V.2. Brief Description on Five Proposed City's Best Practice

Concerning major institutions and their Best Practice related program, it seems that particular institutions mentioned in the assessment are partly documenting the same programs. This report will promote selected best practice of Indonesian city governments.

Best Practice 1: E-Government as the Breakthrough to Enhance Government Performance and Services
City of Yogyakarta, Indonesia

The implementation of a reliable, integrated and user friendly information management system is viewed as a necessary response within the current era of transparency. The awareness of the high demand to fast, measurable, and transparent services as part of good governance mechanism, has led to an initiative of Herry Zudianto, Mayor of Yogyakarta City to develop a local management information system (system informasi manajemen daerah/ "simda") containing an e-government approach. Therefore, in 2002 Yogyakarta developed a strategy and established a joint cooperation with a local university for developing a "simda" master plan. This endeavor was further supported by an international agency (Swiss Contact) that also gave assistance in the areas of socialization, coordination and training.

The results are better quality services rendered to the public as well as increased performance of local offices that may be described as follows:

- The public is now able to deliver information, suggestions, and complaints via the sms- hotline 2740.
- The public can access information regarding services, procedures, costs, and other requirements of permit services through the call center +62-274-290274 and/or other government related information through www.jogja.go.id.
- An undertaking of research (polling) utilizing SMS-line Jogja 2740 by the government
- The establishment of a Complaint and Information Services Unit (referred as to UPIK/ Unit Pelayanan Informasi dan Keluhan) that can be accessed directly or by using other communication media
- The local government has developed several websites comprising sectoral information, such as street light, local council, investment, tourism, general information, education, local regulation. These websites provide a mechanism for accommodating public complaints and encouraging interactive communication with the public.
- The introduction of a computerized one stop service includes downloadable forms of any permit.

The hard efforts of Yogyakarta in carrying out the E-Government program have been well appreciated by many external parties. In September 2005, the Warta Ekonomi magazine awarded Mayor Herry Zudianto for the significant achievements in his municipality. In 2006, Apeksi also documented this program in its third edition of Best Practice Documentation.

Best Practice 2: Peoples' Oriented Approach in rearranging Traditional Market and Street Vendors for a more Livable City.
City of Solo/ Surakarta, Indonesia

The total number of street vendors has increased since the economic crisis of 1998. Past efforts to relocate the street vendors always failed and often ended with conflicts between the local government and the street vendors. In 2006 there were 5,817 street vendors, mostly from the surrounding area and provinces. These vendors occupied sidewalks and public spaces and could be seen on almost every street corner. The street vendors disrupted traffic and were considered an eyesore to the city. Their waste also polluted the city.

Monument 45 Banjarsari, a historical park was the first site for the street vendor management program. The plan was to relocate the 989 street vendors occupying the park to a new marketplace in Kithilan, Semanggi. This place was chosen after several meetings held by the government officials together with representatives from NGOs and street vendors. Approaching street vendors, reaching an agreement and in particular earning the trust of street vendors required a high level of coordination and engagement. The process was led by the Mayor, who opened his official residence as a meeting place for discussions among stakeholders.

After 54 meetings between the Mayor and street vendors representing nine traditional associations, an agreement was signed. A traditional procession of street vendors (referred as to "kirab") symbolized the move to the new marketplace and that the government is standing next to its citizens.

The objectives of the program comprised the re-establishment of the area to its original function as public space so that it can be enjoyed by citizens as well as the creation of a suitable environment for street vendors that would improve their livelihood.

The four strategies adopted in the program were to: a) build better communication amongst stakeholders, b) create a more strategic space for street vendors including provisional of umbrella-tents and carts and modified shelters, c) provide legal status to the street vendors' businesses and d) train street vendors on how to manage and expand their businesses.

The necessary budget for this initiative was raised by the municipality and voluntary contributions of the street vendors. Supporting technical assistance was provided by the local lead university and related government officials which consists of parking division, street vendor division, city planning division, and public markets authority who were involved intensively in planning, designing, budgeting, and coordinating the initiative. A three months research was conducted to obtain a picture of the street vendors' behavior and ability, the best design for the relocation of the place and the kind of needed training. The local parliament was also involved and in particular gave suggestions on social investment strategy and two-way consultative approach as to minimize the possibility of social conflict.

The most significant pre-condition to pave the way of success of this initiative was the emergence of trust and acceptance on behalf of the citizens, in particular the informal sector. The government's inclusive approach has provided opportunities for local stakeholders to participate in the decision-making with regards to the livelihood of the informal sector. Street vendors hopefully will no longer be an eyesore. They now have a better place to work, not only at the Semanggi Market Place (where the automotive vendors have been able to increase their revenue by 200%- 400%), but also at the clusters provided along major streets and the Solo City Walk. The new vendor carts are more attractive and create a unique traditional atmosphere for citizens and tourists.

