



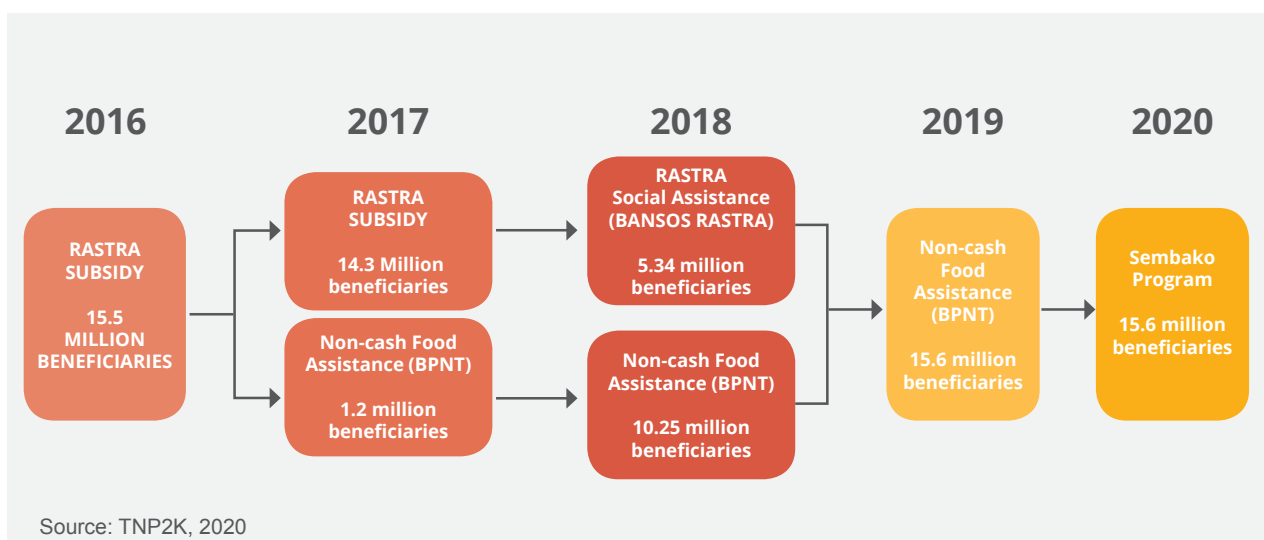
BRIEF OF SEMBAKO PROGRAM



Photo: MAHKOTA/Rachma Safitri, 2018

Background

In order to enhance the effectiveness and accuracy in the distribution of social assistance as well as to promote inclusive finance, the president of the Republic of Indonesia has instructed that social assistances and subsidies must be distributed in non-cash form. The previous food subsidy program, namely Rastra Subsidy, had been transformed into non-cash food assistance (BPNT) in 2017 in 44 selected cities. At the end of 2019, Food Social Assistance program in all regencies/cities was implemented by using a non-cash scheme or by implementing BPNT program using electronic cards directly to the beneficiaries. BPNT was distributed to beneficiaries through the banking system, which could be used subsequently for buying rice and/or eggs from e-Warong, allowing beneficiaries to have more balanced nutrition.



In 2020, Non-Cash Food Assistance (BNPT) Program was further transformed into the Sembako Program, in order to strengthen social protection and improve the effectiveness of food social assistance programs. By launching the Sembako program, the index of assistance would be increased and the types of commodity that can be acquired are expanded, so as not only cover rice and eggs as the case was with the BNPT program. This constitutes the Government's effort to provide access for the beneficiaries to different staple food with different nutrition.

Objectives of the Program

The Sembako program is aimed at: (a) Reducing the burden of expenditures for beneficiaries in fulfilling some of their food requirement; (b) Providing more balanced nutrition for beneficiaries; (c) Enhancing accuracy with regard to the targeted beneficiaries, timeframe, amount, prices, quality, and administration; and (d) Giving options and control to beneficiaries in fulfilling their needs of food.

Benefits of the Program

The benefits of Sembako program are; (a) Improved food resilience at the beneficiaries level, which at the same time applies as a **mechanism of social protection and poverty alleviation**; (b) **Improved efficiency in the distribution of social assistance**; (c) Improved public access to financial and banking services; (d) Improved use of non-cash transactions in the agenda of the National Non-Cash Movement (GNNT); (f) Improved economic growth in regions, especially micro and small-scale trading businesses; and (g) In the long run, preventing the occurrence of stunting by fulfilling the needs of nutrition during the First 1000 Days of Life (HPK).

