



**GOVERNMENT REGULATION
OF THE REPUBLIC OF INDONESIA
NUMBER 22 OF 2008
CONCERNING
DISASTER AID FINANCING AND
MANAGEMENT**

**NATIONAL AGENCY DISASTER MANAGEMENT
(BNPB)**



PRESIDEN
REPUBLIK INDONESIA

**GOVERNMENT REGULATION OF THE REPUBLIC OF
INDONESIA**

NUMBER 22 OF 2008

CONCERNING

DISASTER AID FINANCING AND MANAGEMENT

BY THE GRACE OF THE ONE ALMIGHTY GOD

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Having considered: That to apply the provisions in Article 63 and Article 69, Paragraph (4) of Law Number 24 of 2007 concerning Disaster Management, it is necessary to promulgate a Government Regulation concerning Disaster Aid Financing and Management;

Having observed:

1. Article 5, Paragraph (2) of the 1945 Constitution of the republic of Indonesia;
2. Law Number 24 of 2007 concerning Disaster Management (Republic of Indonesia's Government Official Gazette of 2007 Number 66, supplement to the state gazette number 4723 to Republic of Indonesia's Government Official Gazette Number 4723);

HAS DECIDED:

**To issue: GOVERNMENT REGULATION CONCERNING
DISASTER AID FINANCING AND
MANAGEMENT**

CHAPTER I

GENERAL PROVISIONS

Article 1

In this government regulation:

1. Disaster management fund means a fund used for

disaster management at pre-disaster, emergency response, and/or post-disaster stages.

2. State Budget, hereinafter referred to as APBN, shall mean state's governmental annual financial plan approved by the House of Representatives.
3. Regional Budget, hereinafter referred to as APBD, means regional government administration annual financial plan approved by the Regional House of Representatives.
4. Disaster contingency fund means a fund reserved for potential disasters.
5. Ready fund means funds available and reserved by the Government for use during disaster emergency response until the emergency response has come to an end.
6. Grant-patterned social assistance fund means a fund provided by the Government for regional governments as aid for post-disaster management.
7. Disaster emergency aid means an aid for basic necessities during the emergency response.
8. Disaster management means a series of efforts encompassing policies on development with disaster risk, disaster prevention, emergency response, and rehabilitation.
9. National Disaster Management Agency hereinafter referred to as BNPB means a non-departmental government institution in accordance with the provisions of legislation.
10. Regional Disaster Management Agency hereinafter abbreviated to as BPBD means a regional government agency in charge of disaster management.
11. Related government agency/institution shall mean a government agency/institution related to disaster management.

Article 2

Disaster aid financing and management shall aim to support disaster management efforts in an efficient, effective, and justifiable manner.

Article 3

Regulation of disaster aid financing and management shall include:

- a. disaster management fund sources;
- b. disaster management fund use;
- c. disaster aid management; and
- d. disaster aid financing and management supervision, reporting, and accountability.

CHAPTER II

DISASTER MANAGEMENT FUND SOURCES

Article 4

- (1) Disaster management fund shall remain a shared responsibility between Government and regional governments.
- (2) Disaster management fund as referred to in Paragraph (1) shall come from:
 - a. APBN;
 - b. APBD; and/or
 - c. community.

Article 5

- (1) Government and regional government shall sufficiently allocate a disaster management budget in APBN and APBD as referred to in Article 4 Paragraph (2) letter a and letter b.
- (2) The budget as referred to in Paragraph (1) shall be provided at pre-disaster, disaster emergency response, and post-disaster stages.

- (3) In disaster management budget coming from APBN as referred to in Paragraph (1), Government shall also provide:
 - a. disaster contingency fund;
 - b. ready fund; and
 - c. grant-patterned social assistance funds.

Article 6

- (1) Disaster contingency fund referred to in Article 5 Paragraph (3) letter a shall be provided in APBN for pre-disaster alertness measures.
- (2) Ready fund as referred to in Article 5 Paragraph (3) letter b shall be provided in APBN, allocated in BNPB budget for emergency response activities.
- (3) Regional government may provide ready fund in disaster management budget coming from APBD allocated in BPBD budget.
- (4) Ready fund the as referred to in Paragraph (2) shall always be available according to the need during the emergency response.
- (5) Grant-patterned social assistance fund as referred to in Article 5 Paragraph (2) letter c shall be provided in APBN for post-disaster activities.

