MANAGING WASTEWATER IN DECENTRALIZED INDONESIA: COULD LOCAL DEMOCRACY IMPROVE PUBLIC SERVICE?

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ABSTRAC

This article seeks the construal of sounds d public service ocracy bringing the example of improvements in Indonesian decentral conte misipality. Da llected through series wastewater management in Bandung of interviews with respected ind lved in wastewater service, uals particularly those who directly engage sanitation projects funded by ater local and external funding s Desp itive view on decentralization could create a more powerful ernment in overseeing local development for more effective public servi It also could be tested by the fragile ature local democracy. In the case of administrative sys the wastewater serv in hdung unicipality, for example, the respected institution c ng (Bandung Municipality Water Supply f fund compared to the same project funded by nt use Agency) s the Aus tralian as one of Indonesian development partners. Sound ministrative reform should be employed to achieve better ervice per nce.

Ke, was: leed democracy, decentralized Indonesia, Bandung Municipality, aster agement, governance reform

TRÓDUCTION

More than ten years of the introduction of new Indonesian decentralization laws No. 22/1999 and 25/2009, the transition towards a more democratic country remains challenging. Many argue that the

"big bang" process of decentralization could contributes to the problematic implementation of laws which led to two significants revisions of the decentralization laws (in 2004 and in 2008) (Erb, Priyambudi, & Faucher,

2005, p. 21; Widianingsih, 2006; Widianingsih & Morrell, 2007; Widianingsih, 2015). Apart from continuous debates on the the Post-Suharto decentralization laws, to some extend the laws give more power to local government in managing more effective and deliberative local development.

Decentralization tends to explore the process of local democratization and improve community participation. Though the dynamic of Indonesian decentralization was also highly influenced by International Donor agendas on good governance (Widianingsih 2006; Widianingsih & Morrell 2007; Widianingsih 2015 Widianingsih, McLaren, & McIntyre-Mills 2017). In water management in Ind many International has actively involve riou program different lo vern

Zhang, as stated Smoke (2015) Zhu Hou (2 ewi (2016),positive aims highights the ralization public service npi ciety. Decentralization ges local governments to be ore Lexible in managing their ons for more qualified public service delivery. In Indonesian context, some studies revealed that instead of making faster improvement of public services, reverse impact occured in local public service deliveries. This could

be related to the readiness of changing local government system, limited participation of society, and limitless of political intervention.

As this paper focuses discussies the challenges of wastewater governance of ndung Municipality in the Post-Indonesia. Research (Horn, 2016) stated that PD. 70% out Indonesia un erfor ity, of essional SS manadem political rmore, the World Vater and Solitation Program duation report in 2015 the last two decades, found tha there are a gradual increase of water serv s in rural and urban areas. partly related to "a wellservice functioning delivery pathway" with a stronger policy and istitutional frameworks. However, the evaluation report also revealed the unsupported financial system often hinder the succesful implementation of the program (World Bank Water and Sanitation Program, 2015).

In the case of wastewater governance in Bandung Municipaliy Water Utility Service (Perusahaan Daerah Air Minum, PDAM), the Post-Suharto Indonesia decentralization often challenged by the fragile administrative system and inefficient resources uses and allocations. According local to regulation no. 15/2009, the PDAM has an authority to manage

wastewater affairs in Bandung municipality. By comparing different funding sources. the research found different results. In the case of Wastewater infrastructure development, the local funded program performance is less efficient compared the one using external support. It concludes that local autonomy and democracy should be accompanied by governance and administrative reform for better performance.

RESULT

Implementation of decentralization in Indonesia been the focus of considerable government attention. Hence, 32/2004 appears to clarify law 22/1999 for local gove 32/2004, Under law Ind government is div nto levels: centr provincial municipal/ vern Decentr both mea ncentration reve the le center and nstration at a powers of local th, 1985, p. 1).

This paper defines the local democracy as the implementation of Vecentalization. Concept of Intralization is about distribution of power and authority from the highest to lowest government level (Smith, 1985, p. 1). Decentralization involves different level of government combining with different functions. One of an example is

Indonesia: central government doesn't give all authorities for local government according to law 32/2004. It proves that every level of government has its functions. Even though a country implements decentralization government scentral government still centralized sum of authorities.

Implementation decentralization opportunity fo ocal g nm delivery ervice provide ubli 014). In (Lewi I has authority to service waste unicipanty. PDAM has to Bandu ewater affairs from manage planning evaluation process. vater management is one of critical issues in Indonesia. In 2010. central government decentralized a sanitation development program named as Percepatan Pembangunan Sanitasi Permukiman (PPSP) to some big cities in Indonesia like Bandung municipality. It focuses to address some sanitation problems including wastewater management.

