

Optimization of Special Autonomy Funds Allocation to Alleviate Poverty in Aceh (A Case Study in Districts/Cities)

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Aceh Province is a region with special autonomy. In addition to having income sourced from the fiscal balance fund from the central government, it is also granted a Special Autonomy Fund. The fund is not only intended to carry out provincial government affairs but also district/city affairs. One aspect of the use of Special Autonomy Funds, as mandated by law, is to reduce poverty. However, the Special Autonomy Fund has been granted for 12 years and the poverty rate in Aceh is still high above the national average, even if identified as misdirected. Thus, this study aims to find the reasons why Special Autonomy Funds are not significantly reducing poverty in Aceh. It will also investigate a model to overcome the problem. This is a legal study because the legal aspect, namely the Aceh Qanun as a legal umbrella term, is the basis of the use of Special Autonomy Funds. The results showed that Special Autonomy Funds are misused, misdirected, and mostly dominated by province. Moreover, the use of the fund is heavily influenced by political interests. This is proven by the inconsistency of the Aceh Qanun (which regulates Special Autonomy Funds), and disagreement over the master plans for the use of Special Autonomy Funds as a reference in planning the use of the funds. It is recommended to authorities to include districts/cities as autonomous regions so that they can carry out their government affairs. In particular, these affairs concern poverty alleviation funded by sources from Special Autonomy Funds.

Introduction

Article 18B, paragraph 1 of the 1945 Constitution: The recognition of certain provinces as autonomous provinces is determined by law.

One of the autonomous provinces according to the law is Aceh Province. The granting of autonomy for the province is determined by Law Number 18 of 2001, which concerns special autonomy for the Special Region of Aceh Province as Nanggroe Aceh Darussalam Province. The law was later revoked by Law Number 11 of 2006, which concerns the Government of Aceh. The existence of Aceh's special autonomy (Nyimas Latifah, 2018) is inseparable from long conflict in Aceh (Azhari, 2017) and was ended through a Memorandum of Understanding (an MOU between the Republic of Indonesia's government and the Free Aceh Movement in 2005). One of its agreements contains the granting of special autonomy for Aceh, together with Special Autonomy Funds. In addition, the fiscal balance funds are also accepted by other provinces.

Special autonomy funds are accommodated by Law Number 11 of 2006. It concerns the Aceh government, stipulated in Article 179 and Article 183. The Law gives full authority to regulate the management of the Special Autonomy Fund. The Aceh Qanun Number 2 of 2008 concerns procedures for the allocation of additional funds for oil and gas and the use of Special Autonomy Funds. The latest was amended by Qanun Number 1 of 2018, and concerns the third amendment to the Aceh Qanun Number 2 of 2008. The latter concerns procedures for the allocation of additional funds for petroleum-sharing, natural gas, and the use of Special Autonomy Funds.

The Aceh Special Autonomy Fund is not only purposed to administer provincial government affairs, but also government affairs at 23 districts/cities in Aceh. One of these purposes is to alleviate poverty (Husni Jalil, 2016).

Poverty alleviation has become one of the focuses of the use of Special Autonomy Funds. The poverty itself is closely related to the impact of the prolonged conflict in Aceh that has created poverty. Many people have lost their livelihoods and property. In addition, many children have lost their parents and homes.

The Special Autonomy Fund is expected to be a stimulant (Zulfan and Era, 2018) for districts/cities to accelerate poverty alleviation in Aceh. This is due to an increase in regional income. However, the poverty rate in Aceh is still far above the national poverty rate. The Special Autonomy Fund is so slow in influencing poverty alleviation, whereas the funds' budget is still not well implemented in large amounts. Additionally, according to the Supreme Audit Agency (BPK), Special Autonomy Funds are mostly found to be corrupted (Suharyo, 2018).

