UNDP Country Programme for Indonesia, 2006-2010

Outcome Evaluation of Poverty Reduction and MDGs

by

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April 2011

Acknowledgements

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Executive Summary

What is the context and purpose of the outcome evaluation?

1. The Outcome Evaluation of the UNDP Indonesia Country Programme 2006-2010 Poverty Reduction and MDGs was conducted towards the end of the final year of the Country Programme. As determined by its timing, the primary purpose of the exercise became that of generating inputs and recommendations for the design of the following UNDP Country Programme period 2011-2015.

2. The object of the outcome evaluation was UNDP Country Programme Component 1: "Strengthening Human Development to Achieve the MDGs." With regard to the administration of the exercise, it is to be noted that while implementation of the Programme Component is under the charge of the UNDP Indonesia Country Office's Poverty Reduction Unit (PRU), management of the Programme's Outcome Evaluation was under the responsibility of the Office's Planning, Monitoring and Evaluation Unit (PMEU).

3. The evaluation was intended to be a forward looking exercise rather than an appraisal of the Programme's performance. For this specific reason its objective was established as that of developing recommendations to enhance the design of future programmes. Moreover, a Mid-Term Review (MTR) of the Country Programme had already been conducted in 2009 for the express purpose of improving the Programme's higher level results. The MTR had already, in the course of its work, drawn the attention of Country Programme Component managers to corrective measures that they would have needed to initiate in order to be able to maximize the effectiveness of the Outputs of their Programmes in contributing towards the achievement of their respective Programme Outcomes.

What are the main findings and conclusions, recommendations and lessons learned?

4. The Evaluation took off from the position of its initial finding that Programme Component "Strengthening Human Development to Achieve the MDGs" has not fully achieved its intended Outcome of "By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes," as measured by the

Programme's outcome achievement indicators of reducing the percentage of the population living below the national poverty line to 8.2 per cent and increasing the percentage of Indonesia's population aged 15 to 24 with comprehensive correct knowledge of HIV/AIDS to greater than 75 per cent. The Evaluation established its finding by using evidence drawn from Indonesia's 2010 Report on the Achievement of the Millennium Development Goals in Indonesia which reports that the percentage of the country's population living below the poverty line in 2010 is still 13.33 per cent. Information from the same Report was also used to establish whether the Programme Component's second outcome achievement indicator has been met. The Report maintains that the proportion of Indonesia's population aged 15 to 24 years with comprehensive correct knowledge of HIV/AIDS in 2010 is made up of 11.9 per cent females and 15.4 per cent males among married couples and 19.8 per cent females and 20.3 per cent males among unmarried individuals. These percentages do not add up to 75 per cent of Indonesia's total population, which was the target established by the Programme as its Outcome achievement indicator.

5. A scrutiny of the UNDP Country Programme Action Plan (CPAP) 2006-2010, however, revealed that the Programme Component's Results and Resources Framework is not conducive for effective programme planning as well as for systematic monitoring of programme results. The principal factor causing these limitations is that of the position of the Programme Component's Outcome which is situated at the very highest level of Development Outcomes. This renders all attempts to measure the Programme Component's achievements by means of its outcome achievement indicators unreliable and their results inaccurate.

6. Dismissing its initial finding as misleading and inconclusive, the evaluation devised alternative courses for measuring the achievements of Programme Component: "Strengthening Human Development to Achieve the MDGs." These approaches primarily relied upon qualitative assessments of UNDP's contributions towards the Government of Indonesia's sustainable livelihoods and poverty reduction agendas. Information for the assessments was drawn through consultations with UNDP's partners as well as derived from reviews of documentations related to the projects of the Programme Component.

7. Another approach adopted by the evaluation was that of comparing the nature of the Programme Component's intended Outputs and Outcomes with those of the Government in corresponding fields/areas as well as regions of development. The intended purpose of the comparison was to gauge whether as well as to what degree the projects of the Programme Component contribute to the development agenda of the Government of Indonesia.

8. Consultations with UNDP's partners in circles of the development business revealed that the large majority of the organization's partners believe that UNDP fulfills its mandate of international agent of development commendably. The partners describe UNDP's relationship with the Government of Indonesia strategic; its role in coordinating the United Nations' support to the Government of Indonesia's development agenda effective; and its efforts at resource mobilization and resource management rewarding. On the downside, however, many Partners express concern over UNDP's lack of earnestness in up-scaling its programmes and projects. Some Partners also find UNDP's success in establishing Government ownership of its technical support not up to expectation. Others yet question the benefits of UNDP's partiality towards implementing projects which they describe as unrelated, stand-alone, and autonomous interventions that are not likely to be either replicated or up-scaled, particularly those in remote and highly under-developed areas that can only achieve very local level outcomes. Support to such projects in such areas, according to most Partners, does not add up to strategic and optimum utility of UNDP's comparative advantages.

9. A review of projects implemented under Programme Component "Strengthening Human Development to Achieve the MDGs" nonetheless brought to light examples of the Programme's success in advancing innovative approaches and strengthening the capacity of government agencies to implement development programmes. It also revealed that the expected Outputs of the Programme Component's Projects demonstrate contributory qualities to poverty reduction initiatives.

10. On the negative side, however, the review also exposed the fact that the Programme Component is implemented through 13 projects of different scales and in diverse areas of development. Thus, even though each project may on its own be successfully producing its respective expected outputs, yet the full array of outputs produced by the full complement of

projects do not necessarily augment or support one another in contributing as one joint endeavor towards the achievement of the Programme's Outcome. The Programme, in other words, lacks focus, and even though its projects all claim to espouse poverty reduction as their objective, yet none have produced results of the magnitude that can claim to have influenced to a reasonable degree the reduction in the percentage of the country's population living in poverty or the establishment of an environment of sustainable livelihoods.

11. The review also revealed that while the Government of Indonesia's poverty agenda is based on two strategies of economic growth to reduce poverty and social development as well as social protection to address the effects of poverty, UNDP's Programme Component Strengthening Human Development to Achieve the MDGs does not have a clear-cut strategy to achieve its Outcome of achieving sustainable livelihoods and reducing poverty

12. The final conclusion of the Outcome Evaluation is that despite the defective design of its Results and Resources Framework, Programme Component "Human Development to Achieve the MDGs" has, to some extent, contributed to the Government of Indonesia' poverty agenda, albeit through individual projects instead of by means of a programme composed of a set of purposely selected projects. The Programme's contribution to the achievement of sustainable livelihoods is, however, considerably less perceptible.

13. The conclusion provoked the evaluation to bring up, as is often done in the case of such findings, the endless debate on order of precedence between form-over-matter and matter-over-form. The parting question that the evaluation would like the Programme Managers to consider an answer to is: "had the Programme Component's Results and Resources Framework been better constructed, would the Programme's corresponding achievements have been greater as well?" The response to a related question that the evaluation would also like the Programme Managers to consider is: "had the projects of the Programme Component been purposely selected and designed to contribute, together as one, towards the achievement of the Programme Outcome, would the Programme have achieved better results?"

Introduction

Why was this outcome selected for evaluation?

14.   The UNDP Indonesia Country Programme Component: "Strengthening Human Development to Achieve the MDGs" was included in the Country Programme Monitoring and Evaluation Plan in the category of programmes for which the conduct of an Outcome Evaluation is mandatory. It was considered mandatory because a follow up phase to the Programme had been all along contemplated, and it was anticipated that an Outcome Evaluation would produce findings and recommendations that would render stronger the design of the new programme. The follow up Programme, it was expected, would bear witness to UNDP's commitment to its long-term support to the Government of Indonesia's efforts to improve the welfare of its citizens using the MDG targets as signposts of progress and achievement.

What is the purpose of the outcome evaluation? Is there any special reason why the evaluation is being done at this point in time?

15.   The title of the Outcome Evaluation does not carry the Programme Component's name but bears instead a designation articulated as "UNDP Indonesia – Poverty Reduction and MDGs, Outcome Evaluation." Though planned to have been carried out in 2009, a country level Assessment of Development Results (ADR) exercise held from June to December 2009 necessitated the rescheduling of the outcome evaluation to early 2010. The evaluation had to be postponed yet again to October 2010 due to a number of reasons, the most significant of which was the transfer of responsibilities for initiating and ensuring the integrity of outcome level evaluations from Country Office Programme Units to the Country Office Planning, Monitoring and Evaluation Unit (PMEU). The actual point in time when the Outcome Evaluation was finally held, which was towards the end of 2010, destined the purpose of the exercise to be that of "to learn from experience acquired during the implementation of the Programme Component in the course of UNDP's 2006-2010 Country Programme period and to use such knowledge as inputs for the design of the Programme's follow up phase in the subsequent Country Programme period." The Terms of Reference for the Evaluation are attached as Annex-4 to this Report.

16.　In addition to the above purpose, the Terms of Reference for the Outcome Evaluation included yet another objective for the exercise, namely that of making available to UNDP evidence

> *"to prove that its development programmes are contributing to the country's development achievements, specifically to point out how those effective and well-managed UNDP's projects were able to contribute to the improvement of people's lives in the country."*

17.　The title of the Outcome Evaluation "Poverty Reduction and MDGs" insinuates that the objects for evaluation are poverty reduction and MDGs achievement. The Terms of Reference for the exercise, however, establish that the object for evaluation is the Outcome of UNDP CPAP Programme Component 1 "Strengthening Human Development to Achieve the MDGs, which is:"

> *"By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes."*

18.　The parameters of the Outcome Evaluation were defined by, among other means, the manner in which the UNDP Indonesia Country Office divides up its portfolio of programmes and apportions the resultant segments for management by the Office's Programme Units. The Office applies a one-to-one system of assigning one Programme Component with its respective Expected Outcome(s) for management and achievement by one Country Office Programme Unit. Mechanical application of this system has caused the Country Office Poverty Reduction Unit to be the sole Unit responsible for the achievement of the Outcome of Programme Component 1: "Strengthening Human Development to Achieve the MDGs." The unintended outcome of this Programme Component management assignment system is that the purpose of the Outcome Evaluation turned into that of gauging the progress made by the Poverty Reduction Unit towards achieving the Outcome of Programme Component 1: "Strengthening human development to achieve the MDGs."

What products are expected from the evaluation?

19.　The Terms of Reference of the Outcome Evaluation specify only one expected product from the exercise, namely "a detailed report with findings, recommendations and lessons learnt covering the scope of the evaluation."

How will the evaluation results be used?

20. The intended use of the results of the Outcome Evaluation was not spelt out in detail in the exercise's Terms of Reference. The Evaluation therefore referred to UNDP's Guidelines for Outcome Evaluators[1], which stipulate that the objective of an Outcome Evaluation that is conducted towards the end of a Country Programme cycle is 'to learn lessons for the next CP formulation.' The evaluation, not being advised of any extraordinary use to which the results of the exercise were to be applied, followed explicitly the instructions of the Guidelines for Outcome Evaluators, which is, "to learn lessons for the next CP formulation."

What are the key issues addressed by the evaluation?

21. The Terms of Reference of the Outcome Evaluation specify three cross-cutting issues for assessment, though they do not refer to them as "key." The issues are *gender, human rights and capacity development*. The evaluation found that the Programme Component treated gender as a programme as well as a cross-cutting issue. With regard to human rights, the evaluation did not come across evidence substantiating adoption of deliberate measures to employ a rights-based approach to the formulation and implementation of the Programme and its projects. Advancement of rights-based values in development planning and programming, however, tends to be implicit. If programmes appear not to support human rights values, the underlying reasons would most probably be unintentional. With regard to capacity development, all of the Programme Component's projects, without exception, apply this strategy as an overarching objective.

Evaluation Methodology

What was the methodology used for the evaluation?

22. The terms of reference for the evaluation underscore that 'outcomes are influenced by the full range of UNDP activities – projects, programmes, non-project activities and 'soft' assistance within and outside of projects,' and that 'outcomes are also influenced by the activities of other development actors.'

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[1] UNDP, Evaluation Office, 2002. Guidelines for Outcome Evaluators, Monitoring and Evaluation Companion Series #1

23. An evaluation that is capable of doing full justice to an analysis of the entire complement of factors that influence the achievement of an outcome requires resources in forms of both time and manpower that were not at the disposal of the evaluation. This holds particularly true for the present exercise, the purpose of which is to evaluate the status of an Outcome as imposing as that of "achieving sustainable livelihoods and reducing poverty."

24. The scope of the evaluation has, in any event, been clearly established as that of gauging the progress made by the UNDP Indonesia Country Office Poverty Reduction Unit rather by the totality of UNDP's support to the Government of Indonesia towards achieving the Outcome of Programme Component "Strengthening Human Development to Achieve the MDGs."

25. As directed by the UNDP Guidelines for Outcome Evaluators, the Programme Component Outcome was established as the outcome evaluation's point of departure. A number of variables were then assessed including whether the outcome has been achieved or progress has been made towards its achievement; how, why, and under what circumstances the outcome has changed; UNDP's contribution to the progress towards or achievement of the outcome; and UNDP's partnership strategy in pursuing the outcome.

26. Project level information was not analyzed in breadth and depth of scope as the evaluation agreed with the Guidelines for Outcome Evaluators that "such data is unlikely to yield useful or complete information about what is happening at the outcome level." Specific inputs, outputs and activities that are of extraordinary significance in their contribution towards the Government's poverty agenda are nonetheless highlighted in the Report as illustrations of the Programme Component's achievements.

27. Evidence gathering for the evaluation was conducted through personal consultations and desk review of formal documentation. The search for evidence focused on information and facts that substantiate the relevance, effectiveness and efficiency of the Programme Component's contributions towards the Government of Indonesia's sustainable livelihoods and poverty reduction agendas. Attempts were also made to gauge the degree of change brought about by the Programme Component's interventions and the sustainability of such changes.

28. The evaluation employed the qualitative approach as its principal method of study. This technique is based on phenomenology, which is a school of thought that emphasizes focus on the informants' subjective experience and interpretation. This approach renders the role of researchers as that of capturing and presenting experiences and interpretations on the subject being investigated.

29. Use of the quantitative method was also contemplated. If at all to be used, this would have only been for the purpose of making more measurable the value of evidence being presented in qualitative form. The evaluation made no designs to collect primary data, but planned instead to make best use of whatever data were to be at hand.

30. The evaluation adopted the mixed qualitative-quantitative approach based on the generally held belief that the qualitative method allows in-depth studies of selected issues while quantitative approaches are better suited to assess causality or reach general conclusions.

31. A list of questions was drawn up to facilitate the evidence/information gathering process. The questions were open-ended and designed to guide consultations with UNDP's Partners to collect their perceptions of the effectiveness and relevance of UNDP's support to the Government's sustainable livelihoods and poverty reduction agenda. The partners included representatives of agencies and institutions who possess the knowledge and authority to discuss development interventions at the Country Progrmme Outcome level. The List of Questions is attached as Annex- 2 to this Report. A list of persons with whom the evaluators held consultations is also attached as Annex-3.

What is the programmatic context of the evaluation?

32. The United Nations system practices a results-based programme management approach that positions the Expected Outcomes of its Programmes along an ordered hierarchical structure. The highest level of outcomes is discussed among and jointly agreed upon by the United Nations Country Team (UNCT)[2]. The Outcome Statements are then incorporated into the United Nations Development Assistance Framework (UNDAF), a planning document that outlines the United Nations' programme of support to the

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[2] **In this case with a membership comprising the Office of the UN Resident Coordinator, FAO, UNAIDS, UNFPA, WHO, UNIDO, ILO, UNHCR, UNESCO, WFP, UNICEF, and UNDP**

Government of Indonesia. In defining its outcomes, the UNDAF draws reference from the Government's Medium Term National Development Plan[3] to ensure that the United Nations' development activities generate contributions at the maximum level of effectiveness possible towards the achievement of the Government's expected Development Outcomes for the nation. Each UN Country Team member organization then produces its own Country Programme, establishing its own Outcome(s), each of which is designed to contribute to a selection or all of the UNDAF's Outcomes.

