possibly affect the same indicators may raise possibility that the resulting governance index changes are the result of multiple factors' effects including that of the privilege law's as one of them. But to study this question of separation of multiple effects is beyond the scope of this study that focuses on the existence of above relationship on an absolute dimension phase. This question of separation covers all possible policies that will be enormous and must be answered as a different work to be done in another research to come.

## Chapter 6

### CONCLUSIONS

We started this study by setting our goal in **examining if the privilege law affected the governance index of one of Indonesia's provinces, Yogyakarta.**

To approach this question we adopted the research method of:

- 1) Comparative analysis: comparison of its governance indexes between 2012 and 2016, and
- 2) Relational Analysis: examination of the privilege law's influence to the index change through concrete policies made possible and introduced under the privilege law's influence.

In carrying out these tasks, we followed the procedure of:

- 1) Calculating the 2016 index scores following the Kemitraan's method,
- 2) Extracting indicators that are judged to have affected much the index improvement, and
- 3) Examining if these policies were made possible and implemented by the new privilege law through new authority or new special funds it has given to the province.

The results we obtained are:

- 1) The 2016 Yogyakarta governance index; the scores for each arena, principle and indicator showed an increasing tendency as a whole and also in most of the fields of arena and principle as discussed in chapter 4.
- 2) By focusing on such indicators as;

Q-1) in Arena: Government, Principle: Fairness

G2F3 Local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index,

Q-2) in Arena: Bureaucracy, Principle: Accountability

- B3A1 Consistency between local economic policies with the environmental protection policies and economic zoning area,
- Q-3) in Arena: Civil Society, Principle: Accountability
- C2T1 Accessibility of information on CSO's activities related to local empowerment programs,
- Q-4) in Arena: Economic Society, Principle: Effectiveness
- E2E1 Contribution of business sectors in providing easy access to doing business and its climate,

We found the following policy changes that were made possible by the privilege law:

- A-1) G2F3: Privilege of special funds enabled the necessary budget for this policy.
- A-2) B3A1: Privilege of Governor and vice governor position enabled the consistency of long term and medium term planning, and privilege of land use authority enabled its efficient use.
- A-3) C2T1: Privilege of special funds enabled creating more accessible CSOs.
- A-4) E2E1: Privilege of governor and vice governor position enabled the stability necessary for investment increase, and the privilege of land use authority enabled the construction of infrastructure and transportation system necessary for it.

Thus our final conclusion is that the privilege law no.13 of 2012 has actually affected the governance index improvement through the above policies that were made possible by the privilege law. The effect of these policies worked through the indicator scores, principle scores, and arena scores, and then to the province's governance index as discussed in chapter 5.

One additional comment would be allowed concerning the research method employed here. As mentioned in the conclusion of chapter 5, the analysis procedure employed for the relation between the three factors, a political incident,

here the privilege law, policies made possible by it, and governance index improvement is rather new and not yet applied much. The method can be generalized as 1) to choose a political incident, and to find out its significance, 2) to calculate and compare the governance index change before and after this incident, 3) to find the concrete policies affected by this incident, and 4) examine their effect to the governance index change. By thus doing we can examine the connection between a political incident and its effects based on persuasive concrete evidence. This could be an addition to the research methods in the field of political analysis. The research result of this study seems to suggest above possibility such an analytical method.

In the next studies by the author or other researchers applying this analytical method to similar multi-ethnic or multi-cultural regions/provinces in and outside Indonesia, we may be able to find some way for improving governance. By comparing the effects of such special status laws, we may be able to infer for example the proper and necessary extent of privileges to be given to respective regions with specific characteristics by utilizing governance index for explicit measures.

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## Appendix 1 The list of Indicators for Yogyakarta Governance Index

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight
Government						0.302
<b>Participation</b>						<b>0.120</b>
1	GIP1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting			v	0.170
2	GIP2	Quality of Public Hearing in DPRD (local parliament) in the Deliberation of Provincial Regulations			v	0.156
3	G2P1	The quality of public hearings to discuss Local Budget			v	0.219
4	G3P1	Quality of Governor consultation forum with stakeholder			v	0.092
5	G4P1	Quality of public complaint channels to strengthen DPRD monitoring function			v	0.199
6	G4P2	Quality of DPRD Public Engagement in conducting monitoring function			v	0.164
<b>Fairness</b>						<b>0.189</b>
7	G1F1	Types of Formal Government Institution for Women's Protection and Empowerment	v			0.125
8	G2F1	Local budget (APBD) allocation for health (excluding civil servant expenditures) per capita adjusted to the price index.	v			0.243
9	G2F2	Local budget allocation (APBD) for poverty eradication per capita adjusted to the price index	v			0.228
10	G2F3	Local budget allocation (APBD) for the education sector per student (9 years compulsory education) adjusted to the price index	v			0.247
11	G3F1	Equal opportunity to join Governor Consultation Forum with Stakeholders			v	0.039
12	G4F1	Non-discriminatory conduct of DPRD (local parliament) in monitoring development			v	0.045
<b>Accountability</b>						<b>0.259</b>
13	G1A1	Coherency of Annual Development Targets stated in Governor's Accountability Report (LKPj) with target priorities stated in Mid-term Development Planning (RPJMD)	v			0.342
14	G1A2	Ratio of legalized local regulation to local legislation program (in %)	v			0.129
15	G1A3	Ratio of revised to original local budget (APBD) without any changes in basic assumptions, emergencies and national policies	v			0.105
16	G2A1	Timeliness of enactment on local regulation (PERDA) concerning local budget (APBD)	v			0.190
17	G3A1	Ratio of grant/subsidy and social assistance	v			0.110

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight
		expenses to goods and services expenses				
18	G4A1	Local parliaments' (DPRD) commitment to fight for public interests/aspirations			v	0.124
<b>Transparency</b>						<b>0.190</b>
19	G1T1	Accessibility of non-budget local regulations (PERDA) and Governor's regulations documents		v		0.172
20	G2T1	Accessibility of complete local budget (APBD) documents		v		0.175
21	G2T2	Accessibility of Provincial budget accountability report through website		v		0.182
22	G2T3	Accessibility of information on Aspiration fund spendings of local parliaments (DPRD)		v		0.160
23	G3T1	Quality of Governor's communication in coordinating development			v	0.127
24	G4T1	Accessibility of monitoring activities by local parliaments, e.g. Executive summary, minutes of meeting, field work visit by local parliaments (DPRD)		v		0.183
<b>Efficiency</b>						<b>0.117</b>
25	G1I1	Time needed to issue Governor's regulation concerning PERDA enactment	v			0.167
26	G1I2	Time average spent by local parliament (DPRD) to pass local bills within the last one year	v			0.167
27	G2I1	Ratio of civil servant expenditures (both in direct and indirect spending accounts) to the total local budget (APBD)	v			0.463
28	G4I1	Ratio of local parliament's (DPRD) budget to local revenues	v			0.202
<b>Effectiveness</b>						<b>0.124</b>
29	G1E1	Number of DPRD's initiated local regulations per year	v			0.059
30	G1E2	Availability of regulation on environment protection		v		0.084
31	G2E1	Growth of GDP per capita	v			0.082
32	G2E2	Poverty rate	v			0.182
33	G2E3	Unemployment rate	v			0.222
34	G2E4	Gini ratio	v			0.169
35	G3E5	Percentage of women in parliament	v			0.047
36	G3E1	Income disparity among districts within province (William Index)	v			0.086
37	G4E1	Ratio of Total Realized Expenditures to Total Revised Budget	v			0.069
<b>Bureaucracy</b>						<b>0.323</b>
<b>Participation</b>						<b>0.095</b>
38	B1P1	The existence of public complaint center (UPPM) in the Provincial Revenue Collection office (Dispenda)		v		0.207
39	B2P1	The existence of Public Complaint Center in health, education and poverty eradication sectors		v		0.381

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight
40	B2P2	The presence of the health board, the education board and the poverty eradication board		v		0.169
41	B3P1	The presence of regular forum between provincial government and public to strengthen investment climate, job creation and local economic empowerment		v		0.242
<b>Fairness</b>						<b>0.153</b>
42	B1F1	Percentage of women civil servants at echelon 2		v		0.070
43	B2F1	Percentage of medically supported birth (physician and midwife) to the total number of birth	v			0.329
44	B2F2	Non-discriminatory of public services provided toward marginalized groups (women, poor, children, disabled, elderly, HIV/AIDS)			v	0.179
45	B2F3	Ratio (mean years of schooling) between boys and girls	v			0.251
46	B2F4	Performance of gender balance working group at provincial level		v		0.097
47	B3F1	Equal opportunity provided to engage in government project and tender			v	0.074
<b>Accountability</b>						<b>0.204</b>
48	B2A1	State Auditor's (BPK) opinion to the Provincial Budget Spending (APBD)		v		0.493
49	B3A1	Consistency between local economic policies with the environmental protection policies and economic zoning area			v	0.507
<b>Transparency</b>						<b>0.217</b>
50	B1T1	Accessibility of Financial Documents in Local Bureaucracy Offices (e.g. RKA SKPD, RKA PPKD, summary of DPA SKPD, summary of DPA PPKD)		v		0.405
51	B3T1	Accessibility to provincial investment regulations		v		0.595
<b>Efficiency</b>						<b>0.160</b>
52	B1I1	Ratio of Local Financial Management Office's (DPKD) overhead to realized local revenues	v			0.241
53	B2I1	Ratio of civil servant's overhead spendings (direct and indirect) to the total public spendings in provincial local budget (APBD)	v			0.386
54	B3I1	Investment services		v		0.378
<b>Effectiveness</b>						<b>0.172</b>
55	B1E1	Ratio of DPKD's annual budget to the realized local revenues (PAD)	v			0.097
56	B2E1	Human Development Index	v			0.225
57	B2E2	Increase/decrease of water quality evaluated in the Environmental Quality Index between 2010 to 2011	v			0.405
58	B2E3	Increase/decrease of air quality evaluated in the Environmental Quality Index between	v			

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight
		2010 to 2011				
59	B2E4	Increase/decrease of forest coverage evaluated in the Environmental Quality Index between 2010 to 2011	v			
60	B3E1	Investment growth	v			0.150
61	B3E2	Number of investment projects	v			0.124
<b>Civil Society</b>						<b>0.208</b>
<b>Participation</b>						<b>0.205</b>
62	C1P1	Quality of participation channels provided by civil society for advocacy and monitoring activities			v	0.309
63	C2P1	Level of public involvement provided by civil society in the strive for local empowerment			v	0.691
<b>Fairness</b>						<b>0.174</b>
64	C1F1	CSO's effort in gender mainstreaming and empowering marginalized groups on advocacy and monitoring activities			v	0.618
65	C2F1	Variance or coverage of issues advocated and monitored by CSO			v	0.382
<b>Accountability</b>						<b>0.183</b>
66	C1A1	Quality of CSO's program and finance reports			v	0.498
67	C2A1	Monitoring & Evaluation Procedures for empowerment programs			v	0.502
<b>Transparency</b>						<b>0.218</b>
68	C1T1	Accessibility of CSO's activities and institutional information			v	0.429
69	C2T1	Accessibility of information on CSO's activities related to local empowerment programs			v	0.571
<b>Efficiency</b>						<b>0.114</b>
70	C1I1	Efficiency of CSO's advocacy and monitoring activities			v	0.578
71	C1I2	Coordination among CSOs in advocacy and monitoring activities			v	0.422
<b>Effectiveness</b>						<b>0.106</b>
72	C1E1	Civil society's contribution to provincial corruption eradication effort			V	0.271
73	C2E1	Civil society's contribution to the quality improvement of provincial public services			V	0.377
74	C2E2	CSO's contribution to empowering marginalized groups			V	0.352
<b>Economic Society</b>						<b>0.167</b>
<b>Participation</b>						<b>0.117</b>
75	E1P1	Quality of participation in the business association's decision making forum			V	0.383
76	E1P2	Involvement of business association in formulating development policy			V	0.617

No	Code	Indicator	Objective	Direct Observation	Questionnaire	Weight
<b>Fairness</b>						<b>0.171</b>
77	E1F2	Equal opportunity among members of business association in acquiring information, facility and participate in project tender			v	0.320
78	E1F1	Business' response to labor demand for compensation/welfare related issues			v	0.324
79	E1F3	Acknowledgement and protection of female labor rights by economic society			v	0.356
<b>Accountability</b>						<b>0.210</b>
80	E1A1	Accountability reporting (program and finance) of business association			v	0.196
81	E2A1	Business sector's compliance to tax and retribution			v	0.320
82	E2A2	Business sector's compliance to regulations and business procedures			v	0.271
83	E3A1	Accountability in managing CSR programs			v	0.213
<b>Transparency</b>						<b>0.188</b>
84	E1T1	Quality of transparency in implementing government projects			v	1.000
<b>Efficiency</b>						<b>0.156</b>
85	E1I1	Coordination among business associations in the effort to actively contribute in formulating development policies			v	0.321
86	E2I1	The use of environmental friendly and sustainable energy and natural resources			v	0.679
<b>Effectiveness</b>						<b>0.159</b>
87	E1E1	Business sector's capability to settle/resolve conflict with the public			v	0.092
88	E2E1	Contribution of business sectors in providing easy access to doing business and its climate			v	0.164
89	E3E1	Employment rate	v			0.745

Source: Kemitraan, (2012a:59).