The object of this study is the use of Special Autonomy Funds in Aceh districts/cities based on the allocations for districts'/cities' development. The object was selected because the provincial poverty rate is the accumulation of poverty rates in districts/cities. The study is analysed from a legal perspective because the key to optimize the use of Special Autonomy Funds is highly dependent on the juridical aspect. This aspect is indicated by the inconsistency in regulating the Special Autonomy Fund through the Aceh Qanun and the legislation below.

The study is significant since the poverty rate is still high, while the availability of Special Autonomy Funds are equal to the National General Allocation Fund. The latter has a limit until 2027. Therefore, this study is expected to find the appropriate model to optimize the use of the Special Autonomy Fund to alleviate poverty.

Research Methodology

This study applies a normative juridical approach and is conducted in three phases; first is a literature study. It focuses on the provisions of legal regulations and their derivatives. It is regulated in the governor's regulation, governor's decree, as well as the technical guidelines of the Special Autonomy Fund. These guidelines were critically analysed and explained. The implications for the authorities in the Aceh government and district/city government are that: (1) data collection is carried out through observations and interviews to obtain empirical data, (2) this data is associated with creating an effective and efficient model to implement Special Autonomy Funds and reduce poverty, (3) inductive analysis is undertaken to develop effective models to implement Special Autonomy Funds for the districts'/cities' development programs in order to eradicate poverty.

Discussion

The Special Autonomy Fund has been granted since 2008 and the fund will continue to be granted until 2027 because according to Article 183 of Agrarian Law Principles, the fund is granted for 20 years: 2% for a period of 15 years and 10% for the sixteenth and the twentieth years (sourced from the National General Allocation Fund for a period of 50 years).

The Special Autonomy Fund is not only intended to administer Aceh provincial government affairs, but also district/city government affairs. This is clearly stated in the provisions of Article 179, paragraph 2, letter c, which confirms that the income of districts/cities in Aceh is also sourced from the Special Autonomy Fund.

As a regency/city income, the Special Autonomy Fund is not directly included as regional income. This is unlike fiscal balance funds,¹ which are directly transferred by central government to a district/city government account. Nevertheless, the Special Autonomy Fund has its own specific system. Its regulation is according to the provisions of Article 183, paragraph 5 of Agrarian Law Principles, regulated with the Aceh Qanun.

Based on the law order, the Aceh Qanun Number 2 of 2008 has been created. It concerns procedures for the allocation of additional funds for oil and gas and the use of Special Autonomy Funds. This Qanun has been amended three times:

1. The first amendment to the Aceh Qanun 2 of 2013 concerns the allocation procedure of additional Oil and Gas Production Sharing Funds and the use of Special Autonomy Funds.
2. The second Amendment to Aceh Qanun 10 of 2016 concerns the allocation procedures of additional Oil and Gas Production Sharing Funds and the use of Special Autonomy Funds.
3. The third amendment to the Aceh Qanun 1/2018 concerns the allocation procedures of additional Oil and Gas Production Sharing Funds and the use of Special Autonomy Funds.

According to Article 11 of the Aceh Qanun, the funds allocated for district/city development programs and activities is a minimum of 60%, while for Aceh development programs and activities there is a maximum of 40%. However, in the first amendment to this Qanun, the number is reversed. Here, 60% is allocated for Aceh development programs and activities, and 40% is allocated for regency/city development programs and activities.

Table 1 below indicates examples of Special Autonomy Fund allocations for district/city development programs:

¹Article 1, number 13 of Law Number 33 of 2004 (concerning financial balances between the central government and regional governments) indicates a system of financial distribution that is proportional, democratic, and efficient in funding the implementation of decentralization. It does this by considering the potential, conditions, and regions' needs. In addition, it considers the amount of funding needed for the implementation of de-concentration and delegation duty.