In Bandung municipality, citizens and government are concerned about clear water management. Both focus on how to get clean water and avoid water scarcity. However, wastewater needs to be managed, especially because in Bandung area the coverage of centralized wastewater treatment is still limited (Rahmasary, Hence, local government has to

provide an efficient wastewater management project for citizens.

Before PPSP implementation, wastewater service coverage Bandung municipality was 29% (Table 1). It means that PDAM hasn't provided wastewater service successfully. More than 70% of population in Bandung municipality didn't get wastewater service. By implementing PPSP, the provision of wastewater service has to increase up to 70% in 2015. Table 1 presents that PDAM couldn't achieve 70% of wastewater service coverage in 2015. Furthermore. according Indonesian National Medium Term 2015-2019 Development Plan wastewater service coverage has to be increased up to 100% in 2019.

Table 1
Bandung Wastewater Serv
Coverage

Year	Wastewater	Service	Coverage
2010		29%	
2011		31.8%	
2012		33%	
2012		35%	
2014		36.5%	
2015		38%	
2016		40%	

Source: research finding (2017)

2011, Australian Agency for rnational Development (AusAID) supported Indonesian sanitation development through Australia-Indonesia Infrastructure Grants for Sanitation (sAIIG) program. It provided grants for local

government to increase wastewater service coverage. Although it was for local development, central government had some authorities in this program. Directorate General of Cipta Karya and Ministry of Finance were representatives of entral government in this program 1.). It shows how cent tries to shift from rowing government concept, cent involved del ng pu service hai enhardt, direct this case, it was ng performance in eva implementation project.

Responding sAIIG program, PD. proposed a development plan al for installing wastewater in Bandung municipality. pipes Based on Table 1, PDAM needed more efforts for providing wastewater service in 2010. PDAM offered 1.500 pipes installation for communities low-income and required 7.5 billion rupiahs for installing wastewater pipes. As the acceptance of proposal, PDAM had to install 1.500 wastewater pipes for low-income communities in 2011. The program was running successfully and increasing 2.8% of wastewater service coverage Bandung municipality. However, the wastewater service target coverage hadn't been achieved yet in 2011.

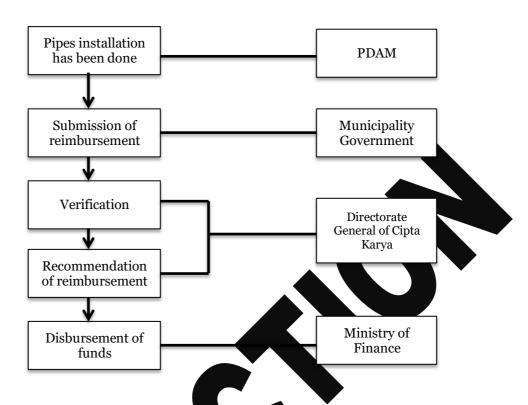


Figure 1. Authority of Indonesian government in sAIIG program Source: (Directorate General Cipta Karya, 2012)

In 2012. wastewate any usAID. Enh ment o stewater service o 2012 was 2). It was because udget allocation for ewater pipes. In 2011, allocated 7.5 billion rupiahs or increasing wastewater service rage up to 2.8%. Then in 2012, PDAM allocated 4 billion rupiahs for increasing wastewater service coverage up to 1.2% (Table 2).

Table

Budget Allocation for Wastewater

Service Project

Year	Enhancement Wastewater	Budget (billion
	Service	rupiahs)
2010-2011	2.8%	7.5
2011-2012	1.2%	4
2012-2013	2%	11
2013-2014	1.9%	13
Source:	PDAM annu	al reports
(2014)		

Table 2 shows that AusAID wastewater management project is more efficient than local government project. For increasing wastewater coverage up to 1.2%, PDAM should need 3.2 billion rupiahs. Instead of that, PDAM allocated 4 billion rupiahs in 2011-2012. Inefficiency also happened in 2012-2013 and

2013-2014 project. In 2012-2013, PDAM allocated 11 billion rupiahs for increasing 2% wastewater service (Table 2). Although in 2010-2011, PDAM allocated only 7.5 billion increase 2.8% of rupiahs to wastewater service coverage AusAID wastewater management project. Emergence of inefficiency project is shown by comparing AusAID wastewater management project and local government project. Through AusAID project, PDAM wastewater increased service coverage efficiently.

