



# THE FIVE LEVELS OF GOVERNMENT IN INDONESIA

## AN AIC BRIEFING NOTE

Kevin Evans  
Editorial by Marlene Millott

*The Australia-Indonesia Centre partners with various levels of government in both countries. This week, for example, we bring together the Province of West Java and the City of Melbourne for a [webinar discussion](#) on COVID-19. Since day one we have partnered with the national governments of both countries, and many AIC research projects [have been](#) and [are currently being](#) run in conjunction with various Indonesian cities, regencies, sub-districts and villages. This article outlines those various administrative levels in Indonesia and the roles they play.*



'Gedung Sate', the nickname given to the Office of the West Java Governor. Ridwan Kamil is the current Governor of this, Indonesia's largest, province. (Credit: [tribunenews.wiki.com](http://tribunenews.wiki.com))

The Republic of Indonesia is a unitary state, not a federal state. However, power has been significantly decentralised since early in the democratic era. Under this system, much responsibility for managing issues of public importance was transferred to city and regency administrations, leapfrogging the provincial administrations.

The most recent amendment to the Law on Regional Administration (Law 23/2014), however, has empowered the provinces, and no longer the cities and regencies, with regard to managing natural resources (mining, water, forests, etc.)<sup>1</sup>

## FIVE LEVELS OF GOVERNMENT IN INDONESIA

The hierarchy of administration in Indonesia is headed by an elected president at the national level together with a fully elected two chamber parliament. Following decentralisation, the national government retains exclusive carriage in four areas: foreign policy, defence, monetary and fiscal policy, and religious affairs. In other areas authority is shared. For example, in education, the national government is responsible for the tertiary level, provinces for secondary schools, and city and regency administrations for primary schooling. On roads, there are national roads, provincial roads, local roads and village roads. Each level of government from cities and regencies up manage their respective hospitals.

Indonesia's 34 provinces form the second level of administration. Each province is led by an elected governor. The 2014 amendments to the Law on Regional Administration saw provinces retain key

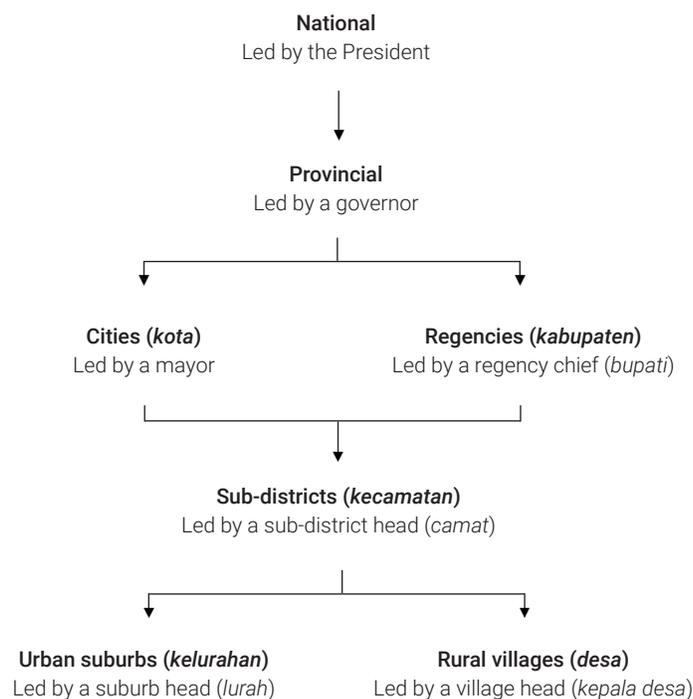
<sup>1</sup> [Law No. 32/2004](#) concerning Regional Administration

<sup>2</sup> Indonesian Bureau of Statistics, ['Statistical Yearbook of Indonesia, 2020'](#), 29 April 2020, p. 47-8



The administration office of kecamatan (or 'urban hamlet') Bojongloa Kidul in Bandung, West Java. (Credit: [City of Bandung](#))

Figure 1. The five levels of government



powers to coordinate authority on matters within their boundaries that cut across cities and regencies.

The third level of administration consists of both cities (kota) and regencies (kabupaten) that are led by an elected walikota (mayor) or an elected bupati (regency chief), respectively. Across Indonesia, there are 98 cities and 416 regencies.

The fourth level of administration are the sub-districts known as kecamatan. Kecamatan administrations, unlike provinces and cities and regencies, are not autonomous organisations – they form part of the city and regency administrations. The head of the kecamatan is a camat. These are career civil servants appointed by, and accountable to, their mayor or bupati. Across Indonesia there are 7,246 sub-districts.<sup>3</sup>

The fifth level of administration is the village level. There are two kinds of village administration. In rural areas villages, known as desa, are partially autonomous

<sup>3</sup> Ibid., p. 49.  
<sup>4</sup> Ibid., p. 50.

from the kecamatan in which they are located. Each village head (the kepala desa) is elected by residents. The second type of village is in urban areas and is known as a 'kelurahan'. Each kelurahan is led by a lurah, a career civil servant. They are managed through the kecamatan and are accountable ultimately to the mayor or bupati. There are 83,813 urban and rural villages across Indonesia.<sup>4</sup>

Below these five official levels of administration are two further levels, both of which are subsidiaries of villages. The first is a hamlet (rukun wilayah - RW) and contained with each rukun wilayah are to be found several neighbourhoods (rukun tetangga - RT). These systems were established during the Japanese Occupation and represent information and support services systems of the village administration including on matters as varied as social and welfare mapping to staffing polling booths at elections. The heads of each RT also act as civil registrants verifying the identity of their residents needing permits from higher levels of administration.

