

ANNUAL REPORT - INFID 2011

PROMOTING EQUITABLE AND SUSTAINABLE DEVELOPMENT IN INDONESIA: STRENGTHENING PEOPLE-CENTERED DEVELOPMENT



INFID, 2012

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CHAPTER I

Background

This report is a summary of output, result of program and activities of INFID in 2011. It is written based on program reference of 2010 – 2012 and work plan in the period of January - December 2011. It is a part of INFID's public accountability mechanism. The result of achievement in this report is the result of cooperation advocacy of INFID with member and network in national and international level. Few activities outside original plan were conducted in considering responding social, politic and economic situation in national and international level.

These actions have done in the frame of network to maintain the solidarity among civil society, and media consolidation to strengthen the works of civil society as social movement in national and international level.

As mandate of members in General Assembly 2008 and consultation result in six regions in 2009, INFID has focus on advocacy in national and international level in strengthening development agenda especially in the issue of poverty and inequality.

CHAPTER II

Analysis of Situation

1. Analysis of National Situation

Beside poverty and equality problems, and government commitment to MDGs achievement as a challenge to Indonesian development, There are significant economic, social and political events in Indonesia during the year of 2011, such as the launching of *Master Plan Percepatan Pembangunan Ekonomi Indonesia* Economic development acceleration Master plan (MP3EI), legalization of Social Security Body BILL *RUU Badan Penyelenggara Jaminan Sosial* (BPJS), and horizontal conflict in democratic era. These events influence coordination and consolidation of civil society in Indonesia, including INFID.

MP3EI was launched by President Susilo Bambang Yudhoyono in May 27th 2011. Master plan include 22 Indonesian major economic activity, with 17 projects in 6 corridors; Sumatera, Kalimantan, Java, Sulawesi, Bali and Nusa Tenggara, and Corridor Papua. Six corridors will be connected with infrastructures development. Civil society in local and national level has spoken up as a reaction of MP3EI. Critics is centralized in two points; 1) composing method of document without development planning participation *Musrenbang*. MP3EI that would be reference of development realisation was formed only by government and business sectors without consultation with civil society and parliament. 2) Result Impact of MP3EI on environmental damage and the poor. Most projects in MP3EI are projects that based on natural resources exploration such as oil, gas and mines. It is not sustainable economic development and solutions to poverty. Civil society considers MP3EI as threat to sustainable environment, leaving poverty and inequality problems. Ignoring critics from civil society, government continue to make MP3EI as reference in national development. In various international forum, government use MP3EI to attract investors in the projects inside this document.

In the same year, October 28th 2011, Parliament DPR RI legalized BILL on Social Security Body No 24 2011. This legalization is important to society after the years of people's voice about the important of legal umbrella on social security. People have legal insurance even it only be applied at least in July 2015. Until today, government already has a few schemes on social insurance such as health care insurance for the poor, birth care insurance, conditional cash transfer to poor family who has children up to primary school in the condition to send their children to school. However, in the reality, the poor does not have access to this kind of information. Only certain group knows about the programs and use it. Meanwhile, this law expect all poor people could get benefit from social programs through legal body called social insurance coordination body *Badan Penyelenggara Jaminan Sosial* (BPJS). The scope of BPJS include BPJS health care and BPJS man power. BPJS man power provide accident working insurance program, senior citizen insurance, retirement insurance and death insurance. BPJS healthcare provides health insurance program.

On October 11th 2011, DPR also legalized Bill on intelligence. This legalisation is a full compromise that is fully supported by Commission I DPR RI and government, especially State

Intelligence Body - *Badan Intelijen Negara* (BIN) and Minister of law and human right. Based on this law, BIN with all its depth and specific authority will be the Indonesian most powerful institution in the future. That can conduct tapping, flows of fund, and investigation to all citizens in the name of political security interest. BIN with its legitimation could accuse public (in person or legal body) to be responsible of the leakage of intelligence secret.

BIN with special authority, will be capable to give recommendation with the content to accept or refuse Indonesian citizenship to someone. It could also refuse people with academic activities in Indonesia in the name of national security and interest. This political compromise is the sign that parliament DPR RI and government has put human right especially freedom of Indonesian citizen to mortgage. That day, officially, *United state of Republic Indonesia changeto be United state of Intelegence Republic*, state has choose to reject security insurance of Indonesian citizen to security intelligence.

Civil society thinks that this law does not accommodatedemocratic principles and in the contrary, cause a serious problem in state democratic life itself.

Considering democratic development in Indonesia,there are few studies on democratic process. One said that Indonesia is still in democratic transition. Other said that democracy is hijacked by new oligarchies that enrich their own group, so it still need strong encouragement from social movement to be more substantive. Decentralisation as the result of democracy is used by local oligarchies. It shows in the high number of officials who are involved in corruption in local and national level. Media coverageis full with arrested corrupted officials. In the other side, democracy becomes two side of sword to religious freedom and natural resource management in Indonesia. One group used democracy to destroy another group, sometimes violently.

In February 6th 2011, a group of mass attackedAhmadiyah members. Three persons were reported death and their houses were destroyed. The destruction and attack to Ahmadiyah continue in April 4th 2011. These kinds of event are repeated, to a group who are considered insulting to other group. It is a restless situation; corruption is still high, horizontal violence are unsolved, and in other place one official was shoot and other people become victim in Bima, Nusa Tenggara Barat due to people's refusal on mine permit extension in their area.

2. Analysis of International situation

Four events influenced advocacy dynamic in INFID; Indonesian leadership in ASEAN, G20 summit in Cannes, France; and 4th high level meeting on development effectiveness in Busan, South Korea and the start of Arab Spring in Tunisia.

