

Annex 2. TERMS OF REFERENCE

1. Introduction

The Independent Evaluation Office (IEO) of the United Nations Development Program (UNDP) conducts “Independent Country Programme Evaluations (ICPEs)”, previously known as “Assessments of Development Results (ADRs),” to capture and demonstrate evaluative evidence of UNDP’s contributions to development results at the country level, as well as the effectiveness of UNDP’s strategy in facilitating and leveraging national effort for achieving development results. The purpose of an ICPE is to:

- Support the development of the next UNDP Country Programme Document
- Strengthen accountability of UNDP to national stakeholders
- Strengthen accountability of UNDP to the Executive Board

ICPEs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy. The IEO is independent of UNDP management and is headed by a Director who reports to the UNDP Executive Board. The responsibility of the IEO is two-fold: (a) provide the Executive Board with valid and credible information from evaluations for corporate accountability, decision-making and improvement; and (b) enhance the independence, credibility and utility of the evaluation function, and its coherence, harmonization and alignment in support of United Nations reform and national ownership.

Based on the principle of national ownership, IEO seeks to conduct ICPEs in collaboration with the national authorities where the country programme is implemented.

UNDP Indonesia has been selected for an ICPE since its country programme will end in 2020. The ICPE will be conducted in 2019 to feed into the development of the new country programme. The ICPE will be conducted in close collaboration with the Indonesian Government, UNDP Indonesia country office, and UNDP Regional Bureau for Asia and the Pacific.

2. National context

Indonesia, an emerging middle-income country, member of the G20, is a vast archipelago and the largest economy in Southeast Asia and the fourth most populous country in the world.⁷⁹ It has overcome the Asian financial crisis of the late 1990s and recorded steady economic growth over the past two decades.⁸⁰ Indonesia’s Gross Domestic Product (GDP) per capita increased in constant 2010 US\$ from \$2,143 to \$4,131 between 2000 and 2017.⁸¹ Strong domestic demand, combined with robust investment, stable inflation, and a strong job market, underpins a resilient and positive economic outlook. Estimates suggest that Indonesia’s economy will grow at a rate of 5.1% in the next four years.⁸²

⁷⁹[World Bank Overview – Indonesia](#) Ibid

⁸⁰ Ibid

⁸¹ [World Bank Data \(2019\)](#)

⁸² [Indonesia briefing sheet, The economist – Intelligence Unit \(2019\)](#)

Indonesia's economic prosperity and political stability have translated into improved welfare. Poverty, as measured by people earning less than \$1.90 a day more than halved between 1998 and 2017.⁸³ Indonesia's Human Development Index (HDI) score grew from 0.53 in 1990 to 0.69 in 2017, and it was ranked 116th out of 189 countries and territories in 2017.⁸⁴ This improvement reflects progress in all the dimension of the HDI. Life expectancy at birth increased by 6.1 years. Mean years of schooling increased by 4.7 years and expected years if education grew by 2.7 years. Incomes also increased noticeably, as shown above.⁸⁵

Indonesia still faces some significant challenges to improve welfare. Out of 260 million Indonesians, 25.9 million are still considered poor, and around twice that number are considered vulnerable to poverty in 2017.⁸⁶ There is a need for improvement of the quality of essential public services provided by health clinics and schools especially in poorer eastern regions of Indonesia where health and education indicators are low.⁸⁷ According to the world bank, approximately 1 in 3 children younger than five years old suffer from stunting.⁸⁸

The condition of women has improved during the past two decades, but much remains to be done. The HDI for women increased by 26% between 1995 to 2017 and now represents 93% of the HDI enjoyed by men.⁸⁹ The Gender Development Index (GDI) and the Gender Inequality Index (GII), showed a positive trend over the same period.⁹⁰ Maternal mortality decreased from 446 deaths per 100,000 live births to 126. Despite progress, the female share of employment in senior and middle management is still low at 21.5% in 2015 and women are more likely to be unemployed than men in 2017. The political participation of women is also low although it did increase from 11.4% in 1990 to 19.8% in 2017.

