



Australian Government



# KOMPAK ANNUAL REPORT

January - December 2019

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

## **KOMPAK ANNUAL REPORT**

January - December 2019

### **KOMPAK**

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**KOMPAK**  
**ANNUAL REPORT**

*January - December 2019*

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PERFORMANCE:  
JANUARY-DECEMBER  
2019



# Executive Summary

## KEY ACHIEVEMENTS

KOMPAK is at the six-year mark of an eight-year investment. Started in January 2015, KOMPAK is funded to mid-2022 with 144 staff and annual expenditure of AUD 20.5 million (excluding management fee). KOMPAK has activities in seven provinces, 24 districts\* and its head office in Jakarta.

KOMPAK aims to help the poor and vulnerable benefit from improved delivery of basic services and economic opportunities. To achieve this, it supports initiatives to improve the government's capabilities – at the national, provincial, district, sub-district and village levels – to manage and deliver basic services and promote local economic development. Integral to this is strong planning and coordination, effective and inclusive local governments, and performance-oriented and efficient public financial management systems.

KOMPAK has four main central government partners: Bappenas (the National Development Planning Ministry); the Ministry of Home Affairs; the Ministry of Villages, Development of Disadvantaged Regions and Transmigration; and, the Ministry of Finance.

KOMPAK made strong progress in institutionalising successful models into sub-national governments and in leveraging this experience at the national level. An Independent Strategic Advisory Team in November 2019 noted that "KOMPAK continues to make solid progress in both its achievement of program goals and in its development of a strong performance culture". It also highlighted that while "there is some good progress on sustainability ... this remains the biggest challenge for DFAT and KOMPAK over the remaining two years of the facility."

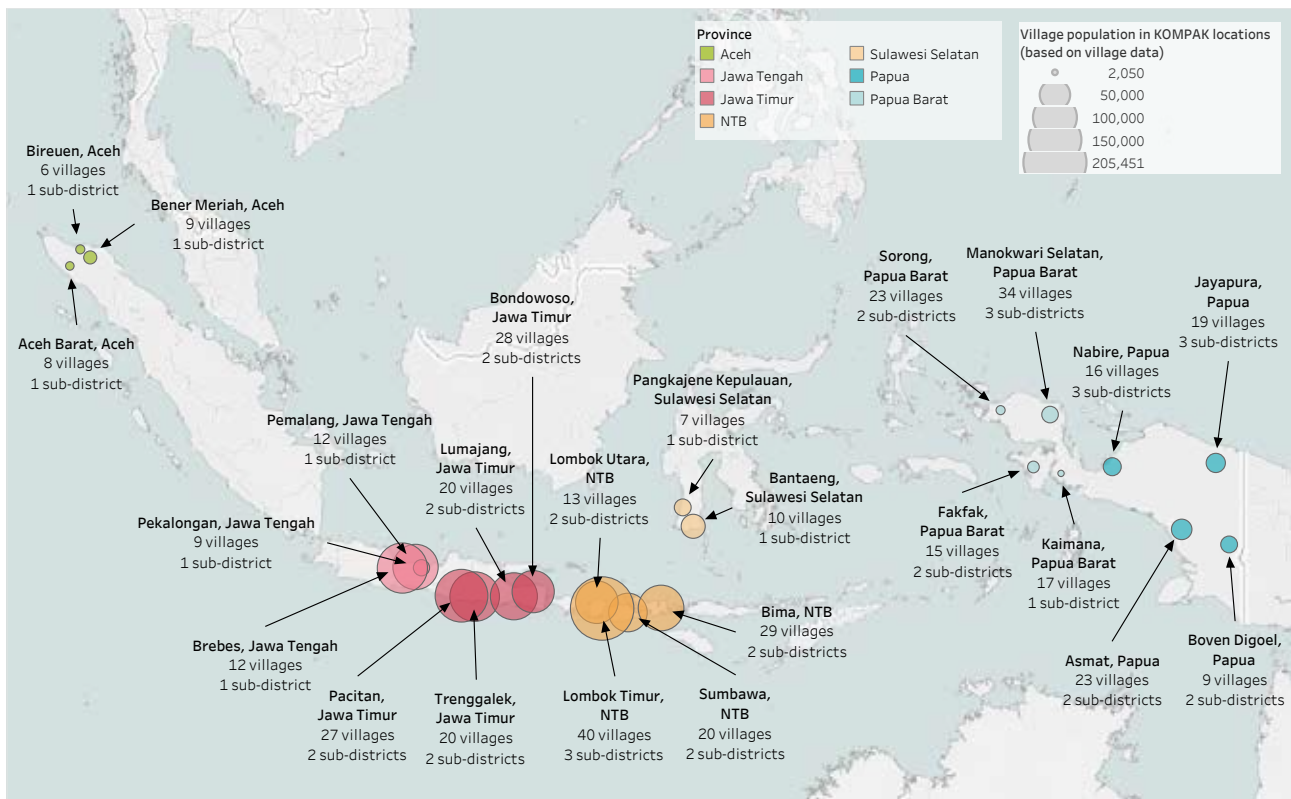
## KOMPAK FOCUS AREAS IN 2019

- 1 Public financial management**  
Use PFM tools and analysis to improve achievements in service delivery
- 2 Civil registration and vital statistics**  
Increase coverage of people with legal identity documents and completeness of population data
- 3 Sub-district and village strengthening**  
Use sub-district and villages as platforms to strengthen achievements in service delivery
- 4 Village information systems**  
Promote data to support planning and budgeting

- 5 Social accountability**  
Strengthen social accountability to improve service delivery
- 6 Market linkages**  
Promote market linkages to strengthen local economic development
- 7 Health, education and innovations**  
Develop and test local innovations to improve access to and quality of health, education and other basic services



## KOMPAK locations: 7 provinces, 24 districts, 43 sub-districts, 426 villages\*



Sustainability and institutionalisation have been a focus of KOMPACT's work. This is evidenced by the significant government resources that KOMPACT has been able to leverage. While it is difficult to quantify the exact GoI investment, there is substantial evidence of replication and institutionalisation of KOMPACT models and co-funding of trainings and activities. This includes:

- The adoption and scale-up of a model – developed by KOMPACT – where the sub-district provides technical support to villages, helping them to better plan, allocate and use their limited resources to be more responsive to community needs. This model – known as PTPD – is replicated in over 100 sub-districts and being expanded nationally by the GoI and World Bank.
- The development of village information systems and implementation in 339 villages across 24 districts. All staffing and resourcing are funded by village and district governments, with KOMPACT providing trainings and technical support. These systems have also expanded to villages in an additional 159 sub-districts outside KOMPACT's targeted 43 sub-districts, and the Government of Papua Barat has committed to a major expansion to connect 1,742 villages.
- The design and institutionalisation of a model that embeds Village Civil Registration and Vital Statistics (CRVS) Facilitators in villages, funded by village and district governments. This model has contributed to a 10-percentage point increase in birth certificate coverage in KOMPACT districts over the past four years, based on a study conducted by PUSKAPA.

\* In 2019, KOMPACT operated in 26 districts but due to political support and security considerations, two districts - Waropen and Lanny Jaya - will be phased out in 2020. These districts were excluded from KOMPACT surveys.

The lessons learned from many of the pilots have been incorporated into national strategies, guidelines and regulations. This includes:

- The launch of the GoI's National Strategy on CRVS 2019-2024 to accelerate legal identity coverage. This promotes the Village CRVS Facilitator model, use of village-level data for outreach services, and collaboration with service units (schools/clinics).
- Guidelines and trainings released by the Ministry of Villages for village governments on social accountability and promoting women's empowerment and leadership. These drew from KOMPAK and partners work piloting community-based budgeting, village governance, community feedback and women's empowerment trainings and models.
- The development of a national village performance-based rating system – based on pilots KOMPAK has been conducting in six districts – that will be implemented nationally in 2020 by the Ministry of Finance. This will be used to institute performance-based financing as an incentive for villages to improve basic service indicators.

#### **SUMMARY FINDINGS AND RECOMMENDATIONS FROM THE INDEPENDENT STRATEGIC ADVISORY TEAM (ISAT) MISSION (DECEMBER 2019)**

The third ISAT mission was undertaken in December 2019 following the first full annual performance cycle for KOMPAK in its second phase. The mission focused on five areas: sustainability, performance management, social accountability, alignment and collaboration with DFAT programs and alignment with GOI priorities. The report notes:

"KOMPAK continues to make solid progress in both its achievement of program goals and in its development of a strong performance culture. The overall direction of KOMPAK is positive, but there is some mixed evidence on how well KOMPAK is coping with this transition. The challenge for DFAT and the KOMPAK management team is to encourage and incentivise teams to make that transition - to answer the question of 'so what?'"

##### *Key recommendations:*

- KOMPAK needs to ensure that it remains focused on areas of work that will continue beyond the end of the facility.
- KOMPAK needs to strengthen the emphasis in its work on the learning outcomes from 8 years of investments.
- KOMPAK's performance management system would benefit from further efforts to identify updated baselines for major areas of work, and what are realistic goals for the end of the facility.
- KOMPAK needs to generate more evidence on whether there is any tangible change taking place in the behaviour of Village Governments.
- KOMPAK needs to ensure that its advice / allocation of resources is based on the strategic goals of both the government and the facility, and not short-term responsiveness to stakeholder interests.

## KOMPAK FOCUS AREAS IN 2019

### *Public financial management*

KOMPAK achieved good results integrating the minimum service standards (MSS) in annual and medium-term development plans and budgets for 20 districts. A national study conducted by KOMPAK was completed estimating that an additional IDR 130 trillion (AUD 14 billion) is needed to achieve the MSS for all districts and cities in Indonesia. This was complemented with the development of a national MSS monitoring framework to be implemented in early 2020.

An e-poverty analysis tool (SEPAKAT) is available in 13 districts and four provinces. A district budget and expenditure analyses has been completed in 14 districts. While these PFM tools give district governments better information for decision-making, there is further work needed to strengthen use of these tools and how to effectively apply them. In addition, KOMPAK supported the provincial governments in Aceh and Papua to establish e-planning and budgeting systems, the first to be linked to the Ministry of Home Affairs electronic (SIPD) system.

KOMPAK supported district governments to better access, plan and coordinate central government funding mechanisms. For access, KOMPAK provided 51 district governments with training on DAK *fisik* and KRISNA to better identify and target infrastructure proposals for basic services and has been assisting in the development and revision of indicators for the Regional Incentive Fund (DID). For planning and coordination, almost all districts (22 of 24) conducted regular coordination meetings in the preparation of DAK *fisik* proposals and two thirds actively monitored the performance of DID indicators and planned use of DID funds. KOMPAK also published four policy papers examining costings and utilisation of DAK non-*fisik* funds drawing from a study of expenditure in 10 districts.

In Papua and Papua Barat, KOMPAK completed a major evaluation on the utilisation of special autonomy (*Otsus*) funds and was a key designer in two major *Otsus*-funded programs. ISAT concluded that KOMPAK “finds itself assisting a major expansion of some flagship work using local government funding and resources. This is a major achievement for KOMPAK and for Australia.”

### *Civil registration and vital statistics (CRVS)*

KOMPAK districts are increasing birth certificate coverage faster than the national average, according to the annual SUSENAS Survey and a KOMPAK-PUSKAPA study. The study found ownership of legal identity documents (birth, marriage and family certificates/cards) increased by 9-18 percentage points between 2015 and 2019 and that the Village CRVS Facilitator model has been a major contributor to civil registration improvements. NTB achieved the biggest gains, innovating through outreach, data and coordination initiatives. Villages with a CRVS focal point supported 65 people per village to obtain a birth certificate compared with just 12 for those without (adjusted for population) over the past six months.

KOMPAK used these experiences to support the drafting of the National CRVS Strategy and national guidelines on village-based and emergency response CRVS services. In addition, KOMPAK completed a study on the definition of ‘vulnerable groups’ and developed indicators for a new Ease Of Being Indonesian index, measuring ease of access to legal identity documents and basic services.

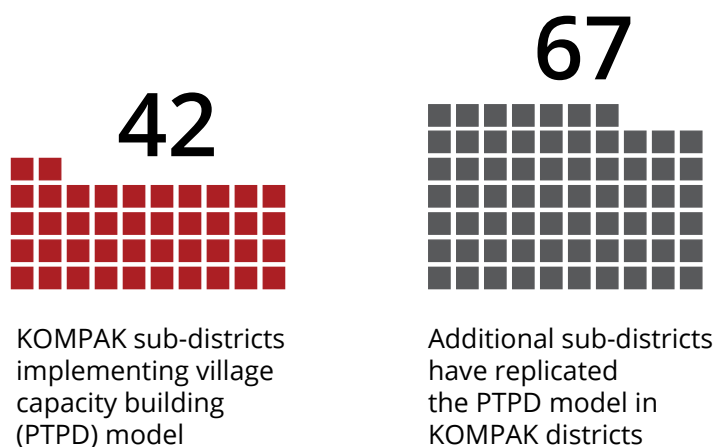
### Sub-district and village strengthening

In 2019, KOMPAK built on the success of the previous six years in scaling up and institutionalising the village capacity building (PTPD/PbMAD) model. This model uses sub-district officers - known as PTPD facilitators - to provide trainings and technical assistance to village governments. It is complemented with independent learning modules (PbMAD) where village governments identify and fund their training and technical assistance needs. The approach has now been adopted by 109 sub-districts (42 in KOMPAK locations and 67 in other sub-districts) and will be scaled nationally through the GoI-World Bank P3PD project.

KOMPAK supported the Ministry of Home Affairs to publish national guidelines and training materials for PTPD, and has institutionalised the approach, through regulations and funding allocations, in all KOMPAK sub-districts and most districts. Almost all villages (99%) outside the Papua region reported receiving technical support from PTPD facilitators in the past six months (78% when including the Papua region). The Village Survey also found that 97% of villages reported it useful in assisting planning, budgeting and reporting.

To improve inclusiveness during the village planning process, KOMPAK and the Ministry of Villages have been piloting the 'Inclusive *Musrenbang*' (*Musyawaharah Khusus*) approach, where vulnerable groups come together before the annual village forum to agree on priorities. KOMPAK is working with these district governments to strengthen the approach and develop guidelines on the model that can be used for national policies.

## There has been strong replication of the PTPD model



**+** **350 districts**  
through the US\$300m Government of Indonesia and World Bank project (P3PD) that adapts the KOMPAK model and materials

### **Village information systems**

There are village information systems set up in 81% of KOMPAK villages with trained operators and local government funding. KOMPAK has been focusing on improving use and integration of the systems. There has been an increase in regular use of systems during 2019, from about half to three quarters of villages, but still about one in ten villages do not find the systems useful.

Areas for improvement include improving availability of quality data and integration with other information systems, such as civil registration and social protection databases. About one in five villages have data on the main basic service metrics and less than half are connected to other datasets, such as social protection (BDT) and civil registration records (*Dukcapil*).

### **Social accountability**

The community budget literacy school (*Sekar Desa*) and community feedback mechanism (*Posko Aspirasi*) are two complementary approaches being piloted in 33 villages by KOMPAK to strengthen village councils and increase community participation in village planning. In 2019, over 3,000 village officials and community members were trained on village budgeting and community feedback mechanisms. This led to over 15,000 community aspirations and complaints submitted, many of which were incorporated into village budgets.

KOMPAK also continued to support the Paradigta Academy, a school on village governance and women's empowerment. There were 249 new graduates in 2019, bringing the total alumni to 2,330 women. About 1 in 6 (n = 398) Paradigta alumni are now engaged in leadership positions in the village, such as joining the Village Council or serving in the Village Government.

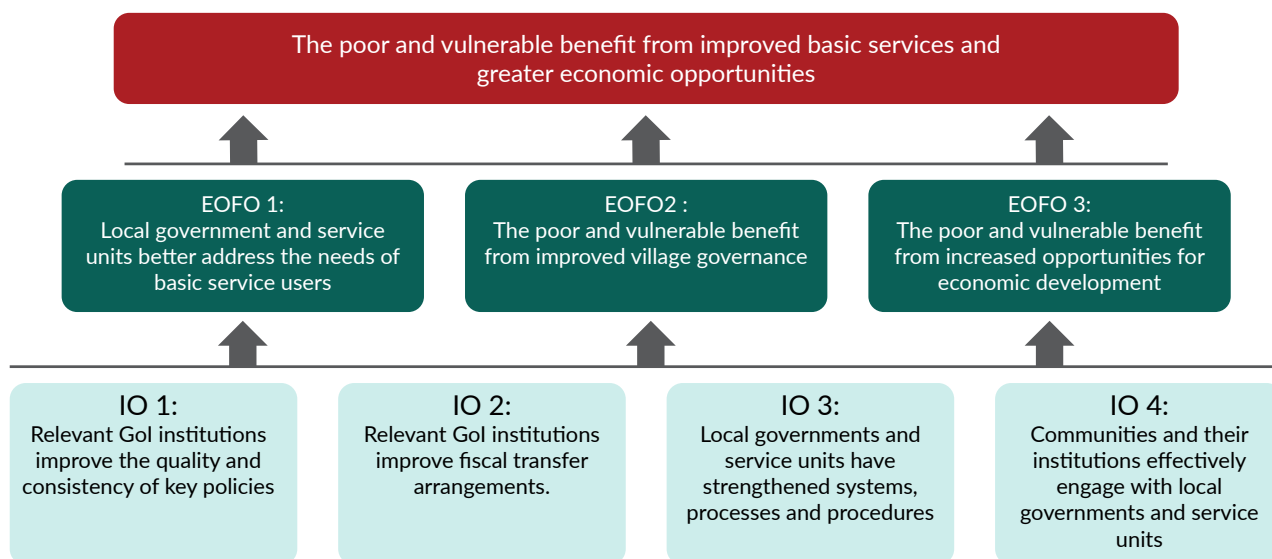
### **Market linkages**

Local economic development is a key priority for Bappenas, and KOMPAK has been piloting a market linkage model in seven districts. An estimated 10,000 farmers and small business entrepreneurs are now benefiting from 14 business groups, with profits channelled back into community projects. While KOMPAK has case study evidence of success, the model is not yet proven at scale. An evaluation is planned in 2020 to better evaluate income, employment and inclusion benefits.

### **Health, education and innovations**

In Aceh, KOMPAK is piloting a mobile application for midwives to monitor the health of pregnant women and neonates. There are now over 500 pregnant women registered in the system, and it has been expanded to South Sulawesi with government co-funding. KOMPAK also conducted a feasibility study – at the request of Bappenas and the Coordinating Ministry for Maritime Affairs – on the use of drones for the delivery of drugs and medical supplies in South Sulawesi. To support Gol's initiatives to strengthen early childhood education and development (ECED) and nutrition, KOMPAK supported Bappenas to develop the National Action Plan for ECED and monitoring framework which are scheduled to be launched in early 2020.

## KOMPAK END-OF-FACILITY OUTCOMES AND INTERMEDIATE OUTCOMES



### ***EOFO 1: Local governments and service units better address the needs of basic users***

For EOFO1, KOMPAC supported district and village governments to better address the needs of basic service users through public financial management (PFM), civil registration and vital statistics (CRVS) and village information system initiatives.

At the district level, KOMPAC supported 24 districts to use PFM tools and analytics for planning and budgeting. This included institutionalising the minimum service standards for health and education in 20 districts (IO1, IO2, IO3) and improving district government poverty analytics through SEPAKAT (IO3) – a poverty analysis software – and multi-year expenditure analyses (IO2). KOMPAC will need to continue improving the link between analytics and programming, with about half of KOMPAC districts using these tools during their 2020 planning and budgeting cycle. KOMPAC also supported district governments to adopt performance-based financing approaches, with the aim to make planning and budgeting more responsive to indicators on basic needs. This included piloting a village-based incentive fund in six districts and supporting districts to better monitor, plan and utilise Regional Incentive Funds (DID) for basic services.

On CRVS, KOMPAC was able to leverage its piloting of village-based services to inform the development of the National Strategy on CRVS (IO1, IO3, IO4). KOMPAC was able to demonstrate to GoI the effectiveness of its model by pointing to the 10 plus percentage point gains in some districts of birth certificate coverage over the past four years.

To improve village governments ability to address basic service users, KOMPAC scaled up its support for village information systems (IO1, IO3). These provide data that can be used to target basic service programs, such as identifying out-of-school children and people with disabilities. Over 80 percent of KOMPAC's 426 villages now have an information system, with 68 percent used for planning and budgeting. KOMPAC has also helped to design an Otsus-funded program in Papua Barat to scale up these systems to more than 1,700 villages.

### ***EOFO 2: The poor and vulnerable benefit from improved village governance***

KOMPAK has been improving village governance through strengthening the sub-district (IO1, IO3, IO4) and piloting social accountability approaches (IO1, IO4). In 2019, KOMPAK supported the Ministry of Home Affairs to publish national guidelines and training materials for the PTPD model (where the sub-district provides technical assistance to village governments), and has institutionalised the approach, through regulations and funding allocations, in all KOMPAK sub-districts. The model is now being scaled nationally by Gol and the World Bank.

KOMPAK also piloted budget literacy trainings for village council and community members and community feedback mechanisms. While 2019 was the first year of implementation, the lessons learned helped inform guidelines by the Ministry of Villages on social accountability and women's empowerment. Further evidence will be collected in 2020 to determine if these models should be advocated for replication on a wider scale.

### ***EOFO 3: The poor and vulnerable benefit from increased opportunities for economic development***

For EOFO3, KOMPAK has been piloting a market linkage model in seven districts (IO1, IO4). This is benefiting an estimated 10,000 farmers and small business entrepreneurs, and lessons were used by Bappenas in the drafting of the national medium-term development plan (RPJMN 2020-2024). Going forward, KOMPAK will need to better assess the impact on economic opportunities for the poor and vulnerable of this pilot.