In 2011, during Indonesian leadership in ASEAN, Indonesia strengthen substantive issues and enlarge public outreach, especially on significant advance in ASEAN community achievement, maintaining order and situation in the area to achieve development and the launching of vision "ASEAN post 2015" with the role of ASEAN in global society. These priorities are based in three pillar of ASEAN; politic-security, economic and social-culture. Discussion on substantive issues was conducted in all level, from ministry level to summit meeting.

Summit took place November in Bali and issued Bali Declaration in a Global Community of Nations-Bali Concord III. This Declaration had objective to accelerate ASEAN integration in 2015. In this program, civil society gave critical notes on ASEAN's effort to enlarge the cooperation in the east like ASEAN+3 when ASEAN has not deal with problems inside ASEAN. ASEAN has not realised the commitment in security and stability inside ASEAN. Civil society encourages ASEAN strengthening including community strengthening through economic and social cultural cooperation.

Crisis in US and Europe influenced the agenda 4th High Level Meeting on Development Effectiveness. Developed countries demand poor and developing countries to increase development fund from domestic fund through the scheme of Public Private Partnership (PPP) and South-south Cooperation. As the Consequent, private sector is acknowledged as one of development actor beside government, funding and civil society. Private sector has the same obligation and right like the availability of supporting environment and private accountability. South-South Cooperation is other funding sources. South countries as Emerging Country, must participate to help poor and left countries. This change reshapes global financial architecture. In the past, relation between countries characterised in donor and recipient, now there are country that play the role as donor and recipient in the same time. Emerging countries like Indonesia, Brazil and India with significant economic growth become donor and recipient as they still face development problems. In the beginning, China refused this mechanism, but when south-south cooperation has voluntary character, China agrees to sign Busan agreement. As the consequent, aid is not managed under OECD-DAC, but it is managed under new structure of Global partnership for Effective Development with all development actors including civil society.

This crisis was also the main reason of G20 summit. France president as the host of summit proposed financial and development agenda. Europe including France wanted the regulation in financial sector and reform in Financial Stability Forum (FSB) since the beginning. G20 also gave attention to tax havens in issuing Multilateral Convention on Mutual Administrative Assistance in Tax Matters. This regulation was expected to give pressure to countries that protect tax evasion. Meanwhile, Indonesian civil society concern to development agenda especially in infrastructure and food. In the contrary government openly offered MP3EI that was refused by civil society as Indonesian development document.

Besides ASEAN's event, civil society forum also discussed political transition in Tunisia, Egypt and Saudi Arabia. It is interesting because this political transition happened in the middle of global economic crisis. Meanwhile, history found out war in the middle of economic crisis will arise armed trading. In the other side, Tunisian and Egyptian experiences were happened in Indonesia. It brings change from authoritarian to democracy. This transition becomes new hope in political order. Lesson learn from Indonesia is that civil society has to really give voices to people's interest so that political transition would not be hijacked by new oligarchies in the name of democracy.

3. Analysis of Internal Situation

Some event influenced the work of INFID in 2011

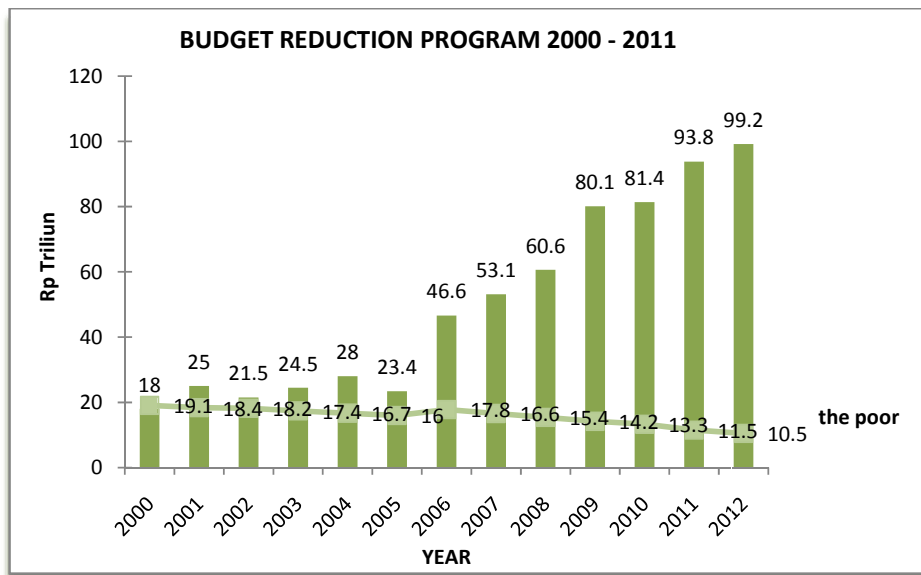
- a. Change in funding architecture to global development had significant implication to civil society especially INFID. However it is Positive Implication to be acknowledged as development actor. INFID has to clarify advocacy direction based on oriented argumentation. Therefore INFID organised research trainings in the year before and used researches result to be basic argument in national and international level. The decline of funding to civil society from donor is another implication while based on the mandate of members, INFID is not allowed to access available fund from multilateral institution especially World Bank and ADB.
- b. 2011 was also not easy for INFID since the Deputy Director INFID was elected to be General Secretary of Indonesian Woman Coalition – *Koalisi Perempuan Indonesia* (KPI), Manager INFID has to deal with institutional duties, programs and administration including reporting. This over burden of institution retarded institutional duties including reporting task.

