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Empowering Women Entrepreneurs in Eastern Indonesia

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Chapter 1

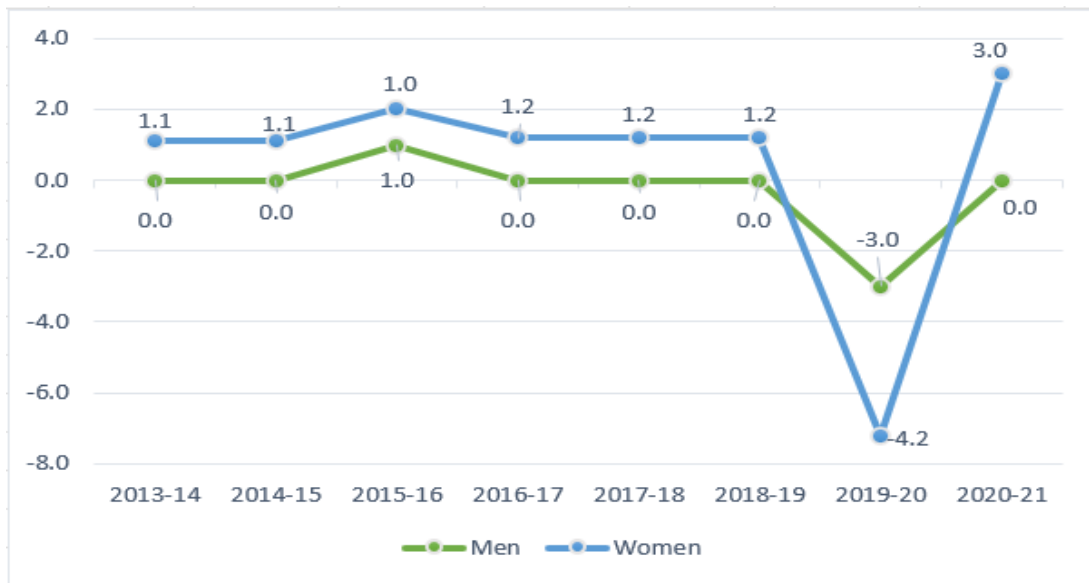
Introduction

The coronavirus (COVID-19) pandemic has created a profound shock worldwide that has affected men and women in different ways. Whilst impacts vary significantly across regions, countries, and geographies, certain trends are recurring. Emerging research and early evidence on the impact of COVID-19 suggest that women's lives and economic opportunities are being affected disproportionately and differently from men (Wenham, Smith, and Morgan, 2020; World Health Organization, 2020).

Globally, women tend to earn less, have fewer savings, and are more likely to hold less-secure jobs (UN Women, 2020a; Asia-Pacific Economic Cooperation, 2020; McKinsey, 2020). Women also generally experience more limited access to social protection, and thus, their capacity to absorb the economic downturns caused by the pandemic has greater consequences compared to men (UN Women, 2021). Moreover, because of their greater caretaking responsibilities (especially acute during lockdowns, school closures, and other types of restrictions), more women are prone to dropping out of the workforce and shouldering a greater burden of unpaid care (UN Women, 2020b; Ruddy, 2020; Nesbitt-Ahmed and Subrahmanian, 2020).

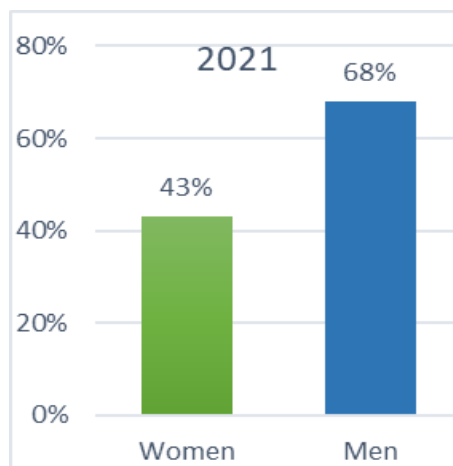
The first and foremost trend of COVID-19's impact is women's vulnerability in the labour market, where the economic shocks have left women more exposed and prone to being laid off. Between 2019 and 2020, women lost more than 54 million jobs globally (ILO, 2021a) – a 4.2% loss, whilst men's employment declined by 3% (Figure 1.1). In 2021, the International Labour Organization projected that only 43.2% of the world's working-age women were employed, in contrast to 68.6% of their male counterparts (Figure 1.2). This means that in 2021, women were still 25.4% less likely to be employed than men worldwide (ILO, 2021a; ILO, 2021b; World Economic Forum, 2021).

Figure 1.1. Global Change in Employment (%)



Source: ILO calculations based on ILOSTAT, 2021 (accessed 18 February 2022).

Figure 1.2. Global Employment Rates



Source: Source: ILO modelled estimates, 2021 (accessed 18 February 2022).

Secondly, whilst the scale of the economic challenge is still unfolding, the self-employed and women entrepreneurs are amongst those who have been hit hard by the pandemic. The World Bank Enterprise Survey data (harmonised dashboard) shows that in 12 out of 18 countries, female-led businesses were more likely to close (at least temporarily) due to the COVID-19 outbreak than male-owned businesses (Hyland et al., 2021). Similarly, a global study involving 85 economies conducted by the International Trade Centre found that 64% of women-led enterprises self-reported that their businesses were adversely affected by the COVID-19 crisis compared with 52% of men-led firms (International Trade Centre, 2020). One of the underlying reasons is that compared with men entrepreneurs, women entrepreneurs

are often disadvantaged in specific factors or resources that are key for survival and recovery, including financing and access to technology, information, markets, and supply chains (Marsan and Sabrina, 2020a).

This situation is particularly true in developing countries and emerging economies because the vast majority of women workers make their living in the informal economy with many of them self-employed or working in micro, small, and medium-sized enterprises (MSMEs) (UN Women, 2020c; ILO, 2018).

In the following sections, the report will discuss how the pandemic has further affected women entrepreneurs on the regional and national scales. The explanation will serve as a bridge to the main objective of this report which aims to explore the state of women entrepreneurs in Eastern Indonesia, particularly in five provinces: North Sulawesi, Nusa Tenggara Timur (NTT), Nusa Tenggara Barat (NTB), Maluku, and Papua. The report will also present key national policy initiatives and the development of women entrepreneurs as well as key challenges and recommendations to empower women entrepreneurship in Eastern Indonesia.

1. The Impact of COVID-19 on Women Workers and MSMEs in the Association of Southeast Asian Nations

One common feature of COVID-19's impact on women's employment is that there are most likely cases of labour force exits amongst women in the Association of Southeast Asian Nations (ASEAN). The extent to which women were more affected by job losses than men in the region varied across sectors and countries. In Thailand, for instance, women accounted for approximately 60% of Q2 2020 job losses and around 90% of manufacturing job losses (ADB, 2021). In addition, the report shows that in ASEAN countries (Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam), women were likely to exit the labour force following job losses, whilst men were more likely to become unemployed. This means that in contrast to men, most women who had lost their jobs were not available to take up work or were not searching for work. For many women who re-entered the labour market in 2020, the survey also indicated that they worked in 'lower quality' jobs than they had prior to the crisis, and these jobs were often informal, own-account, or contributing to family work (ADB, 2021).

Whilst the labour market has captured how the crisis caused job losses for many ASEAN women workers, informal workers, particularly those in MSMEs, are also vulnerable to the impacts of the crisis. MSMEs are the backbone of ASEAN economies. They are essential drivers and contributors to the GDP of ASEAN economies, accounting for more than 90% of all business establishments (Marsan and Sabrina, 2020b) and generating between 51% and 97% of employment in the many ASEAN Member States. MSMEs' contribution to GDP is generally significant, at about 23%–58%, and their contribution to exports is in the range of 10%–30% (Taghizadeh-Hesary, Phoumin, and Rasoulinezhad, 2021). They also enable the greater integration of women and youth into the economy (ASEAN Secretariat, 2015).

