This paper summarizes policymakers’ insights and experiences in mainstreaming Sustainable Development Goals (SDGs) in the national planning processes in Indonesia. The engagement of stakeholders was crucial in all activities, not only in the government work plan but also in private institutions, universities and communities. This article explains the current condition of progress towards SDGs, the author’s experience during time as the Minister of BAPPENAS (Planning) as well as the steps BAPPENAS took to address relevant issues, which are reducing stunting and improving sanitation access.

Keywords: sustainable development, planning, stakeholder engagement, WASH (water, sanitation, and hygiene)

JEL classification: Q01, O21, O15
The Sustainable Development Goals (SDGs) improved and expanded the Millennium Development Goals (MDGs). One of the lessons learned from MDGs is that the 2030 Agenda for Sustainable Development needed to be more comprehensive, far-reaching and people-centred. Therefore, the Sustainable Development Goals embrace the principles of universal, integrated and interrelated social, economic and environmental dimensions of development. Moreover, progress towards the Sustainable Development Goals should benefit all people, especially the vulnerable, and the achievement of the Goals should involve all stakeholders, and that ambition is contained in the pledge to leave no one behind.

During my time as Minister of National Development Planning (BAPPENAS), the engagement of stakeholders was crucial in mainstreaming the Sustainable Development Goals in all activities, not only in the government work plan but also in private institutions, universities and communities. In three parts, this article will explain the current condition of progress towards the Sustainable Development Goals, the experience during my time as the Minister of BAPPENAS as well as the steps BAPPENAS took to address relevant issues, which are reducing stunting and improving sanitation access.

The 17 SDGs entail a wholesome quality of life, including eradicating poverty, improving food security, ensuring a healthy life, attaining quality education, promoting gender equality, ensuring access to clean water and sanitation, making progress towards clean energy, promoting sustainable economic growth, fostering innovation in industry, reducing inequality, creating sustainable cities, ensuring sustainable consumption, tackling climate issues, conserving marine life, protecting land life and its environment, promoting inclusive organizations and strengthening the global partnership for sustainable development.

The United Nations, as a global organization, has ongoing partnerships with Governments to ensure SDG achievement in all sectors. Some key activities that have been implemented are capacity-building, knowledge sharing, data collection and analysis, direct support to the authorities in terms of policymaking and other supporting functions. The Government of Indonesia is continuously striving to fulfil the commitment to achieve the Sustainable Development Goals and implement the 2030 Agenda, consistent with the aim of becoming a high-income country. However, the achievement of SDG targets since 2020 has slowed with the impact of COVID-19, particularly in several key sectors.

According to the 2021 voluntary national review of progress towards the Sustainable Development Goals in Indonesia, the national poverty rate increased to 10.19 per cent in 2020 from 9.22 per cent in 2019 due to the pandemic, most notably affecting women, people in rural areas and older people. The child poverty
rate increased from 11.76 per cent in 2019 to 12.23 per cent in 2020. From 2015 to 2019, the Gini coefficient fell from 0.402 to 0.380 but increased to 0.385 in 2020 due to the pandemic. Indonesia strengthened social spending from 12.3 per cent of the national budget in 2019 to 12.7 per cent in 2020, the highest ever recorded.

The formulation of development plans and actions in recovering from COVID-19 needs to be supported by sufficient financial capacity. In this case, countries worldwide need to encourage financing efforts to accelerate the recovery and ensure the achievement of the Sustainable Development Goals by 2030. The Government’s limited fiscal capacity during the pandemic, compounded by the various expenditures needed to address the health and economic crisis in the short term, has forced the Government to reform its financing strategy to keep its long-term development plans on track.

One strategy that can be applied to encourage the completion of development financing is a blended financing scheme. This scheme aims to mobilize private capital flows to projects that contribute to sustainable development while still providing financial returns to investors. In this case, decision makers need to develop an attractive SDG financing ecosystem for private investors. Steps that can be taken to support this effort include strengthening financial institutions to support SDG financing, creating multilateral platforms and multi-stakeholder partnerships, strengthening the role of multilateral development banks in supporting SDG financing for developing countries, intensifying efforts to increase philanthropic contributions and developing SDG debt swaps and various other innovative financing instruments.

Multiple actions can be taken to close the funding gap for the Sustainable Development Goals, including increasing official development assistance and private funding, expanding blended finance and enhancing collaboration between the Group of Seven (G7) and the Group of Twenty (G20) countries. We must also consider moving beyond gross domestic product (GDP) and traditional measure of economic growth to address the problem, with a focus on inclusivity, sustainability and resiliency. Therefore, the discourse on financing and good practices that have been proven to strengthen financial institutions for financing development need to be supported.