33. UNDP's Handbook on Planning, Monitoring and Evaluating for Development Results explains that

> *'if the national goals reflect changes at a national level, and the UNDAF outcomes exist as higher level and strategic development changes, then the outcomes in UNDP programme documents should reflect the comparative advantage of and be stated at a level where it is possible to show that the UNDP contribution can reasonably help influence the achievement of the outcome.'*

34. The 2006-2010 UNDP Country Programme for Indonesia is divided into five Programme Components with a Programme Component Outcome each to be achieved by each Programme. In order to be able to achieve their Outcomes in an efficient manner as possible, these Programme Components need to be supported by Programme Component Management Plans that elaborate, among other managerial actions, Output Production Plans, Programme Stakeholders Analyses and Partnership Building Strategies. Programme Components are put into operation through projects which, in turn, need to be supported by their own management plans to achieve Outcomes that together with the Outcomes of other projects contribute towards the achievement of Programme Component Outcomes.

35. Upon approval of the Indonesia Country Programme Document by UNDP's Executive Board, a Country Programme Management Action Plan (CPAP) is drawn up and co-signed between the Chair of Indonesia's National Development Planning Agency and the Country Resident Representative of the UNDP. The CPAP puts into systematic order the various levels of Programme Outcomes and establishes the Outputs to be produced by the programmes in order to support the achievement of the Outcomes. The Plan also identifies

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[3] **Rencana Pembanungan Jangka Menengah Nasional (RPJMN)**

Implementing Partners for the production of the Country Programme Outputs and Indicative Resources allocated to the Programme Components.

36. The aggregation of UNDP Programme Component Outcomes makes up the UNDP Country Programme's Outcome, which represents the organization's contribution towards the support provided by the United Nations to the Government of Indonesia through the UNDAF. The aim of the UNDAF is in turn to contribute towards the achievement of the Government of Indonesia's Expected Outcome(s), which are defined through Indonesia's national development planning processes.

37. The UNDP Indonesia 2006-2010 CPAP structures the delivery of the UNDP Country Programme into a configuration of one Outcome for one Programme Component and with the exception of Programme Components 4 and 5[4], for management by one UNDP Country Office Unit. Following is a list of the Programme Components and their respective Expected Outcomes.

UNDP Programme Component	Expected Outcomes
1. Strengthening human development to achieve the MDGS	By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes
2. Promoting sustainable environment and effective use of energy	By 2010 improved environmental living conditions and sustainable use of energy in Indonesia and establishment of sustainable living conditions in the targeted provinces in Indonesia
3. Promoting democratic governance	By 2010, pro-poor democratic and participatory decentralization policies and mechanisms in place with public and private institutions adhering to the rule of law and international instruments
4. Reducing vulnerability to crisis	Government and civil society able to design and implement crisis sensitive development responses, reducing

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[4] Programme Components 4 and 5 are managed by one Country Office Unit

	vulnerability of communities in target areas
5. Protecting the vulnerable and reducing vulnerabilities: Rehabilitation and reconstruction of Aceh and North Sumatra	Reconstruction process in Aceh and North Sumatra carried out transparently and the basis for democratic governance strengthened

38. A cursory perusal of all Programme Component Expected Outcome statements suggests that even though poverty reduction is featured as a distinctive Outcome of Programme Component 1 Strengthening Human Development to Achieve the MDGS, yet the Expected Outcome of Programme Component 3 Promoting Democratic Governance is also closely associated with poverty reduction interventions. Production of poverty reduction-related Outputs are, in fact, included in almost all five Programme Components. For example, the Outputs of Programme Component 2 Promoting Sustainable Environment and Effective Use of Energy include frameworks and action plans for regional environment management in priority districts and provinces with critical environment, natural resource management and poverty reduction challenges aimed to result in, among other states, equitable access to natural resources among the poor. Another example is an Outcome indicator established by Programme Component 3 Promoting Democratic Governance which reads 'pro-poor policy in line with MDGs mainstreamed in planning and budgeting of local government and public service sector receiving increased budget allocation.'

39. An examination of the CPAP Programme Components and their Expected Outcomes and Outputs will more likely than not reveal that all five Programme Components are designed with the intention to contribute in one way or the other towards poverty reduction outcomes through different approaches as well as in varying degrees of concentration and intensity.

40. The evaluation also noted that the Expected Outcomes of all five CPAP Programme Components are situated at a level where the Outputs of each Programme Component could potentially contribute towards the achievement of the Outcomes of selected or even all five Component Programmes. Based on the CPAP's present configuration, Outcome Evaluations conducted at the Component Programme level will only reveal a fraction of UNDP's actual contribution to the country's development outcomes. For example, as already described

above, contributions towards poverty reduction by other Programme Components will not be taken into account by the present evaluation which in actual fact has been assigned the task to review UNDP's contribution towards establishing sustainable livelihoods and poverty reduction. Outcome evaluations for Country Programmes constructed according to a structure such as the one presently employed by the Indonesia needs to be conducted at the Country Programme level rather than at the Component Programme level.

41. The evaluation accepted the CPAP's structure as a given and neither sought to comprehend the rationale underlying its architecture nor to make suggestions for its revision so that the Plan would be able to project the full magnitude of UNDP's contribution to poverty reduction, sustainable livelihoods and achievement of MDG targets. The evaluation did, nonetheless, notice that information incorporated into the UNDAF is configured along lines similar to those of the Country Programme Document. This may have affected the formulation of the Country Programme and led to the design of its structure.

42. Be it as it may, the focus of the Outcome Evaluation has been established by its Terms of Reference as that of evaluating progress made by Programme Component "Strengthening Human Development to Achieve the MDGs" towards the achievement of its stated Outcome of "By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes."

43. UNDP Country Programmes are, as a rule, reviewed at the mid-term point of their implementation. The UNDP Indonesia Country Programme 2006-2010 Mid-Term Review (MTR) was conducted in May 2009, but was carried out using a methodology not commonly employed for UNDP evaluation exercises. The review did not carry out the usual in-depth assessment of progress made by projects in producing their outputs for the purpose of estimating the potential contribution that such outputs would make towards the achievement of the Country Programme Outcomes. The Review instead conducted an analysis to draw evidence from 12 pre-selected projects that met a set of six criteria. The Report of the Review explains that 'information gathered from individual project enabled evidence based

analysis of UNDP contribution,' which was again structured around nine (9) key performance dimensions guided by Jakarta Commitments[5].

44. The Mid-Term Review of the Country Programme concluded with the pronouncement of the following eleven Recommendations:

1. Supporting implementation of the 'Jakarta Commitments', Indonesia's Road Map for Development Effectiveness
2. Aligning with new and evolving national priorities and strategies and continued strong country ownership of UNDP's programme
3. Addressing new and evolving development challenges
4. Enhancing the impact-focus of UNDP's programme through improved results-based management, monitoring and evaluation and communications
5. Making capacity development an overarching goal of UNDP's programme
6. Strengthening policy dialogue engagement and support for policy analysis
7. Prioritizing support of UN Reform and engagement with other UN Agencies
8. Prioritizing Papua, NTT and Aceh
9. Pursuing new partnerships and funding sources
10. Promoting gender equality across all programmes as top priority in 2009 and beyond
11. Leveraging UNDP's comparative advantage

45. The Mid-Term Review also scrutinized the Country Programme's CPAP Results and Resources Frameworks and recommended revisions to selected Programme Component Output Statements.

46. The evaluation attempted to gauge the effect of the Mid-Term Review exercise on the design as well as operational plans of the Programme Components but found it difficult to trace whether and to what extent Programme Component1 acted upon the 11 recommendations.

47. While refraining from expressing an opinion on the unconventionality of the methodology employed to conduct the Mid-Term Review, the evaluation would nonetheless

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[5] **UNDP Indonesia Country Office, 2009. Mid-Term Review Report, UNDP Country Programme in Indonesia, 2006-2010, Annex 3 Project-Based Evidence**

like to convey that the nature of the MTR's recommendations are of the kind that could only be acted upon at the Country Programme Level and not at the Programme Component level.

48. The revisions to the CPAP Results and Resources Framework and Output Statements recommended by The Mid-Term Review were made with more reason than were those for the implementation of the Country Programme. As a result, the propositions that emerged were easier to accept and act upon. In the case of Programme Component 1, two Output Statements were rephrased and two others deleted. Output 1.2 was integrated into Output 1.1.a as it was surmised that the two Outputs combined would produce a more holistic results. The rephrased Output now reads: "Support provided to develop and implement pro-poor policies, plans and programs that improve human development and accelerate the achievement of MDGs for Indonesia's poorest people, women and other vulnerable groups." Plans for the production of Output 1.3 capacity of CSO networks developed to facilitate the public in decision-making processes and to monitor national and local policies were abandoned as it was felt that resources originally allocated for this Output would draw higher returns if they were to be reinvested in the production of policy level interventions of other existing Outputs. Output 1.1.b was rephrased to emphasize "capacity building assistance" and replace awareness-raising in the establishment of fund and coordination mechanism to control the spread of HIV and AIDS. This was probably done to bear out and emphasize the Programme Component's compliance towards the MTR's Recommendation number 5 'Making capacity development an overarching goal of UNDP's programme.'

49. The above changes though effective are, nonetheless, not of sufficient significance to influence either the nature of the Programme Component Outcome or the composition of Outputs to be produced to achieve it.

What is the structure of the evaluation report? (how the content will be organized in the report?)

50. The structure of this Report follows almost entirely the outline given in the Guidelines for Outcome Evaluators Annex: "Sample Outline for an Outcome Evaluation Report." The contents of the Report are, as a result, organized in the following manner:

- Executive Summary
- Introduction
- The Development Context
- Findings and Conclusions

- Recommendations
- Annexes

The Development Context

When and why did UNDP begin working towards this outcome and for how long has it been doing so? What are the problems that the outcome is expected to address?

51.   UNDP Country Programme Documents embody the essence of the substance of the collaboration between the organization and the Governments of countries receiving UNDP's development support. In the case of Indonesia, UNDP Country Programmes have consistently and over numerous development cycles espoused poverty reduction as their overarching objective.

52.   In 2005, during the formulation phase of the 2006-2010 Country Programme Document, serious attempts were made to rationalize UNDP's support to the Government of Indonesia's poverty reduction agenda. Programme Component: "Strengthening Human Development to Achieve the MDGs" was, as a result, established and assigned the exclusive mission of providing technical support to enhance the Government of Indonesia's capacity in poverty reduction policy-making and policy-implementation; as well as in monitoring and evaluating poverty reduction programmes and projects; at national and regional levels. Capacity-building for and partnership-building with government agencies and representatives of the private sector as well as civil society were also included in the Programme Component's mission. Intensification of activities in these areas was encouraged for the fundamental purpose of ensuring sustainability of the Programme's Outputs.

53.   Poverty also continues to be included among the Government of Indonesia's highest priorities throughout the country's successive development planning cycles. Yet despite Indonesia's success in devising legal and regulatory instruments for poverty reduction interventions, the country's decentralization and regional autonomy agendas present new challenges in putting poverty related programmes and projects into operation at local levels.

54.   The establishment of Programme Component Strengthening Human Development to Achieve the MDGs in the 2006-2010 UNDP Country Programme Document marks the

beginning of the collaborative effort between UNDP and the Government of Indonesia to formulate sharper-focused and more effective poverty reduction interventions.

Who are the key partners for the outcome? the main stakeholders? the expected beneficiaries?

55. Implementation of Programme Component: "Strengthening Human Development to Achieve the MDGs" is neither supported by a fully mapped out Stakeholders Analysis nor guided by a full-blown Partnership Strategy. The Country Programme Action Plan 2006-2010 describes the Country Programme's Partnership Strategy in three paragraphs. The first paragraph describes in a general manner the importance of strategic partnerships and names institutions that UNDP intends to work with "in support of Indonesia's efforts to strengthen human development and achieve the Millennium Development Goals." The second paragraph refers to international agreements as well as national and international strategic frameworks and practices that are the foundations for establishing partnerships in various areas of development-related interventions. The third paragraph states that guided by this information, "each programme component will be implemented in partnership with specific entities."

56. The Results and Resources Framework of Programme Component Strengthening Human Development to Achieve the MDGs lists the following partner agencies:

- The Coordinating Ministry for People's Welfare
- The Ministry for Women's Empowerment
- The Ministry for National Development Planning / Agency for National Development Planning
- The Ministry of Home Affiars
- The Ministry for People's Housing
- Line Ministries
- Civil Society Organizations
- Jaringan LSM untuk MDGs (Network of NGOs for the MDGs)
- Private Sector Institutions
- The National AIDS Commission
- The Community Recovery Programme
- UN Agencies
- Academic Institutions
- Badan Pengendali Perencanaan Pembangunan Daerah (BP3D), Papua (Papua Agency for Supervision of Regional Development Planning)
- Local Governments
- Local Civil Society Organizations

- Statistics Indonesia
- Tim Koordinasi Penanggulangan Kemiskinan Daerah (Coordinating Team for Regional Poverty Reduction)

57. These agencies and institutions are implementing partners who are, together with UNDP, jointly responsible for the successful implementation of the projects within the Programme Component. The Programme Component, however, does not have a full-scale Partnership List that includes agencies who are not at all involved in the implementation of the Programme Component yet independently and simultaneously contributing towards the achievement of the Programme Component Outcome. Visibly missing from the list are names of United Nations agencies. Because the Programme is a component of the Country Programme, which is in turn a component of the UNDAF, it would seem obligatory for the Programme to explain the absence of partnerships with UN Agencies. There is also a need to compile a list of agencies whose outlook towards the achievement of the Programme Outcome may not be supportive. Such a list would be useful for the conduct of risk analyses exercises as well as an input for the formulation of a risk management strategy.

58. A fully mapped out Stakeholders Analysis for the Programme Component has never been carried out. Such an Analysis is a most essential exercise to be carried out during the earliest stage of programme formulation. Well-conducted analyses are capable of revealing, based on intentions of substitution, complementarity, or opposition, a proposed programme's potential allies and foes. Most importantly, a Stakeholders Analysis can pinpoint programme niches where comparative advantages of programme owners, in this case UNDP, will yield the highest impact.

59. Because the focus of the Programme Component is that of poverty reduction policy-making, policy-implementation as well as monitoring and evaluation of poverty reduction programmes, the principal beneficiaries of the programme are national and local level government agencies. The ultimate beneficiaries would be the nation's citizens whose welfare will be improved through more effective implementation of poverty reduction policies, programmes and projects. A group of beneficiaries that falls in the intermediary space between national and local level government agencies are private sector entities and civil society organizations.

Findings and Conclusion

The Outcome

60. The Terms of Reference of the UNDP Indonesia Outcome Evaluation of Poverty Reduction and MDGs stipulate that the result to be evaluated by the exercise is the Outcome of Programme Component 1 of the UNDP Country Programme Action Plan (CPAP) 2006-2010 which is:

> *'By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes."*

61. They also point out that the main Outputs of the Country Programme that are expected to contribute to the achievement of the Outcome are:

> i. *"Support provided to develop and implement pro-poor policies, plans and programmes that improve human development and accelerate the achievement of MDGs for Indonesia's poorest people, women and other vulnerable groups,*
>   *and*
> ii. *Fund and coordination mechanism established, and capacity building assistance, to control the spread of HIV and AIDS."*

Status of the Outcome

Has the Outcome been achieved or has progress been made towards its achievement?

62. The Outcome Statement of Programme Component #1 is made up of a timeline, a description of a situation and a strategy. For the purpose of focusing the task of the evaluation, it is useful to break up the statement as follows:

Outcome: achieving sustainable livelihoods and reducing poverty
Strategy: development and implementation of appropriate participatory policies and programmes
Target date: 2010

63. The Country Programme Action Plan 2006-2010 establishes the following indicators to mark the Country Programme's achievement of the Outcome of Programme Component 1:

- A decrease in the percentage of the population living below the national poverty line from 16.5 per cent in 2006 to 8.2 per cent in 2010, and

- A rise in the percentage of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS from 50 per cent in 2006 to greater than 75 per cent in 2010.

64.   The Results and Resources Framework of the UNDP Country Programme Action Plan 2006-2010 does not mention the source of information from which the figure of 16.5 per cent of the population living in poverty was drawn and used as the baseline indicator and 8.2 per cent of population living in poverty as the target to measure the achievement of the Outcome of Programme Component1 Strengthening Human Development to Achieve the MDGs. Chapter 1 Situation Analysis of the UNDP Country Programme Document 2006-2010, however, mentions that 'between 1999 and 2002, the proportion of people living in poverty fell from 23% to 18%' and that 'over 60% of the population lives on less than $2 per day.' These percentages render safe the deduction that the baseline and target percentages referred to in the CPAP are national poverty figures quoted from Statistics Indonesia. For the sake of consistency, the progress indicators need to be derived from the same source which, as quoted by the Government of Indonesia's 2010 Report on the Achievement of the Millennium Development Goals, stands at 13.33 per cent in 2010.

