

International NGO Forum on Indonesian Development REPORT 2000

I. INTRODUCTION: POLITICAL AND ECONOMIC SITUATION IN INDONESIA

I.1. Political situation

At the beginning of Year 2000, many were hopeful and enthusiastic about the new government. At the national and international level, the then President Abdurrahman Wahid and the vice President Megawati Soekarnoputri, received high respect. They were regarded as national leaders that could push reform agenda.

Political space was wide open: freedom of speech and freedom of association was granted. More political prisoners were released not long after Abdurrahman Wahid was elected as president. The former President Wahid also attempted to revoke the People Assembly Decree of 1968 that bans Indonesian Communist Party.

Openness of political space was also marked by the recognition of cultural rights such as the ability of Indonesian Chinese to openly celebrating their New Year and other religious days; the recognition of cultural rights of West Papua by allowing them to raise their flags and called themselves "Papuan."

The president also attempted a dialogue approach to solve the problems in Aceh and Papua and avoided militaristic and repressive ways.

Under this new situation, the relationship between the Government, Parliament and civil society organisations changed drastically. The stigma on NGOs was lifted and it was pretty easy for NGOs to have dialogue with the government and Parliament.

For the first time, after 32 years, the Government of Indonesia officially invited NGOs to attend CGI meeting as observers; they also held dialogue with civil society organisations prior to CGI meeting. Also for the first time a full CGI meeting, was held in Jakarta.

Despite this positive atmosphere, many reformed agenda were not fulfilled. This is seen from the following issues:

- The failure to abolish the dual function of the military by eliminating its civilian and political role. The Annual People Assembly Session decided that the military would remain in the Parliament, with less seat, until 2009;
- The failure of the Government to hold Soeharto's trial both on the corruption and crime against humanity;
- The inability to fight corruption, and instead new corruption cases flourished;
- The absence of trial of students killing in 1998, the May tragedy and trial of generals responsible of crime against humanity post referendum in East Timor;

In addition to the unfulfilled reformed agenda, the year also saw escalation of human rights violation in Aceh, Papua, Maluku and Kalimantan. At least 10,000 people were killed by the end of 2000 from the conflict in Maluku. As a result of ongoing conflicts in those areas, Indonesia had around 1 million IDP by the end of year 2000, without any clear policy from the government to handle this and no budget available for this.

During September 2000, 6 UNHCR workers in East Timor were killed by militia groups. This has made international community reacted very strongly to the Indonesian government, and made Indonesia lose its credibility even more in the field of promotion and protection of human rights.

The situation became worse with the erratic style of governing from President Abdurrahman Wahid (contradicting and confusing statement and orders spending more time visiting foreign countries, conducting unpredictable manoeuvre) and weakening support from the Parliament. Decreasing support for the president from the Parliament was not only caused by the weakness from the government side. The majority in the Parliament rejected the proposal of revoking the People Assembly's Decree of 1968, objected to the granting of cultural rights in Papua (arguing that it would threaten national integrity), uncomfortable with the dialogue approach. Majority of Parliament also objected to the president's statement to take strong measures against radical Moslem faction.

The tension between the President and the Parliament reached its peak when the Parliament alleged the President of corruption and planned to establish a Special Committee to investigate the case. The power of the president got also very weak when the Vice President started withdrawing her support to the President.

The year 2000 ended with high political uncertainty, the bickering between the president and the parliament and many unresolved human rights and corruption cases.

1.2. Economic situation

Three years after the economic crisis and three years after following IMF Program, Indonesia's economy has not recovered. The crisis has pushed many Indonesians to poverty and leaves Indonesia with massive debt burden: public and private debt coming from external and domestic debt. The total external debt – private (around 50% of the debt) and public -- is around US\$ 150 billion or about 100% of Indonesia's GDP.

It should also be noted that for the first time since 1970, Indonesia accrued domestic debt. This is a result of IMF's program to close 16 insolvent banks at the same time in 1997.

With such a huge debt burden, beginning this year (2000), Indonesia has to pay the principle and interests of its domestic and external debt amounting to US\$ 15 billion or more than 40% of government's earning. This obligation is impacting the budget of social spending, especially the health and education sectors: less than 20% of government budget is allocated for the education and health sectors.

The World Bank also admits that the debt burden is a problem. In its Country Assistance Strategy released in March 2000, the Bank stated that with an increase of 6% growth annually, the total external debt burden of Indonesia in the year 2003 would be more than 73% of its GDP. This shows the Indonesia's debt burden has far exceeded a sustainable level

Despite its admission, the Bank, ADB, IMF and other creditors never discussed debt relief for Indonesia. Their only solution is increasing Indonesia's repayment capacity by containing off budget loss, selling Indonesia's assets, reforming the banking sector, solving the private debt, and seeks rescheduling from the Paris Club. These solutions are also emphasized in the four Letter of Intents (agreement between the Government of Indonesia and the IMF) that have been signed by the Government of Indonesia.

This attitude ignores the fact that the huge debt burden is actually a result of 3 decades of bad borrowing and bad lending between the Soeharto regime and the creditors, the corruption that took place and resulted in 30% of leaked lending in the World Bank's lending to Indonesia, and the legitimacy of the debt.

The absence on the discussions of debt relief is not only among creditors but also within the Government of Indonesia, the Indonesian Parliament and Political Parties, despite the fact that the State Guidelines in 1999 stipulates that Indonesia should reduce its dependency on external lending.

To solve the problem of Indonesia's debt burden (public external debt), the Government went to Paris Club in April 2000 and rescheduled Indonesia's debt of US\$ 5.8 billion, which matured on this month. This agreement is also called Paris Club II, since in 1998 Indonesia also received

rescheduling. The maturity date of Paris Club II will be in March 2002, and after that Indonesia will have to pay the principle and interests. Even though the rescheduling gave a breathing space to Indonesia for about 2 years, it did not solve the problem of Indonesia's debt burden for the coming 10 years. The other solution that the Government sought is to get more concessional loan from the creditors. Under this scheme, Indonesia received more lending from the International Development Agency (IDA) of the World Bank Group which gives loan with almost 0% interest and a long grace period. These two strategies are piecemeal solutions and not comprehensive because what Indonesia needs is not only the solution of cash flow but also the solution of the huge debt stock.

