Enabling community to inhabit safe & healthy home: Indonesia home improvement assistance

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Prepared for:
“Constructing and Financing Affordable Housing across Asia” Conference
Kuala Lumpur, April 2-3, 2019
Outline

• Overview of housing challenge
• Government as enabler
• BSPS concept and operationalization
  • BSPS definition
  • Feature of BSPS
  • BSPS Timeline
  • Eligibility criteria
  • Highlights
INDONESIA

at a Glance

Archipelago country with more than

17,000 island

Highly Populated

>260 million people

fourth in the world

Population grows at

1.34%/year
Overview of Housing sector challenges in Indonesia

Approx. grows by 800K units/year

Characterized with:
- Using used materials
- Sub-standard construction quality
- Inadequate space
Solutions to provide safe and adequate housing for massive demand

Methods of Housing Provision in Indonesia

- **70%** Formal house
- **30%** Self-help House

Source: Central Bureau of Statistic (BPS) and the National Development Planning Agency (Bappenas)

Government as enabler
Government as enabler

Legal Basis:
Law No 1 Year 2011 on Housing and Settlements

"... Government must facilitate people to live in safe and standard house..."

The law acknowledges Self-help housing as part of home provision strategy

Self-Help Housing Program (BSPS)
**BSPS**: Self-Help Housing Program

**Definition**
Government’s support for low income people to support and leverage communities effort to improve the condition of substandard home through the home improvement and construction

**Target group:**
HH earn < Regional Minimum Wage ~ $ 172

**TYPE**
- Home improvement
- Home construction

**Services**
- Technical assistance
- Resources

**Goal**
- Safety
- Health
- Space

Contributions are mandatory
**Features of BSPS**

1. **Improvement or Construction**
2. **Targeted to low income people in Decile 3-4**
3. **Beneficiaries were to provide matching fund**
4. **Nationwide coverage including urban and rural area**
5. **Collaboration between local, central government and the community**
6. **Carried out in one year**
7. **Empower home owner and beneficiary group to take decisions**
8. **No cash transfer**
9. **Technical assistance through facilitators**
# Subsidy size (2019)*

<table>
<thead>
<tr>
<th>Assistance Type</th>
<th>Allocation</th>
<th>Remarks</th>
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<tbody>
<tr>
<td></td>
<td>Building Material</td>
<td>Labor</td>
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<tr>
<td>Home improvement</td>
<td>$1,055</td>
<td>$176</td>
</tr>
<tr>
<td></td>
<td>$2,110</td>
<td>$351</td>
</tr>
<tr>
<td>Home Construction</td>
<td>$2,110</td>
<td>$351</td>
</tr>
</tbody>
</table>

*)$1 = Rp 14,200
BSPS Timeline

**PREPARATION**
- Location defined
- Socialization
  - Demand assessment
  - Verify prospective beneficiaries
- Prepare proposal

**IMPLEMENTATION**
- Select beneficiaries
- Home construction
- Selection of material vendor
- Labor payment
- Delivery of building materials
- Reporting

**POST IMPLEMENTATION**
- Monitoring and Evaluation
- Maintenance and development
- Expansion

**Timeline**
- 2 Mo
- 6 Mo
- 1 Mo
Eligibility criteria

1. Indonesian Citizen;
2. Married;
3. Have formal land title/tenure that also
   • Clear from dispute
   • Have boundaries as specified in land letter
3. Does not have house or being live in substandard house;
4. Have never received BSPS or any type of other housing subsidy;
5. Earn at the minimum regional income or below;
6. Willing to contribute in kind and in cash toward home completion;
7. Form a beneficiary group to share the responsibilities of home completion
BSPS Highlights

- Strengthening social capital
- Size of contribution
- Facilitators as the backbone
- Creative communication is matter
- Varied results
Enabling social capital in home construction

CONSTRUCTION DONE BY “GOTONG ROYONG” (Collective works)

Extended Family/Neighbor → Gotong Royong → Houses

BENEFICIARY GROUP COLLECTING BUILDING MATERIALS & MONEY TO BUILD A HOUSE

Extended Family/Neighbor → Building Materials & Money → House
GOTONG ROYONG
Working together & helping each other as Indonesian culture.
**Beneficiary’s Contribution**

- HH member(s) contribute in-kind as labor
- HH pools or joins a rotation saving (arisan) on building materials
- On average HH contributes in-cash around $175
SWADAYA – /SELF-HELP/
The home owner as the main actor
Facilitator as the backbone of community empowerment

1. **Socialization**, counseling, debriefing community
2. **Verify** assistance beneficiary candidates
3. **Assist** to prepare home improvement proposal
4. **Monitor** the implementation of assistance
5. **Support** beneficiary to be **accountable** through reporting
6. **Facilitate** the overall process until completion
FACILITATOR
To assist home owner and the community
Creative communication leverages more contributions

Findings

• The **more varied** socialization techniques, the **higher value** of contribution provided by the beneficiaries

• **Informal socialization** techniques tend to leverage more contribution
CONFINED MASONRY HOUSE

BENGKULU
Sample: Syamsiminu’s house (BNBA #34) di Desa Tanjung Alai, Bengkulu
MASTONRY HOUSE

EAST JAVA
Sample: Karinem’s house (BNBA #224) in Desa Jatigreges, Jawa Timur

WEST SUMATRA
Sample: Syurial’s house (BNBA #182) in Desa Kapau Alam Pauh Duo, Sumatera Barat
TIMBER HOUSE

CENTRAL KALIMANTAN
Sample: Rahjono's house (BNBA #21) in Desa Lembeng, Kalimantan Tengah
Lessons from 13 years of implementation

Positive Outcome

• **Beneficiary** as a *primary subject* of home improvement

• Fostering *local creativity* for home improvement solution

• **Leveraging communities** contribution

• Inducing *local economic opportunities*: small shop, home stay, etc.

Challenges

• Same features between urban and rural, BUT more challenging in urban due to *land tenure issues*

• **Sporadic in location**: create difficulties to organize *GOTONG ROYONG*

• **Varied output quality** due to materials, labor skills, and remoteness of locations