CHAPTER III

INFID Achievement

These are the result of INFID advocacy during one year period:

1. Stronger commitment in national and international level towards people's development especially in eradicating poverty and reduction of inequality.
 - a. In National level, government continue to improve poverty prevention programs, increasing budget and institutional management even INFID has to continue to advocate the policy to be fully pro poor. Today, government has four cluster which are; First cluster targeting poverty in the household, second cluster to the poverty in the community, third cluster to help micro entrepreneur, and fourth cluster to build infrastructure like simple houses. In budgeting, it is also continue to grow as we see in the following table:



Source: TNP2K, 2012

- b. In international level, especially in Organisation for Economic Co-Operation and Development – Development Assistance Committee (OECD-DAC) concerning development fund from foreign aid, the focus change from aid effectiveness to development Effectiveness. This change is signified that foreign aid has to give more benefit to the objective of development especially in prevention of poverty and sustainable environment.
2. Creation of dialog mechanism between decision makers in national development plan minister *kementerian Perencanaan Pembangunan Nasional* (Bappenas) and civil society (INFID and networks) on development. Indicator of this achievement is the invitation to civil society in the

conference of national development plan *Musyawarah Rencana Pembangunan Nasional* (Musrenbangnas) since 2011 and involvement in discussion of plan result evaluation each six month and the creation of the guide of civil society organisation in planning, monitoring and evaluation of national development program. This achievement shows stronger consolidation between development actors; government, civil society, and funding especially in national level to achieve pro people development. This result is the effort of INFID with network to continue to open constructive dialog between civil society and government through advocacies.

3. INFID's advocacy position in national level is stronger when INFID become major partner of development planning minister (Bappenas) for global development cooperation. INFID become major partner of Bappenas and Aid for Development Effectiveness Secretariat (A4DES). In international level, INFID is one of member of Steering Committee on the evaluation of implementation of Paris Declaration and Accra Agenda for action in Indonesia with chief deputy of Bappenas, Asian Development Bank (ADB) representation, and JICA's representation. INFID is also member of steering committee on the Capacity Development for Development Effectiveness (CDDE) and member of steering committee for Civil 20 (civil society forum from G20 country members).
4. The strengthen of civil society consolidation is supported with argumentation from research of INFID and networks. INFID's more capacity as researcher and has capacity to do presentation on national and international forum. Achievement indicator can be seen in the research quality by INFID's staff and networks. Member and networks of INFID connect to larger network with their participation in national and international forum.
5. Debt reduction campaign to achieve MDGs receive good impression among government especially *Badan Pemeriksa Keuangan* (BPK) and bilateral donor like Italian government. This is the result of years of advocacy. Year before, INFID was active to encourage BPK to have foreign debt audit. BPK also visited INFID in 2011. This advocacy has success indicator in the realisation of foreign debt BPK. Recently BPK does not only see foreign debt in administrative side but also the implication to society. Italian government also came to INFID to ask input on Italian debt swap.

From that achievement, programs formulated in 2011 is still need to be strengthen in the future:

1. Peer group development Through People's economic development studies *Badan Pengkajian Pembangunan Ekonomi Rakyat* (BAPPERA) , with civil society, academic, local government and private sectors. This core group is expected to formulate people's development concept in local area. This effort is not yet success even meetings were already organised in Bogor and Malang. The main obstacle is the lack of space and fund for INFID to have consolidation in the regions. Meanwhile, we still have difficulties to invite voluntary works in the regions. Meanwhile, in the national level, development core group has intensive consolidation to discuss people's issues.
2. Tax advocacy. INFID, who joined in international network on Financial Transaction Tax (FTT), has not yet success to insert this issue to government. Informally, INFID had proposed to Indonesian government especially to financial minister to manage financial transaction through tax, but this idea is not responded yet. In national level, other civil society is doing campaign on tax issues.

Chapter IV

Activities

1. Research and publication on Foreign Direct Investment, economic populism, community resilience to adapt towards climate change, MDGs achievement in the last 10 years in Indonesia and implementation of Paris Declaration in Indonesia.

- a. Research on social responsibility of PT INCO to people's economic growth, social and environment in centre Sulawesi August- December 2011. General objective of research are 1) to study company's role in this case PT International Nickel Indonesia, to Indonesian economic according to OECD's guide; 2) to study the role of capital investment of PT INCO to the development of people's economic capacities especially its contribution economic, social, and environment in Central Sulawesi. Research has been done, and publication and advocacy will be conducted in the future.
- b. Study on economic populism entitled strength of people in developing their economic conducted in September – December 2011. Research took place in Malang, East Java and Makassar. Research in Malang was based on agricultural economics with actors of farmer and woman. Research in Makassar was SMEs. Research has general objective to strengthen people's economic actors in Indonesian economic system and following special objective 1) documented model and people's economic system developed in local community, 2) identified challenge and obstacle, in policy level, and production process in promoting and developing people's economic 3) study of impact of growth economic model on people's economic development, 4) recognise people's economic potential in supporting Indonesian people's prosperity. Advocacy has been done in dialog with Bappenas in the frame of national development plan and participated in debate on financial inclusion. Even the research has finished in the end of 2011; fact finding has been used as basic argument in national and international advocacy especially in ASEAN, Development Effectiveness, and G20.
- c. Research with the theme of community-based measures towards mitigation and adaptation to climate change on food and climate change, Researches took place in 2 regency; Tampangulu, South Sulawesi and Malang, East Java. Researches describe the capacity of farmer to provide food through irrigation and agricultural method, the fight of farmer to claim the land from PT Perhutani. INFID used this result for advocacy in development effectiveness and G20.
- d. Research on salt and the impact for salt farmer in Indonesia by INFID's network and already published as a book. It has also advocacy material in national level.
- e. Writing Citizen Report for MDGs with INFID and networks on every objective. Besides having objective to encourage MDGs achievement, it is also strengthening consolidation between civil society. Book of this research will be launched in 2012, but the result is already used in consultation on development agenda post 2015.



