REPUBLIC OF INDONESIA GOVERNMENT REGULATION
NUMBER 60 YEAR 2014
REGARDING
VILLAGE GRANTS ORIGINATING FROM
STATE REVENUE AND EXPENDITURE BUDGET

IN THE NAME OF THE ONE AND ONLY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

a. that pursuant to provisions of Article 72 paragraph (1) letter b and paragraph (2) of Law Number 6 of 2014 regarding Villages, one of the sources of Village revenue shall originate from the State Revenue and Expenditure Budget allocation;

b. that the State Revenue and Expenditure Budget allocation for the Village needs to be implemented in a transparent and accountable manner by taking into consideration the capacity of the State Revenue and Expenditure Budget;

c. that in order to provide legal certainty, the allocation of Village Grants (Dana Desa) originating from the State Revenue and Expenditure Budget needs to be regulated in a government regulation;

d. that based on considerations as stipulated in letter a, letter b, and letter c it is necessary to establish a Government Regulation regarding Village Grants Originating from the State Revenue and Expenditure Budget;

Recalling:

1. Article 5 paragraph (2) of the 1945 Constitution of the Republic of Indonesia;

2. Law Number 6 of 2014 regarding Villages (State Gazette of the Republic of Indonesia 2014 Number 7, Addendum to the State Gazette of the Republic of Indonesia Number 5495);

DECIDING:

Establishing: GOVERNMENT REGULATION REGARDING DANA DESA ORIGINATING FROM STATE REVENUE AND EXPENDITURE BUDGET.

CHAPTER I
GENERAL PROVISIONS

Article 1
In this Government Regulation what is meant by:
1. A village is a village or a customary [adat] village or what is referred to other designations, to be further referred to as Village, is a unity of legal community that have a territorial border with the authority to regulate and manage government affairs, interest of the local community based on public initiatives, origin rights, and/or traditional rights that are recognized and respected in the administrative system of the Unitary State of the Republic of Indonesia.

2. Village Grants [Dana Desa] are grants originating from the State Revenue and Expenditure Budget allocated for Villages transferred through the kabupaten/city Regional State Revenue and Expenditure Budget and used to grant the administration of government, implementation of development, community guidance, and community empowerment.

3. Village Administration is the administration of government affairs and interests of local community within the administrative system of the Unitary State of the Republic of Indonesia.

4. Village Government is the Village Head or any other designations supported by the Village apparatus as the administrative element of the Village Administration.

5. Central Government, to be further referred to as the Government, is the President of the Republic of Indonesia that holds the administrative power of the Unitary State of the Republic of Indonesia as stipulated in the 1945 Constitution of the Republic of Indonesia.

6. State Revenue and Expenditure Budget, to be further abbreviated as APBN, is the annual financial plan of the state administration approved by the People's Representative Council.

7. Transfer to Regions is part of state expenditure for the purpose of funding the implementation of fiscal decentralization in the form of balance grants, special autonomy grants, and other transfer grants.

8. Regional Revenue and Expenditure Budget, to be further abbreviated as APBD, is the annual financial plan of the regional administration deliberated and approved jointly by the Regional Government and the Regional People's Representative Council, and established with Regional Bylaw.

9. Village Revenue and Expenditure Budget, to be further abbreviated as APB Desa, is the annual financial plan of the Village Administration.

10. State General Current Account, to be further abbreviated as RKUN, is the account that holds state monies determined by the Minister of Finance as the State General Treasurer to accommodate all state revenues and pay out all state expenditures at the central bank.

11. Regional General Current Account, to be further abbreviated as RKUD, is the account that holds regional monies determined by the bupati/mayor to accommodate all regional revenues and pay out all regional expenditures at a designated bank.

12. Budget Surplus, to be further abbreviated as SiLPA, is the surplus from the realized budget revenues and expenditures for one fiscal period.

13. Technical minister/head of government agency is the minister/head of agency that administers government affairs in a particular sector.

14. Minister of Finance, to be further referred to as the Minister, is the minister who administers government affairs in the state financial sector.

