



**KOMPAK**  
Kalaborasi Masyarakat dan Pelayanan untuk Kesejahteraan  
Kemitraan Pemerintah Australia - Indonesia



KOMPAK

# Annual Workplan

2020



— KOMPAK —

# ANNUAL WORKPLAN

— 2020 —

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# Executive Summary

Indonesia enters 2020 with a strong record of consistent economic growth, a relatively stable political environment and an ongoing commitment to decentralisation and human development. Indonesia's GDP has grown by about 5 percent per annum for the past fifteen years making it the largest economy in South-East Asia with GDP per capita of IDR 60.2 million (AUD 6,400) in 2019<sup>1</sup>. National elections in 2019 led to the re-election of President Joko Widodo (Jokowi) for a second five-year term to 2024.

While the proportion of Indonesians living below the poverty line<sup>2</sup> continues to fall and is at a historic low, about 25 million people<sup>3</sup> – or 9.4 percent of the population – still live below the poverty line. Poverty severity is highest in the Papua region, while Java has the most people living in poverty (12.7 million). Rural areas also have almost double the poverty rate of urban areas (12.9 percent compared to 6.7 percent).

This Annual Work Plan (AWP 2020) is designed to support the Government of Indonesia identify solutions that improve basic services and provide greater economic opportunities for the poor and vulnerable as per KOMPAK's strategic goal. It contributes to the achievement of the Government's Medium-Term Development Plan (RPJMN 2020-2024) and DFAT's Indonesia development program priorities. It is guided by KOMPAK's Multi-Year Work Plan 2019-2022.

The objectives of the AWP 2020 are to:

- Use PFM tools and analysis to improve achievements in service delivery at the local level;
- Increase coverage of people with legal identity documents and completeness of population data;
- Use *kecamatan* and villages as platforms to strengthen achievements in service delivery;
- Promote village data to support planning and budgeting and access to social services;
- Strengthen social accountability to improve local government responsiveness and service delivery;
- and
- Promote market linkages to strengthen local economic development.

KOMPAK is at the six-year mark of an eight-year investment from the Government of Australia. The facility has made good progress in its achievement of program goals. Over the remaining two years KOMPAK will focus on institutionalising the most successful models and developing a strong evidence base to demonstrate improvements and document lessons learned. KOMPAK's Sustainability Plan guided the development of this AWP and will serve as the overarching strategy for integrating planning, monitoring and reflections on what success and sustainability look like for KOMPAK and its government partners.

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<sup>1</sup> World Economic Outlook Database, October 2019. IMF.org. International Monetary Fund.

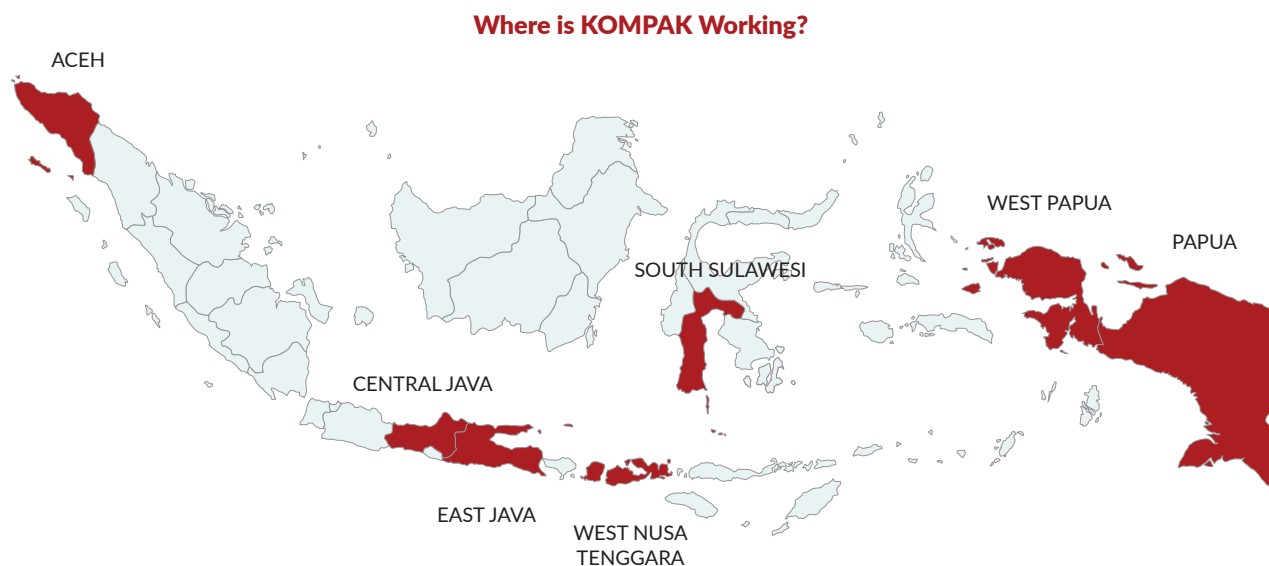
<sup>2</sup> The poverty line is defined as the minimum amount needed for a daily diet containing 2,100 calories and non-food necessities. As of 2019, it was IDR 425,250 (AUD 43.40) per month.

<sup>3</sup> BPS, March 2019.

KOMPAK has a strong partnership with Bappenas, which provides strategic direction and oversight on behalf of the Government of Indonesia. KOMPAK also assists and is accountable to the Ministry of Home Affairs, Ministry of Villages, and Ministry of Finance. Each activity in this workplan is assigned a lead ministry for which KOMPAK reports and is held accountable.

KOMPAK will seek to leverage the expertise and networks of other DFAT-funded facilities in Indonesia. Partnerships with civil society and research organisations will be crucial in implementing and evaluating KOMPAK's activities, developing the capacity of government partners, and being able to draw on specialist technical and regional expertise.

KOMPAK will focus AWP activities thematically to the six flagships and geographically in 24 districts<sup>4</sup> in seven provinces. The aim is to create durable district-level changes, and the district and kecamatan governments will serve as the centre of KOMPAK's strategy. Technical assistance at the national and provincial levels will primarily be targeted at initiatives to improve subnational government performance and leveraging the lessons learned at the subnational level.



The six flagships and flagship components were identified based on KOMPAK's comparative strengths. In November 2018, the Independent Strategic Advisory Team (ISAT) noted "the key risk for the program is a lack of strategic focus and fragmentation of activities." A major challenge in 2019 was the wide scope of activities.

This AWP refocuses in the areas where KOMPAK believes it is best positioned and incorporates the lessons learned and feedback from partners to focus on those areas where it can contribute most over the remaining two years of the program.

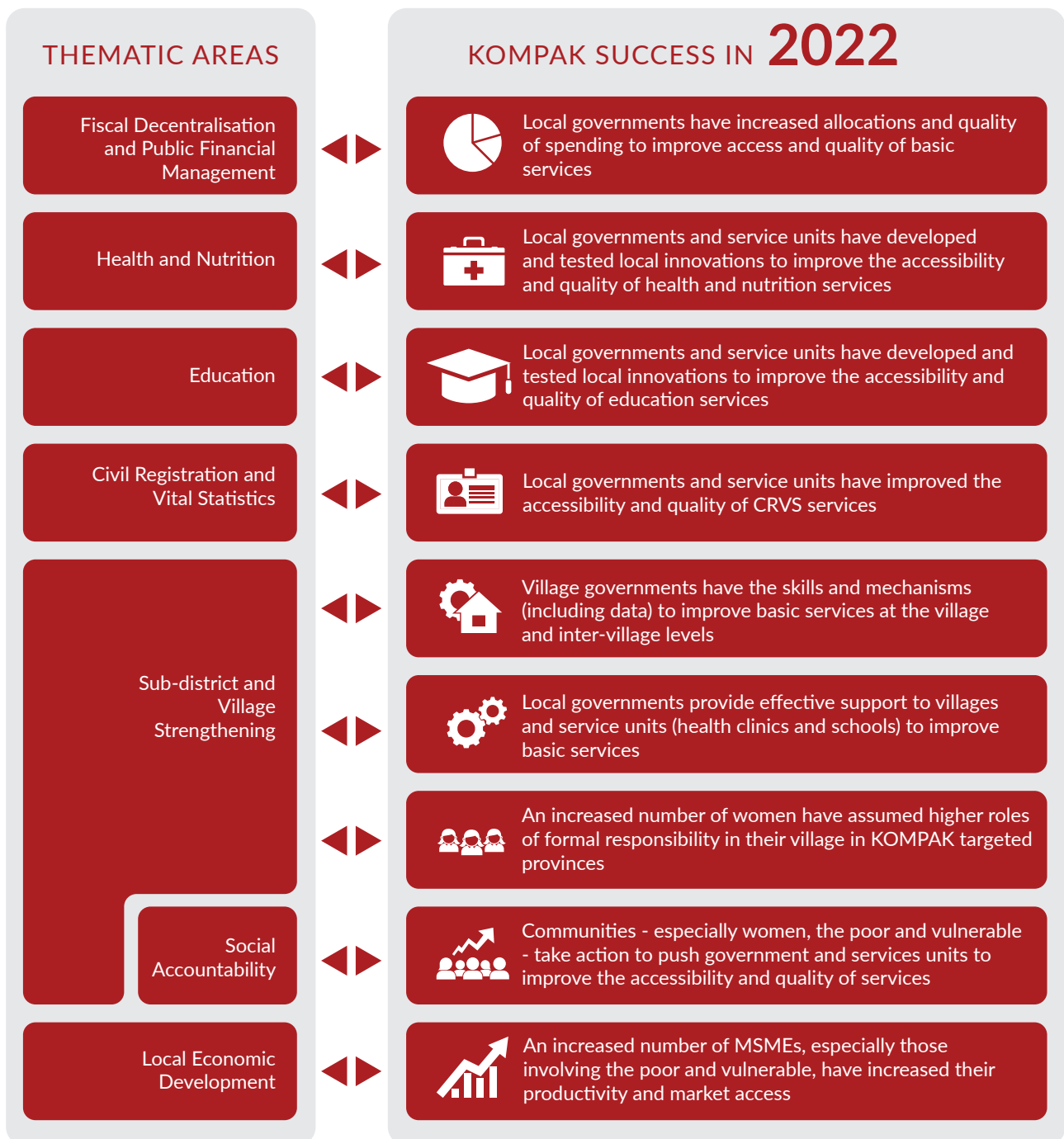
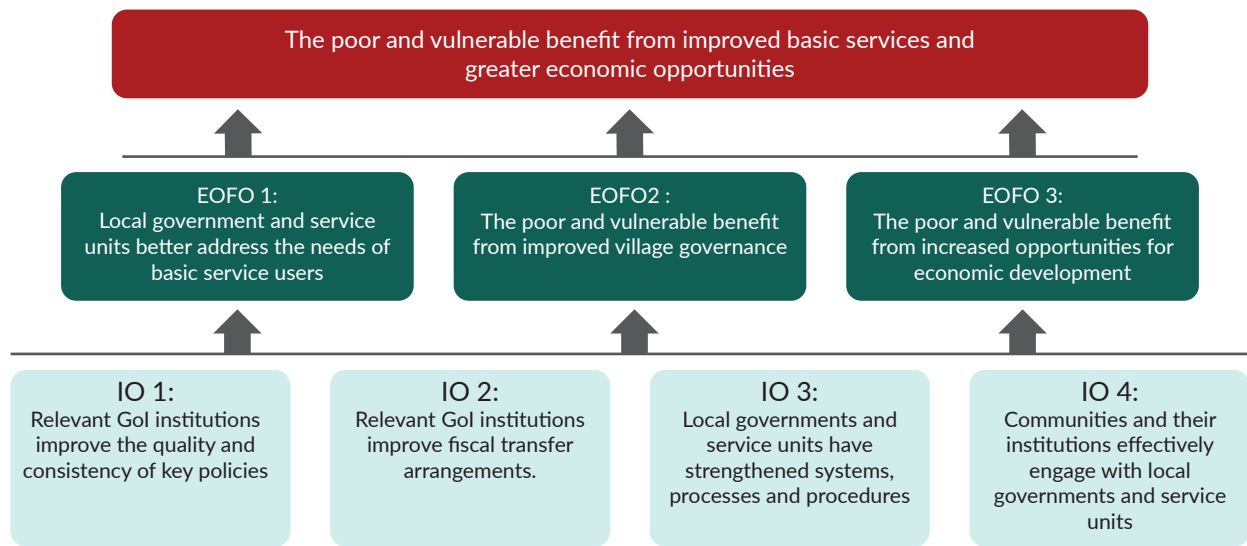
<sup>4</sup> KOMPAK previously worked in 26 districts, but Lanny Jaya and Waropen districts in Papua have been dropped due to security and government support challenges.

# Introduction

1. This Annual Work Plan (AWP) is designed to support the Government of Indonesia to improve basic services and provide greater economic opportunities for the poor and vulnerable. It contributes to the achievement of the Government's Medium-Term Development Plan (RPJMN 2020-2024) and DFAT's Indonesia Development program in Indonesia. Gender and inclusiveness will be mainstreamed into all activities in order to promote gender equality and inclusive development<sup>5</sup>.
2. The AWP is guided by KOMPAK's Multi-Year Work Plan 2019-2022 and Performance Management Framework. These identify the high-level outcomes for KOMPAK and the 'KOMPAK Success in 2022' objectives. KOMPAK will prioritise assistance on seven of the nine KOMPAK 2022 objectives, phasing out of specific health and education interventions. This re-orientation is based on an internal review of KOMPAK's portfolio and selecting those areas with the potential for most impact and uptake by government over the remaining two and a half years of the facility.