In addition to the debt burden, Indonesia is suffering from the adjustment program imposed by IMF. The program obliges Indonesia to reduce subsidy, privatise state-owned companies, selling Indonesia's assets, lift import barrier for agricultural products (0% for imported rice and sugar). These policies resulted in the increase of fuel price, decrease of purchasing power, inability of Indonesia's farmers to compete with imported rice and sugar.

The notion that IMF's program would stabilise Indonesia's economy indicated by stable economic growth, increase in investment, flow of capital and the return of capital flight has not been materialised at the end of year 2000 was never materialised.

Against this background CGI held meeting twice in the year 2000: February with a total pledge of US\$ 4.7 billion and in October with a pledge of 4.4 billion. The CGI discussed about fiscal sustainability, governance, under which judicial reform and forestry was discussed, decentralisation, government debt and poverty.

It should be noted that the CGI meeting in Tokyo (October 2000) was held despite strong protests from civil society organisations inside and outside Indonesia to postpone it until Indonesian government investigate the killing of UNHCR workers in Atambua, West Timor. The CGI was held after its members accepted the explanation on the killings from the Government of Indonesia and the promise that the Government of Indonesia would investigate the case and bring the perpetrators to trial.

Civil society organisations were invited, for the first time as official observers. In February 2000 NGOs were only allowed to watch, and in the October meeting NGOs were given time to present a joint statement. (see attachment).

II. INFID's ACTIVITIES

II. 1. Advocacy on CGI

February 2000

In response on the election of a new government, the CGI country members held a full, pledging session of CGI on February 2000 in Jakarta. This is the first time since the establishment of CGI in 1992, the meeting took place in Jakarta. Along with the atmosphere of openness, the World Bank and the Government of Indonesia held a consultation meeting with civil society organisation prior to the official meeting itself.

The pre-CGI consultation meeting took place twice: a meeting especially discussed about forestry issue and a meeting about the CGI in general. In both the consultation meetings ministers, the country representative of World Bank in Indonesia, high government officials, were present. In the forestry meeting, Telapak, NGO based in Bogor focussing on forestry issue showed a videotape of their investigation on illegal logging in the Tanjung Puting National Park and the arrest of activists when they are investigating. It is at this meeting that the Government of Indonesia made its six-point commitment in forest management, including legal action on illegal logging.

The Government of Indonesia and the World Bank invited representatives of civil society organisation to attend the official CGI meeting. INFID and Koalisi Perempuan Indonesia (the Indonesian Woman Coalition) were present at the meeting as observers.

For the first time in 15 years, INFID was able to meet and hold dialogue with government officials prior to the CGI meeting. The government officials that INFID met include: Chair of the National

Planning Body, The Minister of Woman Empowerment, Director Generals of Foreign Cooperation, Human Rights Education, Deputy of Bilateral and Multilateral Cooperation, The House Speaker (The Chair of the Parliament), a number of chairs of political parties factions in the parliament.

In addition to the meeting with government officials, INFID also met with multilateral agencies and members of CGI, including the World Bank, ADB, JBIC (Japanese Bank for International Cooperation), the governments of USA, Germany, the Netherlands and the European Union.

INFID delegate include Chair of INFID Indonesia Steering Committee: Zoemrotin K. Susilo, Executive Secretaries: Eva Philipps and Binny Buchori, JANNI Secretary General as liaison of INFID in Japan: Sonoko Kawakami, members of INFID Indonesian Steering Committee, Sandra Moniaga, Revrisond Baswir, Iskandar Leman, Dewi Nurjuliati, Eliakim Sitorus, and INFID participants: Solidaritas Perempuan, ELSAM, YLKI.

INFID also held a press conference prior to the CGI meeting, after meeting with various government officials, multilateral and bilateral agencies. The press conference receives wide media coverage nationally.

To make advocacy on CGI more effective, Indonesian NGOs set up a coalition of NGOs and students organisations, labour unions and woman groups. The coalition is called Koalisi Anti Utang (the Anti-Debt Coalition). INFID was involved in facilitating the birth of this coalition. Other key players in this coalition were WLAHI, Solidaritas Perempuan and ICW.

On the day of CGI meeting KAU organised a demonstration involving around 6000 people.

October 2000

The CGI on October 2000 was held weeks after the killing of UNHCR staff in Atambua, West Timor. National and international organisations demanded that the CGI be postponed until investigation of the killing and the trial of the case is carried out. CGI country members rejected this, accepted the explanation of the Government of Indonesia and held the meeting as scheduled.

Prior to the CGI meeting the Government of Indonesia and the World Bank organised a meeting with civil society organisations, and agreed to have five NGOs attend the official meeting as observers. The five NGOs were: INFID, JANNI, Telapak, WALHI (Indonesian Environmental Forum) and Koalisi Perempuan Indonesia (Indonesian Woman Coalition). The CGI chair, i.e. the World Bank also agreed that the NGO could make a statement during the meeting. This is a progress on the participation of NGOs in CGI meeting.

In this meeting, the CGI country members criticized strongly on forest management, especially on illegal logging in Indonesia, and on the absence of serious response from the Government of Indonesia on this issue. The Government were requested to submit an action plan to handle forest management issue, which would be reviewed in the interim CGI meeting in April 2001.

CGI country members also made reference to the UNHCR staff killing and urged the Indonesian government to carry out the investigation and the trial of the murder.

The Indonesian Government was also requested to develop and action plans to tackle the problem of poverty.

INFID carried out CGI advocacy both in Tokyo and in Jakarta. INFID took up the following issues:

- Debt burden
- Land Administration Project
- Social Safety Net - SSNAL
- Decentralisation
- The Role of Military
- Human Rights Violations

In Jakarta, INFID also held press conference. While in Tokyo, in addition to meeting with

government officials and JBIC, INFID also talked in JANNI public meeting, gave talk in university and also held discussions with NGOs in Kyoto as well as held press conference. JANNI played a significant role arranging various appointments and organising different meetings.