The city has been able to increase revenues from street vendors as well. The program has led to an increase of the number of taxpayers and retribution income rates from small businesses.
In addition, the public has been able to gain back the Monjari urban park. New trees were planted, areas for children to play were built and the public can enjoy a greener and fresher environment. The city has benefited not only from higher revenues, but also from the development towards a more beautiful and livable city.

Best Practice 3: Increasing the Local Investment and Public Services through Setting up One Stop Service City of Cimahi, Indonesia.

The City of Cimahi with its limited natural resources is highly dependent on the service sectors. The biggest contribution of the economic sector is the processing industry besides many other service sectors. The growth of these sectors is closely correlated to the number of licenses being issued.

The outset situation regarding the licensing services in the City of Cimahi was not conducive. Existing practices and features were characterized by convoluted and non-transparent procedures, uncertain costs due to illegal levies, rampant government apparatus and society, and inefficiency of time, costs, human resources, equipment and infrastructure. Another disturbing practice was the handling of licensing to be performed separately in different departments. At the same time, a clear and comprehensive regulation to enable the community in obtaining easy access to licensing services was lacking.

Under the firm leadership of Mayor of Cimahi, Ir. H.M. Ithoc Tochija, MM who also had to cope with the sluggish economic growth, necessary changes were commenced. In 2002, the City Government of Cimahi started to stem up efforts in creating an appropriate licensing service by applying the good governance principles in providing public service. Such efforts were seen by the formation of the Secretariat of Public Service through setting up a One Stop Service (OSS).

The OSS embryo is located in the Investment Office which has been in operation since November 2004. The OSS office began to manage 11 types of licenses out of 95 existing licenses, while the remaining 84 types of license are still managed by the respective or other work units.

In order to establish the OSS facility, various activities were conducted, such as comparative studies to other districts that have successfully implemented OSS partnership (PPP) along with good governance practices. Cooperation with the B-Trust was signed on September 5, 2006, to improve services through improved licensing system, institutional mechanism and integrated one-stop licensing, simplification of regulations and requirements and increased transparency, accountability and certainty of cost and time. This process involved all relevant stakeholders including the local parliament of Cimahi. The Cimahi OSS facility was inaugurated on March 7, 2007.

The types of licenses that have been issued by Cimahi OSS increased from 11 types of licenses in 2004 to 66 types of licenses in 2009. Realization of licensing and other general services have increased from 2776 applicants in 2007 to 4053 applicants in 2008. The total number of permits issued also increased from

2275 in 2007 to 3678 permits in 2008. Revenues from the levy permit fees were accordingly grew from Rp. 1.856.987.129, - in the year 2007 to Rp. 3.368.465.317, - in the year 2008.

With the motto "Fast, Easy and Transparent", OSS Cimahi has a positive impact on improving business and investment, especially for Small and Medium Enterprises (SMEs). During the year 2007, it has issued licenses for 284 new companies that absorbed an investment of Rp. 312,399,870,080, - and in 2008, issued permits amounted to 479 new companies with a total investment of Rp. 477,287,293,700, -.

Various awards have been obtained by the Government of Cimahi, such as:
1.   In 2007, Charter Award from the Governor of West Java to the Mayor Cimahi as Head of local government who established the Integrated Service Commitment of One Stop Service.
2.   Investment Award from the President of the Republic of Indonesia as the Nomination Cities of One Stop Integrated Service of the Year 2007;
3.   Charter Award from the Governor of West Java for the Integrated One Stop Service Cimahi as a working unit of Public Services performers in West Java province in 2008;
4.   The trophy of Prime Services from the President of the Republic of Indonesia, as a Very Good Public Service Unit Performance in Year 2008.

Best Practice 4: <u>Establishment of HRIS within Bureaucracy Reform framework</u>
                    <u>City of Blitar, Indonesia</u>

In 2000, in his early years as Mayor of Blitar, Djarot Saiful Hidayat has assessed some weaknesses in the personnel management system in Blitar. The manual operation of the personnel records was viewed as a major shortcoming. This modus caused difficulties in getting fast and accurate staff data, managing employees, determining the needs and qualifications of staff, and implementing a civil service merit system.

Since 2001, the Blitar City government has a vision for realizing bureaucracy reform along its vision "professionalism of Blitar government apparatus by 2010". To achieve given objectives, the city government developed a Human Resource Information System called SIAP (Information System of Personnel Administration/ Sistem Informasi Administrasi Pegawai) as to support civil service reform comprising recruitment, education and training, promotion, remuneration and pensions of personnel.

