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THE REPUBLIC OF INDONESIA

**THE STUDY
ON
INTEGRATED
RADIO AND TELEVISION
SERVICING SYSTEM PROJECT**

**FINAL REPORT
VOLUME 2
REVIEWED LONG TERM PLAN**

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MARCH.1990

JAPAN INTERNATIONAL COOPERATION AGENCY

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PREFACE

P R E F A C E

In response to a request from the Government of the Republic of Indonesia, Japanese Government decided to conduct a study on Integrated Radio and Television Servicing System Project in the Republic of Indonesia and entrusted the study to the Japan International Cooperation Agency (JICA).

JICA sent to Indonesia a survey team headed by Mr. Hiroo Suzuki, All Japan Radio & Television Engineering Services Co., Ltd., comprising members from the said company and Yachio Engineering Co., Ltd., from April to June, and September to November, 1989.

The team held discussions with concerned officials of the Government of Indonesia, and conducted field surveys. After the team returned to Japan, further studies were made and the present report was prepared.

I hope that this report will contribute to the promotion of the project and to the enhancement of friendly relations between our two countries.

I wish to express my sincere appreciation to the officials concerned of the Government of the Republic of Indonesia for their close cooperation extended to the team.

March, 1990



Kensuke Yanagiya

President

Japan International Cooperation Agency

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Abbreviation used in the Report

ABBREVIATION	SPELLING-OUT	TRANSLATION IN ENGLISH OR INDONESIA
1 APBN	Anggaran Pendapatan dan Belanja Negara	State Budget; National Routine and Development Budget
2 BAKN	Badan Administrasi Kepegawaian Negara	State Personnel Administration Board
3 BPKP	Badan Pemeriksa Keuangan dan Pembangunan	Governmental Board of Audit
4 BSF	Badan Sensor Film	Board of Film Censors
5 BUMN	Badan Usaha Milik Negara	State Owned Enterprise
6 DEPPEN	Departemen Penerangan	Ministry of Information
7 DFN	Dewan Film Nasional	National Film Council
8 DIK	Daftar Isian Kegiatan	List of Activity Contents National Routine Budget; APBN
9 DIP	Daftar Isian Proyek	List of Project Contents
10 Dir/Dit	Direktur/Direktorat	Director/Directorate
11 Dir-Jen/ Dit-Jen	Direktur Jenderal/Direktorat Jenderal	Director General/Directorate General
12 DTK	Departemen Tenaga Kerja	Ministry of Man Power
13 DSN	Dewan Siaran Nasional	National Broadcasting Council
14 EC	Engineering Center	Pusat Pembinaan Sarana Teknik
15 EFP	Electronic Field Pick-up	Electronic Field Pick-up
16 EIRR	Economical Internal Rate of Return	Economical Internal Rate of Return
17 ETC	Employee's Educational and Training Center	Pusat Pendidikan dan Latihan (DIKLAT) Pegawai

ABBREVIATION	SPELLING-OUT	TRANSLATION IN ENGLISH OR INDONESIA
18 FAL	Foreign Aid Development Budget	Foreign Aid Development Budget
19 FC	Foreign Investment Cost	Foreign Investment Cost
20 FIRR	Fainancial Internal Rate of Return	Fainancial Internal Rate of Return
21 GBHN	Garis-Garis Besar Haluan Negara	The State Policy Guide Lines of 1988; Broad Outlines of State Policies
22 IBW	Indische Bedrijven Wet	Act on Government undertakings in Netherlands East Indies.
23 ICW	Indische Comptabiliteits Wet	Act on Accountability in Netherlands East Indies
24 I-R	Interim Report	Laporan Interim
25 Kep	Keputusan	Decision, Decree
26 KUHD	Kitab Undang-Undang Hukum Dagang	Code of Trading Laws
27 LAN	Lembaga Administrasi Negara	State Administrative Institution
28 LC	Local Investment Cost	Local Investment Cost
29 LF	Local Investment Fund	Local Investment Fund
30 LPN	Lembaga Penerangan Nasional	National Broadcasting Institution
31 MB	Maintenance Base	Dasar Pemeliharaan
32 MMTC	Multi-Media Training Center	Pusat Latihan Multi-Media
33 MPU	Mobil Production Unit	SPK; Stasiun Produksi Keliling
34 O&M	Operation and Maintenance	Operation and Maintenance

ABBREVIATION	SPELLING-OUT	TRANSLATION IN ENGLISH OR INDONESIA
35 OJT	On-the-Job Training	Latihan Kerja
36 PELITA	Pembangunan Lima Tahun	Five-year Development
37 Perjan	Perusahaan Jawatan	State Company
38 Persero	Perusahaan Perseroan	Corporate Company
39 Perum	Perusahaan Umum	Public Corporation
40 PERUMTEL	Perusahaan Umum Telekomunikasi	Telephone & Telecommunication; State Owned Public Corp.
41 PN	Perusahaan Negara	State Corporation
42 POS & GIRO	Perum Pos dan Giro	Post and Money Order State- owned Public Corp.
43 PPFN	Perum Produksi Film Negara	National Film Production Corporation; Stated-Owned Public Corporation
44 P.T.	Perseroan Terbatas	Limited Liability Company
45 RCTI	P.T. Rajawali Citra Televisi Indonesia	Rajawali Citra Television of the Republic of Indonesia
46 REPELITA	Rencana Pembangunan Lima Tahun	Five-year Development Plan
47 RI	Republik Indonesia	Republic of Indonesia
48 RRI	Radio Republik Indonesia	Radio of the Republic of Indonesia
49 R-TC	Radio Operational Training Center	Pusat Diklat Operasi Radio
50 RTF	Radio Televisi dan Film	Radio, Television and Film
51 RTRI	Radio Televisi Republik Indonesia	Radio and Television of the Republic of Indonesia

ABBREVIATION	SPELLING-OUT	TRANSLATION IN ENGLISH OR INDONESIA
52 RUPS	Rapat Umum Pemegang Saham	General Meeting of Shareholders
53 Sek-Jen	Sekretariat Jenderal	Secretariat General
54 44 TVRI	Televisi Republik Indonesia	Television of the Republic of Indonesia
55 TVTC	Television Operational Training Center	Pusat Diklat Operasi TV
56 TX	Transmitter/Transmission Station	Stasiun Transmissi
57 UUD 1945	Undang-Undang Dasar 1945	The 1945 Constitution
58 Yayasan TV	Yayasan Televisi Republik Indonesia	TV foundation; Television Juridical Foundation of the Republic of Indonesia

PART I INTRODUCTION

PART I INTRODUCTION

1-1 Background of the Project

The Republic of Indonesia, with a population of more than some 160 million people living on a vast territory of about 1.9 million square kilometers, is a multi-ethnic, multi-lingual and multi-cultural nation comprising over 300 races speaking different languages of their own. The Government of the Republic of Indonesia positions the broadcasting services as the means of communication that play the most effective and mobile role in achieving national unity and the education of the people. Radio and television, in particular, because of their special characteristics of being capable of appealing directly to the audiovisual senses of the people, have already become a powerful means of communication to promote standardization of the language and mutual understanding among the people within the country. Thus, ever since the start of Radio Republik Indonesia (RRI) in 1945 and the commencement of broadcasting by Televisi Republik Indonesia (TVRI) in 1962, the Government has been continuing its efforts to improve and expand radio and TV broadcasting.

Indonesia's long-term national development plan started with its 1st 5-year plan that began in 1969/70. Based on the achievements made since then, the long-term national development plan for thirty years up to 1998/99 has been drawn up and, in association with that plan, the development plan for the broadcasting sector has also been implemented over the years.

In 1975, with the assistance of JICA experts from Japan, the "25-year long-term development plan for broadcasting" was drawn up and expansion of broadcasting services has been vigorously promoted under that plan. Ten years after the start of the plan, it became necessary to readjust this plan so as to match the current conditions better, following the economic developments achieved and the changes that had taken place in the social environment. Thus in 1984, in response to the request from the Indonesian Government, a development study was carried out by JICA for "Feasibility study on the Five Years Plan for the Integrated Development of Radio and Television Broadcast" and "The Study on The Long Term Plan for the

Integrated Development of Radio and Television Broadcasting" both starting in 1984/85.

At present, based on this five year plan, the construction and rehabilitation project for radio and television broadcasting networks is being implemented. However, the Indonesian Government has requested the Japanese Government to conduct the study on review of existing long-term plan and the feasibility study on the integrated radio and television development plan in March, 1988. This request from the Indonesian Government had been based on its judgement that a number of problems had arisen in both the managerial-operational and technical facilities aspects because of the rapid quantitative and qualitative expansion of broadcasting facilities on the one hand and the delays in such aspect as the management systems and software development.

1-2 Objectives and Scope of the Study

In response to the request made by the Republic of Indonesia, the Government of Japan has decided to conduct a study on Integrated Radio and Television Servicing Project in the Republic of Indonesia (hereinafter referred to as "the Study"). The Japan International Cooperation Agency (JICA) dispatched the Preliminary Study Team to Indonesia from November 16 to 22, 1988, prior to the implementation of the Study. The Preliminary Study Team consisted of four members and was headed by Mr. Michio Kanda, Head of the Second Development Survey Division, Social Development Cooperation Department, JICA.

The Preliminary Study Team had a series of discussions with the Authorities concerned of the Republic of Indonesia, in particular with Directorate General of Radio, Television and Film (D.G. RTF), Department of Information (DEPPEN) and the both parties have agreed on the Scope of Work for the Study and exchanged the Minutes of Meeting signed on November 22, 1988.

(1) Objectives of the Study

The objectives of this study are to carry out a feasibility study on the Integrated Radio and Television Servicing System Project covering Repelita V and review of the existing long-term plan.

(2) Subjects and Scope of the Study

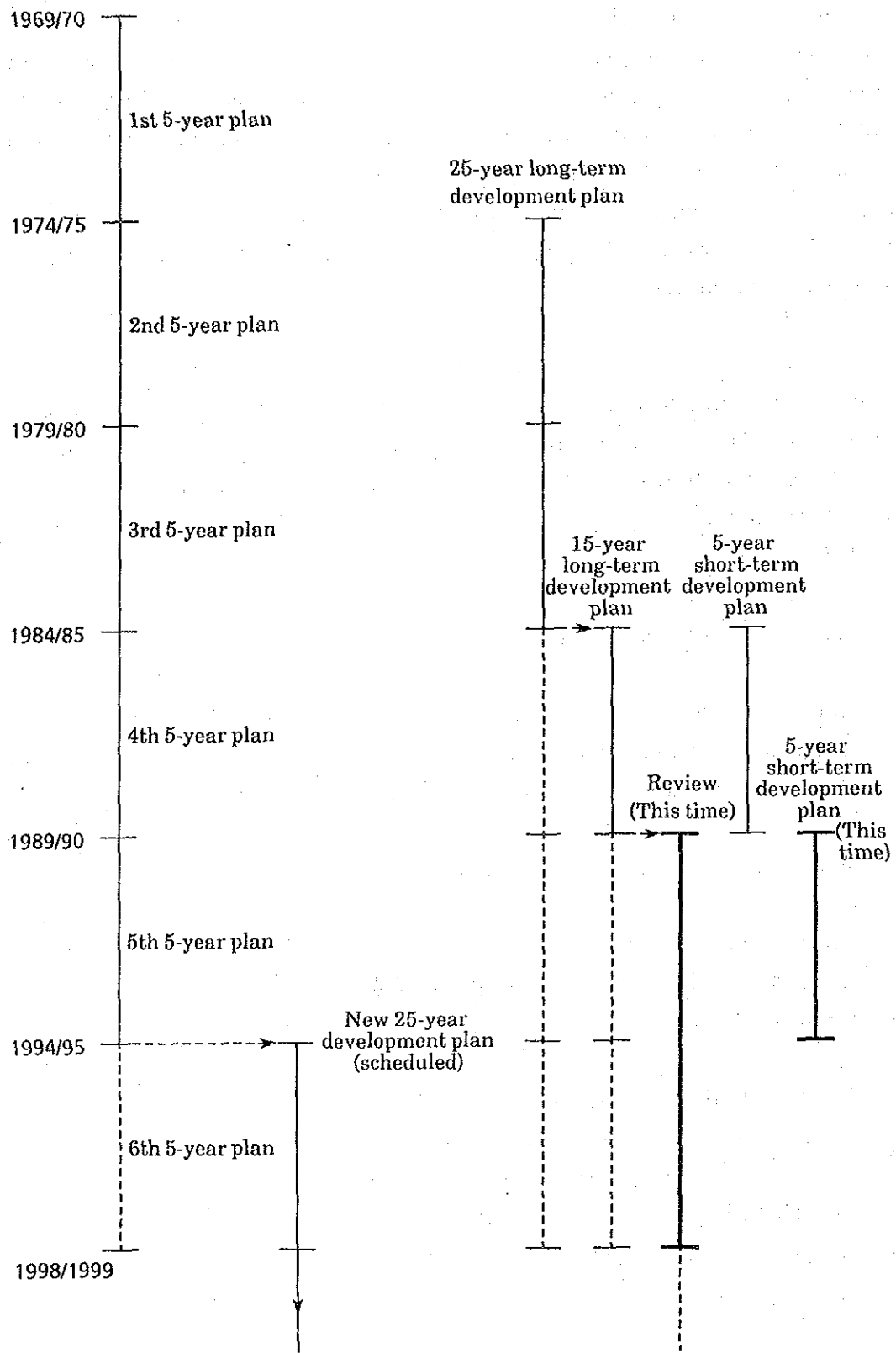
This study was made on the entire territory of Indonesia as the subject and was executed in two phases, based on the said Scope of Work and Minutes of Meeting.

The 1st Phase : Reviewing of the existing long-term plan covering Repelita V and VI formulated by JICA in 1984
(March-August, 1989)

The 2nd Phase : Feasibility study covering Repelita V
(August 1989-February, 1990)

National Development Plan

Development Plan for the Broadcasting Sector



1-3 Outline of the Study

(1) First Phase Study

The Study in Indonesia for the first phase was conducted for a period of 54 days from April 17 to June 9, 1989 by a 9-member study team sent to Indonesia.

In the site survey, the study team conducted gathering of related materials and data and also of desires and intentions of those concerned through discussions with them. The survey was carried out through such work as:

- 1) Submission and explanation of the Inception Report to the Indonesian Government.
- 2) Gathering and classifying of the existing materials and data.
- 3) Making actual visits to broadcasting stations to have a grasp of the present conditions of broadcasting service, broadcasting facilities, organizational systems and personnel, administration, and finance and economics.
- 4) Preparation of the Progress Report(1) and its submission to the Indonesian Government.

The survey was conducted in various ways; hearing the views expressed by those concerned in response to the questionnaire and the data sheet which the Study team had prepared in advance, asking for submission of data and materials and observing the broadcasting facilities at each broadcasting station. In Jakarta, the Study Team conducted studies on BAPPENAS, radio and TV commercial stations, educational institutions, communication and power companies and other organizations concerned, as well as the Ministry of Information (DEPPEN), Directorate General of Radio, Television and Film (RTF), RRI, TVRI and RTF Engineering Centre (EC). As for the provincial areas, the Study Team was divided into two groups according to a schedule made previously and carried out the survey on three occasions in a total of 14 regional cities on 28 radio and TV broadcasting stations as well as the regional offices of the Government.

The study was conducted also on such other organizations as PERUMTEL, which is headquartered in Bandung, Post and Money Order State-owned Public

Corporation (POS & GIRO), which is entrusted with the work of collecting TV license fees and national centre for engineering laboratories (LEN) that undertakes manufacture of broadcasting equipment.

The results of the study were compiled into a Progress Report(1), which was submitted to the officials concerned for examination and discussion between them and the study team. As a result, it was agreed that the contents of the Progress Report(1) should be examined further and the collected data be analyzed, so that an Interim Report may be prepared with contents that are most realistic and feasible for Indonesia.

After returning to Japan, the Study Team conducted the analysis of the outcome of the survey, made a review of the existing long-term development plan and a selection of the short-term plan, and has compiled the Interim Report.

(2) Second Phase Study

The study in Indonesia for the second phase was conducted for a period of 60 days from 4th September to 2nd November, 1989, by a 9-member study team. The Advisory Committee consisting of two members, Mr. Norio Seki, Chairman and Mr. Hideto Yuu, together with Mr. Akira Mizobuchi, JICA coordinator joined the study team from September 4 to September 9, 1989.

At the beginning of the Phase 2 Study period, the study team presented the Interim Report and explained its contents to the DEPPEN officials concerned, in the presence of the Advisory Committee. After a series of discussions, DEPPEN agreed in general to the contents of the Interim Report and the minutes of meeting was signed by both parties on 8th September, 1989. An outline of the agreement was that the Alternative 1 proposed by the study team was selected by DEPPEN as to the reviewed long-term plan and that the study team should conduct a feasibility study covering Repelita V and make suggestions covering Repelita VI.

In accordance with the agreement, the study team has conducted the site survey at 16 different locations in whole of Indonesia as well as in Jakarta. The study includes measuring field strength for Radio and TV transmission and technology transfer to the counterparts.

The results of the study were compiled into a Progress Report (2), which was submitted to the officials concerned for examination and discussion between them and the study team. As a result, it was accepted in principle and agreed upon by both parties to prepare a Draft Final Report in line with the basic concept mutually agreed on.

After returning to Japan, the study team conducted the analysis of the outcome of the survey and has compiled this Draft Final Report.

(3) Explanation of the Draft Final Report

The explanation of the Draft Final Report was conducted for a period of 10 days from 16th to 25th January, 1990 by a 3-member dispatched to Indonesia. The Advisory Committee members, Mr. Norio Seki, Chairman and Mr. Hideto Yuu, together with Mr. Kiyoshi Noritake, JICA coordinator were also dispatched to attend the meeting for a period of 7 days from 18th to 24th January, 1990.

The study team held the explanations for 4 days with DEPPEN officials concerned and, as a result of a series of discussions, the Draft Final Report was accepted in principle and agreed upon by both parties to prepare the Final Report in line with the basic concept mutually agreed on after a careful check of the contents of the Draft Final Report.