The activities during this CGI campaign are:

- ❑ October 12, 2000 : meeting with the members of parliament (Diet), from the section of *public works checking group*, concerning the ODA projects. In the evening INFID delegation hosted by JANNI became speakers in an Open Seminar with Japanese public. The theme was “*Where has the aid gone? Corruption and debt in Indonesia*”.
- ❑ October 13 2000: meeting with MOFA (*Ministry of Foreign Affairs*), from *Loan Aid division*. After that, we had a meeting with MOF (*Ministry of Finance*), from *Development Policy Division*. In both the meeting INFID discussed about the Debt problems and the agenda of CGI meeting. In the evening, we had an honour to give *open lecture* in Chuo University. The topic is about *Debt and Human Rights*
- ❑ October 14: Discussions with NGOS in Kyoto, about Indonesia's debt, problem of Japanese ODA;
- ❑ October 16, 2000: meeting with JBIC (Japan Bank for International Cooperation) on CGI and debt. After the meeting, INFID invited by NINJA to become a speaker in a Symposium called “*Human Rights in Indonesia*” which took place in Sophia University.
- ❑ October 17, 2000: meeting with some NGOs in Tokyo dealing with Debt and ODA issues, i.e. PARC, Jubilee 2000-Japan and People's Forum 2001.
- ❑ October 18-19, 2000 INFID delegation attended the CGI meeting in Mita Kyoyou Kaigi-jo building in Tokyo. This is the second time INFID become an observer in CGI meeting. But this time, INFID gets an honour to speak in front of the meeting, to speak on behalf of Indonesia civil society. Eventhough the meeting results was nothing new, but our presence there is very important for civil society as a whole. At least our voice has been cited as well by other donor countries delegations.
- ❑ October 23, 2000, in Jakarta, INFID made a press conference to report to the public about the results of CGI meeting and the position of INFID on that matters. In the afternoon, we also broadcasted in radio about the CGI meeting and INFID position.
- ❑ On October 24, 2000, as a continuation of CGI meeting, we met with Mr. Andreas List and staffs of European Union in their office, to talk about the policy of forestry on CGI agenda.
- ❑ October 4, 2000: meeting with Mr. Heinrich Seeman, German Embassy. Then went to British Embassy, meeting with Mr. Gordon Saggars. In the afternoon, met with Mr. Hazeyama, in JBIC (Japan Bank for International Cooperation)
- ❑ October 5, 2000: meeting with Mr. Mark Baird at the World Bank office. In the afternoon, met with Mr. Sabato Della Monica at European Union office.
- ❑ October 6, 2000: meeting with Mr. Van Baar at Dutch Embassy.
- ❑ October 9, 2000: meeting with Mr. Jan Han Heeswijk of ADB in their office.

II. 2. Debt campaign

Debt campaign in INFID started in 1999. Even though it was still at the early stage INFID also took part in the worldwide people's campaign of Jubilee parallel to the G7 meeting in Cologne in 1999. In 1999 debt was still a part of the MDBs Watch Program. In the year 2000 INFID separated the debt campaign from MDBs Watch and a program officer, Sugeng Bahagijo was assigned to manage the program.

The 4-year strategic objectives of the programs are <1> to reduce the dependency of Indonesia to external lending; <2> new loan should take place in a democratic process; <3> the use of loan should benefit people.

INFID put the argument that the accumulation of debt burden of Indonesia has reached an unsustainable level at the cost shrinking basic social spending. INFID focuses on public external debt. INFID also demands a debt relief for Indonesia to bring the debt burden into a sustainable level. The basis of the arguments are: a) the nature of the debt itself – accrued by the past, illegitimate government; b) the corruption in the loan as admitted by the World Bank itself that at least 30% of its lending to Indonesia has been corrupted in the past 30 years; c) it has put the burden on poor people; d) the obligation of the Government of Indonesia to protect the poor which they will not be able to do when they have to sacrifice the budget for debt repayment.

Debt campaign activities focussed on the following issues; <1> widening and increasing INFID participation in the debt campaign network internationally and nationally; <2> developing reports, data and analysis on Indonesia's debt problem (through research, documentation and seminars); <3> initiating working groups of debt campaign outside Jakarta via organising workshops, involved in seminars as resource persons and sending relevant information.

In organising the campaign, INFID collaborated closely with Jubilee 2000 Germany.

Activities inside and outside Indonesia include:

- May 22, 2000: Joint workshop on the theme about “Trade Liberalization and Foreign Debt”, held by INFID and Yayasan Padi Balikpapan, at Balikpapan, East Kalimantan.
- May 24, 2000: Joint workshop about “Trade Liberalization and Foreign Debt”, held by INFID and Swara Parangpuan Manado, at Manado, North Sulawesi.
- In July 3, 2000, in collaboration with Jubilee 2000, INFID organised a national workshop entitled: “Towards Resolution of Indonesia's Debt Crisis” Speakers include Juergen Kaiser from Jubilee 2000 Germany, Professor Kunnibert Raffer from the University of Vienna, Dr. Jeffry Winters, Vikram Nehru from the World Bank, RSI in Jakarta, Dr. Arif Arryman from ECONIT, Bambang Sembodo from the National Planning Body. The seminar aims at strengthening INFID arguments and data to demand for Indonesia's debt relief, to learn from the experience of Jubilee 2000 in organising huge campaign in line with the G7 meeting in Cologne. There were 50 participants attending the seminars including NGOs from various parts of Indonesia and the press. After the workshop, INFID organised meetings with Parliaments and Government officials to disseminate the idea of arbitration process, with resource persons Juergen Kaiser, Kunnibert Raffer and Jeffry Winters. The meeting at the National Planning Body was attended the Deputy of the Coordinating Minister of Economic Affairs: Dr. Komaradjaja, representatives from Ministry of Finance, Central Bank and BAPPENAS. The meeting stressed on solving Indonesia's debt outside the Paris Club mechanism: i.e.: debt arbitration. The meeting with the Parliament was held with the Vice chair of Commission IX (on Economic Affairs); Mr Zaini, and two members: Paskah Suzetta and member of PPP. INFID also organised press conference on the alternative solution for Indonesia's debt burden. The press conference received wide coverage in print and electronic media.
- July 29, 2000: In collaboration with PUSPEK AVERROUS and Malang Islamic University, INFID held a one-day seminar and be the resource person on the topic: “The Threat of Foreign Debt and WTO's Free Market”, in the Hall of Malang Islamic University, Malang, East Java.
- August 9-10, 2000: In collaboration with LSAF (Islamic based institute on the studies of religion and philosophy) and PIRAC, INFID held a seminar of Indonesia's debt for Islamic groups followed by the launching of “Debt Heritage of Dictator Regime,” published by PIRAC and INSIST Press. Around 40 people from various Islamic mass-based organizations attended the meeting. The purpose of the seminar was to raise the awareness about Indonesia's debt crisis among Islamic groups. The book launching was attended by press. Binny Buchori and Zaim Saidi from PIRAC discussed the content of the book, which focused on the illegitimate nature of Indonesia's debt accumulated by Soeharto regime.