Article 7

- (1) Government and regional governments shall encourage community participation in provision of funds from community as referred to in Article 4 Paragraph (2) letter c.
- (2) Funds from community as referred to in Paragraph (1) received by the Government shall be recorded in APBN.
- (3) Funds from community as referred to in Paragraph (1) received by regional governments shall be recorded in APBD.

- (4) Regional government may only receive funds from domestic community groups.
- (5) Further provisions concerning funds records as referred to in Paragraph (2) shall be governed by a Regulation of the Finance Minister.
- (6) Further provisions concerning funds as referred to in Paragraph (3) shall be governed by a Regulation of the Minister of Home Affairs.

Article 8

In encouraging community participation as referred to in Article 7, Government or regional government may:

- a. facilitate community plan to provide aid for disaster management fund;
- b. facilitate community plan to raise funds for disaster management; and
- c. increase the community's concern to participate in provision of funds.

Article 9

- (1) Any fundraising for disaster management shall be subject to a license from the authorized agency/institution.
- (2) A copy of any licenses granted by the agency/institution as referred to in Paragraph (1) shall be submitted to BNPB or BPBD.
- (3) Procedure for licensing the disaster management fundraising shall comply with the provisions of legislation.

CHAPTER III
DISASTER MANAGEMENT FUND USE

Part One

General

Article 10

- (1) Government, regional governments, the BNPB, and/or the BPBD shall use disaster management fund in accordance with their respective primary duties and functions.
- (2) Disaster management fund shall be used in accordance with disaster management procedure, which includes pre-disaster, emergency response, and/or post-disaster stages as referred to in Article 6.

Part Two

Pre-disaster

Article 11

Planning, budgeting, implementation, reporting, and accountability for the use of disaster management fund coming from APBN or APBD at pre-disaster stage shall comply with the provisions of legislation.

Article 12

Disaster management fund at pre-disaster stage shall be allocated for activities in the following situations:

- a. situation without disaster; and
- b. situation with potential disaster.

Article 13

Disaster management fund the use of in a situation without disaster referred to in Article 12 letter a shall include:

- a. facilitation for disaster management planning;
- b. disaster risk mitigation program;

- c. disaster prevention program;
- d. integration of development planning into disaster management planning;
- e. preparation of disaster risk analysis;
- f. facilitation for implementation and enforcement of spatial structure plan;
- g. education and training in disaster management; and
- h. preparation of technical standard for disaster management.

Article 14

- (1) The use of disaster management fund in a situation with potential disaster as referred to in Article 12 letter b includes:
 - a. alertness activities;
 - b. development of early warning system; and
 - c. disaster mitigation activities.
- (2) Alertness activities as referred to in Paragraph (1) letter a shall use contingency fund referred to in Article 5 Paragraph (3) letter a.

Part Three

Disaster Emergency Response

Article 15

- (1) Disaster management fund for use during the emergency response includes:
 - a. disaster management fund allocated in APBN or APBD to each related agency/institution;
 - b. ready fund as referred to in Article 5 Paragraph (3) letter b allocated in BNPB budget; and
 - c. ready fund allocated by regional government in BPBD budget.

- (2) BNPB or BPBD in accordance with their respective authority shall direct the use of disaster management fund as referred to in Paragraph (1) letter a.

Article 16

The use of disaster management fund during the emergency response as referred to in Article 15 Paragraph (1) letter a includes:

- a. implementation of quick and appropriate study on location, damage, and resources;
- b. rescue and evacuation of disaster-affected community;
- c. provision of aid for basic necessities of disaster victims;
- d. protection for vulnerable group; and
- e. emergency recovery of facilities and infrastructure.

Article 17

- (1) Ready fund as referred to in Article 15 Paragraph (1) letter b shall be used according to need for disaster emergency response.
- (2) The use of ready fund shall be limited to procurement of goods and/or services for:
 - a. search and rescue of disaster victims;
 - b. emergency aid;
 - c. evacuation of disaster victims;
 - d. necessary water supply and sanitation;
 - e. food;
 - f. clothing;
 - g. healthcare; and
 - h. accommodation and temporary dwelling places.