65.   The 2010 Report also records an increase in the percentage of Indonesia's population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS over that recorded in 2007. The percentages for 2010 are 11.9% among married women; 19.8% among unmarried women, 15.4% among married men and 20.3% among unmarried men.

66.   Put into words and using the information provided in the CPAP, Terms of Reference of the Outcome Evaluation and Indonesia's 2010 Report on the Achievement of the Millennium Development Goals, it is concluded that:

UNDP's contribution of

> *"'providing support to develop and implement pro-poor policies, plans and programmes that improve human development and accelerate the achievement of MDGs for Indonesia's poorest people, women and other vulnerable groups, and establishing fund and coordination mechanism, and capacity building assistance, to control the spread of HIV and AIDS"*

through

> *"development and implementation of appropriate participatory policies and programme"'*

by producing

> *"pro-poor policies, plans and programmes that improve human development and accelerate the achievement of MDGs for Indonesia's poorest people, women and other vulnerable groups*
>
> and
>
> *fund, coordination mechanism and capacity to control the spread of HIV and AIDS."*

have not fully contributed to the achievement of

> *"sustainable livelihoods and reduction of poverty"*

by:

> *"2010"*

The above conclusion on the Status of the Outcome is based on evidence that in 2010 the percentage of the population living below the national poverty line has not decreased to 8.2 per cent and the percentage of the population aged 15 to 24 with comprehensive correct knowledge of HIV/AIDS has not risen to a percentage of greater than 75.

Was the outcome selected relevant given the country and needs, and UNDP's niche?

The Outcome of Programme Component 1 which is "By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes" is highly relevant to Indonesia's national development agenda. It relates directly to Chapter 16 Poverty Alleviation of Indonesia's National Medium-Term Development Plan (RPJMN), 2004-2009, the planning instrument that was in effect during the programme formulation exercise of UNDP's 2006-2010 Country Programme Document for Indonesia.

67. The RPJMN's Chapter 16 introduces poverty as "a complex problem that is affected by interrelated factors, such as the level of income, health, education, access to goods and services, location, geographical condition, gender, and the condition of the environment." The Chapter also states under "Section A. The Problems" that "poverty problems will be viewed from the aspects of basic rights, population burden, and in terms of injustice and gender inequality." Chapter 16 is composed of Section A. The Problems, Section B. The Targets, Chapter C . Policy Direction and Chapter D. Development Programs.

68.   The Development Programs listed in Chapter D of Indonesia's Medium Term National Development Plan are systematically categorized and supported by clear objectives. For example, Development Program 4 Meeting of Right to Employment and Business Opportunities includes six Programs, among which is Program 4.3 Program for Expanding Employment Opportunities Carried out By the Government. Implementation of the Program is guided by the imperative to achieve objectives which are a) to increase access to work for males and females with different capabilities; and b) to increase access of the poor population to the labor markets abroad.

69.   Although the Outcome of CPAP's Programme Component 1 is fully relevant to The Government of Indonesia's Medium Term National Development Plan, yet in terms of positioning, it is aligned with Poverty Alleviation which is an Outcome situated at the highest level of the RPJMN's hierarchy of Development Outcomes. An alternative option to rationalize the position of the Programme Component Outcome could have been that of assuming a contributory position to the achievement of one of the Sub-Programme Outcomes of the Chapter on Poverty Alleviation.

71.   UNDP, with its long-standing experience and expertise in managing programmes to alleviate the effects of poverty, is in a fitting position to support the achievement of the poverty alleviation segment of the CPAP's Programme Component 1 Outcome. It is, however, not as well-equipped to support the achievement of the Programme Outcome's sustainable livelihoods expected outcome. This observation is based on a review of the Outcomes of recent Country Programme cycles which reveals that the UNDP Indonesia Country Office has never provided continuous and consistent technical support to sustainable livelihoods, particularly in the holistic sense of the condition as a development agenda.

72.   In order to rationalize the focus of Programme Component Strengthening Human Development to Achieve the MDGs, the Poverty Reduction Unit has grouped the projects that make up the Programme into three clusters of Support to Poverty Reduction, HIV/AIDS, and Papua.

73.   Because of the unsuitability of the Outcomes established by the Country Programme for the Programme Component's achievement and the inappropriateness of the indicators it

selected to measure the Programme Component's progress towards achieving the Outcomes, the Evaluation selected an alternative means of measuring the Programme's Relevance, Effectiveness, and Sustainability. Rather than measuring the Programme Component's progress towards achieving its original targets, the evaluation gauged instead the compatibility of the Programme Clusters' major projects towards the Government's development programmes in the areas of Poverty, Health (HIV/AIDS) and Regional Development. For the sake of consistency, all information related to the Government of Indonesia's development agenda referred to in this section is drawn from the President of Indonesia's State of the Nation address delivered on 16 August 2010.

The Government of Indonesia Agenda on Poverty

74. Indonesia has succeeded in reducing the percentage of the country's population who live below the poverty line from 17.8 per cent in 2006 to 13.33 per cent in 2010. The Government attributes this achievement to its success in sustaining the country's economic growth during that period. It points out that despite the shocks emanated by the recent global financial crises Indonesia has succeeded in registering positive economic growth of 4.5 per cent in 2009 which translated into a decline in Indonesia's open unemployment rate to 7.41 per cent in February of the following year (2010).

75. The Government of Indonesia reinforces the positive outcomes of the country's economic growth by addressing problems of poverty through social protection, particularly in the areas of education and health. It also initiates affirmative action schemes to lessen the burdens of poverty upon its citizens as well as to focus its support to communities living below the poverty line. These schemes include development of micro, small and medium enterprises as well as stabilization of prices of basic needs, particularly those of food. The Government also initiates programmes to address the effects of poverty through social protection programmes which are grouped into three clusters. The clusters incorporate programmes to enhance and improve the quality of family-based social protection policies implemented through the Program Keluarga Harapan (PKH); improvement and enhancement of the effectiveness of the implementation of PNPM Mandiri implemented through the Program Nasional Pemberdayaan Masyarakat (PNPM) Inti and empowerment of UMKM

(Micro, Small and Medium Enterprises) and enhancement of access by micro and small enterprises to productive resources implemented under the Kredit Usaha Rakyat (KUR) programme.

76.   The Government continues to be concerned over the large number of Indonesians still living in poverty. It is particularly troubled by the fact that even though the number of its citizens living in poverty continues to decline, yet their welfare has not sufficiently improved to the state where they are no longer vulnerable to being driven back by the slightest shock into a condition of life in dire poverty.

77.   Impediments identified by the Government as obstacles standing in the way of the enhancement of the population of Indonesia's welfare include (i) insufficient employment and entrepreneurial opportunities; (ii) overall limited access of communities to basic needs compounded by different levels of access among different income level groups (iii) insufficient involvement of communities, particularly poor communities, in the implementation of poverty reduction programmes; (iv) limited effectiveness of social protection and social insurance programmes as well as limited capacity of human resources to delivery social welfare services.

78.   The Government of Indonesia considers that in order to accelerate achievements in poverty reduction, the country needs to sustain and if possible raise the level of its economic growth. It also believes that the quality of such growth in sectors that create and increase employment opportunities needs to be enhanced, particularly for employment opportunities in the formal sector.

The Government Indonesia agenda on Health (HIV/AIDS)

79.   General problems faced by the Government in the health sector are access to as well as quality of health services, particularly access by the poor and disparity of health status among regions, especially in less-developed, isolated and border areas as well as outlying islands.

80. Problems of HIV are categorized by the Government within its Communicable Disease Control Programme. Although morbidity caused by communicable diseases in Indonesia has decreased in general, yet the Government feels that spread of infection caused especially by AIDS/HIV, TB and Malaria continues to be a prominent public health problem.

81. In the particular case of HIV and AIDS, the Government's Communicable Diseases Control Programme has successfully reached a prevalence rate of 0.2 per cent in 2008.

82. Indonesia's follow-up programme to address communicable diseases includes management of direct communicable diseases and management of diseases originating from animals through improvement of capacity to prevent and manage risk factors as well as strengthening methods of identifying patients and case administration.

The Government Indonesia agenda on Regional Development (Papua)

83. The Government of Indonesia has succeeded in raising Papua's GDP per capita from Rp8.69m in 2004 to Rp9.20m in 2008 and West Papua's GDP per capita from Rp7.74m in 2004 to Rp8.73m in 2008. The Government has also succeeded in reducing the percentage of the population living in poverty in Papua from 40.8 per cent in 2007 to 37.5 per cent in 2009 and in West Papua from 39.3 per cent in 2007 to 35.7 in 2009.

84. Development related problems in Papua and West Papua identified by the Government include less than optimal development of prime sectors and commodities including mining, fisheries and plantations particularly development of cacao and coffee industries as Papua's engine of economic growth and the fisheries industry as West Papua's engine of growth. Other problems include weak security and low levels of welfare in border areas as well as less-developed and disaster areas, less than optimal good governance practices, especially within the special autonomy corridor, low level quality of human resources and high percentage of poverty, high prevalence of HIV/AIDS, high potential of incidences of human rights violations on the basis of adapt (traditional) and community based bonds, rising need for establishment food security and high potential of impending natural disasters, particularly of earthquakees.

85.   The Government has identified three priority areas to address the development-related problems of Papua and West Papua. They are increasing access to education and employment skills services and increasing access to health services in order to improve the two Provinces' quality of human resources and developing agricultural production centers to support the development of prime sectors and commodities. The third priority is strengthening local government institutions, respect for and strengthening of adat institutions, enhancing collaboration in conflict management between the police force and adat leaders in order to support enhancement of awareness of and respect for human rights.

Factors Affecting the Outcome

What factors (political, sociological, economic, etc.) have affected the outcome, either positively or negatively?

86.   Because the Outcomes of the Programme Component being evaluated are Poverty Reduction and Sustainable Livelihoods, the evaluation elected to focus its analyses on factors affecting Poverty and Poverty Reduction as well as Sustainable Livelihoods. Although aware that a discussion on factors affecting HIV/AIDS and Regional Development would have been just as enlightening, time constraints prevented the evaluation from analyzing factors affecting outcomes in these areas.

87.   UNDP CPAP Programme Component 1 Strengthening Human Development to achieve the MDGs elected "achievement of sustainable livelihoods" and "reduction of poverty" as its two Outcomes. These are conditions that are not only interconnected but are, in their respective rights, results that take their place at the highest levels of development results.

88.   Absence of sustainable livelihoods and prevalence of poverty are conditions shaped by a multitude of factors, circumstances, events, and shocks generated not only at the country level but also at international and global planes.

89.   Poverty, as affirmed by the 2004-2009 RPJMN, is "a complex problem that is affected by interrelated factors, including income, health, education, access to goods and services, location, geographical condition, gender, and the condition of the environment." It is a multi-dimensional phenomenon and is oftentimes described as a state of deprivation that

causes hunger and lack of shelter, that leaves people in a condition of illness yet without the means to seek medical attention and that denies people the opportunity of learning how to read and the ability to secure a job.

90. There are many methods of analyzing causes of poverty. One way is by gauging abundance or paucity of capital needed to raise the welfare and prosperity of societies. This method groups capital into five categories, namely, human capital, natural capital, physical capital, financial capital and social capital[6]. Examples of types of capital and the way in which their scarcity causes poverty include human capital with lack of access to quality affordable food, quality health services and quality education services. Natural capital is associated with lack of land rights, a deteriorating environment and lack of access to natural resources. Examples of causes of poverty associated with physical capital include lack of access to safe water and lack of access to housing and sanitation services. Lack of access to employment and business opportunity is associated with financial capital and lack of participation and violent conflict influences social capital.

91. Comprehensive though the above method of categorizing causes of poverty may already appear to be, there are yet other factors that exacerbate conditions of poverty. These include absence of a stable political, social and economic environment and lack of access to infrastructure such as roads, seaports, and airports that offer access to markets. Economic policies that favor growth over equity, low levels of productivity that generate minimal incomes, and high vulnerability to shocks arising from internal as well as external sources of calamity are also causes of poverty. Ill-conceived and out-of-context public policies and poverty reduction programmes that miss their targets, failure in the public service delivery system and the issue of transient poverty or people moving in out of poverty over extended periods of time also contribute to different states of poverty. Other causes of poverty include corruption, budget limitations, ineffective execution of decentralization policies, and lack of coordination among institutions. There is also the persistent inclination of development agencies to neglect the needs of women among the poor who make up half the number of the poverty-stricken.

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[6] The Asian Development Bank, 2006. From Poverty to Prosperity: A Country Poverty Analysis for Indonesia, Chapter 5: Causes of Poverty

92. Then there are those who maintain that failure to respect human rights is a fundamental cause of the state of poverty. Advocates of human rights advance a rights-based approach to development calling for the need to act against non-fulfillment by the state of people's basic rights. They cite specific rights including the right to participate in a democratic environment with the ability to have a say in one's own future, the right to information, the right to make free and informed choices and the right to voice opinion and concern.

93. The designation by the Country Programme of poverty reduction, which is a broad and all-encompassing goal, as a Programme Outcome gave rise to a dilemma of its own nature. It resulted in the spawning within the Country Programme of a plethora of programmes and projects all purporting to aim at reducing poverty, yet all varying immensely in nature, scope, and intensity of intervention.

94. Theoretically, any and all endeavors that are being carried out with the intention of improving people's wellbeing minuscule though they may be can lay a valid claim to contributing towards poverty reduction outcomes. Within the context of a UNDP Programme, however, outcomes need to be specified "at a level where UNDP and its partners (and non-partners) can have a reasonable degree of influence[7]."

95. Furthermore, outcomes in UNDP programme documents need to "reflect the comparative advantage of, and be stated at the level where it is possible to show that the UNDP contribution can reasonably help influence the achievement of the outcome[8]."

96. Whether the Outputs produced by UNDP Programme Component 1 generated "a reasonable degree of influence" towards reducing the percentage of the population living in poverty from 16.5 per cent in 2006 to 8.2 per cent in 2010, is open to debate. In the particular case of Programme Component 1, however, the question is even more challenging. Because the Outcome targets were not met, the question to be asked would then need to be to what degree did UNDP's Outputs contribute towards its own failure and that of its partners and non-partners to achieve the Outcome?

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[7] UNDP Handbook on Planning, Monitoring and Evaluating for Development Results
[8] UNDP Handbook on Planning, Monitoring and Evaluating for Development Results

97. The evaluation takes the position that the Outputs of Programme Component 1 would need to advance along too many stages of developmental levels, before they can actually generate a reasonable degree of influence upon the Programme's Outcome. This implies that in the space between the production of Outputs and the achievement of the Outcome, the myriads of factors that are known to and/or believed to influence conditions of poverty would have interfered in any attempt to measure the "degree of influence" that the Programme generates on Achievement of Sustainable Livelihoods and Poverty Reduction. In other words, while interventions that have the power to influence levels of poverty need to be initiated at the macro level, the Programme Component is producing outputs at the micro level.

98. This is not to say that the Programme's Outputs failed to contribute to poverty reduction efforts. It merely means that the Programme's Outcome was established at too high a level and needs to be repositioned to a level where UNDP can make its claim to have made a "reasonable degree of influence."

99. The same, however, could not be said of the Programme Component's contribution towards the Government's Sustainable Livelihoods agenda.

100. Sustainable livelihoods, the Programme Component's second Outcome, though in and of itself constituting just one of the many factors that could contribute to poverty reduction is, nonetheless, an outcome that exercises considerable influence over levels of poverty.

101. Factors that influence non-achievement of sustainable livelihoods are as numerous and as complex as those that influence non-achievement of poverty reduction. A sustainable livelihood is commonly accepted as comprising:

> …the capabilities, assets (including both material and social resources) for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base (DFID, 1999a)[9]

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[9] **Overseas Development Institute, UK, 2003. Working Paper 217 Sustainable Livelihoods: A Case Study of the Evolution of DFID Policy**

102. The concept of sustainable livelihoods originated in 1992 and has since been adopted by various development agents who have adapted its principles to the shape of their respective mandates. A 2003 study commissioned by DFID on 'Sustainable Livelihoods: A Case Study of the Evolution of DFID Policy" quotes an observation made by a 1997 DFID White Paper that "… sustainable livelihoods was presented as a policy objective rather than a specific programme. It was to be delivered through a wide range of policies and action …' which would include:

- sound policies and pro-poor economic growth
- the development of efficient and well-regulated markets
- access of poor people to land, resources and markets
- good governance and the realization of human rights
- prevention and resolution of conflicts
- removal of gender discrimination

103. The above discussion is presented to shed light upon the enormous range of factors and issues that challenge efforts to achieve Development Programme Outcomes of poverty reduction and sustainable livelihoods.