The majority of MSMEs in ASEAN are women-led, with more than 60 million women across ASEAN operating their businesses (GEM, 2019). However, they have been severely hit by the

pandemic, and the subsequent economic crisis is jeopardising progress. Across the region, relatively more women-led MSMEs in ASEAN have temporarily closed business, suffered greater losses in sales and revenue, reduced their workforce, suspended monthly wage payments, and experienced a lack of funds than men-led MSMEs – although the actual conditions have differed by country (GEM, 2021).

A survey conducted by ADB (2020) shows that amongst 3,831 MSME respondents from Indonesia, the Lao PDR, the Philippines, and Thailand, a relatively higher share of women-led MSMEs temporarily closed business after the outbreak. Meanwhile, 51.9% of women-led MSMEs against 47.2% of men-led MSMEs in Indonesia closed their businesses after the pandemic hit; 66.9% against 56.3% in the Lao PDR; 71.5% against 69.3% in the Philippines; and 45.4% against 37.7% in Thailand (ADB, 2020). Furthermore, more women-led MSMEs suffered major drops in sales and revenue than men-led MSMEs. For example, in Indonesia, women-led MSMEs with no sales increased from 39.7% in March 2020 to 50.6% in April 2020, whilst men-led MSMEs increased from 34.7% to 48.8%. Similarly, women-led MSMEs in Indonesia reporting no revenue increased from 36.5% in March 2020 to 51.3% in April 2020, whilst men-led MSMEs increased from 35.8% to 47.7% (ADB, 2020).

As ASEAN (including Indonesia) is trying to accelerate the inclusive post-pandemic economic recovery in the region, catalysing women MSMEs and supporting them in the economic recovery process will be one of the key elements of recovery. Whilst ASEAN countries are taking measures in enhancing greater entrepreneurship activity amongst women in the region, it is important to note that many of the initiatives are being coordinated by non-government actors with female-lead entrepreneurs who constantly build a gender-sensitive entrepreneurship ecosystem in the region. For instance, the Go Digital ASEAN initiative by the Asian Foundation brings private sector, community, and MSMEs working towards digital inclusiveness for enterprises and women-led MSMEs in ASEAN (Box 1).

Box 1. Go Digital ASEAN – The Asian Foundation

The Go Digital ASEAN initiative, developed and implemented by the Asian Foundation with support from Google.org, Google’s philanthropic arm, is designed to:

- equip micro and small enterprises and underemployed youth, particularly those in rural and isolated areas, with crucial digital skills and tools;
- expand economic opportunity across the ASEAN Member States; and
- minimise the negative impacts of the COVID-19 crisis.

The project was approved by the ASEAN Coordinating Committee on Micro, Small and Medium Enterprises (ACCMSME) in November 2019 and was launched in June 2020 (as a collaboration between the ACCMSME and the Asia Foundation). The project will reach up to 200,000 underserved people and rural micro-enterprises across the region, including 60% women, with the goal to broaden participation in the digital economy and create a more inclusive ASEAN region. The Asia Foundation’s local country offices lead a community

network of trainers and volunteers to help integrate MSME owners and underemployed youth workers into the digital economy.

The programme works with governments, local partners, and youth volunteers across the 10 ASEAN countries. New technologies are creating pivotal shifts in the way people live, work, and interact, and governments want to ensure their countries are not left behind. In response, Go Digital ASEAN supports the digital talent entrepreneurship objectives of the ASEAN Digital Integration Framework, set out by the ASEAN Coordinating Committee on MSMEs. The activities also contribute to the ASEAN Strategic Action Plan for SME Development (2016–2025). So far, Go Digital ASEAN has trained more than 3,000 local volunteer trainers using a ‘training of trainers’ approach. Training is customised to local needs, conditions, and contexts. The courses focus on creating online professional profiles to maximise employment opportunities, increasing the market reach of MSMEs through social media, and supporting the digitisation of agri-tourism enterprises. Amidst the COVID-19 crisis, this initiative will be a mechanism for helping MSMEs to learn about programmes or assistance that can help them continue to operate during the COVID-19 crisis. Go Digital has targeted numerous beneficiaries:

Go Digital ASEAN – Targeted Beneficiaries by Country

No.	Country	Number of Targeted Beneficiaries
1	Brunei Darussalam	4,000
2	Cambodia	15,000
3	Indonesia	20,000
4	Lao PDR	8,000
5	Malaysia	15,000
6	Myanmar	8,000
7	Philippines	25,000
8	Singapore	100
9	Thailand	40,000
10	Viet Nam	65,000

Source: Author’s online research; www.asean.org ; www.asiafoundation.org (accessed 1 March 2022).

2. The Impact of COVID-19 on Women Workers and MSMEs in Indonesia

Indonesia is the largest archipelago country in the world and a diverse nation with longstanding challenges in economic development and the gender gap between rural and urban areas and the west and east of the country. As the population of a productive age (15–

64 years old) grew, Indonesia benefited from a bonus demography with a slightly larger proportion of males (136,661) than females (133,542) in 2020 (BPS, 2020). However, compared to its Asian neighbouring countries, Indonesia's female labour force participation (FLFP) in the economy has been constantly low and stagnant since even before the pandemic, with around 50% FLFP compared with around 60% of FLFP in Singapore and Thailand in 2018 (Prospera, 2021). The gender gap in labour force participation has continued during COVID-19, with the share of Indonesian women in the population aged 18–40 only accounting for 56% of labour participation compared to 88% for their male counterparts in 2020 (Prospera, 2021).

Amongst the working sectors, MSMEs are also considered the backbone of the Indonesian economy. According to the Indonesian Ministry of Cooperatives and Small and Medium Enterprises, approximately 99% of businesses in Indonesia are categorised as micro, small, and medium enterprises. Under the Indonesian legal framework No. 20/2008, an MSME is classified as an enterprise activity that has annual sales up to IDR 300 million and a net asset value equal to approximately Rp50 million (Ministry of Cooperatives and SMEs, 2008). MSMEs' economic activity contributes around 60% to Indonesia's total GDP, with a total of more than 50 million units across Indonesia (Coordinating Ministry of Economic Affairs, 2021). Moreover, nearly half of MSMEs in Indonesia are led by women (International Finance Corporation, 2016). This evidence shows that women-led MSMEs have become a vital pillar for supporting economic development in Indonesia.

The vast majority of these Indonesian women are facing unprecedented challenges brought by the COVID-19 crisis. Overall, the MSMEs owned by females suffered greater drops in revenue (80%) compared to male-owned MSMEs (73%) (UNDP and Faculty of Business, Universitas Indonesia, 2020). It is also worth noting that with challenges such as the urban–rural divide in access to opportunity, women-led MSMEs in Indonesian villages have been even less resilient during the COVID-19 pandemic. In 2020, 43.36% of the population in Indonesia were residing in rural areas, with many underdeveloped villages concentrated in the eastern part of the country (Sulawesi, Nusa Tenggara, Maluku, and Papua) (Statistics Indonesia, 2019).

3. The Digital Economy and Women-led MSMEs

The COVID-19 pandemic has accelerated the shift towards digitalisation and the adoption of new technologies, which require MSMEs to be equipped with the ability to learn new skills continuously and to collaborate with a broad range of stakeholders. Across ASEAN, women are increasingly taking advantage of internet access and going digital to leverage their micro-businesses using technology and start-up-driven innovation (Marsan, Sabrina, and Ooi, 2021).