## Appendix 2 Analytical Hierarchy Procedure (AHP)

### 1. Hierarchy Setting

In general, the application of the AHP model is done in two stages: Hierarchy Setting and Hierarchy Evaluation. Hierarchy setting that is commonly referred as decomposition process which involves three processes, i.e. identification of levels and elements, definition of concept and formulation of questions. The process to set-up the hierarchy is firstly done by identifying the overall goal of the hierarchy setting.

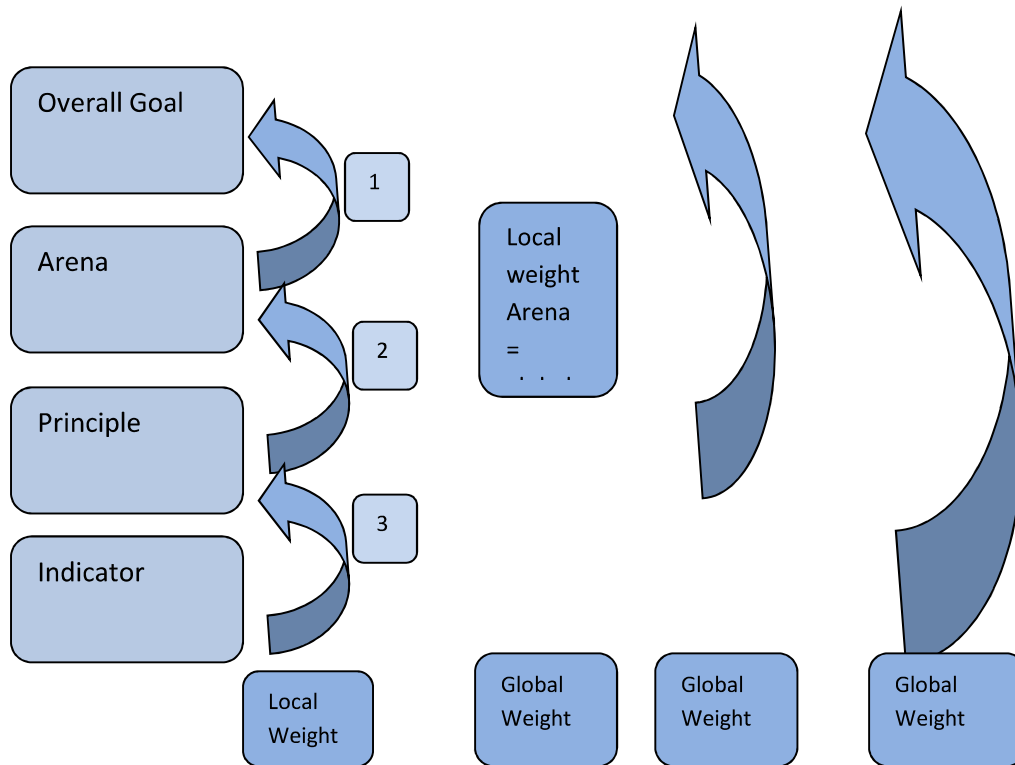
In this study, the overall goal is the Indonesia Governance Index (IGI). After the goal is set, the next step is the establishment of the criteria needed or criteria that are in line with the overall goal. The second level of criteria will be requirements or situations that could contribute to the attainment of the overall goal. Several criteria have been identified as having influence on IGI and they are referred to as the **Arenas**. The Arenas are still generic in nature and consist of several sub-criteria. These sub-criteria are the detailed elaboration of the generic criteria. In this study the sub-criteria are called as **indicators**. The sub-criteria are grouped based on the **principles** that are present in each Arena. The sub-criteria identified are still very generic in nature, so that they need to be grouped in sub-criteria groups based on the **attributes** of the sub-criteria. In this case, indicators become the smallest element that will have influence to the objectives.

With the AHP approach, the elements that comprise the IGI are arranged successively from the highest level to the lowest level in a functional hierarchy. The first level is the goal that will be achieved through this study, which is the IGI. The second level is the **four** Arenas and the third level is **six** principles for each Arena. Finally, the fourth level is the Indicators that are distributed under every Principle and Arena. This Hierarchy becomes the reference in assessing the Indonesia Governance Index (See Table 1).

### 2. AHP Scheme

After the functional hierarchy of the IGI has been established, the next step is determining the weight of influence of every element on the hierarchy above it (each element at one level on the higher level hierarchy). The first step is by weighting the influence of every Arena on the Overall Goal, then every Principle on the Arena, and the last is by weighting the influence of every Indicator in each Principle.

### AHP Scheme



In the AHP approach there are two types of weight for every element, they are the local weight and global weight.

- a. **Local Weight** is the weight of influence of each element in one level on the level above it. Thus, it is the weight of influence of the Arenas (2<sup>nd</sup> level) on the Overall Goal to be achieved (1<sup>st</sup> level), the weight of influence of the Principles (3<sup>rd</sup> level) on the Arenas (2<sup>nd</sup> level), and the weight of the Indicators (4<sup>th</sup> level) on the Principles (3<sup>rd</sup> level). (See Scheme 2).
- b. **Global Weight** is the weight of influence of the Indicators or Principles on the Goal (the IGI). The Arenas will not have local weight and global weight, because it is placed at the 2<sup>nd</sup> level, so the local weight is equal to its global weight. The global weight of the Principles is obtained from the result of the multiplication between the local weight of a Principle and the weight of the Arena.

While the global weight of the Indicator is obtained from the result of the multiplication between the local weight of the Indicator and the local weight of the Principle and the weight of the Arena. When the local

weight of each element of the hierarchy is known, the global weight of every element can be calculated. (See the result of the weighting of the Arenas, Principles and Indicators of the Indonesia Governance Index). The formula to obtain the global weight of the Principle and the global weight of the Indicator is as follows:

$$\text{Global Weight of the Principle} = \text{Local Weight of the Principle} \times \text{Weight of the Arena}$$

**Example 1:**

The Global Weight of the Principle of Participation in the Government Arena

$$\begin{aligned} &= \text{The Local Weight of the Principle of Participation} \times \text{the Weight of the Government Arena} \\ &= 0.096 \times 0.334 \\ &= 0.032 \end{aligned}$$

$$\text{Global Weight of the Indicator} = \text{Local Weight of the Indicator} \times \text{Local Weight of the Principle} \times \text{Weight of Arena}$$

**Example 2:**

The Global Weight of the Indicator for the Quality of Public Hearing in Discussing the Draft Local Budget (RAPBD) in the Principle of Participation in the Government Arena

$$\begin{aligned} &= \text{The Global Weight of the Indicator for the Quality of Public Hearing} \times \text{the Local Weight of the Principle of Participation} \times \text{Weight of Government Arena} \\ &= 0.304 \times 0.096 \times 0.334 \\ &= 0.010 \end{aligned}$$

Source: Kemitraan (2012b: 1-3)

### **Appendix 3 Type of Transformation Techniques used in Data Cleaning Process**

IGI data cleaning process involves several transformation processes to change the variance of answers, facts and number into comparable number. This transformation process basically will convert IGI raw data into 1-10 scale. As a consequence of numerous variations, the type of transformation is different between indicators.

In relation with the objective data, IGI applies six types of transformations such as *Inverted transformation*, *shear transformation*, *direct transformation* and *direct transformation with upper bound adjustment*. Meanwhile, for the subjective data (WIP), the output is *median* from respondent's answer.

The following section will elaborate each type of transformation examples used in IGI 2008 with additional information on the rationale, when and how to use the transformation formula. The transformation method which will be used in IGI 2012 will depend on the data collection result.

#### **a. Median**

Median is a value that divides a series of data into two parts in which a half part has smaller values while the other half will have bigger values. Median is used to measure the mid value of data obtained from interviews with the WIPs. It is more appropriate to use median here and not the average (mean) because the data obtained from the WIPs have an ordinal scale. **The advantage of Median Approach is its ability to cover all of respondent's answer variation**, which cannot be covered by Mean Approach. A Mean approach has limited ability to represent the respondent's extreme answer. Generally Median Approach is used for perception data from WIPs.

#### **Example:**

Indicator : Level of exercise of control functions of the local parliaments to the Governor (G3A1)

Province : NTB

Data : Academicians : 3 3 3 3 2

CSO Activists : 2 1 3 2 1

Journalists : 2 3 2

Bureaucrats : 3

Local MPs : 4 3 3 3 2

Result : 3 (= median)

#### **b. Direct Transformation**

Direct transformation will convert raw data into simpler figures without complexity in calculation. This type of transformation is used for cases when the greater score indicates better situation or result, but does not have numeric scale 1-10. Using direct transformation could change the raw data into a score 1-10. This could be done by multiplying the data with 100 or dividing them by 10 like the following examples:

##### **Example:**

Indicator : Percentage of medically-assisted birth (by doctors and midwives) to the total number of birth (B2F1)

Province : Riau Islands

Data : 89.2%

Result : 8.92 (=89.2% x 100)

##### **Example:**

Indicator : Human Development Index (B2E2)

Province : NAD

Data : 69.4

Result : 6.94 (=69.4/10)

#### **c. Inverted Transformation**

The Inverted transformation converts data into reverse figures by subtracting the figure from 1. This transformation is done because the data denote contrary meaning, the greater value, the worse the situation, so that the score will need to be inverted. Data that are treated such as this are data in the form of ration or the other data that have a value of less than 1.

Formula:

$$\text{Result} = 1 - \text{data}$$

**Example:**

Indicator : Level of income disparity (G2E4)

*(note: this indicator is calculated with the Gini ratio)*

Province : DKI Jakarta

Data : 0.336

Result : 0.664 (=1 – 0.336)

**Example:**

Indicator : Ratio of civil servant's expenditure to public expenditure (G2I1)

Province : DI Yogyakarta

Data : 0.147

Result : 0.853 (=1 – 0.147)

**d. Transforming Negative Value**

Negative transformation is similar to transformation by reversing value. The difference is this type of transformation used when the data have a value of more than 1. This condition applies to the data that have negative meaning with greater score signifies worse situation. By applying the formula, the data will have positive meaning where the bigger score will have a better situation. In negative transformation the data are multiplied by minus one (-1).

Formula:

$$\text{Result} = -1 \times \text{data}$$

**Example:**

Indicator : The average completion time legislation in Parliament in the last 1 year (G1I2)

Province : Jawa Timur

Data : 166

Result : -166 (= -1 x 166)

#### e. Shear transformation

Shear transformation will be used to change negative values into positive value. The data converted can be raw data or the result of the preceding transformation process, for example the result of shear transformation in no. 4 will be shifted into positive score by applying shear transformation formula. Shear transformation formula produces positive values from negative scores by shifting all data as much as two times of the smallest data.