Factors Affecting Levels of Poverty in Indonesia, 2006 - 2010

104. Poverty is an extremely fragile state of being. Its causes are multidimensional as well as multilayered, and efforts to do away with the severity of its consequences require concerted interventions from diverse courses. Yet even as steady progress towards prosperity is being made, just one, let alone a series of unforeseen events, can drive a nation back to dire and dismal human conditions. Such events are unfortunately inclined to be not only unanticipated but long lasting as well, their effects piling on top of one another and their influence extending over many years.

105. In order to comprehend the present state of poverty in Indonesia, there is a need to recall the series of circumstances that shape the current condition. Appreciation of how a series of events could floor what was to have been a highly successful poverty reduction scheme should, hopefully, lead to the design of more shock-resistant programmes.

106. The two decades prior to the late 1990s Asian Financial Crisis saw Indonesia making remarkable progress towards reducing the number of the country's citizens living in poverty.

Even though Indonesia's population grew from around 135 million in 1976 to around 200 million in 1996, the number of persons living below the poverty line decreased from around 54 million to around 23 million during the same period[10] (BPS, various years). Indonesia's high economic growth averaging 7.17% per annum between 1976 and 1996 enabled implementation of development programmes which improved the nation's social indicators, including those of its citizens' life expectancy, infant mortality and school enrolment. Economic growth also enabled availability of basic infrastructure.

107. The 1997 financial crisis hit Indonesia's economy hard. The situation was further exacerbated by political turbulence which, together with the crises, generated considerable levels of impact on the lives of Indonesia's population. As a result, the number of people living in poverty increased significantly to around 50 million in 1998.

108. Indonesia witnessed the decline of the country's macroeconomic key indicators during the crises, including its economic growth rate and its currency exchange rate. Inflation also ran rampant. The crises not only caused a decrease in the quality of public facilities and services, but also set off disruptions of public order as well as breaches of security. These conditions led to mass rioting in Jakarta as well as in a number of other cities in the country, altogether culminating in the fall of the New Order Government in May 1998. Figure-1 presents the trend of percentages of people living below the poverty line in Indonesia between 1976 and 2004.

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[10] Poverty line estimation based on a consumption bundle which consists of food items (to satisfy 2100 calories), and basic non-food items such as housing, apparel, health, education, utilities, and transportation

Figure-1 Indonesia's Poverty Reduction Success Story; crushed by the Asian Financial Crisis
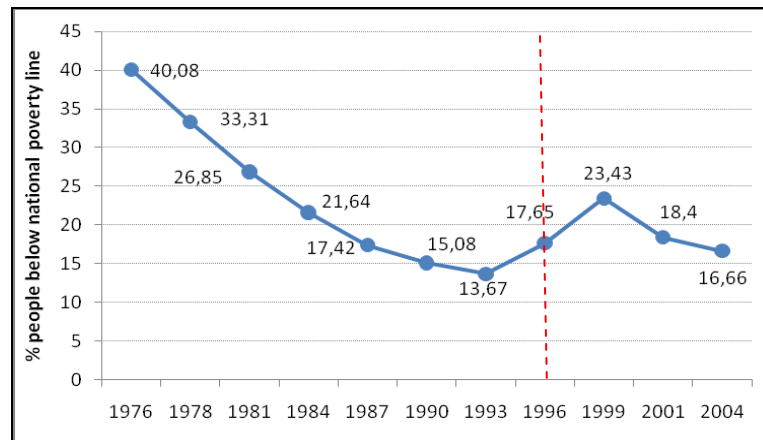
Source: Central Bureau of Statistics, Trends of Selected Socio-economic Indicators of Indonesia (2010)

109.　Figure 1 illustrates the trend of percentages of people living below the poverty line during the period prior to the start of the 2006-2010 UNDP Country Programme. Although the percentages have improved, the lingering influences of the crises were still to be felt.

110.　The devastation caused by the crises brought about a shift in the Government's development paradigm from one that was fully concentrated on achieving economic growth to one that strove for economic growth but at the same time incorporates poverty reduction strategies to ensure achievement of the country's development goals.

111.　Indonesia's Medium Term National Development Plan (Rencana Pembangunan Jangka Menengah Nasional or RPJMN) 2004–2009, as a consequence, provided policy guidance and programs for a five-year period with poverty reduction highlighted as the Government's top priority. The Plan also links its poverty reduction targets to the Millennium Development Goals (MDGs) because the Government believes that the MDGs are not be treated as mere declarations of good intent, but should instead be dealt with as commitments supported by concrete poverty reduction activities.

112.　The targets of the 2004-2009 RPJMN included reducing to 8.2 the percentage of people living in poverty, creating massive numbers of jobs and absorbing substantial numbers of entrants into the labour market by the end of 2009. Yet despite the implementation of a host of poverty reduction programs, 14.15 per cent of Indonesia's

population continued to live in poverty in 2009. This percentage was 5.95 per cent higher than the government's target of 8.2 per cent.

113. To understand why this target was not achieved and to appreciate the complexity of the state of poverty in Indonesia, several factors, internal as well as external, need to be taken into consideration.

114. Measurement of poverty in Indonesia is officially done by Statistics Indonesia (Badan Pusat Statistik/BPS). According to this agency, a person is poor if his/her earnings are below the poverty line which is established based on a consumption bundle consisting of food items (to satisfy 2100 calories)[11] and basic non-food items determined by the pattern of consumption of reference urban and rural households at national and provincial level.

115. Food commodity items that have major influence on the poverty line are rice, clove filter cigarettes, sugar, eggs, instant noodles, shallots, coffee, tempeh, and tofu. Non-food items that determine the worth of the poverty line are housing, electricity, transportation, and the cost of education.

116. The National Socioeconomic Survey, (Survei Sosial Ekonomi Nasional /SUSENAS) is the principal source of information on household welfare. It consists of a core annual survey and more in-depth modules that are repeated every three years. Because the core component of the survey also contains information on expenditures by category of consumption, poverty estimates can also be made annually, based on inflation rates for the items in the consumption category from their values and weights in the consumption module.

117. Between 2006 and 2010 Indonesia's economic growth averaged 5.7 per cent[12] per annum, and the country decreased the percentage of its population living in poverty from 17.75 per cent to 13.33 per cent. While 13.33 per cent of the population represent approximately 31 million individuals in March 2010, 17.75 per cent of the population represented approximately 39.3 million individuals in March 2010. This means that the absolute number of the poor has been reduced to approximately 8.3 million individuals.

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[11] Calories are assigned rupiah value based on imputed prices for the food items in the bundle

[12] Based on The Central Bureau of Statistic (BPS) Official Report, Indonesia achieved 5.5%, 6.3%, 6.1%, 4.5%, 6.0% (estimation) economic growth in 2006, 2007, 2008, 2009, 2010 respectively

118. Despite this remarkable achievement, a large number of individuals living slightly above the poverty line continue to be highly vulnerable to economic shocks. A minor shock can cause a major change in the poverty line, which can in turn generate significant effects on the number of people living in poverty. An example of this phenomenon occurred in 2006 when the Government reduced fuel subsidies, as shown in Figure 2 below.

Figure 2: Rural and Urban Poverty in Indonesia: 2005-2010

Poverty Indicators	2005	2006	2007	2008	2009	2010
Based on National Socio-economic Survey, various years (Central Bureau of Statistics)						
Numbers of people living below national poverty line						
Rural (million people)	22,70	24,81	23,61	22,19	20,62	19,93
Urban (million people)	12,40	14,49	13,56	12,77	11,91	11,10
Total (million people)	35,10	39,30	37,17	34,96	32,53	31,02
Percentage of people living below national poverty line						
Rural (%)	19,98	21,81	20,37	18,93	17,35	16,56
Urban (%)	11,68	13,47	12,52	11,65	10,72	9,87
Total (%)	15,97	17,75	16,58	15,42	14,15	13,33
Poverty Line (in national currency)						
Rural (Rp/month)	117.259	130.584	146.837	161.831	179.835	192.354
Urban (Rp/month)	150.799	174.290	187.942	204.896	222.123	232.989

Source: Central Bureau of Statistics, Trends of Selected Socio-economic Indicators of Indonesia (2010). Data compiled by author.

119. Beyond the classic and structural causes of poverty which include employment creation problems and poor levels of human development, there are at least four major identifiable factors that influenced levels of poverty between 2006 and 2010. These are environmental challenges, food prices, scarcity of energy and withdrawal of government fuel subsidies, as well as risks arising from links to global financial markets.

120. During 2006-2010 environmental degradation increased the frequency and severity of destruction caused by flooding and inundation of settlement areas, gravely impacting the security of urban livelihoods. Flooding in slum areas where most of the poor and near poor live caused even more severe hardships. Indonesia also endured what felt to have been endless natural hazards as a consequence of its geographic location along the 'Ring of Fire.'

Among the most recent of these disasters are the Mentawai Island tsunami, the West Sumatra and Wasior landslides, and the eruption of mount Merapi in Yogyakarta. According to the World Bank (2010)[13], (un)natural disasters are most likely to cause to distortions to the economy, including interference in the achievement of Indonesia's MDG's poverty alleviation target.

121. The price of food, especially the price of rice, plays an important role in ensuring the stability of Indonesia's population's welfare. The rice import ban imposed by the Government in 2002 caused domestic demand for rice to outstrip domestic supply, doubling the price of rice in 2006. Other food-price related factors include absorption of large amounts of food stock by emerging economic countries and use of bio-fuel as alternative energy. These caused factors scarcity of food in many countries pushing up food commodity prices significantly.

122. Rice being the largest component of the food category inflation index as well as the largest single determinant of the poverty line made the rise in the price of rice a singularly significant trigger for the increase in the number of the poor. The 30 percent increase in the world rice price in 2007 was also the main cause of a 1.6 percent jump in the national poverty rate. In real numbers, that one shock drove approximately 3.5 million Indonesians, who were previously not poor, straight into poverty.

123. The advent of the giant Asian economies of China and India is causing global demand for energy commodities (oil, gas, coal, palm oil, etc) to rise significantly. This has resulted in a commodity boom across global markets as shown by the rise of prices.

124. The prolonged boom in the world economy fuelled an extended expansion in global demand for oil and non-oil commodities. As economies prospered, an upward shift in demand for all types of commodities that was not matched by a corresponding shift in supply caused price pressures on food, oil, and other primary commodities to intensify between 2003 and early 2007.

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[13] World Bank. 2010. *Natural Hazards, Unnatural Disasters: The Economics of Effective Prevention.* Available online at: www.gfdrr.org/gfdrr/NHUD-home

125. As a net oil importer country, Indonesia was hardly affected by the situation. The Government, as a matter of course, reduced fuel subsidies to the public in 2005 and 2008. The reduction correlated with the incidence of poverty. In 2005/2006 when fuel subsidies were reduced to almost 1 per cent of GDP the number of poor people raised from 15.9 per cent in 2005 to 17.7 per cent in 2006.

Figure 3 Global Oil Price, 2005 - 2010
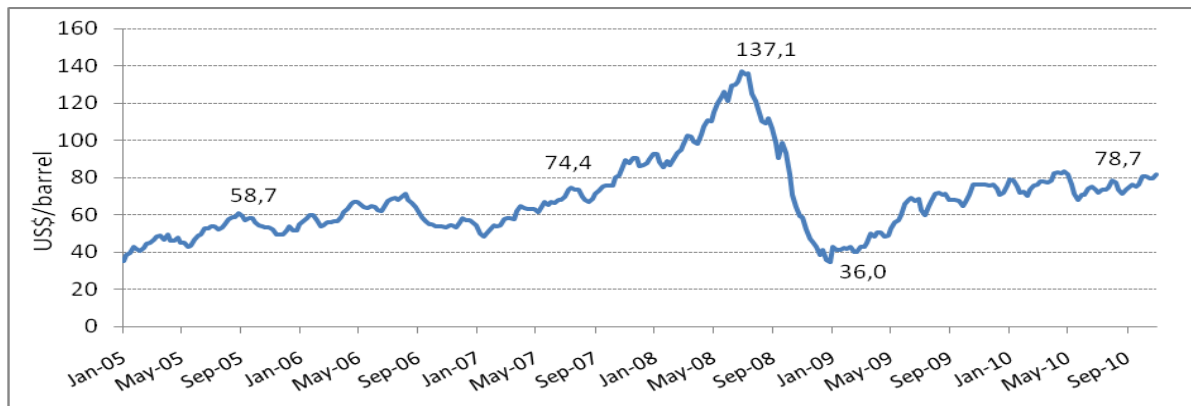
Note: Weekly All Countries Spot Price FOB Weighted by Estimated Export Volume (Dollars per Barrel)
Source: Energy Information Adminsitration, available online database at
http://www.eia.gov/dnav/pet/pet_pri_wco_k_w.htm

126. Indonesia's open economy faces serious threats of being shaken by external shocks. The two main channels of crises contagion are international trade and the financial sector. The 2008 global recession did not affect Indonesia as severely as it did many of its neighbouring countries. This was largely owing to the low proportion of Indonesia's GDP that is accounted for by exports[14].

127. External economic risks that can potentially rock the welfare of Indonesia's population are nonetheless large. This, however, is the downside of globalization and robust relations with the global financial system, which on the upside offers important benefits to a country's economy.

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[14] Economist Intellegence Unit. 2010. "Indonesia Country Report: January 2010".p.7

128. The above are four distinctly identifiable factors that have influenced, in a major way, the outcome of the Government of Indonesia's poverty reduction agenda. In an extended manner, they are also the factors that affect the status of the Outcome of UNDP Programme Component Strengthening Human Development to Achieve the MDGs. There are many other factors each and of their own of perhaps little significance but in totality creating a force influential enough to affect the success of the Government's as well as UNDP's poverty reduction initiatives.

Findings on Outcome Achievement

129. Given that Outcomes Statements are articulated 'at a level where UNDP and its partners (and non-partners) can have a reasonable degree of influence,'[15] it would be extremely problematic to measure the degree of influence that UNDP's Outputs of:

   i. 'Support provided to develop and implement pro-poor policies, plans and programmes that improve human development and accelerate the achievement of MDGs for Indonesia's poorest people, women and other vulnerable groups, and
   ii. Fund and coordination mechanism established, and capacity building assistance, to control the spread of HIV and AIDS.'

have contributed to the achievement of the Outcome of:
   'By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes."

130. Yet it would be even more challenging for UNDP Programme Component Strengthening Human Development to Achieve the MDGS to claim or rather disclaim contribution towards the failure in the achievement of the above Outcome as evidenced by the shortfall of 5.13 per cent in the achievement of the Outcome target of reducing the percentage of people living in poverty and the deficit of 7.6 per cent in the achievement of the Outcome target of raising the percentage of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS.

131. The above analysis does not stand up to reason. It is based purely on information presented in the UNDAF, CPD and CPAP, and the evaluation straight away dismissed the

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[15] **UNDP, 2009. Handbook on Planning Monitoring and Evaluating for Development Results: Chapter 2 Planning for Results: Practical Applications, Formulating the Outcome Statement (page 57)**

finding as that of a final conclusion. A number of factors critical to the conduct of a credible analysis need to be first of all validated before a conclusion can be presented as true. Factors that need to be reassessed include the soundness of the Outcome Statement itself, the logic of the links between the Programme Component Outputs and the Programme Component Outcome as well as the relevance of the indicators selected to establish achievement of the Outcome.

132. The links between the Expected Outputs and the Expected Outcome of UNDP Programme Component 1 Strengthening Human Development to Achieve the MDGs appear to have been established using a somewhat misguided logic. All of the Programme Component Outputs are clearly identifiable as products that serve to support the achievement of specific objectives. This was, perhaps, what led the Programme Component Expected Outcome statement formulators to situate the Outcome at such a high level. They appear to have presumed that the words "contribute to" would render unnecessary the requirement to describe how the Expected Outputs would "influence to a reasonable degree" achievement of the Programme Component Outcome.

