

# Evaluation Brief: ICPE Indonesia

Indonesia is the largest economy in Southeast Asia and the fourth most populous country in the world. This Group of Twenty (G-20) country overcame the Asian financial crisis of the late 1990s and has recorded steady economic growth over the past two decades. Indonesia still faces significant challenges in improving welfare. Out of 274 million Indonesians, 24.8 million are considered poor, and around twice that number are considered vulnerable to poverty, according to September 2019 figures.

Indonesia faces high risks from natural hazards, risks that are amplified by climate change. The country is particularly vulnerable to sea-level rise, given its 81,000 km coastline, more than 42 million people living in areas less than 10 metres above sea level, and high urbanization combined with unplanned settlement in coastal areas. Worst-case scenarios suggest that by mid-century, rising seas could submerge 2,000 of the country's small islands, and that 5.9 million people could be affected by coastal flooding annually by the end of the century.

UNDP's country programme document (CPD) for Indonesia sets out four outcomes for the period covered by the plan (2016–2020):

1. Sustainable employment and income generation;
2. Equitable access to quality basic social services and social protection;
3. Sustainable natural resource management and increased resilience; and
4. Enhanced access to justice and more responsive and accountable public institutions.

The CPD identified an indicative budget of just over \$193 million. Spending as of October 2019, more than halfway through the CPD period, was at 48 percent of the expected budget. The environment and resilience outcome (outcome 3) dominates the country programme in terms of budget expecta-

tions. Outcome 3 represents almost 90 percent of the CPD's indicative budget and a little over 65 percent of the total expenditure from 2016 to October 2019.

## Findings and Conclusions

In the area of employment and income generation, the evaluation notes that UNDP plays a strategic, important and valued role as chair of the Papua Platform, which facilitates coordination and communication among development actors and programmes in Papua and West Papua. With respect to social services and social protection, UNDP has supported the Government's efforts to develop and launch its National Action Plan and Sustainable Development Goals (SDGs) Roadmap, and to develop an SDG Monitoring and Evaluation Framework and Communication Strategy.

In the governance arena, UNDP has provided effective ongoing support for Indonesia's utilization of Global Fund grants, contributing to improved health outcomes in areas covered by the grants. UNDP has supported subnational service delivery on a limited scale, including a small number of micro-projects with subnational authorities. UNDP has also supported innovation in the use of big data and financing, as administrative agent for the United Nations Secretary-General's flagship innovation initiative on big data, Global Pulse.

Within the outcome area of sustainable natural resource and increased resilience, UNDP had ambitious goals in promoting smallholder compliance with Indonesia's Sustainable Palm Oil Standard. Inability to mobilize resources for this purpose has limited the scale and achievements of this work. UNDP has successfully promoted the adoption of green economy models in targeted provinces; and has been an important source of support to the establishment of the Indonesia REDD+ infrastructure and capacity. UNDP made valuable contributions to the development and implementation of

institutional frameworks and systems for the sustainable management and conservation of biodiversity and endangered species; although delays in the adoption of key regulations and guidelines developed, and difficulties in the establishment of sustainable financial mechanisms, risk limiting the impact and sustainability of these interventions. UNDP has sought private sector investment in renewable energy, although the lack of an effective financial mechanism and the lack of inclusion of small producers of renewable energy have constrained results. UNDP has supported the integration of climate change adaptation into development planning, albeit at a small scale and with limited evidence of replication of this work beyond project boundaries.

UNDP's support in promoting improved democratic governance is currently very limited. It has contributed to informing the national debate and response to the growing phenomenon of intolerant, radical, and violent extremist interpretation of religious teachings in Indonesia. UNDP has also provided valuable contributions to the formulation of Indonesia's international development cooperation, and establishment of a new stand-alone Agency for International Development (Indonesian AID).

UNDP's broad portfolio of support for improved natural resource management and resilience accounts for two-thirds of programme expenditure, and it has made a number of positive contributions in this area. The strongest results were in the management and conservation of biodiversity, including notable contributions

to peatland restoration, the Sulawesi protected area system and the protection of the Sumatran tiger. Good results were also achieved in other areas, but faced constraints either related to the small scale and limited scalability of the work, or deeper system-wide challenges that will prove hard to shift.

UNDP has achieved some good results in other outcome areas outside of the environment and climate change portfolio, although resources available for work are constrained, unpredictable, and spread thinly across three outcome areas and eight outputs.

UNDP faces significant headwinds in positioning itself as a leading provider of development support and services to Indonesia. Programming frameworks do not display sufficient realism about how hard it is to achieve significant policy and institutional reforms in a country as large and complex as Indonesia. This is especially true given UNDP's operational constraints, including a lack of flexible resources, and the unpredictability of where or how donor interests might align with UNDP's comparative advantages, and the Government's policies.

The country office has displayed a strong commitment to mainstreaming gender equality and the empowerment of women in its interventions and there are a number of notable examples of attention to gender mainstreaming, and outcomes achieved. Reflecting constraints related to the design of projects, and potential limitations in monitoring systems, evidence of gender equality outcomes across the portfolio is relatively thin.

## Recommendations

The evaluation sets out four recommendations for the UNDP country office to consider for its next programming cycle:

**Recommendation 1:** UNDP should revise and consolidate its country programme in Indonesia, promoting a narrower set of outcomes and outputs that show promise for achieving scale and impact.

**Recommendation 2:** The sustainable development portfolio, including disaster risk reduction, anchors the UNDP country programme in Indonesia, yet UNDP manages just a small fraction of environment and climate change financial inflows into the country. There is significant potential for growth in this area and UNDP should develop a strategy to expand its expertise and services.

**Recommendation 3:** In articulating its objectives, the next country programme should strive for more modest output descriptions that accurately reflect the substance and scope of anticipated work.

**Recommendation 4:** The country office should build on its strong efforts to mainstream gender equality and the empowerment of women across its programme.