- (3) Ready fund shall be used in compliance with guidelines set by the BNPB Head.

Article 18

In the event that regional governments has allocated ready fund in BPBD budget, Article 17 shall apply mutatis mutandis to regulation of the ready fund use.

Part Four

Post-disaster

Article 19

Planning, budgeting, implementation, reporting, and accountability for the use of disaster management fund coming from APBN and APBD at post-disaster stage shall take place in accordance with the provisions of legislation.

Article 20

Disaster management fund at post-disaster stage shall be used for:

- a. rehabilitation; and
- b. reconstruction.

Article 21

Rehabilitation as referred to in Article 20 letter a shall include:

- a. improvement to disaster area environment;
- b. repair to public facilities and infrastructure;
- c. provision of aid for community housing repair;
- d. sociopsychological recovery;
- e. healthcare;
- f. reconciliation and conflict resolution;
- g. socioeconomic and cultural recovery;
- h. security and order recovery;
- i. government administration's function recovery; or
- j. public service function recovery.

Article 22

Reconstruction activities as referred to in Article 20 letter b include:

- a. rebuilding of facilities and infrastructure;
- b. rebuilding of community social facilities;
- c. revival of community sociocultural life;
- d. use of appropriate design with improved and disaster-resistant equipment;
- e. participation of social institutions and organizations, business world and community;
- f. improvement to social, economic, and cultural conditions;
- g. improvement to public service functions; or
- h. improvement to essential services in community.

Article 23

- (1) Government may provide aid for post-disaster financing to disaster-affected regional governments in the form of grant-patterned social assistance fund referred to in Article 5 Paragraph (3) letter c.
- (2) In order to receive aid as referred to in Paragraph (1), regional governments shall submit a written application to Government through BNPB.
- (3) At a written request as referred to in Paragraph (2), the BNPB shall carry out an evaluation and verification, in coordination with related agency/institution.
- (4) The BNPB Head shall determine the results of evaluation and verification as referred to in Paragraph (3) and submit them to the Minister of Finance for subsequent submission to the House of Representatives to obtain approval for use of grant-patterned social assistance fund.

CHAPTER IV
DISASTER AID MANAGEMENT

Part One

General

Article 24

- (1) The government and regional governments shall provide disaster aid to disaster victims.
- (2) Disaster aid as referred to in Paragraph (1) shall comprise:
 - a. donation to relative of a ceased person;
 - b. compensation money for disability;
 - c. soft loan for productive businesses; and
 - d. aid for basic necessities.

Part Two

Compensation Money for Grief

Article 25

- (1) donation to relative of a ceased person as referred to in Article 24 Paragraph (2) letter a shall be provided to fatalities, i.e.:
 - a. burial cost; and/or
 - b. donation to relative of a ceased person.
- (2) Donation to relative of a ceased person as referred to in Paragraph (1), shall be provided after data collection, identification, and verification by the authorized agency/ institution coordinated by BNPB or BPBD in accordance with their respective authority.
- (3) Donation to relative of a ceased person as referred to in Paragraph (2) shall be provided to the victim's heir.
- (4) Further provisions concerning the amount of donation to relative of a ceased person as referred

to in Paragraph (3) shall be governed by a regulation of the BNPB Head after obtaining approval from the Minister of Finance.

Part Three

Disability Compensation Money

Article 26

- (1) Disability compensation money as referred to in Article 24 Paragraph (2) letter b shall be provided to disaster victims suffering from mental and/or physical disability.
- (2) Disability compensation money as referred to in Paragraph (1) shall be provided after data collection, identification, and verification by the authorized agency/institution coordinated by the BNPB or BPBD in accordance with their respective authority.
- (3) Further provisions concerning the amount of disability compensation money as referred to in Paragraph (1) shall be governed by a Regulation of BNPB Head after obtaining approval from the Minister of Finance.

Part Four

Soft Loan for Productive Businesses

Article 27

- (1) Soft loan for productive businesses shall be provided to disaster victims who have lost their livelihood.
- (2) Soft loan for productive businesses as referred to in Paragraph (1) shall be provided, i.e.:
 - a. credit for productive businesses; or
 - b. credit for ownership of capital goods.
- (3) Soft loan as referred to in Paragraph (2) shall be provided after data collection, identification, and verification by the authorized agency/institution

coordinated by the BNPB or BPBD in accordance with their respective authority.