Article 2

Dana Desa shall be managed orderly, in compliance with statutory laws, efficiently, economically, effectively, transparently, and responsibly by considering the sense of justice and propriety and prioritizing the interests of local communities.
Article 3
The Government shall budget for Dana Desa nationally in the APBN annually.

Article 4
The Dana Desa as stipulated in Article 3 shall originate from Government expenditures by making effective the Village-based programs equitably and justly.

Article 5
1. Dana Desa shall be allocated by the Government for the Village.
2. The allocation of Dana Desa as stipulated in paragraph (1) shall be calculated based on the number of Villages and allocated by taking into account the population, poverty level, area of the territory, and level of geographic difficulty.

Article 6
Dana Desa as stipulated in Article 5 shall be transferred through the kabupaten/city APBD to be subsequently transferred to APB Desa.

Article 7
1. The management of Dana Desa in kabupaten/city APBD shall be conducted pursuant to provisions of statutory laws in the regional financial management sector.
2. The management of Dana Desa in APB Desa shall be conducted pursuant to provisions of statutory laws in the field of Village financial management.

CHAPTER II
BUDGETING

Article 8
1. The Dana Desa Budget as stipulated in Article 3 shall be part of the non-ministry/agency Central Expenditure Budget as a Dana Desa Reserve post.
2. The determination of Dana Desa Reserve budget ceiling shall be done pursuant to provisions of statutory laws in the field of drafting expenditure grants of the State General Treasurer.
3. The Dana Desa Reserve budget ceiling shall be proposed by the Government to the People’s Representative Council [DPR] to be approved as Dana Desa ceiling.

Article 9
Dana Desa budget ceiling that has received the approval of the People’s Representative Council as stipulated in Article 8 paragraph (3) shall be part of the Transfer to Regions and Villages budget.

Article 10
In the event of APBN amendment, the Dana Desa budget ceiling that has been established shall not change.
CHAPTER III
ALLOCATION

Part One

Dana Desa Allocation of Every Kabupaten/City

Article 11

1. Dana Desa of every kabupaten/city shall be allocated based on the multiplication of the number of Villages in every kabupaten/city and the average Dana Desa of every province.

2. The average Dana Desa of every province as stipulated in paragraph (1) shall be allocated based on the number of Villages in the province in question and the population of the kabupaten/city, area of the territory of kabupaten/city, poverty levels of the kabupaten/city, and the geographic difficulty of the kabupaten/city in the province in question.

3. The population number, area of territory, and poverty levels as stipulated in paragraph (2) shall be calculated with the following weight:
   a. 30% (thirty percent) for kabupaten/city population;
   b. 20% (twenty percent) for kabupaten/city area; and
   c. 50% (fifty percent) for kabupaten/city poverty levels.

4. The geographic difficulty as stipulated in paragraph (2) is indicated by the construction cost index.

5. The construction cost index as stipulated in paragraph (4) shall be used as the multiplying factor for the calculation outcome as stipulated in paragraph (3).

6. The Dana Desa average of every province as stipulated in paragraph (1) shall be calculated by:
   a. National Dana Desa ceiling set in APBN x [(30% x percentage of population in kabupaten/city with respect to total national population) + (20% x percentage of area of kabupaten/city territory with respect to total area of national territory) + (50% x percentage of poor population of the kabupaten/city with respect to total national poor population) to produce Dana Desa for every kabupaten/city;
   b. the Dana Desa of every kabupaten/city resulting from the calculation as stipulated in letter a shall be multiplied with the constructed cost index of every kabupaten/city;
   c. the results of Dana Desa calculation for every kabupaten/city as stipulated in letter b shall be added up by province; and
   d. the sum of Dana Desa of every province as stipulated in letter c shall be divided with the number of Villages in every province to produce Dana Desa average for every province.

7. Data on population, area of territory, poverty numbers, and construction cost index as stipulated in paragraph (3) and paragraph (4) shall be the data used in the calculation of General Allocation Grants.