In Indonesia, a survey of the impact of COVID-19 on businesses, carried out by Statistics Indonesia, shows that women-owned businesses are more likely to make use of the internet to sell products. An estimated 54% of women-owned microbusinesses now use the internet to sell products, compared to 39% of men-owned microbusinesses. The divide is similar for

small businesses: 68% of those owned by women use the internet, compared with 52% of those owned by men (BPS, 2020). It is expected that the COVID-19 crisis will continue pushing many businesses into digital realms in order to expand access to a wider customer base.

The adoption of technology and digitalisation will be crucial to creating an enabling environment for women-led MSMEs and enterprises to thrive whilst at the same time offering more flexibility for women who continue to bear care responsibilities at home. In many developing countries, where women in rural areas generally have limited access to the global market, it is important to take into account the gender digital divide and ways to promote meaningful digital access to create more opportunities for women entrepreneurs (Sey, 2021; Marsan and Sey, 2021). The initiative described below gives further information on how women-led MSME programmes continue to be integrated into the domestic and rural areas of targeted countries.

Box 2. Go Digital ASEAN – Focus on Indonesia

The Go Digital ASEAN Indonesia programme was introduced and launched to the public online on 27 October 2020. Pusat Pengembangan Sumberdaya Wanita (or the Center for Women’s Resource Development; PPSW) is the implementing partner of the project in Indonesia. The PPSW’s mission is to empower women, especially those in the lowest socioeconomic strata in communities that are concentrated in urban slums, and rural areas. They use the focus issues faced by the community, such as economic, health, and education issues as an entry point in community organising, especially in women’s groups. Through the Go Digital ASEAN programme, the PPSW will extend their community work by introducing digital literacy to help communities get better at accessing the digital economy.

For Indonesia, the programme targets 20,000 MSME actors and young job seekers to be trained in digital literacy. Of these, 60% are women and as much as 10% or 2,000 people are from the disability group. The rest are young job seekers. The programme recipients are spread across 820 villages and 8 provinces. The programme recruited and trained 45 mentors and 820 village volunteers to provide training and personal or one-on-one mentoring for each of the programme’s beneficiaries in the villages.

Sources:

The Asia Foundation. Go Digital ASEAN. <https://asiafoundation.org/publication/go-digital-asean/> (accessed 20 February 2022).

Sea-vet.net. 2020. Go Digital ASEAN: Digital Skills to Address the Economic Impact of Covid-19. <https://sea-vet.net/initiatives/724-go-digital-asean-digital-skills-to-address-the-economic-impact-of-covid-19> (accessed 20 February 2022).

Tekdeeps. 2020. Go Digital ASEAN, 20,000 MSMEs Ready to Enter the Digital Ecosystem. <https://tekdeeps.com/go-digital-asean-20000-msmes-ready-to-enter-the-digital-ecosystem/> (accessed 20 February 2022).

Chapter 2

An Overview of Women's Economic Development and MSMEs in Eastern Indonesia

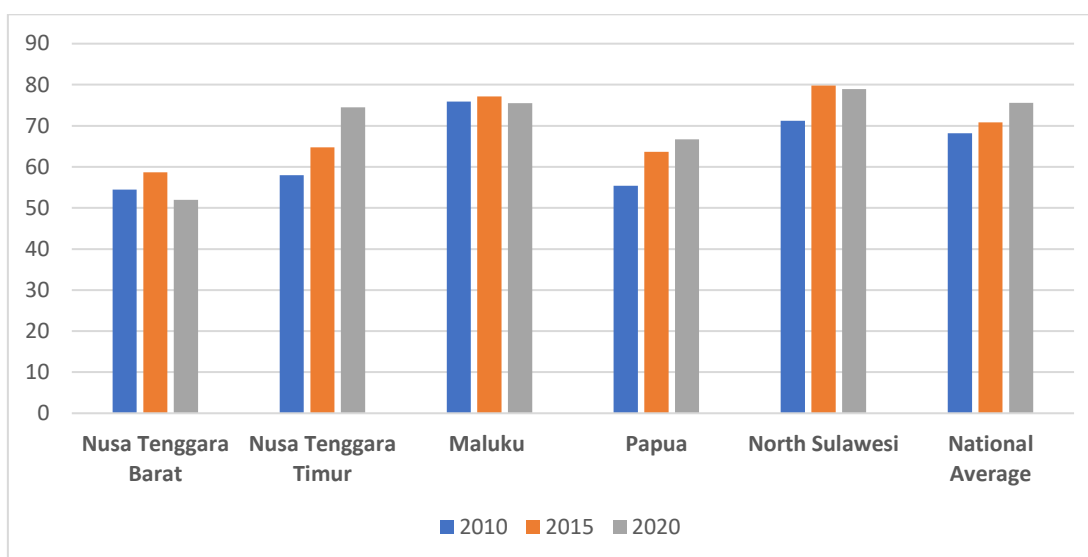
The following sections provide an overview of women's economic development trends with a focus on Eastern Indonesia compared with national and other provincial averages. They review indicators providing information on economic development and the contribution of women, education and business development, and MSMEs trends.

Eastern Indonesia consists of Kalimantan, Sulawesi, East Nusa Tenggara, West Nusa Tenggara, Maluku, and Papua (Sihombing, 2019). However, the analysis for this study will only focus on five regions: North Sulawesi, East Nusa Tenggara, West Nusa Tenggara, Maluku, and Papua. Despite the huge potential that Eastern Indonesia has, the disparity remains significant compared to western Indonesia, including with respect to MSMEs' performance. This condition needs to be resolved to minimise the potential of economic loss, as MSMEs' contribution reaches 61% of national GDP in employment and 60% of total investments (Coordinating Ministry for Economic Affairs RI, 2022). Thus, narrowing the development disparity between the western and eastern parts of Indonesia is indispensable for achieving an inclusive post-pandemic recovery.

1. The Gender Development Index in Eastern Indonesia

The Gender Development Index (GDI) is an indicator calculated based on the ratio of the Human Development Index (HDI) between women and men following the methodology by the UNDP in 2010 (see Annex 1 for a detailed description of the GDI). It is based on three components: (1) health, (2) knowledge, and (3) living standards (BPS, 2010). According to the Bureau of Statistics (BPS) of Indonesia (as shown in Figure 2.1), there was an improvement in Indonesia's overall IDG over a 10-year period, from 68.15 in 2010 to 70.83 in 2015 and 75.57 in 2020. At the provincial level within Eastern Indonesia, Figure 2.1 identifies some progress in the GDI every 5 years from 2010, 2015, and 2020 for most (but not all) provinces. In Eastern Indonesia, the highest overall GDI is in the province of Maluku. On the other hand, Nusa Tenggara Barat has the lowest average compared to the other provinces, as shown by a number of 51.96, with some decline between 2015 and 2020. In Nusa Tenggara Timur, Papua, and North Sulawesi, GDI has been increasing over time.

Figure 2.1. Gender Development Index



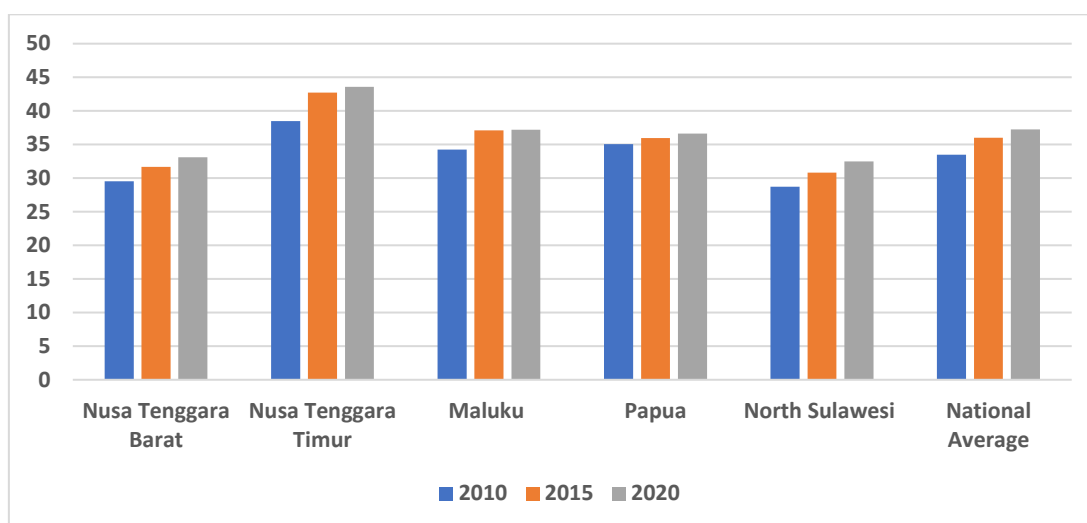
Source: Author's compilation based on Statistics Indonesia 2010–2020. Gender Development Index. <https://www.bps.go.id/indicator/40/463/1/indeks-pembangunan-gender-ippg-.html> (accessed 5 March 2022).