SIAP is an integrated personnel information system for the city of Blitar. SIAP is an online web-based system that can integrate the network among local institutions, such as the Regional Personnel Administration Center with all other agencies under the authority of Blitar City dealing with personnel matters. SIAP was designed to provide detailed staff data online. Every single employee can perform the update / renewal of personal data online, safely and quickly. The objective is that every employee data will be presented in an accurate and reliable manner.

SIAP was built to support the Regional Employment Agency's (referred to as BKD) functions, particularly in providing services to all employees. SIAP also supports the "designation bureau" (referred as to Baperjakat) on preparing lists of promotion, structural position, pension and other employee data. SIAP is able to provide information to staff that has been proposed to receive awards and participate in capacity development activities. Through SIAP, career paths of all employees in the Government of Blitar City can be monitored properly.

Through this integrated, timeless and reliable personnel system, carrier development of staff can be systematically pursued which in turn helps the local government in building up a professional apparatus with improved performance on providing services to their community.

In 2001 the City announced a tender to invite third parties for implementing the IT-based SIAP system. As part of the tendering procedure, the Blitar government required the transfer of knowledge from tendering parties to their staff during the period 2002 to 2004. By 2005 the local government staff was then able to manage and develop SIAP programs by themselves.

The government agency BKD also recruited civil servants with IT background who were further coached by a third party on program management and development. Since 2005 the designated staff has been able to even develop some SIAP new applications according to arising needs and customize it with the necessary regulations.

The City of Blitar has been conducting an internal socialization and training SIAP application for all of their staff. The target is that each staff is able to update/ renew his/her personal data online safely and timely and corresponding data will be presented in an accurate and reliable manner. Furthermore, each staff

can also access information on opportunities to participate in training or education held by the city government

Achieved results are:
- BKD can provide staff data/ mapping for the entire personnel employees (permanent and temporary staff) employed by the Blitar Government in an accurate and reliable manner. In terms of staff recruitment, BKD is able to find out the needs of hiring (both number and competency of civil servants and temporary employees) for the next 5 years.
- Technically, BKD can determine and set the training activities for their employees each year through the training cycle. The cycle consists of planning process (Training Needs Analysis), and implementation and evaluation (Training Impact Evaluation) of training. Through this cycle, the staff training process becomes a sustainable activity.
- With the availability of accurate data on employee competencies comprising working period, employee discipline, employment history, educational status, participation in training, violations, and awards, it is possible to ensure a smooth progress of promotion, prepare employee payrolls and apply a performance-based merit system.
- SIAP also helps to make decision on personnel rotation, replacement and pension plans in accordance with existing regulations.

Best Practice 5: Application of ISO 9001 :2000 in Demography Service
                           City of Balikpapan, Indonesia

Since the begining of the decentralization era, the Government of Balikpapan City has been enhancing the quality of public services. In 2001, the new program on demography administration started with a system differentiating between citizens identity for permanent and temporary residence. It was a strategy to control population growth that mainly derived from migration, a major cause of existing social problems.

At that time, Balikpapan did not have any accurate database of citizens that could be used for the purpose of local program planning. The given partcice of enactment of a citizen identity card had a lot of weaknesses, for instance a person could hold more than one identity cards.

Then, the Government Balikpapan stipulated a new policy to improve the demography management. These policies include:
- To enact temporary identity for influx migrants.
- To give citizens an option to determine the time and associated tariff for processing the identity card which range from 3 hours to 12 days.
- Free identity cards for poor people.
- Citizens must go to the district office by themselves, especially to take photographs.
- The respective office will get a penalty for any delay in processing cards.
- The online system was enacted among local government offices at various levels.

Undertaken efforts were quite successful to counter negative opinions that handling of administrative affairs by government offices was complicated, uncertain in terms of time, non-transparent and based on a culture of corruption, collusion and nepotism.

Through the development of an accurate data bank, the Government Balikpapan was able to develop local programs with proper targets. The established data base system categorizes citizens along certain parameters in particular areas.
Since 2008, Balikpapan has implemented ISO 9001:2000 within demography services which resulted in a timely measurement of the process.

The achieved results are:
- In 2008, the administration was successful in issuing 42.046 citizens identity cards out of 42.084 applications within proper time.
- The number of customer complaints was only 0,18 % or 76 cases when compared to 42.084 applicants.
- The auditor did not state any major deviation or failure of the management.
- Increased efficiency and effectiveness due improved procedures and allocation or placement of personnel.