8. The amount of Dana Desa of every kabupaten/city shall be set with a Ministerial Regulation.

Part Two

Dana Desa Allocation of Every Village

Article 12

1. Based on the amount of Dana Desa of every kabupaten/city as stipulated
in Article 11 paragraph (8), bupati/mayor shall establish the Dana Desa amount for every Village in the region.

2. The amount of Dana Desa of every Village as stipulated in paragraph (1) shall be calculated based on the Village population, area of Village territory, Village poverty rate, and level of geographic difficulty.

3. The Village population, area of Village territory, and Village poverty rate as stipulated in paragraph (2) shall be calculated with the following weight:

   a. 30% (thirty percent) for Village population;
   b. 20% (twenty percent) for area of Village; and
   c. 50% (fifty percent) for Village poverty rate.

4. The level of geographic difficulty of every Village as stipulated in paragraph (2) used as multiplier factor of the calculation outcome as stipulated in paragraph (3).

5. The amount of Dana Desa of every Village as stipulated in paragraph (1) shall be calculated by the following means:

   a. Dana Desa for a Village = Kabupaten/city Dana Desa ceiling x (30% x percentage of population of Village in question with respect to total Village population in the kabupaten/city in question) + (20% x percentage of territorial area of the Village in question with respect to total area of Villages in the kabupaten/city in question) + (50% x percentage of households holding Social Protection Card with respect to the total number of Village households in the kabupaten/city in question); and
   b. the calculation outcome as stipulated in letter a. shall be adjusted to the level of geographic difficulty of every Village.

6. The level of geographic difficulty as stipulated in paragraph (4) shall be determined by the following factors:

   a. availability of basic services;
   b. condition of infrastructure;
   c. transportation; and
   d. communication of the Village with kabupaten/ city.

7. The data on Village population, Village area, Village poverty rate, and level of geographic difficulty as stipulated in paragraph (2) shall originate from the Central Statistics Agency.

8. Procedures for apportioning and determining the Village Grant amounts of every Village shall be established with a bupati/mayoral regulation.

9. The bupati/mayor shall submit the bupati/mayoral regulation as stipulated in paragraph (8) to the Minister with copy to the governor.

Article 13
In the event of a formation or establishment of a new Village that results in the addition to the number of Villages, the allocation of Dana Desa shall be conducted in the following manner:

   a. in the subsequent budget year if the Village is established prior to 30 June of the ongoing budget year; or
   b. in the second year after the establishment of the Village if the Village was established after 30 June of the ongoing budget year.

Article 14
Further provisions about procedures for allocating Dana Desa shall be regulated with a Ministerial Regulation.
DISBURSEMENT

Article 15
1. Dana Desa shall be disbursed by the Government to kabupatens/cities.
2. The disbursement of Dana Desa as stipulated in paragraph (1) shall be done by transfers from RKUN to RKUD accounts.
3. The Dana Desa as stipulated in paragraph (2) shall be disbursed by kabupaten/cities to Villages.
4. The disbursements of Dana Desa as stipulated in paragraph (3) shall be done by transfers from RKUD to Village treasury accounts.

Article 16
1. The disbursement of Dana Desa as stipulated in Article 15 shall be done in phases in the ongoing fiscal year with the following provisions:
   a. phase I in April in the amount of 40% (forty percent);
   b. phase II in August in the amount of 40% (forty percent); and
   c. phase III in November in the amount of 20% (twenty percent).
2. The disbursement of Dana Desa in every phase as stipulated in Article 15 paragraph (2) shall be executed at the latest by the second week.
3. The disbursement of Dana Desa in every phase as stipulated in Article 15 paragraph (4) shall be executed at the latest within 7 (seven) working days after being received in the Regional treasury.

Article 17
1. The disbursement of Dana Desa from RKUN to RKUD shall be executed with the following conditions:
   a. The bupati/mayoral regulation regarding procedures for apportioning and establishing the amount of Dana Desa as stipulated in Article 12 paragraph (8) has been submitted to the Minister; and
   b. The APBD of kabupaten/city has been established.
2. The disbursement of Dana Desa from RKUD to Village treasury account shall be done after APB Desa is established.
3. In the event that the APBD as stipulated in paragraph (1) letter b is not yet established, the disbursement of Dana Desa shall be executed after it is established with a bupati/mayoral regulation.