1-4 Members of the Study Team

In order to smoothly execute the Study, two groups were formed in JICA. One was the Study Team and the other was the Advisory Committee to the Study Team. The site surveys for the first and second phase were conducted by the member of the Study Team together with the counterparts assigned by RTF. The Advisory Committee was in charge of advice to the Study Team during the whole study period of the project. They joined the meetings at the beginning of the second site survey and at the explanation of the Draft Final Report, together with a JICA coordinator.

The members of the Advisory Committee, JICA coordinator and the members of the Study Team dispatched by JICA during the respective study period are as listed in the following tables.

(1) Advisory Committee

Name	Duty-in-charge	Affiliated to	Period
Mr. Norio Seki	Chairman	Special Adviser for International Cooperation, Ministry of Posts & Tele-Communications	-Sep.4-Sep.9 1989. -Jan.18-Jan.24 1990.
Mr. Hideto Yuu	Member	Senior Engineer, Transmission Engineering Center, Engineering Administration Department, Nippon Hoso Kyokai (NHK)	-ditto

(2) JICA Coordinator

Name	Duty-in-charge	Affiliated to	Period
Mr. Akira Mizobuchi	Coordinator	Head, Second Development Survey Division, Social Development Cooperation Department, (JICA)	-Sep.4-Sep.9 1989.
Mr. Kiyoshi Noritake	Coordinator	Staff, Second Development Survey Division, Social Development Cooperation Department, (JICA)	-Jan.18-Jan.24 1990.

(3) First Phase Study Team

Name	Duty-in-charge	Affiliated to	Period
Mr. Hiroo Suzuki	Leader	All Japan Radio & Television Engineering Services Co., Ltd.	-April 17- June 9, 1989
Mr. Masaaki Ueda	Development Plan	Yachiyo Engineering Co., Ltd.	-April 17- June 9, 1989
Mr. Shoichi Takahima	Programming Plan	All Japan Radio & Television Engineering Services Co., Ltd.	-April 17- May 24, 1989
Mr. Jiro Ono	Facility Plan	ditto	-April 17- June 9, 1989
Mr. Masatoshi Kurotani	Broadcasting Network Plan	ditto	-April 17- June 9, 1989
Mr. Akira Nagase	Programme Transmission Plan	ditto	-April 17- June 9, 1989
Mr. Kazumi Inoue	Maintenance Plan	ditto	-April 17- May 24, 1989
Mr. Hirochika Manabe	Organization & Management	Yachiyo Engineering Co., Ltd.	-April 25- June 9, 1989
Mr. Toshihide Hayashi	Financial & Economic Analysis	ditto	-April 25- June 9, 1989

(4) Second Phase Study Team

Name	Duty-in-charge	Affiliated to	Period
Mr. Hiroo Suzuki	Leader	All Japan Radio & Television Engineering Services Co., Ltd. (AJTS)	-Sep.4- Nov.2, 1989
Mr. Masaaki Ueda	Development Plan	Yachiyo Engineering Co., Ltd.	-Sep.4- Oct.24, 1989
Mr. Shoichi Takashima	Programming Plan	All Japan Radio & Television Engineering Services Co., Ltd.	-Oct.4- Nov.2, 1989
Mr. Jiro Ono	Facility Plan	ditto	-Sep.4- Nov.2, 1989
Mr. Yutaka Hara	Broadcasting Network Plan	ditto	-Sep.9- Nov.2, 1989
Mr. Akira Nagase	Programme Transmission Plan	ditto	-Sep.4- Nov.2, 1989
Mr. Kazumi Inoue	Maintenance Plan	ditto	-Sep.4- Nov.2, 1989
Mr. Hirochika Manabe	Organization & Management	Yachiyo Engineering Co., Ltd.	-Sep.24- Nov.2, 1989
Mr. Toshihide Hayashi	Financial & Economic Analysis	ditto	-Sep.24- Nov.2, 1989

(5) Explanation Team of the Draft Final Report

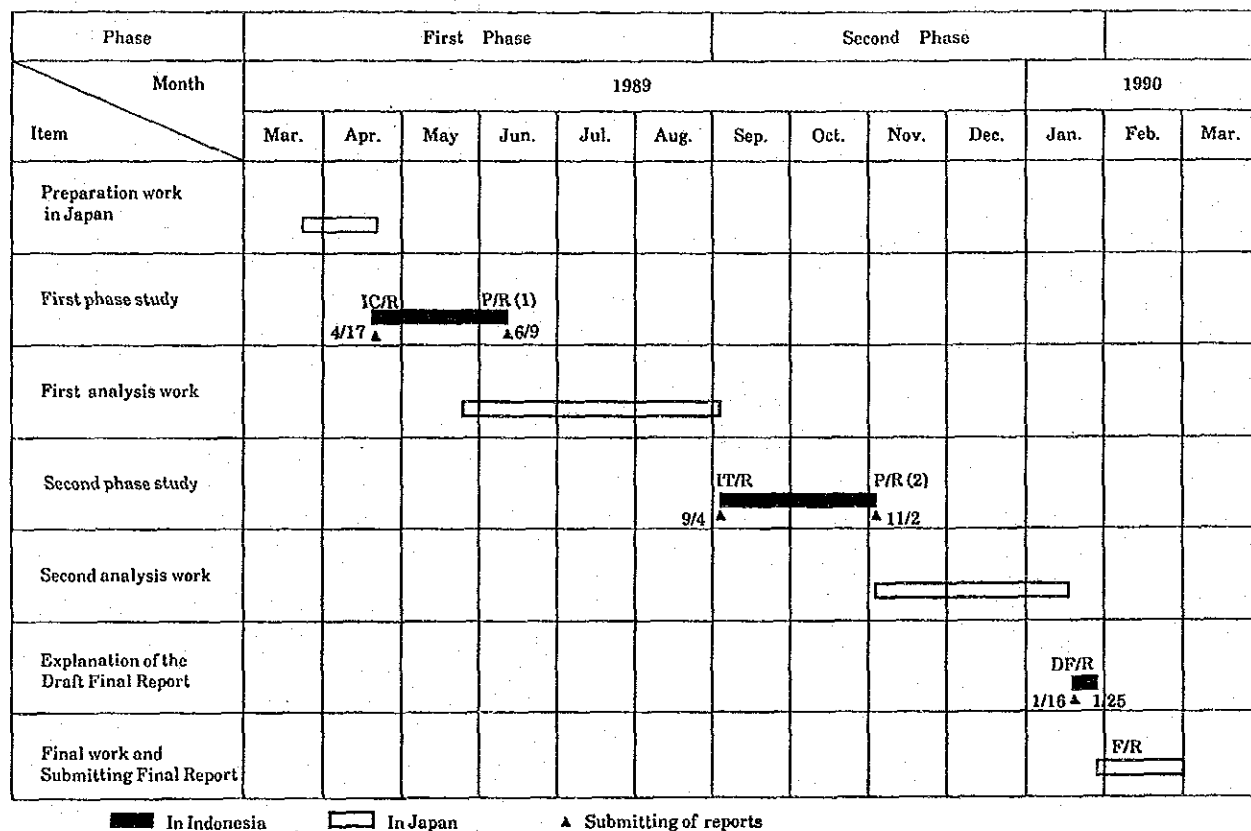
Name	Duty-in-charge	Affiliated to	Period
Mr. Hiroo Suzuki	Leader	All Japan Radio & Television Engineering Services Co., Ltd.	-Jan.16- Jan.25, 1990
Mr. Masaaki Ueda	Member	Yachiyo Engineering Co., Ltd,	-ditto
Mr. Jiro Ono	Member	All Japan Radio & Television Engineering Services Co., Ltd.	-ditto

1-5 List of Counterparts

Mr. Nurhadi Subroto	(RTF)
Mr. A. F. Siemen	(RTF)
Mr. John Polhaupessy	(RTF)
Mr. Sunendra	(RRI)
Mrs. Utiek Ruktiningsih	(RRI)
Mr. Suryanta Saleh	(RRI)
Mr. Chairul Zen	(RRI)
Mr. F. Sukarno	(RRI)
Mr. Bambang Pujiarto	(RRI)
Mr. Toni Rinadi	(RRI)
Mr. Rosito Sada	(RRI)
Mr. Darso	(TVRI)
Mrs. Suprapti	(TVRI)
Mr. Purayogo	(TVRI)
Mr. Soewanto Soewandi	(TVRI)
Mr. Irawanto	(TVRI)
Mr. Albert Missy	(TVRI)
Mr. Setio Aji	(TVRI)
Mr. Lukman Be	(Engineering Centre)
Mr. Widayat Joko Santoso	(Engineering Centre)
Mr. B. Bakri	(Engineering Centre)
Mr. Sunarya R.	(Engineering Centre)
Mr. Alimin Leo	(Engineering Centre)
Mr. Suparto	(Engineering Centre)
Mr. Mauladi	(Engineering Centre)
Mr. Adnanto	(Engineering Centre)

1-6 Study Schedule

The total study schedule for the first phase and the second phase is shown in the following figure.



PART II NATIONAL DEVELOPMENT PLAN AND
BROADCASTING

PART II NATIONAL DEVELOPMENT PLAN AND BROADCASTING

CHAPTER 1 Target of National Development Plan

1-1 Society and Economy

(1) Society

- 1) The Republic of Indonesia is the largest archipelago nation in the world covering the huge area extending 5,000km from east to west and 1,800km from north to south where about 160 million people live in 1985.
- 2) The population is not evenly distributed and 61% of the people live in Java Island, which is only 6.9% of the national land area. Many islands have a small area and limited population; the number of islands which have a population less than 1,000 amounts to 13,000.
- 3) The average national population density in 1985 is 85 people (per km²) whereas the number is 755 in Java against 14 in Kalimantan and 6 in Irian Jaya.

(2) Economy

- 1) The Indonesian government is taking an initiative in an struggle to change its agriculture leading economy to manufacturing leading economy considering the continuously decreasing oil revenue.
- 2) Each industrial sector has a share in the nominal GDP (1988) as follows showing the Indonesian economic structure; agriculture 23%, mining 16%, manufacturing 14%, trade 16% and transportation 6%. Recently the share of agriculture is declining year after year. The mining sector has a rather large share because it includes the oil industry. Every year the sectors of trade and transportation are increasing the share as well as the manufacturing sector and these three sectors are expected to grow as a mainstay of Indonesian economy in the future.

1-2 Past Development Plan

Indonesia has been promoting the national development according to sequential five year development plans the first of which started in 1969 (Pelita I). The fourth development plan (Pelita IV) ended in March, and the fifth five year development plan (Repelita V) started in April, 1989.

The main targets and GDP growth rates of the past five year development plans are as follows:

1) Pelita I (1969/70-1973/74)

Target: Development of agriculture and agriculture-supporting industry

GDP growth rate: 7.7% against planned 5%

2) Pelita II (1974/75-1978/79)

Target: Development of agriculture and raw material processing industries

GDP growth rate: 6.9% against planned 7.5%

3) Pelita III (1979/80-1983/84)

Target: Agricultural development aimed at self-sufficiency and raw material processing industry development

GDP growth rate: 6.1% against planned 6.5%

4) Pelita IV (1984/85-1988/89)

Target: Continuous agricultural development for self-sufficiency and heavy and light industrial development for domestic industrial machine production to be succeeded by the following five year development plans

GDP growth rate: 3.8% against planned 5%

1-3 Current Development Plan (Repelita V)

Repelita V is the final stage of the first twenty five (25) year long term development plan and during the term national efforts are expected toward building an infrastructure to realize an equal and prosperous nation based on the Pancasila spirit.

The following are the purpose and development target of Repelita V.

(1) Purpose

- 1) Improvement of living, education and welfare standards of the nation paying particular attention to realization of balanced and equal progress.
- 2) Establishment of a strong foundation for the coming development stages.

(2) Target

- 1) In compliance with the general rules of the first long term development plan, the priority is given to economic development, especially to the following policies:
 - (a) Agricultural development aimed at food self-sufficiency and increase of non-food crop production.
 - (b) Development of export-oriented, labor intensive, agricultural product processing and industrial equipment manufacturing industries.
To realize a balanced economic structure, the above policy aims at balanced development between manufacturing and agriculture in terms of value addition and labor distribution.
- 2) Development in the political, sociocultural and national security areas should be also taken care of to back up economic development and to enhance the national defense.
- 3) Planned GDP growth rate: 5%

CHAPTER 2 Development of Information and Mass Media in Repelita V

2-1 Development Policy

To fill National Independence and to implement Pancasila, the Constitution of 1945 and the State Policy Guide Lines, the Radio, Television, Film and Video media play a very important role in the National Development and they have great potentials to inspire the spirit of dedication and national struggle of the people to strengthen the national unity, to popularize Indonesian culture and identity and to promote people's participation in the National Development.

From the points above, in the State Policy Guide Lines of 1988, as far as it concerns the role and activity of Information and Mass Media being a means of National Development, it is stated that:

- (1) Information and the mass media as a tool of the nation's national development must be able to acculturate the Pancasila and the 1945 Constitution into all aspects of the society's life and amplify the state in the framework of materializing the Archipelago Concept, strengthen national resistance and maintain a sound and dynamical national stability.
- (2) The national information and mass media development should be based on the spirit and essence of the Pancasila, so that information and the mass media are able to support the development of a Pancasila society. The information and mass media role in promoting the Manual of Receiving and Genuine implementation of the Pancasila must be enhanced.
- (3) Information and mass media development is directed towards creating an atmosphere which encourages the role, participation and responsibility of the society in national development.
- (4) Information and mass media development as an interactive information and communication means among members of the society and between the society and government is directed towards intensifying the spirit of

dedication and national struggle, strengthen unity and national integrity, enhancing consciousness towards the rights and obligations of a citizen, and sense of responsibility and national discipline, amplifying the nation's cultural values and Indonesian identity as well as the intellectuality as the nation, developing social communication as well as channeling aspirations and encouraging social participation in the development. Therefore information and mass media should enhance dedication, professional responsibility and the competence and quality of human resources as well as constantly improve efficiency of its facilities and infrastructure.

- (5) In the framework of increasing the press' role in the development it is essential that all efforts in developing the press which is based on the Pancasila, must indeed be enhanced which also calls for a sound press, an independent responsible press, namely a press that is able to function as an instrument to spread objective and educative information, expert constructive social control channel the people's aspiration and the expand communication and public participation. In this sense it is also essential to develop positive interaction between the press, government and the society.
- (6) In the framework of enhancing and expanding information activities throughout the country, the use of information media should be increased such as the press, radio and television, motion pictures, press agencies, video, traditional media and rural communication forums, by observing the condition and the variety of culture in the society as well as the nation's identity. Furthermore it is also necessary to intensify activities and the press's scope of publicity into rural life.
- (7) To ensure more effective social communication activities and mass media role, improvements should be made to the quantity and quality of educated manpower to meet the demand of technology development in the field of communication.

2-2 Development Programme for Radio and Television

According to the national development policy stated above, development programme for radio and television in Repelita V is set forth as follows.

(1) Development Strategy

Considering the extensive size of Indonesia, the electronic media such as the radio, television either owned by the government or private sector, film and the video and audio technology are indeed an asset in national communication. The huge geographical size of the country as well as the variety of culture, education and social economy levels, demand that the nation's unity and integrity need constant care. The nation's unity and integrity shall be continuously fostered to promote peaceful living among the various faiths and believe in God Almighty as the realization of the pancasila, in personal life as well in the social life among society.

This is simultaneously effected in the framework of strengthening the nation's unity and integrity. Therefore cross sectorial cooperation through radio and television programmes must also involve technical departments who are responsible for the contents of these programme.

1) Culture

Audiovisual mass media such as the television and radio must be able to spread cultural production apart from guaranteeing both foreign and domestic patent rights, and should also be able to supply cultural standards that are high in value. Such may be achieved through cooperation with experts in the cultural field through periodical evaluations to monitor culture through the mass media.

2) Receiving Sets

Development of receiving facilities of radio and television transmission should involve the central as well as provincial governments and the private sector in line with the increasing financial and equal responsibilities in the development. Also

ownership and the handling of radio and television sets by the public should be increased through the participation of the weak economy group, such as video hire and others for the establishment of an educative network (managed among departments) for Level II regions.

3) Broadcasting Facilities

Broadcasting stations at border areas must be culminated and developed to promote Indonesia's positive image abroad, as well as directed to Indonesian nationals who are living abroad. In order to improve the transmission capacity of television especially in the provincial areas, during Repelita V television studios in Ambon, Samarinda, Banda Aceh and, Padang, shall be constructed as well as the procurement of ten Mobile Production Stations at Pekanbaru, Jambi, Tanjung Karang, Mataram, Dili, Palu, Kendari, Palangkaraya and Jayapura shall be made.

4) ASEAN Information

In this framework programmes covering the cultural social, political and economical fields in the ASEAN regions shall be improved. A national dubbing system shall, therefore, be developed so that ASEAN information may enhance inter-regional understanding among ASEAN citizens and closer relationships through live broadcasts. Therefore the National Monitoring Center shall be developed to monitor foreign television and radio broadcasts that would serve as national input.

5) Film

The construction of the film laboratory shall be continued and it should be completed in Repelita V so that Indonesia's capability of processing films can be improved, quantitative as well as quality wise. Besides that, in the framework of improving the quantity of educated manpower in the field of motion picture production in Indonesia's, education facilities for the film industry shall be constructed in Jakarta, complete with a film library which can serve the private sector.

6) Manpower

In order to achieve maximum effectiveness in social communication activities and also the role of the mass media, the quantity and quality of specialized manpower in the field of communication shall be improved to meet the demand of technological development, which brings forth wide social, political and economic impacts.

7) Maintenance of Radio and Television Facilities

In that respect improvement must be made to the center for improvement of technical facilities (Purbansartek) in meeting the need for radio and television repair in the capital as well as provincial regions, and administered in the form of a logistic depot for the maintenance and repair of radio and television hardware.

(2) Research Programme

Research on the expansion plan of Radio and TV transmission capacities by developing cooperation between the private sector and the government (both central and regional governments) that enable integrated programs throughout Indonesia.

(3) Education Programme

Radio and television education system including hardware and curriculum shall be perfected, so as to provide wide opportunity to the society to utilize these facilities and this includes the Multi Media Training Centre at Yogyakarta.

