



How Are Disaster Risk Reduction Activities in Indonesian Villages Financed?

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<http://dx.doi.org/10.18415/ijmmu.v6i3.887>

Abstract

This study aimed to analyse how villages finance their Disaster Risk Reduction Activities in 5 villages in Banda Aceh, Indonesia. Data was collected through document analysis and interviews. The period of data collection is from January to April 2019. The interviewees are head of villages, representatives from disaster agencies and representatives of institutions that provide funding to villages. The data is analyzed by using qualitative method. The results of the study unveil that the studied villages in Syiah Kuala sub-district had allocated village budgets for DRR activities, although the amount was very small compared to the total budget received in the current year (less than one percent). The main source of funding is the village fund.

Keywords: Financing; Disaster Risk Reduction; Villages; Banda Aceh

1. Introduction

Disaster management emphasizes the existence of a comprehensive response effort before and after the disaster occurred. During the 2004 disaster, Indonesia did not have a good fund allocation and added lack of experience in dealing with a major natural disaster, so that financial policy was taken sporadically [1]. Disaster funding arrangements in the State Finance Law Number 17 of 2003 article 28 paragraph 4 state that in an emergency the regional government can make expenditures that are not yet available in the budget, which are then proposed in the draft changes in the Regional Budget (APBD) and / or submitted in the Report Budget Realization [2]. This is a reflection that funding needs when disasters occur can be allocated from any source given the effects of disasters that can damage people's livelihoods more broadly if not immediately addressed.

In Law Number 27 of 2007 article 60 paragraph 2 also states that the Central Government and Regional Government encourage community participation in the provision of funds sourced from the community [3]. More explicitly in Government Regulation Number 22 Year 2008 Article 4 paragraph 2 that the source of disaster funding can come from the State Budget (State Revenue and Expenditure Budget), Regional Budget, and the community [4]. The participation of community independent funds has been carried out in the country of Malawi to build an Early Warning System flood disaster with independent funds, which is carried out like the principle of "cooperatives" in Indonesia [5].

The village has the authority to regulate and manage the interests of its own community according to local conditions and socio-culture. In administering the government, the village apparatus needs village financial resources and income. Village income sources are managed through the *Anggaran Pendapatan dan Belanja Desa* (APBDesa) or Village Fund. Government Regulation Number 43 of 2014 [6] concerning Villages mentions obligations by the district government to formulate and make regional regulations regarding Village Fund Allocation. This funding is as stimulant assistance or stimulant funds to encourage the financing of village government programs which are also supported by community self-help in carrying out government activities and community empowerment [7].

In order to increase community capacity in disaster preparedness, the Village can allocate funds for Disaster Risk Reduction (DRR) activities. In accordance with Government Regulation (PP) No. 43 of 2014 article 120 concerning the Implementation of Law Number 6 of 2014 [6] concerning Villages, that the RPJMD (Village Medium Term Development Plan) can be changed in terms of: special events such as natural disasters, political crises, economic crisis and / or prolonged social unrest.

Village governments with a high threat of natural disasters will need large funds to build preparedness even during emergency response. Aceh, which is located on the western tip of the country of Indonesia, has a geological condition that produces a high threat of natural disasters. This condition was also followed by an unfavorable demographic situation where the high rate of population growth in the city of Banda Aceh after the 2004 disaster, was recorded from 2014 to 2016 population growth in the city reached 5,000 people [8]. In fact, the fastest population growth occurred along residential areas near the coast in the city of Banda Aceh which had a high tsunami threat.

During the 2004 tsunami disaster, the city of Banda Aceh had the highest number of casualties among other regions, namely as many as 64,461 fatalities [9] so that this became a challenge for the government regarding disaster management in densely populated areas along the periphery coast of Banda Aceh. Because many villages have a threat to the tsunami disaster, independent funding by the village is threatened with disaster would be needed considering the small amount of disaster funding in various government agencies, especially BPBD [10], in this case BPBD Banda Aceh has only 0.6% of the budget of the entire 2016 APBA budget [11].

This is a driving force for the city government and village government to work independently to prepare the community in an effort to reduce the risk of losses due to disasters in view of the threats in their area. Village APB as the largest funding for independent development by villages (Gampong) can be used as an alternative in funding Disaster Risk Reduction (DRR) activities. This situation makes the community more ready to deal with disaster risk without having to wait for outside parties to pay attention to disaster management efforts.

Therefore this study looks at the use of village budget financing in sub-districts that have potential disasters such as Syiah Kuala sub-district. This area is also an area that has a high population density so that it will increase the vulnerability of the people who live and move in the area. Moreover, the number of APBDesa which continues to increase in 2018 is an opportunity for villages to increase their preparedness in facing potential disasters in their region.

2. Data and Methods

This study uses a collection method through two ways; (1) interview and (2) document analysis. Interviews are the most important method for a case study. Interviews were conducted to obtain information about the potential funding through the Village Budget for DRR activities in villages in Syiah Kuala District from 2018. The interview method will be carried out by an open-ended method which researchers can ask the informant through the initial questions about the facts of an event and develop

their opinions about other information related to the topic of the research. To strengthen, analysis of village documents on financing in 2018 is also carried out in the form of 2018 Village Budget and realization reports.

3. Discussion

Allocation of Village Budget for DRR Activities in villages in Syiah Kuala District

Permendesa No. 16 of 2018 concerning the Priority of the Use of Village Funds in 2019 also states that the Village Budget can be used for DRR funds. From the analysis of the 2018 APB Village budget report document, that the majority of villages in the Syiah Kuala sub-district had included DRR activity planning as one of the village activity agendas financed by the APBDesa, this was also acknowledged by the Syiah Kuala District Secretary,

“if the village, they are from the Village Fund, which I saw they prepared emergency response funds. But they prepare this emergency response when a disaster occurs, we hope it does not happen, so the funds if it is not used at the end of the year will usually be used for other financing”

The details of the Village Budget allocation for DRR activities can be seen in table 3.1.