133. A practical way of producing evidence on how the Programme influences the achievement of the Programme Outcome would have been to rearticulate the Programme Outcome Statement to correspond with the Programme Component design. Two obstacles, however, stood in the way of this course of action. One is that a Programme Document for the Component Programme was never drawn up, preventing identification of the Component Programme's framework of objectives, inputs and outputs. The absence of a Programme Component Document also prevented the conduct of an assessment of the Programme Component's output production and partnership strategies. The other reason that the Programme Outcome statement could not be rearticulated is that it was believed that the process of formalizing a revision to the CPAP would be time-consuming. This is because the CPAP is a formal document co-signed by UNDP and the Government of Indonesia and any revision to its contents would have needed to be approved by both parties.

The Government of Indonesia's Programme to Address Problems of Poverty
134. The Government of Indonesia has, from development cycle to development cycle, designed and implemented numerous poverty-related programmes.

135.   On 25 February 2010 a Presidential Decree number 15 of the Year 2010 was issued on the subject of accelerating interventions to address problems of poverty. The Decree identifies policy guidelines for addressing poverty at national and regional levels, defines the strategies and programmes to accelerate response to poverty-related issues and establishes at national and regional levels Poverty Management Acceleration Teams. The tasks of the Team, as determined by the Decree are to formulate policies and programmes to manage poverty issues, synergize through synchronization, harmonization and integration poverty management programmes of Government Ministries/Agencies, and conduct supervision and control of implementation of poverty management activities.

136.   In his 2010 State of the Nation Address, the President referred to management of problems of poverty as one of 11 National Priorities. The Address discusses the agenda within contexts of Problems Faced, Policies and Results Achieved as well as Follow-up Actions Needed.

137.   With regard to Programmes to Address Problems of Poverty, the President explains that "steps" to be put into operation through poverty reduction programmes are to be grouped into three clusters. The clusters are:

  a.   Programmes that aim to enhance and improve the quality of family-based social protection policies to support fulfilment of the basic needs of poor communities in order to severe chains/links of poverty and support the enhancement of the quality of human resources.
  b.   Improvement and enhancement of the effectiveness of the implementation of PNPM (Penanggulangan Kemiskinan Berbasis Pemberdayaan) Mandiri.
  c.   Empowerment of UMKM (small and medium scale enterprises) and increase of access of micro and small enterprises to productive resources.

The Poverty Reduction Strategy of Programme Component Strengthening Human Development to Achieve the MDGs

138.   Programme Component Strengthening Human Development to Achieve the MDGs is not anchored by a Programme Document that sets out the Programme Component's strategies towards achieving its stated Outcome of "By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes."

139. The UNDP 2006-2010 Country Programme Action Plan introduces the objective of the Component Programme by stating that "UNDP will continue its role as the principal advocate of human development towards achieving the MDGs through policy support, monitoring initiatives, CSO support, including specific programmes on HIV/AIDS and gender equality." The CPAP also states that "Particular attention will be paid to the provinces where progress towards achievement of the MDGs is especially lagging."

140. The Programme Component incorporates thirteen projects ranging in value from USD54,766 to USD55 million. There are three projects in the range of value of US$10 million up to US$ 55 million; three projects between USD1 million and USD9 million and seven projects in the range of USD 75,000 up to USD 963,000. Thematically, the projects are grouped into one project aimed at strengthening local government and civil society capacities to develop, implement and monitor human development, two projects to advance gender mainstreaming as a development strategy, one project to develop women's awareness in political issues in Kalimantan, three project on HIV/AIDS, two in support of the Global Fund for TB and Malaria, two in support of achieving the MDGs, one to empower poor communities through use of ICT and one to build capacity of civil society and Government to foster good governance.

141. Although some of the projects are grouped by themes, yet the totality of the portfolio of projects does not hold together as a Programme designed to achieve sustainable livelihoods or reduce poverty. Each project in its own right could claim to have successfully achieved its respective objective, but together they do not qualify as a group of projects working towards the achievement of a common outcome, unless of course the outcome is accepted in its present form and position at the highest levels of Outcomes.

142. The Country Programme Action Plan 2006-2010 stipulates that UNDP, or in this instance, Programme Component Strengthening Human Development to Achieve the MDGs will continue its roles as the principal advocate of human development towards achieving the MDGs through policy support, monitoring initiatives, CSO support, including specific programmes on HIV/AIDS and gender equality.

143. The Programme Component has acted upon the roles specified by the CPAP, but in a disparate rather than in a holistic approach and through the implementation of individual

projects rather than by way of a full scale Programme. It has not put into operation the role assigned to it by the CPAP in a concerted manner as would have been expected of a Programme. In other words, the Programme is not a programme in the true sense of the concept but rather an umbrella for individual unrelated projects.

144. The Terms of Reference of the Evaluation require the exercise to assess three special considerations of gender, human rights and capacity development

145. Programme Component Strengthening Human Development to Achieve the MDGs includes two projects specifically aimed at advancing gender mainstreaming as a development strategy and one project to encourage and develop awareness of women in West Kalimantan toward political issues within the context of Indonesia's decentralized governance. The Papua Development Programme which aims to strengthen local government and civil society capacities to develop, implement and monitor human development in Papua mentions that it will ensure that tangible linkages are made between the work of the national gender mainstreaming programme in Papua and the project's activities. The Target MDGs project which provides a multi-stakeholder platform for the attainment of the MDGs in Indonesia mentions that in the course of the Project's needs assessment in its target regions, the exercise will examine "gender equality: investing to overcome pervasive gender bias, promote gender equality and access to opportunities." The Empowering Civil Society Groups to Promote Participatory Governance which addresses human rights violations, conflict and poverty in Wamena identifies women as a disadvantaged group and attempts to ensure women's participation in the Forum Persaudaraan Jayawijaya. The Project includes only one explicit activity in support of gender and development which is advocacy and engagement of vulnerable groups. Because of the project's specific mention of women, other activities are more likely to involve women as participants in mainstream activities.

146. Other Projects, including the Support to MDG Initiatives in Indonesia do not make specific reference to activities in support of gender equality objectives. The absence of reference to gender and the advancement of women in the Support to MDG Initiatives in Indonesia are particularly glaring as the MDGs include gender empowerment and equality goals.

147. The limited attention to gender issues within the Programme Component's portfolio of projects could perhaps be attributed to two situations. One is perhaps because there are already three gender/women specific projects in the Programme and the other is possibly because the Unit employed within it a "gender focal point." Granted that the Gender Focal point or even the programme officer(s) may have mainstreamed gender issues into the projects during the course of their implementation, it is no excuse not to include a gender analysis and/or a gender action plan into the design of projects. The operation within the Unit of two gender mainstreaming projects and one women-specific project is also no substitute for the consideration of gender issues in other projects.

148. The evaluation did not attempt to assess whether the Programme Component and/or its portfolio of projects were designed and implemented using a rights-based approach. It did not, for the specific reason that it could not, comply with the directions of the Terms of Reference of the exercise "determine if the Programme Component's Outcome facilitate the claim of rights-holders and the corresponding obligation of the duty bearers." Although the concepts of "the right to development" and a "rights-based approach to development" have entered development discourses for a substantial number of years, yet techniques of putting them into operation are still tenuous. The evaluation proposes that in the grand design of development themes and theories, any intention and initiative to improve people's lives and welfare would have been based on unadulterated intentions of fulfilling their human rights. In the case of the contrary, the underlying reasons would most probably have been due to omission rather than commission.

149. All of the projects of Programme Component Strengthening Human Development to Achieve the MDGs without exception operate around a mainstay of capacity development. Activities range from on-the-job support for preparation of plans, including consultations and decision-making, technical advice on environmental planning and natural resource management, establishing coordination mechanisms, applying gender mainstreaming as a development strategy, development of recruitment plans, HRD job performance guidelines, logistics management, procurement standard operating procedures, use of information and communication technologies, training for local media representatives and other capacity building activities. The types of capacity strengthened include managerial and technical. While those included in the managerial category are of more or less of the same nature from

project to project, those in the technical sphere vary from project to project. This reflects the make up of the Programme Component which includes diverse areas of development such as HIV/AIDS, Information and Communication Technology, Political Participation as well as in some cases the technical components of the MDGs.

Conclusions on the Poverty Reduction Strategy of Programme Component Strengthening Human Development to Achieve the MDGs

150.   Programme Component Strengthening Human Development to Achieve the MDGs does not have a concrete output production strategy to guide its approach towards achieving its stated Outcome.

151.   The Programme Component is made up of 13 projects, most of which are not mutually supporting in their quest to achieve the Programme's stated outcome of achieving sustainable livelihoods and reducing poverty. The Outputs of these projects which, even if successfully produced, are so distantly removed from the Programme's Outcome that it would be close to impossible for the projects to claim to have had influenced the achievement of the Outcome.

152.   The Outputs planned to be produced by the Programme Component are impressive. They include an action plan to develop and implement local Medium Term Development Plans 2010-2014 to realize the MDGs with specific attention to the poorest, women and the vulnerable, policy statements and strategies that incorporate gender equality as an objective, improvement of access to and quality of care, treatment and support for people living with HIV, reduction of individual risk of sexual transmission of HIV and a fund and coordination mechanism to raise awareness and control the spread of HIV/AIDS. Other Outputs include reduced morbidity and mortality from infectious diseases, improved management and planning of public health services, timely production of MDG reports, development of a pro-poor information system, guidelines for poverty reduction through ICT, a women's forum on political participation, rights, gender policy and decision-making. Although these Outputs and others produced by the Programme are of singular significance to the Programme, they are distributed among different projects in different projects and in several cases produced in different sectors and distant locations.

153. The dispersal in development sectors and distance of location of the Programme Component's Outputs does not make visible the totality of the Programme Component's contribution towards the achievement of the Programme Outcome. One of the Programme Component's highly strategic initiatives is, in fact, that of providing technical support in tailoring poverty reduction programmes designed at the national level for successful implementation at local levels. The Programme Component's initiatives in this area are effectively contributing towards the success of Indonesia's poverty reduction as well as decentralization and regional autonomy agendas.

Partnership Strategy

154. Programme Component Strengthening Human Development to achieve the MDGs is being implemented without the support of a formal Partnership Strategy. The only explicit reference that the Programme makes to partnerships as a strategy is to be found in its CPAP Results and Resources Framework (RRF). In it the Programme lists agencies that it designates as the programme's implementing partners.

155. The agencies named in the RRF are the Coordinating Ministry for Social Welfare, the State Ministry for Women's Empowerment, the National Development Planning Agency, the Ministry for People's Housing, civil society organizations, the Papua Badan Pengendali Perencana Pembangunan Daerah (BP3D), local governments, local civil society organizations, Tim Koordinasi Pengentasan Kemiskinan Daerah (TKPKD), the National AIDS Commission, UN Agencies, civil society organizations, private sector organizations, line ministries, Statistics Indonesia and academic institutions.

156. It needs to be noted that Partners at the Programme Outcome level are agencies that are contributing towards the achievement of an Outcome similar to that of the Programme. These partners may be government or non-government agencies as well as private sector and civil society organizations. They may be operating within the Programme Component, alongside it, or even totally independent of it. Partners of a Programme at the Outcome level are essentially agencies who are endeavoring to achieve an outcome in common with the Programme but need not necessarily be producing Outputs similar to those of the Programme.

157. This definition may come across like an invitation to the compilation of a long non-exhaustive list of agencies. In reality, however, a well articulated Outcome Statement and accurately defined baseline and target indicators will narrow the selection of partners down to a manageable number of those who can lay legitimate claim to have actually generated reasonable amounts of influence towards the achievement of the Outcome.

158. Partners are agencies that have a stake in a Programme's success. There are, however, also agencies that for political, economic or other reasons may not be in favor of the achievement of a specific Programme Outcome. The need to distinguish agencies that are vested with designs opposed to a Programme is just as important as that of identifying those who are supportive of it. An exercise to identify agencies in this category, however, was not and has never been carried out by the Programme.

159. The conduct of a stakeholders' analysis during the formulation stage of Programme Component Strengthening Human Development to Achieve the MDGs would have mapped out the prevailing strategic positions and strengths of agencies that have interests in either the success or failure of the Programme in achieving its Outcome. It could also identify vulnerable or marginalized groups that are often left out of programme planning processes. Ideally, the design of the Programme's implementation strategy in general and its partnership strategy in particular, would have drawn heavily from the analysis coming out of the exercise.

160. The absence of both a Stakeholders Analysis and a Partnership Strategy for Programme Component Strengthening Human Development to achieve the MDGs prevented the evaluation from fulfilling its obligation of conducting an assessment of the effectiveness of the Programme's Partnerships Strategy.

161. An alternative way of conducting the assessment was subsequently devised and adopted. The agreed methodology was that of consulting with selected persons and representatives of agencies referred to by the Programme Component as its implementing agencies as well as with persons and representatives of agencies identified by the Programme as its Partners in other contexts. The purpose of the consultations was to bring together the perception of the Partners of the relevance, effectiveness, and efficiency of the Programme in achieving its stated Outcome. The Partners' views on two other indicators were also sought,

namely of the degree of change achieved and the level of sustainability established by the Outcome.

162.   This method of assessment was, however, not without challenge. Because of the mismatch between the level of the Programme Component Outcome which is at the higher level of Programme Outcomes and the level of the evaluation exercise which is at Programme Component position, there was a need to ensure that the persons with whom the consultations were held are familiar with development issues at both levels. The evaluation was subsequently advised to consult with 'representatives of agencies and institutions who possess the knowledge and authority to discuss development interventions at the Country Programme Outcome level.'

UNDP in the Eyes of its Partners

163.   As was to have been expected, the range of information acquired through the consultations varied in scope and depth from person to person conferred with. The majority of persons consulted were those who operated at the higher levels of programme outcomes and were therefore familiar with UNDP's status as a development agency in its own right as well as with its chief of mission's role as Resident Coordinator of the United Nations Operational Activities in Indonesia. This knowledge, though on the one hand useful to the discussions, yet on the other hand caused the Partners to unwittingly interchange in their minds the two roles that are played by UNDP.

164.   All Partners consulted express high regard for UNDP's role in programme coordination as well as for the organization's performance in resource mobilization. They point out that coordination of UN programmes by UNDP gives clarity to each UN agency's mandate, thereby minimizing overlap of activities among the agencies and making more efficient delivery of each agency's respective outputs. While complimenting UNDP's highly successful resource mobilization operations, the Partners were at the same time well aware that the organization obtained these results in return for the trust that it has earned from the Government of Indonesia as well as from Bilateral and Multilateral Donors.

165. A role of the UN in general and the UNDP in particular that is most highly appreciated by their Partners is that of Agenda Keeper. It was expressed that the United Nations' role in advancing issues such as human rights, the advancement of women, children's rights, HIV, and creating instruments to consolidate global commitments such as the MDGs keep in sight critical issues that would otherwise have gotten swept under the rug.

166. With specific regard to UNDP's role in poverty reduction, the organization's Partners felt that causes of poverty are so complex that no agency, including those of the Government and particularly UNDP, would be capable of on its own reducing the percentage of the population living under the poverty line. They, however, believe that UNDP's support to the Government would be effective in the upstream levels of development, particularly in the formulation of policies and programmes that aim to lessen the effects of poverty, including social protection programmes. They attribute this outlook to UNDP's overarching objective of poverty reduction and its groundbreaking approach of measuring a nation's welfare through the human development index.

Findings on Partnerships

167. It was not possible to conduct a sound evaluation of the Partnership Strategy of Programme Component Strengthening Human Development to Achieve the MDGs without a programme start-up-phase Partnership Strategy to serve as a baseline and a current Partnership Strategy to represent the end-of-programme status.

168. The results of the alternative approach adopted for the evaluation which was through consultations with a select number of the Programme's Partners nonetheless created a rich collage of the Partners' perception of UNDP's role in supporting the Government of Indonesia's development agenda.

169. Granted that many of the forty odd comments refer to the United Nations, yet they all in an extended manner also apply to UNDP and by further extension to the Programme Component. Close to all of the comments represent perceptions of not one Partner alone but are instead observations made by one Partner and subsequently underscored by one or more others. The number of comments and observations is larger than the 41 listed in this section and those in Annex-1 to this Report. A careful selection has, however, been made to weed

out general non-conclusive statements and explanatory remarks, leaving only those pertinent to this report for consideration.

