STATISTICAL SYSTEM IN INDONESIA: CHALLENGES AND PROSPECTS

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A. INTRODUCTION

In Indonesia, statistical affairs were first founded in 1920 during Dutch colonial era. However, its operation was limited to simple statistics, such as registering agricultural products and prices. The activities were expanded in 1930 when the law on Population Census was issued and in 1934 when the law on Statistics was issued. After independence, the statistical office was strengthened with the issuance of Law No. 6 and No. 7 on (Census and Statistics) in the year of 1960 that guarantees the formation of national statistical office named Biro Pusat Statistik or the Central Bureau of Statistics. In 1997, it was considered that the laws on statistics and census were no longer suitable for the improvement of the situation as there were already growing needs to fulfill public demands in providing appropriate statistics for national development. Consequently, the legal basis of the office was strengthened again by Law No. 16 of 1997 on Statistics and the office's name was changed into Badan Pusat Statistik or BPS-Statistics Indonesia (henceforth BPS).

BPS is committed to continuously provide more comprehensive, accurate, user-oriented, and up-to-date statistical data, which are collected through censuses, surveys or compiled from administrative records of government ministries and agencies. Nevertheless, the responsibility of BPS does not end there. The gap between producers of statistics, mainly compiled by BPS, and users should be bridged by improving interaction and communication between both. In addition, BPS must also adapt to the increasingly changing environment within Indonesia.

The objective of this paper is to describe the national statistical system of Indonesia, as well as challenges and prospects facing the institution at present and the future. In explaining the national statistical system, the paper describes the institutional, legal, planning and resources aspects of the system. Consequently, the paper also explains the challenges faced by BPS in an ever-changing environment caused by the continuing process of democratization and decentralization of the country.

B. INSTITUTIONAL ASPECTS

1. The National Statistical System (NSS)

According to BPS Director General Decree Number 5/2000, the National Statistical System (NSS) is an institution consisting of parts that include statistical data requests, resources, methods, infrastructures, science and technology, legislation, and advice from the Community Forum for Statistics which are linked together to form a complete system of statistical undertakings. The structure of the National Statistical System is presented on *the Figure 1*. In this system, BPS acts as a leading agency and coordinator of statistical activities and clearinghouse for statistical products, so that it is responsible for making sure that all data are easily accessible to the public.

The objectives of creating National Statistical System, among others, are: to optimize the available resources used by the undertakers of statistical activities, to avoid duplication of statistical undertakings by the statistical undertakers, to create a reliable, effective, and efficient National Statistical System.

To realize the goals of the National Statistical System, it is very important that coordination and cooperation illustrated in Figure 1 on NSS and also mentioned in the Law Number 16/1997 on Statistics be developed between the BPS and other government institutions, non-government institutions, organizations, individuals, and/or other parts of the community. Inter-agency coordination and cooperation and initiatives of statistical undertakings have become the responsibility of the BPS as the leading agency.

BPS has done a lot of efforts to increase its performance in producing disseminating various socio-economic data. The performance is not only dependent on internal factors but also on external factors. To improve BPS performance, consequently, both data producers and data users have to have positive attitudes regarding the advantages of statistical data. Therefore, communication between producers and users should be regularly done through meetings, seminars, or training.