Table 1

The Allocation of Special Autonomy Funds for District or City Development Programs

No	Regency	Year		
		2015	2016	2017
1	Aceh Barat	125.447.783.438,	120.027.345.386	145.172.828.135
2	Aceh Besar	147.914.490.241,	154.994.777.928	165.687.091.725
3	Aceh Selatan	156.731.647.778,	116.375.954.770	176.920.357.212
4	Aceh Singkil	116.337.845.137,	155.580.425.460	178.692.371.265
5	Aceh Tengah	153.029.242.798,	163.800.562.878	118.138.819.332
6	Aceh Tenggara	194.829.969.574,	204.299.783.417	166.831.320.459
7	Aceh Timur	203.304.448.098,	129.524.653.383	175.095.446.154
8	Aceh Utara	132.384.928.052,	126.203.414.910	252.512.203.750
9	Bireuen	126.659.178.409,	152.724.360.707	144.746.630.857
10	Pidie	154.825.046.044,	106.477.927.991	174.184.090.318
11	Simeulue	108.490.033.837,	117.584.585.309	129.993.185.554
12	Banda Aceh	117.110.295.941,	117.584.585.309	128.838.661.682
13	Sabang	62.331.350.724,	61.348.336.627	74.736.894.410
14	Langsa	81.926.615.347,	80.680.341.059	92.168.291.565
15	Lhokseumawe	73.902.055.739,	73.736.159.755	87.941.476.679
16	Nagan Raya	145.845.274.513	140.100.960.736	183.468.756.928
17	Aceh Jaya	158.425.915.563	155.557.222.303	163.831.996.389
18	Aceh Barat Daya	111.439.098.930	111.681.805.860	126.398.383.430
19	Gayo Lues	200.855.367.107	198.087.218.142	212.139.540.027
20	Aceh Tamiang	126.829.640.443	133.123.671.881	127.365.365.951
21	Bener Meriah	111.916.310.575	111.031.402.802	98.263.717.918
22	Pidie Jaya	96.640.402.805	94.651.839.282	116.403.563.705
23	Subulussalam	104.164.275.991	105.713.985.920	149.383.161.807

(Aceh Finance Bureau)

Table 1 shows that there are no significant similarities in the allocation of Special Autonomy Funds for the development programs and activities between districts/cities. This is due to the allocation being unequal. It is based on a formula that emphasises the equality of development progress between districts/cities. The formula uses indicators such as population, area, Human Development Index, Construction Expensiveness Index, and other relevant indicators. Therefore, the amount received by a district/city is not similar every year.

The Special Autonomy Fund is expected to reduce the poverty rate in Aceh, as mandated by the provisions of Article 183, paragraph 1 of the Agrarian Law Principles. It states that the use of Special Autonomy Funds should prioritise the alleviation of poverty (Husni Jalil, 2016).

The poverty rate in Aceh is still high. It is an accumulation of poverty rates in districts/cities in Aceh. The poverty rate in 2019 continues to decline. The second semester of 2018 reached the lowest rate in the past 18 years, namely 15.68% (<https://www.acehprov.go.id/news/read/2019/04/16/6330/formula-pengentasan-kemiskinan-pemerintah-aceh-dimata-bi.html>). However, the figure is still above the national poverty rate. It has continued to decline from 9.66% in September 2018 to 9.41% in 2019. (<https://finance.detik.com/berita-ekonomi-bisnis/d-4624483/angka-kemiskinan-ri-turun-ke-941>). Therefore, Central Statistics Agency confirmed that ‘Aceh Province has the highest percentage of poor people in Sumatra, while the lowest percentage is in Bangka Belitung Province (4.77%), (<https://kompas.id/baca/nusantara/2019/01/15/kemiskinan-masih-jadi-masalah-utama-di-aceh>).

Nevertheless, certain regions in Aceh, like in Banda Aceh City (the capital of Aceh province), has a lower poverty rate at 6.78%. (<http://www.ajnn.net/news/angka-kemiskinan-di-banda-aceh-6-78-persen/index.html>). This is because the city government has targeted the reduction of poverty, as stated in the Banda Aceh City Medium Term Development Plan for 2017-2022. Furthermore, in the Medium Term Development Book, it is emphasised that to reduce poverty in Banda Aceh, the government needs to set policy priorities and action plans. Thus, poverty reduction in Banda Aceh can be solved by implementing five main principles:

1. Improving social protection programs
 2. Increasing access to basic services
 3. Empowering poor societies
 4. Inclusive development
 5. Policies for accelerating employment growth
- (Biro Pusat Statistik Kota Banda Aceh 2017-2022).