This study is also material to watch implementation of National Road map to MDGs achievement.

2. Advocacy towards poverty prevention program – PNPM Mandiri and inclusive development

- a. Society empowerment national program- Independent *Program Nasional Pemberdayaan Masyarakat Mandiri (PNPM Mandiri)* is one of prevention program first launched in 2007 by President Susilo Bambang Yudhoyono. Civil society especially INFID give serious attention on this program because this program connected directly to the poor. Beside, PNPM Mandiri has find source from the debt of World Bank with Paris Declaration principal that is one of INFID's focuses. Continuing advocacy in 2010 with three researches in in three provinces NorthSumatera Utara, NTT and NTB, advocacy INFID in 2011 focused in member and network consolidation with following activities:
 - Workshop of fact finding and recommendation, harmonisation process among studies on PNPM Mandiri October 4th 2011 together with GAPRI, Konsepsi NTB, FIK Ornop, and IRE who is doing the same research on PNPM Mandiri.
 - Workshop on the cost of PNPM Mandiri November 1st 2011 with the same participant with JARI and PKM ACE
- b. Involve in the regional discourse on sustainable development in Regional Conference about Development Models with the theme of promoting a Transformative Agenda for Sustainable Development August 15th-16th 2011 in Bangkok, Thailand. This conference is organised to prepare Asian civil society agenda towards Rio+20
- c. INFID critics President RI speech on financial nota 2012. INFID noted on national development plan synergy with the present of MP3EI document, the increase of foreign debt, and charitable poverty prevention program.

3. Advocacy on development effectiveness with following activities

Advocacy on development effectiveness has objectives: 1) to strengthen pillar of democratic ownership to encourage government to strengthen country system in aid management and strengthening national development planning; 2) encourage acknowledgement of civil society in national and international forum.

- a. Advocacy is conducted in organizing formal and informal dialog with development actors like donor, government and civil society. There are informal dialog with concerning minister, attending organised meeting of other actors, and organised workshop or seminar. INFID organised this following activities:
 - Together with Asia Pacific Research Network (APRN) based in Manila, Philippineorganised the 3rd Open Forum Asian Regional Synthesis Workshop on Development Effectiveness May3rd-4th2011 in Jakarta. Civil society from Asia pacific countries, donor and Indonesian government were attending this workshop.
 - Together with Aid for Development Effectiveness Secretariat (A4DES) organised national workshop June 8th-9th 2011, as civilsociety preparation to 4th High Level Meeting on Development Effectiveness in Bussan, South Korea. Besides discussing agenda to Busan,it

was also discussed progress on accountability mechanism in civil society and Istanbul Principle socialisation.

b. Attending international meetings:

- Attending 4th High Level Meeting on Development Effectiveness in Busan November 29th– December 2nd 2011. Four person from Indonesian civilsociety are two person from INFID (one representation from government and one person with Better Aid’s support), one INFID member from Indonesian Woman Coalition, and one INFID network; YAKKUM (Christian foundation for humanity) Civil society delegation bring mandate of member to strengthening enabling environment to civil society and country ownership through national development plan mechanism. In this opportunity,INFID published book‘Can Indonesia Exit from Aid?’
- Attending Asia Pacific Climate Change Finance and Development Effectiveness Dialogue on September 12th -13th 2011 in Bangkok. It was organised by the Capacity Development for Development Effectiveness where INFID is one of SteeringCommittee, facilitated by UNDP.This Dialoghas objective to see progress in financing ODA on Climate Change and manage scale-up cost in the future.
- Attending international workshop and public conference 2011’s theme; Seoul Civil Forum on Aid and Development Effectiveness August 30th – September 3rd 2011. This conference was organised as global civil society consolidation towards High Level Meeting on Development Effectiveness summit in December 2012.
- Attending 2nd Global Assembly of the Open Forum for CSO Development Effectiveness di Siem Reap, Cambodia 28 - 30 June 2011 that had objective to formulate International Framework for CSO Development Effectiveness. Framework included guidelines, mechanisms, indicators andrecommendation for enabling environment.



4. Advocacy to multilateral institutions like ASEAN, G20 and UN:

Two institutions got two major attention in 2011; ASEAN and G20. In 2011, Indonesia has leader position of ASEAN. INFID focused advocacy in critical economic and political policies in ASEAN.

As member of G20, government is active to propose agenda and implement G20 agreement. Concerning this issue, INFID has two agenda in advocacy 1) ensuring people-centred development agenda in focus on food issues, inclusive finance, and rural infrastructure especially water and development fund. ; 2) encourage inclusive mechanism in national and international level involving civil society with following activities:

- a. In the same time of ASEAN Summit May 7th-8th 2011 in Jakarta, INFID organised series of activities:
- Organising ASEAN People Forum, discussion and action, with member and network with first demand that ASEAN’s cooperation should have more concern to ASEAN’s people.