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<sup>5</sup> KOMPAK Gender Equality and Social Inclusion Strategy 2018-2022.





## ANNUAL WORK PLAN STRUCTURE

3. The objectives of the AWP 2020 are to:
  - Use PFM tools and analysis to improve achievements in service delivery at the local level;
  - Increase coverage of people with legal identity documents and completeness of population data;
  - Use *kecamatan* and villages as platforms to strengthen achievements in service delivery;
  - Promote village data to support planning and budgeting and access to social services;
  - Strengthen social accountability to improve local government responsiveness and service delivery; and
  - Promote market linkages to strengthen local economic development.
4. This document provides an overview of the key activities and performance metrics for 2020. More detailed breakdowns of each flagship and cross-cutting activities can be found in the following annexes:
  - a. **Results Framework:** The Results Framework provides the structure for this AWP and summarises the flagships and flagship components (also known as objectives) that are described in more detail in the other documents. Each flagship component has a set of standardised activities and indicators that shows what will be implemented and how success will be measured. (see Annex A)
  - b. **AWP Budget:** The AWP budget is an aggregated summary of the detailed list of costed activities from the MIS. It sets the upper limit for KOMPAK's investments and is disaggregated by flagship and flagship component. (see Annex B)
  - c. **Logical Framework:** The logical framework outlines the indicators and associated definitions, disaggregation categories, formulas and data sources. Each indicator contributes to measuring success towards the relevant flagship component. (see Annex C)
  - d. **Detailed list of activities and outputs:** In KOMPAK's management information system (MIS), there is a detailed work plan with an itemised and costed set of activities linked to districts, directorates, responsible officers and outputs. This AWP narrative provides a summary of these activities and outputs and the annex provides an aggregated list of all activities. Progress against this AWP will be assessed six-monthly against each of these activities through the Performance Review process. (see Annex D)
  - e. **List of KOMPAK locations:** KOMPAK operates in 7 provinces, 24 districts, 43 sub-districts and 426 villages. A list of locations is included in this AWP to ensure there is a defined work area for evaluating results, noting that KOMPAK is also working at the national level and seeking to support local governments outside KOMPAK locations to replicate successful models. (see Annex E)

## STRATEGIC DIRECTION

5. In 2020, the focus for KOMPAK will begin to shift from implementing activities and piloting innovations to monitoring outcomes, capturing learning, and sustaining and institutionalising key changes. KOMPAK's Sustainability Plan guided the development of this AWP and will serve as the overarching strategy for integrating planning, monitoring and reflections on what success and sustainability look like for KOMPAK and its government partners.

6. Government partners will be supported to develop more inclusive and better targeted development policies and programs. KOMPAK's GESI and M&E teams will conduct regular outreach visits and reviews to strengthen program implementation and policy development. Best practices will also be documented on GESI mainstreaming and disseminated to national and local government partners, such as participating in the national disability learning forum (*Temu Inklusi*).
7. KOMPAK will seek to leverage the expertise and networks of other DFAT-funded facilities in Indonesia. Partnerships with civil society and research organisations will be crucial in implementing and evaluating KOMPAK's activities, developing the capacity of government partners, and being able to draw on specialist technical and regional expertise.
8. KOMPAK will focus AWP activities thematically to the six flagships and geographically in 24 districts<sup>6</sup> in seven provinces. District and *kecamatan* governments will serve as the centre of KOMPAK's strategy. Where possible, districts will see a convergence of activities to allow a complementarity of outcomes.
9. Technical assistance at the national and subnational levels will primarily be targeted at initiatives to institutionalise successful KOMPAK models and approaches into government policies and programs. This includes the passing of regulations, securing ongoing funding, development of policies and guidelines, allocation of human resources, installation of software/systems, and the development of skills and knowledge within the government agency taking over the initiative.
10. The six flagships and flagship components were identified based on KOMPAK's comparative strengths. In November 2018, the Independent Strategic Advisory Team (ISAT) noted "the key risk for the program is a lack of strategic focus and fragmentation of activities." A major challenge in 2019 was the wide scope of activities, including innovative health, education and university activities. In developing the AWP 2020, these were assessed as taking strategic focus away from KOMPAK's core business of subnational governance strengthening. This AWP refocuses in the areas where KOMPAK believes it is best positioned over the remaining two years to contribute most.

## POLITICAL AND ECONOMIC SITUATION

11. Indonesia enters 2020 with a strong record of consistent economic growth, a relatively stable political environment and an ongoing commitment to decentralisation and human development. Indonesia's GDP has grown by about 5 percent per annum for the past fifteen years making it the largest economy in South-East Asia and the region's fifth highest in terms of GDP per capita (IDR 60.2 million / AUD 6,400 in 2019<sup>7</sup>). The country is ranked 111 out of 189 countries on the human development index<sup>8</sup> and is classified as a lower-middle income economy.
12. The proportion of Indonesians living below the poverty line<sup>9</sup> continues to fall and is at a historic low. Despite this, about 25 million people<sup>10</sup> – or 9.4 percent of the population – still live below the poverty line. Poverty severity is highest in the Papua region, but Java has the most people living in poverty (12.7 million). Rural areas also have almost double the poverty rate of urban areas (12.9 percent compared to 6.7 percent).

<sup>6</sup> KOMPAK previously worked in 26 districts, but Lanny Jaya and Waropen districts in Papua have been dropped due to security and government support challenges.

<sup>7</sup> World Economic Outlook Database, October 2019. IMF.org. International Monetary Fund.

<sup>8</sup> United Nations Development Program (2019). Human Development Report. Accessed at: <http://hdr.undp.org/en/countries/profiles/IDN>

<sup>9</sup> The poverty line is defined as the minimum amount needed for a daily diet containing 2,100 calories and non-food necessities. As of 2019, it was IDR 425,250 (AUD 43.40) per month.

<sup>10</sup> BPS, March 2019.

13. National elections in 2019 led to the re-election of President Joko Widodo (Jokowi) and the Onward Indonesia Coalition for a second five-year term to 2024. Their campaign platform – known as Indonesia Maju (Indonesia Moving Forward) – identified nine ‘missions’, of which human development, economic competitiveness, development equality, and central-regional government relations are most relevant for KOMPAK<sup>11</sup>. These are further expanded in the Government’s National Medium-Term Development Plan (RPJMN) 2020-2024. In 2020, Indonesia will hold regional elections in 14 of 24 KOMPAK districts, with any changes of government taking place in first quarter of 2021.
14. Indonesia faces significant challenges due to the high number of people living in poverty, highly bureaucratic and decentralised government systems, and high levels of inequality between geographic locations and rural and urban areas. This provides opportunities for KOMPAK to work at all levels of government to find solutions for the most important challenges faced in delivering basic services and promoting livelihoods for the people of Indonesia.

## **PARTNER MINISTRIES AND COORDINATION**

15. KOMPAK partner ministries are Bappenas, the Ministry of Home Affairs (MoHA), the Ministry of Villages, Development of Disadvantaged Regions and Transmigration (MoV), and the Ministry of Finance. Bappenas is KOMPAK’s primary partner and is the Government’s coordination and planning agency for poverty reduction. It is a key agency in helping to align policies and laws between ministries, and in supporting subnational governments to more effectively deliver basic services.
16. There is the potential for changing priorities and restructures in 2020. All of these ministries, except the Ministry of Finance, had changes of leadership in 2019. In addition, villages receive guidance from both MoHA and MoV, with direct transfers coming from the Ministry of Finance. This has led to some overlapping areas of responsibility and potential restructuring of these ministries in the longer-term.

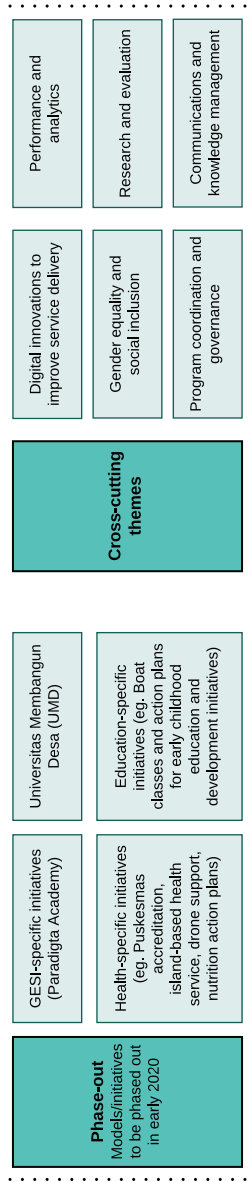
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<sup>11</sup> Jakarta Post (December 2018). Accessed at: <https://www.thejakartapost.com/news/2018/12/04/here-are-jokowi-marufs-nine-missions-for-2019s-presidential-poll.html>

### Flagship Strategy: KOMPAK Governance Program

<p><b>Public financial management tools and analysis</b></p>	<p>Use PFM tools and analysis to improve achievements in service delivery</p>	<p>Strengthen provincial and district government capacity to use PFM tools and analytics for planning and budgeting (SEPAKAT, Constraint Analysis, MSS)</p>	<p>Improve capacity of provincial and district governments to access and use central government (DAK physical and non-physical, and DID) funding to support service delivery and institutionalisation of KOMPAK models</p>	<p>Strengthen Papua, Papua Barat, and Aceh provincial and district government capacity to implement Otsus policy</p>	<p>Develop and support institutionalisation of performance-based incentive funding models for villages to strengthen service delivery</p>	<p><b>PARTNERS:</b> BaKTI</p>	
<p><b>Inclusive and accountable civil registration and vital statistics</b></p>	<p>Increase coverage of people with legal identity documents and completeness of population data</p>	<p>Increase coverage, capacity, local financing, and inter-connectivity of village and kecamatan-based CRVS approaches</p>	<p>Strengthen cross-sectoral collaboration, particularly with service units (eg. clinics, hospitals, schools) to accelerate CRVS coverage</p>	<p>Develop and incorporate policy recommendations to strengthen CRVS services for vulnerable groups (incl for minority groups, people with disability and people affected by emergencies)</p>	<p><b>PARTNERS:</b> PUSKAPA LPA NTB</p>	<p><b>PARTNERS:</b> BaKTI</p>	
<p><b>Kecamatan and village strengthening</b></p>	<p>Use kecamatan and village as platforms to strengthen achievements in service delivery</p>	<p>Increase coverage and support institutionalisation of kecamatan and village governance model (PTPD and PwMAD)</p>	<p>Strengthen kecamatan coordinating and mentoring roles in supporting service delivery to villages</p>	<p>Strengthen village capacity in inclusive planning and budgeting for service delivery</p>	<p>Support joint-planning and collaboration between districts, kecamatans, villages and service units (eg. clinics, schools) in delivering services -- LANDASAN ONLY --</p>	<p><b>PARTNERS:</b> BaKTI</p>	
<p><b>Village information systems</b></p>	<p>Promote village data to support planning and budgeting</p>	<p>Increase coverage and support institutionalisation of village information systems</p>	<p>Improve use of village information systems by villages for planning, budgeting, reporting and other activities</p>	<p>Integrate village information systems with other subnational information systems (incl. SIAK)</p>	<p>Develop and pilot kecamatan and district information systems</p>	<p><b>PARTNERS:</b> BaKTI</p>	
<p><b>Social accountability</b></p>	<p>Strengthen social accountability to improve service delivery</p>	<p>Strengthen village councils and community empowerment through feedback mechanisms, budget literacy and other social accountability mechanisms</p>	<p>Strengthen national and sub-national policy, guidance and models for social accountability and inclusion in Village Law implementation</p>	<p><b>PARTNERS:</b> Seknas Fitra PEKKA BaKTI</p>	<p>Develop national instruments and business models to support sustainability of market linkage models/approaches</p>	<p><b>PARTNERS:</b> BaKTI</p>	
<p><b>Market linkages</b></p>	<p>Promote market linkages to strengthen local economic development</p>	<p>Finalise implementation and documentation of market linkage pilots</p>	<p>Develop national instruments and business models to support sustainability of market linkage models/approaches</p>				<p><b>PARTNERS:</b> BaKTI</p>

### Other components of KOMPAK Facility



### What is institutionalisation?

The process of embedding an initiative within government systems. This includes the passing of regulations, securing ongoing funding, development of policies and guidelines, allocation of human resources, installation of software/systems, and the development of skills and knowledge within the agency taking over the initiative.

For further information, see KOMPAK's Sustainability Plan 2019-2022.