Indonesia has a low global ranking for environmental performance (133 out of 180 countries).⁹¹ Performance is lower in the area of air pollution (due to significant household use of solid fuels), water and sanitation and environmental health (particularly lead exposure). In the area of ecosystem vitality, the most critical issues are the high rate of loss of forest cover and wastewater treatment.⁹²

Indonesia faces high risks from natural hazards, risks that are amplified by climate change. It was ranked 36 out of 172 countries included in the World Risk Index.⁹³ The country is particularly vulnerable to sea level rise given its 81,000 km coastline and more than 42 million people living in areas less than 10 meters above sea level and the high urbanization combined with unplanned settlement in coastal areas.⁹⁴ USAID has suggested that that by mid-century, the rising seas will submerge 2000 of the country small islands, and that 5.9 million people will be affected by coastal flooding annually by the end of the century.⁹⁵

⁸³ Decreasing from 66.7 percent in 1998 to 5.7% in 2018. [World Bank Data 2019: Poverty headcount ratio at \\$1.90 a day \(2011 PPP\) \(% of population\)](#)

⁸⁴ [Human Development Data \(1990-2017\)](#)

⁸⁵ [Human Development Indices and Indicators: 2018 Statistical Update](#)

⁸⁶ [World Bank Overview – Indonesia](#)

⁸⁷ Ibid

⁸⁸ [World Bank Overview – Indonesia](#)

⁸⁹ [Human Development Data \(1990-2017\)](#)

⁹⁰ Ibid.

⁹¹ [Environmental Performance Index 2018.](#)

⁹² [Environmental Performance Index – Indonesia](#)

⁹³ [World Risk Report 2018: Focus Child Protection and Children's Rights](#)

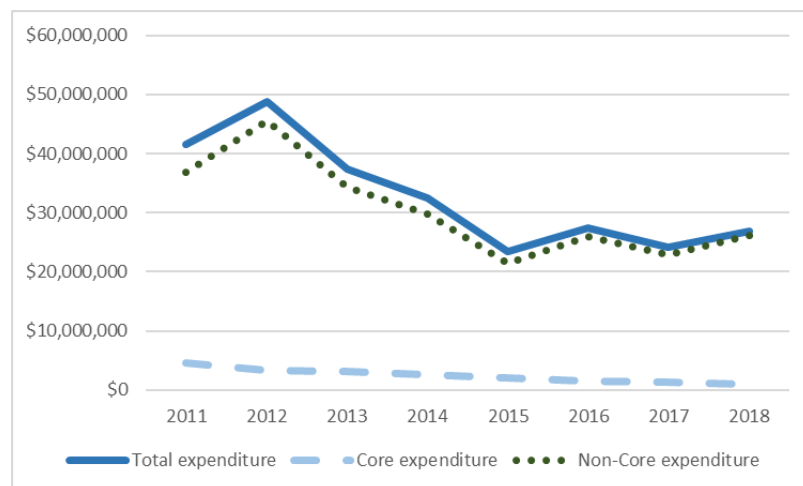
⁹⁴ [Climate risk profile Indonesia - USAID \(2017\)](#)

⁹⁵ Ibid.

3. UNDP programme strategy in Indonesia

UNDP's program in Indonesia has decreased substantially in size over the last eight years, from over \$40 million in 2011 and 2012 to less than \$30 million in 2017 and 2018. Cumulative expenditure in the first three years of this planning cycle (2016-2020) represents about two thirds of expenditure in the first three years of the previous planning cycle (2011-2015) (Figure 2).

Figure 2. UNDP total, core & non-core expenditure, 2011-18, current prices, US\$

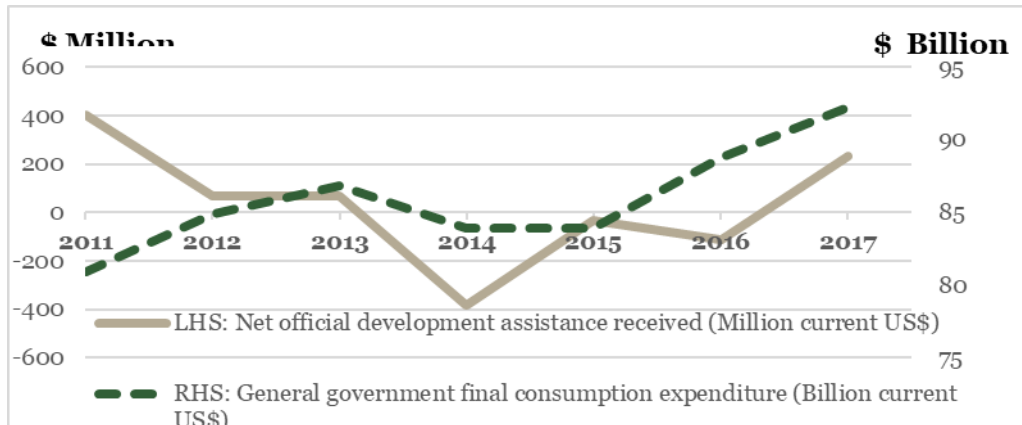


Source: Atlas 2019

While non-core funding followed the same pattern as total expenditure, core funding is low and on a steady decline since 2011. Core expenditure decreased from 11% of total spending in 2011 to 3% in 2018.

