



Strengthening Village Capacity in the Protection and Empowerment of Indonesian Migrant Workers: Best Practices and Services Inclusion during the COVID-19 Pandemic



EXECUTIVE SUMMARY

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INTRODUCTION

Indonesia, like many other countries around the world, experienced the fall out from the COVID-19 pandemic. With the rapid local spread of the virus, transnational migration emerged as an important issue to address in the country's response.

The pandemic has exposed the vulnerability of low-wage Indonesian migrant workers. Approximately 180,000 migrant workers returned as an immediate result of the pandemic. While such mass-scale repatriation may possibly translate into socio-economic issues of returned migrant workers, little is understood about the predicament. Furthermore, the pandemic has also displayed the limits of remittances. In previous (economic/financial) crises, remittances were touted as a more resilient, reliable international financial transfer. Yet in March 2021, it was reported that 2020 remittances dropped significantly by 17.6% due to the pandemic, reduced to USD 9,43 billion, which is USD 2 billion less than the previous year.

On the other hand, Indonesia's Law No. 18 Year 2017 on the Protection of Indonesian Migrant Workers ushered in a new chapter in the governance of the country's labor outmigration as it promises more protection efforts to remedy earlier focus on placement. In stark contrast to the Law No. 39 Year 2004, which centralized all pre-departure activities, the 2017 law devolves more migration governance to local governments, positioning them as significant duty bearers. While the law allows flexibility for local governments to swiftly cushion the pandemic's possible adverse implications on returned migrant workers, the extent to which the opportunity has been taken up has yet to be inferred.

To annul existing uncertainties, International Organization for Migration (IOM), United Nations Development Programme (UNDP), and *Serikat Buruh Migran Indonesia* (SBMI) conducted a study to shed light on the following aspects: (i) village-level comprehension of issues surrounding Indonesia's labor outmigration; (ii) the availability of specific

village regulations relating to migrant workers; and, (iii) the degree of migrant workers and their families' inclusion in existing village-level programs. Expanding on the latter, we are interested in identifying best practices during the pandemic response, to explore how they can form a basis for more permanent policy measures.

The study employs a mixed-methods sequential explanatory design, which involves two distinct stages. The first phase focuses on the collection and analysis of quantitative data sourced from a quantitative survey. Using a simple random sampling method, the survey covers 1,082 villages across eight provinces in Indonesia. The second, qualitative phase builds on, and is informed by the quantitative findings. The qualitative phase employed focused group discussions (FGDs) and in-depth interviews with policymakers from the national to subnational level as the main avenues for data collection.

The study serves as one of the biggest exploratory surveys on Indonesian migration in terms of samples collected, to provide robust empirical evidence, and indication on general findings, to inform future efforts in improving village capacity in migration governance particularly during the COVID-19 pandemic.

The study presents an opportunity to elaborate better understanding about the linkages between development and migration, which have not been sufficiently addressed in the Indonesian context. The study positions the pandemic best responses as springboard for thinking about how migrant workers and their families' needs can be included in the broader developmental framework. Focusing attention to services inclusion, the intent here is to avoid an instrumentalized approach to migration, where migrant workers are valued only in terms of their remittance's potentials.



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KEY SURVEY FINDINGS

- Most villages surveyed (94.45%), still need to develop their own *Perdes*, or Village Regulation on migrant workers.
- At least 23.57% of village apparatus surveyed have comprehended Law No. 18 Year 2017. However, there is still an opportunity for this number to be increased.
- Almost one-fifth (19.13%) of the villages surveyed maintain records on the number of international migrant workers from the village.
- Programs relating to provision of information on safe migration were in place in 18.85% of the villages surveyed.
- The majority of surveyed respondents see migrant workers as contributing to village development, with 15.06% chose strongly agree and 55.82% agree with the statement.
- Most village apparatus list the following, as areas where they need capacity-building assistance and could benefit from follow-up activities: provision of information on safe migration (73.38%), population and migration data management (69.04%), and case management (52.5%).
- The existence of migrant workers' organizations has a statistically significant correlation, with a positive coefficient, with village apparatus' familiarity with Law No. 18 Year 2017. On the other hand, the study finds that comprehension regarding Law No. 18 Year 2017 of female village apparatus and those who are located in border areas can be further improved. This is based on the significant negative correlation between comprehension and gender as well as location variables.

COVID-19 RESPONSE BEST PRACTICES

Indonesia's pandemic response showcased a number of best practices that could be leveraged for more permanent policy measures. At the national level, the Indonesian government quickly attended the medical crisis and safeguarded its people against the rise in poverty through its IDR 699.43 Trillion national economic recovery program, known as the PEN (*Pemulihan Ekonomi Nasional*). The program includes efforts to swiftly re-direct the Village Fund to administer direct cash transfers (*Bantuan Langsung Tunai – Dana Desa, BLT-DD*) and provide programs that facilitate those who had lost employment.