- August 16-18, 2000: Attending Jubilee South Meeting in Manila, the agenda of which is discussing the activities of Jubilee Asia Pacific and the plan to hold Regional Assembly in October and the North-South Dialog in Canberra Australia.
- August 17, 2000: became the resource person and attending the discussion organised by the Indonesian Batak Protestant Church on the problem of Indonesia's debt. Around 70 people, i.e.: students and reverends attended the meeting. INFID presented the problems of Indonesia's debt and the alternative solutions that could be taken. It was suggested that forming an interfaith group on Indonesia's debt consisting of church, Islamic groups and other religious could push large public support for Indonesia's debt relief.
- August 19-21, 2000: attending International Conference of Jubilee 2000 in Okinawa, in conjunction with the G7 Summit Meeting the agenda of which is discussing debt cancellation for poor countries. The three-day conference was held by Jubilee 2000 of Japan, attended by more than 90 representatives of various countries and succeeded in writing a joint statement to the head of G7 countries. INFID was present to ensure that Indonesia's debt is put into the agenda of Jubilee 2000 and G7 meeting. The Prime Minister Mori agreed to meet with 4 representatives civil society organization.
- In September 25, 2000: INFID was invited by Jubilee 2000 to give presentation in the Public Forum held by Jubilee International Movement in Prague, in conjunction with the World Bank – IMF annual meeting. Binny Buchori from the secretariat and Wahyu Basjir from IDEA – Yogya (INFID participant) went to the meeting. Around 100 people attended the seminar. The Focus of the discussion was whether the commitment of creditors to cancel US\$ 100 billion of the debt of poor countries has been materialised and discussed the impacts of conditionalities from the creditors Highly Indebted Poor Countries that were promised the debt cancellation. The Public Forum presented the situation in Zambia, Equador, Argentina, Indonesia, Bolivia, Peru. The annual World Bank – IMF meeting was very disappointing since they did not fulfil the commitment to cancel the debt as promised in the G7 meeting in 1999 in Cologne.
- October 2000: Facilitated by Jubilee 2000 Germany, INFID gave presentation on Indonesia's debt problem in a workshop on Indonesia's debt burden in Wuppertal, Germany. Around 20 people from German based church organisations, NGOs working and advocating Indonesia's issues and a number of students attended the meeting. The workshop resulted in the agreement that Jubilee 2000 and German based church organisations and other organisations would set up a working group to campaign for debt relief on the condition of attacking poverty and corruption.
- September 29-30, 2000: In collaboration with Yayasan Geni, Salatiga, organised a 2-day workshop on debt and IMF. NGOs from Klaten, Boyolali and Salatiga attended the meeting.
- October 23-24, 2000: INFID in collaboration GERPA, INFID organised a workshop on the need to monitor state and provincial budget and the debt burden, in Pati, Central Java. Resource persons were INFID staff, Rinto from IDEA and Husni Thamrin from Indonesian Corruption Watch (ICW);
- December 19, 2000: INFID and IDe held a public debate on the results of CGI meeting in Jakarta. Speakers were Binny Buchori from INFID, Dr. Komara Djaja, deputy of the Coordination Minister of Economic Affairs, economist Hartoyo Wignyowiyoto, and Ivan Hadar from IDe.
- Talk show about Debt Issue, held on September to December 2000, cooperated with Jakarta News FM.

II. 3. CGI and Trade Monitoring

This program consists of two sub-program, i.e.: a> MDBs and ODA Watch and b> Structural Reform and Trade Monitoring. Two program officers are assigned to handle this issue. The

strategic objective of this program is how to put CGI Forum, ODA, IFIs and Trade liberalization having more concern to the poor and social justice.

II. 3. 1. MDBs and ODA Watch

This program consists of two main components: a> campaign and advocacy on CGI ; b> monitoring of multilateral development bank (World Bank and Asian Development Bank) and bilateral assistance under the Official Development Assistance (ODA). Activities relating to CGI advocacy and campaign have been discussed above.

The program especially looks at project monitoring and policy developments at both the International Financial Institutions and bilateral governments of CGI country members.

The approach of this program is increasing the capacity of civil society organisations in understanding the role of these institutions in Indonesia's economy and developing their skills in project monitoring and advocacy activities. Therefore, during this year, INFID continued to organize workshops and trainings to various NGOs in many parts of Indonesia on project monitoring and the role of International Financial Institutions.

At the national level, INFID continued the campaign on Social Safety Net Adjustment Lending that was misdesigned, mistargeted and misused. Despite criticism from civil society organisations, the World Bank has disbursed most of Social Safety Net Adjustment Lending in the year 1999. INFID called on the cancellation of the remaining US\$ 300 million in this lending.