# Program Governance and Performance Management

## PROGRAM GOVERNANCE AND STRATEGIC OVERSIGHT

17. KOMPAK has numerous mechanisms to provide oversight and strategic direction. These mechanisms aim to ensure KOMPAK is aligned with the priorities of the Government of Indonesia and the Government of Australia and investing in those initiatives that are assessed as most effective and important.
18. **KOMPAK Steering Committee:** The Steering Committee (SC) is the highest decision-making forum for KOMPAK and provides strategic guidance, coordination and oversight. The SC is held annually and will review and approve strategy documents, the annual workplan, budgets and major reports. The SC is co-chaired by the Deputy for Population and Employment in Bappenas and the Minister-Counsellor for Governance and Human Development in DFAT.
19. **KOMPAK Technical Committee:** The Technical Committee (TC) reports to the SC and is responsible for overall coordination and oversight of activities. The TC is held six-monthly and will review and endorse strategy documents, the annual workplan, budgets, performance review findings, and major reports. The TC is co-chaired by the Director for Poverty Alleviation and Social Welfare in Bappenas and the Counsellor for Human Development in DFAT.
20. **Outcome Working Groups:** KOMPAK holds working group meetings for KOMPAK's three end-of-facility outcomes. These groups meet six-monthly and the relevant KOMPAK co-chair reports progress to the Director for Poverty Alleviation and Social Welfare in Bappenas as chair of the TC. The groups include:

## Structure of Outcome Working Groups

Outcome Working Group	Relevant flagship areas
EOFO 1. Local government and service units better address the needs of basic service users	Public financial management Civil registration and vital statistics
EOFO 2: The poor and vulnerable benefit from improved village governance	<i>Kecamatan</i> and village strengthening Village information systems Social accountability
EOFO 3: The poor and vulnerable benefit from increased opportunities for economic development	Market linkages

21. **Provincial and District Technical Working Groups (TWGs):** KOMPAK provincial offices coordinate provincial and district TWGs. These are co-chaired with Bappeda and attended by relevant line agencies. They are held at least twice per year and representatives from Bappeda (provincial) also attend the national TC meeting.
22. **Independent Strategic Advisory Team (ISAT):** ISAT consists of two senior consultants with experience in strategic governance who complete six-monthly visits and provide recommendations on the strategic direction and performance of KOMPAK. ISAT reports to the Minister Counsellor for Governance and Human Development in DFAT.
23. **Bi-monthly DFAT meetings:** KOMPAK and DFAT hold bi-monthly meetings co-chaired by the Counsellor for Human Development in DFAT and Team Leader for KOMPAK. These regular meetings serve as a check-up to raise any issues and provide an update on progress. Every six-months, or as required, these meetings include a Partnership Review guided by the DFAT-KOMPAK Partnership Agreement. These are attended by the Minister Counsellor for Governance and Human Development in DFAT.

## PERFORMANCE MANAGEMENT

24. KOMPAK will assess progress against this AWP using two main mechanisms: 1) Progress against the agreed program, in terms of activities completed (through Performance Reviews); and 2) Progress towards improving the development objectives outlined in the Results Framework (through indicators in the Logical Framework).
25. **Performance reviews:** KOMPAK will conduct six-monthly performance reviews with provincial and national teams to assess progress against this Annual Work Plan (AWP). Progress will be assessed at the activity level, with teams rating status, risks, and quality as well as documenting any challenges they face. Evidence against the outputs in the AWP will be documented during the reviews.
26. **Results and logical frameworks:** The results framework and logical framework in this AWP will serve as the structure for assessing and reporting on performance for KOMPAK. Inputs to report on the objectives and indicators in these frameworks will be collected through six-monthly reporting by provincial and national teams and grant partners, village, sub-district and district surveys, case studies, research studies, government records and other datasets.
27. **Management information system:** KOMPAK will use the management information system (MIS) to record events and associated participant numbers, partners and event outcomes. The MIS will also be used to maintain a master-copy of the AWP. Any changes to the AWP will be documented in the MIS. Future modules will be added to the MIS as needed, such as to integrate performance reviews, six-monthly reporting or other datasets.
28. **DFAT reporting:** KOMPAK will submit a six-monthly and annual progress report to DFAT as per the Head Contract. KOMPAK will also provide submissions for DFAT's Performance Assessment Framework in Indonesia and other briefings and reports as requested.
29. **Gol reporting:** KOMPAK will submit six-monthly and annual BAST reports to Government of Indonesia partners against progress on activities in this work-plan. KOMPAK will also provide other briefings and reports as requested.

# Cooperation and Lessons Learned

## PAST COOPERATION

30. KOMPAK is at the six-year mark of an eight-year investment from the Government of Australia. The facility has made good progress in its achievement of program goals. Over the remaining two years KOMPAK will focus on institutionalising the most successful models and developing a strong evidence base to demonstrate improvements and document lessons learned.
31. KOMPAK has a strong partnership with Bappenas, which provides strategic direction and oversight on behalf of the Government of Indonesia. KOMPAK also assists and is accountable to the Ministry of Home Affairs, Ministry of Villages, and Ministry of Finance. Each activity in this workplan is assigned a lead ministry for which KOMPAK reports and is held accountable.
32. At the subnational level, KOMPAK has cultivated strong partnerships with seven provincial and 24 district governments. KOMPAK has withdrawn assistance to Waropen and Lanny Jaya districts due to a lack of government support and security considerations. In 2020, there are numerous co-funded or government-only funded initiatives based on KOMPAK designs. This includes the planned PROSPPEK program in Papua Barat to expand village information systems, the sub-district and village strengthening (PTPD and PbMAD) initiative funded by local governments and a joint Government of Indonesia-World Bank program, and village performance incentive pilots that leverage Dana Desa funding.
33. There exist opportunities to build on previous and ongoing collaborations with other DFAT-funded programs where there is a convergence of objectives, stakeholders and geographic focus. The guiding principles for KOMPAK will include: addressing a common set of objectives and problems; ability to consolidate plans, resources and networks; and complementary strengths that can be leveraged for greater impact. DFAT partners are likely to have greater influence over government policies if they have consistent messaging and recommendations. Key agencies for collaboration include:

Agency	Area of collaboration
World Bank and Local Solutions for Poverty	<i>Kecamatan</i> and village governance, including scale up of PTPD model through village development operations loan (P3PD)
MAHKOTA and UNICEF	BANGGA Papua Universal Child Grant Program in Papua
INOVASI and TASS	Advocacy on local government spending on education
PROSPERA	Subnational public financial management for basic services
MAMPU	Inclusive village planning and development, economic participation of women, and civil registration for women and vulnerable groups
PEDULI	CRVS services for vulnerable groups
PRISMA	Local economic development

## LESSONS LEARNED

34. **Sustainability and institutionalisation:** Sustaining key changes, results and models beyond the life of the KOMPAK will require a deliberate strategy with buy-in from teams and government partners. International best practices show that well-planned closing of program activities contribute to better program outcomes and encourage greater ownership and commitment to program sustainability<sup>12</sup>. While KOMPAK has developed a Sustainability Strategy, it will be important that this is integrated into work-planning and performance reviews. KOMPAK's focus will be on developing the capacity of government partners combined with institutionalising regulations, standard operating procedures and guidelines, and funding allocation.
35. **Responsiveness vs strategic focus:** Being responsive to government has enabled KOMPAK to develop strong relationships, but it has also led to a wider and less targeted strategic focus. KOMPAK became involved in too many activities and reducing its comparative advantage. KOMPAK should not supplement government capacity, but rather add to it in areas of most value.
36. **Subnational expertise:** KOMPAK's subnational work provides it with a unique capability to link policies and activities at all levels of government and adapt to different environments. This has, however, led to multiple variants of models being developed. Replication needs to remain a key consideration.
37. **Performance management:** Instituting a six-monthly performance review process where teams discuss progress against outputs has proven a useful mechanism in tracking progress and getting teams to reflect on their priorities. More focus, however, is needed on getting teams to think about where they are headed, the 'so what' of their interventions, and how they can handover the programs to government management.
38. **Evidence and advocacy:** KOMPAK needs a stronger evidence base to support advocacy activities. Government agencies are more likely to adopt KOMPAK approaches or recommendations when backed by research, evaluations and other evidence that demonstrates what works and what doesn't. The evaluations on *Otsus* Funds are a good example of how evidence has been used to shape government policy.
39. **Cross-program collaboration:** Cross-program collaboration works best when partners start with a joint design of the activity, such as the case with BANGGA Papua, delineate clear roles and responsibilities, and provide complementary resources to implement the activity. The most successful collaborations are also government-led, such as Bappenas leading the development of the World Bank's P3PD program utilising models tested by KOMPAK. It is difficult to align plans when programs have different aims, stakeholders, geographic focus, and project cycles and an assessment needs to be made whether the collaboration will add value.

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<sup>12</sup> PCI, TOPS, USAID Resource Guide for Enhancing Potential for Sustainable Impact (2014); USAID FANTA III Sustaining Development: A Synthesis of Results from Four-Country Study of Sustainability and Exit Strategies among Development Food Assistance Projects (2015).



# Public Financial Management Tools and Analysis

**KOMPAK Success 2022:** Local governments have improved the quality of spending to improve access and quality of basic services

## FLAGSHIP COMPONENTS

- 1.1 Strengthen provincial and district government capacity to use PFM tools and analytics for planning and budgeting (SEPAKAT, Constraint Analysis, MSS)
- 1.2 Improve capacity of provincial and district governments to access and use central government (DAK physical and non-physical, and DID) funding to support service delivery and institutionalisation of KOMPAK models
- 1.3 Strengthen Papua, Papua Barat, and Aceh provincial and district government capacity to implement Otsus policy
- 1.4 Develop and support institutionalisation of performance-based incentive funding models for villages to strengthen service delivery

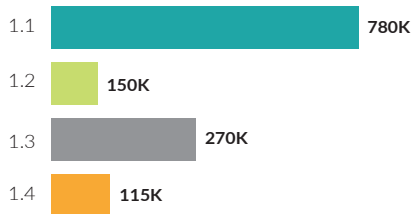


Total activity budget for PFM Tools and Analysis

**AUD 1.3M**

## How Much is Allocated to Each Component?

Budget by flagship component (AUD)



### Ministries:



### In Coordination with:

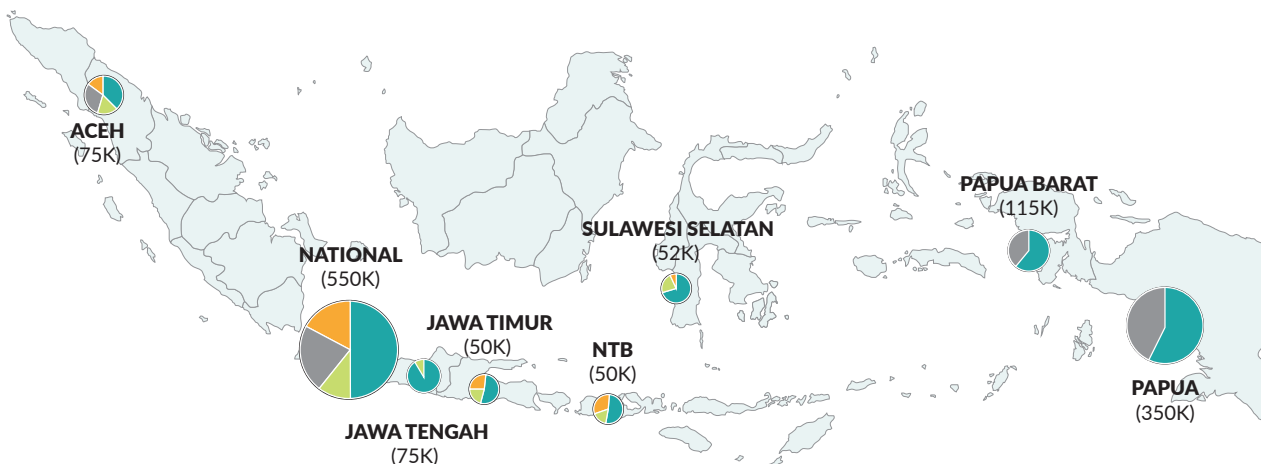


### Implementing Partners:



## Where is KOMPAK Working?

Budget by province and flagship component (AUD)



## SITUATION ANALYSIS

### Improving public financial management at subnational level

40. After two decades of fiscal decentralisation, the Government looks set to continue increasing funding for regional transfers and village funds (known as *Transfer ke Daerah dan Dana Desa* - TKDD). The proposed 2020 national budget – valued at IDR 2,540 trillion (AUD 270 billion) – has allocated a third (IDR 857 trillion/AUD 91 billion) to TKDD regional funds<sup>13</sup>. While there have been improvements in public financial management, the capacity of district and village governments to manage and spend their budgets effectively varies widely across Indonesia.
41. KOMPAK is supporting the government to improve the allocation, distribution and use of these regional funds. This includes the costing and monitoring of minimum service standards (MSS), the piloting of a poverty analysis and planning tool (SEPAKAT), and conducting analyses of district and village budgets to identify any issues in spending patterns (Budget Constraints Analysis).
42. KOMPAK has also been providing technical assistance to district governments to improve the quality of proposals for Special Allocation Funds for infrastructure (DAK fisik) and the allocation policy, performance indicators and reporting mechanisms for Regional Incentive Funds (DID). In addition, in 2020 the Ministry of Finance is rolling out a village performance incentive fund nationwide with support from lessons learned on KOMPAK's pilots.