- (4) Further provisions concerning the amount of soft loan as referred to in Paragraph (2) shall be governed by a Regulation of BNPB Head after obtaining approval from the Minister of Finance.

Part Five

Aid for Basic Necessities

Article 28

- (1) Aid for basic necessities referred to in Article 24 Paragraph (2) letter d shall be provided to disaster victims, i.e.:
 - a. temporary accommodation;
 - b. aid for food;
 - c. clothing;
 - d. water supply and sanitation; and
 - e. healthcare.
- (2) Disaster emergency aid for basic necessities of disaster victims shall be provided, considering the minimum standard for basic necessities by prioritizing the vulnerable group.
- (3) Further provisions concerning aid procedures for basic necessities as referred to in Paragraph (1) shall be stipulated by a Regulation of BNPB Head.

Part Six

Aid Management and Accountability

Article 29

- (1) The BNPB has the authority to coordinate the control, collection, and distribution of disaster emergency aid at national level.
- (2) BPBDs have the authority to coordinate the control, collection and distribution of disaster emergency aid at regional level.

Article 30

- (1) Management and accountability procedures for use of disaster emergency aid shall receive a special treatment according to emergency needs, situation, and conditions.
- (2) Further provisions concerning management and accountability procedures for use of disaster emergency aid as referred to in Paragraph (1) shall be governed by a Regulation of the BNPB Head.

CHAPTER V

SUPERVISION AND ACCOUNTABILITY REPORT

Part One

General

Article 31

- (1) The government, regional governments, the BNPB or BPBD in accordance with their respective authority shall exercise supervision and make accountability reports on administration of disaster management fund and aid.
- (2) Related agency/institution together with the BNPB or BPBD shall supervise the distribution of fund assistance by community to disaster victims.

Part Two

Supervision

Article 32

The government and regional governments shall supervise administration of fund and aid at all disaster management stages.

Part Three

Accountability Report

Article 33

Disaster management accountability report on financial

condition as well as performance at pre-disaster and post-disaster stages shall be produced in accordance with the provisions of legislation.

Article 34

- (1) The use of accountability for disaster management fund during the disaster emergency response shall receive a special treatment according to emergency conditions, in accordance with the principles of accountability and transparency.
- (2) Disaster management accountability report on financial condition and performance during the emergency response shall be submitted no later than 3 (three) months after the emergency response period.

Article 35

- (1) Report on disaster management finance originating from APBN or APBD shall comply with the government accounting standard.
- (2) Accounting system for disaster management fund originating from community shall comply with guidelines set by Minister of Finance.

Article 36

All disaster management accountability reports on financial condition and performance shall be audited in accordance with the legislation.

CHAPTER VI

CLOSING PROVISIONS

Article 37

This government regulation begin to take effect on the date of the enactment.

In order that everybody may take cognizance hereof, enactment of this Government Regulation shall be published in state gazette of Republic of Indonesia.

In order that this law is known to the general public, it is ordered this Government Regulation be promulgated in the state gazette of the Republic of Indonesia

Enacted in Jakarta

On 28 February 2008

THE PRESIDENT OF THE
REPUBLIC OF INDONESIA,

signed

DR. H. SUSILO BAMBANG
YUDHOYONO

Promulgated Jakarta

On 28 February, 2008

THE MINISTER OF JUSTICE AND
HUMAN RIGHTS OF THE
REPUBLIC OF INDONESIA,

signed

ANDI MATTALATTA

**STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2008
NUMBER 43**

This copy is in conformity with the
original

STATE SECRETARIAT OF THE REPUBLIC OF INDONESIA

Head of Bureau for Legislation Politics
Division of Politic and People's Welfare,

Signed and Sealed

Wisnu Setiawan

ELUCIDATION OF

REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF

INDONESIA

NUMBER 22 OF 2008

CONCERNING

DISASTER AID FINANCING AND MANAGEMENT

I. GENERAL

Indonesia is known as a disaster-prone territory. Disaster occurrences in Indonesia vary greatly both in type and magnitude. Besides being prone to natural disasters, Indonesia is also prone to human-caused disasters. This is due to Indonesia's geographical and geological location and demographic condition.