INFID facilitated JARI (National Civil Society Organisation Network Transparency) to document the findings of this loan from the field. It is expected that that the document could be published as book. At the end of year 2000, the documentation is still taking place.

Under this program INFID is engaged in dialogue with IFI, GOI and other bilateral agencies on various project lendings. INFID always put forward its position on the importance of transparency, aid efficiency in the format of both cancelling and postponement of project that will only increase Indonesia's indebtedness. During this year, INFID was engaged in the discussion of Land Administration Project II (LAP II). INFID in its CGI statement called on the postponement of LAP II until a comprehensive review of LAP II and public consultation is held.

In April 26, INFID was requested to give comments on the Review of World Bank's Policy on Forestry Sector held by the Operation Evaluation Department. Binny Buchori from INFID presented the comments.

At the second half of the year, the program focussed more on the preparation of CGI campaign in October 2000.

The program slowed down after the program officer: Ritzki Cahyanto left the post in June 2000 and the post remains vacant until the end of 2000.

Important activities include:

- January 15, 200: Organised a joint press conference with YLKI, UPC, JARI, WALHI calling for the cancellation of the disbursement of Social Safety Net Adjustment Lending. The news was covered by seven print media and three national television station.
- February 22-27, 2000: Yayasan Suara Nurani in Manado, North Sulawesi and INFID organise training on project monitoring. Training materials include the use of Internet in finding information. Around 30 people consisting of NGO activist, students and interested individuals attended the training.
- April 20 –23 2000: in collaboration with Palu-based NGO, Yayasan Evergreen, organised a workshop on the corruption in loan project. Resource persons include INFID staff and activist from ICW. After the workshop, INFID facilitated Evergreen to document the implementation of ADB-funded project in Palu.
- May 16, 2000: with the Anti Debt Coalition and Bank Information Center organised a training

on the role of IMF and IMF Letter of Intent. Around 40 people consisting of NGO activist, trade unions and students attended the meeting. Speakers were Nurina Widagdo from BIC and Carol Welch from Friends of the Earth USA.

- May 18, 2000: organised press conference on IMF Program for Indonesia's public. Nurina Widagdo and Carol Welch were the speakers in the press conference. 10 national newspapers and 2 national televisions carried the news.
- May 2000: INFID joined NGOs from many parts of the world attending the ADB annual meeting in Manila.
- End of July 2000: INFID staff gave input on the first public consultation on Country Assistance Strategy – the 3-year policy guidelines of the World Bank for Indonesian development. INFID urged that the CAS should emphasize on poverty reduction by among other debt relief for Indonesia.
- November 30, 2000, attended discussion on Land Research of the World Bank, in the Office of World Bank Resident Mission, BEJ Building, Jakarta.

II. 3. 2. Structural Reform and Trade Monitoring

This sub program looks at the impact of IMF program and adjustment lending by the IFI on Indonesia. Trade monitoring is especially focussing on trade agreements and the impact to Indonesian public especially groups like farmers, labour, small – scale enterprises. The program also looks the intersection of IMF program and WTO agreement in Indonesia.

In this year, the focus of the program is on increasing public awareness on IMF program especially on privatisation since it will have direct impact on the workers, quality of services and price of the service. INFID's campaign on privatisation is based on the INFID Conference statement held in Bali, in 1999, that privatisation should only take place after broad-based consultation and that control of goods and services which directly affects the public need should remain under the control of public management to ensure an equal access to the whole population. The program also aimed at increasing public knowledge on the role of IFI.

In the context of increasing public awareness on IMF program, INFID, in collaboration with IDEA organised a research on Structural Adjustment Program in Indonesia.

Trade monitoring is aimed at educating the public on the impact of WTO agreement on Indonesia, disseminating information on the role of WTO and encouraging the Government of Indonesia to be transparent on its trade agreement and to hold and include the public before attending the WTO. INFID only focussed on the issues of Agreement on Agriculture and the Trade Related Issues on Intellectual Property Rights. Trade monitoring program also does the following researches:

- Research on "AOA and Women" which funded by PANAP was conducted by INFID and KPA (Consortium of Agrarian Reform). The main researcher are KPA, and it's decided to focus on "The impact of AoA to the rice farmers, especially women farmers, in selected provinces in Indonesia, 1995-1999".
- Research on "Review and Impact of AOA and TRIPs on Indonesia", was the cooperation between APRN and INFID. The researcher is Riza VT from PAN-Indonesia who conducted the study of AOA and Hira Jhamtani of Konphalindo who conducted the study of TRIPs. The study will be done from May to September 2000.

Activities in this program include:

- January 5, 2000 : established working group "NGO Coalition on WTO Watch" (KOP-WTO)-, coordinated by INFID.
- February 7-8, 2000, participating in the NGO Plenary Caucus for UNCTAD X in Bangkok, an official meeting held by NGLS UNCTAD prior to the UNCTAD conference. The NGO caucus produced a statement, which is accepted as UNCTAD Conference official document.