# KOMPAK 2019 Highlights

## INPUTS

**\$20.5m**

annual expenditure of KOMPAK programs, of which 62% was invested in national and 38% in subnational activities

**144**

full-time staff, with 49% women. KOMPAK was also supported by 65 technical short-term advisers

## ACTIVITIES

**25**

major activities were being delivered through 215 outputs across 24 districts and four ministries

**86%**

of outputs from the 2019 Annual Work Plan were delivered as planned

## OUTPUTS

**17,500**

government staff, community members and others participated in 675 KOMPAK workshops and events

**9**

research studies were either completed or ongoing to assess effectiveness and document lessons learned

## PILOTING AND REPLICATION

**4**

KOMPAK models are being replicated nationally and provincially



Village performance incentive fund indicators



Village civil registration facilitators



Village capacity building model (PTPD)



Village information systems

**8**

more models are being piloted with central and subnational governments



e-Planning and Budgeting application



Inclusive village planning forums



District and sub-district information systems



Market linkage model



Community-based budget literacy trainings



Community feedback mechanisms



School on village governance for women and vulnerable groups



University and village cooperation model



**OUTCOMES/  
PROGRESS**



Public Financial Management

**20**

districts institutionalised the minimum service standards (MSS) in annual workplans and budgets

**3.8** out of 5

average score on usefulness of SEPAKAT Poverty Analysis Software from 13 districts using system

**3.4** out of 5

average score on usefulness of budget constraints analysis from 15 districts where it was conducted

**67%**

of district governments actively coordinated DAK *fisik* and DID planning and monitoring

**6**

districts are piloting the village performance-based financing model

**2**

major studies completed: Evaluation on use of Otsus Funds and MSS costing estimates



Civil Registration and Vital Statistics

**74%**

of KOMPAK's villages have a focal point for civil registration services

**5x**

more people issued birth certificates in villages with a CRVS focal point

**10%**

increase in birth certificate coverage from 2016 to 2019, based on CRVS study



Kecamatan and Village Strengthening

**78%**

of villages said they received technical assistance from PTPD facilitators in past 6m

**4.2** out of 5

average score on usefulness of PTPD model from villages in KOMPAK locations

**109**

sub-districts have adopted the village capacity building model (PTPD)



Village Information Systems

**81%**

of KOMPAK's villages have an operational village information system

**68%**

of villages regularly use information systems for planning and budgeting

**201**

of 388 sub-districts in KOMPAK districts are implementing village information systems



Social Accountability

**3,358**

community members from 33 villages were provided training in budget literacy

**249**

women graduated from the Paradigta Academy, bringing the alumni to 2,330



Market Linkages

**14**

business groups were supported to pilot 'market linkage' activities, benefiting about 10,000 workers

## Progress Against Work Plan

The majority of outputs and progress markers in the final 2019 Annual Work Plan (AWP) have been delivered within projected budgets and on schedule. KOMPAK implemented 215 outputs and 98 progress markers with total expenditure of AUD 20.5 million (including AUD 10.8 million for activities)<sup>1</sup>. Expenditure was within one percent of budget.

The completion rate for outputs was 86% and for progress markers was 89%. Progress was assessed during six-monthly performance reviews providing teams the opportunity to reflect and adapt the work plan to better achieve end-of-facility objectives. This led to a significant consolidation of outputs to simplify project management, reducing from 448 to 215 outputs. Progress markers were added in April to better capture development achievements.

The slight underspend in Aceh was due to activities related to the Special Autonomy Fund (*Otsus*) Action Plan being postponed to 2020. In the Papua region, access to village locations and an unstable political situation led to some outputs not being fully completed. For LED, a planned evaluation has been rescheduled to 2020 to enable more time for business groups to demonstrate results.

### NOTE ON OUTPUTS AND PROGRESS MARKERS

Progress markers and outputs are the main mechanism for tracking progress against the workplan. Outputs are deliverables KOMPAK plans to implement, while progress markers are higher level milestones focusing on the longer-term sustainable objectives.

### VALUE FOR MONEY: ASSESSING COSTS PER PARTICIPANT

KOMPAK's outputs included the training of more than 17,000 officials across KOMPAK's seven provinces. The average cost per person trained – based on budgets – was about AUD 130, with the most expensive sector being public financial management (AUD 480 per participant) and the cheapest being social accountability (AUD 12 per participant). This reflects the higher costs for delivering trainings for PFM requiring technical experts and routinely conducted in capital cities, compared to social accountability which is usually delivered in villages through training of trainer models.

#### NUMBER OF EVENTS AND PEOPLE TRAINED BY KOMPAK

| Theme/Sector        | Number of Events | Total Participants | % Females Trained | Cost per Participants (AUD) |
|---------------------|------------------|--------------------|-------------------|-----------------------------|
| PFM                 | 194              | 1,592              | 41%               | \$480                       |
| KVS                 | 95               | 897                | 32%               | \$417                       |
| LED                 | 38               | 1,039              | 30%               | \$209                       |
| CRVS                | 53               | 1,297              | 36%               | \$166                       |
| Edu, Health and Inn | 111              | 2,879              | 44%               | \$158                       |
| SID                 | 23               | 545                | 30%               | \$154                       |
| KOMPAK internal     | 11               | 713                | 47%               | \$84                        |
| GESI & SA           | 150              | 8,568              | 69%               | \$12                        |
| Grand Total         | 675              | 17,530             | 53%               | \$130                       |

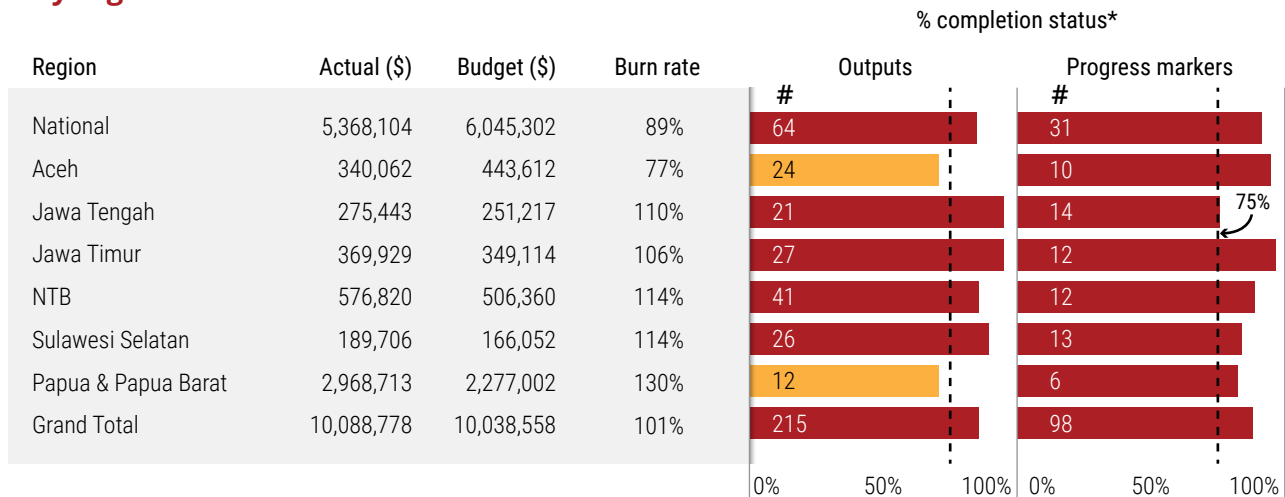
\* Based on budget (not expenditure) and actual participants for events entered into KOMPAK's Management Information System.

<sup>1</sup> Exchange rate of AUD 1 : IDR 9,500 has been used for this report. All \$ references are in AUD unless otherwise stated.

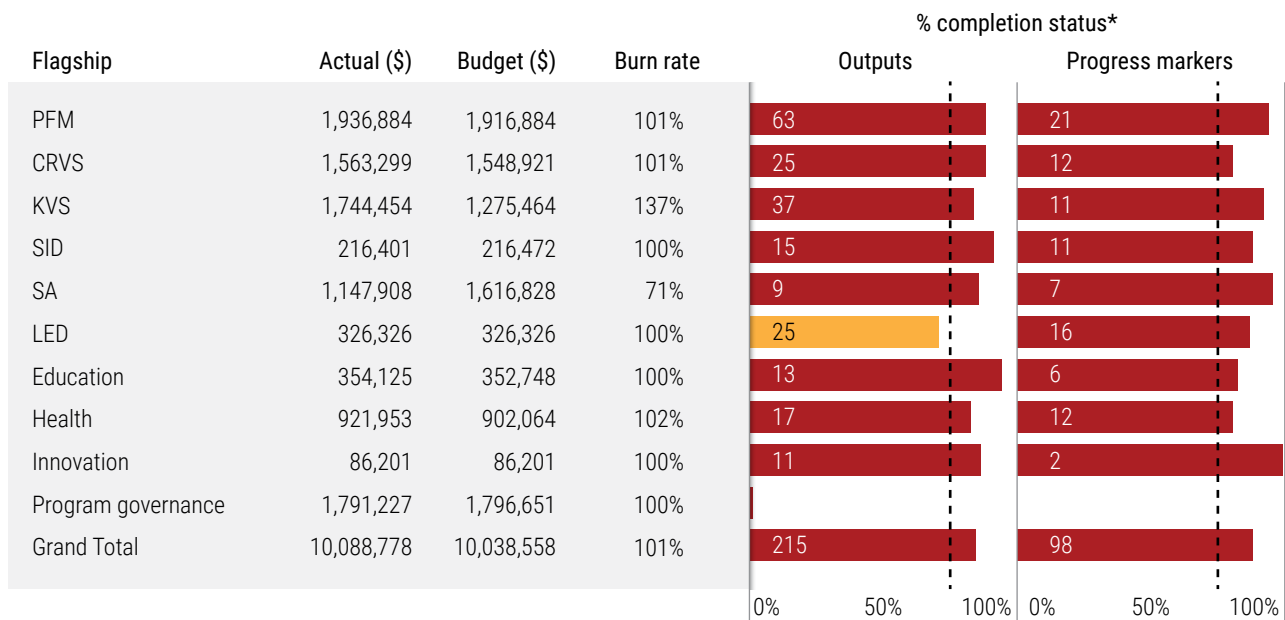
# In 2019, KOMPAK implemented **215 outputs** and **98 progress markers** with activity expenditure of **\$10.1m**

## Achievement against 2019 Annual Work Plan

### By region



### By flagship/sector



\* Progress based on performance review assessment and scoring

## Results, Activity and Partner Mapping

KOMPAK's structure for reporting results and organising its work planning has undergone multiple restructures over the facility's lifetime. In 2019, KOMPAK began using 'activity concept notes' (ACNs) that grouped activities around the four basic services KOMPAK is aiming to influence: civil registration, health, education, and local economic development. A challenge in using this structure was that it led to a greater focus on basic service delivery, rather than fixing the governance mechanisms overseeing them.

The structure used in this report follows the flagship approach, adopted in the 2020 Annual Work Plan. This is shown in the Results Framework. This structure will provide more consistency between 2019 and 2020, enabling teams to better understand achievements in 2019 and areas to improve in 2020. The major activities (n = 25) have been summarised by district to show implementation in 2019 and planned and phase-out activities for 2020.

KOMPAK does not implement its activities alone. It relies on strong partnerships and networks with national and subnational governments, implementing partners, other DFAT-funded facilities, research and multilateral agencies, the private sector, and other stakeholders. These partners enable KOMPAK to leverage expertise and resources to strengthen the quality and reach of activities.

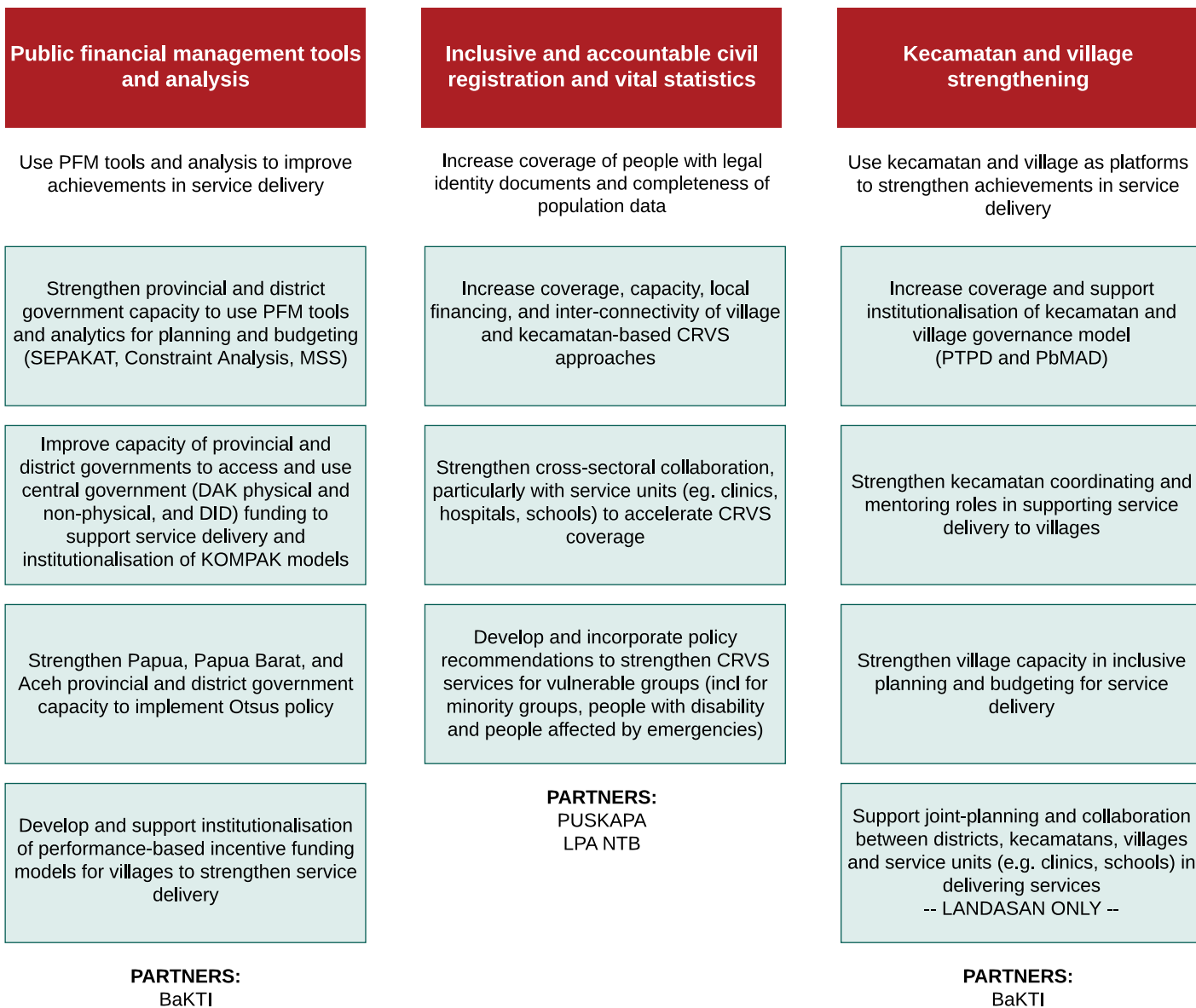
### List of Key KOMPAK Implementing Partners

| AGENCY              | AREA OF COLLABORATION  |
|---------------------|--|
| <b>PUSKAPA</b>      | National and sub-national CRVS activities.   |
| <b>BaKTI</b>        | Implementation of the LANDASAN Program in Papua and Papua Barat.   |
| <b>PEKKA</b>        | Design and implementation of social accountability models, including the School for Women's Empowerment and Village Governance (Paradigta Academy) and women and vulnerable people events and groups (KLIK-PEKKA). |
| <b>Seknas Fitra</b> | Design and implementation of social accountability models, including School for Village Budget Literacy ( <i>Sekar Desa</i> ) and community feedback mechanisms ( <i>Posko Aspirasi</i> ).                         |
| <b>LPA NTB</b>      | Support CRVS activities in NTB.  |
| <b>SEHATI</b>       | Pilot mobile application for midwives and pregnant women (PWS+).   |

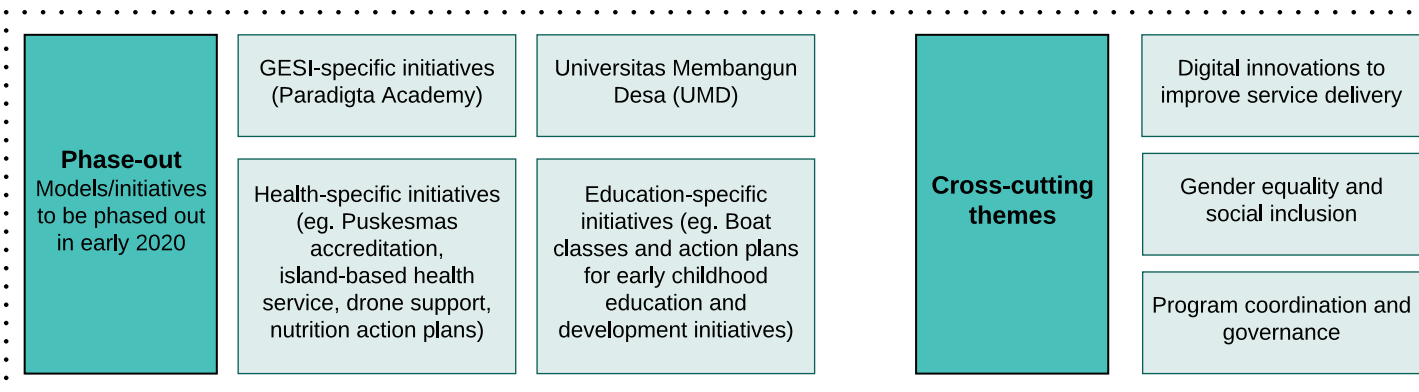
**List of DFAT Partners and Areas of Collaboration**

| AGENCY  | AREA OF COLLABORATION   |
|---|---|
| <p><b>The World Bank and Local Solutions to Poverty</b></p> <p>Kecamatan and village governance</p> | <ul style="list-style-type: none"> <li>• Design and implementation of the village development operations loan (P3PD), particularly on guidelines, trainings and materials for village capacity building (PTPD/PbMAD) and social accountability models.</li> <li>• Study on the Ease Of Being Indonesian (EOBI) index.</li> <li>• Development of sub-district budget classifications (nomenclature) for village assistance and supervision (<i>Binwas Desa</i>).</li> <li>• Advocacy on Village Law and social accountability implementation, including joint publication of five policy briefs for Gol stakeholders.</li> <li>• Upgrade of SEPAKAT Poverty Analysis Application.</li> </ul> |
| <p><b>MAHKOTA</b></p> <p>BANGGA Papua Universal Child Grant Program in Papua province</p>           | <ul style="list-style-type: none"> <li>• Communication strategies for beneficiaries of BANGGA Papua.</li> <li>• Study on blockchain and alternate fiscal transfer instruments for BANGGA Papua.</li> </ul>  |
| <p><b>UN Agencies</b></p> <p>Basic service delivery</p>   | <ul style="list-style-type: none"> <li>• Advocacy on the design and implementation of the National Strategy on CRVS (UNICEF and WHO).</li> <li>• Communication strategies for beneficiaries of BANGGA Papua (UNICEF).</li> <li>• Data collection for the out-of-school children program (<i>Gerakan Kembali Bersekolah</i>) in Brebes district, Central Java (UNICEF).</li> </ul>   |
| <p><b>MAMPU</b></p> <p>Social accountability and inclusiveness</p>                                  | <ul style="list-style-type: none"> <li>• Inclusive village planning and development, economic participation of women, and civil registration for women and vulnerable groups (particularly through PEKKA).</li> <li>• Design and implementation of the School for Vulnerable Groups (<i>Sepeda Keren</i>) in Trenggalek district, East Java.</li> <li>• Local economic development and market linkages for women's groups.</li> </ul>   |
| <p><b>Other DFAT-funded facilities</b></p>  | <ul style="list-style-type: none"> <li>• Advocacy on the design and implementation of the National Strategy on CRVS, particularly for services to vulnerable groups (PEDULI).</li> <li>• Subnational public financial management for basic services (PROSPERA).</li> <li>• Local economic development in Aceh (PRISMA).</li> <li>• Advocacy on local government spending on education (INOVASI and TASS).</li> </ul>  |

## Flagship Strategy: KOMPAK Governance Program



## Other components of KOMPAK Facility



**Village information systems**

Promote village data to support planning and budgeting

Increase coverage and support institutionalisation of village information systems

Improve use of village information systems by villages for planning, budgeting, reporting and other activities

Integrate village information systems with other subnational information systems (incl. SIAK)

Develop and pilot kecamatan and district information systems

**PARTNERS:**  
BaKTI

**Social accountability**

Strengthen social accountability to improve service delivery

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

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

**PARTNERS:**  
Seknas Fitra  
PEKKA  
BaKTI

**Market linkages**

Promote market linkages to strengthen local economic development

Finalise implementation and documentation of market linkage pilots

Develop national instruments and business models to support sustainability of market linkage models/approaches

**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.*

Performance and analytics

Research and evaluation

Communications and knowledge management

## List of major KOMPAK activities and targeted districts

| Flagship                           | KOMPAK area of assistance                                   | Aceh       |              |         | Central Java |            |          |
|------------------------------------|---|------------|--------------|---------|--------------|------------|----------|
|                                    |   | Aceh Barat | Bener Meriah | Bireuen | Brebes       | Pekalongan | Pemalang |
| 1. PFM                             | DAK and DID funding proposals, budgeting and monitoring     | ■          | ■            | ■       |              | ■          | ■        |
|                                    | SEPAKAT Poverty Analysis Tool                               | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | District adoption of Minimum Service Standards              | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | District Budget Constraint Analysis                         | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | Village Performance Incentive Fund Pilot                    | ■          | ■            |         |              |            |          |
|                                    | E-planning/e-budgeting                                      |            | ■            |         |              |            |          |
| 2. CRVS                            | Village CRVS Facilitator Pilot                              | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | CRVS Study locations  |            |              |         |              |            | ■        |
|                                    | Sub-district and service unit coordination                  |            |              |         |              |            | ■        |
| 3. KVS                             | Village Capacity Building Model (PTPD/PbMAD)                | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | LANDASAN Program  |            |              |         |              |            |          |
|                                    | Inclusive <i>Musrena/Musrenbang</i> Pilot                   | ■          | ■            |         |              |            |          |
| 4. SID                             | Village Information Systems                                 | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | District and Sub-district Information System Pilot          |            |              | ■       | ■            | ■          | ■        |
| 5. SA                              | Village Budget School ( <i>Sekar Desa</i> )                 | ■          |              |         | ■            | ■          | ■        |
|                                    | Community outreach events ( <i>KLIK PEKKA</i> )             | ■          | ■            | ■       | ■            | ■          | ■        |
|                                    | Community Feedback Pilot ( <i>Posko Aspirasi</i> )          | ■          |              |         |              | ■          | ■        |
|                                    | School for Women's Leadership ( <i>Paradigta Academy</i> )  |            |              | ■       | ■            | ■          | ■        |
|                                    | School for Vulnerable Groups ( <i>Sepeda Keren</i> ) Pilot  |            |              | ■       | ■            | ■          | ■        |
| 6. LED                             | Market Linkage Pilot  | ■          | ■            |         |              | ■          | ■        |
| 7. Health, education, & innovation | University Village Development Pilot (UMD)                  |            | ■            |         | ■            | ■          | ■        |
|                                    | Remote Area Health Services (incl. drone and other studies) |            | ■            |         |              |            |          |
|                                    | Remote Area Education Services (incl. <i>Kelas Perahu</i> ) |            |              |         | ■            | ■          |          |
|                                    | Mobile Application for Midwives (PWS+) Pilot                |            | ■            |         |              |            |          |
|                                    | Digital district  |            |              |         |              |            |          |
| Grand Total                        | # of activities   | 13         | 15           | 10      | 12           | 15         | 15       |

■ Activity implemented in 2019 and continued in 2020







DEVELOPMENT  
IMPACT



## Note on Results Reporting

The results in this report are based on program and partner reports, KOMPAK surveys and secondary data.

In June and December 2019, KOMPAK conducted a survey of villages, sub-districts and districts in all targeted locations. All percentages – unless otherwise indicated – are based on the latest surveys of 418 villages, 42 sub-districts and 24 districts (98% response rate). Eight villages and one sub-district were not accessible during the survey period.