More specific to the issue of migration, we have identified the following best practices.

- (1) Interprovincial repatriation coordination, especially within the established Malaysia-Indonesia migration corridor, which connects Kalimantan provinces (especially West Kalimantan) with West and East Nusa Tenggara;
- (2) The commitment of local governments, notably in East Nusa Tenggara, to provide repatriation assistance, irrespective of documentation status;
- (3) The involvement of non-government actors, especially the ethnic-based *paguyuban*, in the repatriation efforts;
- (4) Improved recording of migration data, as immediate health concerns necessitated villages' measures to track and register returnees.

CHALLENGES IN PROTECTING AND EMPOWERING MIGRANT WORKERS DURING A PANDEMIC

The COVID-19 pandemic has resulted in a repatriation of migrant workers at an unprecedented scale. Local governments are facing new challenges in implementing responses to migration, in addition to the historical one regarding socialization of the law. Specific to the Law No. 18 Year 2017, the main challenge remains in the abolishment of recruitment fees.

Local governments are aware of the prevalence of debt migration and the need to abolish recruitment fees, the scheme of which mostly burdened migrant workers. Debt migration results in a high likelihood of re-migration, as migrant workers are typically unable to save money in the first two-year contract period. While the sudden large-scale repatriation of migrant workers due to the pandemic reinstates the importance of the issue, local governments are also wary of the prospects as the responsibility to finance the training of migrant workers now falls on them.

Despite the challenges, this study notes innovative local initiatives to aid safe migration passages. For instance, in the Sambas regency, local officials have come up with SILVI, a virtual information system dedicated to migrant workers. The example of SILVI can inform future efforts in incorporating migration in the village information system, *Sistem Informasi Desa* (SID).

MIGRATION & VILLAGE DEVELOPMENT

The quantitative study is also complemented by in-depth interviews with select village governments. Below are some of the key takeaways.

(1) As infrastructure and health remain as the prioritized issues for villages, emphasis on migrant worker has yet to be integrated into the specific village regulations, plans (*Rencana Pembangunan Jangka Menengah, RPJM*) and programs. Concurrently, village governments are more interested in exploring migrant workers' potentials in engendering a multiplier effect in the village economy, notably through their remittances, instead of attending to their vulnerabilities.

It also appears that village developmental priority still closely follows national and local governments' directions, putting into question the effectiveness of Law No. 6 Year 2014 in initiating bottom-up initiatives. To illustrate, when asked why his village has not developed mechanisms to respond to migration issues, a village official in the Serang regency simply replied, "There is no instruction from above."

(2) The absence of particular programs for migrant workers does not imply their exclusion from village government assistance. As the COVID-19 experience showcased, migrant workers are included in various aid/assistance packages, although ostensibly, not under a migrant worker category. They most likely get covered under other categories such as the most affected population.

It is also interesting to note here that a family has to be properly listed in the population registry (through *Nomor Induk Kependudukan, NIK*) to be considered eligible for aid packages. This could serve as a major incentive for migrant households to ensure that their members migrate through documented channels.

(3) That village priority in two areas of development previously mentioned can aid the integration of migration issues into a broader development framework. Firstly, scholars have pointed out how

remittances are better facilitated when (physical) infrastructure and supporting facilities are already in place in the migrant-sending regions. Secondly, attention to children and their health can be an effective gate to mainstream migration issues in village development. This is attributed to the village government's greater interest in attending to the social costs of migration. One example of this can be found in Sumbergede, a village in the Sekampung district, East Lampung, where regulation on migration was formulated from concerns about the predicament of stay-behind families of migrant workers.

(4) There are further insights from the qualitative phase that instruct us to be more careful in reading results from the quantitative stage.

- a. While it is true that village-level (former) migrant workers community contributes to village government's greater comprehension of the Law No. 18 Year 2017, socialization of the law by the national government plays an equally important role.
- b. Migration data at the village level are often still very rudimentary and requires improvement. In some villages, the practice is as simple as recording the name of the migrant worker, and the destination country.
- c. While BUMDes is cited as the most favored village program, in practice, its implementation thus far has yet to live up to its promised potentials, especially to cushion the adverse impacts of COVID-19. Many villages have not managed to develop their BUMDes as issues remain in the professionalism of the recruitment process.

At the same time, migrant workers can take up the opportunity to democratize BUMDes through remittances. Alternatively, it can be routed to co-operatives (*kooperasi*), an economic unit identified by migrant worker community organizers as the most suitable entity for their purposes. The Ministry of Villages, Disadvantaged Regions and Transmigration has stated that BUMDes is open for collaborations with migrant-initiated co-operatives.