Article 18
Further provisions regarding disbursement procedures of Dana Desa shall be regulated by a Ministerial Regulation.

CHAPTER V
USAGE

Article 19
1. Dana Desa shall be used to fund the administration of government, development, community empowerment, and community activities.
2. The Dana Desa as stipulated in paragraph (1) shall be prioritized to fund development and community empowerment.
Article 20
The use of Dana Desa shall refer to the Village Medium Term Development Plan and Village Government Work Plan.

Article 21
1. The minister in charge of Villages shall set the priorities for the use of Dana Desa as stipulated in Article 19 paragraph (2) at the latest 2 (two) months before the onset of the fiscal year.
2. The setting of priorities for the use of Dana Desa as stipulated in paragraph (1) shall be done after coordinating with the minister that administers government affairs in the national development planning sector, the Minister, and technical ministers/heads of non-ministry government agencies.

Article 22
1. Technical minister/heads of non-ministerial government agencies shall create general guidelines for activities funded from Dana Desa by referring to priorities for the use of Dana Desa as stipulated in Article 21 paragraph (1).
2. The guidelines as stipulated in paragraph (1) shall be established at the latest within 2 (two) months after establishing priorities for Dana Desa use.
3. The bupati/mayor may create technical guidelines for activities funded from Dana Desa pursuant to general activity guidelines as stipulated in paragraph (1).

Article 23
Further provisions regarding procedures for the use of Dana Desa shall be regulated by Ministerial Regulation.

CHAPTER VI
REPORTING

Article 24
1. A Village Head shall submit a report on realization of Dana Desa use to bupati/mayor every semester.
2. The submission of report on realization of Dana Desa use as stipulated in paragraph (1) shall be done with the following terms:
   a. semester I at the latest in the fourth week of July of the ongoing budget year; and
   b. semester II at the latest in the fourth week of January of the following budget year.
3. The bupati/mayor shall submit the consolidated report on realization of disbursement and use of Dana Desa to the Minister with copies to the minister in charge of Villages, technical ministers/heads of relevant non-ministerial government agencies, and governors at the latest in the fourth week of March of the subsequent fiscal year.
4. The submission of the consolidated report as stipulated in paragraph (3) shall be done annually.

Article 25
1. In the event that the Village head fails or is late in submitting the report as stipulated in Article 24 paragraph (2), the bupati/mayor may defer the disbursement of Dana Desa until the submission of the report on the realization of the use of Dana Desa.

2. In the event that the bupati/mayor fails or is late in submitting the report as stipulated in Article 24 paragraph (3), the Minister may defer the disbursement of Dana Desa until the submission of the consolidated report on the realization of disbursement and use of Dana Desa of the prior budget year.

CHAPTER VII
MONITORING AND EVALUATION

Article 26
1. The Government shall perform monitoring and evaluation of the allocation, disbursement, and use of Dana Desa.

2. The monitoring as stipulated in paragraph (1) shall be performed with regard to:
   a. the issuance of bupati/mayoral regulation on procedures for apportioning and determining the amount of Dana Desa;
   b. the disbursement of Dana Desa from RKUD to the Village treasury account;
   c. the submission of realization report; and
   d. SiLPA [Budget Surplus] Dana Desa.

3. The evaluation as stipulated in paragraph (1) shall be performed on:
   a. calculation for apportioning the amount of Dana Desa for every Village by the kabupaten/city; and
   b. realization of Dana Desa use.

4. Monitoring and evaluation results as stipulated in paragraph (1) shall serve as the basis for refining policies and improving the management of Dana Desa.

Article 27
1. In the event that there are irregularities in the Dana Desa SiLPA, the bupati/mayor shall impose administrative sanctions on the Village in question in the form of reduction of Dana Desa in the amount of SiLPA.

2. The irregularities in Dana Desa SiLPA as stipulated in paragraph (1) may happen because:
   a. the use of Dana Desa is not consistent with Dana Desa use priorities, general guidelines, or activity technical guidelines; or
   b. keeping money in the form of bank deposits for more than 2 (two) months.