Formula:

**Result = data – 2 x smallest data**

#### Example:

Indicator : Investment growth (B3E1)

Province : Bali

Data : -24% (the smallest data)

Result : 24 (= -24 – 2 x (-24))

#### f. Transforming to Scale 1-10

This type of transformation is the next step after shear transformation and whenever the result exceeds the data range. For example -24% for data range 1-100%. This scale is used to change a score either raw or transformed data, to a scale of 1-10. The formula is as follows:

Formula:

**Result = 10 – (maximum value – data to be converted) / range**

*where:*

maximum value = mean + 3 x standard deviation

range = (maximum value – minimum value) / 9  
 minimum value = the lowest score

This transformation requires a maximum value of the indicators, i.e. the highest value or the ideal value that will be achieved. Yet, in general the maximum value of the indicators used in formulating the index is not available in a normative way, so that the maximum value should be calculated using a certain formula. Hence, the formula used is **3 x standard deviation, a value that is statistically covers more than 95% of all the observation.**

**Example:**

Indicator : Number of Local Regulations initiated annually (G1E1)

Province : Bengkulu

Data :

Data to convert	: 2 (original data)
Mean	: 1.09
Standard deviation	: 1.07
Maximum value	: 4.30 (= 1.09 + 3 x 1.07)
Minimum value	: 0
Range	: 0.48 (= (4.30 – 0) / 9)
Maximum data	= 4

Result : 5.18 (= 10 – (4.30 – 2) / 0.48)

**Example:**

Indicator : Ratio between civil servant's expenditure and public expenditure (G2I1)

Province : DI Yogyakarta

Data :

Data to convert	: 0.853 (data transformed from point 3.4.3)
Mean	: 0.64



Standard deviation	: 0.17
Maximum value	: 1.16 (= 0.64 + 3 x 0.17)
Minimum value	: 0.17
Range	: 0.11 (= (1.16 – 0.17) / 9)
Maximum data	= 0.98

Result : 7.19 (= 10 – (1.16 – 0.853) / 0.11)

It should be noted here that the transformation of data for certain indicators can only be done with one kind of transformation, while other indicators can use more than one type of transformation.

Source: Kemitraan (2012b). Indonesia Government Index Technical Report 2008 and 2012 (AHP & Transformation Techniques).

## Appendix 4 Observation sheets

### Preface:

In this section in general, researcher is requested to do an observation to assess how good the quality of the government and bureaucracy is, in order to support good governance. Based on those observations, the researcher will have to give assessment about points which are linked to the quality of the institution. The assessment can be filled in the attributes column in every indicator.

### Directive:

Please write an X mark on the most suitable number based on your observation.

<b><u>1. Government arena Observation</u></b>		
	<b>Indicators</b>	<b>Observation Results</b>
1	Consistency between Annual Development Targets stated in Governor's Accountability Report (LKPJ) with target priority accomplishment stated in Mid-term Development Planning (RPJMD)	0 = Not consistent (none of them are consistent) 1 = Less consistent (at least one is consistent) 2 = Consistent (at least two points are consistent) 3 = Very consistent (all of the points are consistent)

No	Indicators	Observation Results
2	Accessibility to documents of Regional Regulation (Peraturan Daerah – PERDA) and Governor Regulation (Peraturan Gubernur – PERGUB)	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document for SKPD (Regional government work unit) is available on the website but not complete.</p> <p>4 = Document is complete and available on the website.</p>
3	Accessibility and completeness of Regional Government Budget (APBD) documents.	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document for SKPD (Regional government work unit) is available on the website but not complete.</p> <p>4 = Document is complete and available on the website.</p>
4	Ease of access to Province Regional Government Budget (APBD) Accountability Report Website.	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document for SKPD (Regional government work unit) is available on the website but not complete.</p> <p>4 = Document is complete and available on the website.</p>

No	Indicators	Observation Results
5	Ease of access to data of Provincial Legislative Aspiration Fund usage	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document is available on the website but not complete.</p> <p>4 = Document is complete and available on the website.</p>
6	Ease of access to the document of Legislative supervision activity (i.e. Brief reports, notes of meetings, work visit).	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document is available on the website but not complete.</p> <p>4 = Document is complete and available on the website.</p>

<b>2. Bureaucracy arena Observation</b>		
<b>No</b>	<b>Indicators</b>	<b>Observation Results</b>
1	Quality of Community Complaint Service Unit in Provincial Local Revenue Office (Dinas Pendapatan Daerah – <i>Dispenda</i> )	<p>0 = No decree</p> <p>1 = decree is available, complaint facility unit is not available</p> <p>2 = decree is available, complaint facility unit is available, no standard operational procedure for complaint handling</p> <p>3 = decree is available, complaint facility unit is available, standard operational procedure for complaint handling is available</p> <p>4 = decree is available, complaint facility unit is available, standard operational procedure for complaint handling is available, cases are handled but not yet resolved</p> <p>5 = optimally functioning (complaint log book exists), and cases are resolved</p>

No	Indicators	Observation Results
2	Quality of Community Complaint Service Unit in the field of health, education and poverty affairs.	<p>0 = No decree</p> <p>1 = decree is available, complaint facility unit is not available</p> <p>2 = decree is available, complaint facility unit is available, no standard operational procedure for complaint handling</p> <p>3 = decree is available, complaint facility unit is available, standard operational procedure for complaint handling is available</p> <p>4 = decree is available, complaint facility unit is available, standard operational procedure for complaint handling is available, cases are handled but not yet resolved</p> <p>5 = optimally functioning (complaint log book exists), and cases are resolved</p>
3	Accessibility to Local government department/agency Financial Documents (Regional government work unit budget and work plan – <i>RKA SKPD</i> , Head of local government financial management office budget and work plan – <i>RKA PPKD</i> , Summary of Budget implementation document of Regional government work unit – <i>DPA SKPD</i> , Summary of Budget implementation document of the Head of local government financial management office – <i>DPA PPKD</i> ).	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document for SKPD (Regional government work unit) is available on the website but not complete.</p> <p>4 = Document is complete and available on the website.</p>

No	Indicators	Observation Results
4	Existence of health council, education council, and poverty affairs forum (other than Regional Coordination Team for Poverty Affairs - <i>TKPKD</i> ).	<p>0 = not exist</p> <p>1 = decree is available, not functioning (work plan is not available)</p> <p>2 = decree is available, budget is available (APBD), administrative office and staff is available and functioning</p> <p>3 = exists and optimally functioning (work plan exists)</p>
5	The opinion from Financial Audit Board (BPK) towards Province Regional Budget	<p>0 = not proper</p> <p>1 = no opinion given</p> <p>2 = proper with exception</p> <p>3 = proper, with no exception</p>
6	The existence of regular forum between Province Regional Government and the people to strengthen investment, create more jobs and empower communal economy.	<p>0 = not exist</p> <p>1 = exists, but not functioning</p> <p>2 = exist, functioning, not in a regular basis</p> <p>3 = exists and functioning in regular basis</p>
7	Ease of access to regulation for investment in the province.	<p>0 = No access (closed)</p> <p>1= Physical document is available through certain procedure</p> <p>2 = Physical document is available in specific facility (i.e. library).</p> <p>3= Document of investment regulation is available on the website but not complete.</p> <p>4 = Document of investment regulation is complete and available on the website.</p>

8	Service for Investment Affairs Handling	<p>0 = not available</p> <p>1 = available with no integrated service</p> <p>2 = available with one building integrated service</p> <p>3 = available with one building integrated service with standard operational procedure</p>
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Source: (Kemitraan, 2012c).IGI 2012 Pedoman Penelitian Bagi Peneliti Provinsi)



## Appendix 5 Data Recording Sheet

### 1. Government Arena

#### Preface:

In this section, researcher is requested to fill the data which refers to other document sources to show good governance performance in the year of 2015, in Government Arena. Based on those documents, researcher is requested to fill data on numbers of indicators that represent the quality of good governance. The data can be filled on Data Fill column on each of the indicator.

#### Directive:

Fill in the dots (...) on Data Fill column (3) with the most matching numbers based on the referred source document.

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
1	The ratio of Regional Regulation Legitimation compared to the number of Regional Legislation Program (in %).	Numbers of Regional Regulation that is legitimated= .....	Regional Regulation Planning (Raperda) Log book Document and Regional Regulation Legitimation year 2015
		Numbers of Regional Regulation in Regional Legislation Program (Prolegda)= .....	Regional Legislation Program (Prolegda) Documents
2	The ratio of Revised Regional Budget to original Regional Budget without the change in the basic assumption.	Total Revised Regional Budget = .....	Revised Province Regional Budget year 2015:
		Total Regional Budget before revision = .....	Province Regional Budget year 2015:
3	Publishing Time for Governor	Governor Regulation Date of Validation= .....	Governor Regulation

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
	Regulation about Regional Regulation implementation.	.....	Document Data
		Regional Regulation Referrer Date of Validation=.....	Regional Regulation Document Data
4	Approximate Finishing Time for Regional Regulation in Regional Legislative within the last 1 year	Numbers of Regional Regulation = .....	Regional Regulation Planning (Raperda) Discussion Log book Document year 2015
		Time needed for Finishing Regional Regulation= .....	Regional Regulation Legitimated year 2015
5	Numbers of Initiative Regional Regulation	Numbers of Initiative Regional Regulation = .....	Document Data of Initiative Regional Regulation from Legislative Board
6	Per Capita Regional Budget for Healthcare divided towards Price Index (outside the expenses for employee)	Total expenses from Regional Budget for healthcare = .....	Regional Budget year 2015 Realization Report, appendix-2
		Employee Expenses from Regional Budget for Healthcare = .....	Regional Budget year 2015 Realization Report, appendix 3 and 4
7	Regional Budget for Poverty Affairs towards Price Index	Total expenses from Regional Budget for Poverty Affairs = .....	Regional Budget year 2015 Realization Report, appendix 2
		Employee Expenses from Regional Budget for Poverty Affairs = .....	Regional Budget year 2015 Realization Report, appendix 3 and 4
8	Per student Regional Budget for Education towards Price Index	Total expenses from Regional Budget for Education Sector = .....	Regional Budget year 2015 Realization Report, appendix 3 and 4
		Employee expenses from Regional Budget for Education Sector = .....	Regional Budget year 2015 Realization Report, appendix 3 and 4

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
9	On-schedule accuracy for Regional Regulation for Regional Budget Validation time.	Date of Regional Regulation Validation for Regional Budget = .....	Regional Regulation Documents about Regional Budget, year 2015
10	Ratio of Employee Expenses Budget (direct and indirect) compared to Total Regional Budget	Realization of Employee Budget in direct expenses = .....	Regional Budget year 2015 Realization Report, appendix 1
		Realization of Employee Budget in indirect expenses = .....	
		Total Realization, Regional Budget 2015 = .....	
11	Gross Domestic Regional Product Growth Level per Capita	Gross Domestic Regional Product data, year 2014 and 2015 = .....	Province in Numbers – year 2015
12	Poverty Rate	Province Poverty Data = ...	Province in Numbers – year 2015
13	Visible Unemployment Rate	Numbers of Visible Unemployment, year 2015= .....	Province in Numbers – year 2015
14	Discrepancy Rate	<i>Gini</i> Coefficient Index, year 2015 = .....	Indonesian Statistics –Year 2015
15	Ratio of Grant/Subsidy expenditure and Social aid towards Capital Expenditure and Goods/Service Expenditure	Grant Expenditure (H), Subsidy (S) and Social Aid (B) = .....	Regional Budget year 2015 Realization Report, appendix 1
		Goods/Service Expenditure (BJ) and Capital Expenditure (M) = .....	
16	Municipal Revenue Disparity	Province Gross	Province in

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
	within the Province (Williamson Index)	Domestic Regional Product data, year 2015 = .....	Numbers – year 2015
		Municipal Gross Domestic Regional Product data, year 2015 = .....	
17	Ratio of Total Legislative Budget towards total Regional Budget	Total Legislative Budget = .....	Regional Budget year 2015 Realization Report, appendix 3
		Total Regional Budget = .....	Regional Budget year 2015 Realization Report, appendix 1
18	Ratio of Revised Regional Budget towards Budget Realization	Total Revised Regional Budget = .....	Regional Budget year 2015 (revised), appendix 1
		Total Realization of Regional Budget = .....	Regional Budget year 2015 Realization Report, appendix 1

Source: (Kemitraan, 2012c).IGI 2012 Pedoman Penelitian Bagi Peneliti Provinsi)

## 2. Bureaucracy Arena

### Preface:

In this section, researcher is requested to fill the data which refers to other document sources to show good governance performance in the year of 2015, in Bureaucracy Arena. Based on those documents, researcher is requested to fill data on numbers of indicators that represent the quality of good governance. The data can be filled on Data Fill column on each of the indicator.

### Directive:

Fill in the dots (...) on Data Fill column (3) with the most matching numbers based on the referred source document.