### Key issues, challenges and recommendations:

- Financial data and government budget codes and reports at the subnational level are inconsistent as they are based on different regulations, making it challenging to consolidate analysis and compare regions.
- More guidance and support are needed to improve local governments' analytical and budget management capacities, and in assisting governments to apply the analytics to their planning and budgeting processes.
- KOMPAK has had success in getting 15 districts to integrate the MSS into medium-term and annual development plans (RPJMD and RKPD) and budgets. But there remains no standardised national monitoring framework for the MSS to compare district performance.
- The development of proposals for obtaining funds for *DAK fisik* has been largely adhoc, with district governments developing 'shopping lists' of projects. This results in many unprioritised proposals. Strengthening district government capacity to identify priority projects – particularly those linked to MSS achievement – will help to improve utilisation of these funds.
- The government issues DID to incentivise local government performance. However, the number of indicators for DID keeps increasing and many local governments are not aware or do not understand the indicators. Therefore, most of them do not know which aspects of performance they should improve to obtain the incentive.

<sup>13</sup> Government of Indonesia (2020). Law No. 20/2019 on 2020 State Budget.

- Reviewing the performance of 75,000 villages for the potential scale-up of the Village Incentive Funds will be a huge task. KOMPAK assesses district governments as best placed to review performance of villages and develop performance indicators that are appropriate to the local context and priorities.

## Improving effective use of the Special Autonomy Funds (Otsus)

43. *Otsus* funds contribute to about 40 to 50 percent of provincial budgets in Aceh, Papua and Papua Barat<sup>14</sup> and are provided by the central government to help close the gap in health, education and other development outcomes. In 2018, KOMPAK conducted reviews of *Otsus* Fund utilisation in Aceh and the Papua region and since then has been working to implement the recommendations in partnership with the relevant provincial governments, MoHA, Ministry of Finance and Bappenas. KOMPAK and MAHKOTA are also providing technical assistance to the BANGGA Papua Universal Child Grant Program – which provides cash grants to over 16,000 families – in the areas of payment systems, registration, communications and governance.

### Key issues, challenges and recommendations:

- The review of *Otsus* in Papua and Papua Barat highlighted the need to increase funding for basic services using DAK and other funding sources in order to reduce the high dependency on special autonomy funds.
- The Provincial Government of Papua Barat will be launching the PROSPPEK Program in 2020. This will expand village information systems to all villages in the province. While funding is not yet confirmed, KOMPAK has been supporting the design of the program and will assist implementation and monitoring.
- BANGGA Papua is proving an effective and efficient model for delivering cash-based assistance to families. However, there is a risk that funding in 2020 will be diverted to other priorities of the provincial government. For the ongoing success of the model – and to enable a longer-term evaluation of its impact – it will be important for KOMPAK, MAHKOTA and other partners to jointly advocate for its continuation.

## KEY ACTIVITIES AND PERFORMANCE METRICS

### Performance assessment

44. KOMPAK's performance will be assessed based on district governments effectively using PFM tools and analytics for planning and budgeting, increases to basic service funding allocations, and policies and recommendations adopted by district governments and the national government to strengthen subnational PFM, including utilisation of *Otsus* Funds.

<sup>14</sup> Ministry of Finance (2020). Local Budget Database. Accessed at: <http://www.djpk.kemenkeu.go.id/?p=5412>

## Areas of focus

45. Provincial and district governments will be supported to use PFM tools to identify gaps or inefficiencies in funding allocations.
  - a. **District adoption of the minimum service standards:** District governments will be supported to integrate the MSS as the basis for planning and budgeting. By the end of 2019, KOMPAK had supported 15 of 24 districts to integrate the MSS into their medium and annual work plans and budgets. KOMPAK aims to have all districts achieve this milestone in 2020.
  - b. **National monitoring framework and costing analysis:** At the national level, the Ministry of Home Affairs and Bappenas will be supported to finalise the MSS monitoring framework and begin district reporting nationally. This is complemented with a costing analysis to implement the MSS for all districts in Indonesia. Performance will be assessed on districts reporting against the MSS monitoring framework.
  - c. **District poverty and budget analysis:** Technical assistance will be provided to district governments on using SEPAKAT, a poverty analytical tool, and to implement findings from the Budget Constraints Analysis. KOMPAK had success implementing these tools in 2019, but the focus needs to be on supporting districts to use the results to better match resource allocation to priority needs, rather than expanding to more districts. Performance will be assessed based on the usefulness of these tools and examples of how they have led to improvements in resource allocation.
46. District governments will be supported to improve governance and targeting of central government funding to support service delivery and to institutionalise effective KOMPAK models.
  - a. **DAK fisik and KRISNA:** For DAK *fisik*, technical assistance will be provided in the preparation of infrastructure proposals for health and education sectors, with a focus on projects addressing MSS priority areas. In 2019, KOMPAK provided trainings to 51 district governments. The focus in 2020 will be on supporting governments in KOMPAK districts to develop more targeted proposals for MSS projects using KRISNA and assessing whether this impacts funding allocations for basic services.
  - b. **DAK non-fisik and DID:** For DAK *non-fisik* and Regional Incentive Funds (DID), support will be provided to strengthen district government capacity to evaluate, plan and implement budgets as well as to improve the alignment of DID and district development indicators. Progress will be assessed based on allocations to basic services and consistency of funding.

47. The autonomous governments of Papua, Papua Barat and Aceh will be assisted to implement the recommendations from the two Otsus Funds reviews and to effectively pilot the BANGGA Papua Child Grant Program.
- a. **Otsus evaluations:** The evaluations of Otsus Funds utilisation in Aceh and Papua and Papua Barat were completed in 2018 and 2019. The focus in 2020 will be on supporting the provincial and district governments to implement the recommendations. This includes supporting the Government of Papua Barat with the design and implementation of the PROSPPEK Program, including conducting a baseline study. At the national level, KOMPAK will also provide support to Bappenas, MoHA and MoF to review Otsus law and strengthen inter-ministerial coordination with the Papua and Papua Barat provincial governments.
  - b. **BANGGA Papua:** KOMPAK will continue working with MAHKOTA to support the Provincial Government of Papua to evaluate the process of effectively, efficiently and inclusively delivering the BANGGA Papua Child Grant Program, particularly on payments, registration, communications and governance.
  - c. Progress will be demonstrated based on the recommendations or policies that are adopted or improved with KOMPAK assistance.
48. The performance-based incentive funding model for villages will continue to be implemented in 2020.
- a. **DINDA:** The *Dana Insentif Desa* (DINDA)<sup>15</sup> model rewards villages with additional funding allocations for improved performance on basic health, education and other indicators. The focus in 2020 will be in determining whether there are significant improvements in village performance and, if so, documenting the approach, lessons learned and mechanisms for replication. KOMPAK will also support reviewing and improving the Village Fund formula. At the national level, KOMPAK will promote the DINDA approach to measure village performance ratings. Villages that perform well according to the rating will be awarded with village performance funds in 2021.

## Partnerships

49. Bappenas and the Ministry of Finance are the lead government ministries for KOMPAK on PFM. There will also be close collaboration with the Ministry of Home Affairs.
50. BaKTI, a national NGO, will support implementation in Papua and Papua Barat.
51. KOMPAK will coordinate with the World Bank, PROSPERA and MAHKOTA to align policy recommendations to the Government, areas of technical assistance, and to share lessons learned and research findings.

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<sup>15</sup> DINDA refers to the acronym of Dana Insentif Desa or Village incentive Fund model developed in Bima District, NTB. Other initiatives use different names for different districts in the country.

## Key performance indicators

Flagship component	Indicators
Strengthen provincial and district government capacity to use PFM tools and analytics for planning and budgeting	<p><b>For district performance:</b></p> <ul style="list-style-type: none"> <li>% of KOMPAK districts integrate MSS into medium-term development plan, annual work plan, and allocate funds to MSS achievement</li> <li># of KOMPAK districts that use PFM tools for district planning and budgeting</li> <li>Ave district score on usefulness of PFM tools to support planning and budgeting</li> <li>Examples of how districts are using PFM tools for planning and budgeting</li> </ul> <p><b>For national performance:</b></p> <ul style="list-style-type: none"> <li>% of KOMPAK districts reporting annually against MSS health and education monitoring framework</li> </ul>
Improve capacity of provincial and district governments to access and use central government funding to support service delivery and institutionalisation of KOMPAK models	<p><b>DAK fisik</b></p> <ul style="list-style-type: none"> <li>% of DAK fisik proposals submitted through KRISNA approved</li> <li>% value of DAK fisik allocated to basic health and education services</li> </ul> <p><b>DID</b></p> <ul style="list-style-type: none"> <li>% and value of KOMPAK districts outside Papua region receive Regional Incentive Funds (DID)</li> </ul> <p><b>DAK non-fisik</b></p> <ul style="list-style-type: none"> <li>% of KOMPAK districts that completed MSS costing analysis and used results to allocate DAK non-fisik</li> </ul>
Strengthen Papua, Papua Barat and Aceh provincial and district government capacity to implement Otsus policy	<p><b>BANGGA Papua</b></p> <ul style="list-style-type: none"> <li>List of policy support and recommendations provided (and actioned, if any) on delivery system for the child grant program in Papua in the following areas: payments, registration, communications and governance</li> </ul> <p><b>Papua and Papua Barat</b></p> <ul style="list-style-type: none"> <li>List of policy support and recommendations provided (and actioned, if any) from Otsus evaluations implemented by provincial governments</li> </ul> <p><b>Aceh</b></p> <ul style="list-style-type: none"> <li>Aceh Otsus Funds Action Plan integrated into government systems (SIPD)</li> </ul>
Develop and support institutionalisation of performance-based incentive funding models for villages to strengthen service delivery	<p><b>Documentation and performance monitoring</b></p> <ul style="list-style-type: none"> <li>List of policy support and recommendations provided (and actioned, if any) on performance-based incentives in <i>Dana Desa</i> formula</li> </ul> <p><b>Replication</b></p> <ul style="list-style-type: none"> <li># of districts that implement performance-based incentive model (e.g. DINDA) for villages</li> </ul>

# Inclusive Civil Registration and Vital Statistics

**KOMPAK Success 2022:** Local governments and service units have improved the accessibility and quality of CRVS services

## FLAGSHIP COMPONENTS

- 2.1** Increase coverage, capacity, local financing, and inter-connectivity of village and kecamatan-based CRVS approaches

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- 2.2** Strengthen cross-sectoral collaboration, particularly with service units (e.g. clinics, hospitals, schools) to accelerate CRVS coverage

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- 2.3** Develop and incorporate policy recommendations to strengthen CRVS services for vulnerable groups (incl. for minority groups, people with disability and people affected by emergencies)

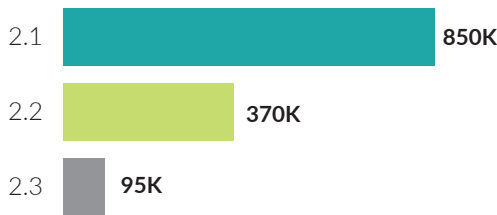


Total activity budget for inclusive and accountable civil registration and vital statistics

## AUD 1.3M

## How Much is Allocated to Each Component?

Budget by flagship component (AUD)



### Ministries:



### In Coordination with:



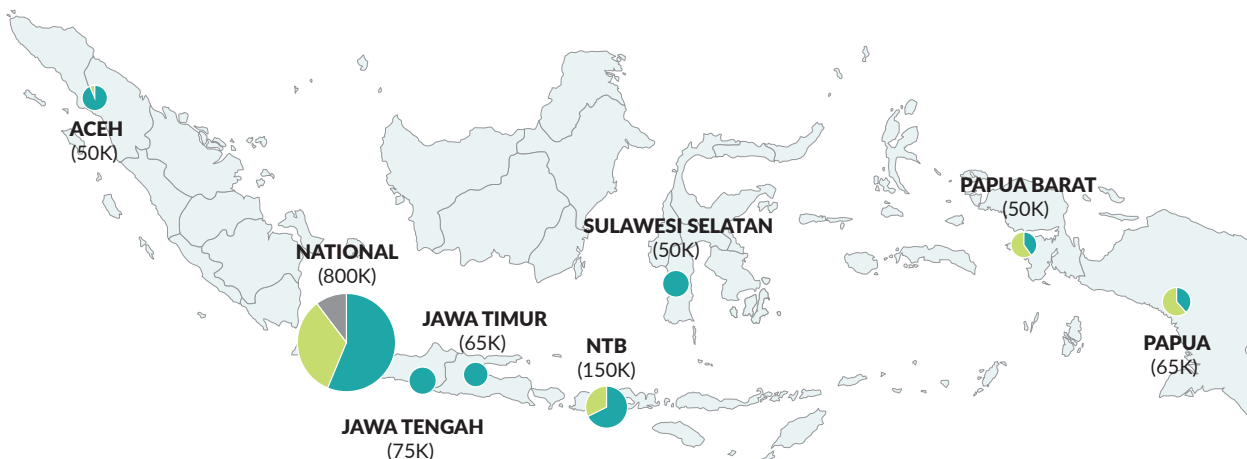
Kemitraan Australia - Indonesia untuk Kesetaraan Gender dan Pemberdayaan Perempuan

### Implementing Partners:



## Where is KOMPAK Working?

Budget by province and flagship component (AUD)



## SITUATION ANALYSIS

### Increasing civil registration coverage

52. Indonesia has made substantial progress in increasing coverage of birth certificates for children from 53 percent in 2007 to 84 percent in 2018<sup>16</sup>. As coverage has increased, progress has slowed to just 3.6 percent nationally since 2015. This means more innovative ways of increasing coverage are needed.
53. While MoHA oversees civil registration services nationally, KOMPAK has been primarily working with Bappenas and subnational governments on CRVS activities. The focus has been to support local governments adopt a village-based outreach model. KOMPAK is also providing technical assistance to Bappenas to develop national guidelines on the implementation of the National Strategy for CRVS, including village outreach and civil registration for vulnerable groups and post-disaster/emergency situations.