The blended finance scheme has been used since my time at BAPPENAS. One of the examples was the development of the partnership scheme that involves business in the agriculture sector, which was called Partnership for Indonesia Sustainable Agriculture. The scheme successfully increased farmers’ productivity from 12 to 71 per cent, equal to 400,000 ha of farmland, and increased the farmers’ income by 15–80 per cent. Meanwhile, private companies benefited from having excellent quality products and a sustainable supply chain.
Another example of the implementation of blended finance in Indonesia was launching the Power Plant Micro Hydro in Jambi Province. The power plant provides access to electricity for four remote villages, with 803 households and 4,448 people. The Ministry of Energy and Mineral Resources, Amil Zakat National Agency, Bank of Jambi and the United Nations Development Programme collaborated on the power plant and exemplified well-organized collaboration between government, civil society organizations, private sector, philanthropy and academia. They were also involved in creating the national SDG action plan. With their involvement, the national action plan will have a framework that can be implemented across sectors, including the financing aspect and business aspect, and the drivers to achieve the indicators and goals.

Collaboration efforts in realizing the Sustainable Development Goals are also the key to eradicating stunting in Indonesia. Stunting is a cross-sectoral issue that is related to the health sector and to other sectors, such as clean water and sanitation access, social assistance and food fortification. Stunting is not just the impaired growth of children that affects the achievement of Goal 3 (Good health and well-being), as the failure to reduce stunting will also hinder our efforts to achieve several other Goals, including Goal 4 (Quality education), Goal 1 (No poverty), Goal 8 (Decent work and economic growth), and Goal 10 (Reduced inequalities).

To integrate all of the line ministries' efforts in tackling the stunting problem in Indonesia, BAPPENAS proposed a National Strategy to Accelerate Stunting Reduction 2018–2024. The stunting reduction strategy focuses on two types of interventions. The first type is nutrition sensitive, such as providing clean water, sanitation, food access, education services and women’s empowerment. The second type is nutrition-specific, including micronutrient supplementation and supplementary feeding. These two types of interventions showed promising results, considering the prevalence of children under 5 years of age affected by stunting decreased from 30.8 per cent in 2018 to 27.7 per cent in 2019. However, the collaboration of stakeholders still needs to be improved continuously to achieve the stunting target of 14 per cent that was set in the Medium-term National Development Plan (RPJMN) 2020–2024.

As mentioned above, safely managed water, sanitation, and hygiene (WASH) are recognized as an essential priority, not just to achieve SDG 6, but also to drive progress across other goals related to health, education, nutrition and economic sectors. Especially in this time when illness caused by lack of drinking water and sanitation causes more deaths than war, WASH services are essential for people. However, access to safely managed WASH has not been fully realized in many countries, including Asia-Pacific countries, as more than 300 million people are still without improved drinking water sources, and nearly 1.5 billion people still lack access to sanitation services in the Asia-Pacific region (ESCAP, 2018).
As for Indonesia, in 2020, 44 per cent of the population had access to improved drinking water sources. Approximately 55 per cent had access to improved sanitation, and approximately 17 per cent defecated in the open. Currently, access to drinking water in Indonesia has reached 72 per cent, and access to improved basic sanitation has reached 68 per cent. Despite the increase of around 2 per cent per year from 2010, at present, the figure still shows a significant challenge: approximately 69 million people do not have access to clean water, and 80 million people do not have access to sanitation, including around 27 million people still practicing open defecation.

We realize that improving our access to water and sanitation can lead us to a more significant impact. Safely managed water and sanitation are proven to decrease diarrhoea and stunting. We were shown that the proportion of households without access to improved sanitation had strong correlation to stunting prevalence. Moreover, poor water and sanitation also lead us to decrease productivity. The *Economic Impacts of Sanitation in Indonesia* (2008) estimated the overall economic costs of poor sanitation in Indonesia to be $6.3 billion per year, equivalent to 2.3 per cent of GDP.

The Government of Indonesia committed to achieving the SDG 6 targets and implemented five central policies in the RPJMN 2020–2024: (1) improving regulation, institutional capacity, and governance; (2) increasing commitment of local key decision makers; (3) developing infrastructure and services according to regional characteristics and needs; (4) strengthening partnerships and increasing alternative financial resources; and (5) promoting hygiene behaviour at the community level to achieve safe access to water and sanitation. Understanding the significant contribution of WASH to preventing virus transmission, the WASH programme is also positioned as a critical component of the COVID-19 countermeasure targeted to accelerate economic recovery and social reform.

The Government of Indonesia believes in the convergence of the efforts of different stakeholders to achieve the SDGs. Cross-sectoral and multi-stakeholder partnerships have been recognized as vital for SDGs achievement. Therefore, it is crucial to provide an enabling environment that allows cross-sectoral and multi-stakeholder partnerships to flourish. The first step towards an enabling environment is applying a multisectoral approach in development planning and budgeting that is holistic, integrative, thematic and spatial (HITS principle). This enabled the integration line ministries' programmes and activities to achieve national priorities.

The second enabler is a multi-stakeholder coordination platform, realized through establishing the National Coordination Team of SDGs consisting of all relevant stakeholders, including the Government, philanthropy and business, academia and civil society, as mandated in Presidential Decree No. 59 Year 2017. Having
this multi-stakeholder representation, active involvement and engagement of all stakeholders throughout the process, from planning, implementation, and monitoring and evaluation, can be assured. The third and the last enabler as explained before is formulating multi-stakeholder action plans, such as the stunting national strategy, and innovative financing mechanisms, such as blended finance.

NOTE ON CONTRIBUTORS

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