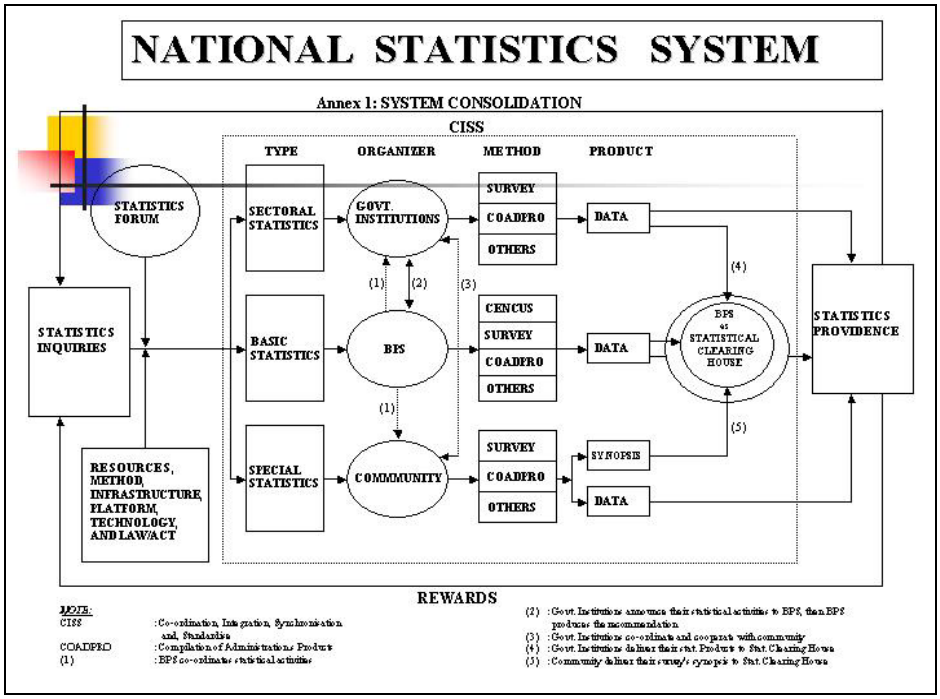
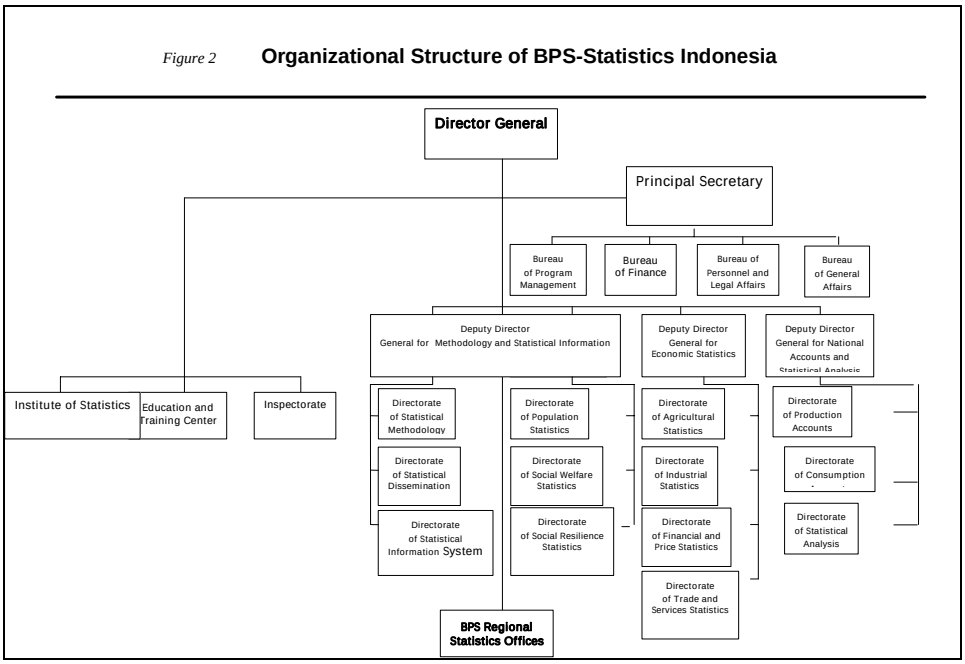


Figure 1. The National Statistics System

2. The Organization of BPS-Statistics Indonesia (National Level)

BPS-Statistics Indonesia, is a Non-Departmental Government Institution under the directives of and responsible to the President. Thus BPS is independently producing statistical data. The organizational structure of BPS-Statistics Indonesia (Central Office) is illustrated in *Figure 2*.



The organizational structure of BPS (central office) is based on Presidential Degree No. 178/2000 and BPS Director General Decree No. 001/2001. According to the Decree, BPS is headed by one Director General who is responsible for implementing all BPS programs, in accordance with the existing regulations and statutes, for formulating national policy and general policy relevant with the duty of BPS, for the determination of technical, operational policy of BPS tasks, as well as for setting up the conditions of cooperation with other institutions and organizations. The Director General is assisted by a Principal Secretary and four Deputy Director Generals.

In addition to the Principal Secretary and four Deputy Director Generals, there are three other components, i.e., an inspectorate which is responsible for internal auditing in BPS, an Education and Training Center (ETC) which is responsible for the implementation of education and training in the field of computer, statistics, and education and training of functional and leadership qualities, and the Institute of Statistics, abbreviated as STIS with the aim of producing professional statisticians. STIS-D-IV (four-year diploma) program has two majors, namely, Statistics and Statistical Computation and STIS operates directly under the Director General of the BPS. Students at the institution are required to study for 4 years or 8 semesters.

2. BPS Vision and Mission

To fulfill its duties and functions, BPS has formulated its vision and mission and objectives.

