

CHAPTER I

INTRODUCTION

1.1. Background of Thesis

General Assembly of the United Nation has declared access to clean water and sanitation as a human right. The Declaration was confirmed in the UN General Assembly which took place in late July 2010, where over 122 countries supporting the process of voting and 41 countries abstained¹. Indonesia became one of the countries that support this declaration. These resolutions increasingly reinforce and extend recognition of the importance of access to clean water and sanitation.

Safe drinking water and sanitation is essential for health and poverty alleviation. However, in Indonesia, clean drinking water is scarce and waste water is not treated on a large scale. Indonesian authorities in cooperation with donor organizations/countries and international institutions have developed policies to improve Indonesian drinking water and sanitation infrastructure in order to reach the Millennium Development Goal 7 that halve of the population should have safe drinking water by 2015.

The provision of clean water and sanitation services is an economic activity involving the capital, labor, and natural resources, especially water. On the

¹ *The Declaration on Water and Sanitation*. Available at:
<http://www.un.org/apps/news/story.asp?NewsID=35456>; Accessed on 21 August 2011

other hand, the recognition of water as a human right and one of the MDGs would indicate that the development of water services is also driven by political purposes for the achievement of social and economic development. Mechanisms and the political process becomes an integral part in the service of clean water.

It is not easy to improve access to clean water and sanitation. There are several challenges: first, infrastructure problems, including issue of how to maintain and expand the network infrastructure that has been available. This is of course related to the financing of infrastructure, including tariffs and skills of service providers in terms of efficiency and productivity services. Second, by understanding the basic needs of clean water as a socio-political issues become an integral part, such an affordable tariffs, transparency and accountability. Last is the issue of environmental and public health, where conservation and environmental management becomes an integral part in the provision of water services. Thus, the provision of clean water and sanitation services are either highly dependent on whether or not the policy of financing the development, social policy and natural resource policy.

Population and development that continued to increase in Indonesia, lead to the increasing demand of water supply and sanitation. On the other hand, the availability of fresh clean water and sanitation has become more limited in several locations, especially in rural areas. The decreasing availability of safe water and sanitation facilities in Indonesia are due to some factors, namely deforestation,

heavy agricultural activities, water user behavior, pollution, and natural phenomena or global climate change.

Water supply and sanitation development requires a high level of technical knowledge, thus must involve external institutions with strong engineering skills and experience, even when implementation is participatory and community-driven. Water supply programs also need to establish relatively complex systems for the management of shared infrastructure, thus must engage with local leaders, develop community level institutions, and build financial and operational capacity. In contrast, sanitation and hygiene interventions need to operate at a lower level, and in a different way: working with individual mothers and children; with poor households and neighborhoods; and with local health and hygiene service providers. Inevitably, sanitation and hygiene promotion require very different skills and institutional arrangements to those needed for water supply development.

The provision of safe drinking water and effective sanitation is an important priority of the Government of Indonesia. Beside the lack of investment in the sector over the past decade, access to clean water remains limited and the public services are often unreliable and inadequate. As part of a strategy to improve the level and quality of services and expand access to water supply and sanitation throughout the country, the Government of Indonesia is developing a comprehensive framework to regulate the provision of water services and to create

enabling conditions for both private and community participation to manage and finance water and sanitation services.

Indonesia has ratified the international covenant on economic, social and cultural rights by Act No. 11/2005. The commitment implement by Law No. 7/2004 on Water Resources which in articles 5 that stated government guarantee everyone's right to obtain water for their minimum daily basic needs in order to achieve a healthy, clean and productive life. To assure every citizens get the water for their living, government then prepares a policy on drinking water provision system or SPAM (Sistem Penyediaan Air Minum) that refer to pipe and non-pipe water system. But the fact is today majority of people are still using ground water, therefore more approach to develop piped water supply system is needed to be developed.

Lack of environmental management in Indonesia, gives a negative impact on water supply and sanitation sector. Limited supply of fresh and clean water becomes one of the problems faced in the provision of water services in Indonesia. Based on the Millennium Development Goals MDGs 2010 report issued by Bappenas, the number of households that have access to decent clean water is 47.71% and households that have access to sanitation is 51.19%. Indonesia targets to be achieved in 2015 are 68.87% for clean water and 62.41% for sanitation².

² *Laporan Pencapaian Millenium Development Goals 2010.*

<http://www.bappenas.go.id/node/118/2813/laporan-pencapaian-mdgs-indonesia-2010/>; Accessed on 23 August 2011

Cooperation is one of the most important instruments in managing the environmental issues; in this context is access to clean water and sanitation. As one of the developed countries in Europe, the Netherlands has shown its high commitment to help and cooperate with other developing countries in dealing with access to clean water supply and sanitation.

Since the end of the 1990s, the Netherlands has promoted a sector wide approach to development cooperation, including projects to improve water supply and sanitation. In 2004, the Minister for Development Cooperation made a commitment to contribute to Millennium Development Goal 7 to ensure environmental sustainability by providing sustainable access to safe drinking water and basic sanitation to an additional 50 million people by 2015.

In 2004, Netherlands and Indonesia agreed to expand their development cooperation activities with the purpose of helping Indonesia to achieve the MDGs target 7, specifically target 7C on access to safe drinking water and basic sanitation. The reason Indonesia remains a partner country has largely to do with income level. The considerable public involvement in developments in Indonesia justifies widening and deepening the relationship.

The Memorandum of Understanding between the Indonesian the Ministry of Public Works and State Ministry of Environment, and the Netherlands Ministry of Transport, Public Works and Water Management and the Ministry of Housing, Spatial Planning and Environment or recognized as 4 Parties MoU (4P-MoU) has

been signed as a marked of the cooperation between both countries in water sector. The 4P-MoU was intended to enhance the cooperation that has existed between the two countries in the water sector, highlighting various themes such as integrated water management and the millennium development goals related to water supply and sanitation.