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
1	Ratio of Local Revenue Office Staff Expenditure towards Realization of Province Own-source Revenue (PAD – Pendapatan Asli Daerah)	Realization of Province Own-source Revenue year 2015 = .....	Regional Budget Realization Report, year 2015
		Local Revenue Office Staff Expenditure, year 2015= .....	Regional Budget Realization Report, year 2015
2	Percentage of Annual Local Revenue Office Budget towards Realization of Own-Source Revenue	Local Revenue Office Budget year 2015 = .....	Regional Budget Realization Report, year 2015
		Realization of Own-Source Revenue, year 2015= .....	Regional Budget Realization Report, year 2015
3	Percentage of birth assisted by medical personnel (doctors and midwives) towards total numbers of birth	Numbers of birth assisted by medical personnel) = .....	Province in Numbers – year 2015
		Total numbers of birth =	

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
		.....	
4	Ratio of Employee Expenses Budget (direct and indirect) compared to Province Public Expenditure	Total Budget for Employee Expenses (direct) from Regional Budget, year 2015 = .....	Regional Budget Realization Report, year 2015
		Total Budget for Employee Expenses (indirect) from Regional Budget, year 2015 = .....	
		Total Regional Budget 2015 = .....	
5	Human Development Index Score (Education Sub Index)	Province HDI score for Education, year 2015 = .....	Province in Numbers – year 2015
6	Human Development Index Score (Healthcare Sub Index)	Province HDI score for Healthcare, year 2015 = .....	Province in Numbers – year 2015
7	Investment Growth Rate	Investment Value Data, year 2014 and 2015 = .....	Province in Numbers – year 2015
8	Numbers of Investment Project	Investment Project data, year 2015 = .....	Province in Numbers – year 2015

### 3. Economic Community Arena

#### Preface:

In this section, researcher is requested to fill the data which refers to other document sources to show good governance performance in the year of 2015, in Economic Community Arena. Based on those documents, researcher is requested to fill data on numbers of indicators that represent the quality of good governance. The data can be filled on Data Fill column on each of the indicator.

#### Directive:

Fill in the dots (...) on Data Fill column (3) with the most matching numbers based on the referred source document.

No	Indicator	Data	
		Data Fill	Document Source
(1)	(2)	(3)	(4)
1	Work force absorption rate or numbers of jobs created	Work force, year 2014 = .....	Province in Numbers – year 2015
		Work force, year 2015 = .....	

Source: (Kemitraan, 2012c).IGI 2012 Pedoman Penelitian Bagi Peneliti Provinsi)

## Appendix 6 Questioner Governance Index 2016

Questioner Number: .....

Province : .....

### Questioner for Government Arena

**Preface:**

In this section, in general you are requested to assess how much the role that government has in order to develop good governance. Specifically, you are requested to give values for matters that are linked to government arena roles. You will give values from worst value (0) to best (5).

**Directive:**

Please write an X mark on number most suitable to your assessment.

No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor			Very good		
		●					●
		①	②	③	④	⑤	
1	Average number of proposed district development program accommodated in Province Development Planning Deliberation Meeting	①	②	③	④	⑤	
2	Quality of Public Hearing in DPRD (local parliament) in the Deliberation of Provincial Regulations	①	②	③	④	⑤	
3	The quality of public hearings to discuss Local Budget	①	②	③	④	⑤	
4	Quality of Governor consultation forum with stakeholder	①	②	③	④	⑤	
5	Equal opportunity to join Governor Consultation Forum with Stakeholders	①	②	③	④	⑤	
6	Quality of Governor's communication in coordinating development	①	②	③	④	⑤	



No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor					Very good
		●					●
		①	②	③	④	⑤	
7	Quality of public complaint channels to strengthen DPRD monitoring function	①	②	③	④	⑤	
8	Quality of DPRD Public Engagement in conducting monitoring function	①	②	③	④	⑤	
9	Non-discriminatory conduct of DPRD (local parliament) in monitoring development	①	②	③	④	⑤	
10	Local parliaments' (DPRD) commitment to fight for public interests/aspirations	①	②	③	④	⑤	

## Questioner for Bureaucracy Arena

**Preface:**

In this section, in general you are requested to assess how much the role that bureaucracy has in order to develop good governance. Specifically, you are requested to give values for matters that are linked to Bureaucracy Arena roles. You will give values from worst value (0) to best (5).

**Directive:**

Please write an X mark on number most suitable to your assessment.

No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor					Very good
		●					●
		①	②	③	④	⑤	
1	Non-discriminatory of public services provided toward marginalized groups (women, poor, children, a. marginalized groups	①	②	③	④	⑤	
	b. women, poor, children	①	②	③	④	⑤	
	c. disabled, elderly, HIV/AIDS	①	②	③	④	⑤	
2	Equal opportunity provided to engage in government project and tender	①	②	③	④	⑤	
3	Consistency between local economic policies with the environmental protection policies and economic zoning area	①	②	③	④	⑤	

## Questioner for Civil Society Arena

**Preface:**

In this section, in general you are requested to assess how much the role that civil society has in order to develop good governance. Specifically, you are requested to give values for matters that are linked to Civil Society roles. You will give values from worst value (0) to best (5).

**Directive:**

Please write an X mark on number most suitable to your assessment.

No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor					Very good
		●	○	○	○	○	●
		①	②	③	④	⑤	
1	Quality of participation channels provided by civil society for advocacy and monitoring activities	①	②	③	④	⑤	
2	CSO's effort in gender mainstreaming and empowering marginalized groups on advocacy and monitoring activities	①	②	③	④	⑤	
3	Quality of CSO's program and finance reports	①	②	③	④	⑤	
4	Variance or coverage of issues advocated and monitored by CSO	①	②	③	④	⑤	
5	Accessibility of CSO's activities and institutional information	①	②	③	④	⑤	
6	Efficiency of CSO's advocacy and monitoring activities	①	②	③	④	⑤	
7	Coordination among CSOs in advocacy and monitoring activities	①	②	③	④	⑤	
8	Civil society's contribution to provincial corruption eradication effort	①	②	③	④	⑤	
9	Level of public involvement provided by civil society in the strive for local empowerment	①	②	③	④	⑤	

No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor					Very good
		●					●
		①	②	③	④	⑤	
10	Monitoring & Evaluation Procedures for empowerment programs	①	②	③	④	⑤	
11	Accessibility of information on CSO's activities related to local empowerment programs	①	②	③	④	⑤	
12	Civil society's contribution to the quality improvement of provincial public services	①	②	③	④	⑤	
13	CSO's contribution to empowering marginalized groups	①	②	③	④	⑤	

## Questioner for Economic Society Arena

**Preface:**

In this section, in general you are requested to assess how much the role that economic society has in order to develop good governance. Specifically, you are requested to give values for matters that are linked to Economic Society roles. You will give values from worst value (0) to best (5).

**Directive:**

Please write an X mark on number most suitable to your assessment.

No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor					Very good
		●	—————				●
		①	②	③	④	⑤	
1	Quality of participation in the business association's decision making forum	①	②	③	④	⑤	
2	Involvement of business association in formulating development policy	①	②	③	④	⑤	
3	Equal opportunity among members of business association in acquiring information, facility and participate in project tender	①	②	③	④	⑤	
4	Accountability reporting (program and finance) of business association	①	②	③	④	⑤	
5	Quality of transparency in implementing government projects	①	②	③	④	⑤	
6	Coordination among business associations in the effort to actively contribute in formulating development policies	①	②	③	④	⑤	
7	Business' response to labor demand for compensation/welfare related issues	①	②	③	④	⑤	

No	Questions	Level of value (Quality, Coverage, etc.)					
		Very poor					Very good
		●					●
		①	②	③	④	⑤	
8	Business sector's capability to settle/resolve conflict with the public	①	②	③	④	⑤	
9	The use of environmental friendly and sustainable energy and natural resources	①	②	③	④	⑤	
10	Business sector's compliance to regulations and business procedures	①	②	③	④	⑤	
11	The use of environmental friendly and sustainable energy and natural resources	①	②	③	④	⑤	
12	Accountability in managing CSR programs	①	②	③	④	⑤	
13	Business sector's compliance to tax and retribution	①	②	③	④	⑤	

Source: (Kemitraan, 2012c).IGI 2012 Pedoman Penelitian Bagi Peneliti Provinsi)











No	Code	INDICATORS	Lecturers					Civil society organization					Journalists					Bureaucrats															Legislators					Local Chamber of Commerce																			
			1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	1	2	3	4	5	1	2	3	4	5												
34	E1F1	Business sector's capability to settle/resolve conflict with the public	4	4	4	3	4	4	2	4	3	4	4	3	3	2	3	2	3	2	4	5	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	5	5	4	5	5	5	5	4	5	5	4	4	4	4	3	4				
35	E2A1	The use of environmental friendly and sustainable energy and natural resources	3	4	4	4	3	4	3	4	4	4	3	3	3	2	2	3	3	4	4	4	3	3	4	4	4	4	4	5	5	5	3	4	4	5	5	5	5	4	5	5	5	5	4	5	5	4	5	4	5	5	3	3	3	3	4
36	E2A2	Business sector's compliance to regulations and business procedures.	3	4	4	4	4	4	3	4	3	4	4	3	3	2	4	2	3	5	4	4	4	4	4	4	4	4	4	5	5	5	3	4	4	5	5	5	5	4	5	5	5	5	4	5	5	4	5	4	5	5	4	5	4	5	4
37	E2I1	The use of environmental friendly and sustainable energy and natural resources	3	4	4	4	4	4	3	4	3	4	4	3	3	2	3	2	3	5	4	4	4	4	4	4	4	4	4	5	5	5	3	4	3	5	5	5	5	4	5	5	5	5	4	5	5	4	5	4	5	5	4	4	4	4	4
38	E3A1	Accountability in managing CSR programs	3	4	4	4	5	4	3	3	2	4	4	3	3	3	3	3	3	5	4	4	4	4	4	4	4	4	4	5	5	3	4	3	4	3	5	5	5	4	5	5	5	5	4	5	5	4	5	4	5	5	3	3	3	3	3
39	E2E1	Business sector's compliance to tax and retribution	3	4	4	5	4	4	3	3	3	4	4	3	3	3	3	4	5	5	4	4	4	4	4	4	4	4	4	5	5	5	3	4	3	5	5	5	5	4	5	5	5	5	4	5	5	4	5	4	5	5	3	3	3	3	3
40	E1F3	Acknowledgement and protection of female labor rights by economic society	3	4	4	5	5	5	3	4	3	4	4	3	4	3	3	4	5	5	4	4	4	4	4	4	4	4	4	5	5	3	4	3	4	3	5	5	5	4	5	5	5	5	4	5	5	4	5	4	5	5	4	4	4	4	4

## Appendix 8 Discussion forum with experts in related areas

1. Forum of Group Discussion with Bureaucracy of Yogyakarta Province  
(June 28<sup>th</sup> 2016)





2. Forum Group Discussion with CSO activist, Economic Society, Academician and Journalist (June 30<sup>th</sup> 2016)



3. Forum Group Discussion with provincial legislative body (DPRD) (July 1<sup>st</sup> 2016)







Appendix 9 Data tabulation and transformation to scale 1-10 of Yogyakarta governance index of 2015 (Source: by Author)

No	Code	INDICATORS	Objective	Direct observation	Questionnaire	Weight	Criterion value			Objective			Direct Observation			Transformation Formula (Scale)	Transformation for Objective data			Transformation for Questionnaire and Direct Observation			Index Calculation DIV 2016	Index Calculation DIV 2017
							Max. Value	Min. Value	Mid. Value	Max. Value	Min. Value	Mid. Value	Max. Value	Min. Value	Mid. Value		Max. Value	Min. Value	Mid. Value					
24	GAT1	Accessibility of monitoring activities by local parliament (i.e. DPRD) to a number of minutes of meeting of local work units by local parliament (DPRD)		√		0.188									$10 - \frac{(10 - \text{score}) \times \text{max}}{\text{max} - \text{min}}$									
25	G11	Are invited to give object of regulation supporting	√		0.130775	0.03334																		
26	G12	Are decision taken by local parliament (DPRD) to pass	√		0.167																			
27	G13	Ratio of staff salary, operational, both direct and indirect operating accounts to the total local budget (PDRD)	√		0.463																			
28	G41	Ratio of local parliament (DPRD) budget to total revenues	√		0.292																			
<b>Efficiency</b>																								
29	G11	Member of DPRD's sub-legal regulations per year	√		0.124																			
30	G12	Average of regulation or enactment promotion	√		0.282																			
31	G21	Growth of own capitals	√		0.267																			
32	G22	Monthly rate	√		0.103																			
33	G33	Money interest rate	√		0.272																			
34	G25	GDP ratio	√		0.109																			
35	G45	Percentage of women in parliament	√		0.319																			
36	G21	Income target (average) district culture program (PWL) (average)	√		0.265																			
37	G41	Ratio of Total Budget/Regulation to Total Revenue Budget	√		0.164																			
<b>Responsivity</b>																								
38	G11	The structure of public service (DPRD) should be the Provincial Revenue Collective Office (Regional)	√		0.209																			
39	G24	The existence of Public Complaint Center in health, education and security, eradication services	√		0.261																			
40	G12	The percentage of health board, the education board and the social foundation board	√		0.169																			
41	G31	The presence of regular forum between provincial government and public to improve government affairs, collaboration and local economic empowerment	√		0.242																			
<b>Fairness</b>																								
42	G11	Percentage of women in parliament (national)	√		0.279																			
43	G21	Percentage of medical supported birth (education and health) in the total number of birth	√		0.179																			