These efforts are made to enhance the society's political responsibility in developing the quality of radio and television programmes.

Apart from that the curriculum for radio and television upgrading shall be more perfected to match up with university programmes and vocational training programmes in the field of electronical mass media through degree levels, whereby the institutional system and radio television education system link and fill each other.

Therefore cooperation is established between Multi Media Training Centre at Yogyakarta with the various educational institutions such as universities and cultural institutions whereby inter-institutional education is possible, either domestically or abroad.

CHAPTER 3 Past Development and Present Status of Broadcasting in Indonesia

3-1 Brief History of Radio and Television Development Plan

Broadcasting in Indonesia has been one of the first priority of the Government and people of Indonesia since the very beginning of the Indonesian State.

Radio Republik Indonesia (RRI) was founded on September 11, 1945, a few days after the proclamation of Indonesia's Independence. Television broadcasting operated by Televisi Republik Indonesia (TVRI) began on August 24, 1962, telecasting the Asia Games live from the Senayan Sports Stadium.

The Government of Indonesia has positioned the broadcasting services as the means of communication that play the most effective and mobile role in achieving national development and unity and has assigned it a high priority. Especially, since the beginning of the Five-Year Development Plan (Pelita I) in 1969, the Government of Indonesia had taken up the project for the improvement and enhancement of the broadcasting facilities.

The first major broadcasting project in Indonesia was the "Establishment of Medium-Wave Radio Network and Improvement of Television Network Project" under a Japanese Soft Loan in the fiscal year 1972, 1973 and 1974.

In 1975 with the assistance of JICA experts from Japan, the "25-year long-term development plan for broadcasting" was drawn up and the expansion of broadcasting services has been vigorously promoted under that plan.

Ten years after the start of the plan, it became necessary to revise the long-term development plan so as to match the current conditions better, following the economic developments achieved and the changes that had taken place in the social environment.

In 1984, in response to the request from the Indonesian Government, a development study was carried out by JICA for "Feasibility Study on the Five-year Plan for the Integrated Development of Radio and Television" and "The Study on the Long-Term Plan for the Integrated Development of Radio and Television Broadcasting" both starting in 1984/85. At present, various projects are being progressed under the own-finance of the Indonesian Government as well under the financial assistance from foreign countries based on the result of the Long-Term Plan and the Feasibility Study.

However, the social situation is changing violently in Indonesia as well as in the world, especially its economic situations. The Indonesian Government has realized that a number of problems had arisen in both the managerial-operational and technical facilities aspects because of the rapid expansion of broadcasting facilities and the delays in development for management and operation system.

Thus, in March, 1988, the Indonesian Government requested the Japanese Government to conduct the Study on review of the existing Long-Term Plan and the Feasibility Study on the Integrated Radio and Television Servicing System Project.

3-2 Achievement of the Past Development Plan

During the past consecutive five-year development plan from Pelita I through Pelita IV, radio and TV broadcasting have achieved remarkable development for both facilities and broadcasting activities.

The target and performance for each five-year development period are described in the Supporting Report.

To support broadcasting activities, broadcasting facilities have been improved and upgraded. The results of the development are summarized in Tables 3-2-1 No.1 ~ No.3.

3-2-1 Radio

The improvement of radio studios and transmitting stations based on J-10 and M-2 projects financed by Japan's Soft Loan and the projects of

buyer's credit from France, USA and UK were planned in Pelita I and completed between 1975 and 1977 during Pelita II.

The installation work of three sets of 100 kW shortwave transmitters for Jakarta station and each one set of 250 kW shortwave transmitter for Jakarta and Medan stations had been completed and commenced their operation in Pelita III and IV.

3-2-2 Television

In the same manner as the radio project, the improvement of television facilities based on J-11, M-1/73, M-1/74 projects financed by Japan's Soft Loan and the projects of buyer's credit from France, West Germany, USA, Holland and UK had been completed in Repelita II and III. Some of transmitting stations were constructed by the finances of PERTAMINA.

Many television transmitting stations installed by the domestic products made by LEN (National Central Engineering Laboratory of LIRI) and procured by local currency were constructed in the latter half on Repelita II in order to expand the service of TVRI's programmes, and the construction of television stations, mostly of low power transmitter, continued during Pelita III and IV periods.

3-3 Present Status of Radio and Television Broadcasting in Indonesia

3-3-1 Outline of Organization and Operation of Radio and Television Broadcasting Services

The broadcasting in Indonesia is under the jurisdiction of the Directorate General of Radio, Television and Film (RTF) which belongs to the Department of Information (DEPPEN). The broadcasting services are conducted throughout the entire territory of Indonesia by two organizations operated directly by DEPPEN, Radio Republic Indonesia (RRI) and Televisi Republic Indonesia (TVRI).

The radiowave control and technical-facility regulations are in charge, respectively, of the Department of Tourism, Posts and Telecommunications and the Directorate of Posts and Telecommunications.

Table 3-2-1 ACTUAL PERFORMANCE OF DEVELOPMENT DURING EACH 5-YEAR DEVELOPMENT PERIOD - RRI -

• indicates a year of commencement of operation.

No. 1

No.	Project Description	Pelita I					Pelita II					Pelita III					Pelita IV				
		69/70	70/71	71/72	72/73	73/74	74/75	75/76	76/77	77/78	78/79	79/80	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88	88/89
I	Actual Performance (Pelita 1-PeliteIV)																				
	Studio Facilities																				
II	Transmitter Facilities																				
III	STL Equipment																				
IV	Others																				

As regards the programme transmission lines that constitute the broadcasting network, the domestic and the international lines are provided, respectively, by PERUMTEL and INDOSAT.

RRI and TVRI, both of which are in affiliation with RTF, are each an independent organization, both headquartered in Jakarta. The total number of staff members of RTF as of April, 1989 was 13,459.

Besides the above, Engineering Centre (EC) was established in 1983 as an organization operating under the direct control of DEPPEN. This Centre is in charge mainly of technical planning and development and its current work force consists of 43 persons.

Meanwhile, in 1985, Mass Media Training Centre (MMTC) was newly set up in Yogyakarta for mass-media workers. In terms of organizational system, the MMTC belongs to the Staff Educational and Training Centre, which is an organization under the direct control of DEPPEN. The total number of staff members of the MMTC is 87.

Incidentally, each of RRI and TVRI operates an Operational Training Centre of its own but, in terms of organizational system, both Centres belong to the above-mentioned Staff Educational and Training Centre.

3-3-2 Radio Broadcasting

(1) Development and Current Status of RRI's Radio Broadcasting Stations

RRI, Indonesia's state-operated radio broadcasting service, was formally established on September 11, 1945 soon after the Republic of Indonesia became independent on August 17, 1945.

The broadcasting service of RRI until the first half of the 1970s had been conducted mainly on shortwaves. It was planned along with the national long-term development plan which started from the fiscal year 1969/70 to introduce medium-wave broadcasting networks. Subsequently, as from 1976, construction of medium-wave transmitting stations was started on a large scale with economic assistance from Japan and the Western

nations, with the result that major cities and their vicinities have come to be covered by medium-wave broadcasts.

At present, because of power supply conditions in the provincial areas and also for the purpose of providing broadcasting services to remote islands and other regions far away from city areas, the broadcasting services in Indonesia are conducted in a mixed form of different types of radiowaves; medium-wave for the urban regions and shortwave for remote islands and other distant districts.

There are a total of 49 RRI radio broadcasting stations throughout the country. In addition to the Jakarta Central Station as the nucleus of nationwide radio broadcasting, there are Nusantara stations as regional headquarters in five major cities, viz., Medan (Sumatera), Yogyakarta (Jawa), Banjarmasin (Kalimantan), Ujung Pandang (Sulawesi) and Jayapura (Irian Jaya). In addition, there are the Regional-I Stations in 26 Provinces and Regional-II Stations in 17 regional cities. Through these stations and using both the medium and short waves, RRI has been conducting broadcasting services covering about 68% of the population. The registered number of radio sets as of the end of fiscal 1988 was about 30 million.

RRI's annual budget for 1988/89 is 23.6 billion Rupiahs which consists entirely of State subsidy. RRI conducts broadcasts of commercials, which amount to 341 million Rupiahs in annual revenue. Incidentally, no license fee is charged for reception of radio broadcasts.

(2) Radio Broadcasting Stations Other Than RRI Stations

In Indonesia there are, besides the state-operated RRI stations, such non-RRI broadcasting stations as those run by provincial governments or commercial radio broadcasting stations. The number of such stations reached 617 as of April 1989. The transmission output is currently restricted to 300W or less and 42 of the 617 stations are offering FM broadcasting services. The breakdown of the non-RRI broadcasting stations is as follows:

Commercial Radio Stations	479
Regional Administration Stations	133
Other Radio Stations	5
Total	617

(3) Broadcast Programmes of RRI

RRI broadcasts two different programmes in Jakarta; the National Programmes for the entire country and the Metropolitan Programmes for the listeners in Jakarta area. The National Programmes are broadcasted from two different transmitting stations on medium-wave and FM to Jakarta and its vicinity, and on shortwave to nationwide areas. The National Programmes are relayed to regional broadcasting stations by a transmission line of the Palapa Satellite. The regional stations other than Jakarta broadcast only one programme series. At present an average of 20% of the broadcasting time at each regional stations is filled with news and state programmes originating from Jakarta, and remaining 80% or so being filled with the programmes produced by each station.

In addition to the domestic broadcasts mentioned above, RRI conducts the overseas services on shortwave for about 12 hours a day in 10 languages.

3-3-3 Television Broadcasting

(1) Development and Current Status of TVRI's TV Broadcasting Stations

TVRI, the national TV broadcasting organization of Indonesia, was constructed for the purpose of broadcasting on television the Fourth Asian Games held in Jakarta in 1962. It first went into operation on August 24, 1962 using a 5kW transmitter.

At that time, the total number of TV receiving sets in use in Indonesia was only the 10,000 sets which the government had distributed to various districts in Jakarta.

After the Jakarta Games, no particular progress was seen with regard to TV broadcasting in Indonesia except for the establishment of the first regional TV broadcasting station in Yogyakarta in 1965. With the start of the 1970s, however, the national policy to spread people's education through the broadcasting media was hammered out by the Government of the Republic of Indonesia. Thus began the expansion of TV broadcasting services not only in Jawa but also in regions outside Jawa, resulting in the construction of seven TV broadcasting stations. These TV broadcasting stations have a wide range of functions including the relaying of programmes from Jakarta, production and broadcasting of 2-3 hours of local programmes and producing the packaged programmes to contribute to the nationwide network originating from Jakarta.

From the 1970s to 1980, with economic assistance offered by Japan and the countries in America and Europe, colour programme production facilities were introduced into these TV stations and, at the same time, the construction of TV rebroadcasting stations was pushed ahead, with the result that a rapid progress was made in the expansion of TV broadcasting network. Meanwhile, thanks to the start in 1976 of the operation of the domestic communication satellite, Palapa, transmission of TV programmes became feasible for almost the entire country. As a result, the construction was promoted of TV rebroadcasting stations through the Palapa satellite.

As regards the construction of TV broadcasting stations in the provinces, the Indonesian Government, in view of the fact that it requires a large manpower and expenditure, adopted the policy of allocating small OB vans of high mobility so as to establish Mobile Production Stations. Following this decision, the Government purchased in 1979 ten EFP units (MPUs) and distributed them to major cities across the country. The programmes produced by these MPUs are sent to Jakarta to be broadcast as national programmes. Thus, these locally-produced programmes are playing an effective role as a means of supplementing the national network programmes.

The broadcasting facilities of TVRI currently in operation across the country are as follows:

Broadcasting Stations (with programme-producing capacity) ...10

Jakarta	(Central Station)
Medan	(North Sumatera)
Palembang	(South Sumatera)
Bandung	(West Jawa)
Yogyakarta	(D.I. Yogyakarta)
Surabaya	(East Jawa)
Dempasar	(Bali)
Balikpapan	(East Kalimantan)
Ujung Pandang	(South Sulawesi)
Manado	(North Sulawesi)

Mobile Production Stations7

Banda Aceh	(D.I. Aceh)
Padang	(West Sumatera)
Semarang	(Central Jawa)
Pontianak	(West Kalimantan)
Banjarmasin	(South Kalimantan)
Kupang	(East Nusa Tenggara)
Ambon	(Maluku)

Transmitting Stations (including TV relay stations) ..226 throughout the country

The population coverage of TVRI's broadcasts is about 68% at present, and the registered number of TV receiving sets as of fiscal 1988 was about 5.8 million.

TVRI's expenditure is covered almost entirely with TV license fee paid by TV-owning households. The amount of the annual budget of TVRI for fiscal 1988/89 was 48.9 billion Rupiahs, which was 2.0 times as much as that of RRI.

As to the collection of TV license fee, the work, since the start of TV broadcasting in this country, has been undertaken by Pos dan Giro (Post and Money Order State-owned Public Corporation) through its nationwide

system. The amount of TV license fee is determined according to the type of the receiving set and the size of the TV screen. As an example of typical color TV receiver set, the amount of TV license fee per month is 2,000 Rp for the screen size of less than 16 inches and 2,500 Rp for the screen size of 16-19 inches. The collection rates are about 55% on the national average, about 25% in Jakarta and 70-80% for the provinces. Efforts are being made to improve these rates of fee collection but such efforts are not necessarily sufficient.

(2) Television Broadcasts Other Than Those of TVRI

In March 1989, a new private-owned special television station, the Rajawali Citra Television Indonesia (RCTI), started its operation to viewers in Jakarta and its surroundings. RCTI broadcasts programmes on UHF with an output of 50kW under the pay television system. Its programmes cover mostly entertainment (55% of the total broadcast), education and culture (20%), news and government programmes (10%) and the remaining 15% is allocated to commercials. The construction of RCTI's programme-production studio for its own use is currently going on with July 1989 as the target month of completion. As of April 1989, RCTI has signed contracts with about 90,000 subscribers.

Apart from these domestic TV services, people in Indonesia can enjoy more TV programmes from neighbouring countries through the Palapa satellite. At present, a Thai TV channel and two Malaysian TV channels are operating for the distribution of their programmes to their own network stations by leasing respective Palapa transponders. As a result, not only the TVRI programmes but also such foreign programmes are actually viewed by those people who installed a Palapa receiver on a personal level. The Palapa receivers, some of which are priced at 1.5 million Rp up, are said to number about 12,000 sets in use across the country.

(3) Broadcast Programmes of TVRI

At present, TVRI broadcasts two different programmes in Jakarta; the National Programmes on ch-6 and the Metropolitan Programmes on ch-8. On the other hand, the regional stations broadcast on one channel, by

relaying the National Programmes from Jakarta and broadcasting from 2 to 3 hours of local programmes.

The National Programmes are broadcast for about 8 hours in the evening for weekday and about 14 hours with the addition of the morning broadcast for Sunday and holiday, while Metropolitan Programmes are broadcast for about 2.5 hours in the evening. Of the broadcasting hours, 80% are produced by TVRI and the remaining are the programmes from countries overseas.

The regional broadcasting stations and the Mobile Production Stations produce programmes suitable for nationwide transmission and have those programmes broadcast on the national network from the central station in Jakarta. In producing the programmes for nationwide broadcast, the regional and the mobile-production stations follow the Integrated Programme Pattern and Integrated Production Pattern, both of which are assigned to them from the central station.

PART III PREMISE AND TARGET FOR
BROADCASTING DEVELOPMENT PLAN

PART III PREMISE AND TARGET FOR BROADCASTING DEVELOPMENT PLAN

CHAPTER 1 Existing Integrated Development Plan and Current Implementation Programme

1-1 Existing Integrated Development Plan

As mentioned in PART II, the existing long-term plan for the integrated development plan was drawn up in 1984 to cover 15-year term until the year of 2000 by revising the original 25-year long-term development plan established by RTF in 1975.

According to the existing long-term plan, the targets for radio and television broadcasting service at the end of the planned period are as follows:

1-1-1 Development Plan of the Broadcasting (1984)

(1) Priority order of the network construction plan

The priority order of assignment of development budget during the plan period was set as follows:

First priority : Expansion of coverage for RN-I and overseas service.

Second priority : Enlargement of programme production facilities for RN-I and TVN-I.

Third priority : Expansion of coverage and enlargement of production facilities for RN-II and TVN-II.

Fourth priority : Expansion of coverage and enlargement of production facilities for RN-III.

Construction of transmitter, studio and other production facilities for Metropolitan TV service.

The abbreviation of above-mentioned networks are defined as follows:

- RN-I : General programme
- RN-II : Educational cultural programme
- RN-III : Music, ethnic culture and entertainment programme
- TVN-I : General programme
- TVN-II : Educational and cultural programme

The construction of transmitting stations for the networks to expand its service coverage shall be planned so as to follow criteria of priority order by population and efficiency per investment in principle.

(2) Radio Broadcasting

Extension and improvement of radio broadcasting were intended for both quality and quantity.

1) RN-I

- (a) Shifting of the shortwave broadcasting to medium-wave broadcasting
- (b) To construct further 96 medium wave stations in addition to existing RN-I composed of 49 stations and attainment of a population coverage of 70% by medium-wave and 30% by shortwave broadcasting
- (c) Daily 24 hours continuous broadcasting
- (d) Programming composed of National, Nusantara, Regional-I, and Regional-II network programmes
Average percentage ratio of national and local programmes to be 60:40.

2) RN-II

- (a) To construct a medium-wave broadcasting network by step in 95 capitals to cover 65% of the entire population

(b) To serve another 10% of the entire population with shortwave broadcasting

(c) Daily 18-hour broadcasting

3) RN-III

(a) To construct an FM broadcasting network by step to serve 120 capital cities in the regions to cover 55% of the entire population

(b) Daily 18-hour broadcasting at the end of the planned period

(c) Broadcasting mainly stereophonic programmes including traditional music

4) Overseas service

(a) Improvement of overseas service by two programme channels

(b) Worldwide services, 24 hours/day

(3) Television broadcasting

Extension and improvement of television broadcasting were intended for both quality and quantity.