Main Principles of the Program

The main principles of Sembako program are as follows: (a) Giving options and control to beneficiaries to determine the time of purchasing, amount, types, quality, prices of foodstuff and e-Warong; (b) Beneficiaries are able to use assistance funds from Sembako program at the closest e-Warong; (c) E-Warong does not bundle foodstuff, namely selling foodstuff the types and amounts of which are determined unilaterally by e-Warong or other parties, leaving beneficiaries with no option; (d) E-Warong can buy supplies of foodstuff from various sources by considering the availability of foodstuff supplies for beneficiaries in sustainable manner and in a competitive quality and prices for beneficiaries; (e) The Bank is assigned only to distribute assistance funds to beneficiaries' accounts rather than distributing foodstuff to beneficiaries, and does not order any foodstuff; (f) Encouraging people's retail businesses to obtain customers and increased income by serving beneficiaries; (g) Giving access to financial services to people's retail businesses and beneficiaries; and (h) The Central and Regional Governments supervise the implementation of the Sembako program in accordance with the applicable general guidelines and technical instructions.

Amount of the Program Benefit

Sembako Program is a food social assistance in the amount of Rp150,000/beneficiary/month, which is distributed in a non-cash manner by the Government to Beneficiary Families every month through a mechanism of electronic money. Assistance funds from the Sembako Program may only be used for buying foodstuff as designated for the Sembako Program at e-Warong and cannot be withdrawn in the form of cash money.

Payment instrument used for distributing the Sembako Program is the Prosperous Family Card (KKS) which has the function as electronic money so that beneficiaries must bring it when they intend to use the assistance funds from the Program at e-Warong.

Types of the Program's Commodity

Beneficiaries are **allowed** to buy the following foodstuff by using the fund from the Sembako Program at an e-Warong:

- **Sources of carbohydrate:** rice or other local food such as corn kernels and sago;
- **Sources of animal protein:** eggs, beef, chicken and fresh fish;
- **Sources of vegetable protein:** beans, including tempeh and tofu;
- **Sources of vitamins and minerals:** vegetables and fruits.

The provision of nutrition from the aforementioned foodstuff will be useful to support the Stunting Prevention Program.

Targeted Beneficiaries of the Program

The targeted beneficiaries of the Sembako Program are families of the lowest social economic condition in the implementing regions (regencies/cities) in accordance with the allocations made by the Government, and whose names are included in the List of Family Beneficiaries (KPM) issued by the Ministry of Social Affairs. The list of Family Beneficiaries for the Sembako Program is prepared from the **Integrated Data of Social Welfare (DTKS) that has been verified and validated by Regional Governments.**

E-Warong as Distributor of Program Benefits

The definition of e-Warong under Presidential Regulation No. 63/2017 is a bank agent, merchant and/or other parties having established cooperation with the Bank and designated as a point of social assistance withdrawal/purchase by beneficiaries, namely (a) Small, Micro Businesses and Cooperatives; (b) Traditional Market, stall, grocery store; (c) E-Warong KUBE; (d) Village Warong; (e) Rumah Pangan Kita; (e) Toko Tani and (f) Laku Pandai Agent and others.