2. Women's Income Contribution

Achieving more productive, decent, and equal pay between women and men for work has become a primary objective for the Indonesian government, as reflected in goal number 8 of the Roadmap of Sustainable Development Goals (SDGs) Indonesia 2030 (MoWECP, 2021). However, the participation of women in the workforce is closely related to family and cultural backgrounds. Some factors that might influence women's income contributions are the GDI, gross regional domestic product, the female workforce, the proportion of women who married young (Putrie and Rahman, 2018). Therefore, as mandated by President Joko Widodo, one of the key responsibilities of the MoWECP is to increase women's participation in the entrepreneurship ecosystem and significantly contribute to the economic sector.

As shown in Figure 2.2, there has been a gradual improvement in Women's Income Contribution (WIC) (see Annex 1 for a detailed description of how the WIC is calculated) in the national context, from 33.5% in 2010 to 36.03% in 2015 and 37.26% in 2020. In Eastern Indonesia, the least progress is shown by Nusa Tenggara Barat and North Sulawesi. Papua and Maluku also show steady improvement in the WIC from 35.06% in 2010 and 34.26% in 2010 to 36.61% in 2020 and 37.22% in 2020.

Figure 2.2. Percentage of Women's Income Contribution (%)



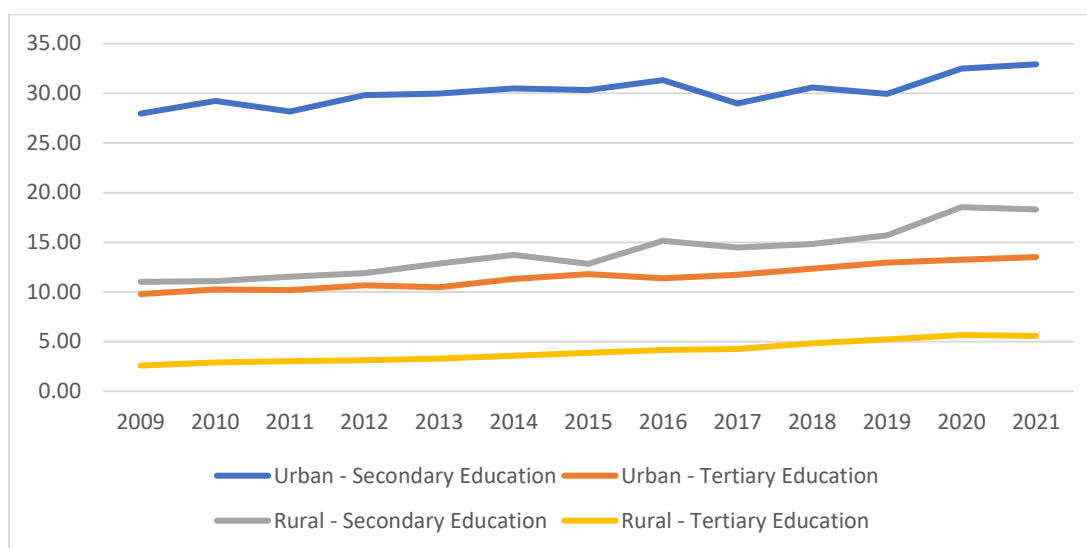
Source: Author's compilation based on Statistics Indonesia 2010–2020. Women's Income Contribution. <https://www.bps.go.id/indicator/40/467/1/sumbangan-pendapatan-perempuan.html> (accessed 5 March 2022).

3. Women's Education in Rural-Urban Indonesia

The level of education has positive implications for women in obtaining job opportunities and increased income (Christoper et al., 2019). However, there is a gap between the education quality in the rural and urban areas of Indonesia, although the Ministry of Education, Culture, Research and Technology in Indonesia has embedded the principle of Education for All (EFA) since 2015 (Kemendikbud, 2016). The gap between the education received by women in urban areas in comparison to the education received by women in rural areas both in secondary and tertiary education in Indonesia is significant. Secondary education consists of lower-secondary education and upper-secondary education that typically last for about 6 years. In addition, tertiary education in Indonesia begins at the university level.

Figure 2.3 shows the female education levels in urban–rural areas from data obtained by calculating the percentage of the population aged 15 and over by resident area, gender, and higher level of education completed over 10 years from 2009 to 2021. Female education both in secondary and tertiary in the urban–rural sectors has generally increased within the period of 10 years. Nevertheless, the most prominent gap and the highest level of female education received is secondary education in urban areas. This is perhaps why women in rural areas are presented with lesser opportunities, due to the evident gap in education.

Figure 2.3. Female Education in Urban-Rural Areas



Note: The figure identifies female education in urban–rural areas from data obtained by calculating the percentage of the population aged 15 and over by resident area, gender, and higher level of education completed over the 10 years from 2009 to 2021.

Source: Author’s Compilation based on Statistics Indonesia 2009–2021. SUSENAS 2009–2021. <https://www.bps.go.id/indikator/28/1982/1/tingkat-penyelesaian-pendidikan-menurut-jenjang-pendidikan-dan-jenis-kelamin.html> (accessed 20 February 2022).

In addition, as seen in Table 2.1 most MSMEs workers (both male and female) in the eastern provinces of Indonesia have attained education from the elementary level to secondary education. Amongst the four eastern provinces, West Nusa Tenggara has the highest percentage of MSMEs that have not completed elementary education, whilst West Papua holds the highest percentage of MSME workers graduating from tertiary education.

Table 2.1. Number of MSME Owners and Workers by Level of Education, 2019

Category	Province			
	West Nusa Tenggara	Maluku	North Sulawesi	West Papua
Not completed elementary education	37,544	5,552	5,280	1,752
Elementary (SD) and secondary education (SMP)	47,588	21,042	19,623	7,529
High school (SMA dan Sederajat) and university education (Universitas)	23,349	12,996	12,128	6,200

Source: Statistics Indonesia (2020), *MSMEs Industry Profile Report 2019*. <https://www.bps.go.id/publication/2020/11/16/db2fdf158825afb80a113b6a/profil-industri-mikro-dan-kecil-2019.html> (accessed 25 February 2022).

4. Profile of MSMEs in Eastern Indonesia

Women's participation in the Indonesian MSME sector contributes 9.1% to national GDP with around a 5% contribution to export activity (KataData, 2018). In 2016, Statistics Indonesia conducted an economic census (carried out every 10 years) that included a complete data collection of domestic economic activity. To get an overview of more detailed economic activities, in 2017 the census was followed by a survey on MSMEs in targeted provinces, including four Eastern Indonesia provinces as above. As seen from Table 2.2, the number of women entrepreneurs in West Nusa Tenggara is higher than the number of male entrepreneurs – with the share reaching 54% for women entrepreneurs compared to 46% of MSMEs led by men, whilst this is not the case with other three provinces.