Net official development assistance to Indonesia has fluctuated over time, based on the pattern and timing of repayments of the large component of ODA Indonesia receives as concessional loans, from a record high of \$2.5 billion in 2005 and a record low of \$-384 million in 2014 (figure 3). Indonesia also receives over \$1.1 billion ODA as grants, of which the component managed by UNDP accounts for less than five per cent. When compared to Indonesia government resources, UNDP's aid contribution is very small, accounting for just 0.04% of Indonesia's average general government expenditure between 2011 and 2017.

Figure 3. Net ODA received by Indonesia, 2011–17, Current prices, \$US



Source: [World-Bank Data \(2019\)](#)

UNDP’s country program document for Indonesia identified four outcomes for the period (2016–2020) covered by the plan:

- (a) Sustainable employment and income generation;
- (b) Equitable access to quality basic social services and social protection;
- (c) Sustainable natural resource management and increased resilience; and
- (d) Enhance access to justice and more responsive and accountable public institutions.

The CPD identified an indicative budget of just over \$193 million. Spending as of December 2019, more than halfway through the CPD period, is at 41% of the expected Budget. This suggests actual resourcing will fall short of this estimate, and will come to roughly two-thirds of what was expected in the CPD.

Table 1: Country Programme outcomes and indicative resources (2016-2020)			
Country Programme Outcome		Indicative resources (US\$ million)	Expenditure as at May 2019 (US\$ million)
Outcome 1	By 2020, more vulnerable, low-income and food-insecure people have an adequate standard of living and equitable access to decent work, sustainable livelihoods, economic development and income-earning opportunities.	Regular: 1.1 million Other: 5.0 million	3.1
Outcome 2	By 2020, the poor and most vulnerable have better and more equitable access to quality basic social services, including health and education, and to comprehensive social protection and better access to water supply and sanitation.	Regular: 1.4 million Other: 1.3 million	5.8
Outcome 3	By 2020, Indonesia is sustainably managing its natural resources, on land and at sea, with an increased resilience to the effects of climate change, disasters and other shocks.	Regular: 0.5 million Other: 171.8 million	46.1
Outcome 4	By 2020, disadvantaged populations benefit from enhanced access to justice and more responsive, inclusive and accountable public institutions that enjoy public trust.	Regular: 1.6 million Other: 10.7 million	16.1
Total		\$193.3	\$78.5*

*Note: Total expenditure includes \$7.2 million of expenditure not related to any outcome and \$0.07 million related to “EUR_OUTCOME_01”. (To discuss with country office).

Table 1 shows that the environment and resilience outcome (outcome 3) dominates the country programme’s in terms financial resources. Outcome 3 represents almost 90% of the CPD’s indicative budget and about 59% of the total expenditure from 2016 to 2018. However, when compared to major environmental and climate change-related financial inflows in the county, UNDP environmental related expenditure is relatively small. UNDP’s environment spending in Indonesia represents a fraction of overall GEF funding channeled to Indonesia which is now about \$4.7 billion.⁹⁶ UNDP’s environment programmes are about a quarter the size of the Green Climate Fund’s (GCF) \$200 million climate and energy engagement in Indonesia.⁹⁷ UNDP hasn’t been successful in mobilizing GCF resources for Indonesia.

⁹⁶ [Indonesia: Country at a glance, GEF \(2019\)](#)

⁹⁷ [A world bank project focused on geothermal energy and a multi country renewable energy support project sponsored by FMO – entrepreneurial development bank \(Netherlands\).](#)

While the environment program has garnered less resource than expected resource mobilization for the access to social services and social protection outcome (outcome 2) and the access to justice and public institution outcome (outcome 4) has exceeded expectations.

Key donors, contributing to 92% of total expenditure are in decreasing order of importance: the Government of Norway (\$22.3 m); the GEF (\$20.6m); the European Commission (\$7.4m); the Government of Japan (\$6.4m); Australia (\$5.2m); UNDP (\$3.5m); The International Bank for Recovery and Development (\$2.7m); RTI International (\$2m); the Montreal Protocol (\$1.2m) and; the State Secretariat for Economic Affairs (\$0.7 m).