### Key issues, challenges and recommendations:

- Legal identity coverage remains hampered due to bureaucratic challenges in issuing birth certificates and other documents. KOMPAK has been most successful in increasing coverage when it combines community-based civil registration support services – where Village CRVS Facilitators can identify people without legal identity documents and support them through the process – with a speedy turnaround from application to issuance.
- While Bappenas has been KOMPAK’s primary Gol counterpart on CRVS, it will be important to get buy-in from MoHA for the successful implementation of national guidelines. KOMPAK has limited engagement with MoHA on CRVS issues due to challenges in getting support for piloting new approaches, but new leadership planned for 2020 may lead to improved engagement.

## KEY ACTIVITIES AND PERFORMANCE METRICS

### Performance assessment

54. KOMPAK’s performance will be assessed based on birth certificate coverage at the district level, the coverage, effectiveness and institutionalisation of the Village CRVS Facilitator model, and policies and recommendations adopted by district governments and the national government to strengthen CRVS.

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<sup>16</sup> BPS (2019). National Socio-Economic Survey (SUSENAS).



## Areas of focus

55. *Kecamatan* and village governments will be supported to implement the Village CRVS Facilitator model and document lessons learned from the approach to support replicability.
- a. **Village CRVS Facilitator model:** Villages will be supported to engage and fund Village CRVS Facilitators. Where this is not feasible, villages will be encouraged to assign a dedicated village official for CRVS services. In 2019, about one in three KOMPAK villages had a Village CRVS Facilitator. The focus in 2020 will be on institutionalising and replicating this approach through village, district and national regulations and funding allocations.
  - b. **National guidelines and training package for village CRVS services:** At the national level, Bappenas will be supported to finalise and implement the national guideline, manual and training of trainers (ToT) package on the implementation of CRVS services under Village Law. KOMPAK and PUSKAPA developed the materials in 2019 and piloted the ToT in South Sulawesi and Aceh. In addition, KOMPAK and PUSKAPA will develop village implementation guidelines (*Pedoman Teknis Layanan Admindak Berbasis Kewenangan Desa*) and tools to monitor Village CRVS Facilitator performance.
  - c. **CRVS evaluation and research:** Evidence of the effectiveness of the approach will be gathered through the CRVS research project led by PUSKAPA. This should help to identify the most successful elements of the approach which KOMPAK and partners can advocate for the government to adopt.
56. District and *kecamatan* governments will be supported to facilitate cross-sectoral collaboration, particularly with service units (eg. clinics, hospitals, schools), to accelerate CRVS coverage.
- a. **Coordination on civil registration between service units and local governments:** Service units provide a gateway to populations without legal identity documents, such as health centres for newborn babies and schools for children. KOMPAK will support district and *kecamatan* governments to establish routine referral and targeted outreach services to service units, particularly for populations with historically low coverage such as people with disabilities or the poor. KOMPAK has not previously monitored cross-sectoral collaboration on civil registration and only about one in five KOMPAK villages reported providing outreach services to people with disabilities in 2019. Success will be assessed based on *kecamatan* governments providing outreach services to service units and people with disabilities being provided civil registration services.
57. Bappenas will be supported to finalise and implement a national policy to strengthen CRVS services for vulnerable groups, including ethnic minorities, people with disabilities and people affected by emergencies. This will draw on lessons learned from KOMPAK's subnational work and response to the 2018 earthquake in Lombok.
- a. **National Strategy for the Acceleration of Population Administration:** Technical assistance will be provided to Bappenas, the Ministry of Home Affairs and the Presidential Staff Office to assist ministries/agencies implement the National Strategy for the Acceleration of Population Administration. Performance will be assessed based on dissemination of the regulation and other policies/recommendations adopted by the government to strengthen CRVS services for vulnerable populations.

## Partnerships

58. Bappenas is the primary government ministry for KOMPAK on CRVS. KOMPAK also coordinates closely with the Ministry of Home Affairs.
59. PUSKAPA, a policy research institution under the University of Indonesia, is KOMPAK's grant partner with extensive expertise on CRVS issues in Indonesia. PUSKAPA leads civil registration implementation and is also supported by LPA NTB, a local NGO in NTB. KOMPAK provides oversight and monitoring and evaluation expertise to PUSKAPA. BaKTI will support implementation in Papua and Papua Barat.
60. KOMPAK will coordinate closely with Peduli and MAMPU to align policy recommendations to the government, areas of technical assistance, and to share lessons learned and research findings. In DFAT's Performance Assessment Framework for 2022, these agencies have committed to milestone 7.2: "100 districts have increased coverage of birth certificates through DFAT supported technical assistance and outreach services."

## Key performance indicators

Flagship component	Indicators
<b>Increase coverage, capacity, local financing, and inter-connectivity of village and <i>kecamatan</i>-based CRVS approaches</b>	<ul style="list-style-type: none"> <li>% birth certificate coverage by age group</li> <li>% of villages within KOMPAK sub-districts have a dedicated Village CRVS Facilitator or village official who provides CRVS services</li> <li>Ave # of people in KOMPAK villages supported to obtain birth certificates</li> </ul>
<b>Strengthen cross-sectoral collaboration, particularly with service units (eg. clinics, hospitals, schools) to accelerate CRVS coverage</b>	<ul style="list-style-type: none"> <li>% of villages that provided at least one legal identity document to a person with a disability in past 6 months</li> <li>% of sub-districts (with <i>Dukcapil</i> support) provided outreach services to service units (health and education facilities) to increase birth certificate coverage in the past 6 months</li> </ul>
<b>Develop and incorporate policy recommendations to strengthen CRVS services for vulnerable groups (incl for minority groups, people with disability and people affected by emergencies)</b>	<ul style="list-style-type: none"> <li>List of policy inputs and recommendations provided on national guidelines to improve village CRVS services (and government actions, if any)</li> <li>National guideline on civil registration services for vulnerable groups published and disseminated by the Government of Indonesia</li> </ul>

## Kecamatan and Village Strengthening

### KOMPAK Success 2022:

- Village governments have the skills and mechanisms (including data) to improve basic services at the village and inter-village levels
- Local governments provide effective support to villages and service units (health clinic and schools) to improve basic services

### FLAGSHIP COMPONENTS

3.1	Increase coverage and support institutionalisation of kecamatan and village governance model (PTPD and PbMAD)
3.2	Strengthen kecamatan coordinating and mentoring roles in supporting service delivery to villages
3.3	Strengthen village capacity in inclusive planning and budgeting for service delivery
3.4	Support joint-planning and collaboration between villages and service units (eg. clinics, schools) in delivering services (LANDASAN)

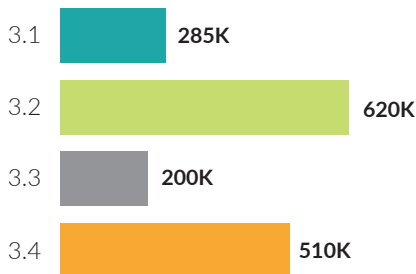


Total activity budget for kecamatan and village strengthening

## AUD 1.6M

### How Much is Allocated to Each Component?

Budget by flagship component (AUD)



#### Ministries:



#### In Coordination with:

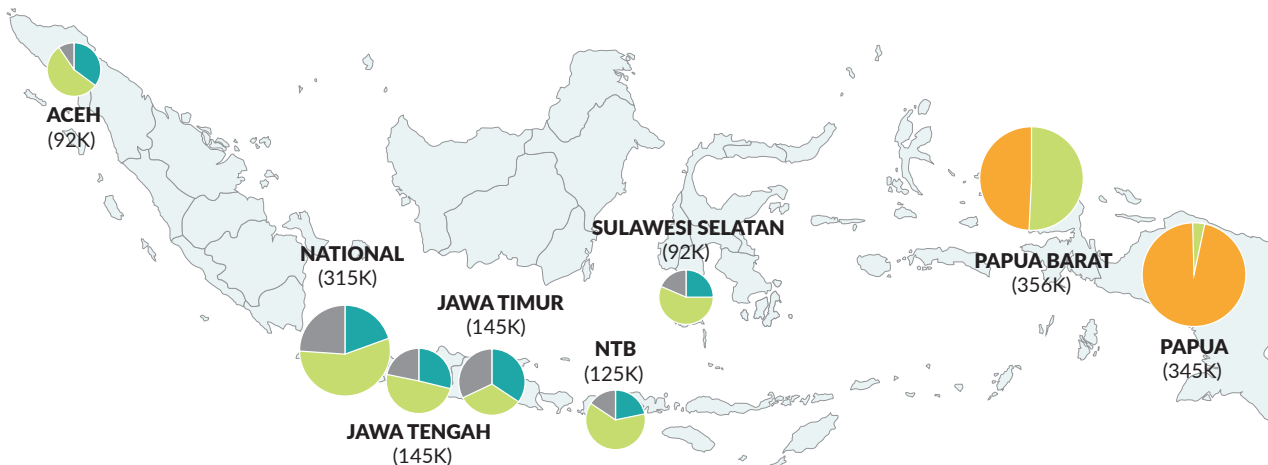


#### Implementing Partners:



### Where is KOMPAK Working?

Budget by province and flagship component (AUD)



## SITUATION ANALYSIS

### Improving village governance and role of kecamatan as frontline support and supervision system for villages

61. Between 2015 and 2020 annual fiscal transfers to Indonesia's 75,000 villages increased from IDR 21 trillion (AUD 2.2 billion) to IDR 72 trillion (AUD 7.6 billion)<sup>17</sup>. With this fourfold increase in funding to villages, there is a need to develop the capacity of village governments to effectively and efficiently utilise this funding.
62. MoHA developed the National Strategy on Strengthening the Capacity of Village Governments, known as *Penguatan Kapasitas Aparatur Desa* (PKAD). This strategy includes the village government capacity building facilitator (*Pembina Teknis Pemerintahan Desa*, PTPD) and village independent-learning models (*Pembelajaran Mandiri Aparatur Desa*, PbMAD).
63. These models are now being adopted by the World Bank and Government of Indonesia as part of a USD 300 million project – known as P3PD – to develop the capacity of village apparatus in 350 of 416 districts that received *Dana Desa*.

### COMMON ACRONYMS AND TERMS ON SUB-DISTRICT STRENGTHENING

<b>PKAD</b> <i>Penguatan Kapasitas Pemerintah Desa</i>	The Ministry of Home Affairs National Strategy on Strengthening the Capacity of Village Governments
<b>PbMAD</b> <i>Pembelajaran Mandiri Aparatur Desa</i>	The independent learning modules developed to support village governments. Village governments identify their training needs based on a self-assessment tool developed by the Ministry of Home Affairs. Village governments then use village funds to pay for the relevant trainings or support.
<b>PTPD facilitators</b> <i>Pembina Teknis Pemerintahan Desa</i>	Sub-district officers known as 'technical village government facilitators' – or PTPD facilitators – who provide trainings and technical assistance to village governments.
<b>Klinik Desa</b>	At the sub-district office, a village governance clinic assisted by about 3-10 PTPD facilitators supports village officials through training, coaching, and consulting support. Village officials can either visit the clinic to access resources, or alternatively can pay for PTPD facilitators to visit their village and provide hands-on trainings and support using village funds.

### Key issues, challenges and recommendations:

- The role of multiple ministries and subnational entities supporting *kecamatan* and villages creates conflicting guidance in planning and budgeting village funds and implementing projects. This is also compounded by conflicts in legal and regulatory frameworks, creating a lack of clarity on the roles and responsibilities for implementation of Village Law.
- With the focus on decentralisation, *kecamatan* have an increased role in overseeing coordination, supervision and monitoring of villages and service units. However, *kecamatan* routinely do not have the capacity, clear guidance, or adequate funding allocations to carry out these functions.

<sup>17</sup> Ministry of Finance (2020). Accessed at: <https://www.kemenkeu.go.id/media/13730/informasi-apbn-2020.pdf>

- It will be important for all development partners and DFAT to agree on the best approach, and to provide evidence-based and consistent messaging to the relevant ministries and political leaders to advocate for the development and issuance of a single umbrella regulation for implementation of Village Law.
- With the implementation of P3PD, it will be important to monitor the effectiveness of the PTPD and PbMAD approaches and ensure they are rolled out in a consistent manner. KOMPAK and the World Bank plan to use this program to institutionalise the PTPD facilitator and PbMAD models, and to help standardise and strengthen village and kecamatan information systems and financial management reporting.