Appendix 9 Data tabulation and transformation to scale 1-10 of Yogyakarta governance index of 2015  
(Source: by Author)

No	Code	INDICATORS	Objective	Direct Observation	Questionnaire	Weight	Questions			Objectives			Direct Observation			Transformation for Objective data	Transformation for Questionnaire and Direct Observation			Indices Calculation			
							DIY Score	Max. Value	Min. Value	DIY Score	Max. Value	Min. Value	DIY Score	Max. Value	Min. Value		DIY Score	Average	Max. Value	Min. Value	DIY 2016	DIY 2017	
44	3212	Non-discrimination of public services provided toward marginalized groups (women, poor, children, disabled, elderly, HIV/AIDS)	✓	✓	0.129	5	5	0															
45	3213	Ratio of women present in leadership positions in government	✓	✓	0.154				1.15	1.25	0.94												
46	3214	Performance of gender balance working group at provincial level	✓	✓	0.159																		
47	3214	State apparatus provided to engage in government proper and local	✓	✓	0.071	5	5	0															
48	3214	State apparatus' efforts to improve the province budget	✓	✓	0.0559																		
49	3214	Consistency between local government policies with the environmental protection policies and government's ruling	✓	✓	0.02																		
50	3211	Accessibility of financial support in local development program for small and medium enterprises (UMK/UMK, UMKM, or non-UMK)	✓	✓	0.0701																		
51	3371	Accessibility of provincial government equipments	✓	✓	0.025																		
52	3311	Ratio of Local Financial Management Officers (LFMO) employed by regional local government	✓	✓	0.0517																		
53	3211	Ratio of government's investment services business and indirect to the local public services in regional local budget (PNL)	✓	✓	0.036																		
54	3311	Investment schemes	✓	✓	0.024																		
55	3211	Ratio of PDAO's annual budget to the realized local program (PMB)	✓	✓	0.0356																		
56	3211	Human resource management	✓	✓	0.0291																		
57	3211	Ratio of decrease of water quality evaluated in the environmental quality index between 2014 to 2015	✓	✓	0.02																		
58	3211	Percentage of air quality index evaluated in the environmental quality index between 2014 to 2015	✓	✓	0.02																		
59	3211	Percentage of forest coverage evaluated in the environmental quality index between 2014 to 2015	✓	✓	0.02																		
60	3211	Number of growth	✓	✓	0.150																		
61	3211	Number of investment projects	✓	✓	0.131																		
62	3211	Quality of public services provided by civil society for subcategory of emerging activities	✓	✓	0.0476																		
63	3211	Level of public services provided by civil society in the area of local empowerment	✓	✓	0.050																		
64	3211	CSO's effort in gender mainstreaming and empowering marginalized groups and women in various activities	✓	✓	0.0302																		
65	3211	Measure of coverage of issues educational and non-education CSO	✓	✓	0.085																		
66	3211	Quality of CSO's program and financial reports	✓	✓	0.0381																		







Appendix 10 Special fund budget 2013-2015



PEMERINTAH DAERAH DAERAH ISTIMEWA YOGYAKARTA

REKAP DANAIS 2013

		Total	PAGU
			<b>231,392,653,500</b>
<b>A. Urusan Kelembagaan</b>			<b>2,516,142,500</b>
1.	<b>1.20.03.06. BIRO ORGANISASI</b>		<b>2,516,142,500</b>
44.	<b>PROGRAM PENINGKATAN KAPASITAS KELEMBAGAAN PERANGKAT DAERAH</b>		<b>2,516,142,500</b>
001.	Analisis Jabatan Di Lingkungan Pemerintah Daerah DIY		886,230,000
002.	Penyusunan Rancangan Peraturan Gubernur tentang Uraian Tugas, Fungsi dan Tata Kerja Perangkat Daerah Istimewa		833,198,000
003.	Pola Hubungan Kerja Pemerintah, Pemerintah Daerah DIY, Kraton Yogyakarta, dan Puro Pakualaman		596,714,500
004.	Penyusunan Rancangan Peraturan Gubernur tentang Parampara Praja		200,000,000
<b>B. Urusan Kebudayaan</b>			<b>212,546,511,000</b>
2.	<b>1.01.01.00. DINAS PENDIDIKAN, PEMUDA DAN OLAH RAGA</b>		<b>30,148,920,000</b>
17.	<b>PROGRAM PENDIDIKAN MENENGAH</b>		<b>14,000,000,000</b>
001.	Peningkatan Kapasitas Guru dan Siswa dalam Pengembangan dan Pelestarian Budaya Daerah		14,000,000,000
18.	<b>PROGRAM PENDIDIKAN NON FORMAL</b>		<b>2,488,750,000</b>
001.	Penguatan Tata Nilai Religio-Spiritual		2,488,750,000
20.	<b>PROGRAM PEMBINAAN DAN PEMASYARAKATAN OLAHRAGA</b>		<b>582,000,000</b>
001.	Invitasi Olahraga Tradisional		430,000,000
002.	Pengembangan Senam Kesegaran Jasmani Gaya Yogyakarta		152,000,000
27.	<b>PROGRAM PENDIDIKAN KARAKTER BERBASIS BUDAYA</b>		<b>8,162,000,000</b>
001.	Pengembangan kurikulum dan silabus pendidikan berbasis Budaya		2,115,000,000
002.	Penguatan Pembelajaran Sastra Jawa		2,200,000,000
003.	Pemantapan dan pengembangan sekolah berbasis budaya lokal		1,592,000,000
004.	Pengembangan Tata Nilai Teknologi		2,255,000,000

	30.	<b>PROGRAM PENINGKATAN PERAN SERTA, KAPASITAS DAN APRESIASI BUDAYA PEMUDA</b>	<b>4,916,170,000</b>
	001.	Penguatan Tata Nilai Kejuangan dan Kebangsaan	4,916,170,000
3.	1.02.01.00.	<b>DINAS KESEHATAN</b>	<b>5,588,000,000</b>
	19.	<b>PROGRAM PROMOSI KESEHATAN DAN PEMBERDAYAAN MASYARAKAT</b>	<b>500,000,000</b>
	001.	Pambudayaan Marganing Rahayu Jiwa	500,000,000
	20.	<b>PROGRAM PERBAIKAN GIZI MASYARAKAT</b>	<b>4,608,000,000</b>
	001.	Nguri-Uri Budaya 1000 Hari Kehidupan Bersama	4,608,000,000
	58.	<b>PROGRAM PENCEGAHAN DAN PENGENDALIAN PENYAKIT</b>	<b>480,000,000</b>
	001.	Rekayasa Budaya Perilaku Hidup Bersih dan Sehat dalam Upaya Penanganan Kesehatan	480,000,000
	1.03.01.00.	<b>DINAS PEKERJAAN UMUM, PERUMAHAN DAN ENERGI SUMBER DAYA MINERAL</b>	<b>300,000,000</b>
4.	010.	Fasilitas Kawasan Budaya Petilasan Brawijaya V di Ngalang Gedangsari, Gunungkidul	150,000,000
	011.	Fasilitas Kawasan Budaya Petilasan Buyut Paluombo, Watusigar, Ngawen, Gunungkidul	150,000,000
	1.06.01.00.	<b>BADAN PERENCANAAN PEMBANGUNAN DAERAH</b>	<b>6,310,011,000</b>
5.	21.	<b>PROGRAM PERENCANAAN PEMBANGUNAN DAERAH</b>	<b>1,723,966,000</b>
	001.	Penyusunan Pembangunan Urusan Keistimewaan Bidang Pemerintahan	1,114,123,000
	002.	Koordinasi dan Fasilitas Perencanaan Program/Kegiatan Urusan Keistimewaan	609,843,000
	22.	<b>PROGRAM PERENCANAAN PEMBANGUNAN EKONOMI</b>	<b>684,957,000</b>
	001.	Fasilitas Perencanaan Pembangunan Perekonomian Daerah Menyongsong Peradaban Baru	684,957,000
	23.	<b>PROGRAM PERENCANAAN SOSIAL BUDAYA</b>	<b>2,156,352,000</b>
	001.	Perencanaan Pembangunan Urusan Keistimewaan Bidang Kesejahteraan Rakyat	1,976,027,000
	002.	Penyusunan Buku Informasi Pembangunan DIY	180,325,000
	28.	<b>PROGRAM PENGENDALIAN PEMBANGUNAN DAERAH</b>	<b>606,781,000</b>
	001.	Monitoring dan Evaluasi Program Pembangunan Daerah dalam rangka Keistimewaan	606,781,000
	29.	<b>PROGRAM PERENCANAAN DAN PENGENDALIAN PELAKSANAAN KEGIATAN KEISTIMEWAAN</b>	<b>1,137,955,000</b>
	004.	Penyusunan Perencanaan Pembangunan Urusan Keistimewaan Bidang Sarana Prasarana	1,137,955,000

6.	1.08.01.00.	<b>BADAN LINGKUNGAN HIDUP</b>	<b>500,000,000</b>
	25.	<b>PROGRAM PENGELOLAAN LINGKUNGAN BERBASIS BUDAYA</b>	<b>500,000,000</b>
	001.	Kajian Inisiasi Wonodeso	500,000,000
7.	1.11.01.00.	<b>BADAN PEMBERDAYAAN PEREMPUAN DAN MASYARAKAT</b>	<b>2,900,000,000</b>
	24.	<b>Program Peningkatan Peran Serta dan Kesetaraan Gender dalam Pembangunan Berbasis Budaya</b>	<b>2,400,000,000</b>
	001.	Pengembangan Kreatifitas Perempuan Berbasis Budaya	650,000,000
	002.	Diseminasi Pemahaman Gender dari sudut pandang budaya bagi Organisasi Keagamaan, Organisasi Masyarakat	300,000,000
	003.	Pengembangan Kreatifitas Anak berbasis budaya	450,000,000
	004.	Penerapan dan pemanfaatan nilai-nilai budaya dan kreatif lokal dalam melaksanakan PUG	600,000,000
	005.	Penerapan Perlindungan Perempuan dan Anak yang Responsif Budaya	400,000,000
	26.	<b>PROGRAM KELUARGA BERENCANA DAN KELUARGA SEJAHTERA</b>	<b>500,000,000</b>
	001.	Pengembangan model Pengasuhan Balita dalam Keluarga Berbudaya	500,000,000
8.	1.13.01.00.	<b>DINAS SOSIAL</b>	<b>20,429,951,000</b>
	15.	<b>PROGRAM PEMBERDAYAAN FAKIR MISKIN, KOMUNITAS ADAT TERPENCIL (K A T) DAN PENYANDANG MASALAH KESEJAHTERAAN SOSIAL (P M K S) LAINNYA</b>	<b>15,196,000,000</b>
	001.	Pengembangan Desa Bestari (Berdaya ekonomi, sosial, Teknologi, Alam dan Mandiri)	15,196,000,000
	22.	<b>PROGRAM PEMBINAAN PELESTARIAN NILAI-NILAI KEPAHLAWANAN, KEPERINTISAN, DAN KESETIAKAWANAN SOSIAL (K 3 S)</b>	<b>355,000,000</b>
	001.	Pengembangan Budaya Kesetiakawanan Sosial	355,000,000
	26.	<b>PROGRAM PELAYANAN DAN PERLINDUNGAN ANAK BERMASALAH SOSIAL</b>	<b>513,248,000</b>
	001.	Pemberdayaan Rumah Budaya Anak Jalanan	513,248,000
	30.	<b>PROGRAM PEMBERDAYAAN POTENSI SUMBER KESEJAHTERAAN SOSIAL (PSKS)</b>	<b>4,365,703,000</b>
	001.	Penguatan Ketahanan Sosial Berbasis Kearifan Lokal	4,365,703,000
9.	1.15.01.00.	<b>DINAS PERINDUSTRIAN, PERDAGANGAN, KOPERASI DAN U K M</b>	<b>527,921,000</b>
	21.	<b>PROGRAM PENGEMBANGAN INDUSTRI KREATIF</b>	<b>527,921,000</b>
	001.	Pengembangan IKM Batik	527,921,000
10.	1.16.01.01.	<b>KAPERDA</b>	<b>200,000,000</b>
	17.	<b>PROGRAM PENGELOLAAN KERAGAMAN BUDAYA</b>	<b>200,000,000</b>

