



MINISTER OF FINANCE  
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA  
NUMBER 66/PMK.07/2011

CONCERNING

FISCAL AND REGIONAL POVERTY INDEXES IN THE FRAMEWORK OF PLANNING  
THE CENTRAL AND REGIONAL JOINT AFFAIRS FUNDING FOR POVERTY  
ALLEVIATION OF BUDGET YEAR 2012

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE,

Considering : that in order to implement the provisions of Article 7 paragraph (6) of Regulation of the Minister of Finance Number 168/PMK.07/2009 concerning Guidelines on Central and Regional Joint Affairs Funding for Poverty Alleviation, it is necessary to stipulate the Regulation of the Minister of Finance concerning on Fiscal and Regional Poverty Indexes in the Framework of Planning the Central and Regional Joint Affairs Funding For Poverty Alleviation of Budget Year 2012;

In View of : 1. Law Number 33 Year 2004 on Financial Equalization between Central Government and Local Government (State Gazette of the Republic of Indonesia Year 2004 Number 126, Supplement to State Gazette of the Republic of Indonesia Number 4438);

2. Presidential Regulation Number 15 Year 2010 concerning the Acceleration of Poverty Alleviation;

3. Presidential Decree Number 56/P Year 2010;

4. Regulation of the Minister of Finance Number 168/PMK.07/2009 on Guidelines for the Central and Regional Joint Affairs Funding for Poverty Alleviation;

DECIDES:

To enact : REGULATION OF THE MINISTER OF FINANCE ON FISCAL AND REGIONAL POVERTY INDEXES IN THE FRAMEWORK OF PLANNING THE CENTRAL AND REGIONAL JOINT AFFAIRS FUNDING FOR POVERTY ALLEVIATION OF FISCAL YEAR 2012.

CHAPTER I

GENERAL PROVISIONS

Article 1



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In this regulation of the Minister of Finance, definitions below shall be applied:

1. Regional Government means governor, regent or mayor, and regional staff as the regional government organizing elements.
2. Central and Regional Joint Affairs mean government affairs outside government affairs that become the full authority of the Government, which are organized jointly by the Government, provincial governments, and district/city governments.
3. State Revenue and Expenditure Budget, hereinafter referred to as APBN, means the annual financial plan of national government approved by House of Representatives and enacted by law.
4. Regional Revenue and Expenditure Budget, hereinafter referred to as APBD, means the annual financial plan of regional governments approved by Regional House of Representatives and enacted by regional regulation.
5. Joint Affairs Funding means the funding derived from APBN and APBD, which is used to fund the central and regional joint programs/activities for Poverty Alleviation.
6. Joint Affairs Fund, hereinafter referred to as DUB, means the fund derived from APBN, which is allocated by considering the state financial capability, fiscal and regional poverty indexes and technical indicators.
7. Regional Fund for Joint Affairs, hereinafter referred to as DDUB, means the fund derived from APBD.
8. Poverty Alleviation means the policy and program of the Government and regional governments conducted systematically, planned, and synergized with businesses world and communities to reduce the number of poor people in order to improve the degree of people welfare.
9. Regional Fiscal Capability, hereinafter referred to as KFD, means the capability of regional finance and fund transfer to regions reduced by expenditures for Regional Civil Servants.
10. Fiscal and Regional Poverty Indexes mean a general indicator that describes the relation of regional fiscal space to the percentage of poor people in regions.



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11. National Team for Acceleration of Poverty Alleviation means a team across sectors and across stakeholders at central level to accelerate Poverty Alleviation.

## CHAPTER II

### SCOPE

#### Article 2

Fiscal and Regional Poverty Indexes shall be used for planning of DUB location and allocation and determination of DDUB provision percentage by regions in order to implement the Community Direct Aid of National Program for Community Empowerment (PNPM) in Rural Areas and PNPM in Urban Areas for the Budget Year 2012.

## CHAPTER III

### DATA USED IN THE CALCULATION OF INDEX OF FISCAL AND POVERTY REGIONAL

#### Article 3

- (1) The data used are regional fiscal data and regional non-fiscal data.
- (2) Regional Fiscal data as referred to in section (1) is a data capability of regional finance, data transfer to the region, and expenditures data of regional civil servants
- (3) The data of the capability of regional financial as referred to in section (2) includes income, and other validity income.
- (4) Funding of the data transfers to the region referred to in section (2) includes revenue-sharing, the general allocation fund, fund adjustments and special autonomy fund.
- (5) Non-fiscal data region as referred to in section (1) includes the data of population, the percentage of poverty people, and the Construction Cost Index (IKK).
- (6) Percentage of poverty people as referred to in section (5) represented by the Human Poverty Index (HPI).

#### Article 4

- (1) The capability of regional financial data as referred to in Article 3 section (3) obtained from the regional government as outlined in the Regional Regulation concerning APBD.