170. As can be observed from the list, the positive remarks outnumber by far those that are negative. Even the negative comments can in fact be seen in a positive light because they were inclined to have been articulated after careful consideration and were accompanied by recommendations for rectification. Some comments even came together with suggestions to UNDP for alternative courses of action. There was not one negative statement made in outright spite, and all positive statements were expressed with apparent sincerity.

171. A rather out-and-out challenge was also put forward to the evaluation and by extension to UNDP. The dare was on whether the evaluation would succeed in including in its report the negative points expressed during the consultations.

172. A final observation made by the evaluation is that the Programme Component has not established Partnerships with agencies beyond the immediate circle of those directly involved with the Programme. This may be because UNDP's involvement in poverty reduction has spanned over so many years that it has grown to feel comfortable operating among the 'old buddies' with whom the organization has traditionally partnered up. Nonetheless, as touched upon by some of the Programme Component's partners, poverty reduction interventions now need to more and more involve agencies outside the Government, particularly those representing the business community.

Conclusions and Recommendations on Partnerships

173. The perceptions of the Partners of Programme Component Strengthening Human Development to Achieve the MDGs appear to the evaluation as having been well-considered and sincere. It is, however, not up to the evaluation to select which of the full complement of suggestions and recommendations to follow and which to reject. In the case of this particular exercise, the purpose of assessing the results of the consultations is specifically that of gauging the strength the Programme Component's relationships with its Partners.

174. The evaluation finds that Programme Component Strengthening Human Development to Achieve the MDGs has chosen the agencies with whom to establish partnerships well. All Partners exhibit strong support to UNDP's activities, and by extension to the Programme

Component. A most indicative evidence of a healthy Partnership relationship is that the Partners, after expressing a negative observation, make the effort to offer remedial suggestions and recommendations.

175. Good relationships with a set of Partners, however, do not replace the utility of a proper Partnership Strategy. The Programme Component needs to produce documentation that describes the manner by which the Partners were selected and to substantiate that the Partnerships were established with purpose and not by mere chance or tradition. Most importantly, the Programme needs to record why specific Partners were chosen, by describing the gains accruing to and received by all parties to the Partnership. The Programme Component needs to design its Partnership Strategy to be an instrument through which decisions are made on the establishment of new Partnerships and the termination of those that are unprofitable.

176. Programme Component Strengthening Human Development to Achieve the MDGs needs to draw up a formal Partnership Strategy to guide the implementation of the Programme during the 2011-2015 cycle of the UNDP Country Programme. The Strategy is to be reviewed periodically or as needed and adjusted if necessary to reflect changes in the composition of the Partnerships. All changes need to be scrupulously recorded as such information needs to be taken into account to gauge the influence of Partner activities on the success or more importantly the failure of the Programme in achieving its stated Outcome(s).

177. The Programme Component also needs to conduct a Stakeholders Analysis to identify and gauge the power of agencies that are supportive of and opposed to the achievement of the Programme's stated Outcome(s). As in the case of Partnerships the influence of agencies that are opposed to the achievement of the Programme's Outcome need to be taken into account when evaluating the success or failure of a Programme in achieving its Outcome. Also as in the case of the Partnership Strategy, the map of positions and strengths of opposing agencies needs to be periodically reviewed to identify threats or risks that may influence the Programme Component's chances of achieving its Outcome.

Principal Contributions of Programme Component Strengthening Human Development to Achieve the MDGs towards the Government of Indonesia's Poverty Agenda

178. The Pro-poor Planning, Budgeting and Monitoring-Evaluation (P3BM) initiative is one of the major undertakings of the Programme Component aimed at supporting poverty reduction in Indonesia. It was launched in July 2008 with the objective of advancing planning and budgeting processes at district levels to include priorities of the poor.

179. The specific objectives of the P3BM initiative include improving sub-national capacities (local government, parliament and ngos) in analyzing and managing data on poverty and the MDGS and to strengthen the capacity of local governments to identify needs, problems and priorities of the poor in regional development. It also aims to strengthen planning, budgeting and monitoring by facilitating the mainstreaming of the MDGs into regional development policies and plans and to facilitate the development of pro-poor policies and pro-poor budgets. Finally, it supports coordination of poverty alleviation activities and achievement of MDGs through improvement of sectoral coordination of various planning documents and the Musrenbang (Forum for Multi-Stakeholder Consultation for Development). By the end of 2009, 18 districts of three provinces of NTB, NTT and Southeast Sulawesi have adopted and completed the P3BM set of activities.

Principal Contributions of Programme Component Strengthening Human Development to Achieve the MDGs and the Government of Indonesia's HIV Response Programme

180. UNDP has continuously contributed towards the strengthening of the management capacity of the National AIDS Commission and the Ministry of Health in leading and coordinating the national response to AIDS.

181. The strengthened capacity of the National AIDS Commission and the Ministry of Health has also contributed to the improved quality of implementation of Rounds 1 and 4 of the GFTAM and the successful submission of the GFTAM Round 8 proposal which generated an amount of US$120 million for a period of five years. It has also enabled the Government to continuously increase national and local resource allocations for the country's response to HIV which in 2009 resulted in the contribution by national and local agencies of 55 per cent of the total budget allocated for the annual national AIDS response.

Principal Contributions of Programme Component Strengthening Human Development to Achieve the MDGs towards the Government of Indonesia's Regional Development Programme for Papua and West Papua.

182. UNDP's programme of Support to Papua and West Papua aims to strengthen local government capacities to deliver effective poverty reduction programmes. It includes provision of grants that support access to basic needs which are now befitting over 54,000 Papuans in 80 villages.

183. The Project reports significant achievements made in meeting outcome goals and demonstrating project results. It states that progress has been made in strengthening local government capacity to improve human development and achieving the MDGs as well as in development planning and programme implementation. The Project's activities and achievements include dissemination of MDG data, establishment of data base forum for development planning and monitoring, formulation of strategic development plans and facilitation of participatory development planning through Musrenbangs, development of guidelines for development acceleration for promoting transparency and accountability measures, and provision of guidance to local governments on development acceleration. Other activities include review on education and local economies to improve access to service delivery. The UN Joint Entrepreneurship project in the Papua Highlands has especially benefited women. The Project has significantly improved its beneficiaries' skills and encouraged collaborative awareness among local stakeholders to the local economy.

Relevance, Effectiveness, Efficiency

184. The evaluation is unable to deliver a technically sound, evidence-based analysis of the relevance, effectiveness, efficiency, degree of change and sustainability of UNDP's contributions to the Programme Outcome for the reasons elaborated in the section on the Context of the Evaluation.

185. To recall, the first reason is that the Programme Outcome, namely establishment of sustainable livelihoods and poverty reduction are situated at an outcome level where the influence of UNDP's interventions at the micro level is susceptible towards the effects of

pressures by numerous and diverse external factors that could not only be formidable but unpredictable as well.

186. The second reason is that Programme Component: "Strengthening Human Development to Achieve the MDGs" is not a Programme in the true sense of the word, but is instead an umbrella beneath which unrelated projects are financed and implemented. The only means of measuring relevance, effectiveness, efficiency, degree of change and sustainability would be to apply these criteria to the individual projects. An exercise such as this would, however, constitute a project level rather than an outcome level exercise.

187. Third reason is that because of the compartmentalized nature of the Indonesia Country Office's work assignment system, measurement of the relevance, effectiveness, efficiency, degree of change and sustainability of Programme Component: "Strengthening Human Development to Achieve the MDGs" if it at all existed, towards establishing sustainable livelihoods and poverty reduction would only produce a partial and misleading picture of UNDP's contribution. This is because a Programme Component level exercise would not be able to capture progress towards achievement of sustainable livelihoods and poverty reduction contributed by other Country Office Programme Units. An outcome evaluation at this level would have been better addressed by a Country Programme Outcome Evaluation.

188. The consultations held by the evaluation with UNDP's Partners who are significant and prominent members of the community of development agents in Indonesia, however, leave no doubt that UNDP's contributions towards Indonesia's development continues to be relevant, effective and efficient. Nonetheless, as reported in this Report's Section on: "UNDP in the Eyes of its Partners," questions are being raised about degree of change brought about by UNDP's intervention and the sustainability of the Organization's contributions.

Relevance, Effectiveness, Efficiency, Degree of Change and Sustainability of UNDP's selected Contributions to the Government's Poverty, HIV and AIDS, and Development of Papua and West Papua Agendas

189. UNDP's Pro-poor Planning, Budgeting and Monitoring-Evaluation initiative is a highly ambitious enterprise if it is to be retained by the Programme as a means of achieving

poverty reduction. Although the Programme has succeeded in implementing the initiative in 18 districts of three provinces by the end of 2009, it needs to be kept in mind that there are around 500 other districts in 33 other provinces that would need to adopt the initiative before UNDP can claim to have achieved a poverty reduction outcome. If the Programme expects to treat the initiative as a pilot or demonstration activity it needs to secure the Government's commitment that the planning, budgeting and monitoring evaluation processes it is introducing will be adopted by the Government on a nation-wide scale. The Programme also needs to choose its Government Partners carefully at the national as well as local levels according to their respective mandates, principal tasks and functions. It also needs to consider decentralization, regional autonomy and fiscal balance issues, particularly within the budgeting process.

190.   There are two issues that the Programme needs to consider before proceeding with the application of P3BM as a poverty reduction strategy.

191.   The first issue is that the Government of Indonesia does not have a programme that is designed to reduce poverty as its direct objective. Indonesia's poverty reduction strategy is to situated at the macro level of interventions and relies upon economic growth to produce, among other outputs, expanded employment opportunities in the formal sector. The Government's poverty agenda is focused instead on initiatives to reduce the burdens of poverty through social development and social protection initiatives. If the Programme expects to raise commitment and government financing for P3BM as a nation-wide poverty reduction strategy, it may face obstacles in justifying the approach.

192.   Secondly, although budgets are highly politicized instruments, yet good budgeting practices and advocacy are capable of safeguarding the needs of specific segments of communities. The basic principles of good budgeting are aggregate fiscal discipline, a locative efficiency and operational efficiency. Targeting is in fact, not considered to be good budgeting practice.

193.   Indonesia's public financial management system which includes performance based budgeting as its foundation has not reached optimum operational effectiveness status. If the Programme wishes to employ budgeting as a poverty reduction strategy, it would perhaps achieve stronger support and better results if it were to provide technical support towards the

nationwide implementation of performance based budgeting. Good budgeting practices will be capable of identifying and considering the needs of not only the poor but other segments of society as well including women, children, the disabled, the elderly and other members of the marginalized and disempowered. Pro-poor budgeting in selected locales may succeed in achieving their immediate objectives and demonstrate local-level successes, but unless it is part of a broader-based poverty reduction strategy it may not have much chance at establishing its influence on reduced levels of poverty.

194. The evaluation does not consider this initiative relevant towards the achievement of the Programme's outcome. It is also not relevant to the Government's poverty agenda. It may be effective and efficient but only to a limited local degree. The initiative has succeeded in delivering its inputs but its impact measured by degree of change and sustainability in reducing poverty, even at the local level would need a long way to go before they can be established.

HIV/AIDS

195. Programme Component Strengthening Human Development to Achieve the MDGs has succeeded in raising the capacity of Indonesia's National AIDS Commission and the Department of Health to not only mobilize but also manage resources well. The Programme's technical support has succeeded in putting into operation AIDS Commissions in 33 provinces and 172 districts/municipalities. The Programme has also raised the capacity and credibility of the National AIDS Commission to the point that the Commission Secretariat's budget has increased by 236 per cent.

196. Although the Programme's contribution towards poverty reduction may be difficult to measure, but its success in capacity development is impressive.

197. The Programme's interventions were highly relevant to the Government's HIV/AIDs agenda. It has also proven to be effective as well as efficient and has established a high degree of change in capacity. Sustainability of UNDP's contribution to the capacities of the National AIDS Commission and the Department of Health is, at this point no longer the

responsibility of the Programme, but is in the hands of the two agencies themselves to ensure.

198. The Programme has demonstrated outstanding success in both achieving its objectives as well as in supporting the National AIDS Commission and the Department of Health's development agenda. It should now exit the arena with grace and pride.

PAPUA

199. The evaluation did not find sufficient material to go on for the purpose of measuring the achievements of the Papua Development Programme (PDP). The Programme's most recent Results Oriented Achievement Report does not talk of results but presents instead inputs and activities described as results.

200. The Evaluation, however, notes that there is a wide gap between the Government of Indonesia's development agenda for Papua and West Papua and the objectives of the PDP. The Government has highlighted three problems that need to be addressed arising from the very specific nature of Papua's economic, social and political environment. These are access to education, employment skills and health services, development of prime sectors and commodities as well as agricultural production centers, and management of human rights violations and conflict resolution.

201. The Government's agenda for Papua comprises a very basic needs approach, an economic growth target as well as a strategy towards establishing social and political stability and conflict management. Without explicitly articulating so, the Government has portrayed a special region wrought with special circumstances requiring special attention through special measures. Also without saying so, the Government appears to believe that conventional run-of-the-mill development interventions will not contribute much to the development status of Papua and West Papua.

202. The Evaluation feels that the PDP's strategy of producing policy support, programme and action plans to develop and implement localized Poverty Reduction Strategies and Medium Term Development Plans to realize the MDGs with specific attention to the poorest, women and the vulnerable is not in tune with the Government's agenda for the two

Provinces. The Evaluation also feels that the tone of the Programme which is very focused on commitment to and achievement of the MDGs including, among others, establishment of MDG related databases and designing of MDG achievement monitoring and evaluation instruments may not encourage ownership of activities and outputs by local governments.

203. The Papua Development Programme is operating at ground zero level and in a very volatile environment. It is proposing to institute development planning instruments and establish development operations mechanisms difficult enough to advance in a region equipped with a more or less working bureaucracy in two regions that have yet to establish minimum capacities of their governing apparatus.

204. The Papua Development Programme may be relevant to the international development community's overarching poverty reduction agenda, but it is not relevant to the Government's agenda for Papua and West Papua. Operating within the environment that it has chosen to, the Programme will find it difficult to prove its effectiveness, efficiency, and the degree of change it has contributed. Sustainability of the Programme will not be easy to establish, particularly if there is no sense of ownership on the part of the local government. Ownership in turn would not be easy to establish so long as the Programme focuses on support for MDG data, MDG related policies, instruments and plans, and implementation of localized approaches to achieve the MDGs.

Recommendations of the Evaluation

205. Three conditions made it not possible for the evaluation to conduct a technically sound Outcome Evaluation of the UNDP Country Programme 2006-2010 Programme Component Strengthening Human Development to Achieve the MDGs.

206. First was the unsuitability of the Outcome established for the Programme Component which was that of achieving sustainable livelihoods and reducing poverty and the inappropriateness of the corresponding indicators of achievement which are a reduction in the percentage of people living under the poverty line to 8.2 per cent by 2010 and an increase in the percentage of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS to greater than 75 per cent in the same year.

207. Second was the reality that Programme Component Strengthening Human Development to Achieve the MDGs is not at all a programme in the true sense of the word, but is, instead, a conglomeration of individual, mostly unrelated projects, grouped together because they all purport to be carrying missions of poverty reduction.

208. Third was the compartmentalized character of the Country Programme Action Plan which placed two high level Outcomes within the domain of one Programme Component.

209. The evaluation did not have at its disposable usable baseline information and reliable target indicators to work with as well as a proper programme to be analyzed for effectiveness. The best that the evaluation could ultimately do was to pull together a qualitative narrative based on perceptions of the role of UNDP as an international development agency in contributing towards achieving sustainable livelihoods and poverty reduction in Indonesia and to review intentions and achievements of the Programme's projects in order to assess their compatibility with the Government of Indonesia's development agenda.

210. The recommendations of the evaluation exercise begin with those that according to UNDP procedures require what is referred to as a 'Management Response.' They are then followed by suggestions that the evaluation believes would improve by a large measure the design of the Country Programme Action Plan, particularly the establishment of the Programme Outcomes, identification of Programme Outputs and compilation of other information required for the completion of the Results and Resources Framework.

211. Because the Outcome Evaluation was conducted at the Programme Component Outcome Level, the recommendations are being addressed to the Programme Component Managers as well as to the Country Programme Managers. The recommendations are based on the assumption that the focus of the Programme Component remains that of 'Poverty Reduction.'