The surveys were collected by KOMPAK monitoring and evaluation officers visiting or calling a village representative and collecting data using a structured questionnaire. The questionnaires aimed to collect information on the status of a specific issue – whether or not KOMPAK had an impact. The surveys provide information for KOMPAK to better target interventions and assess progress over the next one to two years.

|                     | COLLECTED | TARGET | RESPONSE RATE    |
|---------------------|-----------|--------|------------------|
| District survey     | 24        | 24     | 100%             |
| Sub-district survey | 42        | 43     | 98% <sup>a</sup> |
| Village survey      | 418       | 426    | 98% <sup>a</sup> |

<sup>a</sup> Six villages and one sub-district in Nabire district, Papua, and two villages in Papua Barat (Fakfak and Kaimana districts) were not collected due to no focal person being available and difficulty accessing location.

# Public Financial Management

## SITUATION ANALYSIS

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. 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.

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).

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 20 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.

- 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.

## PUBLIC FINANCIAL MANAGEMENT TOOLS AND ANALYSIS

### MINIMUM SERVICE STANDARDS FOR BASIC SERVICES

In 2014, the Government of Indonesia established<sup>2</sup> minimum service standards for health, education and other basic services. The MSS sets targets for the quality of basic public services that districts should achieve, such as immunisation coverage or school enrolment benchmarks. A challenge for Bappenas and the Ministry of Home Affairs is to get buy-in from district governments on the importance and compliance of the MSS. KOMPAK has been providing support at the national and district levels to institutionalise the MSS into district work plans and budgets, and national monitoring and costing frameworks.

At the district level, KOMPAK has made good progress in supporting district governments to adopt the MSS (see table on page 26). Almost all (20 out of 24) districts have included MSS targets in their medium-term development plans, annual work plan and have allocated funds specifically towards attainment of the standards (up from 15 in June 2019). Only two districts had not yet incorporated the MSS into any planning documents. The lessons and associated templates, guidelines and trainings from KOMPAK locations will assist GoI in institutionalising the MSS across all of Indonesia's districts.

KOMPAK completed a study for Bappenas to estimate funding requirements to accelerate progress towards the MSS targets on basic health, education, water and sanitation, and housing. The costings were based on analysis of nine KOMPAK districts and extrapolated to estimate the funding gap – through DAK *fisik* and *non-fisik* – to meet the minimum standards for infrastructure and basic services for district governments. The study found an additional IDR 130 trillion (AUD 14 billion) is needed to assist 503 districts and cities to achieve the MSS, with 80 percent of this investment needed to improve water and sanitation. The findings were used as inputs to the National Medium-Term Development Plan (RPJMN) and by KOMPAK's district governments to inform their DAK *non-fisik* allocations.

KOMPAK has also been supporting the development of a national MSS monitoring framework. The framework will establish standardised indicators for all districts to report against, enabling comparisons between districts and the identification of poor performing areas. This framework is still under development and will be continued in the 2020 Annual Work Plan.

### SEPAKAT POVERTY ANALYSIS APPLICATION

In May 2019, Bappenas launched SEPAKAT, a poverty analysis software, to provide districts with access to data and analytics to strengthen their planning and budgeting. In 2019, KOMPAK and the World Bank provided technical assistance to upgrade the application from 2.0 to 3.0. The updated software includes new modules on monitoring and knowledge management, and improved integration and analytical capabilities for its budgeting and planning modules. KOMPAK also led the development of a user manual for SEPAKAT and specific guidelines on how to use the application to inform district planning documents

<sup>2</sup> Law (UU) No. 23/2014. Regulations (PP and Permen) were developed on the MSS based on this law.



(RPJMD, SPKD, and LPKD). These efforts were complemented with Bappenas-led and KOMPAK-supported workshops and promotional events for 76 district governments.

While SEPAKAT has potential to significantly improve evidence-based planning, there remain challenges in getting districts to adopt and use the system effectively. KOMPAK and Bappenas have provided access and initial trainings on SEPAKAT for four provincial and 13 district offices (in East Java it is used in districts, but not yet at the provincial level). In 2019, seven of 13 districts reported using analysis from SEPAKAT to inform development planning documents, with four of these districts indicating the system was ‘very useful’ for this purpose (see table on page 26). However, feedback from other district users has been mixed. More than half of these districts indicated they had not used the tool to inform any of their planning documents and were neutral on whether the tool was useful or not. In Pacitan, for example, they cited out-of-date statistics as a limitation. KOMPAK and Bappenas are seeking to address this by linking the application with the Ministry of Home Affairs’ Regional Development Information System (SIPD), district government financial systems and social protection datasets (Unified database BDT).

## **DISTRICT BUDGET CONSTRAINTS ANALYSIS**

Another initiative KOMPAK has been undertaking is called a District Budget Constraints Analysis. The analysis has been undertaken in 15 districts with five final reports published (see table on page 26). It examines expenditure and revenues for the APBD from 2013 to 2018, including a review of the effectiveness and efficiency of spending on health, education, civil registration and other basic service programs.

While the report includes recommendations for district governments, a challenge for KOMPAK has been to support these governments understand the findings and action the recommendations. The KOMPAK district survey – summarised on the table on page 26 – found that only two of the 15 district governments indicated they made any changes following the analysis and most expressed neither positive nor negative views on how useful the analysis was. Further discussion with the five district governments where KOMPAK has published its findings indicate that the inputs were useful and used for the development of the district medium-term development plan (RPJMD). Given the investment from KOMPAK and potential to improve district budgeting, further work is needed in 2020 to identify strategies to better advocate to and tailor the analysis and technical assistance for the needs of district governments.

## **E-PLANNING AND BUDGETING**

The Ministry of Home Affairs has been a strong advocate for e-planning and budgeting, establishing the Regional Development Information System (SIPD) in 2018. SIPD aims to integrate planning from provincial and district governments. KOMPAK has been supporting this initiative in two ways: providing ongoing technical support to integrate the MSS and standardise budget codes for the SIPD and KRISNA (the system used for DAK *fisik*), and the implementation of e-planning and budgeting applications in Aceh and Papua provinces.

The e-planning and budgeting system in Aceh integrates all provincial government offices and initially in one district (Bener Meriah). It includes all government funds, not just from the Special Autonomy Fund. Previously, the planning and budgeting functions were separate with limited linkages to the Aceh Autonomy Master Plan. The new system improves the quality of the planning process by linking the outputs and activities from the master plan into the government’s other planning and budgeting processes at the provincial and district levels. In 2020, KOMPAK will support the Aceh Provincial Government to expand the system to the other 22 districts in the province. The approach also has potential applicability to all

provinces and districts in Indonesia if scaled up as part of SIPD's broader roll-out strategy. The integrated e-planning and budgeting system in Aceh is the first in Indonesia that is linked with the national e-planning system.

The e-planning and budgeting system (*Papua Pu Perencanaan*) in Papua is operational at the provincial level and the city of Jayapura. The plan is to expand to the 28 district governments in 2020. The system links with SIPD and provides a platform to integrate the Papua medium-term development plan with district and sector plans, including common indicators for the minimum services standards, UN Sustainable Development Goals, and environmental monitoring (KLHS). KOMPAK has been providing technical assistance to establish the system and facilitate coordination and training for stakeholders, including developing a video on the e-planning and budgeting system to assist its expansion.

### Institutionalising public financial management tools and analysis

| Province            | District          | Minimum service standards              |                                     |                                | SEPAKAT           |                                   |                   | Budget constraint analysis           |                  |                   |
|---------------------|-------------------|--|-------------------------------------|--------------------------------|-------------------|-----------------------------------|-------------------|--------------------------------------|------------------|-------------------|
|                     |                   | MSS targets included in RPJMD and RKPD | Funds allocated for MSS achievement | MSS costing analysis completed | SEPAKAT available | Used by district (# of documents) | Usefulness rating | Budget constraint analysis conducted | Used by district | Usefulness rating |
| Aceh                | Aceh Barat        | Yes                                    | Yes                                 | No                             | Yes               | 1                                 | Very useful       |                                      |                  |                   |
|                     | Bener Meriah      | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   | Published                            |                  | Neutral           |
|                     | Bireuen           | Yes                                    | Yes                                 | No                             | Yes               | 3                                 | Useful            |                                      |                  | Neutral           |
| Jawa Tengah         | Brebes            | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  | Neutral           |
|                     | Pekalongan        | Yes                                    | Yes                                 | No                             | Yes               | 1                                 | Very useful       |                                      |                  | Neutral           |
|                     | Pemalang          | Yes                                    | Yes                                 | No                             | Yes               |                                   | Neutral           | Published                            | Yes              | Neutral           |
| Jawa Timur          | Bondowoso         | Yes                                    | Yes                                 | No                             | Yes               | 1                                 | Neutral           |                                      |                  | Neutral           |
|                     | Lumajang          | Yes                                    | Yes                                 | No                             | Yes               |                                   | Neutral           |                                      |                  | Neutral           |
|                     | Pacitan           | Yes                                    | Yes                                 | No                             | Yes               | 3                                 | Useful            | Published                            |                  | Neutral           |
|                     | Trenggalek        | Yes                                    | Yes                                 | No                             | Yes               |                                   | Neutral           |                                      |                  | Very useful       |
| NTB                 | Bima              | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  | Not useful        |
|                     | Lombok Timur      | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  | Neutral           |
|                     | Lombok Utara      | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  | Neutral           |
|                     | Sumbawa           | Yes                                    | Yes                                 | No                             | Yes               |                                   | Neutral           |                                      |                  | Neutral           |
| Sulawesi Selatan    | Bantaeng          | Yes                                    | Yes                                 | No                             | Yes               | 6                                 | Very useful       | Published                            |                  | Neutral           |
|                     | Pangkep           | Yes                                    | Yes                                 | No                             | Yes               | 3                                 | Very useful       | Published                            | Yes              | Very useful       |
| Papua               | Asmat             | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
|                     | Boven Digoel      | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
|                     | Jayapura          | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
|                     | Nabire            | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
| Papua Barat         | Fakfak            | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
|                     | Kaimana           | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
|                     | Manokwari Selatan | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
|                     | Sorong            | Yes                                    | Yes                                 | No                             | Yes               |                                   |                   |                                      |                  |                   |
| Number of districts |                   | 22                                     | 20                                  | 9                              | 13                | 7                                 | 3.8               | 15                                   | 2                | 3.4               |

■ Yes    ■ No

(Source: KOMPAK District Survey, Dec 2019)

**Notes on table:**

Data was collected through KOMPAK District Surveys of Bappeda officials.

**MSS:** Officials were asked 'Does the district [medium-term development plan (RPJMD)] annual work plan (RKPD)] include MSS targets?' (Yes/No), and 'Does the district allocate funds for MSS achievement?' (Yes/No). For the MSS Costing Analysis, this indicates the analysis has been completed AND the results were used to allocate DAK non-fisik.

**'Used by district':** For SEPAKAT, officials were asked 'During the last planning cycle, did the district conduct and use analysis from SEPAKAT?'. Responses were Yes/No/NA for seven planning documents (RPJMD, RKPD, SPKD, RAD, P2KD, Renja Daerah, and presentation materials). The number in the table indicates the number of planning documents used. For the Budget Constraints Analysis, officials were asked 'Did the district make any changes/adjustments based on the analysis?' (Yes/No/NA).

**'Usefulness rating':** 'How useful was [SEPAKAT] and/or [the budget constraints analysis (kajian APBD) in providing information] for planning?' Responses were on a 5-point Likert Scale from 1 'Not useful' to 5 'Very useful'. Only districts with these activities were assessed.



## CENTRAL GOVERNMENT FUNDING MECHANISMS

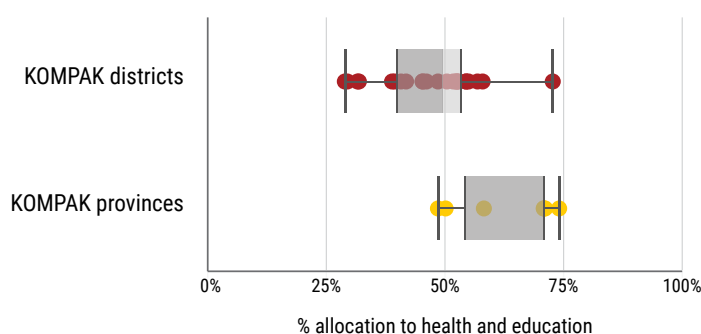
### DAK FISIK AND KRISNA

KOMPAK has been providing support to Bappenas and district governments to better plan and utilise DAK *fisik* funding for basic service infrastructure development. This includes the development and submission of more targeted funding proposals through KRISNA aimed at basic service priority areas. In 2019, KOMPAK provided trainings to 51 district governments, including all KOMPAK districts outside the Papua region.

KOMPAK assesses success based on district governments taking an active role in coordinating proposals, implementation and information management. The district survey showed that almost all (22 of 24) districts conducted regular coordination meetings in the preparation of DAK *fisik* proposals. It also showed that most districts (21 of 24) updated health and education data before developing their proposals. Only the three districts in Aceh indicated this did not take place.

Through these efforts, KOMPAK aims to increase funding for basic health and education services. Based on 2019 DAK *fisik* data, KOMPAK districts allocated about the same as the national average (56 percent and 55 percent respectively for all education and health services). The highest allocation was in Brebes (73%), while the lowest was in Bireun and Manokwari Selatan (23% each).

#### Percentage DAK fisik allocated to health and education by districts and provinces



(Source: Ministry of Finance, DAK fisik allocation, 2019)

### DAK NON-FISIK

In December 2019, KOMPAK published four policy papers examining costings and utilisation of DAK *non-fisik* funds drawing from a study of expenditure in 10 districts. The papers provide insights and recommendations for central and district governments in funding programs on insurance for pregnant mothers, early childhood education and development, education certifications for non-school leavers, and civil registration. Since the papers were published, the Ministry of Finance, Ministry of Education and Ministry of Health are incorporating part of the recommendations into national guidelines on utilisation of DAK *non-fisik*.

In partnership with the Ministry of Finance, KOMPAK also developed a reporting application for the utilisation of DAK *non-fisik*. Launched in July, this application enables district and provincial governments to submit their DAK *non-fisik* reports electronically and for the data to be aggregated for analysis by central ministries.

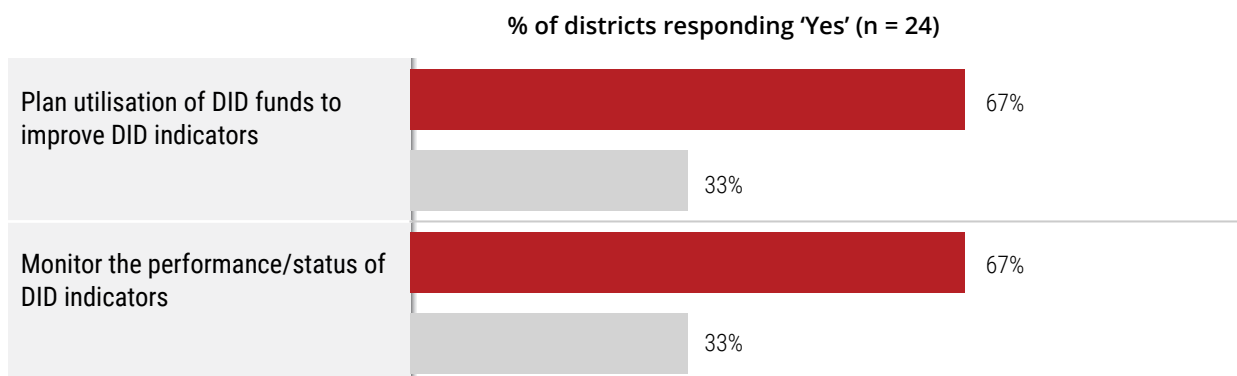
## REGIONAL INCENTIVE FUNDS (DID)

Regional Incentive Funds (DID) are additional funds allocated to districts from the Ministry of Finance based on performance against pre-determined health, education, financial management, administration and other indicators. KOMPAK has been facilitating inter-ministerial meetings and workshops to evaluate and identify improvements to the indicators and allocation formulas.

KOMPAK has been providing technical assistance to districts to monitor indicators and use these funds to improve performance. While two thirds of districts planned and monitored DID funds and indicators, there remain challenges with consistency of funding from year to year. Between 2019 and 2020, districts supported by KOMPAK had large increases and reductions in funding, but overall the trend was positive with 77 percent of provinces and districts receiving DID funding in 2020. DID funding reduced in some locations – such as East Java and South Sulawesi – due to the tough competition among the 34 provinces and 415 districts of Indonesia.

## Two thirds of KOMPAK districts are actively planning use of Regional Incentive Funds to improve indicators

**For DID funding, did the district conduct coordination meetings in the past 6 months to:**



(Source: KOMPAK District Survey, Dec 2019)

## PERFORMANCE-BASED FINANCING

### VILLAGE PERFORMANCE-BASED FINANCING

KOMPAK has been piloting village performance-based financing models in six districts: Bima, Bantaeng, Sumbawa, Aceh Barat, Bener Meriah, and Lumajang. Since 2017 when the first of these models was launched, KOMPAK, the Ministry of Finance and local governments have been able to test different indicators and allocation formulas and document the lessons learned as inputs to the development of a national approach.

In 2019, KOMPAK supported the Ministry of Finance<sup>3</sup> to facilitate four workshops to scale up the design and development of a national village performance rating system to inform allocations of Village Funds. The rating system was approved in December 2019 by the Ministry of Finance<sup>4</sup> and adopted for national implementation in 2020, utilising 1.5 percent of Village Fund allocations. The approach, using formulas developed with KOMPAK analytical inputs, identifies the top 10 percent of villages for additional funding based on performance against an agreed set of 10 indicators covering village financial management, basic services, and community welfare. The first payments of the performance-based allocations will be made in 2021, based on improvements in 2019 and 2020 indicators.

## SPECIAL AUTONOMY REGION (OTSUS) FUNDS

### OTSUS FUNDS IN PAPUA AND PAPUA BARAT

Papua and Papua Barat are two of the most disadvantaged provinces in Indonesia, suffering high levels of poverty and some of the lowest health and education outcomes. To help close the gap, the central government provides special autonomy funds (Otsus funds) effectively doubling the provincial government budget.

KOMPAK supported the Ministry of Finance, Ministry of Home Affairs and Bappenas on Papua Otsus issues through technical assistance. This resulted in two major outputs in 2019: a report titled “Comprehensive Review of the Use of Otsus Funds in Papuan Provinces”, and a draft academic paper as input to the Government’s own version of an academic paper for the Otsus Law revision.

The Comprehensive Review provided analysis on the use of Otsus funds in Papua and Papua Barat provinces and progress on development indicators for basic services, the economy and social development. KOMPAK analysis of Otsus funds showed that both provinces still need the continuation of Otsus funds to catch up with the region’s development needs. Recent indications of potential sub-division of the provinces have strengthened the argument to continue Otsus Funds and would require increased funding if new provinces are established.

<sup>3</sup> Through Direktorat Jenderal Perimbangan Keuangan, Kementerian Keuangan

<sup>4</sup> Under the Law No. 20/2019 on APBN 2020 and Ministry of Finance Regulation No. 205/PMK.07/2019

The Comprehensive Review also examined relevant regulations and authorities, governance mechanisms of Otsus funds, and alternative funding sources such as from local taxation and national revenue sharing from natural resources, including forestry, mining and fisheries. The findings and recommendations have been presented to the Ministry of Finance, Bappenas, the Ministry of Home Affairs, Papua and Papua Barat provincial governments and other stakeholders.

## **BANGGA PAPUA**

Together with DFAT's MAHKOTA program, KOMPAK provides technical support to the Provincial Government of Papua to pilot a cash transfer program (using *Otsus* funds) focused on improving nutrition for indigenous Papuan children four years of age and under.

In 2019, BANGGA Papua leveraged more than IDR 50 billion (AUD 5 million) in *Otsus* funds for grants to 31,917 children in Asmat, Lanny Jaya and Paniai districts, selected due to their high levels of poverty. KOMPAK provided support to the Provincial Secretariat (Sekretariat Bersama/SekBer) to function better and to develop a communications strategy (which was led by BaKTI, an implementing partner).

The communications strategy aims to help the Provincial and District Secretariats (Sekbers) communicate more effectively to the general public and political stakeholders about BANGGA Papua. It also included messaging for caregivers receiving the cash grants. The messages focused on promoting positive nutrition and sanitation practices to combat childhood undernutrition.

In December 2019, KOMPAK also finalised a feasibility study on using blockchain and other technologies for payment of the grants. The study recommended further upgrading of BANGGA Papua's management information system if blockchain technology is adopted; however, no decision has been made and there are concerns that government funding will not be available for cash grants in 2020, delaying system upgrades.

# Civil Registration and Vital Statistics

## SITUATION ANALYSIS

Indonesia has made substantial progress in increasing coverage of birth certificates for children from 53 percent in 2007 to 84 percent in 2018<sup>5</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.

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.

*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 GoI 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.

## IMPORTANCE OF CIVIL REGISTRATION AND VITAL STATISTICS

Civil registration is the critical act of recording important events in people's lives – such as births, marriages, divorces and deaths. Not only does it provide individuals with legal identity and access to services, but it provides decision-makers with vital statistics on the numbers and distribution of the population, including vulnerable groups, that can be used to inform policy development and programming.

<sup>5</sup> BPS (2019). National Socio-Economic Survey (SUSENAS).

## NATIONAL INITIATIVES

### NATIONAL STRATEGY ON CIVIL REGISTRATION AND VITAL STATISTICS

In September 2019, the Government of Indonesia launched the National Strategy on Civil Registration and Vital Statistics<sup>6</sup> 2019-2024. The strategy was developed with strong support from KOMPAK, PUSKAPA and other development groups, including POKJA ID and UNICEF. POKJA Identitas Hukum (POKJA ID) is a group consisting of local civil society organisations<sup>7</sup> convened by PUSKAPA to provide inputs on national CRVS policies and activities. The National CRVS Strategy outlines a five-pillar plan for accelerating legal identity coverage from 2019 to 2024 through:

- Expanding legal identity services;
- Increasing awareness and proactiveness of citizens to register vital events;
- Specific targeting and outreach to vulnerable groups;
- Developing more accurate, complete and on-time vital statistics; and
- Strengthening cross-sectoral collaboration for legal identity services.

To complement the National Strategy on CRVS, KOMPAK supported the development of technical guidelines on delivering village-based civil registration services. The guidelines – scheduled for adoption by Bappenas in 2020 – cover general administration of village-based services, recruitment of CRVS facilitators, population data collection and verification, processes for issuing legal identity documents, and coordination between village facilitators and the district CRVS office (*Dukcapil*). These guidelines were based on the lessons learned piloting the model in KOMPAK locations.

### EMERGENCY PREPAREDNESS AND RESPONSE FOR CIVIL REGISTRATION SERVICES

The 2018 earthquake in Lombok highlighted the need to be able to re-establish civil registration services quickly so that people affected can more easily access services and rebuild their lives. KOMPAK undertook a study in 2019 analysing the civil registration response to this event and how it can be improved. The final report and the findings have been used to inform the development of national guidelines and policy recommendations that will be presented to Bappenas for adoption in early 2020.

