

Social Accounting Matrix Advisory Support And Monitoring Assistance (SAMASAMA)



International
Labour
Organization



Objective:

Enhance diagnostic and policy advisory capacities available in Indonesia through development of tools and monitoring and evaluation systems that analyze 1) the impact of public spending on employment and poverty reduction, and 2) the cost-effectiveness of the government investments.

Key Partners:

- Coordinating Ministry for Economic Affairs
- Statistics Indonesia
- Ministry of Public Works
- Ministry of Finance
- Ministry of Manpower and Transmigration
- National Development Planning Agency
- University of Indonesia
- Gajah Mada University

Duration:

1,5 years (Mid of 2009 – 2010)

Geographical Coverage:

National

Country Programme Reference:

- Making Employment Concerns Central to Indonesia's Socio-Economic Planning
- Employment targets in the Indonesian Government's Medium-Term Development Plan (RPJM) are underpinned by a set of policies and programmes that emphasize pro-poor employment growth.

Donor:



ILO,
Coordinating Ministry for Economic Affairs,
Statistics Indonesia

Budget:

USD 220,000 plus in kind contributions from the Government of Indonesia.

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Project Description

In response to the global financial crisis, the Government of Indonesia launched a comprehensive fiscal stimulus package in 2009, with public infrastructure investments worth IDR 12.2 trillion as one of its key components. This investment created interest for the development of national diagnostic and policy advisory capacities, particularly capacities that could analyze the effectiveness and efficiency of public investment policies on employment and poverty reduction. However, tools and systems to assess the impact of public investment required development in order to increase reliability and validity.

At the request of the Coordinating Ministry for Economic Affairs (CMEA), the ILO is providing technical assistance for the development of a diagnostic tool—a dynamic social accounting matrix (DySAM)—which can be used to analyze the direct, indirect, induced employment impact of government spending.

Project Objectives

The strategic objective of this project relates to increasing the effectiveness of public investment policies, thereby enhancing the Government's capacity to design and implement public investment policies that enhance employment creation and poverty reduction in Indonesia. To achieve this objective the project is supporting development of national diagnostic and policy advisory capacities through development of a 'Dynamic Social Accounting Matrix (DySAM).

The DySAM will be used strengthen capacity for understanding the possible impacts of various public investment options on Indonesia's labour market. Simulations will allow policy makers to identify how government strategies and public spending can effectively increase employment and productivity, while also reducing poverty.

The main activities of SAMASAMA include:

- Development of a DySAM with an employment satellite account;
- Provision of training to build the capacity of end users; and
- Production of case studies to illustrate the features and benefits of the DySAM.

Complementary Activities

The Government's fiscal stimulus package included a job creation component that sought to create over one million short-term work opportunities in 2009. CMEA and ILO have been supporting the Ministry of Public Works in the planning and evaluating of the job creation component of the fiscal stimulus package. This work seeks to verify estimates and assumptions used to estimate the employment output of the programme, while also considering the effectiveness of government investments by assessing the length of work opportunity and efficiency of outreach.

The main activities of this work include:

- Development and piloting of survey research instruments;
- Verification of assumptions used to estimate the quantity and quality of work opportunities generated; and
- Design of a model and methodology to enhance monitoring and evaluation activities.

This work can help to increase the quality of the DySAM by verifying employment creation assumptions and improving the overall quality of data used in the model.



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