Similarly, in Bener Meriah Regency, the issue of poverty has become an important note because the poverty rate ranks as the third highest in Aceh Province. This is above the percentage of Aceh Province’s and the Nation’s. (Biro Pusat Statistik Kabupaten Bener Meriah, 2017-2022). Likewise, in Nagan Raya Regency, the poverty rate is also high. In 2016, the number of poor people was 30,310, or 19.17% (Biro Pusat Statistik Kabupaten Nagan Raya, 2017-2022). In 2017, the poverty rate in Nagan Raya rose to 19.34%, however, the number then decreased to 18.97% in 2018, meaning that there was a decrease of 0.6% (Seuramoeaceh.com).

The poverty rate in Aceh is surprising (<https://aceh.tribunnews.com>). Aceh province is granted the Special Autonomy Fund. This indicates that the Special Autonomy Fund has not been able to improve the economic development in most regions within Aceh province (Devi and Hijri, 2018).

This suggests that that Special Autonomy Fund has not been able to significantly reduce poverty in Aceh because of the fact that the fund is not implemented effectively. This relates to the problem of fund misuse. The implementation of the Special Autonomy Fund in accordance with the allocation of the district/city development program (described in table 1) can be seen in table 2 below:

Table 2

The allocated Percentage of Unused Special Autonomy Funds for District/City Development

No	District/city	Year		
		2015	2016	2017
1	Aceh Barat	6,97%	5,45%	5,66%
2	Aceh Besar	18,35%	24,86%	14,55%
3	Aceh Selatan	3,88%	4,08%	8,37%
4	Aceh Singkil	19,13%	3,29%	6,90%
5	Aceh Tengah	1,75%	4,51%	5,73%
6	Aceh Tenggara	2,20%	9,30%	2,86%
7	Aceh Timur	5,07%	21,81%	15,48%
8	Aceh Utara	3,96%	8,07%	2,40%
9	Bireuen	7,05%	6,19%	3,26%
10	Pidie	12,86%	12,45%	8,95%
11	Simeulue	17,93%	16,17%	18,23%
12	Banda Aceh	4,73%	3,13%	5,94%
13	Sabang	6,30%	7,78%	22,10%
14	Langsa	11,67%	1,81%	5,56%
15	Lhokseumawe	37,52%	18,71%	3,67%
16	Nagan Raya	7,04%	4,03%	3,15%
17	Aceh Jaya	6,31%	8,14%	3,94%
18	Aceh Barat Daya	22,08%	19,30%	32,25%
19	Gayo Lues	9,96%	9,43%	15,80%
20	Aceh Tamiang	6,53%	18,21%	2,80%
21	Bener Meriah	3,78%	16,74%	42,39%
22	Pidie Jaya	2,50%	10,15%	14,46%
23	Subulussalam	9,19%	19,55%	6,80%

(Aceh Finance Buraue, 2019).

The data shows that a high percentage of the Special Autonomy Fund's unused budget for district/city development allocations is on average above 5%. There are even some regions

where the unused budget is above 10%, even reaching 42.39%. Good regional financial management will affect the progress of a region. (Junaedy and Sumartono,2019).

The Special Autonomy Fund for district/city development from 2015 to 2017 is above 8% per year. In 2015, the unused budget was IDR 271.149.605.278.00, or 9.00% of the available budget (IDR 3.011.341.217.084). In 2016, the figure was IDR 329.501.723.692, or 11.14% of the allocated budget (IDR. 2.958.797.424.800). Furthermore, in 2017, the unused budget of the Special Autonomy Fund allocated for district/city development was IDR 339.441.321.286, or 10.02% of the allocated budget (IDR 3.049.472.833.966).