### STUDY ON DEFINITION OF VULNERABLE GROUPS

At the request of Bappenas, KOMPAK has been undertaking a study to better understand the link between legal identity ownership and vulnerability. The study is due for publication in early 2020. A key component of the research has been to define what a 'vulnerable groups' is and who is included. This will help to design more inclusive and responsive legal identity services, social protection programs, and monitoring approaches.

While the study is not yet published, stakeholders – including the government, POKJA ID members and NGOs – have agreed on a general definition which categories vulnerable people into three categories. This includes people marginalised due to:

- Lack of access to services, such as those living in remote areas, the poor or illiterate;

<sup>6</sup> Perpres 62/2019

<sup>7</sup> POKJA ID includes IKI, KEMITRAAN, PEKKA, LBH APIK, LAKPESDAM NU, and PERCA Indonesia

- Unresponsive systems and services, such as those affected by disasters, having a disability, being on the move, or in a child marriage; and
- Social identity-based discrimination, such as indigenous groups and sexual minorities (transgenders, men who have sex with men, sex workers, and others).

## DEVELOPMENT OF THE EASE OF BEING INDONESIAN INDEX (EOBI)

Bappenas is leading the development of the Ease of Being Indonesian Index (EOBI) to measure ease of access to legal identity and basic services and coverage of legal identity documents. This index will enable comparisons between regions and assist in identifying areas for improvement, including helping to provide insights on the challenges faced by different groups, such as women and vulnerable groups, in accessing legal identity services. KOMPAK and PUSKAPA have provided technical assistance on the development of the indicators and design of the pilot, which is scheduled for implementation in 2020.

## SUB-NATIONAL INITIATIVES

### VILLAGE CRVS STRENGTHENING

KOMPAK, PUSKAPA and Bappenas have been piloting a model in all KOMPAK districts outside Papua and Papua Barat (16 of 24) that embeds Village CRVS Facilitators in villages combined with strong linkages to sub-district and district governments and service units (schools, clinics and hospitals). By the end of 2019, about half of districts (13 of 24) had instituted regulations and allocated budget for this model. In late 2019, KOMPAK began preparations to pilot this model in Papua and Papua Barat.

The KOMPAK Village Survey found that 70% of villages had a focal point for CRVS services, either a dedicated Village CRVS Facilitator (29%) or a village official who provides CRVS services (41%). These villages also performed significantly better than villages without dedicated CRVS staff. The survey showed that villages with a focal point for legal identity services supported five times more people, on average, to obtain a birth certificate than a village without a dedicated focal point (65 compared to 13 per village, adjusted for population). However, there was no significant difference for outreach services to people with disabilities (2.6 compared to 2.9 per village).

The best performing provinces were in Aceh, NTB and South Sulawesi. In Aceh and South Sulawesi, all villages in KOMPAK locations have a dedicated Village CRVS Facilitator, while NTB has a mix of dedicated facilitators and village officials. The most effective district in accelerating coverage is in Aceh, where Aceh Barat reported 108 per 1,000 people being issued a birth certificate in the past six months. Strong gains were also made in NTB and South Sulawesi.

Aceh and NTB utilised multiple different strategies to accelerate coverage. In NTB, KOMPAK and partners have been providing support – through trainings, technical assistance and pilots – to each District Civil Registration Office (*Dukcapil*). Initiatives to improve coverage included:

- Establishing working groups in each district with representatives from village, sub-district and district governments, health and education offices and service units to share lessons and identify innovative approaches.
- In Bima, the *Dukcapil* conducts mobile outreach services, visiting a different sub-district every weekend. The district government has also allocated a budget to incentivise midwives to report

births in a timely and accurate way, with the top three villages eligible to receive IDR 5 million (AUD 530).

- In Lombok Utara and Lombok Timur, the *Dukcapil* can create a birth certificate online, via WhatsApp, which is especially helpful for people with disabilities.

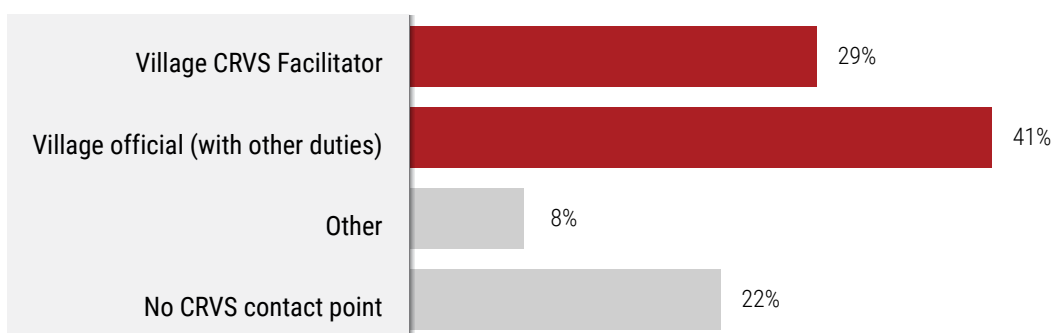
In Aceh, KOMPAK was able to partner with district governments to mobilise funding that enabled more than 2,000 government officials from 11 districts and cities to be trained on civil registration. NTB and Aceh also leveraged the university volunteer program – *Kuliah Kerja Nyata (KKN) / Universitas Membangun Desa (UMD)* – to conduct household visits to identify and support people without legal identity documents to access services.

Another approach to accelerate coverage has been to hold community civil registration days. Known as *KLIK-PEKKA*, this initiative was conducted in 22 villages in five provinces and connected over 5,000 community members (69% female) with services for legal identity documents and enrolment in social protection programs.

### SUB-DISTRICT COORDINATION

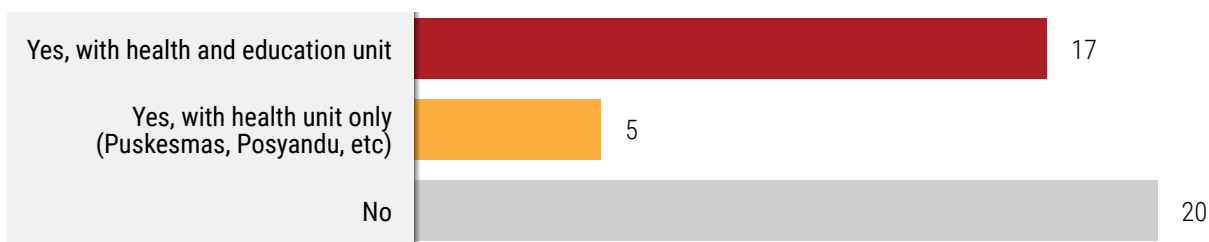
Sub-districts also have the potential to perform a synergistic role, helping to coordinate the different levels of governments to identify underperforming areas and to better link schools, clinics and hospitals – where newborns and children from poor families can more easily be reached – with legal identity services. There remains considerable scope to improve this function and to further devolve some functions from the district office to the sub-district. Only about half of sub-districts (22) reported taking an active coordination role for CRVS with health and education service units.

#### Who provides civil registration services at the village? (n = 418)



(Source: KOMPAK Village Survey, Dec 2019)

#### Has the sub-district (with *Dukcapil* support) coordinated any outreach services to service units (health and education) to increase birth certificate coverage in the past 6 months? (n = 42)



(Source: KOMPAK Sub-district Survey, Dec 2019)



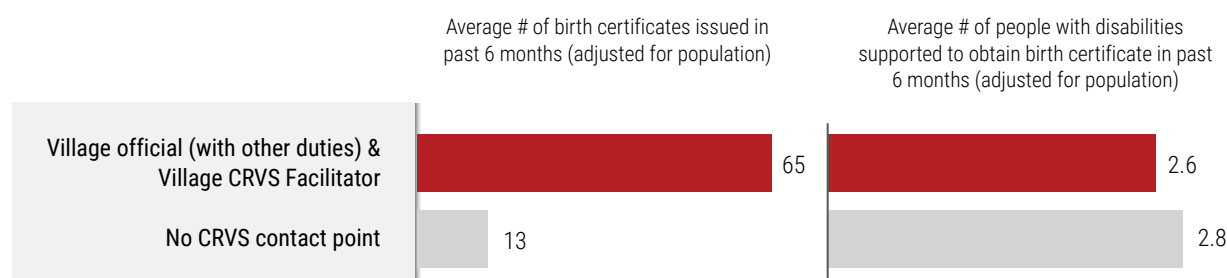
## 70% of villages have a point of contact for civil registration services

### Village contact points for civil registration services

| RESPONSES                            | KOMPAK PROVINCES (OUTSIDE PAPUA REGION) |             |            |     |                  | PAPUA & PAPUA BARAT |             | GRAND TOTAL |
|--------------------------------------|---|-------------|------------|-----|------------------|---------------------|-------------|-------------|
|                                      | ACEH                                    | JAWA TENGAH | JAWA TIMUR | NTB | SULAWESI SELATAN | PAPUA               | PAPUA BARAT |             |
| Village CRVS Facilitator             | 23                                      | 18          | 23         | 30  | 17               | 9                   |             | 120         |
| Village official (with other duties) |   | 13          | 72         | 52  |                  | 10                  | 25          | 172         |
| Other                                |   |             |            | 6   |                  | 5                   | 23          | 34          |
| No CRVS contact point                |   | 2           |            | 14  |                  | 37                  | 39          | 92          |
| Grand Total                          | 23                                      | 33          | 95         | 102 | 17               | 61                  | 87          | 418         |

(Source: KOMPAK District Survey, Dec 2019)

### Average number of people per village supported with civil registration services



(Source: KOMPAK District Survey, Dec 2019)

### CRVS FOR WOMEN AND PERSONS WITH DISABILITIES

Village CRVS Facilitators have been engaged in villages to provide outreach services, particularly for the most vulnerable. In 2019, 40% of villages reported providing outreach services to 1,520 people with a disability. The best performing provinces were South Sulawesi and Aceh, with 80% of villages reporting that they assisted at least one person with a disability in the past six months. All other provinces indicated less than half of villages. This highlights that there is considerable scope to improve village CRVS services for people with disabilities.

## EFFECTIVENESS OF CRVS EFFORTS

KOMPAK is able to assess progress on civil registration using three main sources: 1) the Village Survey, which provide insights on coverage and activity levels; 2) the annual SUSENAS Survey, which is a government-led national sample-based survey that includes estimates of birth certificate coverage; and, 3) an independent research study led by PUSKAPA assessing the impact of KOMPAK CRVS interventions over the last three years. These three methods show the best performing provinces to be NTB and Aceh, with the Papua region lagging.

### INITIAL FINDINGS FROM THE CRVS STUDY IN KOMPAK LOCATIONS

In 2019, PUSKAPA conducted a study to assess progress on achieving CRVS objectives and identify potential changes needed to improve CRVS program design at the sub-national level. The study used mixed-method data collection (household survey, in-depth-interviews, and FGDs) covering 10 KOMPAK districts in 5 provinces<sup>8</sup>. The study aimed to assess CRVS-related changes between 2015 and 2019 and to examine the contribution, if any, of KOMPAK-supported activities.

The study is due to be published in early 2020, and preliminary findings indicate that ownership of legal identity documents is increasing: 74% of respondents had a birth certificate (vs 64% in 2015), 84% had a marriage certificate (vs 66%), and 99% had a family card (vs 90%). Due to challenges in maintaining the same sampling approach between 2015 and 2019, the study is not able to conclude definitively that these changes were caused by the intervention itself.

The study also found that the Village CRVS Facilitator model contributed to promoting civil registration at the village level, and that KOMPAK's assistance led to better systems and procedures and improved capacity of local officials. It also showed stronger collaboration with cross-sectoral actors (such as health and education services), better budget allocation for civil registration services, and greater community participation in village development processes.

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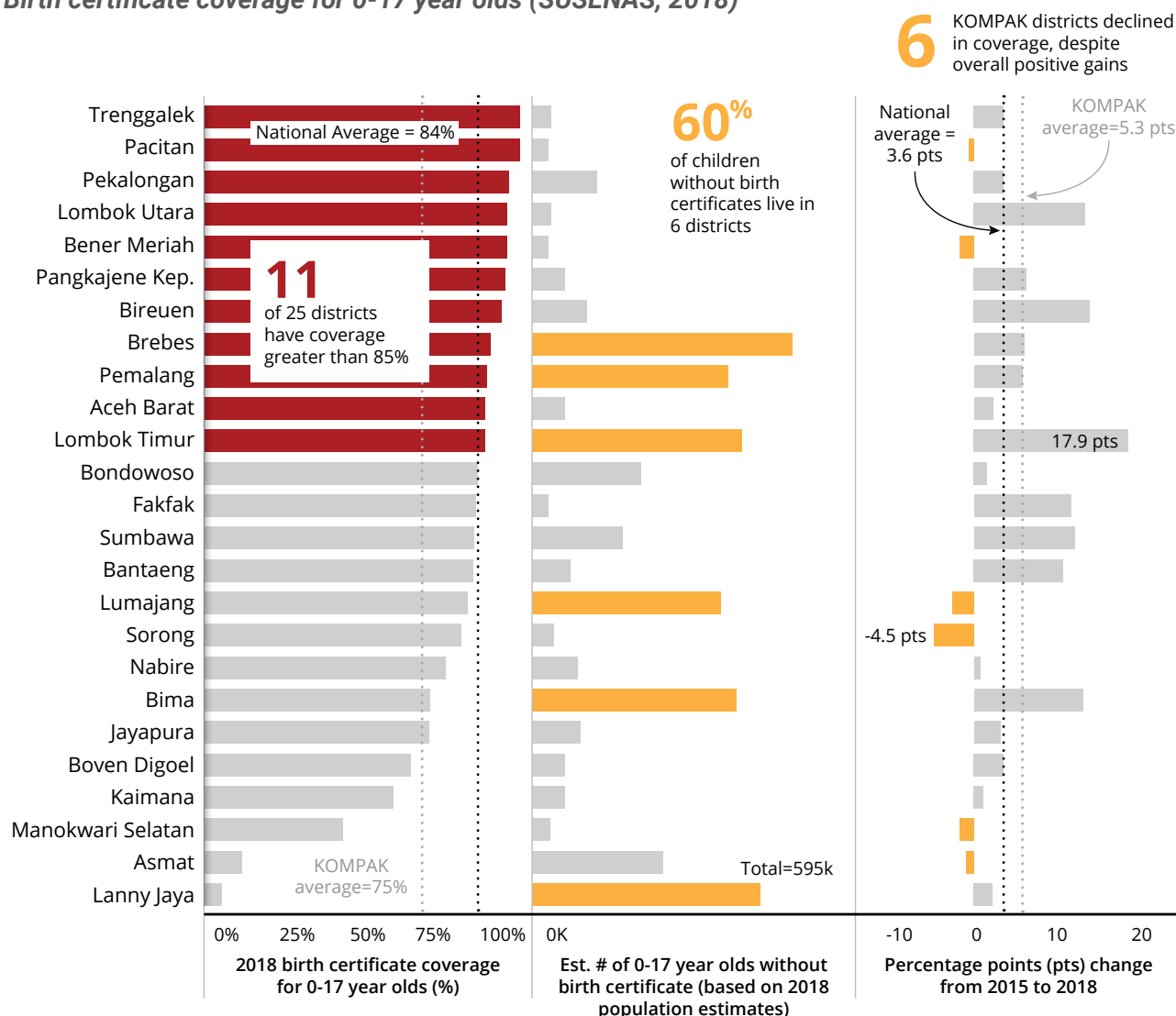
<sup>8</sup> Aceh Barat and Bener Meriah in Aceh, Pemalang and Pekalongan in Central Java, Pacitan and Bondowoso in East Java, Pangkep and Bantaeng in South Sulawesi, and Bima and Lombok Timur in NTB.

## PERFORMANCE BASED ON THE SUSENAS SURVEY

The annual SUSENAS Survey provides insights into the performance of districts in accelerating birth certificate coverage (which is used as a proxy for civil registration more broadly). The 2018 survey (the latest available) shows that KOMPAK districts have, overall, performed better than the national average, achieving a 5.3 percentage point increase compared to the national average of 3.4 points from 2015 to 2018.

The greatest improvements have been seen in NTB, with increased coverage of up to 13.9 percentage points over the past four years (SUSENAS, 2018). The underperforming regions are mostly in Papua and Papua Barat, which despite already very low birth certificate coverage, failed to achieve any notable increase. KOMPAK was not engaging in CRVS activities in Papua and Papua Barat during this period, but given the poor coverage this has been incorporated into the 2020 work plan.

### Birth certificate coverage for 0-17 year olds (SUSENAS, 2018)



# Kecamatan and Village Strengthening

## SITUATION ANALYSIS

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>9</sup>. With this almost fourfold increase in funding to villages, there is a need to develop the capacity of village governments to effectively and efficiently utilise this funding.

In response, the Ministry of Home Affairs launched the National Strategy on Strengthening the Capacity of Village Governments in 2017, 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), which KOMPAK has been a primary partner in their development and implementation.

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*.

*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.
- 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.

<sup>9</sup> Between 2015 and 2020 annual fiscal transfers to Indonesia's 75,000 villages increased from about IDR 20.8 trillion (AUD 2.2 billion) to IDR 72 trillion (AUD 7.6 billion). Ministry of Finance (2020). Accessed at: <https://www.kemenkeu.go.id/media/13730/informasi-apbn-2020.pdf>

## COVERAGE AND INSTITUTIONALISATION OF KVS MODEL

### NATIONAL POLICIES ON KECAMATAN AND VILLAGE STRENGTHENING

At the national level, villages receive guidance from both the Ministry of Home Affairs and the Ministry of Villages, with direct transfers coming from the Ministry of Finance. The overlapping roles of these ministries combined with provincial and district directives has created a complicated and at times conflicting set of legal and regulatory frameworks and unclear roles and responsibilities.

KOMPAK has been working closely with these ministries to help articulate a joint government vision, to develop strategies to improve regulations and coordination, and to develop standardised guidelines and trainings for sub-districts and villages. This included:

- Developing a policy note to inform the development of the National Medium-Term Development Plan (RPJMN) 2020-2024. This covered village capacity building and facilitation, basic services and minimum service standards, oversight, poverty alleviation, economic development, rural development and natural resources.
- In October 2019, KOMPAK and the World Bank produced five policy briefs outlining issues and recommendations to improve regulation and coordination. This included the recommendation to develop and adopt a single regulation (PP) for Village Law. The briefings also advocated for an expanded role for sub-districts and greater community involvement in the planning process.
- Developing national guidelines and training packages – in partnership with the Ministry of Home Affairs – for sub-district strengthening. This included the publication of guidelines on the Integrated Village Capacity Building (PKAD *Terpadu*) strategy, PTPD Facilitator model, and village training arrangements. Additional guidelines and training packages are being developed to support performance monitoring of sub-districts and sub-district heads.

### COVERAGE, EFFECTIVENESS AND INSTITUTIONALISATION OF THE PTPD MODEL

In 2019, KOMPAK made good progress in institutionalising the PTPD model and supporting districts to expand the approach to new areas. KOMPAK provided support to district governments to develop regulations on delegating authorities and allocating funding from the district head (*Bupati*) to the sub-district head (*Camat*). This resulted in 15 of KOMPAK's 24 districts institutionalising these policies, providing sub-districts the resources and mandate to take a more active role in supporting and monitoring villages and service units.

District regulations and funding also provided the foundation for replication across sub-districts in KOMPAK locations. While all of KOMPAK's 42 sub-districts have adopted the PTPD model, there is evidence that this is expanding beyond these areas. Five of KOMPAK's 24 districts reported 100 percent coverage of PTPD, with 28 percent of the 388 sub-districts in KOMPAK districts now instituting the PTPD model.

Further work is needed to secure adequate and consistent funding for sub-districts. One in four sub-districts reported receiving no funding in 2019 to implement the PTPD model and only about 2 percent of district budgets were allocated to sub-districts. KOMPAK has started by providing input to MoHA regulations on classification and expenditure budget categories (nomenclatures) for sub-districts so that districts can propose annual budgets to implement these activities (including PTPD) by 2020.

KOMPAK's PTPD model – where the sub-district provides technical support to villages – is helping villages to better plan, allocate and use their limited resources to be more responsive to community needs. The model is now replicated in over 100 sub-districts and being expanded nationally by the Government of Indonesia and World Bank.

KOMPAK has supported the establishment of the PTPD facilitator model in all 42 KOMPAK-surveyed sub-districts. Of these, 22 have an active village governance clinic (*Klinik Desa*). These 'clinics' or offices are based at the sub-district and serve as a place that village government representatives can visit to receive assistance as needed. On average, there are 5.5 PTPD facilitators per sub-district, with the highest staffing in Aceh and Central Java and the lowest in Papua and Papua Barat.

The PTPD model is also proving to be successful. Based on the Village Survey, all villages outside the Papua region were provided with technical assistance from PTPD facilitators in the past six months, and of these, the overwhelming majority found it useful for planning, budgeting, coordinating and other core functions. Based on the Village Survey, the 325 villages that received assistance gave an average score of 4.2 out of 5 on 'usefulness' of the seven categories of assistance provided by PTPD facilitators.

About half of KOMPAK's sub-districts reported providing monthly or more frequent support to village governments. The main underperforming areas were in the Papua region where the PTPD model has not been fully implemented. An evaluation on the PTPD model planned for 2020 will provide more context on the frequency and effectiveness of this support.