Former migrant workers also have the potentials in identifying prospective products in their areas of origin. With their experiences abroad, migrant workers can have better information about market needs beyond their local/national spatiality. For example, in West Nusa Tenggara, locals have recently discovered the market potentials of *porang* (*Amorphophallus muelleri*), which fetch high prices in Japan as the main ingredient for *konnyaku* and *shirataki* noodles.

COMMUNITY EXAMPLES

During this research, discussions with community organizers, and former migrant workers who have initiated small-scale business upon return engender invaluable understanding about the empowerment of migrant workers and what can be improved concerning efforts to ease the impacts of the pandemic.

The first area for improvement is in expanding the manifestation of empowerment from only entrepreneurship programs to also include capacity building in other aspects such as gathering market information, securing access to capital, as well as marketing and distribution. As food items make up a considerable portion of their products, many of them can also benefit from help in legal licensing, *halal* certification, and product packaging. Additionally, a more streamlined arrangement of programs provided by ministries and agencies may also aid the effort.

Another opportunity for improvement is in the support for empowerment that local government provides, especially at the regency/town level. Many former migrant workers recounted the sadness from having to go door-to-door, offering products to whichever local government offices they can access. Alternatively, an example of good practice with regards to this issue is the SBMI Mart, which combines the concepts of co-operative and semi-groceries, and dedicates attention to promoting migrant workers' products. This type of experience may open more opportunities to support the government in alleviating the COVID-19 related socio-economic burdens faced by returning migrant workers and their home communities.



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POLICY RECOMMENDATIONS

Based on the findings of the study, we propose policy recommendations on two levels. Immediate actions to support and protection returned migrant workers during the pandemic at the local government level, include:

- 1) Local governments should come up with a coordination mechanism on how they may attend to migrant workers' needs for protection and empowerment as stipulated in Law No. 18 Year 2017. As adverse impacts of the pandemic have stressed the need for protection towards returned migrant workers, the use of appropriate bureaucratic nomenclature, such as protection item in obligatory basic services (*Urusan Wajib Pelayanan Dasar*) may aid them in effectively allocating budget for labor migration issues. Local governments may also look into districts' (*kecamatan*) potential contribution in migration governance;
- 2) To widen the pool of resources in responding to the pandemic, the role of the regional development agency (*Badan Perencanaan Pembangunan Daerah, Bappeda*) in integrating migration in local-level development planning may be enhanced, one of

which is by utilizing their capacity in improving migration database;

- 3) Improve existing approach to empowerment, by providing (former) migrant workers with assistance activities beyond training but also continuous, follow-up monitoring upon return.
- 4) Support village-level community-organizing by (former) migrant workers and members of their families and encourage their greater economic involvement and investment in the community, particularly through co-operatives.

At the national level, we recommend the following actions to be implemented:

- 1) Ministries/agencies should coordinate and provide support to villages in improving their capacity to respond to issues of protection and empowerment of migrant workers, especially during the COVID-19 pandemic;
- 2) The government at the national level, in particular, should increase efforts to implement Law No. 18 Year 2017, specifically for women's village apparatus and those located in border areas;

- 3) To ease the debt burdens of migrant workers and debt-induced remigration, all government levels should contribute to BP2MI-led efforts to abolish recruitment fees. To complement the endeavor, joint efforts at negotiating bilateral and multilateral agreements regarding employers pay may also be carried out with support from International Labour Organization (ILO) and IOM;
- 4) As the large-scale repatriation underscores the need for an integrated migration database, the following measures should be considered: a. improve data on return and re-migration; b. involve BPS in contextualizing broader national migration database and shed light on how migration relates to development issues in general; c. linking village's SID to this integrated database;
- 5) In general, the government's perspective on the link between migration and development needs to be expanded beyond cursory discussions about remittances. Aside from the poverty reduction framework from which the COVID-19 response has substantiated, we propose two points of departure to link migration to development. Firstly, there is a need to probe into how migration features into the Ministry of Villages' development paradigm. Secondly, there is a need to understand how migration could be incorporated into the National Development Planning Agency's configuration of livelihoods (on-farm, off-farm, and non-farm activities) and broader understanding of migration in the context of agrarian transition;
- 6) Provide support to village governments in improving their capacity in the following areas: a. provision of information relating to safe migration; b. population registry and data management; c. case management/(legal) assistance. Villages could also highly benefit from more assistance in integrating gender responsiveness, as the Presidential Instruction No. 9 on Gender Mainstreaming (*Inpres No. 9 Tahun 2000 tentang Pengarusutamaan Gender*) mandates, in their developmental framework and governance of migration. Affirmative actions for women are particularly needed, considering the context of feminization migration and the gendered experiences of the COVID-19 pandemic. Interests from different stakeholders may also converge on

the issue of stay-behind families, especially children, of migrant workers. Village programs catering to this issue should be given more priority.

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