3. The reduction of Dana Desa as stipulated in paragraph (1) shall serve as the basis for reducing Dana Desa for the kabupaten/city in the subsequent fiscal year.

4. Provisions regarding imposition of administrative sanctions as stipulated in paragraph (1) shall be regulated by bupati/mayoral regulation.

Article 28
Further provisions regarding procedures for monitoring and evaluation of
Dana Desa shall be regulated by Ministerial Regulation.

CHAPTER VIII
TRANSITION PROVISIONS

Article 29
1. The indicative ceiling of Fiscal Year 2015 that has been communicated by the Minister to the technical ministers/heads of non-ministerial government agencies before this Government Regulation is promulgated shall remain the basis for proposing the budgetary requirements of Village-based programs of Fiscal Year 2015.

2. Based on this indicative ceiling as stipulated in paragraph (1), the technical ministers/heads of non-ministerial government agencies shall propose the budgetary requirements of Village-based program to the Minister to be established as the budget ceiling for Village-based programs of Fiscal Year 2015.

Article 30
In the event that the technical ministers/heads of non-ministerial government agencies do not present the budgetary requirements of Village-based programs for Fiscal Year 2015 or the proposed budgetary requirements of Village-based programs are lower than the allocation ceiling for Fiscal Year 2014, the Minister by considering the national fiscal capacity may set a budget ceiling for Village-based programs for Fiscal Year 2015 based on the Village-based program allocation ceiling of Fiscal Year 2014.

Article 31
1. In the event that APBN cannot yet fulfill the Dana Desa as stipulated in Law Number 6 of 2014 regarding Villages for Fiscal Year 2016 and subsequent fiscal years, the technical ministers/heads of non-ministerial government agencies may still propose the budgetary requirements for Village-based programs to the Minister.

2. Pursuant to the proposed budgetary requirements as stipulated in paragraph (1), the Minister shall establish a budget ceiling for Village-based programs.

Article 32
In the event that the technical ministers/heads of non-ministerial government agencies fail to submit the budgetary requirements for Village-based programs for Fiscal Year 2016 and subsequent fiscal years or the proposed budgetary requirements for Village-based programs are lower than the prior year budget allocation, the Minister by considering the national fiscal capacity may establish a budget ceiling for Village-based programs for Fiscal Year 2016 and subsequent fiscal years based on Dana Desa allocated in the prior fiscal year.

Article 33
The budget ceiling as stipulated in Article 30 and Article 32 is the Dana Desa Reserve line item as stipulated in Article 8 paragraph (1).
CLOSING PROVISIONS

Article 34
This Government Regulation shall take effect on the date it is promulgated.

In order to be known to everyone, ordering the promulgation of this Government Regulation by placing it in the State Gazette of the Republic of Indonesia.

Established in Jakarta
on 21 July 2014

PRESIDENT OF THE REPUBLIC OF INDONESIA,

DR. H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta
On 21 July 2014

MINISTER OF LAW AND HUMAN RIGHTS OF
THE REPUBLIC OF INDONESIA,

AMIR SYAMSUDIN
I. GENERAL

Pursuant to Law Number 6 Year 2014 regarding Villages, the Village shall have sources of revenue that include Village original revenues, shared revenues from regional kabupaten/city taxes and levies, part of central and regional financial balance grants received by kabupaten/city, APBN budget allocation, financial assistance from provincial APBD and kabupaten/city APBD, as well as non-binding grants and contributions from third parties.

Sources of Village revenues shall be generally used to fund all authorities that are the responsibility of the Village. These grants shall be used to fund the administration of Village authorities that includes the administration of government, development, community empowerment, and community activities. That way, Village revenues originating from APBN shall also be used to fund these authorities.

Pursuant to Law Number 6 of 2014 regarding Villages, the Village shall be given the power to regulate and manage its authorities according to the needs and priorities of the Village. This means that Dana Desa will be used to fund all Village authorities according to the needs and priorities of Dana Desa. However, recalling that Dana Desa originates from Central Expenditures, in order to optimize the use of Dana Desa, the Government shall be given the authority to set priorities for the use of Dana Desa to support the Village development program and Village community empowerment. The determination of priorities of grants use shall still be commensurate to authorities that are the responsibility of the Village.