1) TVN-I

(a) Further construction of 250 low power TV transmitting stations at the pace of about 17 stations annually to expand the coverage areas to reach 70% population coverage by the year 2000.

(b) Daily 18-hour broadcasting

(c) Enhancement of TV programme production facilities

- (d) Programme arrangement for the stations of the Eastern Indonesia Standard Time Zone.

2) TVN-II

- (a) To start an educational TV network service by constructing by step a total of 110 transmitting stations to cover 55% of the population

- (b) Daily 17-hour broadcasting

(4) Programme transmission network

The nationwide programme networks for both radio and television service are mostly utilizing the Palapa Satellite system.

Remarkable improvement in the programme transmission network was planned to meet with an extension of broadcasting media and regional network and with improvement of broadcasting quality.

1) Radio programme transmission network

- (a) RN-I

To improve the existing narrow band lines to medium band lines for down-stream links

To arrange up-stream links

- (b) RN-II

To arrange a medium band line of the down-stream links

- (c) RN-III

To arrange a stereophonic line by step, but to employ a distribution system of taped materials at the first step.

2) Television programme transmission network

- (a) TVN-I

To arrange an additional Palapa transponder for the stations of the Eastern Indonesia Standard Time Zone

(b) TVN-II

To arrange a Palapa transponder at the end of the planned period, but to employ a distribution system of taped materials at the first step.

(5) Radio and TV organizational integration

A gradual organizational integration for radio and TV was planned to start toward total organization in 1990 and efficient integrated operation by the end of the year 2000.

To attain effective maintenance work for both radio and Television, establishment of a maintenance centre was drawn up in the Engineering Centre which was already established in 1985.

1-1-2 Concept for the Construction and Development (1988)

(1) Outline of the Concept

In May 1988, RTF announced "A Concept of Construction and Development of Electronic Mass Media, Radio, Television, Film and Video". It summarized ideas for the basic pattern and requirement of the development, and the plan for development activities in the Fifth Five-year Plan, based on the existing long-term plan.

As regards the radio and television broadcast programme networks, the Concept mentioned that the broadcast network should be arranged as follow:

1) RRI Radio Broadcasting

- (a) National Programme I General
- (b) National Programme II Educational
- (c) National Programme III Cultural and Entertainment
- (d) Foreign Service Programme
- (e) Metropolitan Programme For Jakarta Metropolitan Audience
- (f) Regional I Programme General
- (g) Regional II Programme Educational
- (h) Local Programme General for District

The "Concept" states that all these broadcasts should be receivable in technically good condition nationwide or in the regions for which the broadcasts are targeted. Further, the "Concept" provides that there should be a "Conference System" between the National Programme I and Regional I Programme, in which the central and regional stations participate.

2) TVN-I Television Broadcasting

- (a) National Programme I General, with a "Conference System" with regional stations
- (b) National Programme II Educational
- (c) Special Metropolitan Programme
. General for Jakarta
Metropolitan Audience
- (d) Regional Television Broadcasting

The "Concept" specifies that all these broadcasts should be technically receivable nationwide or in the targeted regions.

(2) Title of the programme network

The above-mentioned network pattern shall be respectable as an ideal goal to fulfil an important role and responsibility given to the broadcast in Indonesia. However, it will not be realistic to achieve it in a short time, since it will require a huge amount of financial and human resources, as well as frequency resources.

Therefore, the Concept regarding the network pattern should be understood to mean the character of broadcasting programmes, and each character of programmes should be compiled in the actual programme network channels by sharing the broadcasting time. In this Report, titles of the programme networks given in the 1984 Long-term Plan shall be used without alternation, namely RN-I, RN-II, RN-III, TVN-I and TVN-II.

1-2 Current Implementation Programme

1-2-1 Projects for RRI and TVRI

Several projects for RRI and TVRI envisaged during the survey period are mentioned below, which consist of 4 implemented projects in Pelita IV, 6 on-going projects, 2 committed projects and 2 proposed projects under planning in Repelita V.

Each project summary is also described herein according to the information and data given by RTF, RRI and TVRI.

(1) Implemented Projects in Repelita IV

1) Improvement of Television Station Jakarta

- Creditor : UK
- Fund Type : Loan
- Cost : Foreign portion : US\$ 3,878,000
Local portion : --
Total : US\$ 3,878,000
- Construction
Period : Unknown
- Remarks : for Sea Games

2) Improvement of Regional Television Station

- Creditor : West Germany
- Fund Type : Loan
- Cost : Foreign portion : US\$ 21,760,000
Local portion : --
Total : US\$ 21,760,000
- Construction
Period : March, 1982
- Remarks : Mini OB Van and its Accessories

3) The supply of equipment of Medan and Cimanggis RRI Station

- Location : Padang Cermin, Medan, Cimanggis, Jakarta
- Creditor : France
- Fund Type : Loan

- Loan Amount : Foreign portion : FF. 27,800,900
 Local portion : --
 Total : FF. 27,800,900
 - Remarks : 250kW SW Transmitter for each station

4) Supply and Installaiton SW Transmitter

- Creditor : Buyer
 - Fund Type : Crash programme
 - Loan Amount : Foreign portion : --
 Local portion : Rp Mil. 3,651
 Total : Rp Mil. 3,651
 - Execution Period : 1984 - 1986
 - Remarks : 3 × 100kW (complete: Antenna, EG) Coop.
 LEN.

(2) On-Going Projects

1) Establishment of New TV Network, Phase-I

- Location : Bandung
 - Creditor : UK
 - Fund Type : Loan
 - Loan Amount : Foreign portion : US\$ 19,950,000
 Local portion : --
 Total : US\$ 19,950,000
 - Execution Period : Oct. 1988 - June 1990
 (20 months)
 - Remarks : Disbursed amount US\$ 3,990,000
 Rp. Mil. 6,859
 TV Studio
 TV Network in West Jawa

2) Enhancement of Radio and TV Network, Phase-I

- Location : 21 RRI stations and 14 TVRI stations
 - Creditor : Japan
 - Fund Type : Loan
 - Loan Amount : Foreign portion : Yen 6,507,000,000
 Local portion : Yen 432,000,000
 Total : Yen 6,939,000,000

- Execution Period : Feb. 1988 - Nov. 1991
(36 months)
- Remarks : Disbursed amount Yen 63,990,000
Rp. Mil. 228
Equipment Negotiation Stage
Radio : Studio, STL
TV : Jakarta, Surabaya,
Denpasar, etc.

3) Improvement of Radio Broadcasting Equipment of RRI Regional Stations

- Location : 5 RRI stations
- Creditor : Austria
- Fund Type : Crash programme
- Loan Amount : Foreign portion : A. Sch 134,800,000
Local portion : --
Total : A. Sch 134,800,000
- Execution Period : Oct. 1988 - Sep. 1990
(23 months)
- Remarks : Disbursed amount A. Sch 26,969,000
Rp. Mil. 3,721
RRI Studio : Bandung, Surabaya,
Yogyakarta, Denpasar,
Banjarmasin

4) The supply, delivery and commissioning of Spare Parts of Radio Transmitter for RRI

- Location : 43 RRI Stations
- Creditor : U.S.A.
- Fund Type : Loan
- Loan Amount : Foreign portion : US\$ 4,000,000
Local portion : --
Total : US\$ 4,000,000
- Planned Period : Apr. 1989 - 12 months
- Remarks :

5) Television News and Program Total Editing and Dubbing System

- Location : Jakarta

- Creditor : Japan
- Fund Type : Grant Aid
- Loan Amount : Foreign portion : Yen 478,868,000
Local portion : --
Total : Yen 478,868,000
- Planned Period : Apr. 1989 - Mar. 1990
- Remarks :

6) Rehabilitation of National Radio Studio Jakarta

- Location : RRI Jakarta
- Creditor : UK
- Fund Type : Loan
- Loan Amount : Foreign portion : US\$ 5,000,000
Local portion : --
Total : US\$ 5,000,000
- Planned Period : Unknown
- Remarks : Under loan process

(3) Committed Projects

1) The Enhancement of Radio and TV Network, Phase-II

- Location : 51 RRI Transmitters, 24 TVRI Transmitters
and 3 TV Broadcasting Stations
- Creditor : Japan
- Fund Type : Loan
- Loan Amount : Foreign portion : Yen 6,464,000,000
Local portion : Yen 2,176,500,000
Total : Yen 8,640,500,000
- Planned Period :
- Remarks : Negotiation of Consultant Stage

2) The Operation and Extension of Television Production Center Jakarta

- Location : Jakarta
- Creditor : West Germany
- Fund Type : Loan and Credit

- Cost : Foreign portion : DM 25,000,000
Local portion : --
Total : DM 25,000,000
- Execution Period : Unknown
- Remarks : Consulting services stage (DM 69,000 is grant aid)
TVRI No. 5 & 6 Studio
Loan : DM 13,500,000
Credit : DM 11,500,000

(4) Projects under planning by RTF

1) Improvement of Radio SW - Transmitter for National Services, RN-I and RN-II

- Location : Jakarta, Ujungpandang
- Estimated Amount : Foreign portion : US\$ 57,500,000
Local portion : US\$ 8,500,000
Total : US\$ 66,000,000
- Planned Period : 1989 - 1994
- Remarks :

2) Improvement of Radio SW Transmitter for Overseas Services

- Location : Medan, Jakarta, Biak
- Estimated Amount : Foreign portion : US\$ 80,500,000
Local portion : US\$ 14,500,000
Total : US\$ 95,000,000
- Planned Period : 1989 -1994
- Remarks :

CHAPTER 2 Macroscopic Consideration

2-1 Demand Forecast for TV Sets

The correlation between the diffusion ratio of TV sets and national income per capita (GDP/capita) has been proved by a regression analysis (Refer to Table 3-1-1 and Fig 3-1-1 in the Supporting Report). Demand for TV sets depends on the national purchasing power. And in comparison with the analyzed mean value of 13.4 sets/1,000 persons based on 65 countries selected in the world, however, the diffusion in Indonesia is 39.7 sets/1,000 persons which is above the mean value in the world.

Therefore, analysis of population density and the distribution of income strata by region should be conducted in Indonesia, and future trends should be grasped. The ratio of demand for TV sets per total number of households and population in Indonesia is estimated using the following steps:

- Step 1: Estimation of population
(estimation of population by province, urban and rural area)
- Step 2: Estimation of the number of households
(the number of households by province and residential structure)
- Step 3: Estimation of the number of potential households
(distribution characteristics of income strata and estimation of the number of potential households for possessing TV sets)
- Step 4: Demand forecast by province and island

The specific methods of estimation in each step and the results are as follows:

2-1-1 Estimation of Population

(1) Estimation of population by province

Since the last national census was carried out in Indonesia in 1985, the population has been forecasted based on the statistical data of 1985.

In estimating the annual population growth rate, 1.9% and 1.8% were used for the periods from 1986 to 1994 and from 1994 to 1999, respectively, as predicted in the Repelita V, by applying the past growth rate (the annual growth rate: 1.4-4.8%) to the population by province for 1985.

As a result, the growth rate and population are estimated based on 1985 data as shown below. A breakdown of the estimated population for each characterised region, ie. DIK Jakarta, Jawa, area other than Jawa is shown in Table 2-1-1.

<u>Projected year</u>	<u>Growth rate (%)*</u>	<u>Estimated population</u> <u>(Unit: thousand)</u>
1989	2.13	179,136
1994	2.01	196,845
1999	1.93	215,161

(*) % is computed from the basic year 1985 upto projected year.

The population growth rate in areas other than Jawa is as high as 2.47% upto 1999, compared with 1.93% for the national average growth rate.

Provinces showing high growth rates are Lampung and Kalimantan Timur at 4.77% and 3.88% each, while those with low growth rates are Jawa Timur and Bali at 1.0% and 1.03%, respectively.

(2) Estimated population by urban and rural areas

As the result of assumption made based upon the nationwide average increase rate of 4.88% in urban area as obtained from the population ratio of urban and rural areas in 1985 and the increase rate of 0.1 - 0.6% in

rural areas, the population ratio in urban area will be 40% in 1999 against 30% in 1989. Of all the provinces, Jakarta shows the highest urban population ratio of 86% by 1999, whereas Irian Jaya has the lowest urban population ratio at 0%. By island, Jawa has the highest population ratio of 48%, while that of the other islands is 26% on average, indicating a lower population ratio of urban area situated on islands other than Jawa.

The population growth rate of urban area by province varies. The gap ranges from 2.1% to 9.8% (1985-1988). The higher rate is observed in the provinces such as Jambi (7.9-9.8%) and Kalimantan Tengah (7.7-9.5%). Whereas the provinces of Kalimantan Selatan (2.0-2.5%) and Sulawesi Selatan (2.1-2.6%) show lower rates.

As for the growth rate of rural areas (1985-1989), Jawa Tengah shows a tendency to decrease, whereas Jakarta is high at 8.7% (the growth rate of rural areas is higher than that of urban area in Jakarta only).

Table 2-1-1 Estimated Population by Urban and Rural Area

(Unit: thousand)

	1989			1999		
	Urban	Rural	Total	Urban	Rural	Total
DKI Jakarta	8,078 (15.6%)	1,027 (0.8%)	9,105 (5.1%)	10,584 (12.7%)	1,666 (1.3%)	12,250 (5.7%)
Jawa	36,351 (70.2%)	71,163 (55.9%)	107,514 (60%)	59,436 (71.3%)	65,097 (49.4%)	124,533 (57.9%)
Areas other than Jawa	15,426 (29.8%)	56,196 (44.1%)	71,622 (40%)	23,933 (28.7%)	66,696 (50.6%)	90,629 (42.1%)
Nationwide	51,778 (28.9%)	137,358 (71.1%)	179,136 (100%)	83,367 (38.7%)	131,793 (61.3%)	215,161 (100%)

Note : % shows distribution ratio of population against total population by urban and rural area.

Remarks : For the breakdown by province and island, refer to Tables 3-1-2 and 3-1-3 in the Supporting Report.

2-1-2 Estimated Number of Households

(1) Number of households by province and urban/rural area

The number of households by province has been computed, taking into account the above estimated population by province, urban and rural area as well as the number of family members per household.

The number of family members per household differs by province. Compared with the national average of 4.57 members/household, Jambi and Kalimantan Tengah show the smallest number of family members of about 3.9 per household, while Nusa Tenggara Timur and Maluku has the largest number of 5.5 members/household.

The results of the estimated number of households by province taking into account the different number of households are as follows:

Table 2-1-2 Estimated Number of Households by Province

(unit: Thousand households)

	1989			1999		
	Urban	Rural	Total	Urban	Rural	Total
DKI Jakarta	1,827	232	2,059	2,393	377	2,770
Jawa	8,308	16,210	24,518	13,569	14,860	28,429
Areas other than Jawa	3,151	11,516	14,667	4,921	13,690	18,611
Nationwide	11,459	27,726	39,185	18,490	28,549	47,040

Remarks: For the breakdown by province and island, refer to Table 3-1-4 in the Supporting Report.

(2) Residential structures

Demand for TV sets should be basically assumed as one set per household. However, the Indonesian lifestyle is characterized by sharing the same house with several families.

More than 10 percent of households nationwide share a dwelling with others. Dwellings shared by more than six households account for 0.6% of the total number of several households (Refer to Table 3-1-5 in the Supporting Report). This is especially prominent in Jakarta, where about 15% of all households share a dwelling.

Therefore, the ratio of TV demand between households possessing TV sets and those desiring to possess them should be estimated taking the above factors into account.

2-1-3 Estimated Number of Potential Households

(1) Income distribution

The latest Indonesian National Socio-Economic Survey (SUSENAS) estimated the number of potential households by analyzing income distribution per household based on the monthly expenses per capita of about 50,000 households sampled in 1987.

Distribution of income is summarized as follows:

- (a) Income strata earning between Rp50,000 and Rp200,000/household a month account for about 80% of all households nationwide.
- (b) A wide income gap exists between urban and rural areas. While income strata earning not more than Rp100,000/household represent about 27% (about 1/4) in urban area, those in rural areas account for 68% (about 3/4). Income strata earning not more than Rp150,000 monthly per household represent about 57%, whereas those in rural area account for about 88%, indicating a high percentage of low income households in rural areas.

(c) As for income distribution by province, income strata earning between Rp100,000 and Rp300,000 a month account for more than 84 percent in Jakarta, while those in areas other than Jakarta represent about 38 percent. High income strata earning Rp300,000 or more a month represent about 12 percent in Jakarta, showing a wide income gap.

Table 2-1-3 Estimated Distribution of Income by Area

	Rp50,000 or less	Rp50,000- Rp100,000	Rp100,000- Rp200,000	Rp200,000- Rp400,000	Rp400,000 or more
DKI Jakarta	-	3.9%	48.0%	36.2%	11.9%
Jawa	8.8%	42.0%	33.0%	13.0%	3.2%
Areas other than Jawa	12.7%	48.8%	30.7%	7.0%	0.9%
Nationwide	11.4%	46.3%	32.1%	8.8%	1.4%

Remarks: For the breakdown by province and by island, see Table 3-1-6 in the Supporting Report.