This project reveals the failure of decentralization implementation obviously. Implementation decentralization would td greater efficiency in public service delivery (Snyder, Ludi, 1 Tucker, Zeleke, & Duncan, However, it didn open wastewater Bandung mu local gove nt pro mig influence factors. some Basi wastewater ere the same. nt proje ference of those projects nds. Even though, d this project in 2010of management s –planning, organizing, and atingimplemented are by PDAM.

DISCUSSION

Implementation of AusAID wastewater management project was according to PDAM development

proposal for increasing wastewater service in Bandung municipality. It means that PDAM conducted all of wastewater development plans including budget allocation for this project. Basically, AusAID had two roles as donor and supervise project. Even though AusAID wastewater manage local government still ha for managing AusAID proj the local go in a perfo rnm good bwed an ntly iect within local ent pro

emergence of local exibility could not be governme decentralization resi ment. Decentralization gives gov pation opportunities for responding local needs to local government (Grindle, 2007, p. 167). Hence, it might increase efficiency of government programs. In this case, it leads to an efficient wastewater management program within AusAID projects not local government project. The emergence of AusAID produces a better performance of local government flexibility in this project.

There are some significant differences of these projects. Those are goal setting, controlling, and funding systems. In AusAID project, the goal is very specific –PDAM had to install 1.500 wastewater pipes in 2010-2011. Comparing with local government project, it was determined for five years –

wastewater service coverage has to increase up to 70% in 2015. There was no specific target to be achieved per year. However, an organization needs to set a specific goal because it leads to better performance (Walker & Andrews, 2013). It also makes organization performance assessment clearer.

In local government project, PDAM did not set a specific goal because wastewater management is not a priority to be achieved. According local regulation 15/2009, PDAM has authorities for wastewater and water management municipality. Bandung somehow, water management PDAM priority. For these severa years, PDAM concerns to increase water service delivery. Be that, budget allocation for management is m ore wastewater ma also initiates increasing sei And the pecific s to be achi

atralization i mentation in aims to improve public eliy So that, Indonesia sector reform. some key points, such as ting, success determination performance measurement (Brinkerhoff & Brinkerhoff, 2015). By setting a specific goal, success determination and performance measurement could be determined easier. clear performance measurement helps organization to

observe some related factors in program implementation (Poister, 2003, xvi). Furthermore, p. organization could identify strength weakness of program implementation (Wagner Ш & Hollenbeck, 2010, p. So, organization could prepare ace challenges in future by past experience.

Basically in organization be organizat Hend specific hel goals m. tion to ities clearly. nization goals ore, realistic snould (Farazmand, Organizational goal is 2001, p. the first step to determine org ational change. Hence, public zation that avoids to sett specific goals will not implement good governance successfully.

In AusAID project, the funding system is reimbursement. So that, PDAM had to finish installing wastewater pipes before submission the reimbursement (Figure 1). From this project, PDAM had installed 1.500 wastewater pipes in 2010-2011. PDAM obviously achieved project target successfully. Reimbursement funding system might influence implementation of wastewater management project. Because PDAM only would be paid for wastewater pipes that had been installed. It means that if PDAM installs 1.300 wastewater pipes, then PDAM will be paid only for installing 1.300 wastewater pipes.

Furthermore, AusAID project funding system was based on PDAM achievement.

Figure 1 also shows reimbursement process of AusAID project. Even though, wastewater pipes installed, Directorate General of Cipta Karya would verify it before give recommendation of reimbursement to ministry of finance. In other words, AusAID project has some steps to be trough before the disbursement of funds. Other than that, considering development plan proposal and its implementation was implemented in AusAID project. Local government was forced to be more accountable within this project And basically, good governance requires local go accountability to improve service delivery (Aol

This paper topics in go public aratio. Good some cons topi such accountability, eness, Gisselquist & Resnick, ability of would lead to better ence. It is also a focus of onor since the late 1990 (Repucci, Hence, within **AusAID** project forced local government to be accountable. Accountability comes to be a critical issue in government reform that has to be considered. It could be created by implementation of reward and

punishment system in public organization (Hong, 2016). Which is based on employee performance.

In local government project, the funding system is very different. AusAID project offered reimbursement system was based on the achievement. In of considering achiev government offered to project at obviously the posite funding_ funding sten stead finished projec ater pipes, local ent fu project even roject had not done yet. In when t this influences local cas performance. Since ament gov ther vas no specific goal to be ed. then local government funded project at the beginning, these made it further from good governance.