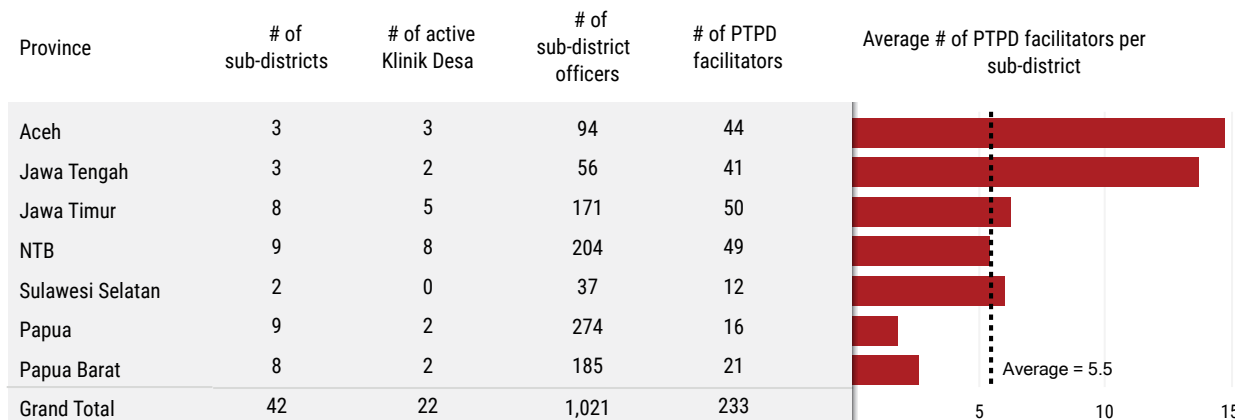
### Coverage, replication and institutionalisation of PTPD model

| Province           | District          | # of sub-districts | # of sub-districts implement PTPD | % of sub-districts implement PTPD | Total district budget for 2020 (APBD) | % of district budget allocated to sub-districts | Does the district have regulations on:         |                                      |
|--------------------|-------------------|--------------------|-----------------------------------|-----------------------------------|---------------------------------------|---|--|--------------------------------------|
|                    |                   |                    |                                   |                                   |                                       |   | Delegation of authorities from Bupati to Camat | Allocation of funds to sub-districts |
| Aceh               | Aceh Barat        | 12                 | 1                                 | 8%                                | 1,441B                                | 2%  |  |                                      |
|                    | Bener Meriah      | 10                 | 6                                 | 60%                               | 1,032B                                | 0%  |  |                                      |
|                    | Bireuen           | 17                 | 1                                 | 6%                                | 1,893B                                | 0%  |  |                                      |
| Jawa Tengah        | Brebes            | 17                 | 5                                 | 29%                               | 3,271B                                | 2%  |  |                                      |
|                    | Pekalongan        | 19                 | 19                                | 100%                              | 2,447B                                | 0%  |  |                                      |
|                    | Pemalang          | 14                 | 1                                 | 7%                                | 2,582B                                | 1%  |  |                                      |
| Jawa Timur         | Bondowoso         | 23                 | 4                                 | 17%                               | 2,050B                                | 1%  |  |                                      |
|                    | Lumajang          | 21                 | 3                                 | 14%                               | 2,410B                                | 3%  |  |                                      |
|                    | Pacitan           | 12                 | 2                                 | 17%                               | 1,716B                                | 0%  |  |                                      |
|                    | Trenggalek        | 14                 | 4                                 | 29%                               | 2,075B                                | 2%  |  |                                      |
| NTB                | Bima              | 18                 | 18                                | 100%                              | 2,090B                                | 0%  |  |                                      |
|                    | Lombok Timur      | 21                 | 21                                | 100%                              | 2,797B                                | 2%  |  |                                      |
|                    | Lombok Utara      | 5                  | 5                                 | 100%                              | 1,078B                                | 2%  |  |                                      |
|                    | Sumbawa           | 24                 | 2                                 | 8%                                | 1,856B                                | 3%  |  |                                      |
| Sulawesi Selatan   | Bantaeng          | 8                  | 8                                 | 100%                              | 1,050B                                | 2%  |  |                                      |
|                    | Pangkep           | 13                 | 1                                 | 8%                                | 1,431B                                | 0%  |  |                                      |
| Papua              | Asmat             | 23                 | 0                                 | 0%                                | 1,500B                                | 4%  |  |                                      |
|                    | Boven Digoel      | 20                 | 0                                 | 0%                                | 1,375B                                | 5%  |  |                                      |
|                    | Jayapura          | 19                 | 2                                 | 11%                               | 1,344B                                | 2%  |  |                                      |
|                    | Nabire            | 15                 | 3                                 | 20%                               | 1,200B                                | 0%  |  |                                      |
| Papua Barat        | Fakfak            | 17                 | 3                                 | 18%                               | 1,251B                                | 5%  |  |                                      |
|                    | Kaimana           | 7                  | 0                                 | 0%                                | 1,153B                                | 2%  |  |                                      |
|                    | Manokwari Selatan | 6                  | 0                                 | 0%                                | 738B                                  | 2%  |  |                                      |
|                    | Sorong            | 33                 | 0                                 | 0%                                | 1,645B                                | 0%  |  |                                      |
| <b>Grand Total</b> |                   | <b>388</b>         | <b>109</b>                        | <b>28%</b>                        | <b>41,425B</b>                        | <b>2%</b>                                       | <b>21</b>                                      | <b>16</b>                            |
|                    |                   |                    |                                   | (average)                         |                                       | (average)                                       |  |                                      |

Legend: ■ Yes ■ No (Source: KOMPAK District Survey, Dec 2019)

## All sub-districts have at least one PTPD facilitator and about half have an active *Klinik Desa*

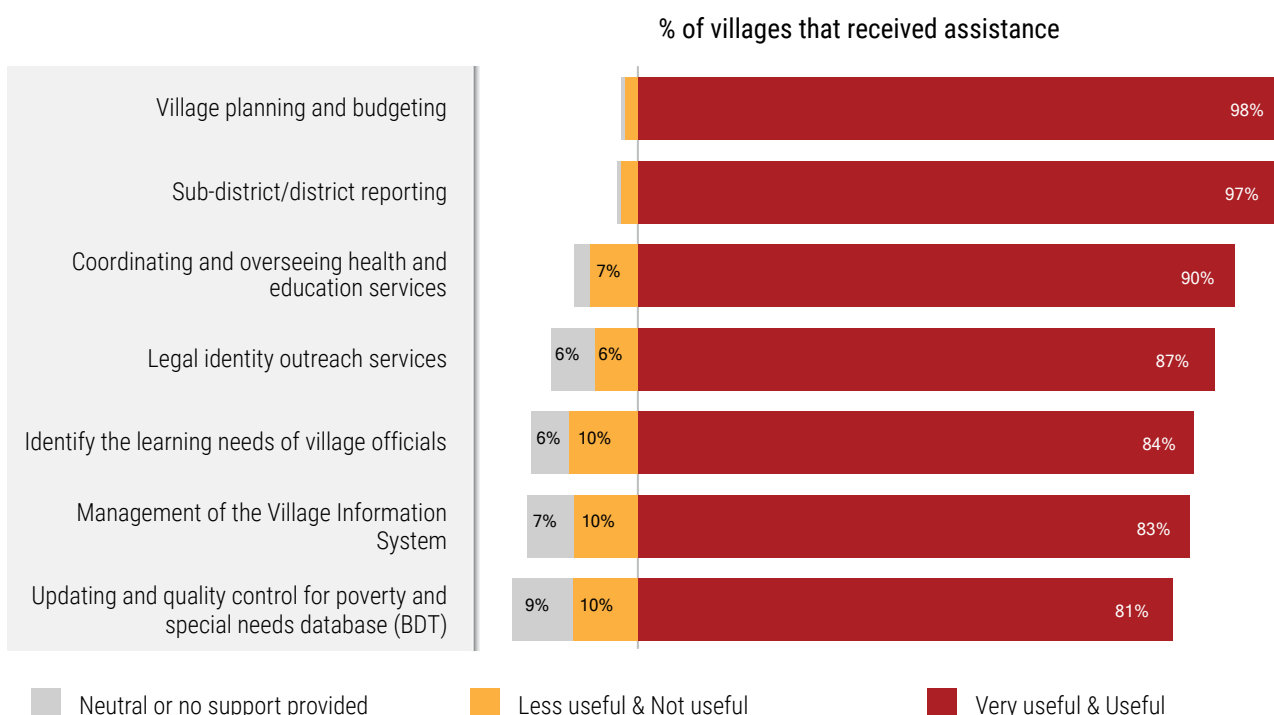
### Coverage of *Klinik Desa* and PTPD staffing at the sub-district (sub-district survey)



(Source: KOMPAK Sub-district Survey, Dec 2019)

## Of the villages that received assistance from PTPD facilitators, almost all reported it being useful

### How helpful did you find the services provided by sub-district and PTPD facilitators to support: (n = 325)



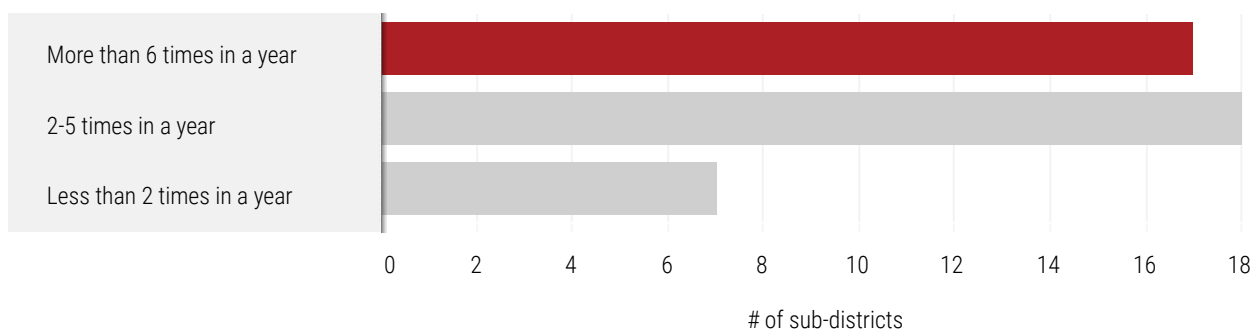
(Source: KOMPAK Village Survey, Dec 2019)

## SUB-DISTRICT MONITORING AND COORDINATION

KOMPAK has also been providing trainings and technical assistance to sub-district governments to take a more active role in monitoring and coordination. There are mixed results on the frequency and types of coordination meetings held. About 40 percent of sub-districts indicated they conducted regular coordination meetings every two months between villages and service units. This was triangulated with the Village Survey, which identified coordination on health issues the most common, and then on education and CRVS issues. About half of sub-districts (22) indicated they provided monthly or more frequent outreach visits to village governments.

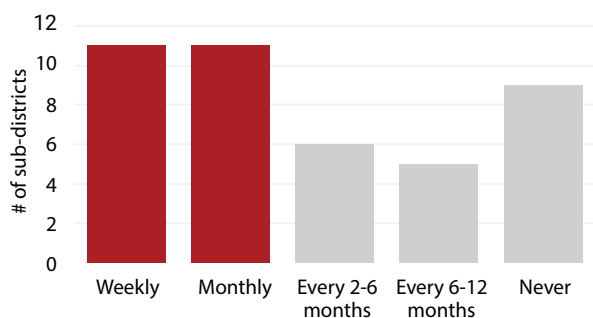
### 40 percent of sub-districts conduct cross-sectoral meetings at least every two months

**How often does the sub-district conduct cross-sectoral coordination meetings with villages and service units? (n = 42)**



(Source: KOMPAK Sub-district Survey, Dec 2019)

**How often, on average, are PTPD facilitators conducting outreach visits to villages (n = 42)**



(Source: KOMPAK Sub-district Survey, Dec 2019)



## VILLAGE INCLUSIVE PLANNING AND BUDGETING

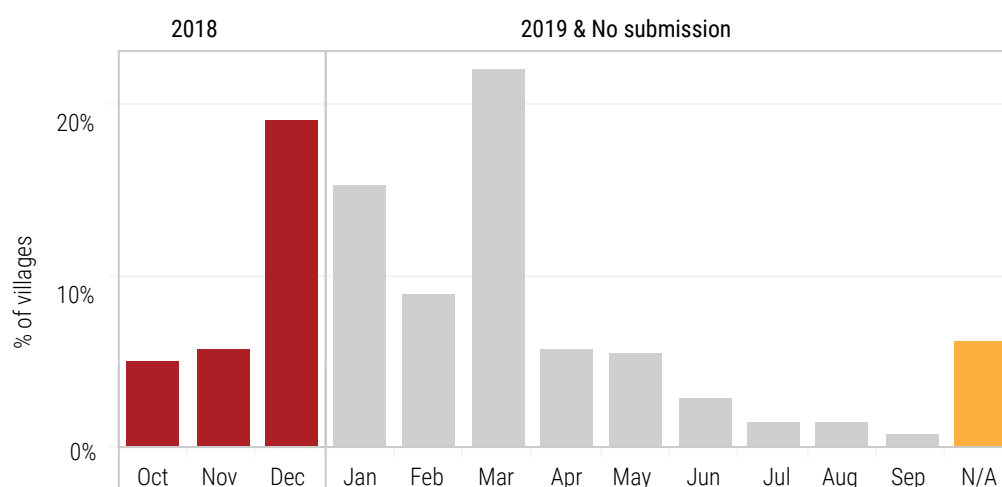
### STRENGTHEN VILLAGE CAPACITY IN INCLUSIVE PLANNING AND BUDGETING FOR SERVICE DELIVERY

The sub-district is seen as the primary mechanism for providing technical assistance to village governments on planning and budgeting through the PTPD and PbMAD models. Village governments should also be implementing inclusive village planning forums (*Musrenbang*) that involve women and vulnerable groups. If these are working effectively, then village governments should have access to a functioning financial management system, submitting their budgets (APBDesa) on-time, and allocating funds for community priorities. Using these criteria, the Village Survey found:

- All villages outside Papua and Papua Barat used *Siskeudes*, the electronic village financial management system. However, 46 villages in Papua and Papua Barat either did not have the system installed or had no trained user.
- Only about one in three villages reported submitting their APBDesa on time. In NTB, South Sulawesi, Papua and Papua Barat, over 80% of villages submitted budgets after the December deadline. In March, there is a spike in submissions as this is when the district head (*Bupati*) normally issues a decree on village funding and village governments can amend their budgets.
- Almost all villages outside Papua and Papua Barat reported that women, people with disabilities and other vulnerable groups were represented at the last *Musrenbang*. In four districts in Papua and Papua Barat, less than 30% of villages reported the regular *Musrenbang* as being inclusive.

## 1 in 3 villages submitted their APBDesa on-time

When did the village submit its APBDesa in last planning cycle (2019)? (n = 418)



(Source: KOMPAK Village Survey, Dec 2019)

## INCLUSIVE MUSRENBANG (MUSYAWARAH KHUSUS)

To improve inclusiveness in village planning and budgeting, KOMPAK and the Ministry of Villages are piloting a model where vulnerable members of the community - including women, people with a disability and others - are identified and supported to discuss and agree on their priorities before the regular *Musrenbang* process. This planning forum is known as the *Musyawaharah Khusus*. This way they can collate their priorities and jointly advocate. The model was originally piloted in Aceh Barat district but has been expanding to more areas. There has been strong uptake of the approach in Aceh, NTB and in Pacitan and Trenggalek districts of East Java. KOMPAK is working with these district and provincial governments to develop guidelines for the *Musyawaharah Khusus* model, which other districts will be able to adopt.

A review by KOMPAK’s Gender Equality and Social Inclusion team in September 2019 found that while the overall approach was effective in engaging women and vulnerable groups, there are areas that can be strengthened before further expansion. The review noted the importance of having well-trained facilitators, and ideally more than one. Facilitators need to be trained on the guidelines and ideally from the village. Observations showed there was higher participation among women members, particularly those who were members of local women’s groups. Children and people with disabilities were less active unless directly engaged for inputs. It also found that the proposal forms were intimidating and less accessible for the illiterate, and methods were needed to collect proposals through participatory methods. KOMPAK is adapting the design based on the recommendations.

Some examples of proposals that were incorporated into Village Budgets include:

### Pucangombo Village, Pacitan, East Java

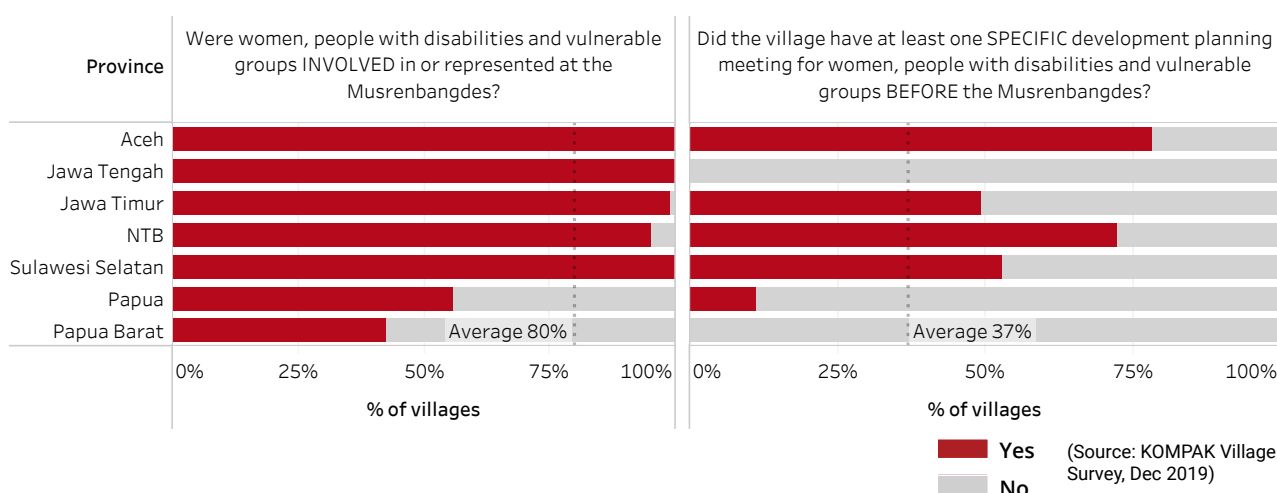
- Hearing aids for deaf people and wheelchairs for those with physical disabilities
- Restoration of 20 houses for poor community members
- Rice aid for the elderly and poor

### Pringapus Village, Trenggalek, East Java

- Extra food and bedding for people with disabilities
- Implementation of development planning meeting for women and vulnerable groups
- Community education and supplementary food aid to prevent stunting

## While vulnerable groups are involved in village planning forums , more inclusive approaches can be improved

### Inclusiveness of village planning forums (n = 418)



## VILLAGE BUDGET ANALYSIS

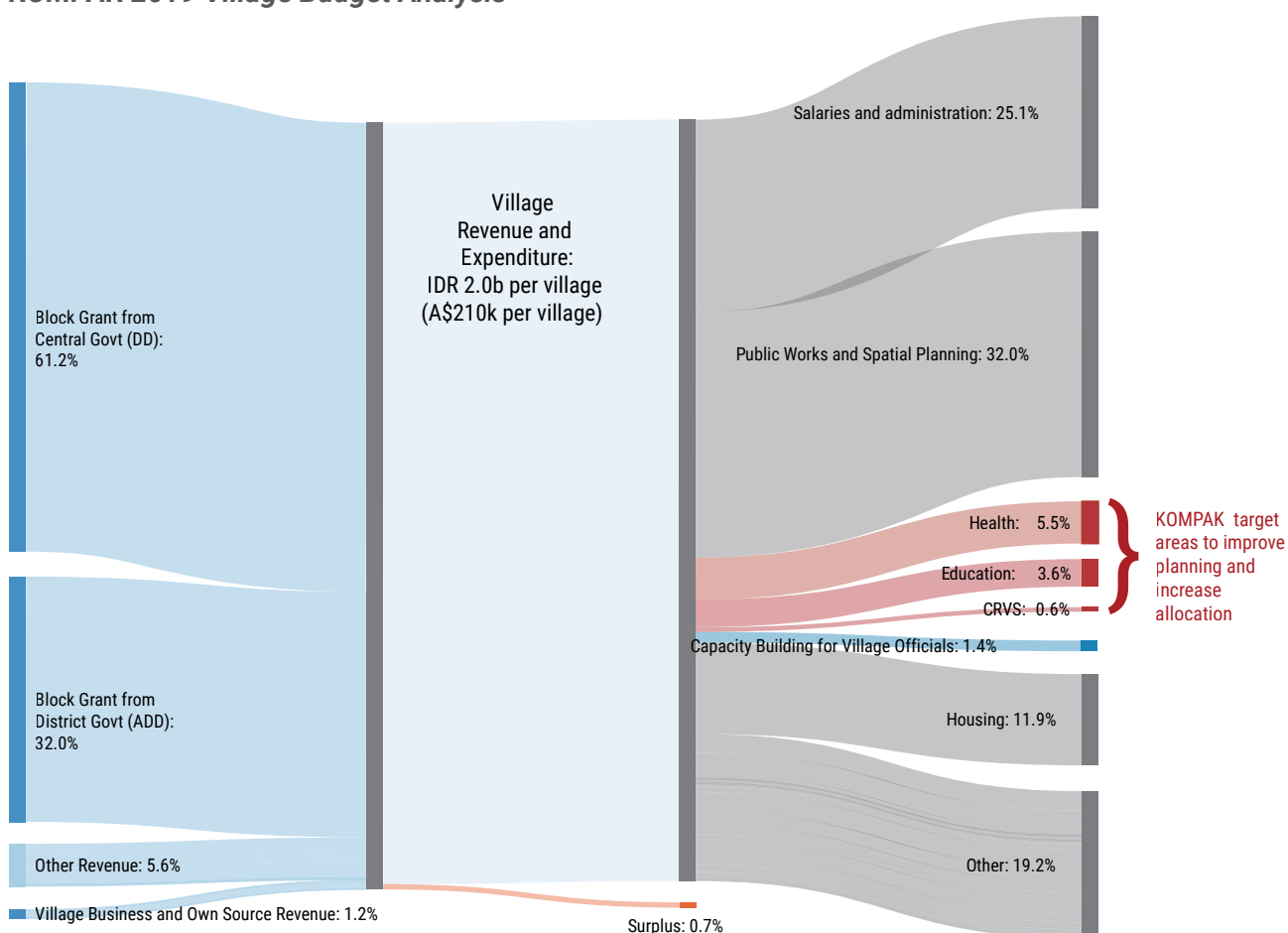
KOMPAK undertook a study analysing village expenditure in KOMPAK locations to establish a baseline and better understanding of budget allocation towards basic services (education and health). This will enable future exploration of factors that influence and incentivise shifts in spending at the village level.

The Village Budget Analysis obtained financial data (APBDesa) from 272 villages (62% of KOMPAK locations). The analysis found that, on average, each village has a budget of IDR 2.0 billion (AUD 210,000)<sup>10</sup>. There was considerable variation observed between village budgets due to population, location and special needs.

Analysis found that 93% of village revenues come from two sources: block grants from the central government and the district government. Revenue from village assets and businesses is a small contributor (~1%). The main drivers for village expenditure were government administration (25%) and public infrastructure works (32%). Basic services for health, education and CRVS made up just under 10 percent of the budget, or about IDR 182 million per village (AUD 21,000). Village capacity building, which can be used to fund PTPD and PbMAD, was 1.4 percent, or about IDR 28 million (AUD 3000).

The findings will be published in a report in early 2020.

### KOMPAK 2019 Village Budget Analysis



<sup>10</sup> There are some differences between estimates of village budgets (APBDesa 2019) from the Village Survey and Village Budget Analysis. This may be due to different sampling approaches – the Village Survey had a higher number of budgets from the Papua region which has higher per capita funding – or to population estimates. The village survey used data from the village, rather than formal government statistics.

## PAPUA AND PAPUA BARAT LOCAL GOVERNMENT STRENGTHENING INITIATIVES

### DESIGN OF PROSPPEK AND DMMD IN PAPUA BARAT AND PAPUA

In May 2019, KOMPAK and the Government of Papua Barat signed an MoU to develop an Otsus-funded program, known as PROSPPEK (*Program Strategis Pembangunan dan Pemberdayaan Kampung*). KOMPAK provided technical assistance in the design of the AUD 40 million two plus year program and in the preparation of regulations, guidelines and budgets for its implementation. A key element of PROSPPEK is the expansion of the village and sub-district information system to more than 1,700 villages with modules specifically designed to collect information on indigenous peoples, enabling better targeted social protection programs. PROSPPEK also included components to strengthen the capacity of local governments, particularly on financial management, monitoring of basic services and village oversight. PROSPPEK is scheduled to launch in early 2020, subject to funding and continued political support.