- February 9-11, 2000, attending Forum on alternatives to Neo Liberalism:
- “Building on the Spirit Seattle”. On Or Por Ror Building, Culalongkorn University, Bangkok.
- February 12-14, 2000 : following UNCTAD Conference X, at Queen Sirikit Convention Centre Bangkok, Thailand.
- February 18, 2000: organised hearing with PKB faction on the draft of Intellectual Property Rights Bill. This is followed with hearing with PDI-P and Parliament's Commission VII on March 27, 2000.
- March 7, 9 and 28 2000: organised discussions and meetings with YLKI, ICW, Bina Desa and PLN Trade Union on privatisation of electricity state-owned enterprise (PLN), the impact, the process and the strategy for public education and public dialogue.
- April 3, 2000: organised discussion of PLN staff and NGOs on PLN privatisation. Around 20 people attended the meeting.
- April 23, 2000, speaker at Indonesia Urban Rural Mission Consultation, “WTO and Globalisation” held by CCA-URM, JK-LPK, and YBKS Solo, Central Java.
- June 19-20, 2000: As a speaker on “WTO and Globalisation” in the leaders meeting of FSPI (Indonesian Federation of Peasant Union) in Wisma BKK, Semarang, Central Java.
- July 27 , 2000 : As a speaker of Guest-Lecturer with theme “WTO Problems and It's Consequences”, held by Faculty of Agriculture, Veteran University, Surabaya, East Java.
- July 31, 2000: As a speaker on WTO issues in a One-Day Seminar called “Inter-Society Component to Develop a Strong Indonesia” , held by Majapahit Foundation, in Trawas, Mojokerto, East Java.
- October 3, 2000, Attended Seminar held by HKTI (Association of Indonesia Farmer Union) with the theme “Dialogue with Halida Milyani, WTO Ambassador in Geneva, about Agreement on Agriculture”, in Jakarta Design Centre, Jakarta.
- October 26, 2000 As a main Speakers in a celebration of “Hari Sumpah Pemuda” (the birth of national movement in Indonesia) with the theme “Indonesia Youth Response to the Global Capitalism”, held by PSIK-ITB-Bandung in the Auditorium of Student Center, ITB, Bandung, West Java.
- May 3-4, 2000: Training for Journalist about WTO Issue, held by INFID and YLKI at Salak Hotel, Bogor.
- May 8, 2000: in collaboration with Indonesia Women's Forum on Democracy (FPID) organised a National Workshop on “Globalisation and Women”. The workshop was held in Wisma PKBI in Kebayoran Baru, Jakarta.
- May 3-4, 2000 : Training for Journalist about WTO Issue, held by INFID and YLKI at Salak Hotel, Bogor.
- May 8, 2000: Cooperate with Indonesia Women's Forum on Democracy (FPID) to hold a National Workshop on “Globalisation and Women”. The workshop was held in Wisma PKBI in Kebayoran Baru, Jakarta.
- June 21, 2000: in collaboration with Yayasan April and Pusham Ubaya (Study Centre on Human Rights University of Surabaya) held a one-day seminar about “WTO: between Hope and Threat” in the Meeting Hall of the University of Surabaya, East Java.
- June 22, 2000: cooperating with Yayasan April and FOSKRA (People's Study Forum) to hold a discussion about “WTO: between Hope or Threat” in the Meeting Hall of the University of Brawijaya, Malang, East Java.

- June 21, 2000 : Cooperate with Yayasan April and Pusham Ubaya (Study Centre on Human Rights University of Surabaya) to held a one-day seminar about "WTO: between Hope and Threat" in the Meeting Hall of the University of Surabaya, East Java.
- August 21-23, 2000: cooperation with APRN (Asia Pacific Research Network), IBON-Philippines and Konphalindo-Jakarta held an International Conference on "Poverty and Financing Development" in Wisata International Hotel, Jakarta . Around 100people from various countries in Asia Pacific including India, Palestine, Australia, Japan, New Zealand, Philippines, Malaysia, Hong Kong attended the meeting
- December 22, 2000: organised a public debate on the impacts of Letter of Intent on Indonesia. Book launching, a translation of Carol Welch's book on IMF was carried out prior to the discussion. Speakers include noted economists Sri Mulyani, Hartoyo Wignyowiyoto, Oposunggu, Binny Buchori and Lisa Chan from ALNI.
- Dialogue in national television (TVRI) about "Patent of life" on 24 April 2000 at 18.00-19.00 with Director General of IPRs, Ministry of Law and Regulation Mr. Zen Umar Purba. The Coalition represented by Hira Jhamtani.
- Talk show was about "The Latest Development of WTO and its Impact to Indonesia". "Agreement on Agriculture" on 25 September; "Shrink or Sink Campaign" on 2 October; "Transgenic" on 6 November; "APEC, ASEAN and WTO" on 6 December.

II. 4. Support for Democratisation Initiative

Support on Democratisation Initiative aims at facilitating initiatives on the promotion and protection of human rights (civil, political, social, economic and cultural rights) initiatives of democratisations. The strategy is by supporting, facilitating and take an active part in various initiatives on the promotion and protection of human rights, combating corruption and efforts to develop a new social contract via developing new constitutions.

The program is managed and supervised by the Executive Secretary and comprises 10% of the overall budget. Activities in the Year 2000 include:

- INFID supports the running of FORSOLA (Solidarity Forum for Aceh), by providing room for their secretariat and other necessary needs. Until now, FORSOLA fulfils its function to develop solidarity on Aceh issue.
- INFID also supports the NGO Coalition to advocate Ambon-Maluku issue, TAPAK. During this period TAPAK held a number of meetings with the parliament, KOMNAS HAM, press briefings, and public campaign on the ongoing conflict and also monitored the impact of the Civil Emergency Law imposed on the province;
- In relation with the student as a democratic group, INFID has supported an alliance of students groups called ALDERA (Alliance of People's Democracy) to hold their Congress on March 8, 2000. This group then become Union of Social Democracy, but still consist of student groups such as FORKOT and FORBES. They are interested also to make campaign on debt issues and globalisation issues, and would like to cooperate with INFID.
- INFID has also opened contact with groups of concerned artist. This time INFID also contribute to the stage of "Satu Merah Panggung" led by Ratna Sarumpaet, a figure in democratic movement during Suharto era. It was held on 12-17 May 2000 in Graha Bakti Budaya, TIM, Jakarta. The theme is about Aceh and the violence against human rights, titled "Alia, Serambi Mekah". This is also part of our commitment to support human rights group on Aceh.
- INFID contributed solidarity with the demonstration of farmers to IMF office in Jakarta to commemorate Farmers Day in 24 September 2000. It was organized by FSPI (Federation of Indonesia Farmers Union), together with farmers Union from North Sumatra, Lampung and West Java.