As shown in Table 2.2, in terms of women entrepreneurs by sector of industry, women have more involvement in sectors such as the processing industry (West and East Nusa Tenggara), local trade (West Nusa Tenggara and North Sulawesi), food and beverage services (West Nusa Tenggara and North Sulawesi) and communication services (West, East Nusa Tenggara, and North Sulawesi) compared to their male counterparts. Data for MSMEs by industry and gender for Maluku and Papua were not available.

Table 2.2. Number and Share of MSMEs by Gender and Sector of Industry, 2016

Category	Province							
	West Nusa Tenggara		East Nusa Tenggara		Maluku		North Sulawesi	
	Male	Female	Male	Female	Male	Female	Male	Female
Total MSMEs	46% (267,242)	54% (312,926)	56.9% (244,814)	43.1% (185,498)	56.82% (83,928)	43.18% (63,770)	54.3% (158,744)	45.7% (133,378)
MSMEs by sector of industry								
Processing industry	47.2% (57,513)	52.8% (64,291)	41.2% (50,181)	58.8% (71,680)	N/A	N/A	65.4% (34,507)	34.6% (18,273)
Trade	33.1% (92,818)	66.9% (187,416)	55.9% (102,883)	44.1% (81,282)	N/A	N/A	46.6% (61,420)	53.4% (70,243)
Accommodation, food, and beverage services	36.1% (20,324)	63.9% (35,960)	54.6% (13,351)	45.4% (11,111)	N/A	N/A	29.1% (10,837)	70.9% (26,444)
Information and communications	40.8% (5,946)	59.2% (8,645)	46.1% (7,443)	53.9% (8,714)	N/A	N/A	38.7% (4,605)	61.3% (7,307)
Other services (tourism, entertainment, arts, etc.)	65.5% (13,420)	34.5% (7,073)	69.8% (4,756)	30.2% (2,054)	N/A	N/A	59.1% (4,432)	40.9% (3,073)
Education	67.5% (7,515)	32.5% (3,619)	59.5% (6,596)	40.5% (4,496)	N/A	N/A	25.95% (1,421)	74.05% (4,054)
Construction	98.7% (14,622)	1.3% (189)	95.9% (7,913)	4.1% (336)	N/A	N/A	96.4% (4,995)	3.6% (189)
Finance and insurance	66.3% (1,179)	33.7% (600)	80.5 (1,287)	19.5% (311)	N/A	N/A	52.4% (485)	47.6% (441)

Source: Statistics Indonesia (2016), *Economic Census: MSMEs Report*. <https://se2016.bps.go.id/umkumb/> (accessed 25 February 2022).

Statistics Indonesia also carried out a smaller survey and publication of MSMEs' 2019 profile in targeted Indonesia provinces, including four provinces in Eastern Indonesia. As seen in Table 2.3, the number of female-led MSMEs is higher in West Nusa Tenggara, Maluku, and West Papua by a small margin compared to their male counterparts, at 56% for women-led MSMEs in Nusa Tenggara Barat, 56.6% in Maluku, and 55.6% in West Papua.

Table 2.3. Number and Share of MSMEs by Gender, 2019

Category	Province							
	NTB		Maluku		North Sulawesi		West Papua	
	Male	Female	Male	Female	Male	Female	Male	Female
Total MSMEs	44.1% (115,556)	56% (145,939)	43.4% (25,885)	56.6% (33,652)	52.8% (33,832)	47.2% (30,249)	44.4% (12,141)	55.6% (15,192)

Source: Statistics Indonesia (2020), *MSMEs Industry Profile Reports 2019*.
<https://www.bps.go.id/publication/2020/11/16/db2fdf158825afb80a113b6a/profil-industri-mikro-dan-kecil-2019.html> (accessed 25 February 2022).

Chapter 3

Policies and Initiatives Supporting Women Entrepreneurs in Indonesia

After having provided an overview of the global, regional, and national trends affecting women-led MSMEs in Indonesia and a data overview covering the eastern provinces, this section provides a summary of key policy initiatives and developments relevant to women-led MSMEs in Eastern Indonesia.

1. Overview of Key Public Policies

Indonesia's commitment to promoting gender equality mainstreaming has been reflected in the Roadmap of SDGs Indonesia 2030. The roadmap set by the Ministry of National Development Planning serves as a fundamental guide for other ministries. The Ministry of Women Empowerment and Child Protection in partnership with the Ministry of Law and Human Rights as well as the Ministry of Home Affairs of Indonesia put forth a gender equality parameter in 2011. This policy has been introduced because discrimination against women persists throughout some existing policies at the national and provincial levels, including women's right to socio-economic activity. This parameter approach streamlined four gender approaches to be included in policy formulation across Indonesian government bodies at both the national and provincial levels: access, participation, control, and benefits.

One of the key indicators to measure the success of development is to balance the participation between men and women in socioeconomic activity. Over years, the national government in coordination with the provincial-level governments also aim to improve and harness the performance of MSMEs in provincial areas. However, MSMEs across Indonesia still face issues in production, marketing, and financing. It is, therefore, essential to improve their technical capacities in production, marketing, and financing through several policy programmes.

To support MSMEs, the Indonesian government has issued several programmes and regulations to resolve the abovementioned barriers. However, stakeholders at the national level and the provincial governments need to work together to tackle several barriers for MSMEs in Eastern Indonesia. This section underpins several existing policies and data in Indonesia. For a detailed overview of the relevant Indonesian policy programmes, see Annex 3.

Chapter 4

Looking Ahead: Priorities for Fostering Women's Entrepreneurship in Eastern Indonesia

1. Key Challenges Facing Women Entrepreneurs in Eastern Indonesia

Women own nearly half of all MSMEs throughout Indonesia,¹ and these businesses cover diverse sectors, including tourism and the creative economy. Despite the strong presence and economic contributions of these women-led MSMEs, women entrepreneurs disproportionately face challenges in starting, operating, maintaining, and expanding their businesses. Women-led MSMEs are smaller than MSMEs led by men in Indonesia, and the rate of women's entrepreneurship declines as the size of the business increases (IFC, 2016). More than half of women-led MSMEs in Indonesia are informal or semi-formal businesses that do not offer as many advantages or protections as fully registered businesses (IFC, 2016).

The five main provinces of Eastern Indonesia include West Nusa Tenggara, East Nusa Tenggara, North Sulawesi, Maluku, and Papua, and these provinces are characterised by tremendous diversity in geographic situations, natural resources, cultures, ethnicities, religions, and languages. Each area's unique circumstances have a very significant influence on the development of local entrepreneurship, including the potential for businesses related to tourism and the creative economy: the provinces of Eastern Indonesia are all islands (or significant portions of larger islands, in the case of Papua) that boast tropical settings, including West Papua, which is known for some of the most sought-after scuba diving locations in the world, such as Raja Ampat. East Nusa Tenggara has a very rich history of basket-weaving traditions, which are supported by the province's local biodiversity – specifically, the availability of palmyra leaves used in weaving baskets. Within East Nusa Tenggara, Sumba has an especially rich history of textile craftsmanship, wherein textiles are only produced by Sumbanese women according to cultural traditions and customs (Nichols, Iverson, and Forshee, 2017).

¹ The estimates of women-owned MSMEs vary amongst sources, ranging from nearly half to more than half; the conservative estimate is cited here based on Canada-Indonesia Trade and Private Sector Assistance Project (2019) and IFC (2016).

Box 3. Research Methodology

In order to identify the challenges faced by women-led MSMEs in Eastern Indonesia – as well as proven and potential solutions for improving outcomes for these women entrepreneurs – a research methodology comprising both desk review and structured interviews was employed. This methodology consisted of a comprehensive literature review, a variety of structured interviews with stakeholders, focus group discussions with stakeholders, and an ongoing desk review to explore emerging topics.