Throughout 2019, KOMPAK also supported the design of the DMMD (*Distrik Membangun, Membangun Distrik*) program. DMMD is modelled on KOMPAK's *kecamatan* and village strengthening models, and funded by the district government and sectoral agencies. KOMPAK provided support to develop ten sub-district master plans, operational guidelines, and training packages. Developed in collaboration with Bappenas and the Jayapura District Government, DMMD encourages the role of the sub-district as a centre for information on basic service delivery, the empowerment of indigenous peoples, and entrepreneurship and regional growth. The master plan is due to be approved in early 2020.

### LANDASAN PROGRAM

In order to assess progress of Australia's investment in Papua and Papua Barat, KOMPAK and its partner BaKTI conducted and published two evaluation reports in early 2019:

- Review of LANDASAN Phase II Program in Papua & Papua Barat Provinces; and
- Program Stock Taking of LANDASAN (KOMPAK Papua Region: 2016-2018).

These reviews – by the same authors – aimed to inform programming towards 2022 by assessing the status of program implementation, achievements, challenges, opportunities and to make recommendations. The overall analysis of the review findings was positive, with the LANDASAN program making 'reasonable progress considering its ambitious targets (large scope vs limited time frame) and local challenges as well as operational and programmatic issues.' One of the most notable results observed was a linkage between villages and service units in the planning process facilitated through better availability of data (village information systems) and improved coordination. Areas that need to be strengthened include a focus on gender equality and social inclusion and civil registration. These are being addressed in KOMPAK's 2020 Annual Work Plan.

In 2019, KOMPAK provided technical assistance to implement the minimum service standards (MSS) in the health and education sectors, continued the expansion of the village information system (known as SAIK and SAID), and supported sub-district and village strengthening initiatives, including through assistance in the design of new Otsus-funded programs. Key achievements up to the end of 2019 include:

- 88 of 219 primary schools have developed profiles based on the MSS and corresponding workplans and standard operating procedures (SOPs) to improve performance in this area. These schools have also formed committees to oversee progress towards the MSS.
- 30 of 31 health centres have developed workplans and standard operating procedures to achieve the MSS. This has led to improvements in overall management, risk management and patient safety.
- Two in three target villages<sup>11</sup> have installed SAIK and there is evidence these systems have been adopted by villages in 33 sub-districts. Improving utilisation of the systems for planning and budgeting remains a challenge and priority.
- Two new Otsus-funded programs were designed with KOMPAK support. The largest – PROSPPEK – will expand village information systems to all 1,742 villages in Papua Barat if fully funded.

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<sup>11</sup> According to BaKTI, 139 of 224 villages (62%) had installed SAIK as of June 2019. The KOMPAK Village Survey found that 104 of 156 villages (67%) had installed SAIK, noting that the 8 villages not surveyed have been assumed to not have SAIK. The difference can be explained by the dropping of Lanny Jaya and Waropen districts, and different data collection approaches.

# Village Information Systems.

## SITUATION ANALYSIS

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. This gives insights on population and high-poverty areas, and the ability to identify individuals without legal identity documents or children that are out-of-school.

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.

## COVERAGE AND INSTITUTIONALISATION OF VILLAGE INFORMATION SYSTEMS

There are 339 village information systems in KOMPAK locations (81% of villages surveyed). Due to different local requirements, KOMPAK is supporting implementation of six models of SID which are standardised by district. Of the villages with an SID (n = 339), almost all (97%) had a trained operator and the majority (87%) indicated there was village budget allocated to support implementation.

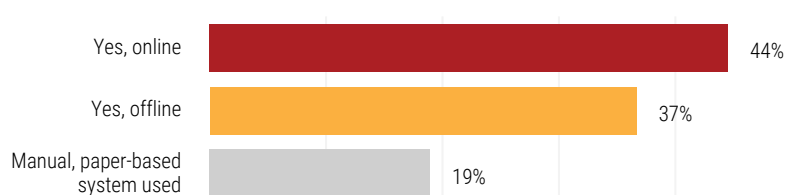
East Java has achieved full coverage of SIDs, and NTB and Aceh are over 95% coverage in KOMPAK locations. South Sulawesi plans to establish village information systems in 2020.

The most effective SIDs are those online, as it enables the aggregation of data, linkages with other systems (such as civil registration and social protection databases) and automated updates. Almost half (44%) of KOMPAK villages had online systems at the end of 2019.

A key element to the success of the village information system is guidance and support from district governments. About half of KOMPAK districts have developed regulations and allocated funding for SIDs (10 of 24 have both). There is also evidence of replication, with over 200 sub-districts now implementing SIDs, or about 55% of all the sub-districts in KOMPAK district locations. KOMPAK has also supported the Government of Papua Barat to design the Otsus-funded PROSPPEK Program. This includes funding to expand village and district information systems (SAIK and SAID) to all 1,742 villages in the province.

## 81% of villages in KOMPAK locations have a village information system and all district have only one type of SID

**Is there a village information system (or equivalent based on local context) used in this village? (n = 418)**



(Source: KOMPAK Village Survey, Dec 2019)

### Number and type of village information systems by village and district

|                    |                   | Yes, online | Yes, offline | Manual, paper-based system used | Grand Total | What model of Village Information System is used in villages? |
|--------------------|-------------------|-------------|--------------|---------------------------------|-------------|---|
| Aceh               | Aceh Barat        | 1           | 7            |                                 | 8           | SIG Kominsa Aceh (SIGAP)                                      |
|                    | Bener Meriah      | 8           | 1            |                                 | 9           | SIG Kominsa Aceh (SIGAP)                                      |
|                    | Bireuen           | 3           |              | 3                               | 6           | SIG Kominsa Aceh (SIGAP)                                      |
| Jawa Tengah        | Brebes            | 12          |              |                                 | 12          | SIDEKEM   |
|                    | Pekalongan        | 2           | 7            |                                 | 9           | SIDEKEM   |
|                    | Pemalang          |             |              | 12                              | 12          | Manual, Civil Registration Book                               |
| Jawa Timur         | Bondowoso         | 28          |              |                                 | 28          | SAID BONDOWOSO  |
|                    | Lumajang          | 20          |              |                                 | 20          | Combine Resource Institution (CRI)                            |
|                    | Pacitan           | 27          |              |                                 | 27          | Combine Resource Institution (CRI)                            |
|                    | Trenggalek        | 20          |              |                                 | 20          | Combine Resource Institution (CRI)                            |
| NTB                | Bima              | 14          | 15           |                                 | 29          | OPENSID   |
|                    | Lombok Timur      | 27          | 10           | 3                               | 40          | OPENSID   |
|                    | Lombok Utara      | 13          |              |                                 | 13          | Combine Resource Institution (CRI)                            |
|                    | Sumbawa           | 2           | 18           |                                 | 20          | OPENSID   |
| Sulawesi Selatan   | Bantaeng          |             |              | 10                              | 10          | Manual, Civil Registration Book                               |
|                    | Pangkep           |             |              | 7                               | 7           | Manual, Civil Registration Book                               |
| Papua              | Asmat             |             | 8            | 15                              | 23          | SAIK/SAID Papua   |
|                    | Boven Digoel      |             | 9            |                                 | 9           | SAIK/SAID Papua   |
|                    | Jayapura          | 7           | 5            | 7                               | 19          | SAIK/SAID Papua   |
|                    | Nabire            | 1           | 9            |                                 | 10          | SAIK/SAID Papua   |
| Papua Barat        | Fakfak            |             | 8            | 6                               | 14          | SAIK/SAID Papua   |
|                    | Kaimana           |             | 2            | 14                              | 16          | SAIK/SAID Papua   |
|                    | Manokwari Selatan | 1           | 32           | 1                               | 34          | SAIK/SAID Papua   |
|                    | Sorong            |             | 22           | 1                               | 23          | SAIK/SAID Papua   |
| <b>Grand Total</b> |                   | <b>186</b>  | <b>153</b>   | <b>79</b>                       | <b>418</b>  |   |

(Source: KOMPAK Village Survey, Dec 2019)

For every KOMPAK sub-district, there are 4 additional sub-districts that are replicating village information systems

**Replication and institutionalisation of village information systems per district (district survey)**

| Province         | District          | # of sub-districts | # of sub-districts implement SID | % of sub-districts implement SID | District information system available | District uses village data (SID) for civil registration data validation and targeting | District regulation on SID available | District budget allocated for SID |
|------------------|-------------------|--------------------|----------------------------------|----------------------------------|---------------------------------------|---|--------------------------------------|-----------------------------------|
| Aceh             | Aceh Barat        | 12                 | 0                                | 0%                               | No                                    | No  | No                                   | No                                |
|                  | Bener Meriah      | 10                 | 10                               | 100%                             | Yes                                   | No  | No                                   | No                                |
|                  | Bireuen           | 17                 | 1                                | 6%                               | No                                    | No  | No                                   | No                                |
| Jawa Tengah      | Brebes            | 17                 | 17                               | 100%                             | No                                    | No  | No                                   | No                                |
|                  | Pekalongan        | 19                 | 1                                | 5%                               | No                                    | No  | No                                   | No                                |
|                  | Pemalang          | 14                 | 0                                | 0%                               | No                                    | No  | No                                   | No                                |
| Jawa Timur       | Bondowoso         | 23                 | 23                               | 100%                             | Yes                                   | Yes   | Yes                                  | Yes                               |
|                  | Lumajang          | 21                 | 21                               | 100%                             | No                                    | No  | No                                   | No                                |
|                  | Pacitan           | 12                 | 12                               | 100%                             | Yes                                   | Yes   | Yes                                  | Yes                               |
|                  | Trenggalek        | 14                 | 14                               | 100%                             | Yes                                   | No  | No                                   | No                                |
| NTB              | Bima              | 18                 | 17                               | 94%                              | No                                    | No  | No                                   | No                                |
|                  | Lombok Timur      | 21                 | 21                               | 100%                             | No                                    | No  | No                                   | No                                |
|                  | Lombok Utara      | 5                  | 5                                | 100%                             | No                                    | No  | Yes                                  | No                                |
|                  | Sumbawa           | 24                 | 18                               | 75%                              | Yes                                   | Yes   | No                                   | No                                |
| Sulawesi Selatan | Bantaeng          | 8                  | 8                                | 100%                             | Yes                                   | No  | Yes                                  | No                                |
|                  | Pangkep           | 13                 | 0                                | 0%                               | No                                    | No  | No                                   | No                                |
| Papua            | Asmat             | 23                 | 2                                | 9%                               | No                                    | No  | No                                   | No                                |
|                  | Boven Digoel      | 20                 | 1                                | 5%                               | No                                    | No  | No                                   | No                                |
|                  | Jayapura          | 19                 | 3                                | 16%                              | No                                    | No  | No                                   | No                                |
|                  | Nabire            | 15                 | 3                                | 20%                              | No                                    | No  | No                                   | No                                |
| Papua Barat      | Fakfak            | 17                 | 17                               | 100%                             | No                                    | No  | No                                   | Yes                               |
|                  | Kaimana           | 7                  | 2                                | 29%                              | No                                    | No  | Yes                                  | Yes                               |
|                  | Manokwari Selatan | 6                  | 3                                | 50%                              | No                                    | No  | No                                   | No                                |
|                  | Sorong            | 33                 | 2                                | 6%                               | No                                    | No  | No                                   | No                                |
| Grand Total      |                   | 388                | 201                              | 52%                              | 6                                     | 3   | 13                                   | 14                                |

(average)

■ Yes (Source: KOMPAK District Survey, Dec 2019)  
■ No

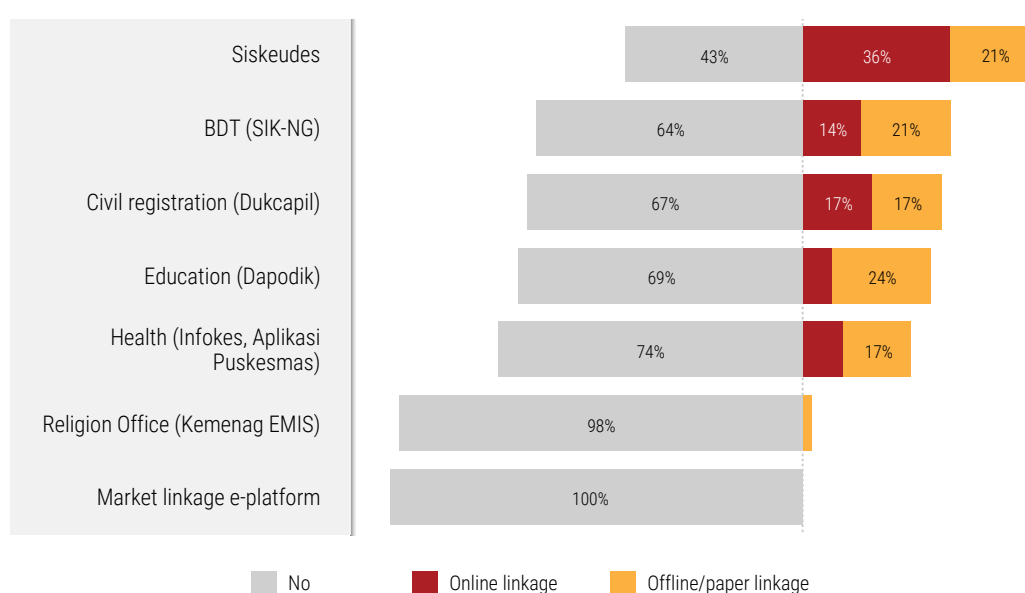


## INTEGRATION OF VILLAGE INFORMATION SYSTEMS WITH OTHER DATASETS

There remains scope to improve the interconnectivity of SIDs with other datasets. The most common linkage is with *Siskeudes*, the village financial management system, while social protection (BDT) and sector-specific datasets are infrequently linked.

### Most village information systems are not integrated with other datasets

**Do ALL villages in the sub-district have access to any of the following datasets: (n = 42)**



(Source: KOMPAK Sub-district Survey, Dec 2019)

## IMPROVING USE OF VILLAGE INFORMATION SYSTEMS

While coverage is relatively good, more effort is needed to improve use of the SID for planning and budgeting. The Village Survey showed that there has been a strong increase in regular use of the systems over the past six months, with each category increasing by about 20 percentage points. There are now about two in three village information systems used regularly for planning, budgeting, reporting and outreach activities.

Most villages indicated they found the SID useful. However, more than one in ten villages indicated the system as not useful for planning and budgeting, verification of poverty data, and supporting legal identity outreach services. Additional trainings and mentoring – by KOMPAK, PTPD Facilitators or between villages – needs to prioritise these villages.

Based on feedback from field officers, many villages are only using the SID as an administrative tool, documenting who has a legal document or their place of residence. The tool has much more power than

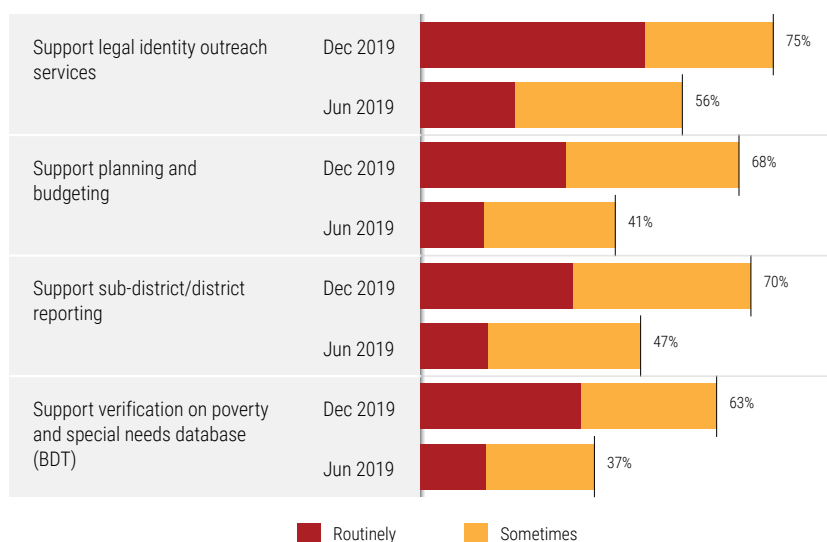
this, if the users can explore the data and link with their village activities. The most successful villages use the system for multiple purposes, such as:

- Identifying people living in poverty, based on data for salary and employment status;
- Identifying female-headed households or people living with a disability, using data on marital status or disabilities;
- Using age of residents to identify the elderly for support services, pockets of young people for early childhood development classes, or out-of-school children. Age has also been used in NTB to guard against child marriage; and
- Identifying people without legal identity documents so that outreach programs can be more targeted.

A common challenge is data accuracy and completeness, highlighting the importance of providing support on data verification, regular updates, and linkages with other information systems. Most villages update their data on both an ongoing basis, say monthly or more, and conduct comprehensive annual surveys. In Pacitan and Trenggalek, for example, KOMPAK has developed a survey – incorporated into the SID – which contains household data on access to water and sanitation, housing infrastructure, social protection programs, education status, nutrition, employment, and other elements. This provides additional information that villages can use to inform their operations.

## There have been good improvements in regular use of village information systems over the past 12 months

### How often is the Village Information System (or equivalent) USED? (n = 339)



(Source: KOMPAK Village Survey, Dec 2019)

## KECAMATAN AND DISTRICT INFORMATION SYSTEMS

Village information systems will have considerably more power if the data can be aggregated at the sub-district and district levels. KOMPAK has been piloting this approach and has been able to aggregate the village information system datasets in seven districts (which, in turn, also includes all sub-districts in these locations). This was completed in East Java (Bondowoso, Pacitan), Central Java (Pemalang, Pekalongan, Brebes) and Aceh (Aceh Barat, Bireuen).

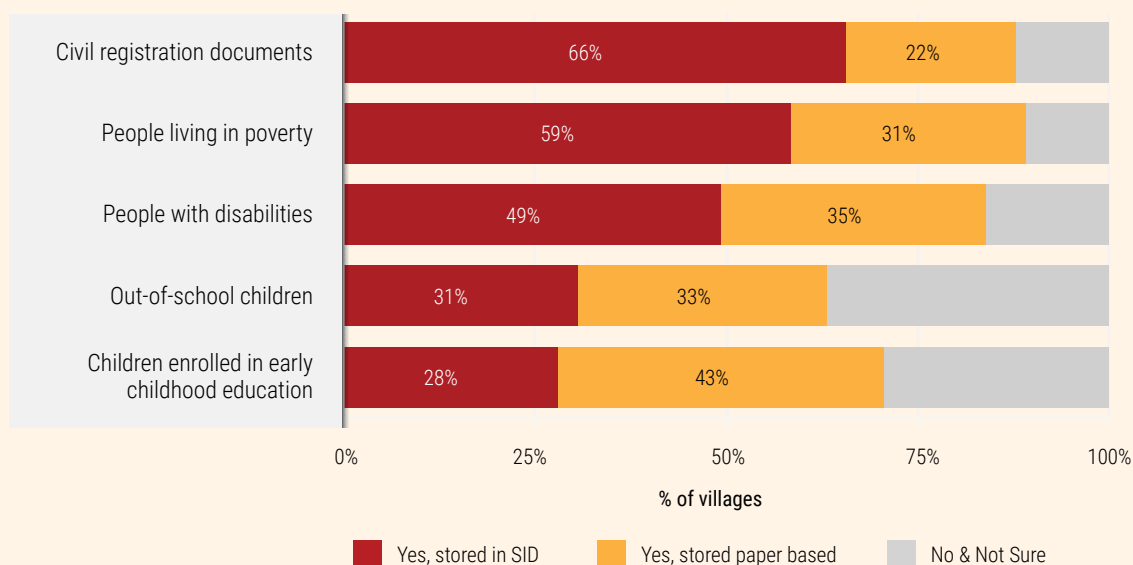
The district and kecamatan information systems (using village information system data) are still prototypes. More work is needed to develop user-friendly dashboards to enable district and sub-district officials to extract the insights and data they need.

### STRENGTHENING DATA ON GENDER AND VULNERABLE GROUPS

Through village information systems, KOMPAK is strengthening village governments ability to plan for and deliver services to vulnerable groups. All systems collect sex disaggregated data and most villages also have systems to capture other pertinent information, such as the number and types of people with disabilities, the number and level of people living in poverty, the number and type of social protection programs people are registered for, and whether children are accessing school or health services.

This data provides valuable insights that can be used to strengthen GESI outcomes. This includes increasing participation of vulnerable groups in planning forums (as they are more easily identifiable), targeted outreach programs to increase school enrolment and legal identity coverage, and identification of the poorest households for targeted health, nutrition, housing and other basic service programs.

#### Does the village information system (or equivalent) have specific data on: (n = 418)



(Source: KOMPAK Village Survey, Dec 2019)

# Social Accountability

## SITUATION ANALYSIS

Under Village Law, every village is mandated to hold a village planning forum – known as a *Musrenbang* – to discuss and agree on priorities. These forums, held annually, are usually process-oriented and do not adequately incorporate community feedback. Overall participation rates in these village planning forums is low at about 16 percent, with participation mostly by higher income men<sup>12</sup>. Moreover, only 6 per cent of communities are aware of how village funds are used.

Women, people with disabilities and other vulnerable groups are routinely excluded from the process, despite evidence<sup>13</sup> 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.

KOMPAK is piloting two main approaches to strengthen social accountability. Firstly, increasing skills and knowledge of Village Council (BPD) and community members in village governance, budgeting and inclusiveness. This includes *Sekar Desa* (implemented by Seknas Fitra), the Paradigta Academy (implemented by PEKKA), and *Sepeda Keren* (implemented by the Trenggalek District Government). And secondly, improving community feedback mechanisms. This includes *Posko Aspirasi* (implemented by Seknas Fitra) and *KLIK-PEKKA* (implemented by PEKKA and in coordination with MAMPU).

*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.

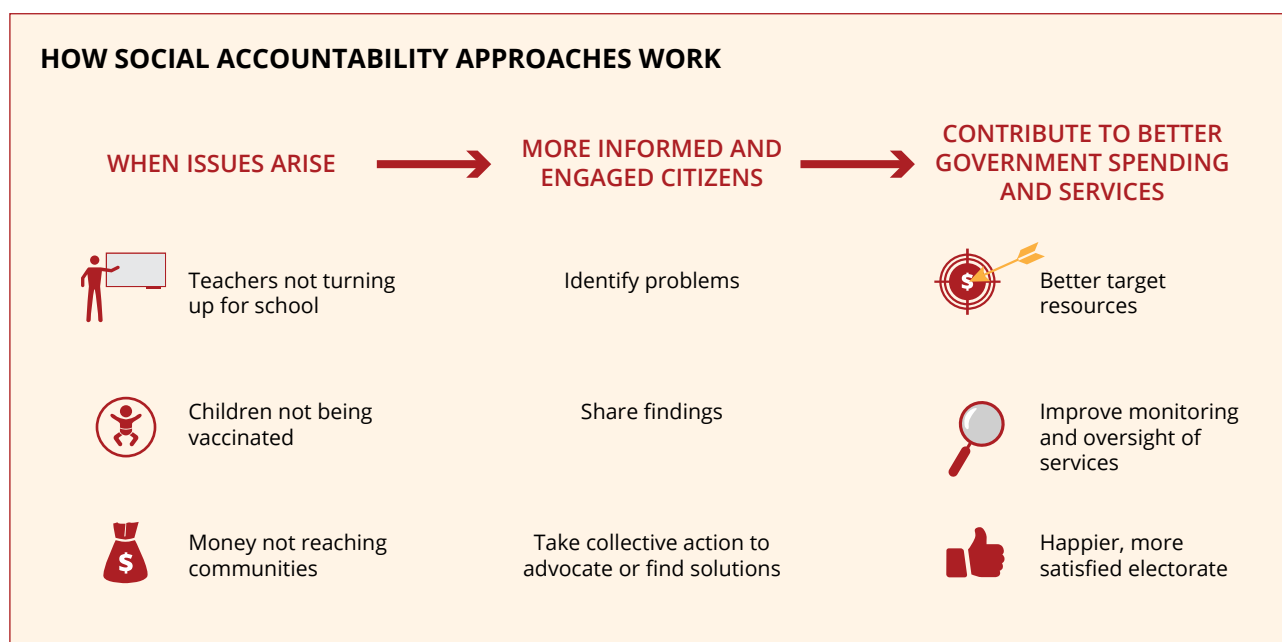
## NATIONAL POLICIES ON SOCIAL ACCOUNTABILITY

Based on the work that KOMPAK is doing with Seknas Fitra and PEKKA, two sets of guidelines for the Ministry of Villages were developed on social accountability and women's empowerment.