While the specific organisational structure of each local administration may vary, there are some quite common structures. Sitting directly in the provincial government offices are several bureaus, covering staffing, finance, planning, protocol, legal affairs, public affairs, communications and more. Similar structures exist, albeit on a smaller scale, at the city and district levels.

Within the provincial and local administrations are regional planning agencies (Bappeda). These Bappeda play a central player in drafting the annual budget in conjunction with the Regional Budget Financial Management Agency. Once crafted the budget must be deliberated and passed by their respective provincial or representative councils (Dewan Perwakilan Rakyat Daerah – DPRD). These DPRD also have the responsibility for overseeing the operation of the local Executive led by the Governor, mayors or bupatis as well as have the responsibility for deliberating and passing local authority regulations that fall within the authority of their respective territory.

Many local authorities also own and manage regional-owned enterprises (badan usaha milik daerah – BUMD). BUMDs are essentially miniature versions of state-owned enterprises (badan usaha milik negara - BUMN) at the national level. For example, most local authorities manage their water delivery services as a form of BUMD. Of note too is the growing propensity in recent years for villages to establish their own village-owned enterprises, known as BUMDes (badan usaha milik desa). These have become a more popular form of collective local enterprise, in some ways displacing village level cooperatives (KUD – Koperasi Unit Desa) that seem to be losing popularity in recent years.

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<sup>4</sup> Ibid., p. 50.

## PROFESSIONALISING THE CIVIL SERVICE

The creation of a Civil Service Commission (KASN) in late 2014 represented an important first step towards guaranteeing the neutrality and professionalism of the civil service. The establishment of the KASN has also promoted a new level of transparency in the appointment and placement of senior officials. These new approaches have been put in place in the hope of reducing the practice of nepotism, partisanship and other obstructions to appointment by merit.

As in most countries, Indonesia promotes the principle that its civil service should be politically neutral. As elsewhere too, sometimes this principle falls short in practice. The creation of the KASN was in part driven by a desire to uphold the principle of merit and to provide an institutional tool to support these efforts.

There are roughly 4.5 million civil servants across Indonesia<sup>5</sup>, around half of whom are women. Those women, however, are concentrated at the much lower levels of service.<sup>6</sup> In general terms the largest block of civil servants is made up of teachers and lecturers, and health care workers. In addition to these civil servants there are estimated to be 470,000 police and 400,000 armed forces personnel.<sup>7</sup>

Considering that the number of people employed in Indonesia, according to 2019 data from BPS, is approximately 130 million, the total number of civil servants is relatively modest, and generally a lower percentage that most people would assume. Even taking into account the various kinds of “honorary” civil servants who are very low paid people yet who may be undertaking important tasks like teaching, the figures are still not that high.

In addition to the career civil service, a number of elected leaders (governors, mayors and bupati) have begun to establish special teams to provide policy and political support in their work as democratically elected and accountable figures. At the national level this has been seen through the establishment by Indonesian Presidents of agencies such as the UKP4 (Presidential Delivery Unit for Development Monitoring and Oversight) by President Yudhoyono and the KSP (Office of Presidential Staff) established by President Joko Widodo.<sup>8</sup> People who are recruited to these agencies may include career civil servants, but also include people from academia, the private sector, civil society, political society and the media.

<sup>5</sup> The World Bank, [Mapping Indonesia's Civil Service](#), November 2018

<sup>6</sup> Indonesian Bureau of Statistics, *Op. cit.*

<sup>7</sup> [katakata.co.id](#)

<sup>8</sup> Tempo, 'Yudhoyono: Unit Kerja Presiden adalah Mata, Telinga dan Tangan Saya', 23 October 2009. See also: [Kantor Staf Presiden](#).

These ad hoc institutions are dedicated to supporting the work of an elected leader, including on evaluating the performance of the civil service. However, they can often rub up against pre-existing permanent institutions. If managed well, this kind of creative tension can aid progress and stimulate reforms that raise productivity and performance and which may not have happened in their absence.

The operation of all five levels in equilibrium provides the best conditions for development at all levels, and in this regard Indonesia is well placed, having come a long way in terms of finding a balance between national unity and regional autonomy since the start of decentralisation.

## COVID-19

The sharing of power and responsibility between these five levels of government is always evolving, and management of COVID-19 has brought some of these boundaries under the spotlight in many countries, Indonesia and Australia being no exception. Governors in particular, in many key provinces, have stepped forward to play high profile roles in policy making and advocating on addressing the many COVID-19 challenges.



The Australia-Indonesia Centre is a consortium of 11 leading research universities in both countries. Its mission is to advance people-to-people links in science, technology, education and innovation.

Contact: +61 3 9903 1296 | [admin@ausindcentre.org](mailto:admin@ausindcentre.org) | [www.ausindcentre.org](http://www.ausindcentre.org)