- organising limited discussion on Indonesian leadership in ASEAN in finding solution of conflict of border between Thailand and Cambodia and the slow process of democratisation in Burma
 - Legal suit on ASEAN Charter to Institutional Court is still waiting for decision.
- b. Organising following round-table discussion, workshop and press conference with member and civil society network:
- Organising Round-table Discussion and Workshop with the theme of “Building Ownership Indonesia in G20: Strengthening sustainable food?” in March 28th-29th 2011. Mahendra Siregar represents of Trade minister and Sherpa Indonesia in G20 was present in Round-Table Discussion to discuss in depth about Indonesian proposal on food in G20.
 - It was followed with workshop to identified problems and recommendation to government to bring on G20 forum. Responding G20 Summit in Cannes France, INFID with member and network organised press conference November 3rd-4th 2011. It was covered by KOMPAS and Jakarta daily.
- c. Attending 16th Human Right council 28 February - 25 March 2011. INFID was represented by Imparsial, sent written statement about Indonesian human right activist in 2010.

5. Capacity Development

1. Institutional aspect:

- Strengthening organisation with INFID’s active role in International Forum for National NGO Platform (IFP). As member of IFP, INFID joined in international advocacy effort on development effectiveness (also in Better Aid and Open Forum for Development Effectiveness). INFID was present Asian Regional Meeting at Nepal October 2011, 2nd General Assembly of CONCORD in Brussels on 21th to 22nd October 2011 organised by IFP, and First General Assembly of IFP in Dakar on 2nd to 10th February 2011 (in the same time and place with World Social Summit). Attending Global Governance and Transnational Issue Linkages: Advocacy, Partnership and Global Alliance in Taiwan, September 23th 2011. This conference has objective to increase global cooperation among civil society in Asia, including identification on the need of capacity building to civil society in changing world order.
- Organizing expert consolidation through BAPPERA. There was three times meeting in Bogor, Malang and Jakarta. Experts from universities gathered in Bogor and Malang. In Jakarta, consolidation of BAPPERA was organised together with discussion on PNPM Mandiri.
- Among civil society, INFID actively organised discussion on the future of civil society in Indonesia to identify the need to progress and challenge. Besides intensive meeting of INFID member and network, INFID also organised discussion on the important of innovation in civil society to survive during crisis.

2. capacity development in the office, member and network:

- Through joined research, especially with INFID’s training participants in the year before. INFID staff and one of training participant conducted research on the strength of people’s economic. Research on Social responsibility of PT INCO and PNPM Mandiri research were also conducted by participants of INFID’s research training.

- Involving staff, member and INFID's network in international meeting. Indonesian Woman Coalition as member of member of INFID and YAKKUM as INFID's network were present in High Level Meeting on Development Effectiveness in Busan, and staff was also present in international meeting on National NGO Platform
- Sending staff to Women Policy Capacity Development training in Seoul, Korea Selatan. Regularly, INFID distribute information on capacity building program to member and network.

6. Activity as responds on national and international situation

These activities give substantive input in meeting organised by other organisation or statement of INFID concerning the event.

a. Respond on national event:

- Issuing statement toward the ignorance of state on the violence action towards Ahmadiyah Indonesia: state is failed to protect freedom religion of citizen. INFID in coordinating with network, bring this event to Security Council meeting and in the same time pushed human right national commission to investigate it.
- Giving input to the study of Asian Strategic about MP3EI. The Asian Strategic is consultant institutions who study obstacles on implementation of MP3EI. In this opportunity, INFID was active to give input and participate in consultation in corridor Kalimantan.

b. Respond on international event:

- Organising discussion on Egypt political dynamic in contemporary political constellation to have discussion to analyse current situation in Egypt.
- Together with civil society alliance anti-death penalty, INFID conduct advocacy to protect Indonesian migrant worker especially in Saudi Arabia, country that has most death execution to Indonesian migrant workers. Right of life is stated in International Covenant on Civil and Political Rights (ICCPR) that right of life is non-dirigible rights. Indonesia that has ratified ICCPR should adopt this principal to end death penalty in penal code. In ending death penalty practice, Indonesian political position will be stronger to conduct diplomacy to defend Indonesian migrant worker who are threaten with death penalty.

CHAPTER V

Lesson learn and continuation

1. Lesson learn

- a. Besides INFID's achievement, INFID still has many spaces to improve. Policy on prevention of poverty needs to be improved from charitable policy to structural solutions. National and international commitment on people-centred development need to be strengthen and watched to make sure that policy implementation in local, national and international level reflect people's interest.
- b. The change on global development funding architecture and Indonesian growth as Emerging Country is challenge to civil society. Indonesia is considered as democratic country with high economic growth, but in the other side, Indonesia still face economic, social and political problem connected with development model. Poverty, inequality and discrimination is the face of Indonesian development. Civil society keep giving voices to this problem even with the change on international impression on the change in Indonesia and the decline of supporting fund. Meanwhile, civil society cannot develop independent fund resource yet.
- c. as the acknowledgment of civil society as development actor, it is challenge to increase quality in advocacy, research capacity, dialog with other development actors and strengthening presentation in national and international forums, so that civil society is right to be in the same level with other development actors.

2. Continuity

- a. In national level, INFID must continue to give voice to the important of inclusive development to find solution of poverty, inequality and discrimination. Prevention of poverty programs needs to be improved to answer structural problems. Just development needs to be done to overcome inequality and discrimination. In strengthening advocacy, INFID encourage active involvement of members and networks in national development planning mechanism. INFID will keep produce studies based on quality research as basic argumentation. In international level, INFID will keep encourage and strengthening people-centred development in global development cooperation through G20 and post 2015.
- b. In answering challenge and needs in the future, INFID will improve, 1) institutional capacity to produce quality research and promote change 2) to make INFID's analysis as consideration in creating policies in national and international level, 3) to organize consolidation with other civil society member to deal with limited fund.