Recommendations of the Evaluation

1. Redirect the Focus of the Programme Component's Poverty Reduction and Sustainable Livelihoods Cluster of Projects. The Programme needs to discontinue its attempts to reduce poverty and establish sustainable livelihoods and redirect its support

towards the Government's social protection agenda which is aimed at reducing the burdens of poverty.

2. Exit the HIV/AIDS development agenda. The Programme has achieved with great success its objective of strengthening the capacities of the National AIDS Commission and the Ministry of Health in managing Indonesia's response to HIV/AIDS as well as in accessing and managing resources from the Global Fund for AIDS, TB and Malaria (GFATM). UNDP no longer needs to provide technical support to these two agencies in the particular area of capacity building.

3. Reassess the benefits or harm of UNDP's continued Support to Papua and West Papua through PDP. The Programme's support to the two regions is being delivered in a non-conducive environment. Furthermore, it is not aligned with the Government's agenda for the two Provinces. UNDP needs to seriously consider the risks of continuing its intervention in the two regions through a programme such as the PDP. Alternatively, UNDP could consider supporting the Government's conflict management agenda, an area where it has gained considerable technical expertise.

4. Capitalize on UNDP's Comparative Strength in Governance. Although UNDP may not have a specific sector or beneficiary focus, its experience in capacity-building has established the organization's own capacity in the area of governance. UNDP needs to capitalize on this comparative advantage by taking a lead on governance not in the narrow sense of advancing democracy but in the full sense of the organization's definition of governance as 'the exercise of economic, political and administrative authority to manage a country's affairs at all levels'. The governance of Poverty Reduction is an area that the Programme could focus on, including and especially on the mechanisms of translating poverty reduction programmes designed at the national level for implementation at regional levels.

5. Expand UNDP's Circle of Partners in the Business of Development. Indonesia has joined the ranks of middle income countries and Private Sector Enterprises are becoming more and more the drivers of the country's development. UNDP needs to establish working relationships with these entities towards advancing private-sector contribution towards a

human development agenda. These Partnerships should not be based on 'compassion' but clearly worked out on mutually beneficial terms.

6. Refrain from Implementing Stand-alone Project Level Interventions and Concentrate on Programme Level Interventions. UNDP needs to reduce drastically its involvement in project level implementations. Scarce resources need not be wasted on project level activities, particularly in areas that are distant and endowed with extremely low capacity in the governance of development. Such projects may demonstrate success measured against their baseline conditions but in the long run their results do not make significant impact on development outcomes and unless UNDP is prepared to invest exorbitant amounts of time and money the results would not be sustainable. UNDP has for years committed itself to moving its interventions to the upstream levels of the development agenda. In the case of UNDP Indonesia, cycles of resource abundance and resource paucity over the years have prevented serious moves in this direction. Indonesia's middle income country status and its enhanced capacity to manage shocks and disasters of various natures and scales warn of probabilities of ever-reduced levels of external support. If this turns into reality, UNDP needs to seriously move towards upstream level interventions. There is, of course, the danger of being swallowed up in the swell, but this is where UNDP needs to its advance creativity and innovation.

7. Reassess and Capitalize upon UNDP's Popular Reputation of Trusted Mediator between the Government and International Development Agencies, Programme Coordinator and Resource Mobilizer. There are different opinions on how UNDP earned its reputation of among others, trusted mediator, programme coordinator, and mobilizer of resources. Without going into the reasons why, the fact remains that during times of need UNDP did carry out these tasks extremely well. UNDP needs to consolidate these skills, breathe them into the organization's culture and capitalize on them in the design of its forthcoming Country Programme.

8. Develop and implement a system for mainstreaming cross-cutting themes such as good governance, gender equality objectives, conflict management, and environmental concerns into all UNDP interventions. There are a number of ways of doing this, including by way of appointing a programme staff member to ensure that cross-cutting themes are

mainstreamed or by requiring the conduct of thematic analyses for all Programmes and Projects.

Suggestion Towards Improving the Form of UNDP Country Programme Component Strengthening Human Development to Achieve the MDGs

Many of the following recommendations are not the original thoughts of the evaluator but are in fact existing guidelines that were not scrupulously followed by the formulators of the CPD and the CPAP. Other recommendations are those that are being tabled in the hope that they might improve the construction of the next CPD and CPAP.

1. Align the Programme Component's interventions with the Government of Indonesia's Poverty agenda. There are three basic documents that the Programme Component can refer to in designing its Programme Document. They are the 2010-2014 Medium Term National Development Plan, the President's 2010 State of the Nation Address and Presidential Decree 15 of the Year 2010 on Acceleration of Poverty Reduction.

2. Use the Government of Indonesia's Development Planning Documents as points of reference for Outcome Statements. The Government of Indonesia has in place a sophisticated development planning and budgeting process from long-term 25 year development plans to those that cover five year medium term plans. Priorities, goals, targets, and programmes are clearly and systematically organized in the Plan. Both the UNDAF and the CPD could, instead of formulating their own higher level Outcomes, simply pick up the Government's lower level outcomes and establish them as their higher level outcomes. Ideally, of course, only the UNDAF should do so but if necessary, both the UNDAF and CPD could select their own Government Outcomes to relate to as long as a clear link is established between the UNDAF Outcome and the Country Programme Outcome.

3. Follow the hierarchical position of Outcomes in order to rationalize location of Outcome Statements. UNDAF Outcomes, according to the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results, are the strategic, high-level results expected from UN system cooperation with government and civil society. The Handbook also defines them as 'highly ambitious, nearing impact-level change.' Country Programme Outcomes, according to the Handbook, 'are usually the result of programmes of cooperation

or larger projects of individual agencies and their national partners.' The Programme Component's Outcome should then be positioned at a programme hierarchical step lower that that of the Country Programme Outcome with the established purpose of contributing towards the achievement of the Country Programme Outcome.

4. Seriously consider the nature and characteristics of an Outcome before incorporating it into the CPAP. According to the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results, Country Programme Outcomes are usually the result of programmes of cooperation or larger projects of individual agencies and their national partners. The achievement of country programme outcomes depends on the commitment and action of partners. The Handbook goes into great lengths to guide the 'thinking' that goes behind the formulation of an Outcome Statement. For example, it even warns Outcome Statement formulators to avoid phrases such as 'to assist/support/develop/monitor/identify/follow up/prepare X or Y' as they are activities that may inadvertently lead the formulator to identify a higher level Outcome which the Programme's Outputs would have no reasonable influence upon.

5. Strictly follow the Handbook's advice that 'when formulating an outcome statement to be included in a UNDP Programme document managers and staff are encouraged to specify these outcomes at a level where UNDP and its partners (and non-partners) can have a reasonable degree of influence. This will prevent situations where despite the fact that Outputs have been successfully produced yet their 'influence' on the Outcome cannot be directly identified. This scenario was clearly illustrated in the case where a target of 'greater than 75 per cent of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS' was used against an Outcome of 'increased opportunities for achieving sustainable livelihoods and reducing poverty.'

6. Conduct Stakeholders' Analyses and Formulate Partnership Strategies for Programme Component Documents. The Stakeholders Analysis is a strategic instrument for the purpose of keeping track of situations generated by other stakeholder activities that influence the Programme Component's ability to achieve the Programme Outcome. The Partnership Strategy, referred to in a very general manner in the current CPD and CPAP, needs to be elaborated in the Programme Component Documents beyond a list of names of

agencies. The Partnership Strategy of the Component Programme should elaborate the nature of the partnerships, specifically what each partner expects to gain from the association. It also needs to be a flexible strategy able to accommodate new partners or terminate others. These two documents should be treated as 'living' documents to be assessed regularly and amended as needed. Reasons for amendments need to be maintained to be documented for future evaluation.

7. Formulate full-scale programme documents for each Programme Component. As explained by the Handbook on Programme, these documents should reflect the comparative advantage of and be stated at a level where it is possible to show that the UNDP contribution can reasonably help influence the achievement of the Outcome. Each Programme Component should clearly describe its links, first to the Country Programme Document and then to the other Programme Components. In this manner, synergy among the components can be generated and duplication of efforts avoided. The Programme Component Documents should explain the rationale behind the inclusion of the individual projects, including how each project is expected to contribute to the Programme Components' Outcomes. Programme Component Documents should, in fact, become the strategic planning documents of the Country Programme. A Programme Component Document would also be able to justify or explain what appear to be mismatches in design such as an indicator of the percentage of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS against the achievement of increased opportunities for achieving sustainable livelihoods and reducing poverty.

8. Strictly apply the Principles of Results-Based Management when defining Outputs to be Produced. Put into practice the discipline of first formulating the Outcome Statement and then identifying the Outputs to be produced to contribute towards the Outcome. Reversing this procedure may lead to the establishment of Outcomes at inappropriate levels of the development outcome hierarchy. It may also cause Programme formulators to overlook the strategic approach of factoring in UNDP's comparative advantage. Finally, it will also help prevent inclusion in the Programme activities such as Promoting Women's Political Participation in West Kalimantan. Successful and effective though such a local intervention may be, yet within the grand scale of a Programme, its results may not have visible impact.

9. Reconsider the relationships among the Country Programme Action Plan, the number and distribution of the Country Programme's thematic and sectoral focus, and the organizational structure of the office. The Country Office needs to contemplate alternatives to the current one-to-one configuration of one Programme Unit being responsible for the implementation of one Programme Component which is expected to produce one Programme Component Outcome. It could consider a flat structure with two or three higher level Outcomes, achievement of which is made the responsibility of all Component Programmes. The problem posed by the Outcome Statement being evaluated, namely Poverty Reduction, is a good example of an Outcome to which all Programme Components actually contribute. Because Poverty is compartmentalized within one unit, contributions by other Units do not get tallied. A more rational structure of Outcome and Output relationships will also fulfill the condition that 'Outcomes are influenced by the full range of UNDP activities – projects, programmes, non-project activities and 'soft' assistance within and outside projects.'

10. Standardize the format/presentation of information in CPAP. The type, depth, length and manner of presentation of information in the CPAP's Results and Resources Framework are inconsistent among the Programme Components. Considering that conglomeration of Programme Component Outcomes constitutes the Country Programme's Outcome which constitutes in turn UNDP's contribution towards the achievement of the UNDAF's Outcome, care must be taken to ensure that the Programme Component Outcomes can be aggregated to a reasonable degree and logically linked to the Country Programme Outcome(s). Though substance matters most, yet clear and succinct presentation is valuable to analysis. The information may be more consistently presented and aggregated if the Framework were to be drawn up by one person instead of by a number of authors for cutting and pasting into the full Framework. A well-constructed and easily-readable Results and Resources Framework will also be easier to monitor, adjust if needed, and evaluate.

11. Refine the Country Office Staff's Skills in Applying Principles of Results-Based Management. Lack of knowledge in the application of the principles of results-based-management is apparent in the construction of the 2006-2010 CPAP's Results and Resources Framework. The Framework is designed to be a quick and easy reference to be consulted at the managerial level. Many of the entries in the 2006-2010 RRF which are incorporated as

'Indicators' or 'Targets' are in fact activities that should appear in Programme/Project Document Workplans.

12. Plan for Evaluations. All evaluation exercises need to be planned for, not just for their timing but more importantly for their purpose and content. UNDP's Handbook on Planning, Monitoring and Evaluating for Development Results not only describes each type of evaluation in detail but also offers models for evaluation reports. These models can be used as basic templates as well as directions for ensuring that the terms of reference of evaluations include all critical aspects to be covered by the exercises. Working backwards from an examination of the basic template for the evaluation to the drawing up of the terms of reference, meetings with key informants and documentation for desk review could already be prepared prior to the commencement of the evaluation. This will allow the evaluator(s) to immediately focus fully on the exercise.

13. On a lighter but nonetheless critical note, the evaluation would like to suggest that the Programme Management **reconsider the name of the Programme**. There is not much justification in naming the programme 'Strengthening Human Development to Achieve the MDGs.' Either the name needs to be changed or the Programme needs to clarify in what way it is strengthening human development, which by UNDP's definition is associated with improvement in Human Development Indices. True that the Programme includes projects that advance popular knowledge in and use of the MDGs as development indicators but the link between strengthening human development and achieving the MDGs within the context of the Programme Component is tenuous.

Annexes

Annex-1

UNDP in the Eyes of its Partners

On UNDP's Relationship with its Development Partners

1.   UNDP enjoys a very close relationship with the Government of Indonesia. This makes it less difficult for the organization to seek the Government's buy-in to project ideas as well as to recommend scaling up of project and programme activities.

2.   The organization is highly visible among the members of the donor community. It is strategically positioned at the intersection between Indonesia's development objectives and the mandates of bilateral as well as multilateral donor agencies.

3.   UNDP, however, needs to clarify its position based on its comparative advantages and institutional strengths. This will enable the organization to establish how it can best support the government's development agenda. It needs to do this on its own as other agencies cannot identify on its behalf the most tactical position that it needs to occupy.

4.   Links between UNDP's Country Programme and Indonesia's Medium Term National Development Plan (RPJMN) are not as clear as they need to be. All UN Agencies should in fact draw up their plans to link with those of the country where they operate. In other words, plans developed by UN agencies should not rely solely on directives issued by their respective headquarters, but should also be tailored to the needs of their partner countries. It is noted that the goodwill to do so is there, but the practice has not been put into optimum gear.

5.   There is a need to establish the nature of the relationship between the RPJMN and the work of the United Nations system. One of the ways through which this relationship could be strengthened would be by way of a commitment by UN agencies to fill the gaps in the Government's development planning systems and plans.

6.   Although UNDP is an agency that operates at the policy level of development, it is not really certain whether the organization is in fact responsible for coordination of UN

programmes. A UN entity or agency is needed to play a role in relation to UN agencies similar to that played by BAPPENAS in relation to the Government of Indonesia's institutions. The principal tasks of the entity or agency would then be to map out development interventions of UN agencies and coordinate joint UN programmes.

7.   Obstacles standing in the way of Joint UN Programming or Joint UN Project implementation are not limited to issues of financing. Beyond matters of the budget are the need to establish a common objective to work collaboratively towards and issues of coordination among UN agencies. With regard to the former, the MDGs offer a uniting cause to work together towards, through activities which could perhaps be financed through a multi-donor trust fund modality.

8.   Coordination among UN agencies is and has been endlessly fraught with challenge. The challenge, however, may not be insurmountable as it appears to be. Although each UN agency has its own mandate and needs to draw up its own workplan, yet the UNDAF is an instrument that could shape some form of coherence to the UN's support to the Government of Indonesia's development agenda.

9.   With regard to financing of potential Joint UN Programmes or Projects, UNDP is well experienced in managing multi-donor trust funding mechanisms. The organization's skills in this area could be utilized to establish a Trust Fund as an entry point for UN as well as non-UN agencies to work together on common issues towards a common objective.

10.   Every one of UNDP's Partners looks towards the organization to drive the process of achieving effective collaboration among UN agencies in order to deliver maximum UN support to the Government of Indonesia.

11.   UNDP's contribution to aid effectiveness in Indonesia is highly appreciated, particularly its technical support towards the formulation of the Jakarta Commitment. The initiative took off well but follow-on activities have not demonstrated much success. This could be an area where UNDP could take up a leadership role. An initial step in this direction could take the form of an exercise to map out the full range of programmes and projects supported by UN and non-UN agencies operating in Indonesia.

On UNDP and the MDGs

12. UNDP needs to accept the fact that the MDGs are highly politicized. Different institutions use different criteria for establishing poverty lines, and standards of poverty as well as the number of poor people. These different criteria and standards are yet again often manipulated for political reasons. UNDP as an objective agent of development could help tidy up Indonesia's country data on poverty to ensure better development programme targeting. In other words UNDP could control data for quality and integrity. The organization could also assist the Government in building up a reliable regional level poverty data base which is essential for local level programming. At present, provincial and regency level data are mere extrapolations of national data.

13. Further on the MDGS, it is noted that support towards the achievement of Goal 8 of the MDGs is not to be seen among UNDP's programmes. Indonesia needs to accelerate implementation of its development programmes and projects in order to be able to achieve the country's MDG targets by 2015. Towards this end, the Government intends to use capacity building as a means of driving its acceleration strategy. Capacity building is an area in which UNDP can boast a proven track record. For reason the organization's Partners look towards it to intensify UNDP's support to the Government's capacity building agenda.

On UNDP's Development Activities in General

14. Unlike other UN agencies, UNDP does not have a specific focus to its development agenda. The organization deals with more general issues of development such as programme management support, capacity building, and funds management.