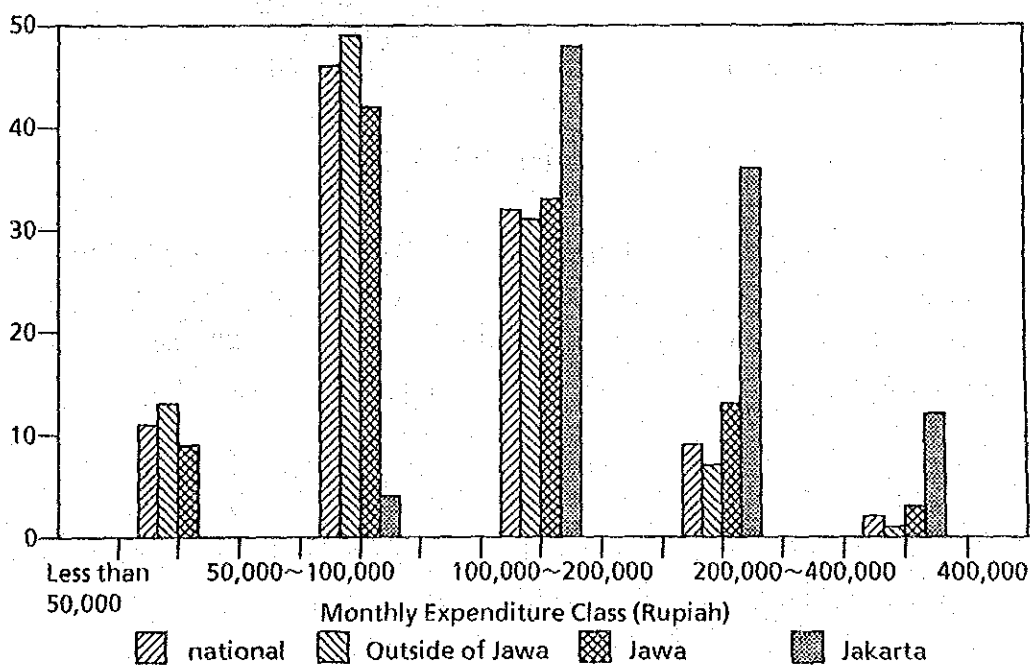
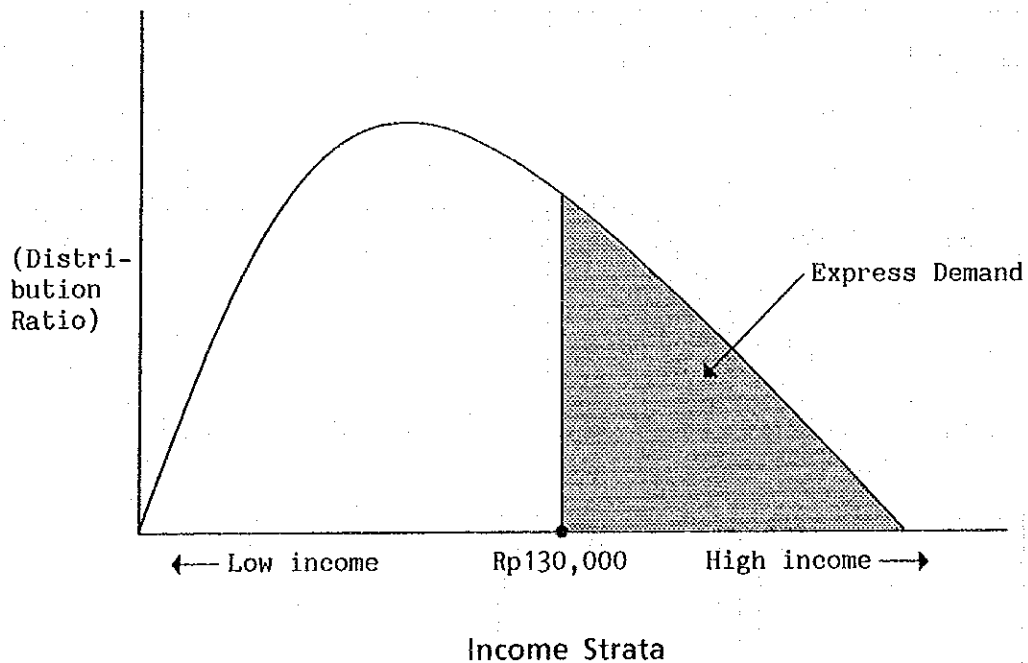


Fig. 2-1-1 Expenditure Distribution by Class

(2) Assumption of number of households with express demand for possessing TV Sets

Based on the present situation of the income strata and high coverage ratio in DKI Jakarta and other 5 provinces, simulation analysis is made for assumption of potential income strata possessing TV sets and those desiring to possess them, as a result, it is assumed that income strata with more than Rp130,000/household are able to possess TV sets as illustrated below.



Taking into account the income strata distribution in addition to the characteristics of plural households sharing a dwelling by province, assumption of the number of households possessing TV sets and those desiring to possess them is shown in the following Table 2-1-4.

Table 2-1-4 Assumption of Number of Express Demand Households

(Unit: Thousand households)

	1989			1999		
	Urban	Rural	Total	Urban	Rural	Total
DKI Jakarta	1,211 66% (2:3)	107 46% (1:2)	1,318 64% (2:3)	1,863 78% (4:5)	202 54% (1:2)	2,066 75% (3:4)
Jawa	3,638 44% (4:10)	2,347 15% (1:7)	6,012 25% (1:4)	5,756 42% (4:10)	2,594 17% (1:6)	8,350 29% (1:3)
Areas other than Jawa	1,466 47% (1:2)	1,983 17% (1:6)	3,449 24% (1:4)	2,355 48% (1:2)	2,733 20% (1:5)	5,088 27% (1:3)
Nationwide	5,104 45% (1:2)	4,358 16% (1:6)	9,461 24% (1:4)	8,111 44% (1:2)	5,327 19% (1:5)	13,439 29% (1:3)

Notes: 1) % shows ratio of households with express demand against total households by province.

2) Figures in parentheses show ratio of households with express demand against total households.

Remarks: For the breakdown by province and island, refer to Table 2-1-9 and 2-1-10 in the Supporting Report.

As of 1989, the ratio of the households possessing TV sets and those desiring to possess them is one (1) among four (4) at nation-wide level. The figure will be heightenend to one (1) among three (3) in 1999 showing that both TV possessing and desiring households will be increased due to wage hike. For urban and rural areas, the ratio in urban area is 1:2, which will not be changed until 1999, however, the number of households will be increased by about 3 million from about 5.1 million to about 8.1 million due to the enlargement of the urban population. Meanwhile, the ratio in rural area is 1:6, which will be heightenend to 1:5 in 1999. The increase in the number of households will be only about 1 million from about 4.3 million to about 5.3 million.

2-1-4 Express Demand by Province and Island, and Future Trend

Analysis of express demand trends per 1,000 persons and households by province and island has been graded as follows for the sake of convenience:

<u>Grade</u>	<u>TV set/1,000 persons (Ratio against total households)</u>
"A":	100 or more (Ratio of not less than 1 unit per two households)
"B":	66.6-100 (Ratio of 1 unit per 2-3 households)
"C":	50-66.6 (Ratio of 1 unit per 3-4 households)
"D":	40-50 (Ratio of 1 unit per 4-5 households)
"E":	20-40 (Ratio of 1 unit per 5-10 households)
"F":	20 or less (Ratio of not more than 1 unit per 10 households)

The present diffusion ratio of 29.9 sets/1,000 persons against total households accounts for about 62% of the national average demand of 48.6 sets/1,000 persons. (Refer to Table 2-1-6)

Although analysed results of the demand grade by province and island are summarized as follows:

While the present diffusion ratio of TV sets concentrated on grades "E" and "F" (23 provinces out of 27) in 1989 against demand in 21 provinces showing grades "C", "D" and "E". (Refer to Table 2-1-5, Fig. 2-1-2 and Fig. 2-1-3)

Upgrading of the service system by one grade is anticipated in not less than 90 % of all provinces and demand intensity (gap between the present demand and actual diffusion grade) shows 13 provinces with "D" and "E" grade. (Refer to Table 2-1-5 and Fig. 2-1-4)

In 1999, "B" grade demand areas are expected to increase to 10 provinces and the national average grade "D" demand in 1989 is likely to move up to "C". (Refer to Table 2-1-5 and Fig. 2-1-6)

Provinces with high demand at present are (1) DI Aceh, (2) Sumatera Barat, (3) Jambi, (4) Sumatera Selatan, (5) Jawa Barat and (6) Kalimantan Tengah. All these provinces show demand of not less than 30.

Meanwhile, provinces where demand is lower and a service system established, include (1) DKI Jakarta, (2) Jawa Tengah, (3) Bali, (4) Sulawesi and (5) Sulawesi Tenggara.

The above data are the findings of analysis by province. When viewed by urban and rural area, demand in urban area was about three times higher than that in rural area in 1989, although the gap is expected to narrow to a ratio of two in 1999. (Refer to Table 2-1-6)

Table 2-1-5 Aggregate Number of Province

Grade	Present Diffusion Level	Demand Level	
		1989	1999
"A"	1	1	2
"B"	-	4	10
"C"	1	8	4
"D"	2	5	5
"E"	18	8	5
"F"	5	1	1
Total	27 provinces	27 provinces	27 provinces

Remarks: For the breakdown by province and island, refer to Table 3-1-9 in the Supporting Report.

Table 2-1-6 Diffusion Ratio of TV Sets per 1,000 Persons and
Estimated Future Forecast

(TV set / 1,000 persons)

Area	Present diffusion ratio	Demand					
		1989			1999		
		Urban	Rural	Total	Urban	Rural	Total
DKI Jakarta	134.9	149.1	104.3	144.7	176.0	121.5	168.6
Jawa	51.8	98.0	49.0	68.4	100.6	57.1	79.7
Areas other than Jawa	25.8	92.2	32.5	44.8	95.1	37.7	51.9
Nationwide	29.9	93.2	35.3	48.6	96.0	41.0	56.5

Remarks: For the breakdown by province and island, refer to Table 3-1-9 in the Supporting Report.

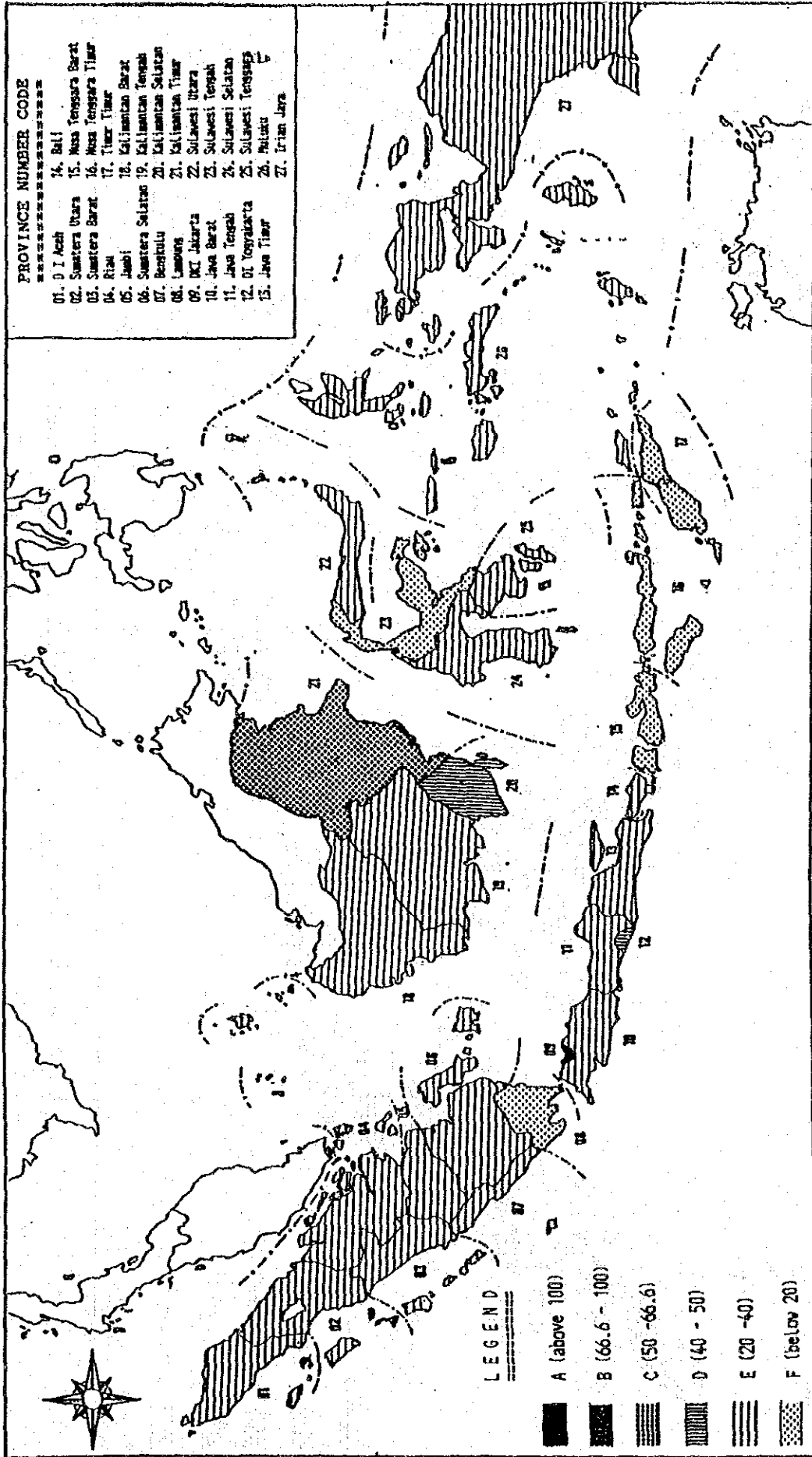


Fig. 2-1-2 TV diffusion grade for TV sets/1000 inhabitants by province in 1989

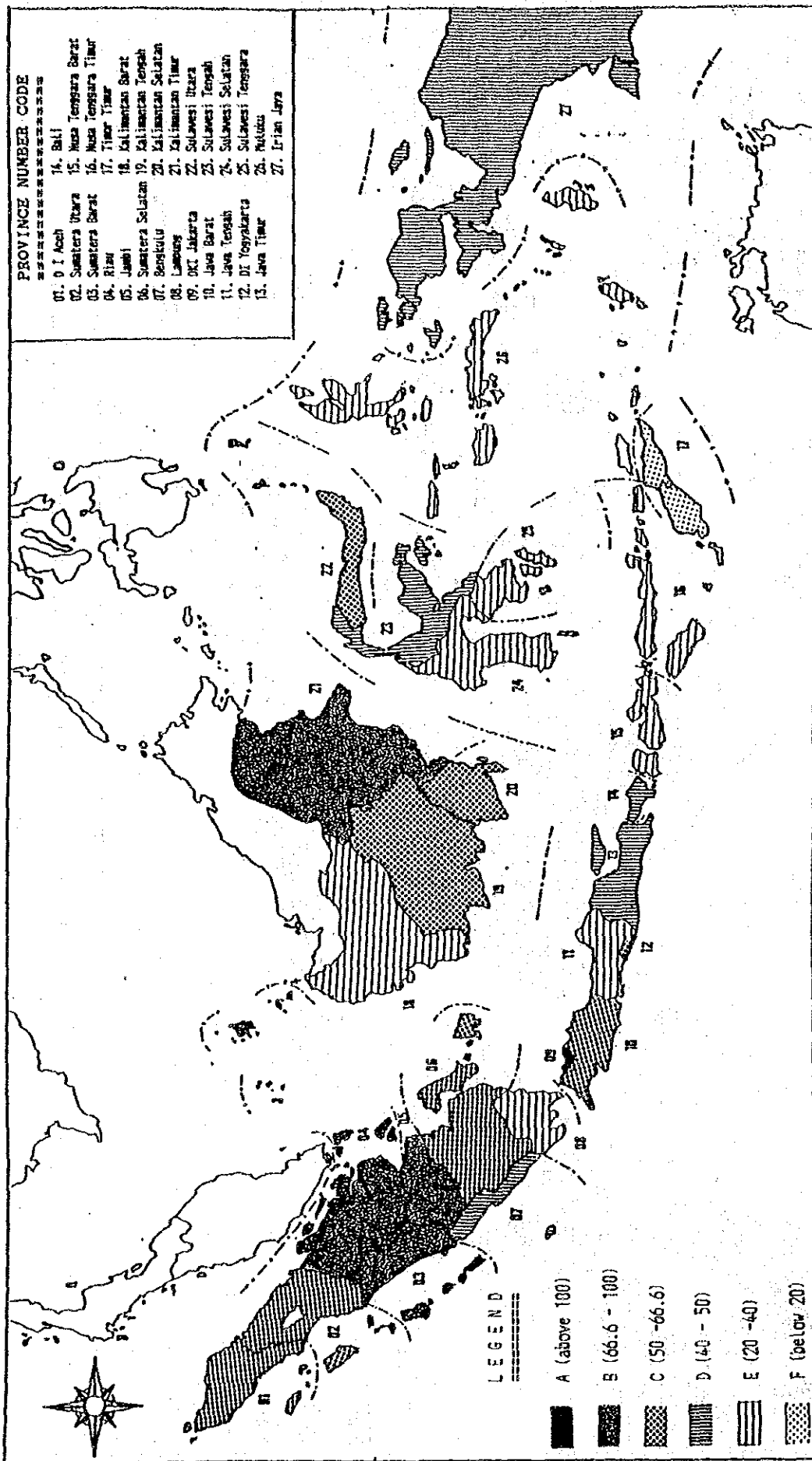


Fig. 2-1-3 Demand grade for IV sets/1000 inhabitants by province in 1989

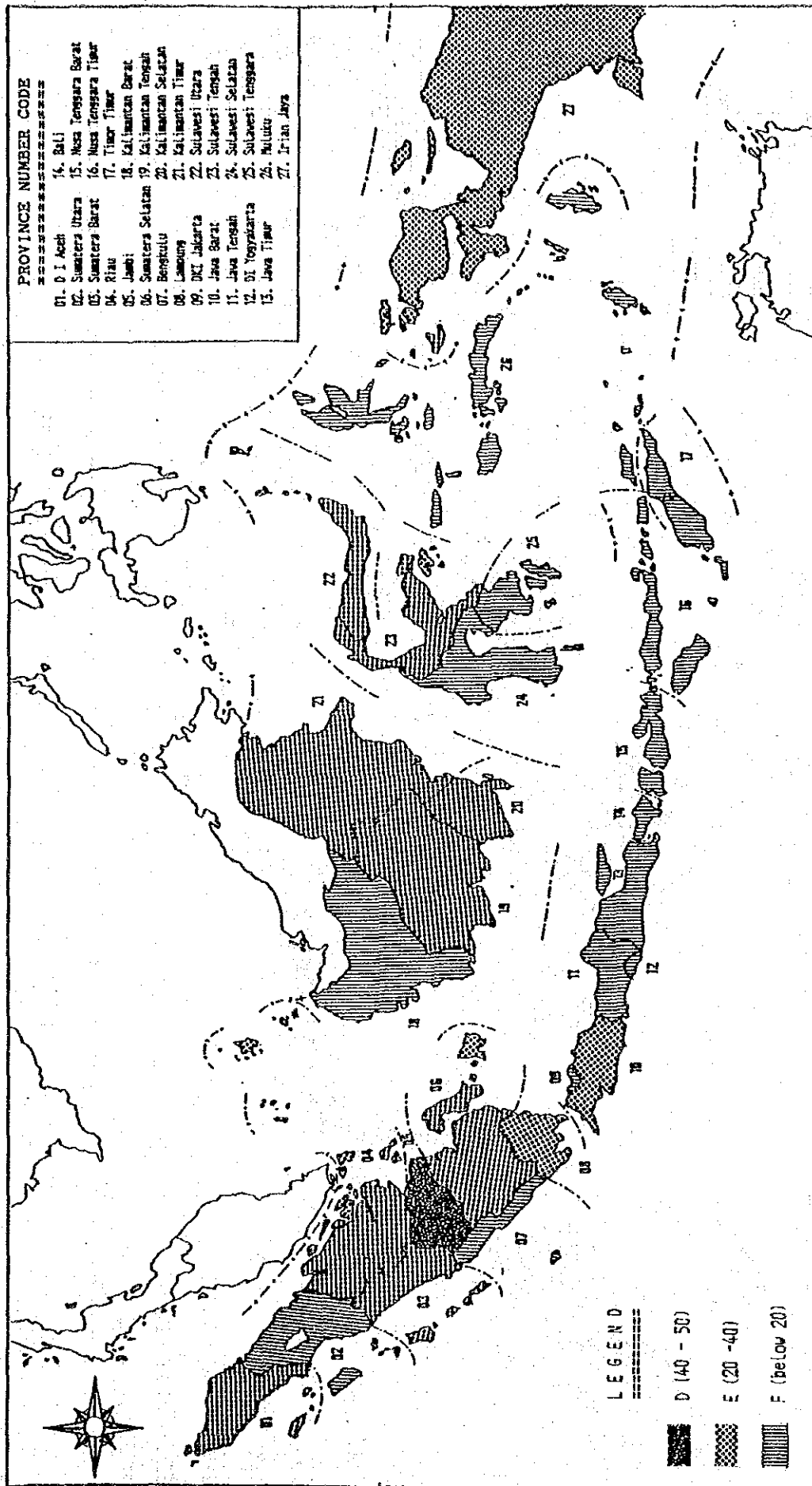


Fig. 2-1-4 Demand intensity grade for TV sets/1000 inhabitants by province in 1989