Disasters result in loss of human lives, material possessions, and damage to facilities and infrastructure. The losses of material possessions and infrastructure can reach a very huge amount, thus quite a large amount of funds is also needed for recovery.

Disaster management shall comprise a series of prevention, rescue, and rehabilitation activities carried out in a coordinative, comprehensive, simultaneous, appropriate and accurate way, being cross-sector and cross-territory. Hence, it calls for coordination of various related agencies with emphasis on public concern and mobilization of the community.

The entire system, regulation, organization, plan and program related to these matters shall be called disaster management. To make it effective, the disaster management shall involve all sectors, including non-government sector, private sector and community, including all layers of community from the highest national level down to the smallest village.

To prevent and reduce huge losses, it calls for management efforts from the time of prevention, mitigation, emergency response, rehabilitation up to reconstruction. To carry out these activities, disaster management fund is required.

Enactment of Law Number 24 of 2007 concerning Disaster Management is one step forward in the Government's effort to handle disasters.

Law Number 24 of 2007 Articles 63 and 69 Paragraph (4) mandated the need for a government regulation on mechanism for fund management and procedure for channeling and determining the amount of disaster management aid. To implement these two provisions, Government Regulation on disaster aid financing and management regulates some important matters, such as source, allocation, planning, implementation, supervision, reporting and accountability at pre-disaster, emergency response and post-disaster stages.

In relation to disaster aid financing and management, Disaster Management National Agency (BNPB) shall coordinate the planning for the use of disaster management fund at pre-disaster and post-disaster stages at central level, while at regional level the coordination shall be under Disaster Management Regional Agency (BPBD). Government shall allocate disaster management budget for emergency response in particular in the National Budget (APBN). Meanwhile regional governments may allocate ready fund in the Regional Budget (APBD).

To prevent mistakes and deviation in the implementation, the planning for and the use of disaster fund and aid shall be reported and accounted for in adherence to accountability and transparency principles. The government, regional governments, the BNPB, and BPBD shall exercise supervision of and give accountability report on the management of disaster fund and aid.

The government, regional governments, and the community shall exercise supervision of the entire disaster management activities at each disaster stage to prevent deviation in the use of disaster management fund.

II. ARTICLE BY ARTICLE

Article 1

Self-explanatory.

Article 2

Self-explanatory.

Article 3

Self-explanatory.

Article 4

Paragraph (1)

Self-explanatory.

Paragraph (2)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c

“Community” means individuals, business concerns and nongovernmental organizations, both domestic and foreign.

Article 5

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Letter a

Self-explanatory.

Letter b

Self-explanatory.

Letter c.

“Grant-patterned social assistance funds” shall take the form of block grant.

Article 6

Self-explanatory.

Article 7

Self-explanatory.

Article 8

Self-explanatory.

Article 9

Self-explanatory.

Article 10

Self-explanatory.

Article 11

Self-explanatory.

Article 12

Self-explanatory.

Article 13

Self-explanatory.

Article 14

Self-explanatory.

Article 15

Paragraph (1)

Letter a

Self-explanatory.

Letter b

In these provisions, ready fund shall also be used in emergency status.

Letter c

Self-explanatory.

Paragraph (2)

Self-explanatory.

Article 16

Self-explanatory.

Article 17

Self-explanatory.

Article 18

Self-explanatory.
Article 19
Self-explanatory.
Article 20
Self-explanatory.
Article 21
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Article 22
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Article 27
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Article 28
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Article 30
Self-explanatory.
Article 31
Self-explanatory.
Article 32

Self-explanatory.

Article 33

Self-explanatory.

Article 34

Paragraph (1)

In these provisions, to “receive a special treatment” means that although the accountability evidence given is not in accordance with the prevailing provisions, the accountability evidence shall be treated as a legitimate financial accountability document.

Paragraph (2)

Self-explanatory.

Article 35

Self-explanatory.

Article 36

Self-explanatory.

Article 37

Self-explanatory.

**SUPPLEMENT TO STATE GAZETTE OF THE REPUBLIC OF
INDONESIA NUMBER 4829**

TRANSLATOR’S STATEMENT

The translation is rendered accurately and consistently from Indonesian into English.

Jakarta, March 30, 2009

Pahala Tamba -
Sworn Translator

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