11.	001.	Pelestarian dan aktualisasi adat budaya daerah	200,000,000
	<b>1.17.01.00.</b>	<b>DINAS KEBUDAYAAN</b>	<b>117,012,708,400</b>
	<b>15.</b>	<b>PROGRAM PENGEMBANGAN NILAI BUDAYA</b>	<b>21,500,000,000</b>
	001.	Pengelolaan dan Pengembangan Desa Budaya sebagai Benteng Budaya	10,000,000,000
	002.	Pengelolaan dan Pembinaan Desa Non Budaya (termasuk pendampingan masyarakat pecinta seni dan budaya)	5,000,000,000
	003.	Pemberian stimulan kegiatan/upacara adat	6,500,000,000
	<b>16.</b>	<b>PROGRAM PENGELOLAAN KEKAYAAN BUDAYA</b>	<b>44,088,741,400</b>
	001.	Pemugaran dan Penataan Masjid-Masjid Kraton dan Puro Pakualaman	1,100,000,000
	002.	Pengelolaan lembaga pelestari warisan budaya	21,778,741,400
	003.	Peningkatan kapasitas SDM Kasultanan dan Kadipaten	800,000,000
	004.	Pemugaran dan Penataan Bangunan-Bangunan serta perlengkapannya di dalam Kompleks Kraton dan Puro Pakualaman	7,150,000,000
	005.	Pelestarian warisan budaya dan Cagar Budaya	5,750,000,000
	006.	Pemantapan Kotagede sebagai Situs Warisan Dunia	2,350,000,000
	007.	Pembinaan dan Pengembangan Museum	4,310,000,000
	008.	Pembinaan dan pengembangan Kesenjaraan	850,000,000
	<b>17.</b>	<b>PROGRAM PENGELOLAAN KERAGAMAN BUDAYA</b>	<b>32,073,967,000</b>
	001.	Pembinaan dan Pengembangan Seni Budaya Daerah	9,212,792,000
	002.	Pengembangan SDM kebudayaan	861,895,000
	003.	Aktualisasi kesenian tradisional di lokasi strategis (hari-hari khusus)	5,000,000,000
	004.	Kampanye / Gerakan Cinta Budaya Melalui Multi Media	2,900,000,000
	005.	Misi Kebudayaan kedalam dan keluar negeri dalam rangka diplomasi budaya	3,584,118,000
	006.	Pembinaan dan pengembangan perfilman	1,000,000,000
	007.	Fasilitasi lembaga penggiat seni dan budaya	9,515,162,000
	<b>18.</b>	<b>PROGRAM PENGEMBANGAN KERJASAMA PENGELOLAAN KEKAYAAN BUDAYA</b>	<b>650,000,000</b>
	001.	Menjalin hubungan kemitraan antar lembaga pelestari warisan budaya	650,000,000
	<b>19.</b>	<b>PROGRAM PENINGKATAN SARANA DAN PRASARANA KEBUDAYAAN</b>	<b>18,700,000,000</b>
	001.	Pemberian Sarana dan prasarana budaya	11,200,000,000
	002.	Pengembangan kompleks Taman Budaya Yogyakarta	7,500,000,000



12.	1.19.01.00.	<b>BADAN KESATUAN BANGSA DAN PERLINDUNGAN MASYARAKAT</b>	<b>378,025,000</b>
	18.	<b>PROGRAM KEMITRAAN PENGEMBANGAN WAWASAN KEBANGSAAN</b>	<b>378,025,000</b>
	001.	Penelitian Dinamika Perubahan Sosial dan Potensi Konflik di DIY	378,025,000
13.	1.20.03.	<b>BIRO TATA PEMERINTAHAN</b>	<b>563,227,000</b>
	28.	<b>PROGRAM OPTIMALISASI PENYELENGGARAAN PEMERINTAHAN</b>	<b>563,227,000</b>
	001.	Sosialisasi Keistimewaan DIY bagi Penyelenggara Pemerintahan Daerah	563,227,000
14.	1.20.03.02.	<b>BIRO HUKUM</b>	<b>1,281,314,000</b>
	26.	<b>PROGRAM PENATAAN PERATURAN PERUNDANG-UNDANGAN</b>	<b>1,281,314,000</b>
	001.	Legislasi Rancangan Peraturan Daerah Istimewa	375,239,000
	002.	Kajian Yuridis Keistimewaan DIY dari Aspek Desentralisasi Asimetris	185,850,000
	003.	Legislasi Rancangan Peraturan Gubernur Keistimewaan DIY	333,160,000
	004.	Penyebarluasan Produk Hukum Keistimewaan DIY	387,065,000
15.	1.20.03.05.	<b>BIRO ADMINISTRASI PEMBANGUNAN</b>	<b>350,000,000</b>
	43.	<b>PROGRAM ANALISA KEBIJAKAN KEBUDAYAAN DAN PARIWISATA</b>	<b>350,000,000</b>
	001.	Penelitian Pengembangan Kawasan Geoheritage di DIY	350,000,000
16.	1.20.03.07.	<b>BIRO UMUM, HUMAS DAN PROTOKOL</b>	<b>717,542,500</b>
	18.	<b>PROGRAM KERJASAMA INFORMASI DENGAN MAS MEDIA</b>	<b>717,542,500</b>
	001.	Pengembangan Kemitraan Kehumasan dalam Keistimewaan DIY	156,282,000
	002.	Penerbitan Bulletin/Majalah Keistimewaan DIY	68,561,500
	003.	Penyiaran Dialog Isu Keistimewaan DIY Melalui Media Massa	142,986,000
	004.	Penyebarluasan Informasi Penyelenggaraan Keistimewaan DIY	349,713,000
17.	1.20.06.00.	<b>BADAN PENDIDIKAN DAN PELATIHAN</b>	<b>271,305,500</b>
	32.	<b>PROGRAM PENDIDIKAN KEDINASAN</b>	<b>271,305,500</b>
	001.	Pendidikan dan Pelatihan Pengembangan Karakter PNS DIY Melalui Budaya Satriya	200,000,000
	002.	Pengembangan Kurikulum dan Silabus Diklat Internalisasi Keistimewaan DIY	71,305,500
18.	1.20.08.00.	<b>BADAN KEPEGAWAIAN DAERAH</b>	<b>885,000,000</b>
	05.	<b>PROGRAM PENINGKATAN KAPASITAS SUMBERDAYA APARATUR</b>	<b>885,000,000</b>
	001.	Bimbingan Teknis Bahasa Jawa bagi Aparatur Pemda DIY	485,000,000
	002.	Bimtek Tata cara berbusana adat Jawa	400,000,000
19.	1.21.01.00.	<b>BADAN KETAHANAN PANGAN DAN PENYULUHAN</b>	<b>2,615,466,000</b>
	19.	<b>PROGRAM PENGANEKARAGAMAN KONSUMSI DAN KEAMANAN PANGAN</b>	<b>1,270,000,000</b>
	001.	Budaya pangan tradisional	830,000,000

	002.	Pengembangan Nilai-nilai Kearifan Lokal dalam Pemanfaatan Pekarangan	440,000,000
	21.	<b>PROGRAM PEMBERDAYAAN PENYULUHAN</b>	<b>1,345,466,000</b>
	001.	Penguatan Kelembagaan Tingkat Petani	1,345,466,000
20.	1.26.01.00.	<b>BADAN PERPUSTAKAAN DAN ARSIP DAERAH</b>	<b>11,209,371,000</b>
	16.	<b>PROGRAM PENYELAMATAN DAN PELESTARIAN DOKUMEN/ARSIP DAERAH</b>	<b>5,512,371,550</b>
	001.	Penyelamatan dan pelestarian bahan pustaka dan arsip bernilai sejarah dan budaya	4,812,371,550
	002.	Penelusuran dan Akuisisi Bahan Pustaka dan Arsip	700,000,000
	18.	<b>PROGRAM PENGEMBANGAN PERPUSTAKAAN</b>	<b>5,696,999,450</b>
	001.	Optimalisasi peran perpustakaan dan kearsipan	3,416,550,450
	002.	Peningkatan pengetahuan masyarakat tentang perpustakaan dan kearsipan	2,280,449,000
21.	2.01.01.00.	<b>DINAS PERTANIAN</b>	<b>1,708,935,000</b>
	29.	<b>PROGRAM PENINGKATAN PRODUKSI TANAMAN PANGAN</b>	<b>1,229,107,000</b>
	001.	Budaya pengembangan tanaman pangan strategis dengan kearifan lokal	649,155,000
	002.	Pertanian sistem tumpangsari sistem sabuk gunung	410,935,000
	003.	Penerapan budidaya sesuai kalender pranotomongso	169,017,000
	32.	<b>PROGRAM PENINGKATAN PRODUKSI TANAMAN HORTIKULTURA</b>	<b>479,828,000</b>
	001.	Budaya pertanian hortikultura dengan kearifan lokal untuk meningkatkan kesejahteraan petani	239,914,000
	002.	Pengembangan Budaya Hortikultura di Lahan Pantai	239,914,000
22.	2.02.01.00.	<b>DINAS KEHUTANAN DAN PERKEBUNAN</b>	<b>955,765,000</b>
	17.	<b>Program Perlindungan &amp; Konservasi SD Hutan</b>	<b>955,765,000</b>
	001.	Budaya pengembangan tanaman berbasis konservasi	955,765,000
23.	2.04.01.00.	<b>DINAS PARIWISATA</b>	<b>5,765,079,600</b>
	16.	<b>PROGRAM PENGEMBANGAN DESTINASI PARIWISATA</b>	<b>556,331,000</b>
	001.	Pelatihan Pelaku wisata budaya di DTW dan Desa Wisata	200,206,000
	002.	Pengembangan Paket Wisata Unggulan Budaya	106,125,000
	003.	Pengembangan Desa Wisata Berbasis Budaya	250,000,000
	17.	<b>PROGRAM PENGEMBANGAN KEMITRAAN</b>	<b>5,208,748,600</b>
	001.	Pengembangan Tradisi Budaya Untuk Mendukung Kepariwisataaan	4,424,600,600
	002.	Jogja Internasional Heritage Walk	190,020,000