A high number of unused budget funds will result in the delayed implementation of development, which should have been enjoyed by the society. Even though the unused budget can be used in the next year, it has delays the realisation of public welfare. Moreover districts/city governments cannot be entirely to blame for a high percentage of unused budget funds. This is also influenced by the delayed approval of the Revenue and Expenditure Budget within these years. It is normally approved at the end of January, despite the statutory provisions requiring the approval of the Aceh Revenue and Expenditure Budget in December of the previous year. ²19

This causes the Special Autonomy Fund allocated to district/city development programs and activities to first be budgeted in the Aceh Revenue and Expenditure Budget. In addition, according to the Aceh Qanun Number 2 of 2013 (concerning Amendments to the Aceh Qanun Number 2 of 2008 concerning Procedures for the Allocation of Additional Oil-Sharing Funds and Natural Gas and use of the Special Autonomy Fund), the fund must be transferred as a grant to districts/cities.

The system occurs because the Special Autonomy Fund for Aceh is transferred by the central government to an Aceh Government account. The system is the consequence of the provisions of 173, paragraph 4 (Agrarian Law Principle) which emphasises the management of Special Autonomy Funds that are administered to the Aceh provincial government. Thus, the system has led to a period of long bureaucracy in the management of Special Autonomy Funds allocated for the districts'/cities' development.

The condition is not very different from the system stipulated in the Aceh Qanun Number 2 of 2008. It concerns the procedure of allocation of Additional Oil and Gas Production Sharing Funds and the use of Special Autonomy Funds. These allocations confirm that

²Article 312 paragraph 1 of Law Number 23 of 2014 concerning Regional Government confirms that Regional Head and Regional Legislative Assembly are obliged to agree together with the Regional Regulation draft regarding Regional Revenue and Expenditure Budget APBD no later than 1 (one) month before the start of the fiscal year each year.

districts/cities governments do not receive the transfer funds for Special Autonomy Funds for the allocation of the district/city development program. It is only received in the form of benefits from the programs.

The system also causes problems in implementing the development programs to alleviate poverty. An example is the construction of a crude palm oil factory in Southwest Aceh District, in which the construction was funded by the Aceh Revenue and Expenditure Budget, sourced from Special Autonomy Funds in 2010. It totalled IDR 30,000,000,000 (thirty billion rupiah). However, in the budget year, the budget is only used for IDR 20.900,000,000. (<https://aceh.tribunnews.com>).

In terms of planning, districts/cities also experience problems in accelerating poverty alleviation. The planning, which is funded by Special Autonomy Funds for a district/city, requires a long process (Said, 2019). This is in spite of the fact that the planning has been accessed in the Development Planning Discussion at a district/city government level, which is then approved by the regent/mayor and Local Legislative Assembly.³ However, the planning still needs to be accessed in the Development Planning Discussion at a provincial level afterwards. (Ramzi, 2019) 23 The proposed programs and activities will be approved if they meet the requirements of the following supporting documents:

- a. Recommendations for the appropriateness of allotment in spatial planning
- b. Details of Engineering Design (DED)
- c. Terms of reference
- d. Feasibility study
- e. Survey investigation and design (SID)
- f. Environmental Impact Analysis
- g. Other planning documents

Due to strict requirements for obtaining the Special Autonomy Fund, districts/cities experience difficulty (Sidik, 2019) in meeting the supporting documents. This is because preparation for the documents must be funded with other sources of budget. If DED has existed but is not accommodated in the special autonomy programs or in other sources in the Regional Revenue and Expenditure Budget, a new problem will occur: if the next fiscal year is carried out, it needs to be recalculated, which will lead to new funding. This is considered as a poor performance for officials who perform it.