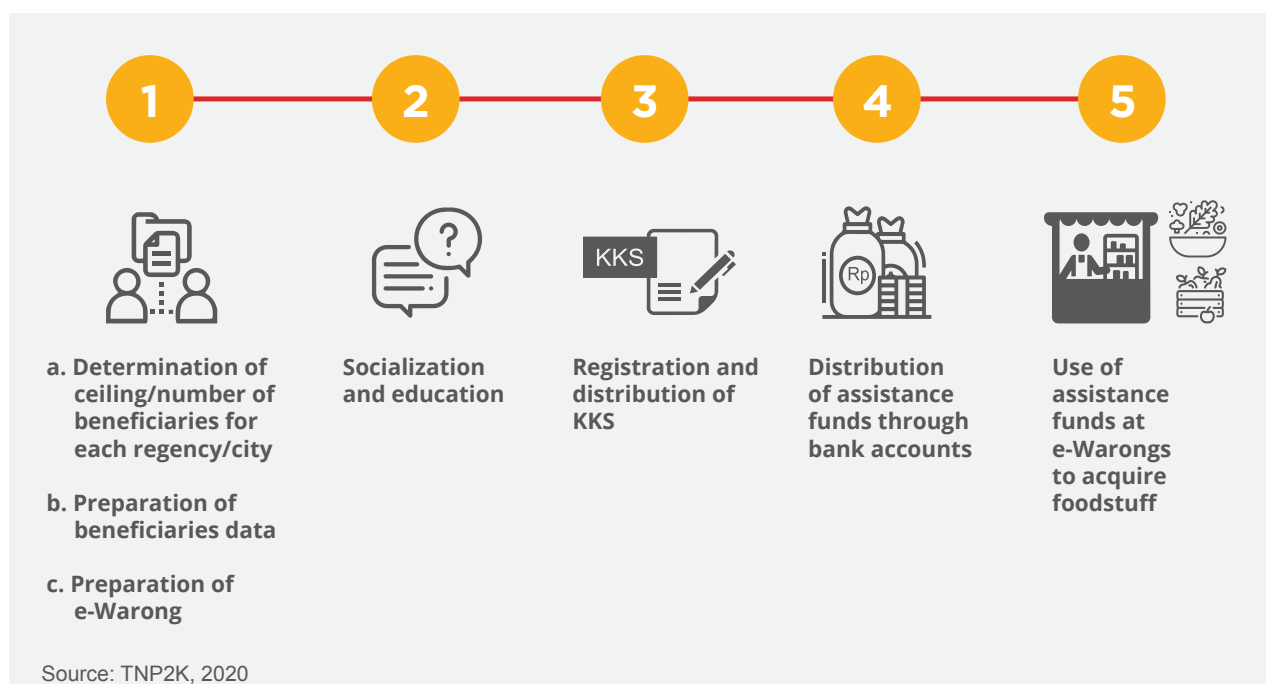
Bank along with Regency/City Government and Food Social Assistance Implementing Units at the regional **level identify existing bank agents, shops/warongs, local staple food sellers eligible** to become distributing e-Warong of Sembako Program. The designation of e-Warong is the full authority of the Bank with due consideration of various criteria. The number of e-Warong is to be adjusted to the number and spread of beneficiaries in each village.

Bank provides EDC for each e-Warong. Furthermore, e-Warongs are not required to provide all types of foodstuff, but **they must at least provide source of carbohydrate, source of animal protein, and 1 other type of foodstuff (source of vegetable protein or source of vitamins and minerals)**. E-Warongs are not allowed to sell foodstuff in a bundle, namely selling foodstuff which types and amounts are determined unilaterally by e-Warong or other parties, leaving beneficiaries with no option.

E-Warong must also have high level of commitment in providing special services for old beneficiaries and beneficiaries with disabilities. State-owned Enterprises, Village-owned Enterprises as well as their business units are not allowed to become e-Warong to serve the Sembako Program. In addition, civil servants, individual or group Implementing Units of Sembako Program in the form of business entities are not allowed to become suppliers or distributors.

E-Warong violating or failing to comply with those provisions will be subject to revocation of distribution permit for serving the Sembako Program by the Bank.

Implementing Mechanism of the Program



Preparation Phase

This is implemented by preparing the Ceiling/number of Beneficiaries of Sembako Program at the Provincial and Regency/City levels as well data of Beneficiaries (List of Beneficiaries) stipulated by the Ministry of Social Affairs. Data of Beneficiaries is prepared by Regency/City Government and submitted to the Ministry of Social Affairs through the Social Welfare Information System (SIKS), which can be accessed at <http://siks.kemsos.go.id/>. For regions **not conducting data verification and validation, beneficiaries data to be used is data existing in** Integrated Data of Social Welfare managed by the Ministry of Social Affairs. Furthermore, this phase also includes the preparation of e-Warongs (distributors of the Sembako Program) by the bank upon meeting the criteria set out in the General Guidelines of the Sembako Program.