Chapter VI

Attachment

1. Organized Activities

Meeting of INFID program 2011

No.	Date	Program meeting
1.	January 13, 2012	Annual Workshop on Evaluation and planning of Program 2011
2.	January 14, 2011	Annual Workshop on Evaluation and planning of Program 2011 (2nd)
3.	January 20, 2011	Board Executive meeting
4.	January 21, 2011	Meeting on Shadow Report Development Effectiveness
5.	February 24, 2011	Meeting on Narrative report 2010, Fundraising and Program update, and Global Budget Program of 2011
6.	March 14, 2011	Meeting on Update Fundraising and planning of activities agenda
7.	March 15, 2011	Board Executive meeting
8.	March 18, 2011	Meeting with PACIVIS on Research of Independency of Bank Indonesia
9.	March 23, 2011	Meeting on Proposal to TIFA and preparation for program of CSO Effectiveness & ASEAN
10.	March 24, 2011	meeting on preparation of Proposal ACTIVE to EU
11.	March 25, 2011	meeting on preparation of Proposal EIDHR to EU
12.	May 23, 2011	Board Executive meeting
13.	June 1, 2011	Meeting on narrative report, proposal making to EIDHR, and funding identification
14.	July 22, 2011	Meeting on proposal updates for each program, discussing proposal on G20 to Oxfam and proposal NSALA to EU
15.	September 12, 2011	meeting on advocacy of PNPM Mandiri
16.	October 19, 2011	meeting on advocacy strategy of PNPM Mandiri
17.	December 20, 2011	Meeting on project realisation preparation of EIDHR in 2012

INFID's activities with networks and member in 2011

No.	Date	activity
1.	January 12, 2011	sympathetic action with advocacy team of civil society network for citizen protection. Collecting Rp.1000 per person for repatriation of Indonesian migrant workers abandoned under the bridges in Saudi Arabia
2.	February 8, 2011	in commemorating 100 days the late of Asmara Nababan, DEMOS, ELSAM, INFID, KontraS, and national Commission of Human Right, launched a book entitled Asmara Nababan: Oase for each restlessness <i>Oase bagi Setiap Kegelisahan</i> .
3.	March 14, 2011	press conference together with advocacy team of civil society network for citizen protection
4.	March 28, 2011	press conference together with Advocacy coalition on state Intelligence Bill
5.	September 30, 2011	press conference together with Advocacy coalition on state Intelligence Bill
6.	October 10, 2011	press conference together with Advocacy coalition on state Intelligence Bill
7.	October 11, 2011	press conference together with Advocacy coalition on state Intelligence Bill
8.	October 14, 2011	Press conference together with civil society on anti-death penalty
9.	June 24, 2011	Open input of Indonesian civil society to Human Right commission ASEAN (AICHR) Ke-6
10.	June 28 – July 2, 2011	meeting of SEAN commission of human right in Vientiane, Laos (AICHR-6th)
11.	June 21, 2011	Press conference together with civil society on anti-death penalty on Ruyati's case, the Indonesian doubt to erase death penalty

Discussion and workshops of INFID in 2011

No.	Date	Activity
1.	January 18, 2011	Meeting with Minister of Economic coordinator : Debt Swap Italia
2.	February 4, 2011	Egyptian political Dynamic in Middle east contemporary political constellation
3.	March 22, 2011	Limited Discussion: "Preparation of Indonesian People Summit"
4.	March 28-29, 2011	Round-table Discussion and Workshop "Developing Ownership Indonesia in G20: Sustainable food strengthening?"
5.	May 3-4, 2011	the 3rd Open Forum Asian Regional Synthesis Workshop on Development Effectiveness
6.	May 6-7, 2011	Discussion series about ASEAN
7.	May 9-12, 2011	BAPPERA meeting in Malang
8.	May 13, 2011	Limited discussion: "NGO's crisis: Innovation or death"
9.	May 23, 2011	Seminar "Indonesian leadership in ASEAN in conflict solution of Thailand-Cambodia border and slow democratic process in Burma"
10.	8-9 June 2011	National Workshop : "Road Map to Busan: The role of civil society in development effectivity"
11.	October 4, 2011	Workshop on study harmonisationof PNPM
12.	November 1, 2011	Workshop on funding PNPM
13.	November 2, 2011	press conference in responding G20 meeting in France November 3-4, 2011

Statement of INFID in 2011

No.	Date	activity
1.	February 6, 2011	Statement of INFID, responding state ignorance to the violence face by Ahmadiyah group in Indonesia: State failure to protect citizen in faith and religious life. State is failed to protect religious freedom.
2.	November 2, 2011	Statement of civil society coalition for economic justice: the present of president Susilo Bambang Yudhoyono in G20 forum would be useless if only to have new debt and fail to fight for Indonesian people's interest

2. INFID's media coverage in 2011

No.	News title	Media	date
1.	Seranganke Ahmadiyah dibawa ke Dewan HAM PBB - <i>ahmadiyah attack is bring to UN security council</i>	Vivanews.com	February 7, 2011
2.	INFID : Negara Gagal Melindungi Warga dalam Beribadah - <i>INFID: state is fail to protect religious freedom</i>	Liputan6.com	February 8, 2011
3.	Komnas HAM Investigasi Cikeusik 3 Bulan - <i>Human right commission investigate Cikeusic for 3 months</i>	Vivanews.com	February 8, 2011
4.	Pemerintah Gagal Lindungi TKI - <i>Government is fail to protect Indonesian migrant worker</i>	Kompas.com	February 28, 2011
5.	Opini: Diplomasi Kompensasi - <i>Opinion: compensation diplomacy</i>	Kompas	April 4, 2011
6.	Mengurai Kontroversi RUU Intelijen - <i>Analysing controversy in bill of intelligence</i>	Okezone.com	May 9, 2011
7.	BukaKeran Praktik Jual-Beli Informasi 2014 - <i>Open source of information trade for 2014</i>	Okezone.com	May 10, 2011