	003.	Atraksi kesenian berbasis budaya di Candi Ratu Boko	310,823,000
	004.	Promosi Wisata Budaya	134,685,000
	005.	Fam Tour Dengan Media Internasional	148,620,000
24.	<b>2.05.01.00.</b>	<b>DINAS KELAUTAN DAN PERIKANAN</b>	<b>1,927,969,000</b>
	27.	<b>PROGRAM PENINGKATAN KUALITAS SDM DAN KELEMBAGAAN KELAUTAN DAN PERIKANAN</b>	<b>1,927,969,000</b>
	001.	Pengembangan budaya bahari untuk meningkatkan kesejahteraan masyarakat	1,101,068,000
	002.	Lomba nelayan tangguh	176,428,000
	003.	Fasilitasi forum mina budaya	487,011,000
	004.	Budaya Bahari, Konservasi dan Rehabilitasi dengan Kearifan Lokal	163,462,000
	<b>C. Urusan Pertanahan</b>		<b>6,300,000,000</b>
1.	1.20.03.	<b>BIRO TATA PEMERINTAHAN</b>	<b>6,300,000,000</b>
	15.	<b>PROGRAM PENATAAN PENGUASAAN, PEMILIKAN, PENGGUNAAN DAN PEMANFAATAN TANAH</b>	<b>4,300,000,000</b>
	001.	Penyusunan Regulasi Pertanahan	800,000,000
	002.	Pengadaan Peralatan Pengukuran Tanah	3,500,000,000
	16.	<b>Program Pembangunan Sistem Pendaftaran Tanah</b>	<b>2,000,000,000</b>
	001.	Inventarisasi Tanah Sultan Ground dan Paku Alam Ground	600,000,000
	002.	Pendaftaran Tanah-Tanah Keprabon	1,400,000,000
	<b>D. Urusan Tata Ruang</b>		<b>10,030,000,000</b>
	1.03.01.00.	<b>DINAS PEKERJAAN UMUM, PERUMAHAN DAN ENERGI SUMBER DAYA MINERAL</b>	<b>6,500,000,000</b>
1.	18.	<b>Program Penataan Ruang Keistimewaan DIY</b>	<b>2,100,000,000</b>
	001.	Fasilitasi Perdais Tata Ruang DIY	300,000,000
	002.	Menyusun Materi Teknis Review RTRW DIY	300,000,000
	003.	Menyusun KLHS Review RTRW DIY	600,000,000
	004.	Penyusunan RTR Kawasan Strategis Provinsi Pelestarian Sosial Budaya Makam Imogiri)	400,000,000
	005.	Pengawasan dan Pengendalian Pemanfaatan Ruang Provinsi dan Kabupaten/Kota se DIY	500,000,000
	19.	<b>Program Penataan Kawasan Budaya Pendukung Keistimewaan</b>	<b>4,400,000,000</b>
	001.	Penataan Kawasan Perkotaan (Pada Sumbu Filosofi dan sumbu Imaginer)	2,500,000,000
	002.	Penyusunan RTBL kawasan Kraton sampai Krapyak	200,000,000
	003.	Penataan Kawasan Cagar Budaya Ambar Binangun (Penyusunan Detail desain Engineering)	200,000,000
	004.	Penyusunan Rencana Induk Penataan Kawasan Kraton	200,000,000



	005.	Penyusunan Rencana Induk Penataan Kawasan Puro Pakualaman	200,000,000
	006.	Penyusunan Rencana Induk Penataan Kawasan Pantai Depok Parangkusumo Bantul	200,000,000
	007.	Penataan Kawasan Petilasan Watugilang Kotagede	500,000,000
	008.	Penataan Kawasan Petilasan Kyai Jonge Gunungkidul	200,000,000
	009.	Penataan Kawasan Gunung Api Purba Nglangeran Gunungkidul	200,000,000
2.	<b>1.06.01.00.</b>	<b>BADAN PERENCANAAN PEMBANGUNAN DAERAH</b>	<b>530,000,000</b>
	<b>18.</b>	<b>Program Penataan Ruang Keistimewaan DIY</b>	<b>530,000,000</b>
	008.	Fasilitasi Perencanaan Tata Ruang Keistimewaan Daerah Istimewa Yogyakarta	530,000,000
3.	<b>1.07.01.00.</b>	<b>DINAS PERHUBUNGAN, KOMUNIKASI DAN INFORMATIKA</b>	<b>3,000,000,000</b>
	<b>24.</b>	<b>PROGRAM PENGEMBANGAN TRANSPORTASI BERBASIS KEISTIMEWAAN</b>	<b>3,000,000,000</b>
	001.	Penataan Transportasi Perkotaan Yogyakarta	3,000,000,000



PEMERINTAH DAERAH DAERAH ISTIMEWA YOGYAKARTA  
Kepatihan Danurejan 55213, Telepon: 512665, 562811

LAPORAN REALISASI PENYERAPAN DANA KEISTIMEWAAN  
DAERAH ISTIMEWA YOGYAKARTA TAHUN ANGGARAN 2014

No.	Bidang/SKPD	Pagu	Realisasi SPI Pergerakan Fungsional			Sisa Pagu
			Tahap I	Tahap II	Tahap III	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<b>URUSAN TATA CARA PENGISIAN JABATAN, KEDUDUKAN, TUGAS, DAN WEWENANG GUBERNUR DAN WAKIL GUBERNUR</b>					
1.	Biro Tata Pemerintahan	Rp 400.000.000,00	Rp 229.572.000,00	Rp -	Rp -	Rp 170.428.000,00
	<b>URUSAN KELEMBAGAAN PEMERINTAH DAERAH</b>					
1.	Biro Organisasi	Rp 1.676.000.000,00	Rp 1.069.593.480,00	Rp 274.624.002,00	Rp -	Rp 331.782.518,00
	<b>URUSAN KEBUDAYAAN</b>					
1.	Dinas Kebudayaan	Rp 240.366.967.000,00	Rp 50.250.529.839,00	Rp 82.103.570.073,00	Rp -	Rp 108.032.867.088,00
2.	Museum Negeri Sonobudoyo	Rp 6.000.000.000,00	Rp 96.345.726,00	Rp 804.979.500,00	Rp -	Rp 5.998.674.774,00
3.	Dinas Kebudayaan, Pariwisata, Pemuda dan Olah Raga Kabupaten Kulonprogo	Rp 18.863.655.000,00	Rp 3.570.269.830,00	Rp 8.881.915.700,00	Rp -	Rp 6.411.469.470,00
4.	Dinas Kebudayaan dan Pariwisata Kabupaten Bantul	Rp 12.800.000.000,00	Rp 1.518.575.000,00	Rp 3.746.181.150,00	Rp -	Rp 7.535.243.850,00
5.	Dinas Kebudayaan dan Pariwisata Kabupaten Gunungkidul	Rp 13.595.684.000,00	Rp 5.052.235.100,00	Rp 165.051.500,00	Rp -	Rp 8.378.397.400,00
6.	Dinas Kebudayaan dan Pariwisata Kabupaten Sleman	Rp 11.950.000.000,00	Rp 3.714.989.700,00	Rp 410.782.250,00	Rp -	Rp 7.824.228.050,00
7.	Dinas Pariwisata dan Kebudayaan Kota Yogyakarta	Rp 18.183.424.000,00	Rp 1.840.412.950,00	Rp 1.099.060.000,00	Rp -	Rp 15.243.951.050,00
8.	Dinas Pendidikan, Pemuda dan Olahraga	Rp 12.712.348.000,00	Rp 7.019.100.120,00	Rp 4.449.236.460,00	Rp -	Rp 1.244.021.420,00
9.	Dinas Kesehatan	Rp 280.000.000,00	Rp 161.713.800,00	Rp 109.649.000,00	Rp -	Rp 8.657.200,00
10.	Dinas Perhubungan, Komunikasi dan Informatika	Rp 6.200.000.000,00	Rp 750.582.000,00	Rp 4.827.775.500,00	Rp -	Rp 621.642.500,00
11.	Badan Lingkungan Hidup	Rp 2.000.000.000,00	Rp 315.712.200,00	Rp 996.050.000,00	Rp -	Rp 688.237.800,00
12.	Badan Pemberdayaan Perempuan dan Masyarakat	Rp 1.000.000.000,00	Rp 21.257.790,00	Rp 975.017.275,00	Rp -	Rp 3.724.935,00
13.	Dinas Perindustrian, Perdagangan, Koperasi dan UKM	Rp 4.780.958.000,00	Rp 1.195.227.050,00	Rp 3.453.276.600,00	Rp -	Rp 132.454.350,00
14.	Kantor Perwakilan Daerah	Rp 2.948.000.000,00	Rp 548.261.500,00	Rp 2.331.643.400,00	Rp -	Rp 68.095.100,00
15.	Badan Kesatuan Bangsa dan Pertahanan Masyarakat	Rp 375.000.000,00	Rp 340.762.500,00	Rp 33.083.500,00	Rp -	Rp 1.154.000,00
16.	Biro Hukum	Rp 800.000.000,00	Rp 722.826.000,00	Rp -	Rp -	Rp 77.174.000,00
17.	Biro Administrasi Pembangunan	Rp 150.000.000,00	Rp 91.572.750,00	Rp 56.999.200,00	Rp -	Rp 1.428.050,00
18.	Biro Umum, Humas dan Protokol	Rp 338.960.000,00	Rp 287.975.000,00	Rp 39.873.100,00	Rp -	Rp 11.111.900,00
19.	Badan Pendidikan dan Pelatihan	Rp 920.000.000,00	Rp 876.227.000,00	Rp -	Rp -	Rp 43.773.000,00
20.	Badan Perpustakaan dan Arsip Daerah	Rp 7.675.000.000,00	Rp 3.054.347.150,00	Rp 2.507.204.725,00	Rp -	Rp 2.113.448.125,00
21.	Dinas Pariwisata	Rp 11.370.000.000,00	Rp 5.459.252.200,00	Rp 5.679.162.325,00	Rp -	Rp 231.585.475,00
22.	Badan Perencanaan Pembangunan Daerah	Rp 1.568.723.000,00	Rp -	Rp 862.876.700,00	Rp -	Rp 705.846.300,00
23.	Biro Tata Pemerintahan	Rp 300.000.000,00	Rp -	Rp 102.151.000,00	Rp -	Rp 197.849.000,00
	<b>URUSAN PERTANAHAN</b>					
1.	Biro Tata Pemerintahan	Rp 23.000.000.000,00	Rp 4.459.183.028,00	Rp 2.882.955.850,00	Rp -	Rp 15.657.861.122,00
	<b>URUSAN TATA RUANG</b>					
1.	Dinas Pekerjaan Umum, Perumahan dan Energi	Rp 114.499.000.000,00	Rp 6.283.731.090,00	Rp 37.939.773.326,00	Rp -	Rp 70.273.495.584,00

Sumber: http://pmb.diponegoro.go.id/ dan http://pmb.diponegoro.go.id/

No.	Bidang/SKPD	Pagu	Realisasi SPJ Pengeluaran Fungsional			Sisa Pagu
			Tahap I	Tahap II	Tahap III	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2.	Dinas Perhubungan, Komunikasi dan Informatika	Rp 9,121,000,000.00	Rp 1,154,456,350.00	Rp 7,257,015,000.00	Rp -	Rp 709,528,650.00
<b>Jumlah</b>		<b>Rp 523,874,719,000.00</b>	<b>Rp 100,066,711,153.00</b>	<b>Rp 171,989,897,136.00</b>	<b>Rp -</b>	<b>Rp 251,818,110,711.00</b>



Tabel 8. Rekapitulasi Realisasi Fisik dan Keuangan Urusan Keistimewaan s/d Tahap III, Tahun Anggaran 2015

No.	Bidang/SKPD	Pagu (Rp)	Realisasi Keuangan s/d Tahap III		Sisa Pagu	Realisasi Fisik	
			(Rp)	Akumulasi Thd Total Pagu (%)		Tahap III	Thd Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<b>URUSAN KELEMBAGAAAN PEMERINTAH DAERAH</b>	<b>Rp 1.650.000.000,00</b>	<b>Rp 1.476.455.568,00</b>	<b>89,48%</b>	<b>Rp 173.544.432,00</b>	<b>100%</b>	<b>100%</b>
1	Biro Organisasi Setda DIY	Rp 1.650.000.000,00	Rp 1.476.455.568,00	89,48%	Rp 173.544.432,00	100%	100,00%
	<b>URUSAN KEBUDAYAAN</b>	<b>Rp 420.800.000.000,00</b>	<b>Rp 356.314.923.039,00</b>	<b>84,68%</b>	<b>Rp 64.485.077.961</b>	<b>94,88%</b>	<b>95,12%</b>
1	Dinas Kebudayaan DIY	Rp 245.618.896.170,00	Rp 201.309.054.985,00	81,96%	Rp 44.309.841.185,00	99,87%	99,87%
2	Museum Negeri Sonobudoyo DIY	Rp 11.524.418.600,00	Rp 10.935.247.296,00	94,89%	Rp 589.171.304,00	100%	100,00%
3	Dinas Kebudayaan, Pariwisata, Pemuda dan Olah Raga Kabupaten Kulonprogo	Rp 21.425.694.025,00	Rp 20.027.102.812,00	93,47%	Rp 1.398.591.213,00	100%	100,00%
4	Dinas Kebudayaan dan Pariwisata Kabupaten Bantul	Rp 17.578.339.000,00	Rp 15.823.904.088,00	90,02%	Rp 1.754.434.912,00	94,98%	94,98%
5	Dinas Kebudayaan dan Pariwisata Kabupaten Gunungkidul	Rp 17.918.617.700,00	Rp 15.539.260.757,00	86,72%	Rp 2.379.356.943,00	98,12%	98,12%
6	Dinas Kebudayaan dan Pariwisata Kabupaten Sleman	Rp 7.965.205.200,00	Rp 6.801.478.775,00	85,39%	Rp 1.163.726.425,00	100%	100,00%