Socialization and Education Phase

The education implementing team of the Sembako Program (including among others: Central/Provincial/Regency/City Food Social Assistance Coordinating Teams, Social Facilitators, regional government officials, as well as Bank) uses various media, such as: coordinating meetings, general guidelines and technical instructions, circular letters of the relevant ministries/agencies, and posters/brochures. The targets of the education and socialization activities of the Sembako Program include Central/Provincial/Regency/City Food Social Assistance Coordinating Teams, Social Facilitators, village administration officials, beneficiaries, and e-Warongs.

Socialization and education activities are implemented in order to provide understanding to the general public, especially beneficiaries, regarding the objectives, mechanism of utilization, and grievance procedures of the Sembako Program as well as to generate comprehension among beneficiaries as to the importance of the fulfillment of nutritional needs at 1000 HPK to prevent stunting by using the assistance from the Sembako Program. Socialization and education are also provided for e-Warongs so that they are able to provide services in the utilization of assistance from the Sembako Program. Stickers with special logo are placed at e-Warongs, the places where beneficiaries can buy foodstuff, as special signs.

Registration/KKS Distribution Phase

Bank conducts the registration or account opening activities collectively based on data of beneficiaries provided and stipulated by the Ministry of Social Affairs. The Bank, with assistance from Regency/City Governments and Social Facilitators, distributes KKS cards and other necessary documents to beneficiaries whose accounts have been opened. During the registration/KKS distribution process, prospective beneficiaries are to bring their identification documents for document verification prior to the distribution of KKS cards.

At the time of registration, the bank also provides information for beneficiaries regarding the accessible locations of e-Warongs and asks beneficiaries to check the KKS balance at e-Warong. If there is any inconsistency in the beneficiaries data (such as typographic error in the writing name, NIK or address) during the registration, the beneficiaries concerned must provide additional documents in the form of statement letter from the relevant village.

Distribution Phase

The transfer of assistance funds from the Sembako Program to the accounts of beneficiaries is scheduled to be conducted on the 10th day each month.

Utilization Phase

Beneficiaries purchase foodstuff at e-Warongs by using KKS. They are entitled to select the closest e-Warong for spending the fund obtained from the Sembako Program, without any coercion from any party. They may determine the type and amount of foodstuff to be purchased in accordance with the provisions of the Sembako Program. Beneficiaries must use the entire amount of assistance fund received from the Sembako Program.

Replacement of Beneficiaries

Replacement of beneficiaries of the Sembako Program can be conducted at any time whenever there is any change of data through the mechanism of village deliberations or other designations. Change of beneficiary data may be in the form of replacement of beneficiary, proposal of new beneficiary, and correction of beneficiary data. Replacement of beneficiaries may be conducted in the following events:

- a. their whereabouts is unknown;
- b. they pass away;
- c. they are no longer underprivileged;
- d. they refuse to receive assistance; or
- e. they have double registrations.

Those proposed to become new beneficiaries or replacement beneficiaries are families from Integrated Data of Social Welfare deemed appropriate based on the results of village deliberations. The change of beneficiary data is to be approved by the Regent/Mayor and inputted to SIKS-NG application.

Public Complaint Services

Complaints related to the Sembako Program are managed by using LAPOR (*Layanan Aspirasi dan Pengaduan Online Rakyat/Masyarakat*) application managed and developed by the Ministry of Administrative and Bureaucratic Reform (Kemen-PAN&RB), Office of Presidential Staff (KSP), and Ombudsman of the Republic of Indonesia, as a channel for public participation in the supervision of development and public services in Indonesia. The Ministry of Home Affairs (Kemendagri) coordinates the entire complaint management activities in the Sembako Program.

Complaints related to the Sembako Program may be submitted via:

1. SMS to 1708
2. Website: www.lapor.go.id
3. Fac-to-Face consultation with:
 - a) Food Social Assistance Implementing Units
 - b) Regency/City Food Social Assistance Coordinating Team
 - c) Provincial Food Social Assistance Coordinating Team
 - d) Branch Office or Work Unit of the Bank
 - e) Joint Secretariat of the Integrated Referral Service System (SLRT) at regency/city level or Social Welfare Center (Puskesmas) at village level

In addition to LAPOR, in the event of any problem such as broken/damaged/lost KKS cards or blocked account or loss of balance, beneficiaries shall report such problem to the local Social Affairs Service Office or the Distributing Bank through Social Facilitators by providing the necessary supporting documents.



Photo: Ministry of Social Affairs Republic of Indonesia, 2019