No.	News title	Media	date
8.	Opini: ASEAN Bukan Untuk Buruh Migran? <i>Opinion: ASEAN is not for migrant worker?</i>	Kompas	May 10, 2011
9.	INFID jagokan Sri Mulyani <i>INFID for Sri Mulyani's candidate</i>	Warta Semesta Berita Online	May 25, 2011
10.	Naik, Utang RI CapaiRp 1.804 Triliun - <i>RI's debt up to Rp 1.804 Trillion</i>	Kompas.com	June 16, 2011
11.	MK Didesak Batalkan UU Ratifikasi Piagam ASEAN - <i>Constitutional Court demand cancellation of ASEAN charter ratification</i>	Okezone.com	June 27, 2011
12.	Opini: Siapa yang Memenangi Transisi? - <i>Opinion: Who is winning the transition?</i>	Kompas	9 August, 2011
13.	Opini: Beberapa Catatan atas Pidato Presiden - <i>Opinion: note on president speech</i>	Kontan	19 August, 2011
14.	Pemerintah harus Perhatikan Produktivitas Buruh - <i>Government must concern on labour productivity</i>	Okezone.com	September 10, 2011
15.	Kemiskinan bias Berujung Penggadaian Nasionalisme - <i>poverty could end in the mortgaged of nationality</i>	Okezone.com	September 10, 2011
16.	Operasi Yustisi Tak Efektif Atasi Urbanisasi - <i>Ineffective justice operation in dealing with urbanisation</i>	Vivanews.com	September 10, 2011
17.	Operasi Yustisi Tak Mempan Atasi Urbanisasi - <i>Ineffective justice operation in dealing with urbanisation</i>	Kompas.com	September 10, 2011
18.	Atasi Urbanisasi, Indonesia Patut Mencontoh Thailand, <i>Indonesia should follow Thai's model in overcome urbanisation</i>	Kompas.com	September 10, 2011
19.	TV Shows Draw Newcomers to City	The Jakarta Post	September 12, 2011
20.	Korupsi Tantangan Pencapaian MDGs <i>Corruption, obstacle of MDG's achievement</i>	SinarHarapan	September 20, 2011
21.	Presiden SBY Didesak Urai Persoalan di Papua - <i>demand to president to solve Papua's problem</i>	Okezone.com	October 25, 2011
22.	Kehadiran Presiden di G20 Akan Sia-sia - <i>President's Useless present in G20</i>	Kompas.com	November 3, 2011
23.	Peran RI Sia-sia Jika Cuma Tarik Utang Baru - <i>useless role of RI in having new debt</i>	Koran Jakarta	November 3, 2011
24.	Opinion: Can Indonesia do Without Foreign Aid?	The Jakarta Post	December 1, 2011

3. Pictures of Activities





Number: 075/EB&R-CJ/LAP-GA/12

INDEPENDENT AUDITORS' REPORT

To:
The Executive Board
INFID ASSOCIATIONS
Jakarta

We have audited the accompanying financial position of **INFID Association** ("INFID") as of December 31, 2011 and 2010, and the related summary of fund and expenditure statements, and cash flows statements for the years then ended, which is expressed in Indonesian Rupiah. These Financial statements are the responsibility of the executive board. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards established by the Indonesian Institute of Certified Public Accountants which require that we plan and perform the audit to obtain reasonable assurance whether the summary of fund and expenditure statements is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the summary of fund and expenditure statements. It also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall summary of fund and expenditure statements presentation. We believe that our audits provide a reasonable basis for our opinion.

As disclosed in note 2.7 to the financial statements, INFID has the obligation to set up provision of employee benefit based on Labour Law No. 13/2003 in regards to termination benefits and amount of employee benefits, gratuity and compensation benefits. INFID has not adopted the standard yet and has not set up any provision regarding employee benefits.

In our opinion, except the implication of employee benefits as explained in third paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of **INFID Association** as of December 31, 2011 and 2010, the summary of fund and expenditure statements and its cash flows for the years then ended in conformity with The Indonesian Accounting Standards for Non-Publicly Accountable Entities.

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- Jl. Wastukencana No. 5, Telp/Fax. 022-4238001, Bandung 40117
- Jl. S. Parman No. 234 C, Telp. 0751-7055101 • Fax. 0751-7059924, Padang 25133

The accompanying financial statements have been prepared assuming that INFID will continue to operate as a going concern entities. As describe in note 11 to financial statements, INFID is a non-profit organization whose source of fund only from grantors. These conditions raise substantial doubt about INFID ability to continue as going concern entity. The executive board's strategies with regard to these matters are also describe in note 11 to financial statements. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As disclosed in note 2.1 to the financial statements, in 2011, INFID adopted SAK ETAP (The Indonesian Accounting Standards for Non-Publicly Accountable Entities) and since there are no significant differences, the financial statement as of December 31, 2010 were not restated.

This reports solely to assist you and is not to be referred to or distributed for any purpose to anyone who is not a member of management and donors.

EkaMasni, Bustaman & Partners

No. KEP-408/KM.62/2004



Hermen Bustaman, CPA

Public Accountant License No. 0328

Jakarta, June 28, 2012

NOTICE TO READERS

The accompanying financial statements are not intended to present the financial position, summary of fund and expenditure statements, and cash flows in accordance with Accounting Standards for Non-Publicly Accountable Entities in countries and jurisdictions other than Indonesia. Accordingly the accompanying balance sheets and summary of fund and expenditure statements, and cash flows and their utilization are not designed for those who are not informed about Indonesian accounting principles, procedures and practices.

