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Dear friends,

Many Indonesians felt a sense of nervousness in 2018 despite the good news that poverty had fallen for the very first time below 10 percent of the population. Still, people worried about the depreciation of the currency, the budget deficit, government debt and the current account deficit.

Adding to this nervous atmosphere were elections that selected governors, mayors and regents across the country, including in Indonesia’s four most populous provinces on Java and Sumatra. Even though these elections went quite orderly, the campaigns created an emotionally charged context for policy making.

Among these tribulations CIPS steadily progressed working on rational and evidence-based policy recommendations. We grew in terms of budget and headcount, we acquired a far wider media outreach than in the past, and our papers were more frequently downloaded.

Today, I am proud to present our annual report 2018 as a testimony for the continued growth of our organization. It would have not been possible without our supporters, most notably our many donors, to whom we are very grateful.

Yours sincerely,

Rainer Heufers
Executive Director
2018 Asia Liberty Forum


The Asia Liberty Forum gathered think-tanks and attendees from throughout Asia to conduct insightful discussions and knowledge exchange to improve the way think-tanks can effectively advocate for policies that support open markets in the region.
Former Indonesian Minister of Finance, Muhammad Chatib Basri delivered a keynote address titled “Policy Reforms in an Imperfect World” on the difficulty in realizing reforms in a politically hostile atmosphere.

(left) Suraj Vaidya, president of the SAARC Chamber of Commerce and Industry and chairman of Samriddhi Foundation (Nepal) delivers a keynote address on economic cooperation in South Asia.

(right) Gus Yahya, general secretary of Nahdlatul Ulama Supreme Council, delivers the keynote address at Asia Freedom Dinner. “We are all facing these problems, yet we hold together,” said Yahya. “Why? Because we have a vision of something [worth] holding together – human civilisation.”
Education Workshops with UNESCO

The Center for Indonesian Policy Studies (CIPS) took the role as UNESCO’s Lead National Implementation Partner (LNIP). CIPS conducted research that resulted in a Situational Analysis and a Practical Guide for information update in the Indonesian education policymaking process.

Presented on a dissemination workshop on 8 January 2019, this event was attended by over 50 persons representing various stakeholders, including philanthropists, Education Office of the Jakarta regional government, CSOs, UNESCO, and CIPS.
Our policy expert conducted a research on illegal alcohol consumption in the area of Bandung, West Java.

CIPS launched the research paper in May 2018, and it was followed by several outreach efforts involving the press, government, and many other relevant stakeholders.

There were tragic cases in Indonesia where illegal alcohol consumptions led to high death toll, especially in the area where they ban alcohol beverages. Our research was highly relevant to the situation and it ended up gaining a lot of media coverage, one of them being an interview with Al Jazeera.

Media outreach advocating against a proposed Alcohol Prohibition bill
Akademi CIPS, our online course platform, launched a new course in 2018 titled Faith and Modern Indonesia.

Learners are invited to explore how faith can help navigate the complexities of modernity that comes as part of Indonesia’s continued development.

We invited some notable speakers, who come from various backgrounds and faiths, to share their views.
Low-Cost Private School Research

In 2018, we continue to expand our research to other provinces throughout Indonesia. This time, we located and geo-tagged 41 low-cost private schools and public schools in the Riau Province on Sumatra.
Our ‘right to eat cheap’ campaign has gathered momentum and more supporters for policies that enable poor consumers to access affordable and quality staple foods.
CIPS stayed among the top 100 think tanks in Southeast Asia listed on the Global Go-To Think Tank Index by the University of Pennsylvania
OUTREACH

Paper Downloads

771 paper downloads

Most Downloaded Paper

"Policy Reforms to Improve the ‘Starting a Business’ indicator" by Imelda Magdalena Freddy & Novani Karina Saputri
(267 downloads)

Through Facebook, Twitter and Instagram we reached a total of 276,168 people through our social media platforms.

Mentioned Topics

- Food Security & Trade: 50%
- Economy: 15%
- Migrant Workers: 13%
- Micro, Small & Medium Enterprises: 3%
- Education: 7%
- Digital Economy: 4%
- Alcohol: 5%
- Community Livelihood: 2%

We were mentioned in the media 1,283 times. 2018 saw over 300% more media mentions compared to 2017.
## Highlight of Income Statement (in million Rupiah)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>1,233</td>
<td>3,612</td>
<td>3,935</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel salaries</td>
<td>420</td>
<td>1,171</td>
<td>2,048</td>
</tr>
<tr>
<td>Business travel and events</td>
<td>114</td>
<td>153</td>
<td>464</td>
</tr>
<tr>
<td>Project operations</td>
<td>48</td>
<td>102</td>
<td>399</td>
</tr>
<tr>
<td>Consultant and professional fees</td>
<td>146</td>
<td>445</td>
<td>834</td>
</tr>
<tr>
<td>Overhead costs</td>
<td>122</td>
<td>340</td>
<td>723</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>849</strong></td>
<td><strong>2,211</strong></td>
<td><strong>4,467</strong></td>
</tr>
<tr>
<td><strong>Net income (loss)</strong></td>
<td><strong>384</strong></td>
<td><strong>1,400</strong></td>
<td><strong>(532)</strong></td>
</tr>
</tbody>
</table>

### PERSONNEL
RESEARCH AREAS

Food Security & Agriculture
CIPS recommends policies that enable poor Indonesians to access quality and cheaper foods. Our studies show that revisions of trade regulations, as well as an open market widen up the way to not only a bigger array of food choices but also greater value for Indonesian consumers.

Sustainable Livelihoods
CIPS promotes the importance to secure property rights of local communities over state forests. Our research shows that this does not only support the livelihoods of the people, but also promote environmental sustainability.

Economic Opportunities
Through research on digital economy, entrepreneurship, and migrant workers, CIPS recommends for policies that unlock wider economic opportunities. This will further promote livelihood as well as greater wealth creation for especially low-income families. In particular, we looked at improving Indonesia’s performance in terms of ease of doing business.

Civil Society
In order for Indonesians to live in peace and safety, CIPS advocates against policies that potentially harm diversity and pluralism in Indonesia’s civil society. In doing so, CIPS also aims to prevent threats towards the health and safety of the people.

Education
With the aim to help improve education in Indonesia, CIPS recommends policies that enhance private sector participation. This is specifically through low-cost private schools, providing more access and choices for those of low-income, while also creating healthy competition among all sectors, be it private or public.
ABOUT

The Center for Indonesian Policy Studies (CIPS) is dedicated to providing policy analysis and practical policy recommendations to decision-makers within Indonesia’s legislative and executive branches of government.

As a strictly non-partisan and non-profit think tank, CIPS promotes social and economic reforms that are based on the belief that only civil, political, and economic freedom allow Indonesia to prosper. We are being financially supported by donors and philanthropists who appreciate the independence of our analysis.