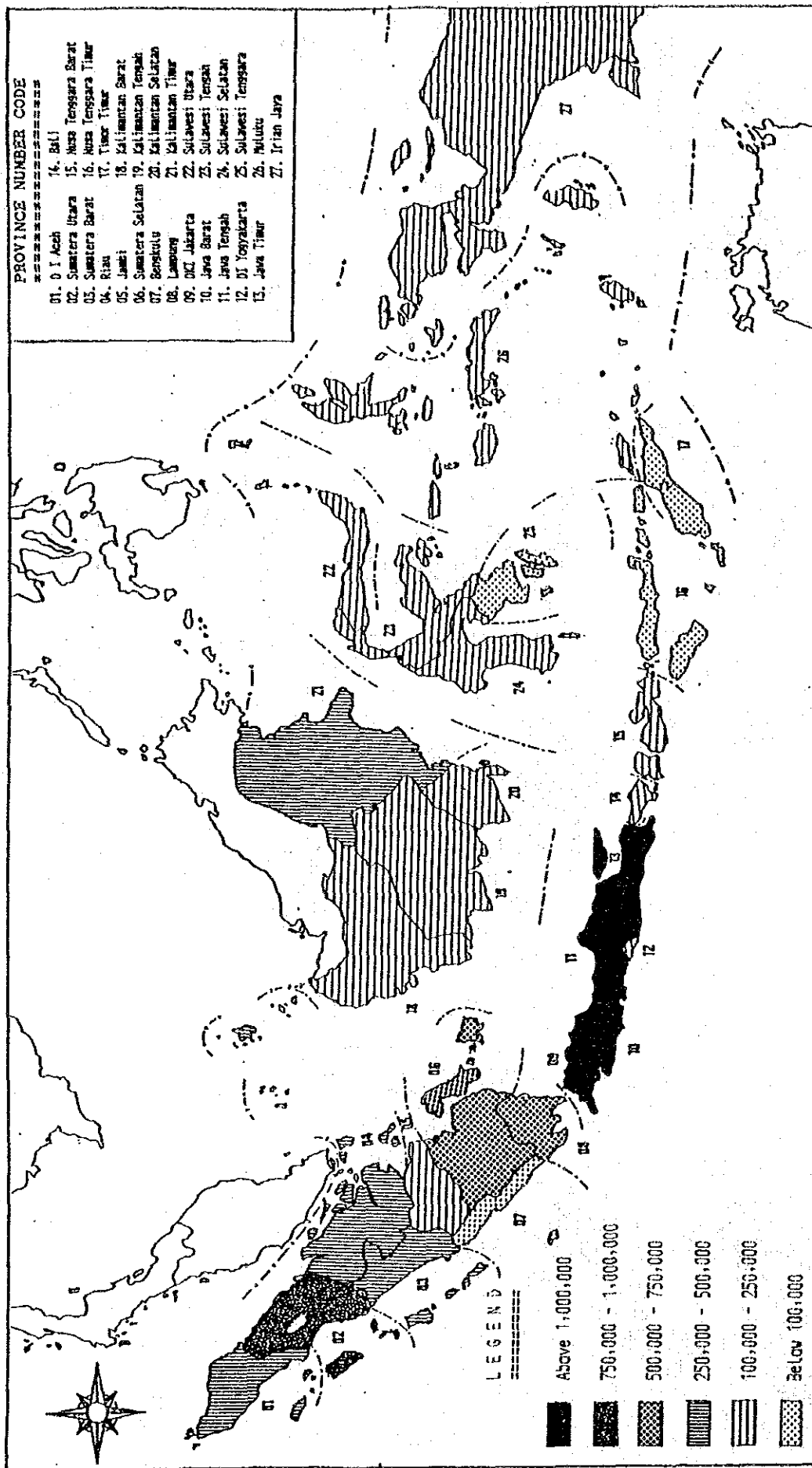


Fig. 2-1-5 Number of TV demand grade by province in 1999

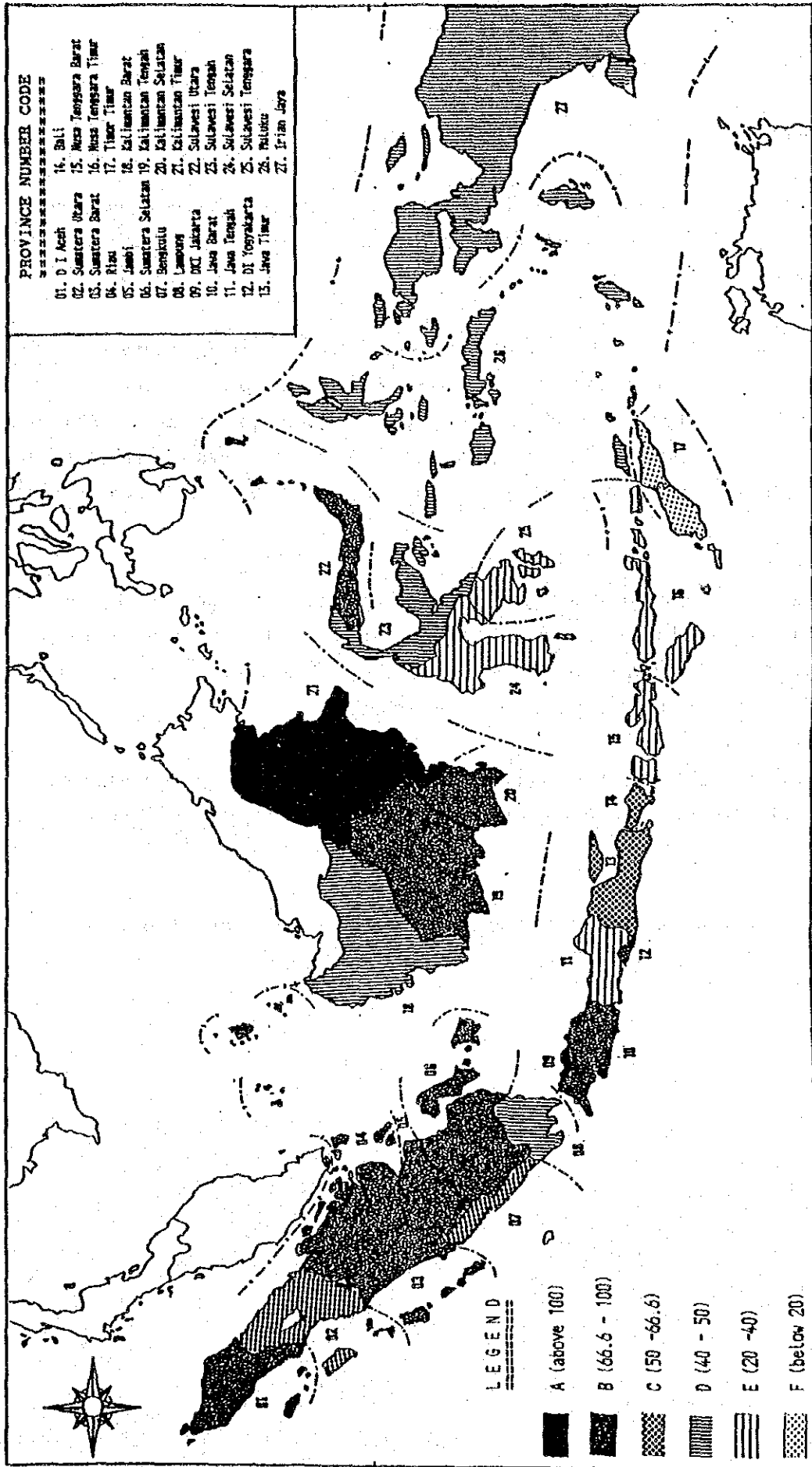


Fig. 2-1-6 Demand grade for TV sets/1000 inhabitants by province in 1999

2-2 Estimation of Development Budget

2-2-1 National Budget

Three main sources of the Indonesian national budget revenue are ① oil and gas, ② non-oil/gas revenue coming mainly from taxes and ③ foreign aid.

Most part of the domestic revenue consisted of oil/gas revenue, but because of the sharp decline of this item due to oil price drop after the OPEC resolution (policy change from price maintenance to production increase) in December 1985, the share in the whole revenue decreased to 45% in 1986 and the percentage has not recovered the previous level in 1988.

In such a circumstance, the average oil/gas revenue in the entire revenue during Pelita-IV dropped to 40% from about 60% at the first year of Pelita-IV. The oil/gas revenue share in the total revenue during Pelita-V is expected to further decline to 25%.

On the other hand, the share of non-oil/gas revenue is forecasted to reach about 75% of the domestic revenue, mainly relying on tax revenue increase.

The domestic revenue structures between PelitaIV and RepelitaV are compared in Table 2-2-1 below.

Table2-2-1 State Revenue in PelitaIV & RepelitaV

(in Billion Rp.)

	1984/85	1985/86	1986/87	1987/88	1988/89	Pelita IV
Oil/Gas Revenue	10429.9 65.6%	11144.4 57.9%	6337.6 39.3%	10047.2 48.3%	8855.8 40.6%	46814.9 49.9%
Non Oil/Gas Revenue	5475.6 34.4%	8108.4 42.1%	9803.3 60.7%	10756.1 51.7%	12947.2 59.4%	47090.3 50.1%
Total	15905.5	19252.8	16140.6	20803.3	21803.0	93905.2

	1989/90	1990/91	1991/92	1992/93	1993/94	Repelita V
Oil/Gas Revenue	7899.7 31.3%	9148.7 31.1%	9705.9 27.8%	10950.2 26.4%	11779.2 24.1%	49483.7 27.5%
Non Oil/Gas Revenue	17350.1 68.7%	20283.8 68.9%	25150.6 72.2%	30516.2 73.6%	37130.2 75.9%	130430.9 72.5%
Total	25249.8	29432.5	34856.5	41466.4	48909.4	179914.6

(Source: Repelita V)

2-2-2 Development Budget

The development budget consists of the ① government savings and ② foreign aid. The movement of world economy, especially the change of oil market influences this composition and the government savings which took a share of two thirds of the budget in the first year of Pelita IV dropped to about 20% in the end year (1988/89) and the more part is depending on foreign aid.

Under such a circumstance, the development budget size during Pelita IV stayed unchanged and the actual expenditure in total was 7,539.4 billion rupiah, 39.5% less than the planned budget.

In implementing the development budget, during Pelita IV, ① it has been forbidden to use an unimplemented part of the budget in the following term since the fiscal year 1985 and ② the foreign aid project promotion team was established, to take care so that a budget is used as originally intended.

The total nominal amount of the development budget for Repelita V is expected to grow to the size twice as large as that of Pelita IV. However, about 60% of the total revenue is expected to come from foreign aid.

Because the amount of foreign aid is expected to be around 12,000 billion rupiah every year, the most part of the annual growth of the development budget must depend on the government savings.

Maintenance and efficient operation of existing facilities are basic policies for development investment and are given high priority in all the sectors.

The structural change of the development budget revenue during Pelita IV and Repelita V is shown in Table 2-2-2:

Table2-2-2 Development Budget in PelitaIV & RepelitaV

(in billion Rp.)

	1984/85	1985/86	1986/87	1987/88	1988/89	PelitaIV
Domestic savings	6,476.6 65.1%	7,301.3 67.1%	2,581.3 31.0%	3,321.8 35.0%	1,737.0 19.5%	21,418.0 45.1%
Foreign Loan/Aid	3,478.0 34.9%	3,572.6 32.9%	5,752.2 69.0%	6,158.0 65.0%	7,160.6 80.5%	26,121.4 54.9%
Development Funds	9,954.6	10,873.9	8,333.5	9,479.8	8,897.6	47,539.4

	1989/90	1990/91	1991/92	1992/93	1993/94	Repelita V
Domestic savings	1,804.8 13.7%	4,602.9 28.5%	8,264.9 39.5%	13,492.0 52.5%	18,949.6 59.9%	47,114.2 43.8%
Foreign Loan/Aid	11,325.1 86.3%	11,566.0 71.5%	12,644.8 60.5%	12,195.0 47.5%	12,687.0 40.1%	60,417.9 56.2%
Development Funds	13,129.9	16,168.9	20,909.7	25,687.0	31,636.6	107,532.1

(Source: Repelita V)

2-2-3 Trends of Development Budget for Information and Broadcasting Fields

The share of the development budget for the information sector in the entire national development budget has been 0.35%, 0.44% and 0.35% for Pelita III, IV and V respectively. The development budget for broadcasting constantly takes 60 to 70% share in the development budget for the DEPPEN.

Exceptionally, during Pelita IV when the national development budget was sharply cut down (about 60%), the reduction rate of the information budget was much larger than that of the entire budget and the share shrank. Especially the broadcasting-related development investment was cut down more than 80% from the original budget.

Under such a circumstance, no large project was implemented for broadcasting during Pelita IV (new investment was postponed to Repelita V).

Table 2-2-3 Information and Broadcasting Development Budget

(In billion rupiah)

	Pelita III		Pelita IV		Repelita V	
	Budget	Performance	Budget	Performance	Budget	Performance
a. Entire development budget (Performance/Budget)	42,835	33,533 (78%)	78,609	47,539 (60%)	107,532	
b. Information sector (Percentage of a)	151 (0.35%)		499 (0.63%)	209 (0.44%)	379 (0.35%)	
c. Broadcasting (Percentage of b)	90 (60%)		308 (62%)	54 (25%)	253 (67%)	

Note : Proposed by JICA Study team based on the data in Financial Statistics, 1987/88 and data given by DEPPEN.

2-2-4 Proposed Project Cost by RTF

RTF is planning to implement several projects at present.

Total costs of On-going, Committed and Under planning project by RTF are assumed as follows.

(1) On-Going Project Amount

	(Total)	(Disbursed)	(Balance)	(Equivalent to Rp. Mil.)
US\$	29,900,000	3,990,000	40,960,000	42,204
Yen	6,939,000,000	63,990,000	6,875,010,000	85,250
A.Sch	134,800,000	26,960,000	107,840,000	13,674
Subtotal (5 projects except grant aid)				143,128

(2) Committed Project Amount

	(Total)	(Disbursed)	(Balance)	(Equivalent to Rp. Mil.)
DM	25,000,000	-	25,000,000	21,870
Yen	8,640,500,000	-	8,640,500,000	107,136
Subtotal (2 projects)				129,006
Total ((1) + (2) above)				<u>272,134</u>

(3) Project Amount under planning

US\$ 161,000,000 (2 projects)	Equivalent to Rp. Mil.	<u>285,131</u>
Grand Total ((1) + (2) + (3) above)		<u>557,265</u>

Note: Exchange Rates are as follows:

Rp. 874.8/DM

Rp. 1771/US\$

Rp. 12.4/Yen

Rp. 126.8/Ash

It is clear from the above that the total investment amount of the seven (7) projects which have been implemented or scheduled exceed the budget for Repelita V about 10%. Further, if the amount for two projects to be implemented later is added to this amount, the sum total amounts to about 557 billion rupiah, exceeding the budget about 200%.

2-2-5 Assumption of Broadcasting Development Budget

The following two cases are assumed by the growth of development budget for radio and TV broadcasting facilities up to the fiscal year 1998/99 based on the past tendency and the GDP growth rate:

- 1) Assumption based on the past investment achievement (case-1)
- 2) Assumption based on the past budget distribution ratio (case-2)

Both the cases are based on the same assumption; ① the GDP annual growth rate is 5% and ② the national development budget accounts for about 11% of GDP.

The development budget of the broadcasting sector is assumed to have a share of about 45% in the information sector in case-1 and about 60% in case-2 considering the past achievement.

(1) Assumption of Development Budget (Case-1)

The radio and TV broadcasting related investment achievement (past records) is assumed to have about 45% share in the investment of information sector.