## KEY ACTIVITIES AND PERFORMANCE METRICS

### Performance assessment

64. KOMPAK's performance will be assessed based on the coverage, effectiveness and institutionalisation of the PTPD model, and the inclusiveness, transparency and responsiveness of the village planning and budgeting process.

### Areas of focus

65. District and *kecamatan* governments will be supported to institutionalise and improve the effectiveness of the village government capacity building (PTPD, PbMAD and *Klinik Desa*) model and to replicate the approach in non-KOMPAK areas.
  - a. **Capacity building for PTPD units and implementation of independent learning (PbMAD) modules:** KOMPAK will remain focused on the establishment, strengthening, expansion and replication of PTPD, PbMAD and *Klinik Desa* in KOMPAK locations. A focus will also be on strengthening effectiveness of the models. While almost all of KOMPAK villages received technical support from PTPD in the past six months, better data is needed in 2020 on the effectiveness of this support and the uptake and usefulness of the PbMAD modules.
  - b. **District guidelines and funding:** All KOMPAK-targeted *kecamatan* had functioning PTPD facilitator outreach programs in 2019, but this is not sustainable unless district governments enact regulations and allocate funds for PTPD and PbMAD. In 2019, only about half (13 of 24 districts) had funding allocated or regulation allocating funds for PTPD/PbMAD. In 2020, KOMPAK will support these remaining district governments to institutionalise these regulations and funding arrangements. While this will support KOMPAK's targeted *kecamatan*, it will also establish the foundation for replicating to additional *kecamatan*.
  - c. **District monitoring of PTPD and PbMAD effectiveness:** To complement these efforts, KOMPAK will support district governments to develop a performance evaluation of kecamatan delivering PTPD and PbMAD models. This will assist in enabling district governments to identify areas for further capacity support.

- d. **National regulations and guidelines:** The Ministry of Home Affairs (MoHA) will be supported to implement the National Strategy on Strengthening the Capacity of Village Governments. Technical assistance will be provided to finalise and implement the national regulations on the village PTPD and PbMAD models. KOMPAK, in partnership with the World Bank, will also provide technical assistance to partner ministries to support the development of a single more simplified Village Law and associated regulations.
  - e. **Gol-World Bank Village Government Capacity Building Program:** In 2020, the Government of Indonesia and World Bank will be scaling up the USD 300m village governance program – known as P3PD – to develop the capacity of village governments in up to 350 districts. KOMPAK will provide technical assistance on the PTPD and PbMAD components of the program, drawing on lessons learned from piloting the approach.
  - f. **KOMPAK performance monitoring:** KOMPAK will monitor progress by triangulating feedback from villages, *kecamatan* and districts on PTPD, PbMAD and *Klinik Desa* indicators. This will include coverage of regulations, funding and staffing for the models, ratings on usefulness and frequency of support provided, and examples of the policy support provided and adopted by government agencies.
66. *Kecamatan* governments will also be strengthened more broadly to better fulfil their expanded role in coordinating, monitoring and capacity building to village governments.
- a. **Delegation of authority and funding:** Most KOMPAK districts (21 of 24) have passed regulations delegating authority from the *Bupati* to the *Camat*. KOMPAK will support the remaining district governments to enact or improve these regulations. In 2020, the focus will be on supporting district and *kecamatan* governments to coordinate their responsibilities and to ensure *kecamatan* governments receive additional funding to carry out their expanded role.
  - b. **Camat training:** With the strengthening of the *kecamatan*, it will be important for the *Camat* to have the skills and knowledge to effectively manage the budget and activities. A package of trainings for *Camat* was developed and piloted in 2019, and KOMPAK will work with district governments and MoHA to expand these trainings and to develop a training package for MoHA and provincial governments to adopt and oversee.
  - c. **Kecamatan coordination meetings:** Guidelines for *kecamatan* governments will be developed jointly with MoHA to assist *kecamatan* governments conduct coordination meetings and to develop integrated services – such as conducting civil or business registration – with village governments and service units (health clinics and schools). *Kecamatan* governments will also be assisted to implement these guidelines.
  - d. **District monitoring of kecamatan performance:** To assess performance of *kecamatan* governments, KOMPAK has been working with district governments in East Java, NTB and Aceh to pilot performance evaluations. The lessons from these pilots will inform the joint development of national regulations on *kecamatan* performance evaluations between MoHA and KOMPAK.

- e. **Specific district programs to strengthen *kecamatan***: In addition to the standard approaches identified above, some locations have location-specific initiatives that will be supported by KOMPAK. In Papua, the district government of Jayapura is implementing the *Distrik Membangun Membangun Distrik* (DMMD) program. In Papua Barat, the provincial government is rolling out the PROSPPEK program. And in NTB, the provincial government is implementing a help desk for *kecamatan*, similar to the *Klinik Desa* model. For each of these initiatives, KOMPAK will provide tailored technical assistance based on the lessons learned from across its portfolio.
67. Village governments will be supported – primarily using the PTPD and PbMAD model – to undertake more inclusive and data-driven planning and budgeting processes.
- a. **Inclusive *Musrenbang***: Village governments will be provided technical assistance to establish the ‘Inclusive *Musrenbang*’ model. The model involves village governments holding a special village forum for women, people with disabilities and vulnerable groups (such as ethnic minorities or migrant workers) to collate priorities and issues that can be advocated jointly at the annual village and *kecamatan Musrenbang* forum. KOMPAK has piloted this approach in East Java and will expand it to all districts in 2020, documenting lessons learned and adaptations for different locations. Better evidence is needed on the effectiveness of this model in translating community inputs into government plans and budgets.
  - b. **Provincial and district guidelines on inclusive village planning and budgeting**: To complement the ‘Inclusive *Musrenbang*’ initiative, district and provincial governments in East Java and NTB will be supported to develop guidelines for village governments on how to execute inclusive and data-driven planning and budgeting processes. This may later serve as a model for other provincial governments.
  - c. **Village government capacity building**: Village councils (BPD) and apparatus will receive trainings and technical assistance on planning and budgeting from PTPD facilitators and through PbMAD modules. KOMPAK will support the district and *kecamatan* governments to deliver this capacity building assistance and to assess whether it has led to improvements in allocating resources for basic services, inclusiveness of the planning process, and capacity to develop and manage village plans and budgets.
68. In Papua and Papua Barat, KOMPAK will support joint-planning and collaboration between districts, *kecamatan*, villages and service units (eg. clinics, schools) in delivering services. This will include the development of joint planning guidelines for districts, villages and service units to address maternal and child health, malnutrition, malaria and HIV/AIDS.

## Partnerships

69. The Ministry of Home Affairs and Bappenas are the primary government ministries for KOMPAK on KVS. MoHA oversees the *Camat* trainings and PTPD and PbMAD models, and Bappenas is involved more on the planning and monitoring sides.
70. The World Bank has a strong Village Law and governance portfolio, including the P3PD and DFAT-funded Local Solutions for Poverty (LSP) programs, that will require close coordination with KOMPAK to more closely align policy recommendations, areas of technical assistance, and to share lessons learned and research findings.

71. BaKTI will support implementation in Papua and Papua Barat.
72. In DFAT's Performance Assessment Framework for 2022, KOMPAK is the only DFAT facility reporting against milestone 7.4: "Village governance facilitators in 30 sub-districts are providing technical assistance to village governments to strengthen planning, budgeting and governance."

## Key performance indicators

Flagship component	Indicators
<b>Increase coverage and support institutionalisation of <i>kecamatan</i> and village governance model (PTPD and PbMAD)</b>	% of sub-districts with functioning <i>Klinik Desa</i> (or equivalent)
	% of all sub-districts in KOMPAK districts that have appointed at least two PTPD facilitators
	# of districts outside KOMPAK districts that are replicating PTPD model with KOMPAK support
	Ave # of PTPD facilitators per <i>kecamatan</i>
	List of policies supported and recommendations provided to strengthen institutionalisation of PTPD model (and government actions from these, if any)
<b>Strengthen <i>kecamatan</i> coordinating and mentoring roles in supporting service delivery to villages</b>	Average village score on effectiveness of PTPD/ <i>kecamatan</i> providing technical assistance to village government
	% of villages receive or have accessed technical assistance from PTPD facilitators in past 6 months
	% of sub-districts facilitating at least one coordination meeting with village governments and service units in past 6 months
<b>Strengthen village capacity in inclusive planning and budgeting for service delivery</b>	% of village budgets allocated to basic services
	% of village governments submitted APBDes on-time
	% of villages implementing inclusive <i>Musdes/Musrenbangdes</i> model (specific village development planning meeting for women and/or vulnerable groups) in the last planning cycle
	Examples of activities proposed in <i>Musrenbangdes</i> to address women and PWD's needs in basic service delivery that were incorporated into final plans and/or implemented
<b>Support joint-planning and collaboration between districts, <i>kecamatan</i>, villages and service units (eg. clinics, schools) in delivering services</b> – LANDASAN ONLY –	% of villages in Papua/Papua Barat implemented the joint-planning and collaboration mechanism between villages and service units



## Village Information Systems

**KOMPAK Success 2022:** Village governments have the skills and mechanisms (including data) to improve basic services at the village and inter-village levels

### FLAGSHIP COMPONENTS

- 4.1 Increase coverage and support institutionalisation of village information systems
- 4.2 Improve use of village information systems by villages for village planning, budgeting, reporting and other activities
- 4.3 Integrate village information systems with other subnational information systems
- 4.4 Develop and pilot kecamatan and district information systems

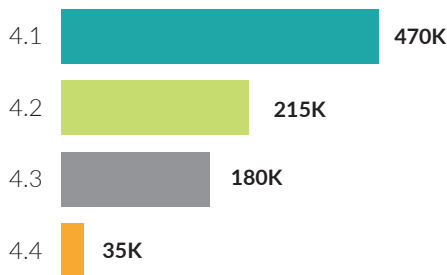


Total activity budget for village information systems

## AUD 900K

### How Much is Allocated to Each Component?

Budget by flagship component (AUD)



### Ministries:



### In Coordination with:



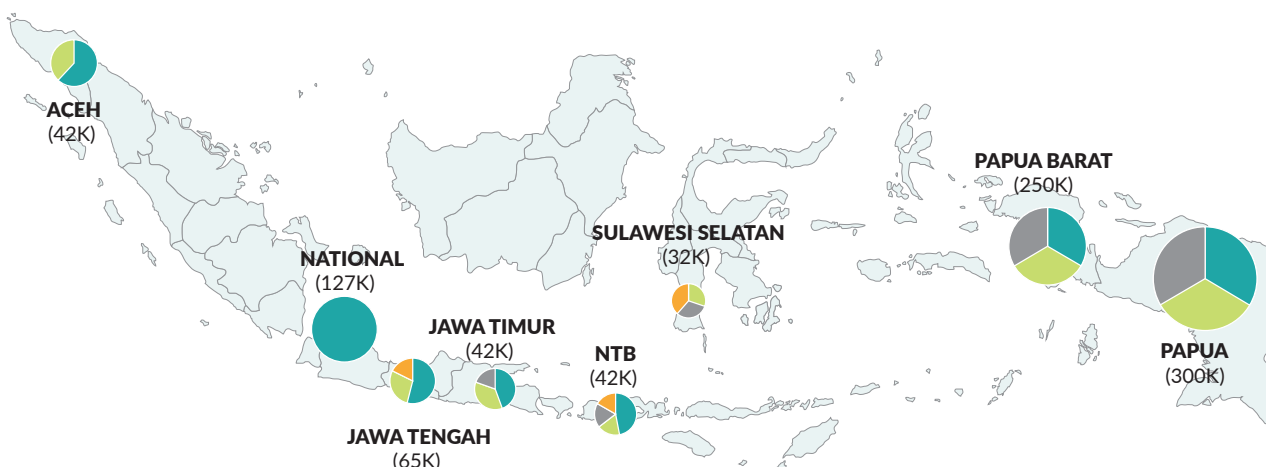
Kemitraan Australia - Indonesia untuk Kesetaraan Gender dan Pemberdayaan Perempuan

### Implementing Partners:



### Where is KOMPAK Working?

Budget by province and flagship component (AUD)



## SITUATION ANALYSIS

### Implementing village information systems

73. Under Village Law, all villages are directed to establish a village information system (SID). Village information systems consolidate individual records on citizens, allowing for accurate macro and micro statistics, such as population and high-poverty areas, and identifying individuals without legal identity documents or out-of-school children.
74. There is currently no agreement at the national level on a standardised system or data collection protocols (i.e. datasets that all villages must collect). This has led to at least eight different village information systems being adopted by villages, and in some cases even the same districts and *kecamatan* are using different models.

### Key issues, challenges and recommendations:

- There is no clear lead ministry for the implementation of SIDs. This has led to a lack of standardised models or guidelines at the national (or even provincial/district) levels for protocols on data collection and system design. This provides an opportunity for KOMPAK to support inter-agency coordination and utilise lessons from its pilots to inform national and subnational policies.

## KEY ACTIVITIES AND PERFORMANCE METRICS

### Performance assessment

75. KOMPAK's performance will be assessed based on the coverage, institutionalisation and integration of village information systems and the use of these systems for planning, budgeting and service delivery targeting by village, *kecamatan* and district governments.