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- (2) The data expenditures of civil servants as referred to in Article 3 section (2) obtained from the calculation of General Allocation Fund data.
- (3) Funding of the data transfer to the region referred to in Article 3 section (4) obtained from the Ministry of Finance in Presidential Decree and Regulations of the Minister of Finance concerning budget transfers to the regions.
- (4) Non-fiscal data region as referred to in Article 3, section (5) and section (6) obtained from the Central Bureau of Statistics.

Article 5

- (1) Fiscal data of region of which is applied as referred to in Article 3 section (1) means the data year 2010.
- (2) Non-fiscal data of region of which is applied as referred to in Article 3 section (1) means the data year 2009.
- (3) The use of the data period referred to in section (1) and section (2) shall be based on the availability of data.

CHAPTER IV

THE FORMULA OF FISCAL CALCULATION INDEX AND  
REGIONAL POVERTY

Article 6

- (1) Fiscal and Regional Poverty Index consists of the Regional Fiscal Space Index (IRFD) and Percentage of poverty People Index region (IPPMD).
- (2) IRFD referred to in section (1) is calculated based on real per capita KFD divided by the average real per capita KFD nationally.
- (3) Real per capita KFD referred to in section (2) is calculated by KFD divided by the population and IKK.
- (4) IPPMD referred to in section (1) is calculated based on the average of IKM nationally.
- (5) Calculation of IRFD and / or IPPMD as referred to in section (2) and section (4) shall be as follow:
  - a. The average value for IRFD national and / or IPPMD is 1;



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- b. The region that have the value of IRFD and / or IPPMD equal to 1, shall be explained as region with IRFD and / or IPPMD equal to the national average;
- c. The region that have value IRFD and / or IPMD more than 1, shall be explained as region with IRFD and / or IPPMD above the national average, and
- d. The region that has IRFD and / or IPPMD less than 1, shall be explained as region with IRFD and / or IPPMD below the national average.

#### CHAPTER V

#### DETERMINATION OF THE REGIONS CATEGORY BASED ON INDEX OF FISCAL AND POVERTY REGIONAL

##### Article 7

- (1) The link between IRFD as referred to in Article 6 section (2) and IPPMD as referred to in Article 6 section (4) shall be illustrated in the form of quadrant map.
- (2) Based on the quadrant map, referred to in section (1), it is obtained the regions category as follows:
  - a. Group 1 means the region with IRFD and IPPMD above the national average (IRFD and IPPMD > 1);
  - b. Group 2 means the region with IRFD below the national average, but IPPMD above the national average (IRFD < 1, IPPMD > 1);
  - c. Group 3 means the region with IRFD and IPPMD below the national average (IRFD < 1, IPPMD < 1), and
  - d. Group 4 means the region with IRFD above the national average, but IPPMD in below the national average (IRFD > 1, IPPMD < 1).

##### Article 8

- (1) Detailed of regional grouping Results referred to in Article 7 section (2) as contained in the Appendix of which is the integral part of this Regulation of the Minister of Finance.
- (2) The results of the regional grouping referred to in section (1) is used by National Team of Accelerated Poverty Alleviation as a matter of consideration in



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region organized planning of affairs joint center and regional for poverty alleviation and regional affairs to poverty reduction and allocation of DUB.

CHAPTER VI

DETERMINATION OF AMOUNT OF PROVIDING FUNDING  
LEVELS FOR JOINT REGIONAL AFFAIRS (DDUB)

Article 9

- (1) DDUB that should be provided by the region is suitable with the group referred to in Article 8 section (2).
- (2) DDUB that should be provided by the region referred to in section (1) with the detail as follow:
  - a. The region included in the Group 1 provides DDUB very high;
  - b. The region included in the Group 2 provides DDUB medium;
  - c. The region included in the Group 3 provides DDUB low, and
  - d. The region included in the Group 4 provides DDUB high.
- (3) Determination of the percentage DDUB must be provided by the region referred to in paragraph (2) determined by the National Team for Accelerating Poverty Alleviation in accordance with this regulation of the ministry of finance.

CHAPTER VII

TRANSITIONAL PROVISIONS

Article 10

The provisions of which are regulated in the regulation of the Minister of Finance Number 168/PMK.07/2009 on Guidelines on the fund of affairs joint center and regional for poverty alleviation shall be remain applicable as long as not contrary with this Regulation of the Minister of Finance.

CHAPTER VIII

CLOSING PROVISIONS

Article 11

This Regulation of the Minister of Finance shall come into force



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on the date of its promulgation.

For public cognizance, it is ordered that the Minister Published  
by placing it in State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On March 31<sup>st</sup> 2011

MINISTER OF FINANCE,

Signed.

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta

On March 31<sup>st</sup> 2011

MINISTER OF LAW AND HUMAN RIGHTS

Signed.

PATRIALIS AKBAR

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 183