Assumption based on the above is as follows:

Table 2-2-4 Prospect of Radio and TV Broadcasting
Development Budget (Case-1)

(In billion rupiah)

	Repelita V	Repelita VI	Total
(1) 1989 constant price	197.6	324.7	522.4
(2) Nominal prices (Inflation rate 5%)	230.6	486.1	716.6
(3) Nominal prices (Inflation rate 10%)	268.3	704.5	972.8

Remarks: For the breakdown, see Table 2-1-4 in the Supporting Report.

(2) Assumption of Development Budget (Case-2)

The share of the radio and TV broadcasting related development budget in the information sector development budget is assumed about 60% during Pelita III, IV and V as described above.

The prospect on this assumption is as follows:

Table 2-2-5 Prospect of Radio and TV Broadcasting
Development Budget (Case-2)

(In billion rupiah)

	Repelita V	Repelita VI	Total
(1) 1989 constant price	260.8	454.6	715.4
(2) Nominal prices (Inflation rate 5%)	306.1	680.5	986.5
(3) Nominal prices (Inflation rate 10%)	358.0	986.4	1,344.4

Remarks: For the breakdown, see Table 2-2-7 in the Supporting Report.

2-2-6 Assumption of Development Budget Scale

Assumption of development budget scale is the first step to formulate a development plan. The planning level where the budget is within the limit as obtainable by RTF could be said as a viable development plan. As the results of the assumption based upon this precondition, the development budget scale for the Repelita V and VI (for 10 years) as calculated with the constant prices at the year 1989 is as follows:

Case-1: Some 522 billion Rp.

Case-2: Some 715 billion Rp.

It is assumed, therefore, that the possible budget for the development investment of 10 years would be within the framework of the case-1 and 2 (522~715 billion Rp.) (refer to Fig. 2-2-1). The case-2 is based upon rather optimistic assumption and less reliable than the assumed value of the case-1. Meanwhile, the budget of the case-2 is relatively obtainable, too, taking into consideration RTF's large reduction of development budget in the Pelita IV (even though the reduction rate of other departments or sectors is taken into account) and the current situations of radio and television broadcast facilities.

Accordingly, development budget scale to be planned for new and additional investment amount for 10 years in addition to the total cost of projects (some 409 billion Rp. at 1989 constant price or nominal amount of some 557 billion Rp. including the domestic and overseas SW projects) would range from 113 to 306 billion Rp., that is, a balance between Case-2 and accumulated total project costs committed by RTF or between Case-1 and the latter, under the above conditions of budget framework.

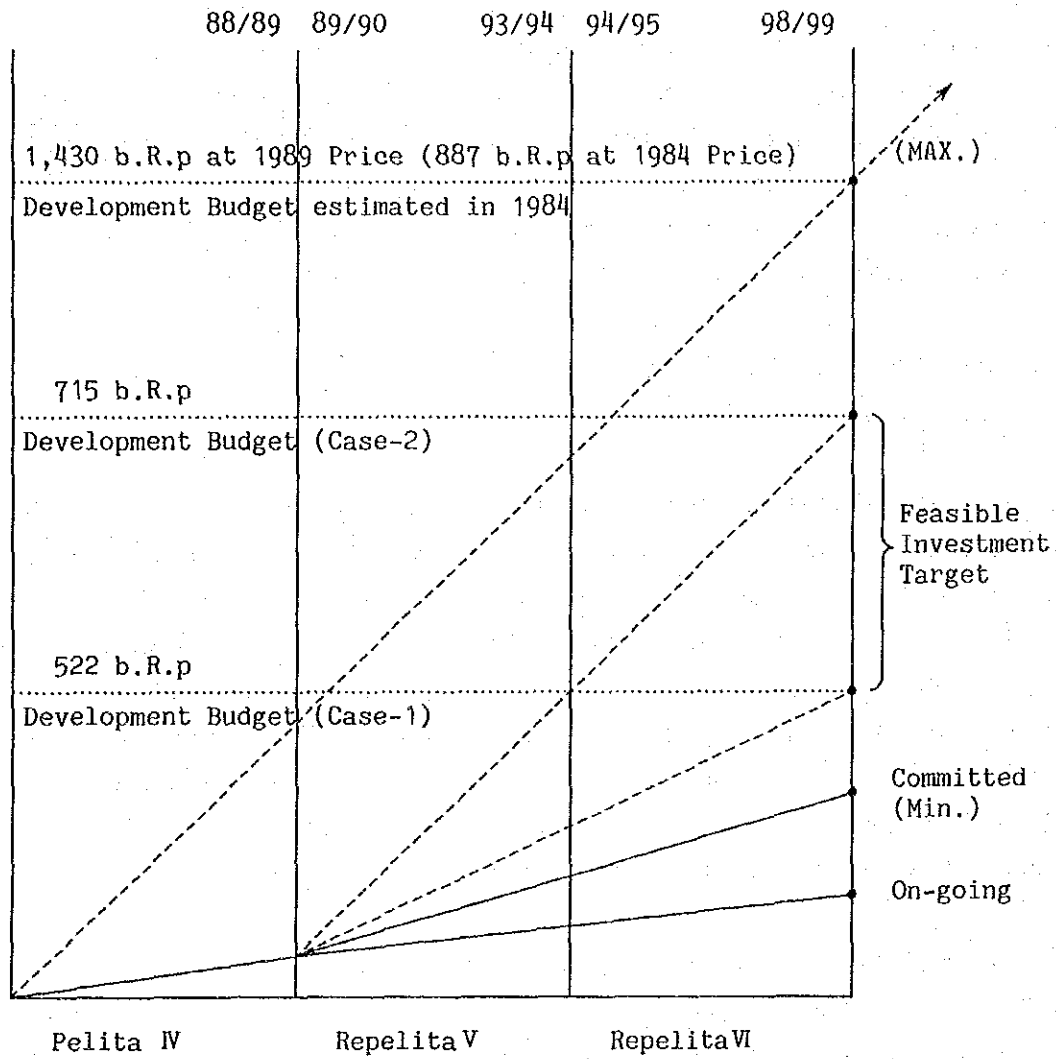


Fig. 2-2-1 Prospect of Development Budget Size

CHAPTER 3 Setting Up Targets for the Development Plan

3-1 Broadcasting as It Should Be in the Future

3-1-1 The Mission and the Goals of Broadcasting in Indonesia

The mission and the roles of radio and TV broadcasting in Indonesia have the following three goals to attain:

- (1) The spread of information, education and culture to all the people of Indonesia.
- (2) The enhancement and uplifting of the National Ideals and Unity in Diversity among people of Indonesia.
- (3) The support of and contribution to the National Development Plan.

Broadcasting is a mass communication medium which conveys information of a large volume and high quality -- in the form of visual and sound information -- instantaneously to a wide range of audience through radio and TV receivers which are available at comparatively low prices. It is an ideally suited medium of mass communication for a country like Indonesia where multi-racial people speaking numerous different regional languages inhabit the vast territory consisting of a large number of islands. From such a point of view, the Government of Indonesia has always given a high priority to the plan to develop broadcasting and has, over the years, comprehensively tackled the developmental work according to long-term plans.

As to the goals that the Indonesian government intends to attain by the year 2000 with regard to the broadcasting media, they are not only explained in the existing Long-term Development Plan but also indicated in "A Concept of the Construction and Development of Electronic Mass Media -- Radio, Television, Film and Video" (Operational Approach), which was established by the Director General of the RTF in May 1988 in accordance with the State Policy Guide Lines (1988).

The existing Long-term Plan has been drawn up to clarify the plan to be implemented by the year 2000. Even today when a delay is foreseen in the implementation of this plan for reasons of changes that have taken place in the surrounding circumstances, the goals indicated in this plan are still considered appropriate as the ultimate goals for the development plan concerning Indonesia's broadcasting in 2000 and onwards.

Needless to say, it is necessary to constantly review the long-term plan including its ultimate goals, since rapid changes are going on in the circumstantial conditions surrounding broadcasting, such as, social conditions, the developmental conditions of broadcasting and the progress of broadcasting technology.

3-1-2 Problems Facing Indonesia's Broadcasting Services

As mentioned earlier, the national broadcasting services of Indonesia, ever since the start of radio and TV services in this country, have been making utmost endeavors to further develop their activities with a view to fulfilling the missions assigned to them. As a result, the radio broadcasting today has achieved a nationwide population coverage of about 68% through 49 national and regional stations, while the TV broadcasting today covers about 68% of the total population through 10 nationwide broadcasting stations and a network of 244 transmitting stations across the country.

If these conditions were compared with those of other countries using their GDP and the spread of TV receivers in each country as the indexes, Indonesia may be positioned above the level of worldwide average.

However, it seems that, just because of the very speed of the development, the broadcasting in Indonesia is not yet performing its functions as adequately as it is hoped to perform in such aspects as management, programming and technical administration including maintenance.

(1) Management and Operation

In order to ensure sound operation of a broadcasting organization, three factors known as "3 Ms", viz., Man, Material and Money, are necessary.

"Man" means the organization itself or its personnel, "Material" means its broadcasting installations and equipment, and "Money" means the budget required for management and operation of the broadcasting organization.

In the case of Indonesia's broadcasting, it is noted that, despite the rapid expansion going on in broadcasting installations, there is a shortage of money required in carrying on the activities in various fields, such as, production of programmes, maintenance of facilities and management of broadcasting.

As regards securing of financial sources, the collection rate of TV license fee is still hovering at a level of about 55% and need is felt of improving this situation.

Meanwhile, it must be noted that it is ultimately the "Man" that is to handle the remaining two, "Material" and "Money." Hence, there always has been a voice raised for the need of securing personnel of high ability to man each section in a broadcasting organization, especially the need of further enhancing ability of those who are to play a leading role in the management of a broadcasting organization. In this respect, too, it must be pointed out that personnel education and training are not yet conducted appropriately.

As regards organizational and operational aspects of broadcasting services, studies are being made on the possibility of integration of the organizations of RRI and TVRI with a view to managing and operating them effectively and economically.

However, with a great number of problems remaining to be solved, the studies have not been making much progress.

(2) Functional Degradation of Broadcasting Equipment, and Inadequate Maintenance System

Maintenance work, which becomes increasingly necessary as broadcasting facilities are expanded, has not been conducted sufficiently. On-site efforts are, indeed, being made actively at some broadcasting stations. Even so, generally speaking, functional degradation has been going on at most stations.

Especially at RRI stations, there are some cases here and there in which some of broken-down equipment or installations are left as they are for a long period. It appeared that there may have been problems in technical skills of personnel, allocation to the regional stations of equipment and spare parts for maintenance use, and nationwide maintenance and management system for such allocation of personnel, equipment and spare parts.

(3) Qualitative Control of Broadcasting

In order to accomplish the mission of a broadcasting organization, it is most essential to conduct proper control of quality of the product or the commodity it is producing. In other words, it is necessary for a broadcasting organization to always make sure that programmes of fine quality are being sent out on broadcast waves of good quality and that the programmes are delivered to audiences in good condition. Thus, a broadcasting organization needs a system that ensures maintenance and enhancement of quality of broadcasts.

Among regional broadcasting stations, instances were observed to which broadcasting services were carried on with degraded sound and picture qualities without proper attention.

Thus, it appeared that there were some problems also in management system for operation including those relating to skills of personnel and to the facilities.

Furthermore, it was noticed that such jobs as ascertaining or improving reception conditions of broadcastig waves were not being conducted systematically enough.

(4) Improvement of Quality of Broadcast Programmes

In Indonesia, there are, in addition to RRI and TVRI conducting nationwide broadcasts, non-RRI stations such as commercial radio stations that have come to be loved by local listeners through broadcast of interesting programmes that are closely attached in contents to the areas they serve. As for television, the first commercial TV broadcasting station went into operation in March, 1989. Besides the programmes from this commercial TV station and from TVRI, people of Indonesia can also receive TV broadcasts from Thailand and Malaysia directly from the Palapa satellite with a parabolic antenna installed at their homes.

As a result, both RRI and TVRI have been receiving strong requests from the listeners/viewers to make the programmes richer in variety and more interesting and to further improve the programmes both in quality and quantity.

Meanwhile, it must be pointed out that, even though broadcasting is extremely effective as a means of educating people, neither RRI nor TVRI has as yet started systematic production of educational programmes.

3-1-3 Indonesia's Broadcasting as It Should Be

The national broadcasting services of Indonesia have been assigned the important role in the nation's effort to achieve the national objectives of strengthening the national unity in the framework of the Indonesian Archipelago's Outlook and National Endurance. Hence, there is the need for the national broadcasting services to continue their efforts to further spread the radio and TV broadcasting throughout the country so as to attain the ultimate goals set for them.

Meanwhile, the radio and TV broadcasting services, which constitute the Nationwide Broadcasting Network, are fast becoming something indispensable for the people's daily life. So, from now on, it is necessary for the broadcasting services to continue their efforts toward becoming the broadcasting organizations that are fully trusted and supported by the people of Indonesia. It is believed that such trust and

support of the people are the most essential factors that lead to further development of broadcasting services in the future.

The followings are some of the basic points to be emphasized in the course of developmental efforts:

(1) Broadcasting of Programmes That Can Win the Trust of the Audience

- Broadcasting of useful programmes of rich contents that appeal to the audience.
- Broadcasting of programmes dealing with regional traditions and culture by making effective use of the nationwide network.
- Broadcasting of video and sound which are of high quality in terms of presentation and technical standards.

(2) Nationwide Spread of High-Quality Broadcasting Services

- Nationwide expansion of radio and TV broadcasting networks.
- Offering of broadcast waves which have both high quality and stability.
- Securing of improved quality in the reception of broadcasts.

(3) Broadcast Management That Can Win the Audience's Trust

- Sure and equitable collection of license fees, and appropriate expenditure from the budget.
- Employment of personnel possessing high specialized skills and expertise.

3-2 Development Target for Long-Term Plan

One of the tasks of the study is to review the long-term plan upto 2000 as prepared in 1984. For this purpose, it is necessary to establish a feasible and specific development target by grasping the actual situations properly. A flow-chart for determining the development target is shown in Fig. 3-2-1.

We have already mentioned upon the past trend of development, current problems and future aspects (ultimate target) of the broadcast system in Indonesia, all of which must be preconditions of determining the target.

As one of the indexes to show the degree of establishment of broadcast system, it is reported that a radio set is diffused to each one household as of 1988 as revealed by the survey made by the consultant of RTF in ten states selected at random (Data Source: "Radio Broadcasting in Indonesia, 1988).

For TV sets, the establishment of a service system is 62% against a total demand of household as revealed by this study, which is rather behind radio. In comparison with the analyzed mean value of 13.4 sets/1,000 persons (1 among 15 households) in the world, however, the diffusion in Indonesia is 39.7 sets/1,000 persons (1 among 5 households) which is above the mean value in the world.

It should be the basic development policy to satisfy the demand of the people from the side of the Government and RTF who provides the services. Improvement must be made for both "quality" (software) and "volume" (hardware) as explained above. In view of the current situations, not only the expansion of the broadcast service system (hardware) is required but also the improvement of "software" is required including betterment of programmes, streamlining of organization and management, and establishment of a security and maintenance system.

To tackle with this task, consideration is also necessary from the view point of national development policy and national budget. The national development budget allocated to the broadcast sector has been only 0.2% - 0.4% of the total budget (Pelita III - Repelita V). Development plans must be studied from the aspect of operation and maintenance costs after expansion of facilities in addition to investment cost. The former budget, however, is severely restricted under the current situations.

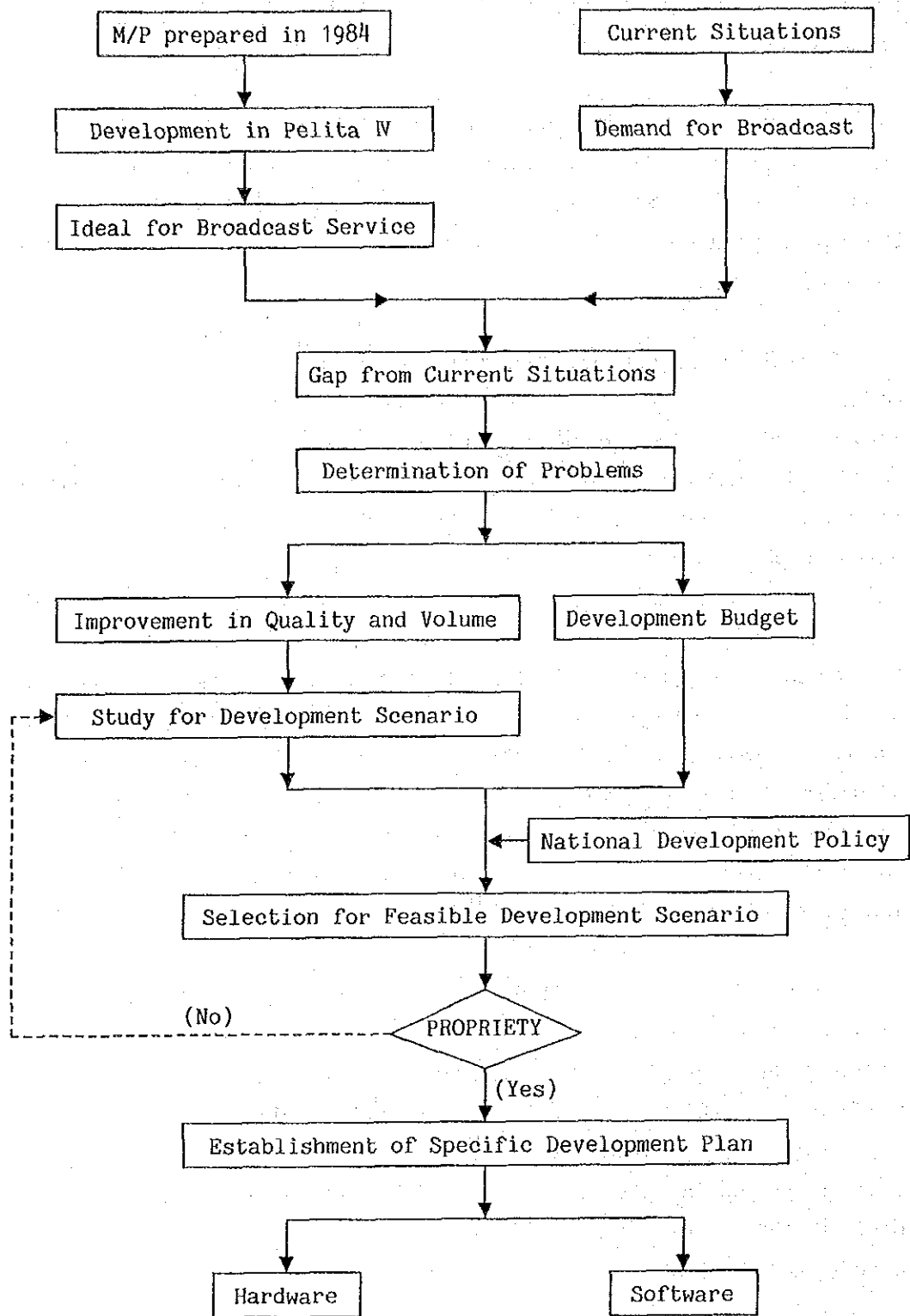


Fig. 3-2-1 Flow Chart of Establishment for Development Target

3-2-1 Development Scenario

The following scenarios could be assumed as the development strategy of broadcast services to cope with the needs of people. A comparative study will reveal the priority of the alternatives:

- (1) Scenario 1 Development centered on improvement of newly constructed facilities aiming at the expansion of area and population coverage
- (2) Scenario 2 Development centered on rehabilitation of superannuated facilities to recover the original capacity
- (3) Scenario 3 Mixed development of new construction and rehabilitation

For the above scenario 3, the nominal total project cost as being executed or planned for execution by RTF is Rp. 557 billion, which shows an excessive investment plan of over 200% against Rp. 252.6 billion as planned in Repelita V for development in the broadcast sector. A firm financial support is necessary for the plan not to be frustrated. This study will, therefore, review the financial aspect for a duration of ten years upto to the completion of Repelita VI.