The guideline on social accountability draws on the *Sekar Desa* and *Posko Aspirasi* pilots, providing training materials and instructions for village council and government officials to replicate the approach and a module on the role and responsibilities of the Village Council. The Ministry of Villages was a key partner

<sup>12</sup> World Bank (2018). Baseline Findings from the Sentinel Villages Study.

<sup>13</sup> World Bank and KOMPAK (2019). Village Law Policy Note: Putting Communities at the Centre of Village Law Implementation.



in their development and has indicated it wants to replicate the models more broadly, including through the World Bank's upcoming sub-district and village strengthening program (P3PD).

For women's empowerment, KOMPAK collaborated with PEKKA and two DFAT-funded programs (MAMPU and PEDULI) to develop a guideline with training materials on establishing women's groups, increasing participation of women and people with disabilities in village forums, and the broader role of women in village governance and processes.

## SEKAR DESA

In 2019, *Sekar Desa* was piloted in 33 villages across five provinces by KOMPAK and its partner Seknas Fitra. A total of 3,358 people (42% women, 6% people with disabilities) – or about 100 per village – completed the six-day training over three months. Participants included village government, village council and community members, including women and vulnerable groups. Community members were selected after a process to map and identify women's groups, people living with disabilities, the elderly and indigenous people.

The trainings covered five modules: 1) Implementation of Village Law; 2) Improving village council (BPD) performance; 3) Basic concepts of village planning and budgeting; 4) Gender responsive and inclusive analysis of village development plans (RPJM and RKP); and 5) Analysis of the Village Budget (APBDesa). These modules will be further tested and refined, and KOMPAK aims to use the lessons from these trainings to inform development of village council and community member trainings for the Ministry of Villages.

Feedback from participants indicates the trainings have been effective in improving understanding of village law, planning and budgeting, particularly for village councils who rarely received any training prior to *Sekar Desa*. An evaluation of the approach is planned for mid-2020 to determine the model's overall effectiveness and replicability.

## POSKO ASPIRASI

In the same villages as *Sekar Desa* was undertaken<sup>14</sup>, KOMPAK and Seknas Fitra trialled the *Posko Aspirasi* community feedback mechanism. This involved using village councils as the primary gateway for community members to submit their priorities and for them to collate these submissions and advocate to the village government for their adoption.

Each village held an ‘aspiration week’ to promote the initiative. Aspirations and complaints could be delivered orally or in writing directly to a designated post staffed by a BPD member or through submission of a form at one of multiple suggestion boxes installed in the villages. The public could also submit via electronic mail, such as through WhatsApp, SMS or the village website.

The approach has been successful, with over 15,000 suggestions submitted by 3760 different people. That equates to almost 500 suggestions and 120 people per village. The feedback has also proven useful, helping village governments to identify local priorities to be included in their development plans and annual budget. A challenge for village councils has been their ability to analyse and aggregate the suggestions. KOMPAK provided support to assist these members to group and rank feedback submissions. Village councils then held a community meeting to discuss the results and to assist in prioritising the feedback for Village Government officials as part of the budget planning process. Documenting this approach helped to ensure transparency and accountability to the community.

KOMPAK and Seknas Fitra have developed training modules and guidelines to support district governments to replicate the model, with five district governments allocating a total of IDR 800 million (AUD 80,000) in 2020 for replication.

Some examples of suggestions that were incorporated into Village Budgets include:

| <b>Tangkil Village, Trenggalek, East Java:</b>  | <b>Gumelem Village, Pekalongan, Central Java:</b>   | <b>Kasimpar Village, Pekalongan, Central Java:</b>  |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Setting up a space for a village market</li> <li>• Nutrition program for undernourished mothers and children</li> <li>• Reforestation project</li> </ul> | <ul style="list-style-type: none"> <li>• Hearing aids for deaf persons</li> <li>• Establishing an office for the Early Childhood Education teacher</li> </ul> | <ul style="list-style-type: none"> <li>• Procurement of trash bins</li> <li>• Development of eco-tourism project</li> <li>• Maintenance of clean water reservoirs and latrines</li> </ul> |

<sup>14</sup> One village was excluded due to lack of political support.

## PARADIGTA ACADEMY

KOMPAK and its partner PEKKA are addressing barriers to participation in village affairs by providing women opportunities to learn about village governance. PEKKA also supports participants and alumni to establish women's groups and to take a more active role in working with local governments and communities. PEKKA's network includes women's groups across five provinces with over 2,700 members. These groups receive training from PEKKA on community organisation, advocacy and income-generating activities, such as basket weaving.

From these groups, PEKKA identifies women to undertake further trainings through the Paradigta Academy. In 2019, 249 women graduated from the program. Most of the costs associated with Paradigta classes since July 2018 have been funded by village governments, demonstrating the potential sustainability of this model.

There are now 2,330 Paradigta alumni, with about one in six (349) who have taken on higher roles of leadership as village government (apparatus), village council and village-owned enterprise officials and members (exact figures not available at time of reporting). In 2019, Paradigta alumni influenced the development of 19 local regulations (village regulations, Bupati regulations, *Surat Keputusan*, and MoUs) focused on pro-poor and gender-inclusive development. This includes village fund allocations to sponsor women to join Paradigta classes and regulations on women's engagement in *Musrenbang*.

KOMPAK is developing technical facilitation guidelines on women's empowerment and social accountability at the village level. These draw on lessons learned from the programs and will provide a replicable model for the Ministry of Villages. The Ministry of Villages has stated they are committed to replicating the Paradigta Academy program in 2020.

KOMPAK will be phasing out support for the Paradigta Academy by mid-2020 and an evaluation will be published in early 2020.

### **THE PARADIGTA ACADEMY: EMPOWERING WOMEN TO LEAD AND CONTRIBUTE TO VILLAGE DEVELOPMENT**

The Paradigta Academy training program provides a one-year course of study to prepare women from rural villages to engage more effectively with their local governments and communities. Women – usually female heads of households or members of women's groups – are equipped with the knowledge, skills, confidence, and tools to be more active members in their village governments.

The Academy adopts a mentoring system where female instructors – mostly from villages – are trained to become facilitators and accompany participants in their learning processes. This helps to promote a sustainable education process capable of strengthening the capacity of the students as community organisers and local leaders. The Female-Headed Household Empowerment Program – known by its Bahasa acronym PEKKA – developed this initiative to strengthen female leaders at the grassroots-level.

## SEPEDA KEREN

*Sepeda Keren* is a school for women, people with disabilities, children and other vulnerable groups (such as migrant workers) being set up in Trenggalek district, East Java. The program is modelled on the Paradigta Academy and uses community mentors who provide a 6-8 month training package on village governance, gender, human rights, and community organisation to village cadres and vulnerable persons. They will also support village governments to develop more inclusive regulations, pro-poor budgets, and to conduct inclusive *Musrenbang*.

*Sepeda Keren* is led and majority funded by the district government in Trenggalek, with technical support and seed funding from KOMPAK. Other partners - including MAMPU, PEDULI and civil society organisations - were also involved in the design and implementation. Twenty-five mentors completed a ten-day training will begin providing support to villages from January 2020.



# Market Linkages

## SITUATION ANALYSIS

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), or both. 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.

KOMPAK's market linkage pilot offers a potential model for village governments to promote MSEs. The pilot supports local MSEs – such as cooperatives, village-owned enterprises (BUMDES/BUMDESMA) and women's business groups – to identify and harness business opportunities that benefit women and the poor. The approach enables members of MSEs to pool resources and sell in larger quantities and at a higher level on the value chain (such as processing and packaging raw materials) to local and national buyers.

In 2020, KOMPAK allocated IDR 4.8 billion (AUD 510,000) for market linkage activities. This is leveraged by village and district co-funding. Local governments provide both funding, regulatory support and in-kind assistance for MSEs, while KOMPAK provides technical assistance.

KOMPAK's analysis of village budgets (APBDesa) found that village-owned enterprises raise revenue of about IDR 24m (AUD 2,600) per village, or 1.2 percent of total village revenues. The market linkage approach aims to increase this and help to ensure that the poorest and most vulnerable members of the community benefit from the employment opportunities and additional revenue created.

*Key issues, challenges and recommendations:*

- A challenge for KOMPAK and the Government is that there remains limited evidence on whether the market linkage approach is effective or achieves good value for money.
- An evaluation by KOMPAK of the income and productivity benefits for business group members is planned for early 2020. This will help to better quantify the cost benefits of the market linkages approach.
- There is case study evidence and feedback from beneficiaries and local government partners on the model's effectiveness, but there is only limited objective data on revenues/expenditures or participants. This is an area KOMPAK is working to strengthen.

### DEFINITION OF MSE

Micro and small enterprises (MSEs) are productive entities owned by an individual or individual business unit, with assets of less than IDR 500m (AUD 50,000) and an annual turnover of less than IDR 2.5b (AUD 250,000). KOMPAK's work is mostly focused on micro enterprises which have assets of less than IDR 50m (AUD 5,000) and an annual turnover of less than IDR 300m (AUD 30,000).

## **PILOTING THE MARKET LINKAGE APPROACH**

KOMPAK is piloting the approach through 14 MSEs across seven districts. These are employing about 100 people directly and benefitting an estimated 10,000 farmers and small business entrepreneurs. Examples of goods and services being sold include processed commodities, tourism initiatives, and handicrafts/garments.

KOMPAK has been providing technical assistance 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 MSEs with online market places and buyers (also known as off-takers).

A challenge for KOMPAK and the Government is that there remains limited evidence on whether the approach is effective or achieves good value for money. An evaluation will be undertaken in 2020 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.

KOMPAK has collected data on revenue and expenditure for the MSEs, but there remain gaps in reporting and in defining (and thus counting) beneficiaries. A challenge is that many of the business groups are collectively owned, such as a BUMDES or village-owned enterprise. This initiative potentially benefits those who work directly for it, the farmers or suppliers selling goods, and the people from the village. Developing tools to better capture these benefits routinely will be a priority in 2020.

KOMPAK has identified an existing online market linkage platform – developed by a private company – to connect MSEs and buyers. This platform will be trialled in 2020. KOMPAK will provide support as needed, but will not oversee its implementation.

## **SUPPORT FOR NATIONAL POLICIES ON LOCAL ECONOMIC DEVELOPMENT**

KOMPAK worked with Bappenas to integrate the lessons learned from these pilots to strengthen the local economic development components of the next national medium-term development plan (RPJMN 2020-2024). KOMPAK also supported the development of national market linkage guidelines to assist the government replicate the approach in new areas.

**List of business groups participating in market linkage pilot (Jan-Dec 2019)\***

| TYPE OF MSE          | DISTRICT     | COMMODITY                 | NAME OF MSE             | REVENUE     | EXPENDITURE | PROFIT/ (LOSS) |
|----------------------|--------------|---------------------------|-------------------------|-------------|-------------|----------------|
| BUMDES               | Bantaeng     | Coffee                    | BUMDES Daulu            |             |             | 0              |
|                      |              | Seaweed processing        | BUMDES Layar Terkembang | 5,364,000   | 6,140,189   | (506,189)      |
|                      | Pacitan      | Modified cassava flour    | BUMDES Mokaf Bogati     | 41,000,000  | 34,337,500  | 6,662,500      |
|                      | Trenggalek   | Coconut husk processing   | BUMDES Banjar           |             |             | 0              |
| BUMDESMA             | Pemalang     | Agro-tourism              | BUMDES Belik            |             |             | 0              |
|                      |              | Jasmine essential oil     | BUMDESMA Ulujami        |             |             | 0              |
|                      | Trenggalek   | Rhizoma chips             | BUMDESMA Sari Bumi      |             |             | 0              |
| Cooperative          | Bantaeng     | Coffee                    | Koperasi Akar Tani      |             |             | 0              |
|                      | Pekalongan   | Green tea                 | Koperasi Berdiri Makmur |             |             | 0              |
|                      | Pemalang     | Coffee                    | Koperasi Tani Harapan   | 339,676,000 | 381,080,000 | 18,596,000     |
| Micro Business Group | Pekalongan   | Handmade Batik            | UKM Batik Kampil        |             |             | 0              |
|                      | Aceh Barat   | Waterhyacinth handicrafts | UKM Arlamba             | 47,173,000  | 13,894,000  | 33,279,000     |
| Pokdarwis            | Lombok Utara | Village tourism           | Pokdarwis Bayan         |             |             | 0              |
|                      |              |                           | Pokdarwis Genggelang    |             |             | 0              |
| Grand Total          |              |                           |                         | 493,483,000 | 435,451,689 | 58,031,312     |

\* Data collection began in late 2019 and not all business groups were tracking revenue and expenditure throughout the year. KOMPAK is providing support to help them develop budgets and financial reports.

**EXAMPLES OF MARKET LINKAGE PILOTS***Pekalongan, Central Java*

KOMPAK has partnered with Havilla, a premium tea company, to support a cooperative to process green tea more effectively. This partnership has led to an increase in their production capacity and access larger markets. It has benefited an estimated 5,000 tea farmers in 10 villages as they are able to sell their tea to the cooperative in greater quantities and for higher prices.

*Trenggalek District, East Java*

KOMPAK works with the joint village-owned enterprise (BUMDESMA) and Agradaya, an agriculture company, to train farmers on how to process herbs into chips. This enables the BUMDESA to sell the chips for a higher profit margin, and for Agradaya to benefit by purchasing a higher quality product at a lower price. Village and district governments have demonstrated their support by using government funds to procure equipment and establish a workshop.

*Aceh Barat, Aceh*

KOMPAK works with DC-9 to transform water hyacinth, an endemic vegetation, into placemats through advanced trainings for a women's business group to enter a broader market with competitive price. The product has entered IKEA and passed Sarinah (an Indonesian state-owned enterprise known as a national centre for trade of Indonesian handicrafts/local products) curation process. Aceh Barat Government is interested to replicate this model to other villages with different commodities.

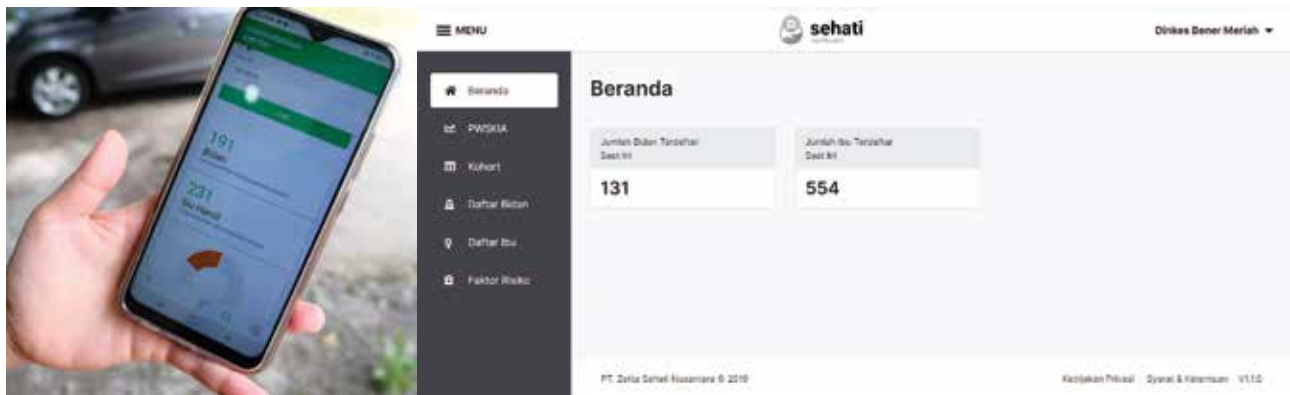
## Health, Education and Innovation

### MOBILE APPLICATION AND DASHBOARD TO SUPPORT HEALTH SERVICES FOR PREGNANT WOMEN

In March 2019, KOMPAK and SEHATI, a private health technology company, began piloting a mobile application (PWS+) in 13 clinics in Bener Meriah district, Aceh. This was later expanded in November to 23 more clinics in Pangkep district, South Sulawesi, co-funded by the District Health Office.

The application is tablet-based, enabling electronic data entry, automated analysis through dashboards and prompts, and a digitised and searchable copy of the maternal and child health handbook. The application enables the identification of high-risk pregnancies, prompts for follow up and referrals, and the ability to generate more accurate and automated reports for health centres and the district health office to support planning and outreach initiatives.

At the end of 2019, there were 198 midwives using the application and 554 pregnant women registered. Further improvements to the original design are also being tested, with the final design planned for launch in April 2020. SEHATI has developed a new module for neonates and has been conducting e-learning – led by obstetricians/gynaecologists – for 53 midwives on obstetrics and neonatal care.



### REMOTE AREA HEALTH SERVICES AND DRONES

In September 2019, KOMPAK published its final report for Bappenas and the Coordinating Ministry for Maritime Affairs assessing the feasibility of using drones for the distribution of drugs and medical supplies, primarily for South Sulawesi but with potential broader applications. The study included a literature review of other country programs and options for Indonesia and key informant interviews from government ministries (Ministry of Health, Ministry of Transport, Ministry of Defence and Bappenas), the provincial and 11 district offices in South Sulawesi, and managers and clinical workers at 36 island-based health facilities.

The study concluded that both fixed wing and hybrid drones are feasible and could be effective in reducing stock-outs of high-value or cold-chain items, such as blood, vaccinations and certain drugs. A challenge raised is the high cost of implementation – with estimates of about IDR 140 billion (AUD 15 million) per year for South Sulawesi – and no decision has been made on whether to adopt this approach.

In addition to this study, KOMPAK completed an evaluation on the 'health boat, healthy island' program (*Perahu Sehat Pulau Bahagia*). This initiative in South Sulawesi delivers health services to 17 island communities. The evaluation, conducted for the Pangkep District Government, found that the services were well received by communities but there needed to be a more publicly available schedule so that people can more easily be informed on when they are visiting. There also needs to be guidelines developed to more clearly outline the type and frequency of services provided, linkages with local health centres, and areas of operation.



## INITIATIVES TO ADDRESS OUT-OF-SCHOOL CHILDREN

In the 2016/17 academic year, about a third of elementary and middle school students in Pangkep district, South Sulawesi, who went to work on the sea dropped out of school, according to the District Education Office. This led to the development of the 'boat class' approach (*Kelas Perahu*), where students use student worksheets as learning materials while going to sea and get support from teachers when back on land.

The initial pilot began in 2016 as an initiative supported by the District Government partnering with the Consulate-General of Australia (Makassar) and IKAMA (Australian Student Alumni Association) to develop worksheets and other learning materials and approaches for children working at sea. KOMPAK began supporting the pilot in 2017, and in 2019 was assisting the District Government to develop a replication strategy across four districts in South Sulawesi, including the drafting of district regulations, and technical guidelines and trainings for teachers and facilitators.

The approach has helped reduce school dropout rates for students who go to sea to under 3 percent for the 415 students currently enrolled, according to the District Education Office. In 2019, the Pangkep District Government issued a regulation and allocated an initial IDR 250 million (AUD 30,000) in the 2020 District Budget (APBD) for the boat class model, paving the way for its expansion across 123 schools in Pangkep.

In Brebes district, Central Java, KOMPAK supported data collection efforts and issuance of a district regulation legislating mandatory year 12 education to address the challenge of out-of-school children. This was done to complement UNICEF's data collection through Community Based Development Information System (SIPBM: Sistem Informasi Pembangunan Berbasis Masyarakat). KOMPAK piloted a mobile data collection form – with the potential for integration into village information systems – that has potential applications for other villages, but further evidence is needed on its effectiveness before replication.

## INDICATORS FOR THE NATIONAL ACTION PLAN FOR EARLY CHILDHOOD EDUCATION AND DEVELOPMENT

At the national level, KOMPAK has been supporting Bappenas to conduct a background study on indicators for the National Action Plan for ECED. ECED has been identified as one of the national program priorities for the new national medium-term development strategy (RPJMN 2020-2024).

In partnership with the National ECED Coalition, KOMPAK developed a monitoring framework that includes indicators on education, health and nutrition, and child protection, care and welfare. This involved facilitating meetings and getting agreement from the ten relevant ministries responsible for the national strategy, and consultations with 11 district and six provincial governments to get their feedback on the proposed indicators.

The National Action Plan for ECED 2020-2024 and monitoring framework is scheduled to be launched in early 2020. The framework will be an important component in assessing the effectiveness of the strategy.

## UNIVERSITAS MEMBANGUN DESA (UMD)

Students at over 3,000 Indonesian universities usually undertake community service projects as part of their undergraduate studies, known as the *Kuliah Kerja Nyata* (KKN). The UMD – initiated by KOMPAK – aims to mobilise the KKN program to support village development.

KOMPAK served as a facilitator in bringing universities, ministries, the private sector and sub-national governments together to identify better ways of working. KOMPAK facilitated multiple MoUs with stakeholders, including in NTB, Aceh, South Sulawesi and East Java, and between the Ministry of Villages and Ministry of Religious Affairs – which oversees some universities – to agree on priorities and the future of the program. Discussions are continuing with the Ministry of Higher Education to get their support for UMD.

Some examples of UMD in action include:

- In four districts in NTB (Lombok Utara, Lombok Timur, Bima, and Sumbawa), 556 students were mobilised through the UMD to assist 45 villages. Working with local governments, the students conducted household visits to find people without legal identity documents, resulting in at least 4,890 additional documents issued;
- In Bener Meriah district, Aceh, 397 students supported the construction of 40 village nutrition posts; and
- In Pangkep district, South Sulawesi, 15 students supported the development and launch of a village website, enabling an on-line marketplace to showcase village products.

KOMPAK also supported the launch of the Platform Inspirasi-UMD (<https://inspirasi-umd.id>). The website has 18 universities and 14 villages signed up, with more under discussion. The platform enables villages to post village development projects, and universities and companies can view these and volunteer to assist.

# Gender Equality and Social Inclusion

KOMPAK's Gender Equality and Social Inclusion (GESI) Strategy 2019-2022 adopts a twin-track approach. This involves both targeted and mainstreamed initiatives to reduce gender equality and promote women's empowerment.