The standards, procedures and practices applied utilized in Indonesia to audit such financial statements may differ from those generally accepted in countries and jurisdictions other than Indonesia.

FINANCIAL STATEMENTS

**As of December 31, 2011
With Comparative Figure For 2010**

INFID ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
As Of December 31, 2011
With Comparative Figures For 2010

(Expressed in Indonesian Rupiah, unless otherwise stated)

ASSETS	Notes	2011	2010
CURRENT ASSETS			
Cash & cash equivalents	2.2, 3	1.970.811.996	632.729.777
Receivable to donors		-	45.712.550
Other receivables	4	96.880.468	670.299.068
Prepaid expenses	2.3	-	2.500.000
Advance project		44.693.195	-
Fixed assets	2.4, 5		
Acquisition cost		660.248.910	677.986.910
Accumulated depreciation		(660.248.910)	(677.986.910)
TOTAL ASSETS		<u>2.112.385.659</u>	<u>1.351.241.395</u>
LIABILITIES AND NET FUND			
CURRENT LIABILITIES			
Other payable		380.000	-
Taxes payable	2.6, 6.a	3.651.000	12.706.000
Advance received		58.486.500	-
Accrued expenses		-	31.300.000
Total current liabilities		<u>62.517.500</u>	<u>44.006.000</u>
FUND			
Accumulated fund	7	2.049.868.159	1.307.235.395
Total fund		<u>2.049.868.159</u>	<u>1.307.235.395</u>
Total liabilities and fund		<u>2.112.385.659</u>	<u>1.351.241.395</u>

The accompanying notes to financial statements
an integral part of these financial statements

INFID ASSOCIATION
STATEMENTS OF FINANCIAL ACTIVITIES
For The Year Ended December 31, 2011
With Comparative Figures For 2010

(Expressed in Indonesian Rupiah, unless otherwise stated)

PROGRAM	Notes	2011	2010
Fund Resources			
Fund from donors	2.5, 8.a	1.484.390.436	1.403.561.779
Fund from non-donors	2.5, 8.b	6.314.203	11.373.813
Other donors	2.5, 8.c	935.602.232	400.227.130
		<u>2.426.306.871</u>	<u>1.815.162.722</u>
Program activities			
	2.5, 9		
Research and Publication			
Civillian supremacy/DEMANDS		-	49.182.100
Debt campaign		35.000	5.000.000
Poverty & MDG's		10.305.000	100.237.500
Personal cost program		334.896.357	384.207.988
People-centered development (PROSPECT)		100.699.230	87.577.540
		<u>445.935.587</u>	<u>626.205.128</u>
Advocacy/Political action			
Civillian Supremacy/DEMANDS		74.836.339	32.609.966
Debt campaign		-	2.232.500
Poverty & MDG's		56.702.681	56.247.814
Personal cost program		184.408.466	272.288.937
People-centered development (PROSPECT)		88.622.430	87.263.980
		<u>404.569.916</u>	<u>450.643.197</u>
Capacity Development			
Poverty & MDG's		-	2.591.000
People-centered development (PROSPECT)		4.985.500	-
		<u>4.985.500</u>	<u>2.591.000</u>
Institutional			
Institutional development, PME, Corporate MIS.		-58.694.300	107.396.700
Organizational meeting		529.000	34.225.200
Acquisition & maintenance, HRD.		17.970.000	19.985.400
Personal cost program		191.271.110	341.894.460
		<u>268.464.410</u>	<u>503.501.760</u>
Administration General Service			
		264.823.664	580.729.812
Special Project Expenditure			
		294.895.030	358.405.876
		<u>1.683.674.107</u>	<u>2.522.076.773</u>
Surplus (Deficit) current year		742.632.764	(706.914.051)
Fund at the beginning of years		1.307.235.395	2.014.149.445
Fund at the end of years		<u>2.049.868.159</u>	<u>1.307.235.395</u>

The accompanying notes to financial statements
an integral part of these financial statements

INFID ASSOCIATION
STATEMENTS OF CASH FLOWS
For The Year Ended December 31, 2011
With Comparative Figures For 2010

(Expressed in Indonesian Rupiah, unless otherwise stated)

CASH FLOW FROM OPERATING ACTIVITIES	2011	2010
Surplus (Deficit) current year	742.632.764	(706.914.051)
Add/(deduct) items not affecting operating cash flows :		
Write-off fixed asset	17.738.000	38.731.000
Adjustment to beginning accumulated fund	(17.738.000)	(40.131.000)
Operating cash flow before changes in working capital	742.632.764	(708.314.051)
Changes in working capital :		
Receivable to donors	45.712.550	(45.712.550)
Other receivables	573.418.600	(656.165.669)
Prepaid expenses	2.500.000	27.500.000
Advance project	(44.693.195)	-
Other payable/temporary income	380.000	-
Taxes payable	(9.055.000)	10.342.000
Advance received	58.486.500	-
Accrued expenses	(31.300.000)	31.300.000
Net cash flow provided by / (used for) in operating activities	1.338.082.219	(1.341.050.270)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchased for fixed assets	-	(6.450.000)
Sale fixed asset	-	7.850.000
Net cash flow provided from investing activities	-	1.400.000
CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net cash flow provided from financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND		
CASH EQUIVALENTS	1.338.082.219	(1.339.650.270)
Cash and cash equivalents at the beginning of the year	632.729.777	1.972.380.047
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	1.970.811.996	632.729.777

The accompanying notes to financial statements
an integral part of these financial statements