³ Article 16 paragraph 4 Aceh Governor Regulation Number 9 of 2017 concerning Technical Guidelines for the Management of Additional Oil and Gas Production Sharing Funds and Special Autonomy Funds

The difficulty should be overcome with the existence of master plan for the use of Special Autonomy Fund. The previous study also expected that the programs and activities for the use of the Special Autonomy Fund should refer to the master plan (Pusat Pengembangan Keuangan Daerah, 2015). As a result, the programs and activities can be planned well. The previous study also stated that the master plan for the allocation of Special Autonomy Funds until 2027 is still in the process of being finalised by the Regional Development Planning Agency team. Additionally, the team also purposed that the master plan be made very urgent. This would provide direction or main objectives in development, as well as the policy direction for the allocation of Special Autonomy Funds.

Another study (DPR RI, 2019) also confirm that Special Autonomy Funds are still analysed in terms of 'funding sources' but not in terms of 'budget allocation'. There is no separate planning. The Government of Aceh and the Government of Regency/City seems to not understand the purpose of the Special Autonomy Fund well. In Aceh, it is only understood as additional funding for the Local Revenue and Expenditure Budget. Consequently, there are no special programs to implement the Special Autonomy Funds.

The existence of a master plan for the use of the Special Autonomy Funds (Nyimas Latifah, 2018) becomes a filter in sorting out priority programs of the Medium Term Development in order to alleviate poverty funded by the Special Autonomy Fund. The remaining small programs can be funded by the Local Revenue and Expenditure Budget sourced from outside of the Special Autonomy Fund. The master plan is available (Ramzi, 2019) as stipulated in Aceh Governor Regulation No. 78 of 2015 (concerning the master plan for the Utilisation of Special Autonomy Funds). Despite this, the Aceh Qanun concerning the management of Special Autonomy Funds has not yet become a reference in the development planning sourced from the Special Autonomy Fund. The Aceh Qanun only links to long-term and medium-term development plans at both provincial and district/city levels.

Normatively, the existence of special autonomy master plan, especially concerning Special Autonomy Funds, should have a legal basis for regulation. However, the provisions of Article 11A paragraph 6 of the Aceh Qanun Number 1 of 2018 only concern the technical guidelines. According to the provision: 'Further provisions regarding the procedures for proposing, evaluating, selecting, implementing and funding Special Autonomy Funds' development programs and activities (as meant in paragraph 1 to paragraph 5) is regulated in the Governor's Regulation'.

The existence of a master plan for the allocation of Special Autonomy Funds should create the continuity of the technical guidelines for the management of the Special Autonomy Fund. So far the guidelines have been experiencing different rules almost every year. In the same year there has been a change in the Governor's Regulation on the same subject in 2017,

namely: Aceh Governor Regulation Number 81 of 2017 concerning changes to the Aceh Governor Regulation regarding technical guidelines for the management of Additional Oil and Gas Revenue Sharing Funds and Special Autonomy Funds. Finally, the technical guidelines for the management of the Special Autonomy Fund are regulated in Aceh Governor Regulation No. 22 of 2019, which concerns technical guidelines for the management of additional oil and gas revenue sharing funds and the Special Autonomy Fund.

The inconsistency in the regulation of Special Autonomy Funds is clearly seen to be strongly related to political nuances and the dominance of the province over districts/cities. (Suharyo, 2016). This is because the central government has the authority to regulate the Special Autonomy Fund in the province. Nevertheless, legally, the establishment of the Aceh Qanun as a provincial Qanun (according to Law No. 12 of 2011) concerns the establishment of laws and regulations. It fully belongs to the Governor's authorities and Aceh Legislative Assembly. It means that although the Special Autonomy Fund is also a district/city right, the political decision to use the Special Autonomy Fund is not under the political decision of a district/city.

This refers to the provisions of Article 75 of Law No. 12 of 2011, which states that the discussion of Draft Provincial Regulations is carried out by the Provincial Regional Representative Assembly together with the governor. This joint discussion is carried out through a discussion that is conducted in a meeting involving the commission/committee/body/equipment of the Provincial Regional Representative Assembly. The meeting specifically handles the field of legislation and plenary meetings.