- INFID contribute solidarity with about 2700 farmers from Garut and Ciamis, West Java to defend their lands right, which confiscated by the plantation. They come to Ministry of Home Affairs and BPN in 22 November 2000. Organized by SPP (Pasundan Farmers Union).
- The Nike shoes monitoring groups held a campaign discussion on the progress of Nike Campaign around the world. INFID has been part of the committee. On 30 March 2000, together with the groups, held a discussion and Tim Connor from Nike-watch Australia come as a speaker together with Bonnie Setiawan, spoke about Globalisation and Labour Movement. The discussion took place in INFID office from 14.00 – 16.00, and attended by many activists of labour groups and labour NGOs.

II.5. Internal matters

It is in this economic and political context that INFID work and focussed on the promotion and protection of human rights and the advocacy of social and economic justice.

In response to the political change, and to make use of a bigger political space in Indonesia, INFID shifted the international secretariat to Jakarta and the office in Brussels function as European Liaison Office. Major changes also took place in the organisational structure: from being a merely forum with no legal body, and had two independent secretariat, INFID now has a legal body in the form of Yayasan (Foundation), registered in the Indonesian court and one governing board consisting of 8 Indonesian members and 7 non-Indonesian members. INFID's program is also supported by JANNI in Tokyo.

Bearing in mind the important role of International Financial Institutions such as the World Bank, Asian Development Bank, the International Monetary Fund and the World Trade Organisation as well as individual donor countries on Indonesia's economic and development policies INFID focuses on monitoring the policies set up by this institutions. One of INFID's main advocacy targets is the consortium of creditors on Indonesia, called the CGI (Consultative Group on Indonesia), chaired by the World Bank.

Of no less important to INFID is to be engaged in the initiatives to keep the Indonesian reformed movement on track. This is done in coalition with other NGOs and groups that work on human rights fields, public policy reform, and empowerment of civil society.

INFID has set out three major programs in response the above issue: a) CGI and Trade related issues comprise of two sub-programs: MDBs and ODA Watch and Structural Reform and Trade Monitoring; b) Debt Campaign; c) Support on Democratisation Initiatives.

In carrying out its programmes, INFID combines a strategy of public education, public campaign, lobby (engaged in critical dialogues) with creditors, government of Indonesia, and research.

This program was approved by Indonesian participants during Indonesia Forum in February 2000, and was endorsed, by some modifications by Joint Steering Committee Meeting in May 2000.

As the changes at INFID were very substantial, the first half of year 2000 was used for planning and developing new programs as well as restructuring the secretariat. Facilitated by REMDEC, INFID secretariat staff and a number of Indonesia's Steering Committee members INFID held three meetings and managed to develop 4 year work plan (2000 –2003), restructure the secretariat and liaison office, resolve personnel issues including new recruitment, more detailed job description, finalise role and function of each unit within the secretariat as well as developing the principle of work and linkage of the units, and develop standard operational procedure.

Secretariat in Jakarta recruited two new staff: Wiwit Siswarini as the Information and Documentation Officer, Mila Charisma as receptionist and Affandy Djauhari as Finance Manager. Ritzki Cahyanto the Program Office for MDBs and ODA Watch left INFID in June . Despite strong efforts to fill this post, the position remained vacant until the end of the year. The program was managed by Executive Secretary: Binny Buchori, Bonnie Setiawan, Program Officer for Structural Reform and Trade Monitoring and Sugeng Bahagijo, Program Officer for Debt Campaign.

Eva Philipps left INFID in September. The status of INFID Secretariat in Brussels was changed to European Liaison Office. Dr. Klaus Schreiner started working as the Head of European Liaison Office since October 2000.

II. 6. Networking

INFID strengthened its networking program through conducting various joint workshops, campaign and trainings as discussed above. But INFID also organise special event to strengthen the networking between the secretariat and INFID participants, i.e.; INFID Forum (previously Indonesia Forum) and Conference. Results from INFID Forum and Conference were endorsed and further discussed in Board meeting and previously Joint Steering Committee Meeting.

This year, INFID organised Indonesia Forum in Lembang, Bandung in February 2000. The forum discussed about current economic and political issues, i.e.: the role of International Financial Institutions and IMF Programs, conflicts in Aceh and Maluku. The Forum endorsed the proposed advocacy program in INFID, the new structure and the amended statute and also nominated new Board members. The proposal was then discussed, revised and endorsed in the last Joint Steering Committee meeting in May 2000. Under the new structure, the Board held its first meeting in September 2000.

II. 7. Information and Documentation

INFID disseminated information through various forms, like mailing list, publish book, poster, briefing papers (in Bahasa Indonesia as well as in English) and booklet to make the information reach much broader audience.

- **Publication of a handbook & Booklet**

- Reprinted a second edition of booklet translation on "A Citizens Guide to the World Trade Organization: Everything You Need to Know to Fight for a Fair Trade". This second edition reprinted in June 2000 with 2,000 copies
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- INFID has published Calendar 2001 in December 2000. It function as a brochure for globalisation issues in the context of Indonesia case, by providing quick reference of cases like PLN, PAM, Debt, TRIPs, ECA and so on. Cooperation with Debt Watch, it has 26 pages and printed for 1500 copies. It was distributed to all the parties related to INFID works.

II. 8. Liaison Office, Brussels

This period is a transition period from a full secretariat to the role of liaison office. The activities of Brussels office on campaign and advocacy have been on CGI campaigns in February 2000 and October 2000. Eva Philipps and Klaus Schreiner were actively involved in refining and finalising the statements and position papers for both events. Eva and Klaus also played a major role in the meetings with IFI, GOI and various CGI country members prior to the CGI meeting both in Jakarta and Tokyo.

In addition to CGI campaign, the Brussels office spent most of its time in the restructuring of INFID secretariat and developing advocacy campaigns.

In March 2000, the INFID secretariat held a Non-Indonesian Steering Committee Meeting to discuss the restructuring the 3-year program of INFID. Binny Buchori and Revisond Baswir, a member of the Indonesian Steering Committee were present as resource persons.

May 2000: with the Jakarta Secretariat organised Joint Steering Committee meeting to plan the restructuring and advocacy issues of INFID for the year 2000 – 2003.