The stakeholders included public, private, international organisation, and social sector professionals with expertise in women-led MSMEs in Eastern Indonesia, including several women entrepreneurs themselves. Overall, the majority of the stakeholders engaged were women. Specifically, these stakeholders possess expertise in one or more of the following areas: international, regional, and local economic policies relevant to women-led MSMEs in Indonesia and Eastern Indonesia; international, regional, and local economic programmes and initiatives relevant to women-led MSMEs in Indonesia (including incubator programmes to build capacity and research and advocacy to promote women’s equality); international and national investment schemes targeting Eastern Indonesia; lessons learnt from women-led MSMEs in other regions and countries; and direct experience in creating an MSME in Eastern Indonesia.

Source: Authors.

Since the provinces of Eastern Indonesia are all islands that are located at a significant distance from Jakarta, the economic hub of Indonesia, their businesses face logistical challenges, such as travel and shipping expenses that can prove prohibitively complex or expensive. Infrastructure varies significantly amongst these provinces, and certain areas have very limited internet connectivity, which prevents the possibility of business growth through e-commerce. Women in areas with very limited internet connectivity are further affected by the gender digital gap, which results in fewer opportunities for growing their businesses through e-commerce (ITU, 2019).

Women-led MSMEs have high rates of stagnation in Indonesia in terms of business growth: their business growth often reaches a plateau that is never surpassed, or their businesses may never start growing in the first place (IFC, 2016). Many discriminatory social norms and family constraints contribute to this business stagnation, including cultural expectations for women to take on the vast majority of household and caretaking responsibilities, which leaves insufficient time for business operations and skill building; beliefs that men – not women – should be the most financially successful family members and concerns that a financially successful woman will be threatening to her husband; beliefs that it is not appropriate for women to do certain forms of work, or that women are not capable of certain

forms of work; and the underrepresentation of successful women entrepreneurs in society and the media.

2. Key Recommendations to Foster Women's Entrepreneurship in Eastern Indonesia

It is essential to address and revise these discriminatory practical issues and social norms in order to support women's entrepreneurship in the region. Many initiatives are already in place to address these issues, though they are in need of significant additional support, replication, and scale-up. For example, Prospera, an initiative of the Australia Indonesia Partnership for Economic Development, has achieved success through media campaigns used to portray women's equality and empowerment in the public sphere. In addition to strategic media campaigns that improve the representation of women in society, research and advocacy on discriminatory social barriers for women play a key role in establishing new social norms centred on equality and empowerment.

Additional priorities can be identified for women-led MSMEs in Eastern Indonesia, including the need for more advanced government support for the development of women's businesses. Business incubator programmes have been identified as especially useful initiatives for supporting the development of women-led MSMEs in Eastern Indonesia. When conducted through close collaboration between highly skilled mentors and motivated entrepreneurs, incubator programmes are able to provide key support to MSMEs, including teaching the entrepreneurs essential knowledge and skills, such as business literacy, financial literacy, accounting, digital skills, as well as marketing, branding, and communication skills – in addition to providing expert advice on business strategy and operations. Many business incubators also focus on the social aspects of entrepreneurship – which may have additional benefits for women entrepreneurs – such as teaching leadership skills and building entrepreneurs' motivation, ambition, and self-confidence. Examples of existing business incubators in Indonesia include the government-led PLUT KUKM initiative, the entrepreneurial learning facility from Sekolah Seniman Pangan (founded and led by Helianti Hilman, a female entrepreneur from Eastern Indonesia), and capacity-building support provided by social impact accelerator Kopernik.

Given the tremendous diversity of environments and traditions throughout Eastern Indonesia, local-based solutions are fundamental for fostering entrepreneurship. Local-based solutions are equally crucial for supporting the equality of women as gender roles are significantly influenced by local cultures and religions. In this context, both vertical and horizontal coordination is essential for implementing government strategies for fostering women's entrepreneurship. Vertical coordination from Jakarta, the seat of the central government and the financial centre of Indonesia, can make use of ambitious strategies that have already been tested and refined throughout Java and other regions of Indonesia, whereas horizontal coordination amongst the ministries of Eastern Indonesia can allow for local-based solutions and innovations.

3. Framework for Action: Empowering Women entrepreneurs in Eastern Indonesia

The research has identified the challenges facing women-led MSMEs in Eastern Indonesia, as well as proven and promising solutions for fostering women’s entrepreneurship through an enabling environment and direct forms of support. Whilst the overall context of the COVID-19 pandemic presents worsened inequalities and dire economic challenges for MSMEs, it also ushers in an era of recovery and transformation that allows for ‘building back better’ and placing women’s equality at the centre of emerging economic policies (UN Women, 2021).

In order to achieve an enabling environment and direct forms of support, all key stakeholders have a clear role to play, including:

1. governments;
2. investors;
3. corporates;
4. foundations and philanthropists; and
5. women-led MSMEs.

Government actors play an especially key role in supporting both equal rights for women and fostering entrepreneurship through national legislation that is well-coordinated with government at the levels of the provinces and local jurisdictions. In the context of a supportive enabling environment, other stakeholders, such as investors, corporates, and foundations/philanthropists, can provide valuable inputs in terms of funding and business practices that prioritise women entrepreneurs. Women entrepreneurs can themselves seek out opportunities for learning new business skills and ultimately improve the representation of successful women entrepreneurs through the entrepreneurial landscape of Eastern Indonesia – and throughout Indonesia and Southeast Asia at large.

Table 4.1. Framework for Action

A. Governments	<p><i>Fostering equality for women:</i></p> <ul style="list-style-type: none"> • Equal representation of women in government positions. • Enhanced policies and practices to protect women from issues that affect them disproportionately, including: <ul style="list-style-type: none"> - unequal access to banking services, - predatory lending, - workplace harassment, and - online harassment. • Strengthened national policies supporting women entrepreneurs that are feasible to adapt to local conditions in Eastern Indonesia, taking into account the great diversity in

	<p>geographic situations, cultures, ethnicities, religions, and languages, etc.</p> <ul style="list-style-type: none"> • Enhanced coordination between the central government and province-level governments in order to support local women entrepreneurs. • Horizontal coordination across ministries and initiatives in order to improve the implementation of national policies to support women entrepreneurs. • Campaigns in partnership with media experts to promote women’s social equality nationwide, addressing and influencing issues such as: <ul style="list-style-type: none"> - the overall importance of gender equality; - examples of gender equality across different cultures and religions; - gender equality throughout all labour industries (i.e., the representation of women as capable of all forms of work); - shared household and childcare responsibilities (instead of unpaid labour that typically falls on women); and - examples of women entrepreneurs whose business success benefits their families and communities (rather than threatening their involvement in their families and communities).
	<p><i>Fostering entrepreneurship:</i></p> <ul style="list-style-type: none"> • Recognition of the economic importance of MSMEs within the Indonesian economy, as well as their untapped potential for economic development in Eastern Indonesia. • Enhanced policies and programmes that promote entrepreneurship in a manner that is adapted to the great diversity of the local environments and cultures throughout Eastern Indonesia. • Enhanced coordination between the central government and province-level governments in order to support the development of local entrepreneurship (notably women entrepreneurs). • Horizontal coordination across ministries and initiatives to improve the implementation of national policies to support the development of local entrepreneurship (notably women entrepreneurs). • Long-term political commitment to policies and programmes that promote entrepreneurship over time (not initiatives solely based on a single election cycle, since business cycles

	<p>are significantly longer than election cycles and require long-term strategies).</p> <ul style="list-style-type: none"> • Strong political commitment to prioritise and incentivise business growth by their own citizens, not international/foreign groups. • More business incubators offered to support MSMEs, including capacity building for e-commerce, digital skills, and new technologies. • Improved infrastructure for Eastern Indonesia, including improved internet connectivity to support digital business opportunities.
<p>B. Investors</p>	<p><i>Fostering equality for women:</i></p> <ul style="list-style-type: none"> • Equal representation of women in leadership positions. • A systematic review of potential investees’ policies and practices related to women’s equal rights and representation. • Measurable targets for increased investment in women-owned, women-led MSMEs. • Financial instruments that are adapted to women entrepreneurs, for example practices that are trade-based instead of asset-based (since women are often secondary, not primary, asset owners).
	<p><i>Fostering entrepreneurship:</i></p> <ul style="list-style-type: none"> • Measurable targets for increased investment in MSMEs. • Investment through patient capital and other financial instruments with long-term horizons that are better adapted for MSMEs.
<p>C. Corporates</p>	<p><i>Fostering equality for women:</i></p> <ul style="list-style-type: none"> • Equal representation of women in leadership positions (including boards of directors). • Equal employment policies and practices for women, including issues that disproportionately affect women, such as: <ul style="list-style-type: none"> - discrimination against women in hiring processes, - discrimination against women in professional development and advancement, - workplace harassment, and - online harassment.