No.	Bidang/SKPD	Pagu (Rp)	Realisasi Keuangan		Sisa Pagu	Realisasi Fisik	
			s/d Tabap III			Tabap III	Thd Total
			(Rp)	Akumulasi Thd Total Pagu (%)		(%)	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
7	Dinas Pariwisata dan Kebudayaan Kota Yogyakarta	Rp 10.757.880.925,00	Rp 6.943.397.118,00	64,54%	Rp 3.814.483.807,00	87,65%	87,65%
8	Dinas Pendidikan, Pemuda dan Olahraga DIY	Rp 12.217.203.000,00	Rp 10.675.282.715,00	87,38%	Rp 1.541.920.285,00	100%	100,00%
9	Dinas Kesehatan DIY	Rp 323.117.500,00	Rp 287.286.420,00	88,91%	Rp 35.831.080,00	100%	100,00%
10	Dinas Perhubungan, Komunikasi dan Informatika DIY	Rp 14.307.428.500,00	Rp 14.304.539.470,00	99,98%	Rp 2.889.030,00	100%	100,00%
11	Badan Lingkungan Hidup DIY	Rp 2.026.624.600,00	Rp 1.989.241.950,00	98,16%	Rp 37.382.650,00	100%	100,00%
12	Badan Pemberdayaan Perempuan dan Masyarakat DIY	Rp 135.000.000,00	Rp 127.524.400,00	94,46%	Rp 7.475.600,00	100%	100,00%
13	Dinas Perindustrian, Perdagangan, Koperasi dan UKM DIY	Rp 8.110.374.000,00	Rp 7.459.909.000,00	91,98%	Rp 650.465.000,00	100%	100,00%
14	Kantor Perwakilan Daerah DIY	Rp 4.793.281.000,00	Rp 4.140.648.000,00	86,38%	Rp 652.633.000,00	95,16%	95,16%
15	Badan Kesatuan Bangsa dan Pertahanan Masyarakat DIY	Rp 288.715.800,00	Rp 277.798.800,00	96,22%	Rp 10.916.900,00	100%	100,00%
16	Biro Hukum Seida DIY	Rp 750.000.000,00	Rp 623.315.600,00	83,11%	Rp 126.684.400,00	95%	95,00%



No.	Bidang/SKPD	Pagu (Rp)	Realisasi Keuangan		Sisa Pagu (Rp)	Realisasi Fisik	
			s/d Tahap III			Tahap III	Total
			(Rp)	(%)		(%)	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
17	Biro Administrasi Pembangunan Setda DIY	Rp 692.278.000,00	Rp 681.403.250,00	98,43%	Rp 10.874.750,00	100%	100,00%
18	Biro Umum, Humas dan Protokol Setda DIY	Rp 5.956.092.000,00	Rp 5.405.468.000,00	90,76%	Rp 550.624.000,00	100%	100,00%
19	Badan Pendidikan dan Pelatihan DIY	Rp 285.868.300,00	Rp 282.041.300,00	98,66%	Rp 3.827.000,00	-	100%
20	Badan Perpusatakaan dan Arsip Daerah DIY	Rp 1.210.000.000,00	Rp 1.032.221.843,00	85,31%	Rp 177.778.157,00	100%	100,00%
21	Dinas Pariwisata DIY	Rp 12.138.518.000,00	Rp 11.821.148.600,00	97,39%	Rp 317.369.400,00	100%	100,00%
22	Badan Perencanaan Pembangunan Daerah DIY	Rp 4.235.406.710,00	Rp 3.276.584.410,00	77,36%	Rp 958.822.300,00	90%	100,00%
23	Dinas Kelautan dan Perikanan DIY	Rp 248.000.000,00	Rp 143.283.650,00	57,78%	Rp 104.716.350,00	-	100,00%
24	Biro Tata Pemerintahan Setda Yogyakarta	Rp 3.750.000.000,00	Rp 58.912.200,00	1,57%	Rp 3.691.087.800,00	15%	15,00%
25	Dinas Pekerjaan Umum Kabupaten Kulon Progo	Rp 10.574.805.000,00	Rp 10.556.908.000,00	99,83%	Rp 17.897.000,00	100%	100,00%
26	Dinas Pekerjaan Umum, Perumahan dan Energi Sumberdaya Mineral DIY	Rp 5.968.235.970,00	Rp 5.791.958.500,00	97,05%	Rp 176.277.470,00	100%	100,00%
	<b>URUSAN PERTANAHAN</b>	<b>Rp 10.600.000.000,00</b>	<b>Rp 9.390.386.050,00</b>	<b>88,59%</b>	<b>Rp 1.209.613.950</b>	<b>100%</b>	<b>100%</b>
1	Biro Tata Pemerintahan Setda DIY	Rp 2.668.514.000,00	Rp 2.234.701.575,00	83,74%	Rp 433.812.425,00	100%	100,00%

No.	Bidang/SIKPD	Pagu (Rp)	Realisasi Keuangan s/d Tahap III		Sisa Pagu	Realisasi Fisik	
			(Rp)	Akumulasi Thd Total Pagu (%)		Tahap III (%)	Thd Total (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2	Bagian Administrasi Pemerintahan Umum Setda Kabupaten Kuloprogo	Rp 1.421.137.000,00	Rp 1.283.144.525,00	90,29%	Rp 137.992.475,00	100%	100,00%
3	Bagian Tata Pemerintahan Setda Kabupaten Bantul	Rp 1.810.526.000,00	Rp 1.728.103.300,00	95,45%	Rp 82.422.700,00	100%	100,00%
4	Bagian Administrasi Pemerintahan Umum Setda Kabupaten Gunungkidul	Rp 2.575.287.000,00	Rp 2.285.991.700,00	88,77%	Rp 289.295.300,00	100%	100,00%
5	Kantor Pengendalian Pertanahan Daerah Kabupaten Sleman	Rp 1.526.391.000,00	Rp 1.397.335.700,00	91,55%	Rp 129.055.300,00	100%	100,00%
6	Bagian Tata Pemerintahan Setda Kota Yogyakarta	Rp 598.145.000,00	Rp 461.109.250,00	77,09%	Rp 137.035.750,00	100%	100,00%
	<b>URUSAN TATA RUANG</b>	<b>Rp 114.400.000.000,00</b>	<b>Rp 110.312.751.509,00</b>	<b>96,43%</b>	<b>Rp 4.087.248.491,00</b>	<b>97%</b>	<b>97%</b>
1	Dinas Pekerjaan Umum, Perumahan dan Energi Sumberdaya Mineral DIY	Rp 92.673.187.700,00	Rp 90.859.114.365,00	98,04%	Rp 1.814.073.335,00	100%	100,00%
2	Dinas Perhubungan, Komunikasi dan Informatika DIY	Rp 11.815.149.000,00	Rp 11.544.017.519,00	97,71%	Rp 271.131.481,00	100%	100,00%



No.	Bidang/SKPD	Pagu (Rp)	Realisasi Keuangan		Sisa Pagu (Rp)	Realisasi Fisik	
			s/d Tabap III			Tabap III	Ind Total
			(Rp)	Akumulasi Thd Total Pagu (%)		(%)	(%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3	Dinas Perhubungan Kota Yogyakarta	Rp 1.200.000.000,00	Rp 384.421.000,00	32,04%	Rp 815.579.000,00	75,71%	75,71%
4	Dinas Pariwisata dan Kebudayaan Kota Yogyakarta	Rp 3.000.000.000,00	Rp 2.136.845.000,00	71,23%	Rp 863.155.000,00	90%	90,00%
5	Dinas Pekerjaan Umum dan Perumahan Kabupaten Sleman	Rp 1.267.035.000,00	Rp 1.220.997.000,00	96,37%	Rp 46.038.000,00	100%	100,00%
6	Dinas Pekerjaan Umum Kabupaten Kulon Progo	Rp 1.651.421.000,00	Rp 1.642.557.850,00	99,46%	Rp 8.863.150,00	100%	100,00%
7	Dinas Perhubungan, Komunikasi dan Informatika Kabupaten Kulon Progo	Rp 193.516.000,00	Rp 193.516.000,00	100,00%	-	100%	100,00%
8	Dinas Pekerjaan Umum Kabupaten Bantul	Rp 1.375.524.800,00	Rp 1.280.864.300,00	93,12%	Rp 94.660.500,00	100%	100,00%
9	Badan Perencanaan Pembangunan Daerah Kabupaten Gunungkidul	Rp 924.166.500,00	Rp 791.041.500,00	85,60%	Rp 133.125.000,00	100%	100,00%
10	Dinas Pekerjaan Umum Kabupaten Gunungkidul	Rp 300.000.000,00	Rp 259.376.775,00	86,46%	40.623.225,00	100%	100,00%
	<b>Jumlah</b>	<b>Rp 547.450.000.000,00</b>	<b>Rp 151.943.050.771,00</b>	<b>87,22%</b>	<b>Rp 69.955.484.834,00</b>	<b>98%</b>	<b>98%</b>

Sumber: DPPKA, 2015 dan data PAJ/KPA; diolah

## Appendix 11 Steps to convert data to scores --- Technical explanation

### 1. Observation data.

Calculate Median raw data to determine the raw score									
Value the Median each provinces times weight =>									<b>Median x indicator weight</b>
Find Minimum and Maximum Value, they are the lowest and highest score determined by each indicator (i.e. 1-4, 1-3, 1-2, 1-5)									
Calculate lower limit by formula=>									<b>lower bound = Minimum value x weight</b>
Calculate upper limit by formula =>									<b>upper bound = Maximum value x weight</b>
Calculate range by formula =>									<b>range=(upper bound - lower bound)/9</b>
Formula for final score of the transformation									<b>Final Score = 10-[upper bound - (median x weight)]/range</b>

Source: By the Kemitraan

### 2. Objective data

Steps to Convert Objective Data to Score 1-10 (Direct Transformation)									
<b>1 Calculating Transformations Score</b>									
a. Find minimum value and maximum value of raw data in all Provinces									
b. Calculate average value of the raw data of all Provinces =>									
<b>Average value = Sum(raw data)/number of provinces</b>									
c. Calculate standard deviation (STDEV) of raw data of all provinces =>									
$s = \sqrt{\text{var}} = \sqrt{\frac{\sum(X - \bar{X})^2}{N-1}}$									
d. Calculate Upper bound by formula =>									
<b>Upper bound = Average + (3XStdev)</b>									
e. Calculate Range by formula =>									
<b>Range = (Upper bound - Minimum Value) / 9</b>									
f. Calculate Transformations Score by formula =>									
<b>Transformations Score = 10 - (Upper bound - raw data tiap Province) / Range</b>									
<b>2 Calculating Final Score</b>									
a. Find minimum value and maximum value of the Transformations Score in all Provinces									
b. Calculate weighted transformed score =>									
<b>Weighted Transformations Score = Transformations Score x Indicator Weight</b>									
c. Calculate Lower bound by formula =>									
<b>Lower bound = Minimum value Transformations Score x Indicator Weight</b>									
d. Calculate Upper bound by formula =>									
<b>Upper bound = Maximum value Transformations Score x Indicator Weight</b>									
e. Calculate Range by formula =>									
<b>Range =(Upper bound - Lower bound)/9</b>									
f. Rumus Final Score Result konversi =>									
<b>Final Score = 10 - [Upper bound - Transformations Score terWeight]/Range</b>									

Source: By the Kemitraan

### 3. Questionnaire data

Calculate Median raw data to determine the raw score							
Value the Median each provinces times weight =>	<b>Median x indicator weight</b>						
Find Minimum and Maximum Value, they are the lowest and highest score determined by each indicator (i.e. 1-4, 1-3, 1-2, 1-5)							
Calculate lower limit by formula=>	<b>lower bound = Minimum value x weight</b>						
Calculate upper limit by formula =>	<b>upper bound = Maximum value x weight</b>						
Calculate range by formula =>	<b>range=(upper bound - lower bound)/9</b>						
Formula for final score of the transformation	<b>Final Score = 10-[upper bound - (median x weight)]/range</b>						

Source: By the Kemitraan