In October 2000, attended a workshop on Indonesia's debt problem in Wuppertal, Germany, organised by Jubilee 2000, Germany.

October 2000: organised the last meeting of Non Indonesian Steering Committee discussing the

phasing out process of non Indonesian INFID secretariat.

Between May and September, the office was busy recruiting head of liaison office. Klaus Schreiner was recruited as the liaison officer.

October 2000: attending the first INFID Board meeting in Bogor.

Throughout the year the Brussels office met with the Indonesian Desk at the European Union to follow up on CGI campaign especially on forestry. The office also met and discussed with various groups in Europe on Indonesia related matter. The office also develops Short News Overview regularly as a means to alert INFID participants and other parties interested in Indonesia, on the latest update of the economic-political situation in Indonesia.

III. RESULTS

Some significant results from the Year 2000 activities include:

1. Increasing awareness of the public on the issue of debt burden, the role of International Financial Institutions and the impact of globalisation;
2. The ability of INFID to obtain media coverage to address the issues of debt burden, the role of International Financial Institution and the impact of globalisation;
3. Establishment of new groups focussing on INFID's advocacy issues;
4. Widening of INFID's network reaching other civil society groups such as farmers, woman groups, church groups and some trade unions;
5. A more meaningful room to engage in dialogues with Indonesian Government, the World Bank, bilateral donors, and Indonesian Parliament seen from the observer status during CGI, dialogue with Indonesian Ambassador to WTO, request to be a speakers in many events organised by Indonesian government;
6. A deeper engagement between secretariat staff and other groups addressing the issues of human rights, public policy reform and humanitarian issues. This is seen by the involvement of INFID in a number of NGO coalitions such as the Jakarta-based NGO coalition to push for pro-poor budgeting; supremacy of civilian rules; and a bigger coalition to respond to the ongoing political struggle.

IV. CHALLENGES AND RECOMMENDATION

1. In a time highly coloured with political uncertainty, INFID is facing two big challenges: one, is related to its role and function as an **international NGO coalition** and the second, is how to make its advocacy issue effective and compete with the news of daily power struggle.
2. As an NGO, INFID is facing the political reality that it should be part of the movement to maintain and safeguard the transition period, so that it would remain a transition from an authoritarian rule to a democratic government. The question is how far should INFID be involved, when taking such a stand and wanting to defend the reform sometimes could be more effective by building coalition with political parties and take part in addressing the interest of the parties. So far, INFID maintains a non-partisan approach, and therefore take a "disengage" stand in safeguarding the transition period. This means INFID is more focussed in putting forward the unfinished agenda of the reform, pleading to the public not to be drawn in the political struggle and avoids a closer coalition with any political parties. So far I am of the opinion that as an international NGO coalition, and as an NGO in general, INFID should always work based on the principle of human rights promotion, democracy and social justice. By maintaining a "standoff" position, INFID could maintain its independence whoever the administration will be.
3. In a time when all media attention is absorbed in the power struggle, it is very hard to keep addressing the issue of unresolved human rights cases, and the economic problem such as the flaw role of IMF, the failure of adjustment program and the debt burden. To overcome this problem INFID should have a stronger collaboration with other civil society groups both in Indonesia and outside Indonesia.
4. How to convince the Indonesian government, Indonesian parliament and creditors on INFID's argument on the need of debt relief to Indonesia, the flaw of adjustment loan, and the need to refuse millennium round. INFID secretariat and its network need to develop very sharp, and analytical argument, strengthened with examples from the field.

V. ANNEXES

INFID's Statement / Papers

Statements:

1. 21 Januari 2000, Pernyataan INFID kepada Consultative Group on Indonesia (CGI) dan Pemerintah Indonesia.
2. 13 April 2000, Pernyataan atas perundingan hutang Indonesia di Paris Club
3. 11 Oktober 2000, INFID's statement to the CGI Members and The Government of Indonesia.

Papers:

1. October 4th, 2000, INFID's background paper "Reject SSNAL-JPS Loans, replace with grants" Response to CGI Meeting October 17-18 2000 in Tokyo, Japan.
2. October 4th, 2000, INFID's Background paper "Postpone LAP-II, first review LAP-1" Response to the CGI Meeting, October 17-18 2000, in Tokyo, Japan.
3. October 4th, 2000, INFID's Background paper, "The Military continues to obstruct democratization" Response to the CGI Meeting, October 17-18 2000, in Tokyo, Japan.
4. October 4th, 2000, INFID's Background paper, "Decentralization means democratization in the regions" Response to the CGI Meeting, October 17-18 2000 in Japan, Tokyo.
5. October 4th, 2000, INFID's Background paper, "Indonesian reform must uphold human rights" Response to CGI Meeting, October 17-18 2000 in Tokyo, Japan.
6. October 4th, 2000, INFID's Background paper, "Indonesia's foreign debt: Imprisoning the people of Indonesia?" Response to the CGI Meeting October 17-18 in Tokyo, Japan.
7. October 4th, 2000, INFID's Background paper, "Stop violence in Aceh" Response to the CGI Meeting, October 17-18 2000 in Tokyo, Japan.
8. October 4th, 2000, Position paper of INFID to the CGI Member and the Government of Indonesia

INFID's joint statements

1. January 13th, 2000, Pernyataan bersama tentang rencana pencairan dana JPS
2. January 17th, 2000, Press statement Anti-Debt Coalition
3. April 26th, 2000, Menggugat peranan Bank Dunia dalam sektor kehutanan Indonesia
4. May 25th, 2000, The Importance of having a UN High Commission on Human Rights Special Rapporteur on act of violence in Ambon and North Mollucas.
5. July 21st, 2000, Statement by Jubilee 2000 on the G7 announcement on debt
6. Juli 27th, 2000, Press statement concerning The State of Emergency in Maluku Province- (including document on the situation in Ambon)
7. NGO joint statement on the CGI Meeting, Tokyo 17-18 October, 2000 by INFID, JANNI, Koalisi Perempuan Indonesia, Telapak, Walhi.