Reimbursement system might be the corruption control in a project. So that, negative behaviors from bureaucrats could be handled. Fighting corruption is one of aims of foreign aid (Frot, 2014). Hence, AusAID implemented reimbursement system wastewater project. Furthermore, donor policies might influence the of aid effectiveness project (Dalgaard, 2008). Even in this case, AusAID project run effectively, PDAM could achieve the target for installing 1.500 wastewater pipes in Bandung municipality. It proves that AusAID policies –reimbursement

system and goal setting- led to an effective wastewater project.

Other than that, this paper also proves that reimbursement funding system made wastewater project run efficiently. Efficiency is also an important topic in good governance. The aim of decentralization implementation is making public delivery efficient service more (Saito, 2008, p. 32). Unfortunately, this project revealed that local government project run inefficiently. Table 2 proves that budget allocation of AusAID project is more efficient.

Basically, allocating resources has to be based on results or achievements of projects (Poister 2003, p. 11). In this case, PDAM has to allocate resources for increasing wastewater service delivery but PDAM does not have a target to be achie Hence, PDAM resources clear gove reason of int 1a e is no for was oject. N targe make spec will unclear. reso will drive it

r, controlling system next difference from vastewater project. Within AusAID there ect. was a personal consultant from Indonesia Infrastructure Initiative (IndII) Facility. It had authority to control all of activities during AusAID wastewater project. It ensured AusAID project running effectively.

Controlling system is also important part to create good governance (Mcnabb, 2009, p. 193). degree The of control might influence all ofactivities organization (Osborne & Brown, 2005, p. 84). Hence, within project, controlling system be critical topic.

Control of institution to avoid corr aba in project. Cont ing ive. At AusAID roje cas ef t helped least. efficiently. Even ed an immature it also` of local government. bureau Without essistance of personal **I**tant during the project, cope effi and effectiveness vater project might not be created. Immature bureaucrat is one of several reasons for decentralization failure in Indonesia. In public service delivery reform, immature bureaucrat is a challenge that could not be avoided. And controlling system might help organization to face that challenge.

In contrast for local government project, there was no personal consultant. The controlling system was authority of local legislature (DPRD) Bandung. It is typical of government organization to be controlled by legislative (Mcnabb, 2009, p. 94). All of PDAM activities including budget allocation are according to DPRD regulation. Hence, needs **DPRD PDAM** approval for water and wastewater

plan development in Bandung municipality. For local government project, PDAM has flexibility to wastewater and manage water development in plan Bandung municipality. However, the final decision is still involving DPRD decision.

Controlling model for local government project is making annual reports to DPRD. In this case, that model did not drive to effective and efficient project successfully. Models AusAID project and local government project are literally different. As mentioned before, the funding system AusAID project was reimbursement system. It could be one of controlling model that had been chosen by AusAID to control a project. Within AusAID controlling system was bigg annual reports. inv central govern recto General of C verifying t oject. local more acco able and sparent.

Implementing decentralization realization central government gives lexically for lead government to deliver public service. But this paper that decentralization applementation still needs control of emergence of immature bureaucrats case. Flexibility is given for making public service delivery efficiently. But for this case, flexibility did not work as well as the expectation. This paper reveals that instead of making

project more efficient, flexibility drove to inefficient wastewater project. Even though, Indonesia implements decentralization government, central government control of local government activities is still needed.

Controlling vill system determine a transpar government (Lindert & 2010, p. 21). provide good overn 2010, 18). m of tion decen in iving to greater bility transparency of local rnment. In this case, things creating require a supportive controlling system. Cor lling system aims to monitor nake correction of project activities (Wagner III & Hollenbeck, 2010, p. 16). Comparing AusAID project with local government project shows that there is immature bureaucrat in Bandung municipality because of the fragile administrative. Hence, choosing best controlling system is needed.

CONCLUSSION ANDRECOMMEDATION

Basically, the aim of all government activities is improving public service delivery and creating good governance. This paper reveals that creating good governance in local government might face some challenges such as immature bureaucrats because of the fragile administrative. Furthermore, it

identifies some factor for avoiding the fragile administrative by learning from wastewater project in Bandung municipality:

- 1. Setting specific goals to be achieved, it will help to determine performance measurement and budget allocation clearly.
- Funding system based on result, it will increase accountability of local government. It also could be corruption control within a project.
- 3. Tight controlling system, it will lead to transparency government. Involvement of central government is also needed.

In this case, those influence the achieva of pi Moreover, those efficiency AusAID p This for run local some efficiently. gov rent within nistrative oject reveals an efficient local government AID administrative might lead to an efficient of local government.

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