4. Scope of the evaluation

ICPEs are conducted in the penultimate year of the ongoing UNDP country programme to feed into the development of new country programmes.

The IEO previously conducted an evaluation of the Indonesia country programme in 2010.⁹⁸ The ICPE will consider the recommendations of this evaluation to the extent that they remain relevant given the length of time that has elapsed since it was completed.

ICPEs focus on the UNDP country programmes approved by the Executive Board. The country programmes are defined – depending on the programme cycle and the country – in the Country Programme Document (CPD) and the Country Programme Action Plan (CPAP). The scope of the ICPE includes the entirety of UNDP’s activities in the country and therefore covers interventions funded by all sources, including core UNDP resources, donor funds, government funds. There will also be initiatives from the regional and global programmes that are included in the scope of the ICPE. It is important to note, however, that a UNDP country office may be involved in several activities that may not be included in a specific project. Some of these ‘non-project’ activities may be crucial for the political and social agenda of a country.

The scope of the evaluation, especially the short time available for fieldwork, will not allow the systematic collection of beneficiary views and unintended consequences of the project on non-target groups. Where this information is not available it will be identified as a limitation. The extent to which the evaluation will be able to assess outcomes from different aspects of UNDP’s work will also depend on the stage of completion of different components of the work. Where projects are in their early stages, the focus of the evaluation will be on whether there is evidence that their design reflects learning or builds on outcomes achieved from previous projects. The projects that are proposed as being in the scope of the evaluation are set out in the table 1 in Annex 1 (TBD). These have been identified on the basis that:

- A) they are or have been active in the current CPD period, or they are precursors to currently active projects;
- B) they are evaluable, in the sense that they are doing work in their area that has been a focus for UNDP over a long enough period to be able to say something meaningful about their progress, likely or actual outcomes;
- C) they are large enough to warrant specific attention.

The Indonesia program consists of around 140 active projects, although many of these are very small and some have not been established. The evaluation will focus on 35 active projects that are the largest in

⁹⁸ [Assessment of development result: Indonesia](#)

each sub-thematic areas identified in the country program.⁹⁹ Together, these account for around 93 per cent of UNDP's program expenditure over the past three years and encompass the diversity in UNDP's work in Indonesia.

5. Methodology

The ICPE will address the three evaluation questions.¹⁰⁰ These questions will also guide the presentation of the evaluation findings in the report.

- i. What did the UNDP country programme intend to achieve during the period under review?
- ii. To what extent has the programme achieved (or is likely to achieve) its intended objectives?
- iii. What factors contributed to or hindered UNDP's performance and eventually, the sustainability of results?

The ICPEs are conducted at the outcome level. To address question 1, a Theory of Change (ToC) approach will be used in consultation with stakeholders, as appropriate. Discussions of the ToC will focus on mapping the assumptions behind the program's desired change(s) and the causal linkages between the intervention(s) and the intended country programme outcomes. Where data gaps are apparent, a qualitative approach will be taken to fill those gaps to aid in the evaluation process. As part of this analysis, the CPD's progression over the review period will also be examined. In assessing the CPD's progression, UNDP's capacity to adapt to the changing context and respond to national development needs and priorities will also be looked at. The effectiveness of UNDP's country programme will be analysed under evaluation question 2. This will include an assessment of the achieved outcomes and the extent to which these outcomes have contributed to the intended CPD objectives. Both positive and negative, direct and indirect unintended outcomes will also be identified.

To better understand UNDP's performance, the specific factors that have influenced—both positively or negatively—UNDP's performance and eventually, the sustainability of results in the country will be examined under evaluation question 3. They will be examined in alignment with the engagement principles, drivers of development and alignment parameters of the Strategic Plan, as well as the utilization of resources to deliver results and how managerial practices affected achievement of programme goals. Qualitative rating scales will be used to assess (i) the degree to which a factor was a significant constraint on effectiveness of program implementation and achievement of outcomes; and (ii) the degree to which the UNDP was successful in addressing/managing the constraint.

Special attention will be given to integrate a gender equality approach to data collection methods. To assess gender across the portfolio, the evaluation will use the gender marker and assess the extent to which the gender marker provides a reasonable indication of the effectiveness of the program in promoting gender equality.

⁹⁹ These sub-thematic areas are: Natural ecosystems management and protection; industrial pollutant management; Disaster risk reduction; climate change; access to justice and fight against corruption; public sector governance; democracy and women political participation; peace building; development policies programs and frameworks; access to market; Green economy; infrastructure energy and road; health and ; regional development programs.