The procedure for discussing the Aceh Qanun is regulated by Provincial Regional Representative Assembly Regulations, which is in Aceh (with the Aceh Qanun Number 5 of 2011). The procedures for establishing a Qanun are concerned. In the provision of Article 5, paragraph 1 of the Aceh Qanun, it is emphasised that the material contained in the Qanun includes:

- a. The regulations about administering Aceh Government
- b. The regulations about things related to Aceh special conditions and Aceh special authority
- c. The regulations involving the administration of assistance tasks
- d. Further elaboration on laws and regulations

The provisions regarding the Special Autonomy Fund regulations are not explicitly mentioned in the Aceh Qanun. It only concerns the special conditions. In the elucidation of articles in the Aceh Qanun Number 5 of 2011, the understanding of special conditions is not found. The special conditions are different from the management of Special Autonomy Funds because the fund has special targets that are not just based on special conditions. Likewise,

the Aceh special authority cannot be regarded as the same as managing Special Autonomy Funds because the authority is more meaningful in governing Aceh's privileges. This is stipulated in Law Number 44 of 1999. It concerns the implementation of Aceh's Privileges in the following fields:

- a. The implementation of religious life
- b. The implementation of traditional life
- c. The implementation of education
- d. The role of Islamic Scholars in determining regional policies.

The Aceh Qanun's discussion about the Special Autonomy Fund is not distinguished from the Aceh Qanun. The discussion contains other materials, even though the Aceh Qanun has a very complex and strategic material content on the Special Autonomy Fund. This is not only intended to regulate Aceh government affairs, but also district/city government affairs.

The consequence of the absence of specific regulations for the discussion of the Special Autonomy Fund is that there is no obligation for the Aceh Governor and Aceh Representative Assembly to request opinions from district/city government as per the norms in the Aceh Qanun. In practice, the Aceh Governor and Aceh Representative Assembly (in the discussion of this Qanun) also request opinions from the district/city government. However, it is not binding for the Aceh Governor and Aceh Representative Assembly when making decisions.

The system requires the superior government to seek approval from the subordinate government for statutory material, which is directly related to the subordinate government. The latter already has the norms applied, which can be used as models. This is precisely regulated in Agrarian Law Principles, Article 269, paragraph 3. Here, there is a regulation that states in the planning of Agrarian Law principles, revision should be done first by consulting and getting considerations from the Aceh Representative Assembly.

To consult and to get consideration is more binding than to give input. Giving input in a law which involves more community participation has been included in the discussion of the Aceh Qanun. The provisions in Article 22 of the Aceh Qanun No. 5 of 2011 concern the procedures for the formation of Qanun. It confirms that public participation has been scheduled in the meeting in order to prepare or discuss the Qanun draft.

Conclusions and Recommendations

Based on the previous study, it can be concluded that the Aceh Qanun, which regulates the use of the Special Autonomy Funds, is still dominated by interests of provinces and districts'/cities' governments. Consequently, Special Autonomy Funds have not been well



implemented, are not yet on target and are highly dominated by provinces. This is proven by the inconsistency of the Aceh Qanun, which regulates the Special Autonomy Fund. It has effects on the implementation of the budget, especially in reducing poverty in Aceh.

The Aceh government and district/city government have not been able to optimize the use of Special Autonomy Funds due to planning that is not referred to the master plan and is determined by the governor's regulation (as a reference in planning the use of Special Autonomy Funds). It is difficult to seek approval for Special Autonomy Funds because a submitted program must be approved by the Aceh Legislative Assembly and Regional Legislative Assembly. It must also meet tight requirements for the disbursement of Special Autonomy Funds, unequal human resources, the implementation of e-planning (performance-based budgeting) and e-budgeting.

Therefore, it is recommended that the Aceh Qanun, which regulates the use of Special Autonomy Funds, should cut long bureaucracy. In doing so, the implementation of the budget is on target, especially concerning the reduction of poverty. Thus, the program which has been approved by the Regional Legislative Assembly is not required to seek approval from the Aceh Legislative Assembly. Furthermore, to optimize the use of Special Autonomy Funds, the proposed program funded by Special Autonomy Funds must be referred to the master plan.



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