Budget allocation for Dana Desa shall be set at 10% (ten percent) from the total Transfer Grants to Regions and will be met in stages according to APBN capacity. During the transition period, before Dana Desa reach 10% (ten percent), Dana Desa budget shall be met through reallocation from Central Expenditures from Village-based programs. Ministries/agencies shall propose the budget for Village-based programs to the Minister and ministers in charge of government affairs in the national development planning sector to be set as a source of Dana Desa.

In the event that Dana Desa have reached 10% (ten percent) from the total Transfer Grants to Regions, the budgeting shall fully follow the fund budgeting mechanism of the State General Treasurer as already regulated by statutory laws.

The source of Dana Desa proposed by ministries/agencies and those established by the Minister will be designated as Central Expenditure of non-ministries/agencies as Dana Desa reserves. The Dana Desa reserves shall be proposed by the Government in the context of deliberation of Draft APBN and Draft APBN Law. Dana Desa reserves that have received approval from the People’s Representative Council will be established as Dana Desa that is part of the Transfer to Regions and Villages Budget. This mechanism shall be pursued in order that the fulfillment of Dana Desa still appear as transfers of Central Expenditures to Dana Desa in the form of Transfer Grants to Regions. In addition, this mechanism also provides a strong commitment to the
Government and the People’s Representative Council to empower Villages more.
The amount of Dana Desa that has been set in APBN shall be allocated to the Village in 2 (two) phases. In the first phase, the Minister shall allocate Dana Desa to the kabupaten/city according to the number of Villages based on the weighted variables of population, area, and poverty levels. The calculated outcome would then be multiplied with the construction cost index as the indicator that reflects the geographic difficulty. In the second phase, based on the amount of Dana Desa of every kabupaten/city, the bupati/mayor shall allocate Dana Desa to every Village. The bupati/mayor is endowed with the authority to determine the weight of geographic difficulty variable of the Village as one calculation variable according to the characteristic of the region. The geographic difficulty level is indicated among others by the availability of basic services and the condition of infrastructure and transportation.

According to the goals of Village development mandated in Law Number 6 of 2014, aimed at promoting the welfare of Village communities and the human quality of life and poverty alleviation, the allocation of Dana Desa gives more consideration to the level of poverty.

In order to realize an orderly, transparent, accountable, and quality management of Dana Desa, the Government and kabupaten/cities are endowed with the power to impose sanctions in the form of deferment of Dana Desa disbursement in the event that reports on Dana Desa use are not submitted/late. Aside from that, the Government and kabupaten/cities may also impose sanctions in the form of reduction of Dana Desa if the uses of these funds are not consistent with priorities of Dana Desa use, general guidelines, activity technical guidelines, or if monies are kept as deposits for more than 2 (two) months.

II. ARTICLE BY ARTICLE

Article 1
Sufficiently clear.

Article 2
Sufficiently clear.

Article 3
The amount of Dana Desa is set to be 10% (ten percent) from and outside of Transfer to Regions grants in phases.

Article 4
What is meant by “Village-based programs” are programs in the context of executing Village authorities based on origin rights and local Village-scale authorities pursuant to Law Number 6 of 2014 regarding Villages and its implementing regulations.

Article 5
Sufficiently clear.

Article 6
Sufficiently clear.

Article 7
Sufficiently clear.

Article 8
Paragraph (1)
The Dana Desa Reserves post is Budget Portion of the State General Treasurer (BA-BUN).
Paragraph (2)
Sufficiently clear.
Paragraph (3)
Budget ceiling for the proposed *Dana Desa* Reserves is 10% (ten percent) from the Transfers to Regions budget ceiling.

Article 9
Sufficiently clear.

Article 10
Sufficiently clear.