KOMPAK's GESI and Performance teams provide technical support to program and provincial teams to adopt a gender and social inclusive perspective. Teams are supported to use this understanding to shape the design, implementation and monitoring of activities.

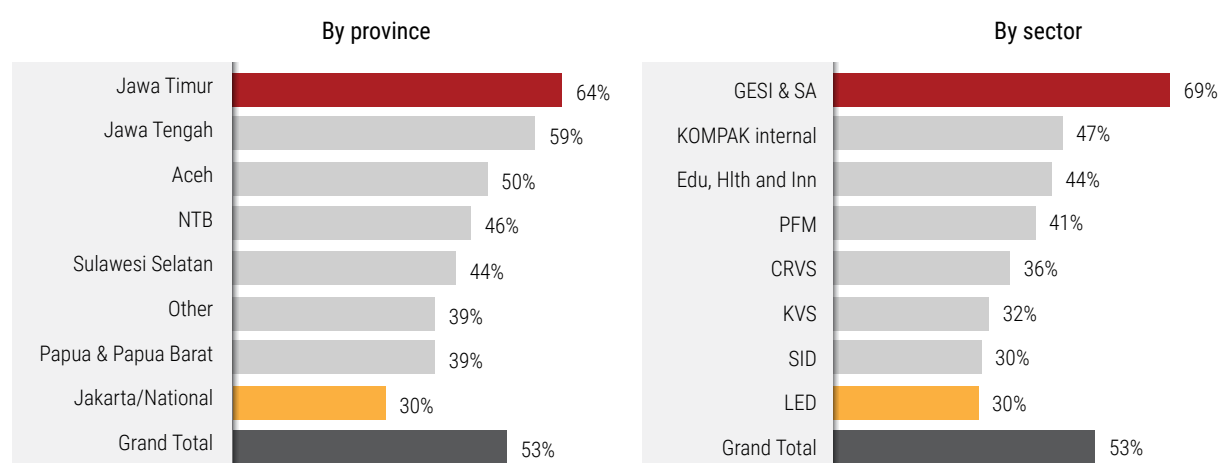
KOMPAK is also aiming to bring about changes in gender equality at the national level through leveraging partnerships with other DFAT-supported facilities. In 2019, a KOMPAK-led study for Bappenas to define vulnerable persons for civil registration purposes involved collaboration with PEDULI, MAMPU and civil society organisations. KOMPAK also partnered with these agencies in the development of guidelines for the Ministry of Villages on social accountability and women's empowerment.

## ANALYSIS OF GENDER EQUALITY GAPS AND OPPORTUNITIES

In 2019, the GESI team conducted reviews of KOMPAK's Inclusive *Musrenbang* (*Musyawaharah Khusus*) and Market Linkages pilots. These reviews provided important insights that contributed to revising program approaches, such as training multiple facilitators to encourage greater participation of vulnerable individuals.

The Performance team expanded its analytics capabilities, enabling a better understanding of GESI dynamics in KOMPAK's targeted regions and to assess gender outputs and outcomes from program activities. Through KOMPAK's management information system, it shows about half the participants were female. Events for social accountability – which are predominantly focused on women's empowerment and participation – had the highest level of female representation. Trainings at the national level and for LED – which took place mostly with government officials – were more male dominated.

### Percentage of women attend KOMPAK trainings or events (n = 17,530)



(Source: KOMPAK MIS, Jan-Dec 2019)



## FIRST TRACK: GESI-SPECIFIC PROGRAMS

In 2019, KOMPAK initiatives for the first track focused on the Paradigta Academy and a similar program called *Sepeda Keren*.

- Female leadership and participation at the village level is poor in KOMPAK districts: only 14 percent of village council members and government officials are women. The Paradigta Academy and *Sepeda Keren* aim to help improve this situation, but it is too early to identify shifts as baseline data was first collected in June 2019.
- There were 249 women from villages who completed Paradigta's 6-9 month program on village governance and women's empowerment. These add to the 2,330 women alumni, 17 percent (398) of whom have taken on formal roles in village councils or governments. These trainings are also co-funded by village governments, helping to promote sustainability of the initiative and greater buy-in from villages.
- *Sepeda Keren* adopts a similar model but includes additional vulnerable groups. It is funded by the Trenggalek district government and was launched in December 2019 with technical support from KOMPAK.

## SECOND TRACK: GESI MAINSTREAMING

For the second track, KOMPAK has been working with local governments to strengthen the inclusiveness and active participation of women in the planning and budgeting process, integrating GESI indicators into village performance-based financing ratings, improving data at the village level, and increasing legal identity coverage for women.

- The Inclusive *Musrenbang* model is being piloted in three provinces with the Ministry of Villages to improve female participation and inclusiveness of local planning forums. KOMPAK is working with provincial and district governments to further strengthen the model and to develop guidelines that the Ministry of Villages and regional governments can adopt.
- KOMPAK is piloting the Village Budget School (*Sekar Desa*) and community feedback events (*Posko Aspirasi*) to get more community engagement – particularly among women – in the planning and budgeting process. In 2019, 1,410 women from rural areas were trained on village council responsibilities, village planning and budgeting. This was complemented with a mechanism to solicit community aspirations and complaints, resulting in more than 15,000 suggestions submitted. Many of these were from women and were incorporated into village budgets, including nutrition programs for undernourished mothers and income-generating activities for women. The lessons from these pilots – in collaboration with MAMPU and PEDULI – were used to inform two national guidelines on social accountability and women's empowerment for the Ministry of Villages.
- In six districts, KOMPAK has been piloting a village performance ratings system linked to incentive financing. KOMPAK included gender indicators, such as women's access to basic services and village allocation of funding for women's economic opportunities. This version of this rating system is being scaled up nationally in 2020 by the Ministry of Finance.
- Through village information systems, KOMPAK is strengthening village governments ability to plan



for and deliver services to women and vulnerable groups. All systems collect sex disaggregated data and most villages capture data on poverty and employment status, social protection program membership, and education and health participation. This enables villages to better target services for poor female-headed households and other disadvantaged groups.

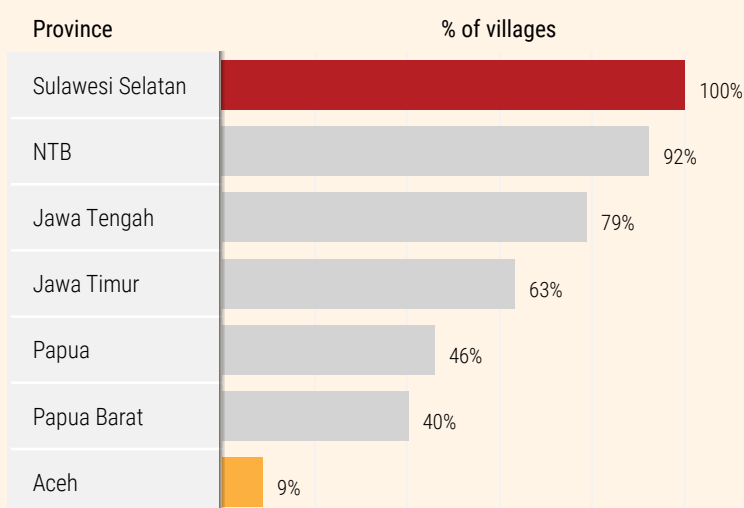
- Village CRVS Facilitators have been engaged in villages to provide outreach services, particularly for women, people with disabilities and the most vulnerable. This means birth certificates can be issued in villages, eliminating a barrier for some women who are unable to travel.

## BUILDING LOCAL WOMEN LEADERSHIP

KOMPAK has gained better insights on women's leadership through the Village Surveys. This showed that South Sulawesi and NTB both have strong female representation at the village level; while Papua, Papua Barat and Aceh had the lowest representation. Patriarchal cultures and religious conservatism (such as Sharia Law in Aceh) serve as barriers inhibiting women's ability to participate in and take on more senior roles with local governments and communities. KOMPAK is partnering with PUSKAPA, Seknas Fitra and local governments to improve female knowledge, skills and participation in both village government apparatus and village council roles (particularly through Paradigta Academy), annual planning forums (*Musrenbang* and *Masyawarah Khusus*), and as more active citizens (*Posko Aspirasi* and *Sekar Desa*).

## Initiatives to promote female leaders are needed most in Aceh, Papua and Papua Barat

**Is there at least one female in the position of village apparatus head, secretary or treasurer?**



All 17 villages in **South Sulawesi** have a female in a leadership position

**Aceh** is lagging behind, with few villages having females in leadership roles

(Source: KOMPAK Village Survey, Dec 2019)

# Research Agenda

For KOMPAK's next phase, there is an increasing need to capture results to provide evidence to demonstrate the effectiveness of models piloted and technical assistance provided. This will provide KOMPAK and partners with evidence to inform development planning and sustainability, advocate for scaling and replication, and to assist in the development of documentation for handover of programs to government partners.

KOMPAK's research agenda was developed in consultation with Bappenas and is based on four focus areas: (1) Capture KOMPAK's contribution to helping the government identify and solve problems; (2) Capture the effectiveness of KOMPAK's activities in achieving targeted outcomes; (3) Explore the value added of a facility like KOMPAK in supporting the Government's poverty reduction goals (vis-a-vis a regular program); and (4) Analyse and provide insights on the socio-economic environment in KOMPAK locations. The research agenda is a living document that is updated to as the team work collaboratively with the other units to response to the recent needs.

In 2019, KOMPAK has completed two reports with seven studies ongoing. Additional planned studies are also listed below, in addition to ongoing technical assistance and analytical support being provided by KOMPAK teams.

## LIST OF MAJOR RESEARCH AND EVALUATION STUDIES

### Completed in 2019\*

|   |  |
|---|--|
| <b>Health Services in Remote Island Areas (Drone Study)</b> | <p><b>Objectives:</b> Identify important factors and challenges related to drone use for vaccines, blood and essential drugs delivery in South Sulawesi Province.</p> <p><b>Main method:</b> Feasibility study, quantitative (cost benefit analysis).</p> <p><b>Coverage:</b> South Sulawesi.</p>  |
| <b>BANGGA Papua Blockchain Feasibility Study</b>            | <p><b>Objective:</b> Identify technologies to support cash-based transfers and data storage for the BANGGA Papua program and recommend technology-based solutions for stakeholders (provincial government). This covered blockchain and other approaches.</p> <p><b>Main method:</b> Literature review, in-depth interviews and observations</p> <p><b>Coverage:</b> Asmat, Papua.</p> |

\* Studies available on request. These are awaiting final clearance from Bappenas.

## Ongoing

|  |  |
|--|--|
| <p><b>CRVS Mid-line Study</b><br/>Aug 2019 – Apr 2020</p>  | <p><b>Objectives:</b> (i) Assess CRVS-related changes between 2015 and 2019 and whether these changes were aligned with the desired outcomes; (ii) examine the contribution, if any, of KOMPAK-supported intervention or activities to those changes; (iii) investigate the state of and linkages between health, education, and social protection aspects and CRVS; and (iv) explore opportunities and challenges related to health and education services strengthening as well as village strengthening, budget transparency, and social accountability in supporting CRVS.</p> <p><b>Main method:</b> Quantitative, with additional qualitative modules to understand the process and roles of KOMPAK/partners.</p> <p><b>Coverage:</b> 5 provinces, 10 districts.</p> |
| <p><b>CRVS for Vulnerable Groups</b><br/>“Reaching Out to the Vulnerable: Establishing Inclusive and Accountable CRVS”<br/>Sept 2019 – June 2020</p> | <p><b>Objectives:</b> (i) Identify challenges for vulnerable groups in obtaining legal identity documents; and (ii) what can be done differently for a more inclusive system.</p> <p><b>Main method:</b> Desk-review and regulatory framework analysis, and qualitative through focus group discussions (FGDs).</p> <p><b>Coverage:</b> All KOMPAK location in general.</p>  |
| <p><b>CRVS for Post-Disaster Communities</b><br/>Sept 2019 – June 2020</p>   | <p><b>Objectives:</b> Capture the CRVS process in emergency situations.</p> <p><b>Main method:</b> Qualitative through FGD and in-depth-interviews and desk-review.</p> <p><b>Coverage:</b> Central Sulawesi and NTB.</p>  |
| <p><b>Village Budget Expenditure Review</b><br/>Sept 2019 – Dec 2020</p>   | <p><b>Objectives:</b> (i) Analyse village expenditure in KOMPAK-targeted locations to assess whether there is increased budget allocation for basic services (education and health); and (ii) explore factors that influence and incentivise shifts in spending at the village level.</p> <p><b>Main method:</b> Quantitative analysis of village budget and related district regulations.</p> <p><b>Coverage:</b> All KOMPAK villages.</p>  |
| <p><b>Paradigta Academy Women's Leadership Training (PEKKA) Analysis</b><br/>Jul 2019 – Mar 2020</p>   | <p><b>Objectives:</b> (i) Gather and analyse best practices from the PEKKA's Paradigta Academy implementation; (ii) identify opportunities to accelerate the implementation of the Paradigta Academy in KOMPAK locations (Aceh, Central Java, East Java, NTB); (iii) provide input for the Ministry of Villages.</p> <p><b>Main method:</b> Qualitative through desk review of project documents and regulations, FGDs and in-depth interviews.</p> <p><b>Coverage:</b> Brebes (Central Java) and Lombok (NTB).</p>  |

|  |   |
|--|---|
| <p><b>Evaluation of UMD initiative in Aceh, East Java and South Sulawesi</b></p> <p>Nov 2019 – Feb 2020</p>        | <p><b>Objectives:</b> Address questions on whether KOMPAK’s UMD model (1) has been effective in connecting universities and students with villages and development projects; and (2) is an efficient approach to solve development problems.</p> <p><b>Main method:</b> Qualitative through the desk review of project documents, in-depth interviews and value for money analysis.</p> <p><b>Coverage:</b> Selected UMD pilot universities in Aceh, East Java, and South Sulawesi.</p>   |
| <p><b>Assessment on Inclusive Pre-Musrenbang in Village Planning and Budgeting</b></p> <p>Sept 2019 – Jun 2020</p> | <p><b>Objectives:</b> (1) Understand the differences in the implementation of inclusive Village Development Planning Forum (<i>Musrenbang</i>) (2) assess the extent to which policies and regulations support the procedures for implementing inclusive <i>Musrenbang</i>; (3) assess the role of stakeholder (government, non-governmental organisations, women’s and vulnerable groups involved in inclusive <i>Musrenbang</i>); (4) assess the extent to which the implementation of inclusive <i>Musrenbang</i> is able to increase budget priorities and activities for women and vulnerable groups; and (5) assess whether the inclusive <i>Musrenbang</i> improves female leadership at the local level.</p> <p><b>Main method:</b> Qualitative.</p> <p><b>Coverage:</b> Pacitan and Trenggalek, East Java.</p> |

### Planned for 2020

|   |   |
|---|---|
| <p><b>Village Information System Strengthening for Inclusive Development</b></p> <p>Feb – Jun 2020</p>                    | <p><b>Objectives:</b> Understand whether village information systems have been able to promote inclusive development. As such, reports from this rapid review activity will be used as a basis for strengthening/developing these systems.</p> <p><b>Main method:</b> Qualitative.</p> <p><b>Coverage:</b> 5 provinces, 2 districts each.</p>   |
| <p><b>Evaluation on the Role of Kecamatan in Strengthening Village Governance (PTPD Review)</b></p> <p>Feb – Jun 2020</p> | <p><b>Objectives:</b> (i) Document PTPD-related processes and results; (ii) understand what a functional PTPD looks like and key factors/elements to support functionality; and (iii) provide lessons-learned to help replication/scaling.</p> <p><b>Main method:</b> Qualitative (in-depth interview), analysis of project data.</p> <p><b>Coverage:</b> All districts for documentation, selected districts (two or three) for detailed analysis.</p> |

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| <p><b>PFM Tools Utilisation<br/>Rapid Assessment</b></p> <p>Mar – Jun 2020</p>                | <p><b>Objectives:</b> Explore and capture use of district PFM tools: (i) identify PFM tools that are available to the district government; (ii) capture the district government's understanding on PFM tool functions; (iii) capture how the PFM tools are used by district governments; and (iv) identify what can be done differently to optimise the PFM tool functionality for better planning and budgeting.</p> <p><b>Main method:</b> Qualitative, simple analysis of district's planning and budgeting data, interviews.</p> <p><b>Coverage:</b> 1-2 selected district.</p> |
| <p><b>Market Linkage<br/>Impact Indicators (LED<br/>Evaluation)</b></p> <p>Jan – Jun 2020</p> | <p><b>Objectives:</b> (i) Analyse the business model of KOMPAK's LED approach; (ii) provide path to scale-up; and (iii) measure potential impact beyond the monetary indicators.</p> <p><b>Main method:</b> Mixed-methods approach.</p> <p><b>Coverage:</b> 2 KOMPAK LED activities, possibly in Central Java.</p>  |





FINANCIAL  
REPORT



# Financial Report

KOMPAK total expenditure from January to December 2019 was AUD 20.5 million (excluding management fee) of which 49 percent were directed to activity costs, 40 percent for personnel costs, and 11 percent for operations. KOMPAK aims to maintain a 50 percent split between activity costs and personnel and operations costs.

Sub-national expenditure was 38 percent of total expenditure. National costs are higher for personnel due to cross-cutting support (Executive and Performance teams) and experts engaged in the Implementation team providing technical support to subnational and central partners (but based in Jakarta). The largest sub-national investment was in Papua (AUD 2.4 million) predominantly through the LANDASAN Program and grant partner BaKTI. The other provinces ranged from AUD 0.7 to AUD 1.2 million for the year.

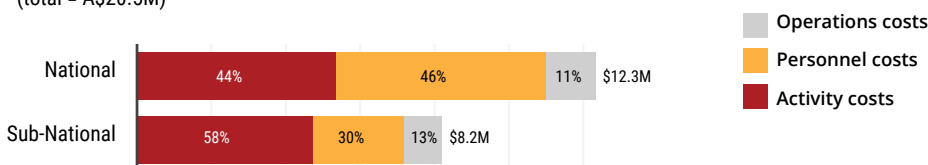
For activity costs (AUD 10.1 million), most expenditure was for the flagships (68%) with the remainder for cross-cutting or non-flagship activities and program support. Public financial management continued to be the largest sector for investment from KOMPAK, followed by social accountability, CRVS and kecamatan and village strengthening.

### Total expenditure

**\$20,525,406**

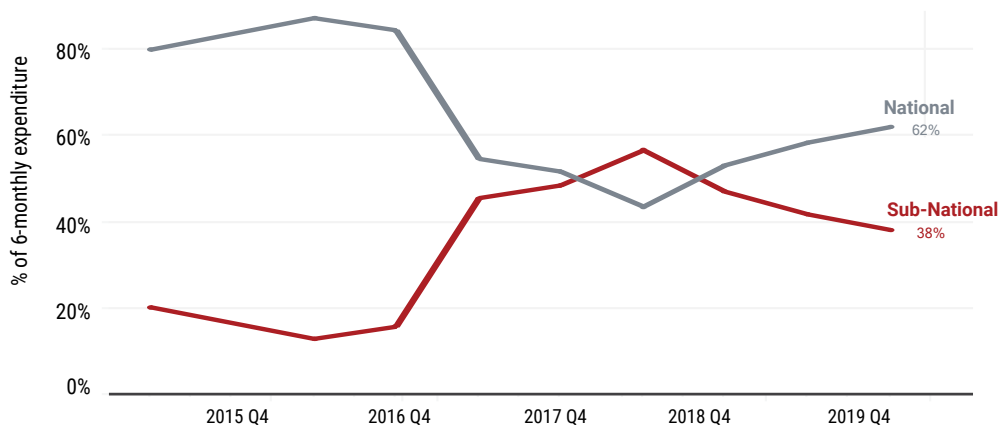
### National and sub-national expenditure (Jan-Dec 2019)

(total = A\$20.5M)



### Percentage of national and sub-national expenditure (2015-2019)

(total = A\$20.5M)

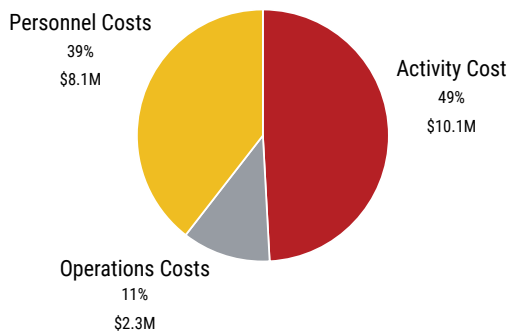


(Source: KOMPAK Finance System, Dec 2019)



**Percentage of costs, by type (Jan-Dec 2019)**

(total = A\$20.5M)



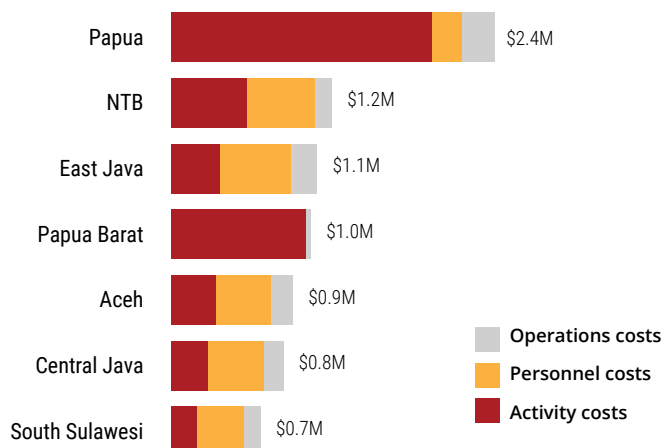
**Total Activity Costs, by theme (Jan-Dec 2019)**

(total = A\$10.1M)

| Category        | Sub-category                        | PFM tools | Otsus | MSS | DAK & DID | Total  |
|-----------------|-------------------------------------|-----------|-------|-----|-----------|--------|
| Flagships       | Public financial management         |           |       |     |           | \$1.9M |
|                 | Social accountability               |           |       |     |           | \$1.6M |
|                 | CRVS                                |           |       |     |           | \$1.6M |
|                 | Kecamatan and village strengthening |           |       |     |           | \$1.3M |
|                 | Local economic development          |           |       |     |           | \$0.3M |
|                 | Village information systems         |           |       |     |           | \$0.2M |
| Cross-cutting   | Health                              |           |       |     |           | \$0.7M |
|                 | Education                           |           |       |     |           | \$0.4M |
|                 | Innovation                          |           |       |     |           | \$0.1M |
|                 | GESI                                |           |       |     |           | \$0.0M |
| Program support | Communication and Media Relation    |           |       |     |           | \$0.5M |
|                 | Program Governance                  |           |       |     |           | \$0.5M |
|                 | Research & Evaluation               |           |       |     |           | \$0.4M |
|                 | Performance & Analytics             |           |       |     |           | \$0.3M |
|                 | Other                               |           |       |     |           | \$0.2M |

**Sub-national expenditure (Jan-Dec 2019)**

(total = A\$8.2M)



(Source: KOMPAK Finance System, Dec 2019)





# KOMPAK

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