Water and Sanitation Program (WASAP) for capacity development on water and sanitation sector development is the first cooperation between Indonesia and netherland in the field of water supply and sanitation. WASAP Trust Fund established through the World Bank Jakarta and has a budget of 25 million Euros for 2004-2011³. WASAP is the largest program regarding its funding, implemented by the World Bank, and supports policy development and capacity building as to strengthen the enabling environment for this sector. The Netherlands also support, in joint cooperation with UNICEF in East Indonesia, and with the Asian Development Bank (ADB) in Aceh, the development of water supply and sanitation in rural areas.

Partnered with Institut Teknologi Bandung, the national water supply association of Indonesia, Badan Pendukung Pengembangan Sistem Penyediaan Air Minum (BPPSPAM); an agency of the Ministry of Public Works active in the field of drinking water production/distribution and waste water collection/treatment; and Stichting Wateropleidingen (SWO); the Dutch training institute for water

³http://indonesia-in.nlembassy.org/Tentang_Kedutaan/Bagian_dalam_Kedutaan/Kerjasama_Pembangunan/Lihat_juga/Air; Accessed on 5 September 2011

management, the Netherland also build a project called INDF : Joint Indonesian - Dutch water supply and sanitation institution building project. The objectives of the project are accelerating the achievement of Millennium Development Water Goals by capacity building in the field of education and research on drinking water production/distribution and waste water collection/treatment, in which both sectors are related to infrastructure, environment and water management, through open, practice oriented education and applied research on appropriate technologies.

In close cooperation with technical Dutch Ministries, a number of programs are financed by Partners for Water within the water sector. Most of these activities are considered by both Governments as pilot project from which lessons can be learnt and strategies being developed. A good example of such a project is the Jakarta Flood Management, which introduced cleaning of canals with small floating bulldozers and manual operations including separation of the dredged material so that part of the dredged material can be re-used.

Indonesia was a former colony of the Dutch, which had occupied Indonesia for 350 years. It will be interesting to study the role of Netherlands in assisting Indonesia to improve the water and sanitary condition in Indonesia as well as reached its MDGs on target water supply and sanitation.

Thus, because of this background the authors believe this issue can be an interesting topic to be researched.

1.2. Research Problems

Today, fewer than 30% of households in Indonesia have access to piped water, which is inexpensive and still of reasonable quality compared to alternative sources. The situation has deteriorated in recent years, as revenues are usually far lower than the full cost of the service due to downward political pressure on tariffs. Indonesia also has one of the lowest rates of off-site sanitation services in the world. At present, less than 2% of the population is connected to piped sewerage networks. About 60% of population relies on septic tanks and pit latrines for human waste discharge. These facts highlighted the issue of how poor the Indonesia's access to clean water and sanitation.

Relating to the scope of relations, this research will primarily talks about the cooperation between Indonesia and the Netherlands on water supply and sanitation in Indonesia. These issue were chosen by considering the target of Millennium Development Goals (MDGs) 7, focusing on MDGs target 7C which is to reduce by half the proportion of people without sustainable access to safe drinking water and basic sanitation.

The period of the cooperation is from 2004-2011. The starting period, which is 2004, was chosen due to the tsunami that hits Aceh and Nias in which the water supply and sanitation is a big issue and many of the projects sponsored by the Netherlands were made to help solving the water supply and sanitation caused by the tsunami.

Based on the focus and limit of the research, the research questions can be formulated as:

1. What are the interests of the Netherlands in conducting the cooperation with Indonesia on water supply and sanitation in Indonesia?
2. What are the objectives in conducting the cooperation?
3. What is the future of the cooperation?

1.3. Research Objectives

This research is conducted with the objectives of describing:

1. To describe the interest of the Netherlands in conducting the cooperation with Indonesia on water supply and sanitation in Indonesia;
2. To describe the objectives of the cooperation;
3. To describe the future of the cooperation.

1.4. Research Significance

The significances of this research are:

1. To be useful as reference material in reviewing the cooperation between Indonesia-Netherland on water supply and sanitation in Indonesia, both for the general public or students of International Relations in particular.

2. To be useful as a research study for other researchers who are interested and want to do research on the cooperation between Indonesia-Netherland on water supply and sanitation in Indonesia, especially from an International Relations perspective, to be further developed and studied.

1.5. Thesis Organization

In order to give a better explanation and better perspective on the material that is discussed in this research, the thesis organization is arranged systematically in the following order:

CHAPTER I INTRODUCTION

Chapter I of this thesis consists of the introductory chapter, which will describe the background of the issue, the research questions, the research objectives, the research significance, and the writing systematic.

CHAPTER II CONCEPTUAL THEORY

Chapter II of this thesis will explain the theories related to the cooperation between Indonesia and the Netherlands on water supply and sanitation in Indonesia. The theories will be used as the tools to make an analysis and formulate answers for the research questions.

CHAPTER III RESEARCH METHODS

Chapter III of this thesis will describes and explains about the research method used by researcher to obtain data, as well as to analyze it. It outlines about the research method, type and source of data, as well as data collection and analysis techniques.

CHAPTER IV DATA AND ANALYSIS

Chapter IV of this thesis is consist of data about the cooperation on water supply and sanitation in Indonesia. Data that were obtained from both literature review and research on the field were then being presented and analyzed. Process of analysis will be done based on the concepts that have been presented in chapter two

CHAPTER V CONCLUSION

Chapter V of this thesis is the final chapter. After conducting analysis in chapter four, the writer will be able to draw conclusion, and give necessary recommendation about the result of the research and write them in the last chapter of the thesis.