### Areas of focus

76. Local governments will be supported to expand coverage and institutionalise village information systems.
  - a. **District regulations and funding:** District governments will be supported to develop regulations, guidelines and funding mechanisms to support the implementation, integration and replication of village information systems. A focus will be on the 'one data' approach, standardising all village information systems at the district-level to enable the aggregation of data and common support packages. Most of KOMPAK's support has focused more at the *kecamatan* and village levels for information systems, and in 2020 this will begin to shift to position the district as the lead agency overseeing this initiative. Success will be assessed based on replication and standardisation of the model.

- b. **Village information system implementation:** At the village level, the focus will be on ensuring all villages have an operational village information system. This will include setting up the system, training the operators, finalising user-manuals, and ensuring there is adequate village funding to maintain the system. There remain gaps in coverage that will need to be addressed in 2020 in order to provide *kecamatan* and district governments with aggregated data. In 2019, about one in four KOMPAK villages did not have a village information system and in some districts, more than one model was being used by villages.
77. Village governments will be supported to improve use of village information systems for planning, budgeting, reporting and other activities.
- a. **Technical assistance on using village information systems:** With KOMPAK's support, the PTPD facilitators will serve as the primary mechanism for delivering this technical assistance. A focus in 2020 will be in supporting village, *kecamatan* and district governments to better use data from the village information systems to inform planning and targeting of service delivery (particularly civil registration). Monitoring will focus on documenting uses and usefulness of the systems and the quality and completeness of the data.
78. Local governments will be supported to integrate village information systems with other subnational information systems.
- a. **Integration of information systems:** The village information systems will be significantly more powerful if there are linkages between villages and with other datasets. This will enable both the aggregation and validation of data to support more accurate district and *kecamatan* planning. KOMPAK will advocate for 'one data' approaches at the district level so that all village information systems are the same model. Assistance will also be provided to integrate the systems with other datasets, such as civil registration (SIAK) and social protection (BDT). Performance will be assessed based on standardisation of village information systems and integration with other datasets.
79. With the integration of village information systems, this will enable the development of *kecamatan* and district information systems. KOMPAK has been piloting systems in East Java, Aceh and elsewhere.
- a. **District and *kecamatan* information systems:** While some success has been achieved in aggregating data, KOMPAK will focus on developing more informative and actionable dashboards and reports. KOMPAK will not expand these to new locations, but will seek to improve the effectiveness of existing systems and document lessons for potential replicability at a later stage.

## Partnerships

80. Bappenas is the primary government counterpart for village information systems. The Ministry of Villages and Ministry of Home Affairs are also key stakeholders to be included in working groups. A challenge for KOMPAK is the lack of clearly defined authorities for village information systems requiring a flexible approach going forward.
81. BaKTI will support implementation in Papua and Papua Barat.

82. KOMPAK will coordinate closely with the World Bank (LSP), Peduli and MAMPU to align policy recommendations to the government, areas of technical assistance, and to share lessons learned and research findings. In DFAT's Performance Assessment Framework for 2022, these agencies have committed to milestone 7.1: "755 villages are using information systems to improve planning, budgeting and service delivery."

## Key performance indicators

Flagship component	Indicators
<b>Increase coverage and support institutionalisation of village information systems</b>	<ul style="list-style-type: none"> <li>% of villages with an operational village information system (SID or other model)</li> <li># of districts with regulation and budget allocation for village information system using KOMPAK model</li> <li>% of all sub-districts in KOMPAK districts implementing SID</li> <li>% of villages with funding allocated for SID and/or SID Operator</li> </ul>
<b>Improve use of village information systems by villages for planning, budgeting, reporting and other activities</b>	<ul style="list-style-type: none"> <li>% of village governments used data from SID during last planning cycle</li> <li>% of village governments used data from SID to identify and provide services to people without legal identity documents</li> <li>% of villages with SID that have data on: people with disabilities, out-of-school children, children enrolled in early childhood education, civil registration documents, people living in poverty</li> <li>Examples of how village governments are using SID</li> </ul>
<b>Integrate village information systems with other subnational information systems</b>	<ul style="list-style-type: none"> <li>% of sub-districts report that villages have access to at least two other sub-national systems</li> <li>% of sub-districts with only one model of SID being used by villages</li> </ul>
<b>Develop and pilot <i>kecamatan</i> and district dashboard systems</b>	<ul style="list-style-type: none"> <li>% of districts using SID datasets for civil registration data validation and targeting</li> <li>Examples of how local governments are using the dashboards and datasets</li> </ul>

# Social Accountability

## KOMPAK Success 2022:

Communities - especially women, the poor and vulnerable - take action to push government and service units to improve the accessibility and quality of services

### FLAGSHIP COMPONENTS

- 5.1** Strengthen village councils and community empowerment through feedback mechanisms, budget literacy and other social accountability mechanisms

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- 5.2** Strengthen national and sub-national policy, guidance and models for social accountability and inclusion in Village Law implementation

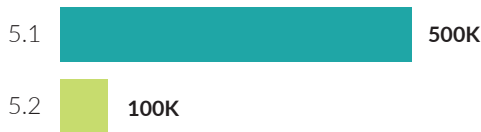


Total activity budget for social accountability

## AUD 600K

### How Much is Allocated to Each Component?

Budget by flagship component (AUD)



#### Ministries:



#### In Coordination with:

### MAMPU

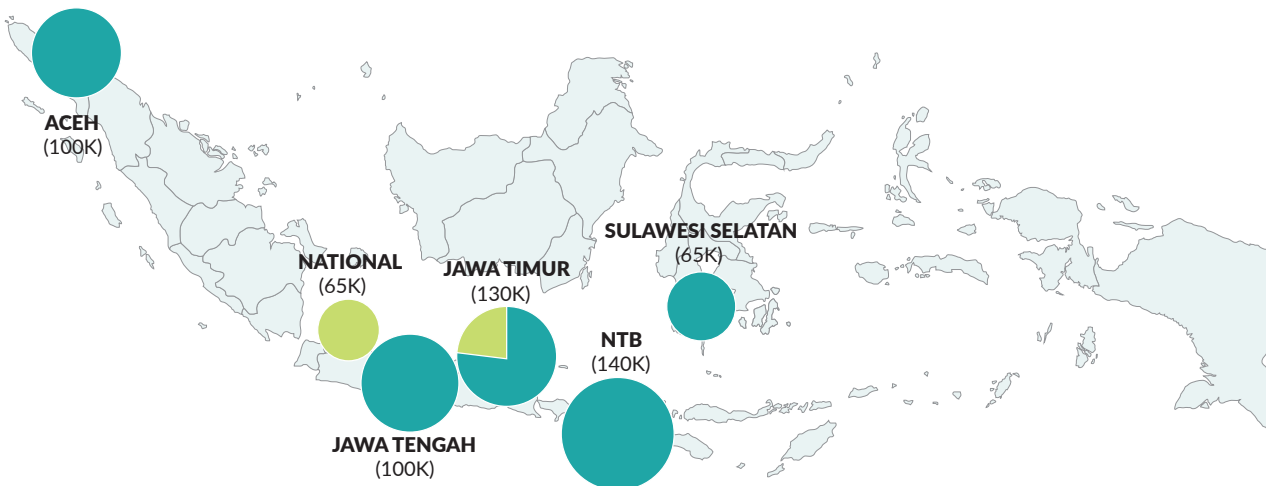
Kemitraan Australia - Indonesia untuk Kesetaraan Gender dan Pemberdayaan Perempuan

#### Implementing Partners:



### Where is KOMPAK Working?

Budget by province and flagship component (AUD)



## SITUATION ANALYSIS

### Strengthening participation and inclusion in village development

83. Overall participation rates in village planning forums is low at about 16 percent, with participation mostly by higher income men<sup>18</sup>. Women, people with disabilities and other vulnerable groups, such as migrant workers, are routinely excluded from the process. Moreover, only 6 per cent of communities are aware of how village funds are used<sup>19</sup>. Previous studies<sup>20</sup> have shown that when communities and minorities are included in the planning process, then funds are more likely to be spent on activities that meet community needs.
84. KOMPAK is piloting approaches to increase the participation and voice of women, people with disabilities and vulnerable groups in the planning process. This includes budget literacy training for village council and community members and establishing community feedback mechanisms. KOMPAK has also been supporting the *Paradigta Academy*, which trains and mentors women from villages in budgeting, village administration and community mobilisation to prepare them to be more active in village affairs.

### Key issues, challenges, and recommendations:

- While most village governments are conducting annual *Musrenbang*, they are usually process-oriented and not adequately incorporating community feedback. Village council and community members routinely do not have the skills, access to information or authority to analyse budgets and workplans and hold village governments accountable. Moreover, there is no reporting back from the village government to communities on the use of village funds or progress against commitments.
- As KOMPAK phases out its support for the *Paradigta Academy*, alternate funding sources and ways to institutionalise it will need to be identified and lessons learned documented.

## KEY ACTIVITIES AND PERFORMANCE METRICS

### Performance assessment

85. KOMPAK's performance will be assessed based on the effectiveness, inclusiveness and coverage of different models of social accountability. In particular, the aim will be to document what works most effectively and to use these lessons to inform national regulations and policies on social accountability.

### Areas of focus

86. Village governments will be supported to strengthen village councils and community empowerment through community feedback and downward accountability mechanisms and budget literacy and transparency initiatives.

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<sup>18</sup> World Bank (2018). Baseline Findings from the Sentinel Villages Study.

<sup>19</sup> Ibid

<sup>20</sup> World Bank and KOMPAK (2019). Village Law Policy Note: Putting Communities at the Center of Village Law Implementation.

- a. **Community feedback and downward accountability mechanisms:** Community feedback mechanisms – known as *Posko Aspirasi* and KLIK-PEKKA – will be established and supported in KOMPAK villages to inform village councils and apparatus of key issues and priorities. *Posko Aspirasi* involves village councils organising a community event at least annually to gather community aspirations and complaints, while KLIK-PEKKA is organised by women’s groups. Both approaches, however, have challenges that KOMPAK will need to address in 2020. KOMPAK will need to adapt the models to enable replication at scale, incorporate mechanisms for reporting back to communities on progress and commitments made, and develop a stronger evidence base on how – or if – community feedback mechanisms are informing village planning and holding governments accountable.
  - b. **Budget literacy trainings:** Budget literacy training will be provided to village council and community members. This will be complemented with advocacy efforts to improve village budget transparency through publication of village budgets and expenditure reports on-line, on billboards and/or in publicly available reports. The budget literacy classes – known as *Sekolah Anggaran Desa (Sekar Desa)* – will be delivered in selected KOMPAK locations on a pilot scale. The aim will be to develop a scalable model for potential inclusion in government training packages, rather than for KOMPAK to expand the model to all locations. Performance will be assessed based on the lessons learned from the model being incorporated into national or district approaches, and public accessibility of village budget documents.
87. The Ministry of Villages will be provided inputs on national and sub-national policy, guidance and models for social accountability based on lessons learned in piloting social accountability mechanisms. This will require a strong evidence base to identify what has proven effective and what has not. KOMPAK will also provide technical assistance to the Ministry of Villages – through research and policy papers – to map Village Law regulations and coordination mechanisms and identify ways to streamline.

## Partnerships

88. The Ministry of Villages is the primary government ministry. KOMPAK will also liaise with Bappenas.
89. Civil society organisations will be the main mechanism for delivery of social accountability interventions. Seknas Fitra will continue as a grant partner in supporting village councils administer the *Posko Aspirasi* approach and in delivering the budget literacy trainings and technical assistance. PEKKA will support KLIK-PEKKA. BaKTI will support implementation in Papua and Papua Barat.
90. KOMPAK will work closely with MAMPU and the World Bank to align activities, tools and policy recommendations on social accountability. In DFAT’s Performance Assessment Framework for 2020, KOMPAK and MAMPU will contribute to milestones 8.1 and 8.2: “A year on year rise in the number of districts where more women participated in village-level decision-making” and “A year on year increase in the number of policy decisions influenced by organisations and networks supported by Australia that improved women’s access to jobs and services.”