Article 11
Paragraph (1)
What is meant by the "number of Villages" is the number of Villages established by the minister in charge of Villages.
Paragraph (2)
Sufficiently clear.
Paragraph (3)
Sufficiently clear.
Paragraph (4)
Sufficiently clear.
Paragraph (5)
Sufficiently clear.
Paragraph (6)
Sufficiently clear.
Paragraph (7)
Sufficiently clear.
Paragraph (8)
Sufficiently clear.

Article 12
Paragraph (1)
Sufficiently clear.
Paragraph (2)
What is meant by "Village poverty level" is the percentage of households that hold Social Protection Cards.
Paragraph (3)
Sufficiently clear.
Paragraph (4)
The level of geographic difficulty of every Village shall be determined by the *bupati*/mayor based on guidelines for establishing village geographic difficulty index (IKG).
Paragraph (5)
Sufficiently clear.
Paragraph (6)
Sufficiently clear.
Paragraph (7)
Sufficiently clear.
Paragraph (8)
Sufficiently clear.
Paragraph (9)
Sufficiently clear.

Article 13
The formation or establishment of a new Village that results in the addition to the number of Villages may be in the form of:

a. partitioning of 1 (one) Village to become 2 (two) Villages or more;
b. merger of a part of a Village from an adjacent Village to become 1 (one) Village;
c. change of status of *kelurahan* to become a Village; or
d. establishment of an *adat* Village.

Example:
If Village A is established as a Village resulting from partitioning in April of 2014, the *Dana Desa* for the Village shall begin to be allocated in Fiscal Year 2015. If Village B is established as a Village the result of partitioning in October
of 2014, the Dana Desa for the Village in question will begin to be allocated in Fiscal Year 2016.

Article 14
Sufficiently clear.

Article 15
Sufficiently clear.

Article 16
Sufficiently clear.

Article 17
Sufficiently clear.

Article 18
Sufficiently clear.

Article 19
Paragraph (1)
Sufficiently clear.

Paragraph (2)
In principle Dana Desa are allocated in APBN to fund the authorities that are the responsibility of the Village. However, to optimize the use of Dana Desa as mandated by the law, the use of Dana Desa shall be prioritized to fund development and community empowerment, including the development of basic education, health, and infrastructure services. For the purposes of poverty eradication, Dana Desa can also be used to meet the primary food, clothing, and housing needs of the people.

The use of Dana Desa for non-priority activities can be done as long as development and community empowerment activities have been fulfilled.

Article 20
Sufficiently clear.

Article 21
Paragraph (1)
Example:
Based on Village-based programs and activities of ministries/agencies in Fiscal Year 2014 and consistent with the authorities of the Village according to Law Number 6 of 2014, Dana Desa shall be prioritized to fund activity programs that include:
- poverty eradication;
- promoting health services in the Village;
- Village infrastructure; and/or
- agriculture.

Paragraph (2)
Priority for using Dana Desa shall be established in the Government Working Plan (RKP).

Article 22
Paragraph (1)
General activity guidelines specifying technical activity implementation, not including the regulation of budgeting and financial administration.

Paragraph (2)
Sufficiently clear.

Paragraph (3)
Sufficiently clear.

Article 23
Sufficiently clear.

Article 24
Paragraph (1)
Submission of the Village head report to the bupati/mayor shall be coordinated by the local camat [sub-district head].
Paragraph (2)
Sufficiently clear.
Paragraph (3)
What is meant by "consolidated report" is the combined report regarding realization of disbursement and use of Dana Desa from all Villages in a kabupaten/city.
Paragraph (4)
Sufficiently clear.

Article 25
Sufficiently clear.

Article 26
Sufficiently clear.

Article 27
Sufficiently clear.

Article 28
Sufficiently clear.

Article 29
Paragraph (1)
Sufficiently clear.
Paragraph (2)
The budget for Village-based programs proposed by the technical minister/head of non-ministerial government agency shall consist of programs of ad hoc nature and of continuous nature.

Article 30
Sufficiently clear.

Article 31
Sufficiently clear.

Article 32
Sufficiently clear.

Article 33
Sufficiently clear.

Article 34
Sufficiently clear.

ADDENDUM TO STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 5558