3-2-2 Practicable Scenario

This study puts the top priority on the feasibility of the plan based upon the reconsideration of the long-term plan. A development scenario will be selected through the basic stance in which even a small-scale project can contribute to the national economy of Indonesia and its people once it has been firmly actualized.

3-2-3 Verification for Propriety

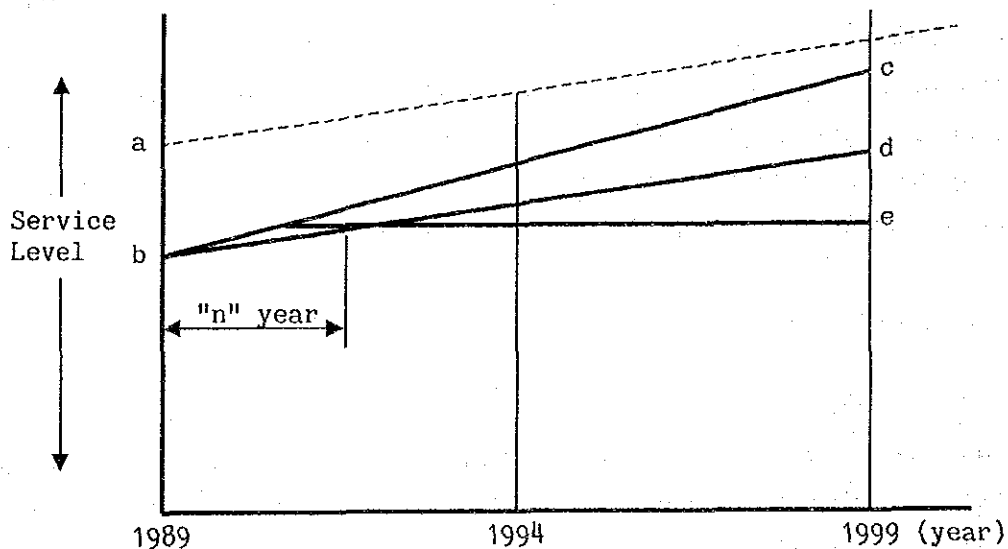
The above Scenario 2 is planned in accordance with the national development policy of Repelita V in which large-scale new investment should be kept at low level while the existing resources should be utilized most efficiently. The propriety in selecting this scenario can

be verified in terms of establishment of "hardware" (refer to the figure below):

Current service level of radio and television is at (b), where (a) - (c) line shows the nation's needs against broadcast. Line on the assumption of scenario 1 and 3 is (b) - (c).

There are some regions where "quality" and "volume" are diminished due to superannuation of facilities. In case that scenario 2 is not adopted by neglecting the above situations, the service level after "n" years will be further deteriorated due to physical lifespan of the existing facilities, thus the line is (b) - (e).

In case the scenario 2 is adopted, the line is (b) - (d) hence the gap between (c) - (e) is larger than that of (c) - (d). Thus, adoption of scenario 2 is reasonable.



The development scenario recommended by this study aims at a target of (b)- (d) line in terms of "hardware". For "software", it is closely akin to (b) - (c) line.

3-2-4 Establishment of Development Target

The target to be planned during the period of this Long-term Plan, shall be set forth with a consideration of both aspects of hardware and software, as discussed previously. From a hardware aspect (facility plan), the project shall on the whole hold down the expansion of the broadcasting facilities and, instead, shall put emphasis on recovering and maintaining the functions of the existing facilities. At the same time effort shall be focused on conducting, from a software aspect, an improvement and consolidation of the managerial and operational system, and qualitative and quantitative improvements of programme contents.

The following is a summary of development target based upon the above basic development concept:

(1) Improvement and/or Expansion of Facilities

(In the order of priority)

1) Rehabilitation of the facilities

Superannuated facilities and equipment should be rehabilitated to recover original functions and maintain a better service quality

2) Establishment of maintenance system

Improvement of maintenance work at site and a total management system for maintenance should be established.

3) Improvement and expansion of facilities for the purpose of improving the quality of programmes.

To satisfy diversified needs by audience/viewers the facilities for programme production for both radio and television should be improved.

4) Expansion and improvement of the network

Broadcasting services for both radio and TV should be extended to unserved areas with good quality.

(2) Improvement of Programmes

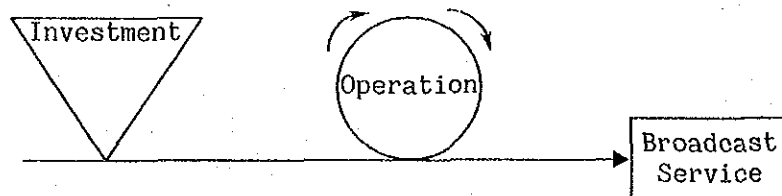
- 1) To win audience's trust through broadcast radio and TV programmes should be improved quantitatively and qualitatively.
- 2) Contents of news and educational programmes should be upgraded.

(3) Consolidation of the System

- 1) Organization and management
 - (a) RRI and TVRI should be united to make a more stable management body for the whole broadcast system.
 - (b) Working morale should be improved by increasing staff's wages for enhancement of productivity.
- 2) Economic and financial aspects
 - (a) An enterprise on a self-paying basis should be established by increasing income through TV licence fee.
 - (b) By securing income, maintenance service as lacking so far should be improved. This will contribute to betterment of "quality".

3-3 Proposed Development Plan

For smooth promotion of the broadcasting services, (1) an investment plan must be formulated within practical range, and (2) facilities must be operated with no obstacles. The development plan must be drawn up taking into account both the investment scale for facilities and its operation after completion.



3-3-1 Determination of Investment Scale

The investment will be planned within the practical development budget scale as assumed in the previous chapter. Specific development plan has been reviewed based upon the priorities of the whole development targets as shown in the previous chapter, the results of which are presented in Table 3-3-1. They reveal that the total investment cost for new projects may be proposed to be Rp. 274 billion which is 10% below the scale of the development budget. Table 3-3-2 summarizes the newly proposed projects and projects which are currently implemented by RTF.

3-3-2 Operation

Securing budget for required costs is a precondition of the restrictions on the operation. The operation cost must be reviewed from the view points of income centering on TV license fee and costs for operating the facilities. As a result, an implementation programme will be proposed in terms of practical balance of income and expenditure. A case study for the balance of operational income and expenditure is shown in PARTIV, CHAPTER 10. Table 3-3-3 shows the implementation plan for the operation as focused on organizational integration.

Table 3-3-1 TARGET OF LONG-TERM PLAN

TARGET ITEMS	PRESENT STATUS AS of 1988/89	DETAILED PLAN DURING REPELITA V & VI		TARGET AT THE END OF 1998/1999
		ON-GOING & COMMITTED PLAN [() indicates source of finance]	PROPOSED PLAN	
<p>(1) FACILITIES PLAN (Listed according to priority)</p> <p>1. Rehabilitation of Facilities</p> <p>(1) Radio studio</p> <p>(2) Radio Transmitting Station</p> <p>(3) TV Studio</p> <p>(4) TV Transmitting Station</p> <p>2. Establishment of Maintenance System</p> <p>(1) Maintenance System</p> <p>(2) Engineering Communication Network</p> <p>3. Up-grading of Broadcasting Programme</p> <p>(1) ENG and OB Van, etc.</p> <p>(2) Programme Transmission Network</p> <p>4. Improvement of Broadcasting Network</p> <p>(1) Expansion of RN-I Network</p> <p>(2) Introduction of MW Transmitter at SW-only-radio-station</p> <p>(3) Complement of RN- I and Establishment of RN-II</p> <p>(4) Establishment of RN-III</p> <p>(5) Expansion of TVN- I</p> <p>(6) Expansion of Overseas SW Service</p>	<ul style="list-style-type: none"> • Aged equipment with poor function • Aged equipment with poor function • Insufficient color facilities • Aged equipment with poor function • Inadequate maintenance administration and poor maintenance facilities • Only by SSB equipment and telephone communication • Mostly by cinefilm for TV news covering • Aged equipment including B/W • Radio: poor sound quality by telephone line • No provision of Up-link for both Radio and Television • 49 stations, population coverage 68% • 12 stations • No nationwide network for RN-II • Only Metropolitan Service • 244 stations, population coverage 68% • Jakarta and Medan, 	<ul style="list-style-type: none"> • Jakarta (UK), 26 Regional Stations: (Japan & Austria) • Jakarta & Regional Stations: 32 (Japan), • Spare parts (USA) • Regional Stations: 7 (UK, Japan), • Jakarta (W.G) • Regional Stations: 16 (Japan), • Jakarta (Indonesia) • OB Van: 4 units (Japan, UK), • ENG: 16 (Japan) • Dubbing System (Japan) • Regional Station: 2 (Japan) • High power SW transmitter stations at Jakarta and Ujung Pandang for domestic service () • Jakarta and Regional Station: 7 (Japan) • 50 TV relay stations (Indonesia) • High power SW transmitter stations at Jakarta, Medan and Biak for overseas service () 	<ul style="list-style-type: none"> • Regional Stations: 22 • Regional Stations: 8 • Regional Stations: 5 • Establishment of maintenance base at Jakarta and 6 Regional Stations. • Installation of communication network between Jakarta and each Regional Station. • Introduction of TV Up-Links at Jakarta and 9 Regional TV Stations. • High quality sound transmission line between Jakarta and 48 stations • Construction of MW stations at 10 sites. • Introduction of MW transmitters at 10 Regional Stations. • Construction of 50 TV relay stations (Indonesia). 	<p>Improvement of programme quality and achievement of stable and efficient broadcasting operation</p> <ul style="list-style-type: none"> - Completion of rehabilitation for all the RRI stations (49 stations) - Recovering transmission service and stable and efficient transmission - Achievement of efficient colour TV production of high quality - Recovering transmission service and stable and efficient transmission - Radical improvement maintenance standard for all the stations - Achievement of smooth and efficient business communication - Improvement of TV programme quality and efficient news gathering - Improvement of sound quality of nationwide programmes for all the RRI networks by using Palapa Satellite - Expansion of a stable transmission service by MW - Achievement of nationwide coverage service for RN- I and RN-II - Extension of FM programme service of high quality to the regions - Extension TVN- I programme service to unserved spots - Improvement of overseas broadcasting service
<p>(2) UP-GRADING OF PROGRAMME CONTENTS</p> <p>(1) Up-grading Quality and Quantity</p> <p>(2) Up-grading of Educational Programme</p>	<ul style="list-style-type: none"> • Unsatisfactory contents of programme • No "Conference System" programme • Short broadcasting hours of TVN- I programme • No systematic programming for education programmes for both radio and TV 		<ul style="list-style-type: none"> • Up-grading of programme contents. • Up-grading of Radio regional broadcast by high-quality programme transmission line. • Live TV broadcast through national network by TV Up-Links. • Systematic production of Radio & TV educational programmes. 	<p>Improvement of quality and quantity of broadcasting programmes to win the trust of audience in radio and TV broadcasts.</p> <ul style="list-style-type: none"> - Up-grading of RN- I , TVN- I and overseas service programmes - Establishment of programme compilation for RN-II and RN-III networks.
<p>(3) IMPROVEMENT OF MANAGEMENT</p> <p>(1) Integration of RRI and TVRI Organization</p> <p>(2) Staff Recruiting and Training</p> <p>(3) Financial Sources</p>	<ul style="list-style-type: none"> • Separate organizations under RTF. • Only MMTC and EC were established • Training by RRI-TC, TVRI-TC and MMTC • Insufficient training • RRI: Subsidized by National Finance • TVRI: Operated by TV license fee, Low rate of Collection: about 55% 		<ul style="list-style-type: none"> • Integration of RRI & TVRI organization. • Establishment of maintenance organization. • Establishment of the total system cope with audience affairs. • Development of staff training including OJT • Acquisition and establishment of an appropriate operational financial resources for radio and TV broadcasting activities. 	<p>Achievement of efficient organization and management.</p> <ul style="list-style-type: none"> - Completion of organizational integration - Establishment of maintenance system and audience servicing system - Upleveling staff capability - Establishment of stable financial conditions

Table 3-3-2 IMPLEMENTATION OF PROPOSED IN REPELITA V AND REPELITA VI

(F.C. Mill. ¥
Mill. Rp)

TARGET ITEMS	ON-GOING & COMMITTED PROJECT (REPELITA V)	REPELITA V	REPELITA VI
1. REHABILITATION OF FACILITIES <ul style="list-style-type: none"> Radio Studio Radio TX TV Studio TV TX 	JKT (UK), 26 Regional Stations (JPN, AUS) 32 Regional Stations (JPN), Spare Parts (USA) 16 Regional Stations (JPN), JKT (INS) 7 Regional Stations (JPN, UK), JKT (WG)	4 Regional Stations (F.C. 615) L.C. 472 8 HP Stations (F.C. 1,795) L.C. 144 5 Regional Stations (F.C. 390) L.C. 91	18 Regional Stations (F.C. 2,767.5) L.C. 2,124
2. ESTABLISHMENT OF MAINTENANCE SYSTEM <ul style="list-style-type: none"> Establishment of Maintenance Base Engineering Communication Network 	—	JKT + 2 Regional Bases (F.C. 1,681) L.C. 1,295 JKT ~ All RRI stations (F.C. 189) L.C. 96 JKT ~ 50 TVRI stations (L.C. 100)	4 Regional Bases (F.C. 220) L.C. 959 JKT ~ 50 TVRI stations (F.C. 170) L.C. 100
3. UP-GRADING OF BROADCASTING PROGRAMME <ul style="list-style-type: none"> Introduction of TV UP-LINKS Up-grading of Radio Programme Line Increase of ENG and OB Van 	— 40B Vans (JPN, UK), 16 ENGs (JPN) Dubbing Facilities (JPN)	2 Regional Stations (F.C. 364) L.C. 4 JKT ~ All RRI Reg. Stations (F.C. 666.8) L.C. 192	7 Regional Stations (F.C. 1,276.1) L.C. 14
4. IMPROVEMENT OF BROADCASTING NETWORK <ul style="list-style-type: none"> Expansion of RN-I Network Introduction of MW TX to SW only station Complement for RN-I Network (SW) Establishment of RN-II Network (SW) Establishment of RN-III Network (FM) Expansion of Overseas Service (SW) Expansion of TVN-I Network 	2 Regional Stations (JPN) JAKARTA, UJUNG PANDANG () JAKARTA, UJUNG PANDANG () 7 Regional Stations (JPN) JAKARTA, MEDAN, BIAK () 50 Stations (INS)	5 Stations (F.C. 2,014) L.C. 5,503	10 Stations (F.C. 3,300) L.C. 7,000 5 Stations (F.C. 1,650) L.C. 3,500
5. CONSULTANT FEE	—	(F.C. 24,800)	(F.C. 490)
COMMITTED INVESTMENT	582,000 Mill. Rp	(F.C. 8,043.4) L.C. 7,797	(F.C. 10,373.5) L.C. 38,477
TOTAL INVESTMENT FOR EACH PROPOSAL		(F.C. 18,416) L.C. 46,274	

Table 3-3-3 Alignment in Long-term Plan among New Projects, Organization, Staff and Financial Plan for the Period of Repelita V and Repelita VI

MAJOR ITEM	1989/90	REPELITA V	1994/95	REPELITA VI	1999/2000
1. Implementation Schedule of Project 1) On-going project 2) Committed Project 3) Project under Planning - SW (Overseas & Domestic) 4) Proposed Project - This Study (Short-term) (Long-term)					
2. Organization Toward 2000 1) Main Schedule - 5th Stage Alignment of Regional Stns. - 4th Stage Merging TCs with Admi. - 3th Stage Amalgamation of all Admi. - 2th Stage Shift of R & TV Admi to Sek. - 1st Stage Separation of RT from Film Approval of Enterprise. 2) Other Schedule - Educational programme (Committee) - News Gathering (Committee) - Audience Service (Committee) - Maintenance Base (Setup of Organization in EC)					
3. Staff Plan - Shift and Increase for new projects - Shift - Increase - Present & Future Number of Staff	13,459	407 819	14,278	189 451	14,729
4. Financial Plan - RTF (a total of RRI, TVRI & EC) - Expense - Income - Balance		bill Rp 128 213 85		bill Rp 273 297 24	