## Key performance indicators

Flagship component	Indicators
<p><b>Strengthen village councils and community empowerment through feedback mechanisms, budget literacy and other social accountability mechanisms</b></p>	<p>% of village councils (BPD) with at least one person trained on budget literacy (<i>Sekar Desa</i>)</p> <p>Examples of how budget literacy training has contributed to better planning and budgeting outcomes</p> <p>% of villages implemented complaint handling mechanisms</p> <p>Examples of complaint handling mechanisms being incorporated into village plans and budgets</p> <p>% of villages publicly publish the Village Budget Realisation (<i>APBDesa Realisasi</i>)</p> <p>% of villages which hold a village meeting on reporting or accountability (<i>Musdes Pertanggungjawaban</i>)</p> <p>List of policies and programs sponsored or advocated by women or vulnerable groups</p>
<p><b>Strengthen national and sub-national policy, guidance and models for social accountability and inclusion in Village Law implementation</b></p>	<p>List of policies supported and recommendations provided to strengthen social accountability (and government actions from these, if any)</p>



# Market Linkages

## KOMPAK Success 2022:

An increased number of micro and small enterprises, especially those involving the poor and vulnerable, have increased their productivity and market access

### FLAGSHIP COMPONENTS

- 6.1 Finalise implementation and documentation of market-linkage pilots
- 6.2 Develop national instruments and business models to support sustainability of market linkage models/approaches



Total activity budget for market linkages

## AUD 510K

### How Much is Allocated to Each Component?

Budget by flagship component (AUD)



### Ministries:



### In Coordination with:

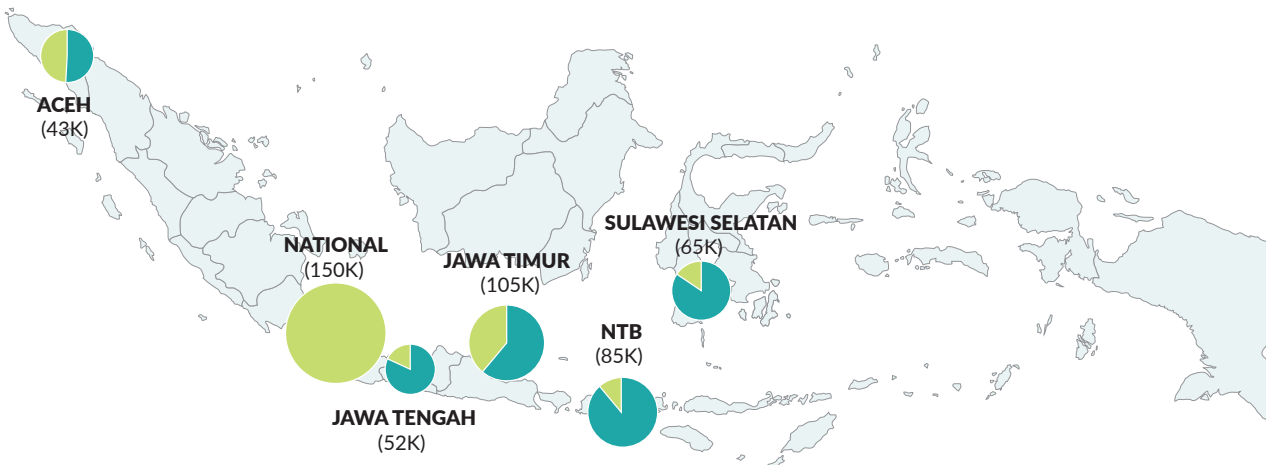
**AIP-PRISMA**  
Australia-Indonesia Partnership for Promoting Rural Income through Support for Markets in Agriculture

**MAMPU**  
Kemitraan Australia - Indonesia untuk Kesetaraan Gender dan Pemberdayaan Perempuan

**MAHKOTA**  
Towards a Strong and Prosperous Indonesian Society

### Where is KOMPAK Working?

Budget by province and flagship component (AUD)



## SITUATION ANALYSIS

### Piloting approaches to local economic development

91. Bappenas has identified local economic development as a key priority in its strategy to reduce poverty. In rural Indonesia, most of the poor and near-poor are self-employed in either agriculture or micro and small enterprises (MSEs). However, generally MSEs fail to grow and generate sufficient income. Therefore, improving the productivity of MSEs is critical to improving the livelihoods of the poor.
92. KOMPAK is piloting the market linkage approach in seven districts. Based on these pilots, KOMPAK is working with Bappenas to integrate the lessons learned to strengthen the local economic development components of the next national medium-term development plan (RPJMN 2020-2024).

### Key issues, challenges and recommendations:

- There remains limited evidence on whether the market linkage approach is effective or achieves good value for money. KOMPAK is undertaking a research study to better assess the impact of market linkage activities on income and job opportunities for the poor and near-poor.

## KEY ACTIVITIES AND PERFORMANCE METRICS

### Performance assessment

93. KOMPAK's performance will be assessed based on the effectiveness of the market linkage model to increase profits and revenues of micro and small enterprises (MSEs). KOMPAK will also examine replication of the model in KOMPAK districts and inputs to government policies on local economic development.

### Areas of focus

94. The market linkage model will continue to be piloted in seven KOMPAK districts. The focus will be on developing a replicable model, documenting lessons learned, and assessing its effectiveness in generating profits. KOMPAK will not seek to replicate the model in new locations or for new products.
  - a. **Market linkage pilots:** Village governments will be supported to set up and/or strengthen MSEs. MSEs will include village-owned enterprises (BUMDES and BUMDESma), cooperatives and women's business groups. Technical assistance will be provided to register the entity, establish standard operating procedures for members, identify commodities and value chain improvements (such as processing or packaging equipment), secure funding (including through social impact investment), and to link to MSEs with online market places and buyers (also known as off-takers).
  - b. **Evaluation of market linkages:** An evaluation will be undertaken throughout the pilot to assess the impact of the model on increasing MSE profits, creating jobs, meeting the needs of local governments, and providing employment or service opportunities for poor and vulnerable populations.

c. **Online platform for market linkages:** Online websites for MSEs to access larger markets have been developed by third-party providers. KOMPAK will provide technical support in the design and administration of websites, and to assist MSEs to market and sell their products online. KOMPAK will not develop individual online platforms or websites.

95. Bappenas will be supported to incorporate lessons learned from the pilots into national policies on local economic development.

a. **National guidelines and policy advice on market linkages model:** Technical guidelines at the district and national levels will be developed to document the model and facilitate replication.

## Partnerships

96. Bappenas is the primary government ministry.

97. Where appropriate, KOMPAK will partner with other DFAT-funded facilities, such as MAHKOTA, on market linkage initiatives. In 2019, KOMPAK partnered with PRISMA and MAMPU to identify and pilot market linkage initiatives.

98. As part of the pilot, partnerships will need to be developed with private sector agencies. In 2019, KOMPAK had success getting support from multiple national and international companies, including for purchasing goods and development of market linkages platform.

## Key performance indicators

Flagship component	Indicators
Finalise implementation and documentation of market linkage pilots	<p><b>Coverage and replication</b></p> <p># of MSEs supported and inspired by KOMPAK</p> <p><b>Profit</b></p> <p>Ave profit per MSE</p> <p>% change in profit from previous year</p> <p>% of MSEs have increased profit from previous year</p> <p><b>Revenue</b></p> <p>Ave revenue per MSE</p> <p>% change in revenue from previous year</p> <p>% of MSE have increased revenue from previous year</p>
Develop national instruments and business models to support sustainability of market linkage models/approaches	<p>List of improvements to guidelines, trainings and connectivity platforms provided to strengthen market linkages for micro and small enterprises (and government actions, if any)</p> <p>Examples of market linkage approach being used by national or local governments to improve local economic development</p>

## CROSS-CUTTING AND PHASE-OUT INITIATIVES

### Performance assessment

99. KOMPAK document lessons learned from the implementation and handover of these pilots and areas of assistance. Evaluations will be completed for *Universitas Membangun Desa* (UMD) and *Paradigta Academy* as part of handover arrangements.

### Areas of focus

100. **Digital innovations to improve service delivery:** KOMPAK will provide support to pilot and advocate for digital innovations where it has a comparative strength.
- a. **PWS+ application:** KOMPAK will continue piloting a mobile application (PWS+) and dashboard in Bener Meriah district, Aceh, and Pangkep district, South Sulawesi, to assist midwives and health centres to better manage health services for pregnant women. In 2020, it will be important to develop a strong evidence base on the pilot to assist decision-makers on whether to extend or cease the pilot, or to expand to other locations.
  - b. **“Frontier Digital Districts” Acceleration Program:** KOMPAK will provide technical assistance to at least one district to develop a roadmap on how it can harness innovation and digital technologies to improve government services and promote economic growth.
101. **Phase-out initiatives:** In order to focus resources on comparative strengths, KOMPAK will be phasing out of non-flagship activities.
- a. **Paradigta academy:** The *Paradigta Academy* and associated women’s groups will be handed over to alternate funding sources in early 2020. An evaluation will be undertaken to document lessons learned and provide recommendations for phasing out. Technical assistance will be provided to the Trenggalek District Government to design and implement the *Sepeda Keren* program, which was adapted from the *Paradigta* model.
  - b. **Universitas Membangun Desa (UMD):** KOMPAK will hand over the UMD program to the Ministry of Villages in June 2020. As part of the handover, KOMPAK will publish technical guidelines on managing UMD and will support the operationalisation of the on-line UMD platform, particularly to increase usage by stakeholders. An evaluation of UMD was conducted in late 2019 and is expected to be finalised in early 2020.
  - c. **Health and education-specific initiatives:** KOMPAK will phase out of direct support for health and education initiatives in 2020. Provincial and district teams have begun discussions with local governments and partners to manage the process and handover. For health, this includes ceasing assistance on health centre (*Puskesmas*) accreditation, island-based health service delivery (*Perahu Sehat Pulau Bahagia*), drone support, and technical assistance on nutrition action plans. For education, this includes boat classes (*Kelas Perahu*) and action plans for early childhood education and development initiatives.

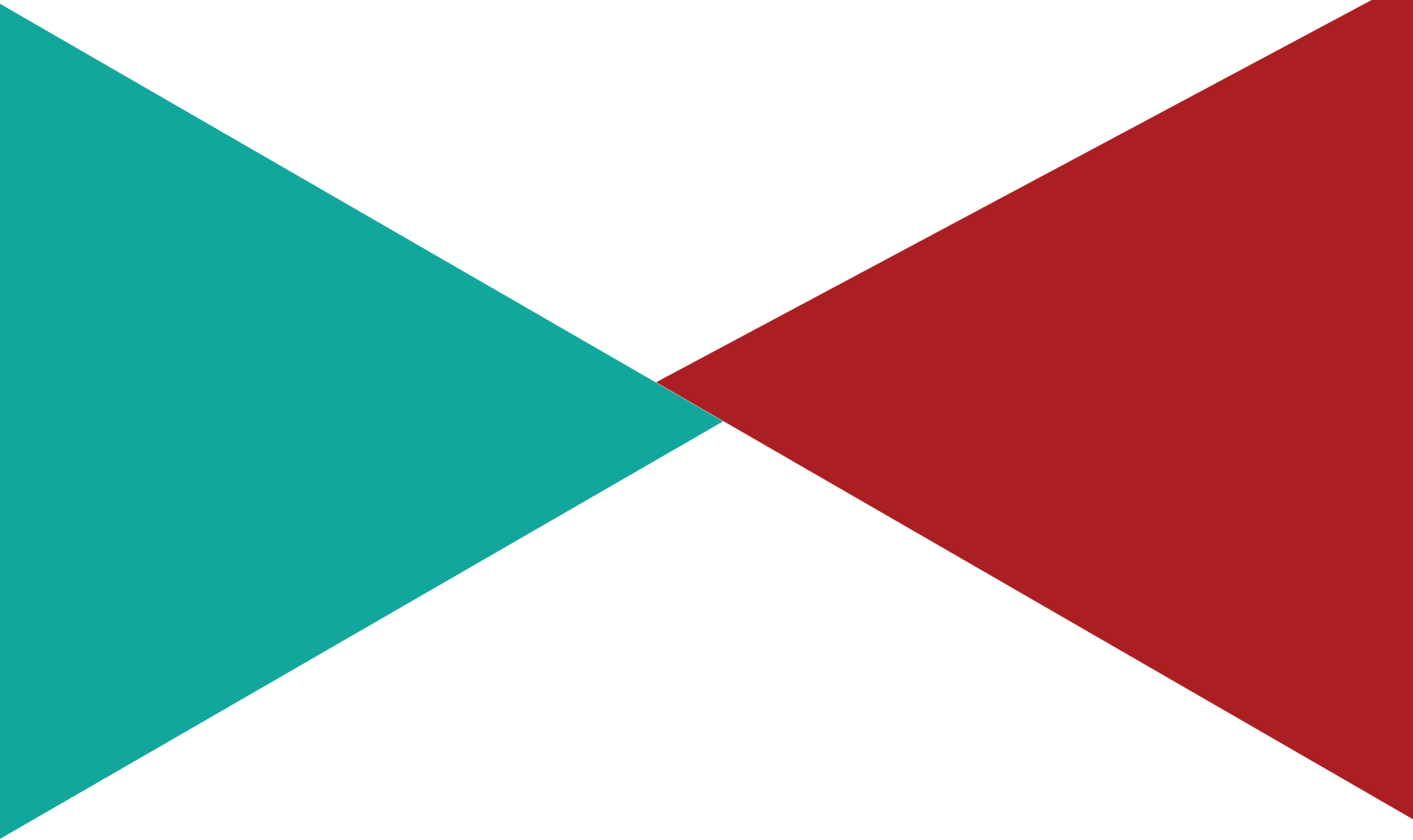
## Partnerships

102. For most of the phase-out activities, the main government partner will be at the provincial or district level. KOMPAK will also work closely with Bappenas on the status of activities and handover.
103. SEHATI, an Indonesian company, has developed the PWS+ application and is supporting the piloting in Bener Meriah District. PEKKA will oversee the phase-out of the *Paradigta* Academy.

# ANNEXES

- A. Annual Work Plan Budget 2020
- B. Results framework
- C. Logical framework
- D. Detailed list of activities and outputs
- E. List of locations





**KOMPAK**  
*Kolaborasi Masyarakat dan Pelayanan untuk Kesejahteraan  
Kemitraan Pemerintah Australia - Indonesia*