¹⁰⁰ The ICPEs have adopted a streamlined methodology, which differs from the previous ADRs that were structured according to the four standard OECD DAC criteria.

6. Data collection

Assessment of data collection constraints and existing data. Beyond information collected in stakeholder interviews, the evaluation will not involve primary data collection. The rigor of the evaluation's outcome assessments will depend on the quality of the available documentation about the objectives and outcomes of UNDP's work, with interviews used to identify data sources and explore lines of inquiry. The evaluation will seek to tap into a diversity of data sources, including government data and documentation, project documentation reporting, media reporting and independent reviews and evaluations. The evaluation will assess whether there is valid and reliable information about the views of intended beneficiaries about UNDP projects and where this is available, will include this in reporting. A multi-stakeholder approach will be followed, and interviews will include government representatives, civil-society organizations, private-sector representatives, UN agencies, multilateral organizations, bilateral donors, and beneficiaries of the programme. Effort will be made to tap into a diversity of views about UNDP's work, to develop a fuller understanding of the political context.

Data collection methods. Specific evaluation questions and the data collection method will be further detailed and outlined in the outcome analysis, following consultation with program staff. The IEO and the country office will identify an initial list of background and programme-related documents which is posted on an ICPE SharePoint website. Document reviews will include: background documents on the national context, documents prepared by international partners and other UN agencies during the period under review; programmatic documents such as workplans and frameworks; progress reports; monitoring self-assessments such as the yearly UNDP Results Oriented Annual Reports (ROARs); and evaluations conducted by the country office and partners, including the quality assurance reports. All information and data collected from multiple sources will be triangulated to ensure its validity. The evaluation matrix will be used to guide how each of the questions will be addressed organize the available evidence by key evaluation question. This will also facilitate the analysis process and will support the evaluation team in drawing well substantiated conclusions and recommendations.

Stakeholder involvement: a participatory and transparent process will be followed to engage with stakeholders at all stages of the evaluation process. During the initial phase, a stakeholder analysis will be conducted to identify all relevant UNDP partners, including those that may have not worked with UNDP but play a key role in the outcomes to which UNDP contributes. This stakeholder analysis will serve to identify key informants for interviews during the main data collection phase of the evaluation, and to examine any potential partnerships that could further improve UNDP's contribution to the country.

6. Management arrangements

Independent Evaluation Office of UNDP: The UNDP IEO will conduct the ICPE in consultation with the UNDP Indonesia country office, the Regional Bureau for Asia and the Pacific and the Indonesia Government. The IEO lead evaluator will lead the evaluation and coordinate the evaluation team. The IEO will meet all costs directly related to the conduct of the ICPE.

UNDP Country Office in Indonesia: The country office will support the evaluation team to liaise with key partners and other stakeholders, make available to the team all necessary information regarding UNDP's programmes, projects and activities in the country, and provide factual verifications of the draft report on a timely basis. The CO will provide support in kind (e.g. arranging meetings with project staff, stakeholders and beneficiaries; assistance for field site visits) and will manage the procurement and administration of the evaluation support officer contract. To ensure the anonymity of interviewees, the country office staff will not participate in the stakeholder interviews. The CO and IEO will jointly organize the final stakeholder meeting, ensuring participation of key government counterparts, through a videoconference, where findings and results of the evaluation will be presented. Additionally, the CO will prepare a management

response in consultation with RB and will support the use and dissemination of the final outputs of the ICPE process.

UNDP Regional Bureau for Asia and the Pacific: The UNDP Regional Bureau for Asia and the Pacific will support the evaluation through information sharing and will also participate in discussions on emerging conclusions and recommendations.

Evaluation Team: The IEO will constitute an evaluation team to undertake the ICPE. The IEO will seek to ensure gender balance in the team which will include the following members:

- **Lead Evaluator (LE):** IEO staff member with overall responsibility for developing the evaluation design and terms of reference; managing the conduct of the ICPE, preparing/ finalizing the final report; and organizing the stakeholder debriefing, as appropriate, with the country office.
- **Assistant Lead Evaluator (ALE):** IEO staff member supporting the LE for developing the evaluation design and terms of reference; managing the conduct of the ICPE, preparing/ finalizing the final report; and organizing the stakeholder debriefing, as appropriate, with the country office.
- **National Consultants:** Two national consultants will be recruited. A national policy expert and an evaluation support officer, which depending on skills and experience, will help to collect data and assess the programme and/or the specific outcome areas (see ToR at Annex 2).¹⁰¹
- **Research Assistant (RA):** A research assistant based in the IEO will provide background research and analysis of data and documentation.