	<ul style="list-style-type: none"> • Buy-in for women’s equality at all company levels (including boards of directors). • Empowering women’s views within the corporate culture.
	<p><i>Fostering entrepreneurship:</i></p> <ul style="list-style-type: none"> • Business partnerships with MSMEs that prioritise the services/products of local MSMEs within the business’s own country or geography. • High standards for socially and environmentally sustainable business activities, both internally within the company and externally with suppliers.
D. Foundations/ Philanthropists	<p><i>Fostering equality for women:</i></p> <ul style="list-style-type: none"> • Equal representation of women in leadership positions. • Empowering women’s views in organisational policies, practices, and communications. • Increased funding provided to women-owned, women-led MSMEs. • Increased funding provided to programmes that support women’s entrepreneurship, such as women’s education, business literacy training, and capacity-building support.
	<p><i>Fostering entrepreneurship:</i></p> <ul style="list-style-type: none"> • Increased funding for MSMEs, especially MSMEs led by women. • Increased funding for programmes that support entrepreneurship, such as education, vocational training, business literacy training, and digital skills, etc.
E. Women-led MSMEs	<p><i>Fostering equality for women:</i></p> <ul style="list-style-type: none"> • Continue to develop innovative MSMEs that demonstrate value-added and business growth across all sectors – including in sustainable tourism and the creative industries. • Become primary asset owners (rather than secondary owners who need consent from their husbands or parents to access their finances). • Join existing networks and/or form new networks of women entrepreneurs to form solidarity and provide mutual support.

	<p><i>Fostering entrepreneurship:</i></p> <ul style="list-style-type: none"> • Proactively identify and pursue opportunities for capacity-building support from the government, business incubators, and philanthropists. • Prioritise learning digital skills in order to access e-commerce opportunities. • Leverage the enterprise’s unique environment and culture for powerful storytelling through branding and marketing. • Become investment-ready by continuing to develop high-performing practices and skills, including digital skills. • Improve scalability by ensuring the enterprise’s product-market fit across a wider geography. • Pursue sustainable business practices socially and environmentally. • Highlight the enterprise’s sustainability through powerful storytelling and marketing.
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Source: Authors’ research.

This ensemble of stakeholders can achieve tremendous advancement for women’s entrepreneurship throughout Eastern Indonesia, ultimately serving as a successful model for enabling women’s entrepreneurship in other regions of the world. The achievements of many women-led MSMEs have already begun to demonstrate the socio-cultural and economic impacts of women’s entrepreneurship in Eastern Indonesia. Through these forms of strategic support from all stakeholders, women-led MSMEs can be supported to thrive and achieve lasting results for improved social equality and a stronger, more sustainable economy.

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Annexes

Annex 1 Description of Index Calculations

1. Gender Development Index

The Gender Development Index (GDI) is calculated based on the UNDP's method in 2010. It is the ratio of the Human Development Index (HDI) between women and men.

Table A1-1. Gender Development Index

Dimension	Indicator	GDI
Health	Life expectancy at birth between men and women	
Knowledge	1. Expected years of Schooling (EYS); men and women	
	2. Mean years of schooling (MYS); men and women	
Living Standard	Estimated income; men and women	

Source: Gender Development Index. (2010). <https://sirusa.bps.go.id/sirusa/index.php/indikator/14> (accessed 1 March 2022).

A GDI score closer to 100 indicates a smaller gap between women and men as follows:

- GDI < 100 indicates women's achievement < men's achievement
- GDI = 100 indicates women's achievement = men's achievement
- GDI > 100 indicates women's achievement > men achievement

2. Women's Income Contribution

The women's income contribution is obtained from the average wage or net salary of female workers or employees for a month based on the employment data in the Central Bureau of Statistics (BPS). Some factors that might influence women's income contribution are (Putrie and Rahman, 2018):

- the proportion of young married women (%) obtained from the proportion of women aged 20–24 years who are married or living together under the age of 18 years;
- women's HDI and the gross regional domestic product (Rp billion) of each province in Indonesia; and
- the proportion of working women (%) and the number of women in the workforce (thousands).

Annex 2

Examples of Programmes and Activities Targeted at rural women entrepreneurs in ASEAN

- Cambodia's Millennium Development Goal (MDG) Acceleration Framework Action Plan 2013–2015, launched in 2013, prioritised improving livelihoods in rural communities, especially for poor women.
- Myanmar operated PACT's Myanmar Access to Rural Credit Project. The project had a micro-credit component specifically for women who wanted to expand their non-agricultural activities or start a new enterprise, launched in 2012. The Myanmar Women Entrepreneurs' Association offers classes on entrepreneurship and financial literacy for women micro-entrepreneurs in rural areas, in partnership with the Myanmar National Committee for Women's Affairs. It also delivers capacity-building sessions to its members on financial management, management, and communications.
- Ahon Sa Hirap, a non-governmental organisation in the Philippines, operated a microfinance programme with the aim to empower and improve the livelihoods of poor women and their families, especially in rural areas. The Philippines' loan programmes for women entrepreneurs were also operated to offer MSME loans to women entrepreneurs as a vehicle for improving the lives of socio-economically challenged women and their families.
- Viet Nam Women's Union is a key organiser of microfinance programmes. They also provide a collective guarantee that enables women to access subsidised credit from domestic banks, such as the Viet Nam Bank for Agriculture and Rural Development. Viet Nam Bank for Social Policies provides credit programmes for poor and near-poor households and to microenterprises in rural remote areas. Women make up a significant proportion of customers.
- The Strategic Plan of the Ministry of Co-operatives and SMEs 2012–2014 of Indonesia made several references to women, including helping fund rural women's co-operatives. The Ministry of Women's Empowerment and Child Protection of Indonesia conducts financial and banking literacy training for women and educates women in rural and urban areas on how to better manage money and other economic resources. Ruma Entrepreneur Micro Franchise Initiative trained women micro-entrepreneurs in selling Indosat airtime in underserved rural areas, forming a network of women who own mobile micro-franchise businesses. It has trained more than 20,000 women who form the network of women who own mobile micro-franchise businesses. ADB operated the Community Empowerment for Rural Development project (2010) in Indonesia with the aim of empowering rural women through community development. The project was implemented by the Directorate General of Community

and Village Empowerment of the Ministry of Home Affairs of Indonesia in 11 districts in six provinces.

- A GIZ project in the Lao PDR, Microfinance in Rural Areas – Access to Finance for the Poor, conducted financial literacy training courses for potential and current members of village banks. About half of the participants were women.
- The International Labour Organization implemented the Training for Rural Economic Empowerment (TREE) programme in Asia and Africa. TREE focuses on the crucial role of skills development in creating employment opportunities and has a specific focus on improving the future of people with low levels of literacy and numeracy living in rural areas, particularly women. TREE is designed for organisations working with the rural and urban poor, marginalised women with low literacy, disadvantaged and unemployed youth, people with low levels of education, persons with disabilities, and indigenous groups.