Vision : Realizing reliable statistical data as national and sub-national information backbone.

Mission:

a. To provide complete, accurate, and up-to date statistical information,
b. To coordinate, integrate, synchronize, and standardize statistical activities to create qualified, effective, and efficient National Statistical System,
c. To improve human resources capability so as they become professional, and capable of dealing with science and information technology of the latest development.

3. The Role/function of BPS-Statistics Indonesia

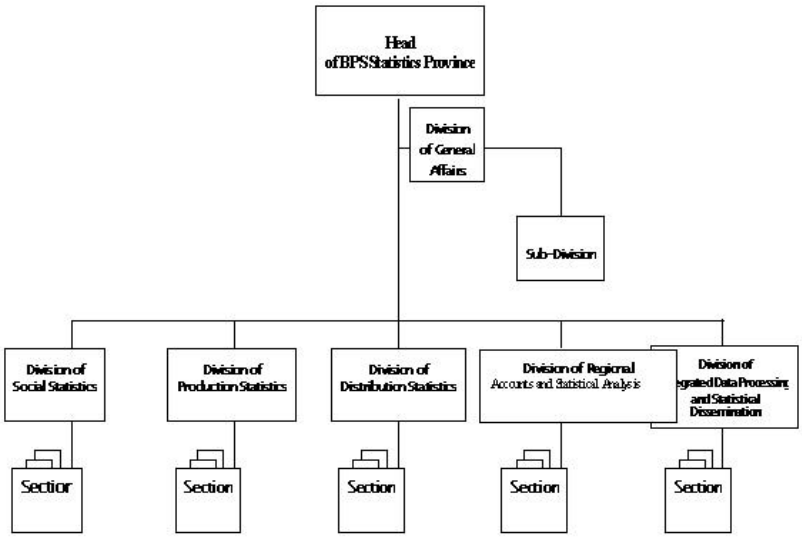
The role and function of BPS, among others, are formulating national policy in the field of statistics, undertaking basic statistics, guiding statistical activities for other government

institutions, directing general administration in the area of planning, general affairs, organization and working system, human resources management, finance, archival matters, equipment, and household affairs of BPS Headquarters Office

4. The Organization of BPS-Statistics Indonesia (Regional Level)

To implement its programs in the regions and to serve statistical needs of provincial and regency/city administrations, BPS is assisted by its representative office located in every province and regency/city, called BPS-Statistics Province and BPS-Statistics Regency/City. By December 2005, there were 33 BPS Provincial Offices, 315 BPS regency offices, 85 BPS city offices and employing about 14 000 staffs. Currently, BPS is in the process of setting up several more regional statistical offices as a result of decentralization. The organizational structure of Regional BPS Statistics is illustrated in Figure 3.

Figure 3 Organization Structure of Provincial Statistics Office



Based on Law Number 16/1997 on Statistics, BPS Regional offices are the vertical representative offices of BPS, meaning that BPS is implementing a centralized statistical system for the nation.

C. Law Number 16/1997 on Statistics

In line with the development progress, situation, public demands, and the needs of national development, *the Law Number 16/1997 on Statistics* was stipulated to replace the old law on statistics (1960 law). Some of the important new materials contained in this law are:

a. According to the purpose for which they are used, compiled statistics are classified into three types, namely, basic statistics (general purpose statistics), sectoral statistics and special statistics.

   General purpose statistics are those utilized for a broad range of purposes (government and community), which have cross-sectoral characteristics, are on a national and macro scale, and which handling will be the responsibility of BPS.

   Sectoral statistics are provided to satisfy the needs of particular/government agencies. Those types of statistics are usually collected as part of administrative by-products of development programs, and therefore their collection is the responsibility of government institutions and the agencies, whether undertaken independently or in cooperation with BPS.

   Special statistics are statistics utilized to fulfill specific needs of business, education, socio-culture, and community interests, carried out by non-government agencies, organizations, individuals, and/or other parts of the community either independently or in cooperation with BPS.

b. The statistics collected by BPS are to be published in the Official Statistics News regularly and transparently so that the public has easy access to necessary data.

c. How to create and develop reliable, effective, and efficient National Statistical System.

d. The establishment of Community Forum for Statistics, which its duties is to advice BPS, and accommodate the aspirations of the statistics community.