7. Evaluation process

The ICPE will be conducted according to the approved IEO process¹⁰². The following represents a summary of the four key phases of the process, which constitute the framework for conducting the evaluation.

Phase 1: Preparatory work. The IEO prepares the TOR and evaluation design and recruits evaluation team members. The IEO collects data first internally and then fill data gaps with help from the country office, and external resources in various ways. Further data will be collected through interviews (via phone, Skype etc.) with key stakeholders, including country office staff. The evaluation team will conduct desk reviews of reference material, prepare a summary of context and other evaluative evidence, and identify the outcome theory of change, specific evaluation questions, gaps and issues that will require validation during the field-based phase of data collection.

Phase 2: Field data collection. During this phase, the evaluation team will undertake a one to two-week missions to Bangladesh. Data will be collected according to the approach outlined in Section 5 with responsibilities outlined in Section 6. The evaluation team will liaise with CO staff and management, key government stakeholders, other partners and beneficiaries. At the end of each mission, the evaluation team will hold a debrief presentation of the key preliminary findings at the country office.

Phase 3: Analysis, report writing, quality review and debrief. Based on the analysis of data collected and triangulated, the LE will undertake a synthesis process to write the ICPE report. The first draft (“zero draft”) of the ICPE will be subject to peer review by IEO and the Evaluation Advisory Panel (EAP). It will then be circulated to the country office and the UNDP Regional Bureau for Asia and the Pacific for factual corrections. The second draft, which incorporates any factual corrections, will be shared with national stakeholders for further comments. Any necessary additional corrections will be made and the UNDP Indonesia country office will prepare a management response, under the oversight of the regional bureau.

¹⁰¹ National Policy Expert - https://jobs.undp.org/cj_view_job.cfm?cur_job_id=85156; National Evaluation Support Officer - https://jobs.undp.org/cj_view_job.cfm?cur_job_id=85157

¹⁰² The evaluation will be conducted according to the [ICPE Process Manual](#) and the [ICPE Methodology Manual](#)

The report will then be shared at final debriefings where the results of the evaluation are presented to key national stakeholders. Ways forward will be discussed with a view to creating greater ownership by national stakeholders in taking forward the recommendations and strengthening national accountability of UNDP. Taking into account the discussion at the stakeholder event, the final evaluation report will be published.

Phase 4: Publication and dissemination. The ICPE report and the evaluation brief will be widely distributed in hard and electronic versions. The evaluation report will be made available to UNDP Executive Board at the time of its approval of the new Country Programme Document. It will be distributed by the IEO within UNDP as well as to the evaluation units of other international organisations, evaluation societies/networks and research institutions in the region. The Indonesia country office and the Government of Indonesia will disseminate the report to stakeholders in the country. The report and the management response will be published on the UNDP website¹⁰³ as well as in the Evaluation Resource Centre. The regional bureau will be responsible for monitoring and overseeing the implementation of follow-up actions in the Evaluation Resource Centre.¹⁰⁴

8. Timeframe for the ICPE.

The timeframe and responsibilities for the evaluation process are tentatively¹⁰⁵ as follows:

Table 3: Timeframe for the ICPE process		
Activity	Responsible party	Proposed timeframe
Phase 1: Preparatory work		
TOR – approval by the Independent Evaluation Office	LE/ALE	April -May 2019
Selection of other evaluation team members	LE/ALE	June 2019
Preliminary analysis of available data and context analysis	Evaluation team	June-July 2019
Phase 2: Data Collection		
Data collection and preliminary findings - Mission to Bangladesh	Evaluation team	8 – 23 July 2019
Phase 3: Analysis, report writing, quality review and debrief		
Analysis and Synthesis and report writing	Evaluation team	July – Sept. 2019
Zero draft ICPE for clearance by IEO	LE	October 2019
First draft ICPE for CO/RB review	CO/RB	October 2019
Second draft ICPE shared with GOV	CO/GOV	November 2019
Draft management response	CO/RB	November 2019
Final debriefing with national stakeholders	CO/LE	December 2019
Phase 4: Production and Follow-up		
Editing and formatting	IEO	January 2020
Final report and Evaluation Brief	IEO	January 2020

¹⁰³ web.undp.org/evaluation

¹⁰⁴ erc.undp.org

¹⁰⁵ The timeframe, indicative of process and deadlines, does not imply full-time engagement of evaluation team during the period.