Table 1. Allocation of Village Budget for DRR activities in Villages of Syiah Kuala District in 2018

No.	Village Name	Amount of APBDesa	Alocate for DRR Activities	Persentase
1.	Alue Naga	Rp1.502.283.078	Rp6.682.003	0,44%
2.	Deah Raya	Rp1.509.292.936	Rp2.220.000	0,15%
3.	Jeulingke	Rp1.648.274.533	Rp0	0,00%
4.	Rukoh	Rp1.590.037.745	Rp0	0,00%
5.	Tibang	Rp1.557.176.285	Rp0	0,00%
Total		Rp7.684.933.816	Rp8.902.003	0,59%

(Source: Document Analysis of Village Budget Report 2018)

From table 1. also shows that the percentage of DRR activities in the Village Budget in 2018 was 2.91%. More details for 2017 will be seen in Figure 3.1 below, which shows the comparison of the percentage of DRR activities in the APBs of villages in Syiah Kuala sub-district in the 2018 budget year. The percentage of DRR funds in 2018 is very small compared to all Village Budget in that year. Various reasons behind this small percentage were also recognized by village officials in the Syiah Kuala sub-district.

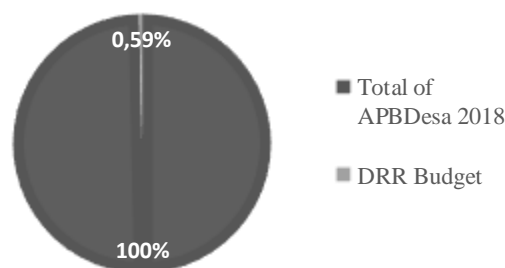


Figure 1. Percentage of Village Budget Allocation for DRR activities in 2018
(Source: Document Analysis of Village Budget Report 2018)

The Small Allocation of Village Budget for DRR Activities

Percentage of DRR funds in the APB In the 2018 budget budget, only 0.59% of the total APB Village strengthens that villages in Syiah Kuala sub-district have not made DRR activities as one of the main activities to be funded directly by the APBDesa or not as priority activities in each village in this Syiah Kuala sub-district. The secretary of the Syiah Kuala sub-district acknowledged this,

“villages may be able to budget but their HR needs are not enough while we have a BPBD that is prepared for that, to disseminate disasters to the community. If there are also many social assistance funds, there are also social services, from the mayor themselves there are also emergency response funds. So we also prepare our own initiative, where do we know there are emergency response needs as well even though it may be small scale right, if the scale is large it might be to the city level BPBD or the provincial level. Even though it is small scale, this is the function of village funds to respond to assistance for its citizens”

However, if we look at table 1. it can be illustrated that 2 of the 5 villages in Syiah Kuala sub-district have used their village budget for DRR activities. This effort is one of the thoughts of both the village apparatus and village officials outside to think about environmental conditions that have a threat of disaster. The experience of the 2004 tsunami experienced by these two villages was the main motivation in the use of the Village Budget for DRR activities in the villages in this high quality Shiite sub-district.

Table 1. also shows that Alue Naga village is the village that uses the highest APBDesa for DRR activities which is 0.44% in the 2018 budget, while 3 villages that do not use it at all are Jeulingke, Rukoh, and Tibang villages. However, this percentage is quite small compared to the number of village budgets obtained by the village, given the potential for a high disaster in this Syiah Kuala sub-district residential area. In fact there are villages that have finally not used the budgeted funds for DRR activities because of the disaster itself which did not occur in the fiscal year, because the activities were aimed at handling emergency response.

This finding also shows that the village is not yet independent in financing DRR activities in the village. The village budget, which has been very large in number since the last 5 years, is still unrealized in the DRR sector, so the potential and threat of disasters cannot be maximally reduced in villages in the Syiah Kuala sub-district. The village apparatus also recognizes the very diverse needs for the Village Budget so that they will prioritize activities that are more requested by their citizens. Another thing that the village still considers disaster is purely the work of BPBD Banda Aceh so that the village will wait for the government first before going further through the Village Budget.

BPBD Banda Aceh also regretted a number of villages that had budgeted the Village Budget for DRR activities but there was no realization because it was limited to emergency response purposes,

“The regulation (perwal) already exists, but its use is for emergency response. It can actually be tricked a little, because we don't take the funds to us. The funds are for emergency response whether for fires and others so that victims can be helped quickly.”

Permendesa No. 22 of 2017 concerning the priority of the use of the Village Fund in 2018 has included DRR activities as one of the activities tshat can use Village Funds / APBDesa in its realization, but the sound is still normative and is not discussed in depth throughout the Regulations. But in Permendesa No. 16 of 2018 concerning the priority of using the Village Fund in 2019 the discussion had

been more in-depth about DRR activities that could use the Village Fund or in this case the Village Budget.

Regarding Perwal, Hatmoko revealed [12] that the stipulation of village regulations regarding village financial planning and budgeting should not conflict with the provisions of higher legislation such as the local Mayor Regulation. So the village is supposed to wait for the Regulations to carry out various activities, but the village is only limited to waiting for direction without any initiative for two-way communication.

Conclusion

From the analysis that has been done, there are conclusions as follows that 2 of the 5 villages in the sub-district of Syiah Kuala, Banda Aceh City have used the Village Budget as one of the financing of DRR activities in their area in anticipation of potential disasters. However, the amount of funds used is very low, which is below 1% for 2018. It is expected that there is a clear regulation from the local government for a minimum amount of budget allocation for budget villages for each DRR activity that uses funding through the Village Budget.

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