D. BPS Current Strategic Planning

1. BPS Strategic Planning

BPS implements a system called "bottom up planning" in formulating strategic planning (medium terms five year planning) or known as *"Renstra"*. While for annual planning, BPS applies two systems namely "top down planning" and bottom up planning". The followings are various changes which are usually being considered in the formulation of BPS' Strategic Planning in the area of statistics development. Firstly, trade and investment liberalization, as

well as changes on the social system will cause the increasing world needs regarding information. As a result, the needs for national and regional statistics data will be increasing significantly. Secondly, the development of technology especially the progress of information technology will bring the impact that information exchange across countries in the world become easier and faster. Thus, it will create more demands and request regarding statistical data. Thirdly, as a result of the implementation of regional autonomy in the regency/city, there are more demands and increasing needs regarding the provision of basic statistical data in the form of small area statistics from regency/city areas, districts, as well as villages. This phenomenon is also in line with the growing awareness to increase public welfare through development progress in its region.

Regarding the system and various changes mentioned above, BPS has two key strategies:

1. How to optimize its resources to match the data needs under various changes and dynamic conditions,
2. How to expand data production as well as improve the quality of the data.

2. BPS Strategic Planning to Meet the Challenges

BPS Strategies for data dissemination are as follows:

1. Improve working relations and open discourses with international institutions (World Bank, UNDP, Unicef, UNFPA, WFP, ILO, UNSD, UN-ESCAP, WTO and others) to guarantee Indonesia's existence in fulfilling international data needs (by providing national data).
2. Improve productive working relationships with other government institutions to find and develop data required by each institution (by focusing on sectoral data).
3. Improve types and quality of data for socio-economic indicators committed by the government, such as MDG indicators, Human Development Index (HID), and others (providing data commitment).
4. Improve quality and objectivity of strategic data, such as inflation, economic growth, unemployment, poverty, rice production, export-import etc. (providing more accurate Strategic data).
5. Periodically and continuously improve data provision to meet the needs of regional governments, down to the lowest administrative level (regency/city), in accordance with data requirements for regional autonomy implementation (strengthening regional data).

6. Improve the capability of BPS in collecting micro data in order to facilitate the government's program implementation, such as registration of poor households as a prerequisite for the direct cash transfer for the poor (producing operational data).

E. CONCLUSION

1. BPS is facing increasing challenges in its quest to provide a complete, accurate, and up-to date statistical information. More importantly, BPS has an additional task of bridging the gap between data producers and consumers. Critics directed at BPS must be addressed and, in the future anticipated, so that BPS can respond accordingly. For instance, more interactions between BPS and data consumers are a must to help bridge the gap.
2. BPS staffs, in particular, staffs at regional offices must increase their capabilities to meet these challenges, such as to produce their own small area statistics for the consumption of local governments. In addition, local BPS personnel must have the capability to convince local governments the importance of statistics in regional planning.
3. Finally, new technologies can also play an important role in obtaining the objectives outlined above. Thus, in addition to maintaining its independence, BPS can move a step closer to realizing its vision by responding to these challenges with a more positive attitude and integrity.

Attachment 1.

BPS Personnel by Age Group

(persons)

Age Group	Organization Unit		Total
	Headquarters	Regional Office	
(1)	(2)	(3)	(4)
<= 20	1	145	146
21-24	11	743	754
25-29	110	1.159	1.269
30-34	259	1.381	1.640
35-39	269	1.701	1.970
40-44	261	1.881	2.142
45-49	331	1.965	2.296
50-54	225	1.217	1.442
55	5	2	7
56	4	1	5
56+	10	3	13
Total	**1.486**	**10.198**	**11.684**

Note : Condition of December 2005

Attachment 2.

BPS Personnel by Education and Sex

Condition December 2005

(Persons)

Education Level	Organization Unit						Headquarters + Regional Office		
	Headquarters			Regional Office					
	Male	Female	Total	Male	Female	Total	Male	Female	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
EL.SCHOOL	40	1	41	123	3	126	163	4	167
YUNIOR H. SCHOOL	24	2	26	105	11	116	129	13	142
SENIOR H.SCHOOL	354	325	679	4.645	1.196	5.841	4.999	1.521	6.520
BACHELOR (3 YEARS)	53	31	84	275	155	430	328	186	514
BACHELOR (4-5 YEARS)	291	196	487	2.409	1.116	3.525	2.700	1.312	4.012
MASTER	102	46	148	133	27	160	235	73	308
PhD	20	1	21	-	-	-	20	1	21
Total	**884**	**602**	**1.486**	**7.690**	**2.508**	**10.198**	**8.574**	**3.110**	**11.684**