Annex 3

List of Key Government Policies Across Indonesian Ministries

The table below shows the list of key government policies across Indonesian Ministries, including the Ministry of National Development Planning (BAPPENAS), Ministry of Women Empowerment and Child Protection, Ministry of Cooperatives and SMEs, Ministry of Tourism and Economy, Ministry of Cooperatives and SMEs, Bank Indonesia, and relevant government agencies that reflect the government’s focus to foster a more conducive ecosystem for MSMEs, both for women and men entrepreneurs, as well as attempt to promote gender equality in the national regulatory frameworks.

Table A3-1. List of Indonesian Government Policies on MSMEs

National Ministries	Policy Agenda
<p>Ministry of National Development Planning (Bappenas)</p>	<p><i>Roadmap of SDGs Indonesia 2030</i></p> <p>Indonesia is committed to implementing the SDGs by 2030. In line with this commitment, the Ministry of National Development Planning has established the Roadmap of SDGs Indonesia 2030. SDG number 5 on achieving gender equality is also reflected in the roadmap with several main policy outputs: (i) produce streamlined gender-responsive policy; (ii) reduce violence against women; (iii) reduce underage marriage; and (iv) increase the proportion of women in leadership, economic activity, and STEM.</p>
<p>Ministry of Women Empowerment and Child Protection</p>	<p><i>Gender equality parameters in the formulation of laws and regulations</i></p> <p>In partnership with the Ministry of Law and Human Rights and Ministry of Home Affairs of Indonesia, the Ministry of Women Empowerment and Child Protection</p> <p>set a gender equality parameter in 2011. It acts as a tool to implement a holistic gender approach in policy formulation across Indonesian government bodies both at the national and provincial levels. The four holistic approaches are access, participation, control, and benefits. This approach embodies the principles of the Committee on the Elimination of Discrimination Against Women.</p>

	<p><i>The Strategic National Plan of the Ministry of Women's Empowerment and Child Protection for 2020–2024</i></p> <p>This five-year medium-term national strategic plan encompasses the vision and strategy for empowering women. It includes (i) increasing gender mainstreaming and empowering women in various development fields; (ii) increasing access to quality services for all children to optimise their growth; (iii) increasing synergy and cooperation between ministries and community institutions; (iv) improving the quality of families in accelerating women's empowerment and child protection; (v) increasing women's rights.</p> <p>Two indicators to measure the performance are (i) the Gender Development Index and (ii) the Gender Empowerment Index.</p> <p>The Gender Development Index is formed by measuring life expectancy, expected length of schooling, average length of schooling, and adjusted per capita expenditure. The Gender Empowerment Index is formed by three components, namely the involvement of women in parliament, women as professionals, and the contribution of women's income.</p>
<p>Ministry of Cooperatives and SMEs</p>	<p><i>Center for Integrated Services for Cooperatives and Micro, Small and Medium Enterprises (PLUT-KUMKM)</i></p> <p>PLUT-KUMKM is a policy initiative that aims to improve the performance of MSMEs in provincial areas. Key performance indicators include technical production and capacity, marketing, and financing. This policy initiative aims to improve the competitiveness of MSMEs from the provincial level to the national and global levels. The policy implementation is conducted through consolidation between MSME cooperative services at the provincial level and the central SMESCO or LLP-KUKM at the national level (cooperative marketing service agency).</p> <p><i>Productive Assistance for Micro Enterprises programme (BPUM)</i></p> <p>The BPUM programme, officially launched by President Jokowi on 14 July 2020, is expected to provide financial assistance for more than 12 million MSMEs that meet certain criteria, and to provide a stimulus in the form of interest subsidies through supporting credit banking facilities for</p>

	<p>MSMEs in Indonesia. This policy is part of the National Economic Recovery Programme to dampen the impacts of COVID-19 on MSMEs in Indonesia. The Ministry of Finance allocated a budget of Rp28.8 trillion and asked the Ministry of Cooperatives and SMEs to disburse the subsidies to targeted MSMEs that meet certain criteria. The criteria for BPUM beneficiaries include (i) being an Indonesian citizen; (ii) having a resident identification; (iii) having a micro-enterprise as proven by a BPUM potential beneficiary proposal letter from the BPUM proposer; and (iv) not being a civil servant or a member of the Indonesian national military or police.</p>
Ministry of Finance	<p>Ultra-MicroFinancing (UMi) is a policy programme that provides incentives to MSMEs that was launched in 2018. UMi provides a maximum financing facility of Rp10 million per customer and is distributed by non-bank financial institutions. The budget is allocated from the national state budget and contributions from provincial governments and financial institutions, both domestic and global. UMi is targeted to reach 800,000 micro-enterprises that do not have access to state-owned banks.</p>
<p>Ministry of Tourism and Economy; Ministry of Cooperatives and SMEs; Bank Indonesia; Board of Commissioners;</p> <p>Financial Services Authority</p> <p>Led by the Minister of Maritime Affairs and Investment</p>	<p>Gerakan Nasional Bangsa Buatan Indonesia (Gernas BBI)</p> <p>This policy programme, regulated under Presidential Decree Number 15/2021, aims to (i) increase the number of MSMEs and creative economy actors and tourism by utilising the digital ecosystem; (ii) increase the number of sales of local products; (iii) increase people’s purchasing power, market expansion, access to capital, training, and data collection; (iv) provide an economic stimulus for MSMEs reflected in the provisions and regulations; and (v) advocate the programme through a series of event campaigns.</p> <p>The government has established many digital platforms, including the Indonesia Digital Travel and Tourism Platform (https://wonderin.id/) and the Indonesia MSMEs platform (https://padiumkm.id/).</p>
National Government	<p>Omnibus Law</p> <p>The government has issued Presidential Regulation No.10 of 2021 (PR 10/2021) on Investment Business Activities. This approach is in line with providing larger opportunities for MSMEs to expand their businesses through improvements in</p>

	the field of production, processing, marketing, investment, human resources, and technology.
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Source: Ministry of National Development Planning. (2017). https://sdgs.bappenas.go.id/wp-content/uploads/2021/02/Roadmap_Bahasa-Indonesia_File-Upload.pdf (accessed 1 March 2022); Ministry of Women Empowerment and Child Protection. (2011). <https://kemenpppa.go.id/lib/uploads/list/c3196-parameter-kesetaraan-gender-dalam-pembentukan-peraturan-perundang-undangan.pdf> (accessed 2 March 2022); Ministry of Women Empowerment and Child Protection. (2021). <https://kemenpppa.go.id/lib/uploads/list/1ebd0-renstra-deputi-bidang-kg-2020-2024.pdf> (accessed 2 March 2022); Ministry of Finance. (2019). <https://djpb.kemenkeu.go.id/kppn/mamuju/id/data-publikasi/berita-terbaru/2848> (accessed 5 March 2022); Ministry of Cooperatives and SMEs. (2022). <https://smesta.kemenkopukm.go.id/new-plut-kumkm-lahirkan-wirusaha-muda-kunci-terwujudnya-the-future-smes/> (accessed 3 March 2022); Ministry of Cooperatives and SMEs. (2020). https://kemenkopukm.go.id/uploads/laporan/1598606210_PERMENKUKM%20NO%206%20TAHUN%202020%20tentang%20BPUM.pdf (accessed 3 March 2022); Ministry of Tourism and Economy. (2021). <https://banggabuatanindonesia.co.id/> (accessed 5 March 2022); Audit Board of Republic Indonesia. (2021). <https://peraturan.bpk.go.id/Home/Details/161806/perpres-no-10-tahun-2021> (accessed 3 March 2022).