15. The organization has, nonetheless, succeeded in accumulating a wealth of expertise and experience in many fields. The breadth and depth of its knowledge base is well beyond those of any other UN agency represented in Indonesia.

16. UNDP needs to focus its support to the Government's development agenda, and the ways through which it can do so are many. For example, UNDP Brazil specializes in supporting the Government's environment conservation agenda. UNDP Indonesia could also select a sector or theme in which to maximize the utility of its resources. An example of an area in which the organization has demonstrated success is that of crisis management. UNDP is also well-equipped to implement cross-cutting development interventions in, for example,

poverty reduction. The organization could also support the Government in harmonizing the many poverty reduction programmes operating in Indonesia.

17.　UNDP also needs to focus on its programme delivery arrangements. The organization's activities are highly projectized. They lack synergy with activities of other development agencies making the sustainability of the organization's outputs weak. UNDP is inclined to implement its projects within its own limited boundaries in an environment isolated from the projects' surrounding milieu. This perhaps gives rise to another observation that UNDP's activities do not empower local governments. This, in turn, is used as justification for another observation to the effect that UNDP's projects engender little or even no sustainability. An often posed brainteaser is: 'are UNDP interventions UNDP-supported Government programmes or are they Government-supported UNDP programmes?'

18.　Because the financial value of UNDP's contributions to the Government's development agenda is relatively small, the organization needs to adopt a leveraging strategy aimed at producing higher impacts and larger contributions to expected outcomes. This includes provision of support to joint programmes between private sector agencies and government agencies and devising strategies to upscale its programmes.

19.　Also for the reason of scarce financial resources, UNDP needs to invest more effort into mainstreaming cross-sector development concerns into its projects and programmes. There is not much evidence of UNDP's success in either linking or mainstreaming issues such as human rights, gender, HIV, and the environment to and into its interventions.

20.　Finally, almost all Partners felt that UNDP should gradually reduce to the point of elimination investments in self-contained small projects located in distant regions, particularly in locations weighed down by very limited government capacity in programme planning, budgeting, implementation as well as monitoring and evaluation. Investing in such capacity-constrained areas will result in poor returns to already limited resources. If UNDP insists on continuing its ventures in such areas it needs to either plan and invest in unconventionally long term commitments or to ensure that the Government is committed to taking up project activities upon closure of its projects.

On UNDP and Decentralization

21. UNDP's performance in managing projects and programmes at provincial and district levels is adequate. Its programmes, however, reach only a limited number of regencies and municipalities. For this reason the organization needs to broaden and strengthen its collaboration with local governments, but it should do so in coordination with agencies at the national government level.

22. To strengthen its partnership strategy, the organization needs to capitalize on local governments' pride in working with an international agency such as UNDP. UNDP needs to focus its support to local level governments in the area development planning. The organization should not involve itself with community level development activities, particularly those relating to small scale programmes. It should leave such interventions to large scale government programmes such as the PNPM which is designed and equipped to operate at the community level. UNDP's P3BM (Pro-Poor Planning, Budgeting and Monitoring) project is an intervention that fits perfectly the above recommended level and type of intervention. It targets local governments and it works to improve local level development planning, budgeting and monitoring mechanisms.

On UNDP and the Advancement of Gender Equality

23. Since the late 1970s up to the late 1990s UNDP was one of the lead international agencies in providing technical support to the Government's women in development and gender equality agendas. One of its programmes introduced gender mainstreaming as a development strategy to government agencies and provided capacity building trainings in gender mainstreaming to government officials. The last programme was subjected to an evaluation and based on its findings a follow-up programme was formulated. The programme, however, ended with the phase-I project and no explanation was ever given to the Government as to why the follow-up phase was never implemented.

24. UNDP no longer employs a gender focal point. It is suggested that the position is reinstated as the Government would like to resume dialogue with UNDP on issues of gender and the advancement of women.

25. The Government is collaborating with international agencies including with, among others, UNIFEM, CIDA, the Asia Foundation and AusAID on advancing gender equality in Indonesia, but no longer with UNDP.

26. It is hoped that UNDP will re-establish its leadership role in providing international technical support to the advancement of the practice of gender mainstreaming in Indonesia's development programmes. The expectation is not based on anticipations of financial support but rather on benefits to be received from UNDP's technical expertise in advancing gender mainstreaming in development.

On UNDP's Human Resources Management

27. The high turnover rate among UNDP staff creates problems of programme sustainability. UNDP needs to develop a staff career development system that is linked to the organization's institutional memory retention and knowledge management.

28. To enable the expansion of UNDP's partnership and networking circles beyond government and donor bureaucracies, UNDP staff members need to develop aptitudes in interfacing with non-Government entities. These would include practicing bridging personality skills and approaches applied in the business sector such as public relations, outreach, and marketing. UNDP personnel should now be required to think and act like entrepreneurs.

29. There is not enough sharing of information between staff of UNDP and staff of other UN agencies. This is particularly felt among agency personnel at the middle management working level. Most UN agency staff members are not well aware of the nature of UNDP's support to the Government's development agenda. The fact that UNDP appears to be involved in such a broad range of themes including democratic governance, poverty, crisis prevention and the environment contributes even more to the lack of clarity of the organization's agenda.

30. To ensure clarity of reasoning, the evaluation would like to recall the reader's attention to the fact that the above observations, comments, suggestions and recommendations are those expressed by the Partners of UNDP as well as of the Programme Component, and do not constitute the findings of the evaluation.

Annex - 2

Structure of Consultations held by the Evaluation with Representatives of Government and International Development Agencies and Individual Agencies

A round of consultations with international, national as well as individual development agencies was held by the evaluation for the purpose of capturing the perception of these agencies as to whether UNDP (a) has succeeded in achieving the Outcome of one of its Programme Components and and/or (b) can lay claim to having contributed to the achievement of the Government of Indonesia's Development Outcomes.

The Country Programme Component Outcome around which the consultations were held was:

> 'By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes.'

The persons with whom the evaluation held consultations were 'representatives of agencies and institutions who posses the knowledge and authority to discuss development interventions at the Country Programme Outcome level.'

In order to pin down the focus of the consultations, the evaluation prepared open-ended question which were more 'guiding' than probing in nature.

The questions were:

1. Do you believe that achievement of the UNDP Programme Component Outcome would contribute meaningfully to the Government of Indonesia's Development Outcome of creating sustainable livelihoods and reducing poverty?

2. Does UNDP, in your opinion, have the financial and technical resources to achieve the Outcome it was planning to contribute to, which are creation of sustainable livelihoods and reduction of poverty?

3. Do you believe that UNDP's programmes and projects contribute in general to the Government of Indonesia's efforts to create sustainable livelihoods and reduce poverty in the country?

4. What, as they appear to you, are UNDP's comparative advantages and strengths in creating sustainable livelihoods and reducing poverty in Indonesia?

5. Is UNDP in your opinion making optimum use of its comparative advantages and strengths in supporting the Government of Indonesia's efforts to create sustainable livelihoods and reduce poverty in Indonesia?

6. Have you noted any positive or negative, intended or unintended changes brought about by UNDP's interventions in support of the Government of Indonesia's sustainable livelihoods and poverty reduction agendas?

7. Do you believe that the changes brought about by UNDP's sustainable livelihoods and poverty reduction interventions are sustainable?

8. What, as they appear to you, are UNDP's comparative advantages and strengths in supporting the achievement of the Government of Indonesia's development priorities?

9. What do you believe are the development strategies that UNDP needs to adopt in order to be able to make maximum use of its comparative advantages and strengths in order to produce optimum results towards supporting the Government of Indonesia's efforts to achieve its development priorities?

10. Where do you believe is/could be UNDP's special niche in supporting the Government of Indonesia's master plan for leading the country towards reaching a developed nation stage?

Annex- 3

Persons Consulted

(listed in alphabetical order of last name)

1. Sri Danti Anwar, Executive Secretary, Ministry for Women's Empowerment and Child Protection
2. Nancy Fee, NAIDS Country Coordinator, UNAIDS Secretariat, Jakarta
3. Ade Kuswoyo, Directorate for Multilateral Foreign Funding, BAPPENAS
4. Khanchit Limpakarnjanarat, M.D., MPH, WHO Representative to Indonesia
5. Dr. Martin Weber, Medical Officer, Child and Adolescent Health and Nutrition, Team Leader, Maternal and Child Health, WHO Country Office for Indonesia
6. Nila F. Moeloek, Presidential Special Envoy for the MDGs
7. Tauvik Muhamad, Programme Officer, ILO Jakarta Office
8. Niloufar Pourzand, PhD, Chief of Social Policy and Protection Cluster, UNICEF, Indonesia
9. Dr. Haikin Rachmat, Ministry of Health
10. Dr. Camelia Basri, Ministry of Health
11. Soedarti Surbakti, Advisor, BAPPENAS/UNDP People-centered Development Programme, Indonesia, and former Chair of Statistics Indonesia
12. Erna Witoelar, former United Nations Special Ambassador for the MDGs, in the Asia and Pacific Region
13. Woro Srihastuti Sulistyaningrum, Head of the Sub-Directorate for Mapping of Poor Populations, Directorate for Poverty Reduction, National Development Planning Agency (BAPPENAS)

Annex-4

TERMS OF REFERENCE

UNDP Indonesia – Poverty Reduction and MDGs

Outcome Evaluation

I.   INTRODUCTION

UNDP is now approaching the end of the 2006-2010 Country Programme. As one of the key international development partners in the country, UNDP is challenged to prove that its development programmes are contributing to the country's development achievements, specifically to point out how those effective and well-managed UNDP's projects were able to contribute to the improvement of people's lives in the country.

The growing demand for development effectiveness is largely based on the realization that producing good deliverables is simply not enough. Efficient or well-managed development projects and outputs will lose their relevance if they yield no discernible improvements in development conditions and ultimately in people's lives. Being a key international development agency, the United Nations Development Programme (UNDP) has been increasing its focus on achievement of clearly stated results.

In keeping with the shift in focus from outputs to outcomes, UNDP has shifted from traditional project monitoring and evaluation (M&E) to results-oriented M&E, especially outcome monitoring and evaluation that cover a set of related projects, programmes and partnership strategies intended to bring about a higher level outcome. To clearly identify how UNDP Country Programme contributes to the development results of the country, it is required to undertake a systematic outcome evaluation exercise. An outcome evaluation assesses how and why an outcome is or is not being achieved in a given country context, and the role that UNDP has played. Outcome evaluations also help to clarify underlying factors affecting the situation, highlight unintended consequences (positive and negative), recommend actions to improve performance in future programming and partnership building, and generate lessons learned.

II. OUTCOME TO BE EVALUATED

CPAP Outcome #1: By 2010, contribute to increased opportunities for achieving sustainable livelihoods and reducing poverty through the development and implementation of appropriate participatory policies and programmes (for detail see CPAP 20006-2010 document)

The main outputs contributing to the achievements of the outcome are:

- Support provided to develop and implement pro-poor policies, plans and programs that improve human development and accelerate the achievement of MDGs for Indonesia's poorest people, women and other vulnerable groups
- Fund and coordination mechanism established, and capacity building assistance, to control the spread of HIV and AIDS.

III. CONCEPT and OBJECTIVES OF THE OUTCOME EVALUATION

Outcome evaluations move away from the old approach of assessing project results against project objectives towards an assessment of how these results contribute, together with the assistance of partners, to a change in development conditions. Outcomes are influenced by the full range of UNDP activities — projects, programmes, nonproject activities and "soft" assistance within and outside of projects. Outcomes are also influenced by the activities of other development actors.

The standard objectives of an outcome evaluation are to extract lessons learned, findings and recommendations. More specifically, the four standard objectives of an outcome evaluation and their timing during the Country Programme (CP) cycle are as follows:

- Assess progress towards the outcome (this will be most significantly explored during an outcome evaluation conducted later in the CP, although could be examined early on depending upon the nature of the outcome);

- Assess the factors affecting to the outcome (this could be addressed early , midterm or later in the CP);

- Assess key UNDP contributions (outputs), including those produced through "soft" assistance, to outcomes (this information is yielded at least midway through and later in the CP);

- Assess the partnership strategy (useful information can be culled at any point during the CP).

In other words, four major components — the outcome, substantive influences, UNDP's contribution and how UNDP works with other relevant actors — are examined in depth to varying degrees depending upon the nature of the exercise.

IV.   GUIDING PRINCIPLES and METHODOLOGY

GUIDING PRINCIPLES

Outcome evaluations are informed by three guiding principles: pre-eminence of outcome, flexible blueprints and awareness building. Evaluators, country office and programme staff should bear in mind these principles when they plan, prepare for, undertake and follow up on outcome evaluations.

1. Pre-eminence of outcome

An outcome evaluation aims to improve understanding of the outcome itself — its status and the factors that influence or contribute to its change. It does not look at the process of inputs, activities and other bureaucratic efforts but shifts attention to the substantive development results (outputs and outcomes) that they are aimed at affecting. It also provides real-time answers about the outcome rather than waiting until a project is completed and the outputs produced to ask questions. These answers may be part of a "questioning continuum."

Key differences distinguish outcome monitoring from outcome evaluation. Outcome monitoring involves periodic tracking of inputs, outputs and outcomes. Outcome evaluation involves making judgments about the interrelationship between inputs and outputs on the one hand and outcomes on the other. It is also important to note that although the review of contributions by UNDP and its partners is an integral component of such analysis, the precise degree of attribution and accountability among the various actors is not an overriding priority.

2. Flexible blueprints

There is no official blueprint for how to conduct an outcome evaluation. Each must be tailored to the nature of the individual outcome under review as well as the realities of time and data limitations. The role of an evaluator is to pass judgment based on his or her best professional opinion; it is not to collect large volumes of primary data or conduct methodologically perfect academic research. Inherent to the outcome evaluation approach is a rough but universal logic of analysis and reporting. Usually, an outcome evaluation begins with a review of change in the outcome itself, proceeds to an analysis of pertinent influencing factors, and then addresses the contribution of UNDP and its partners. It culminates in suggestions about how to improve the approach to results.

Outcome evaluations are designed to fill a number of different needs, ranging from early information about the appropriateness of UNDP's partnership strategy or impediments to the outcome, to mid-course adjustments, to lessons learned for the next Country Programme cycle.

3. Awareness building

The current focus on outcome evaluation reflects a new approach to assessment and review in UNDP. UNDP is internalizing results-based management and mainstreaming it throughout the processes and procedures of the organization. As with all large organizations, it will take time for UNDP and its partners to become familiar and

comfortable with results-based evaluation. For some time, building awareness about this new approach will be an implicit goal in the conduct of outcome evaluation. Evaluators will play an important role in by sharing lessons learned while applying the methodology at a country level, and thereby helping UNDP refine the methodologies used in outcome evaluations.

METHODOLOGY

The methodology of the outcome evaluation will accommodate the needs in order to achieve the four (4) objectives of this exercise. There are four (4) steps to be undertaken by the evaluator: (For details methodology, the consultant should follow UNDP Guidelines for Outcome Evaluators, attached to the TOR)

1. Ascertaining the status of the outcome:
   a. Identify baseline, indicators and benchmark (desk review)
   b. Obtain contextual information (desk review)
   c. Examine Prodocs, CPD, UNDAF (desk review)
   d. Validate information (interviews, questionnaires)
   e. Probe the selected indicators
   f. Undertake constructive critic of the outcome formulation
2. Examining the factors affecting the outcome
   a. Examine how the outcome has been influenced (desk review, interview)
   b. Identify major contributing factors
   c. Examine local sources of knowledge (existing documentation of gov, academia, donors, NGOs, etc)
   d. Resolve issue of UNDP having an unintended effect or not having intended effect
3. Assessing the Contribution of UNDP
   a. Determine how coherent UNDP strategy and management focusing on change at the outcome level

b. Evaluate the alignment of UNDP planning and management in contributing to outcomes

   c. Identify the effectiveness of individual outputs (if any) in contributing to outcomes

4. Evaluate partnership for changing the outcome

   a. Determine any consensus among UNDP actors, stakeholders and partners on the partnership strategy designed was the most effective and efficient model to achieve the outcome

   b. Learn how the partnership was established and how is the performance

   c. Review how the partnership strategy affected the achievement of or the progress toward the outcome.

A core outline for an evaluation should present findings and conclusions based on the categories of analysis in an outcome evaluation. In addition, the core outline should include the rating of progress on outcomes and outputs and lessons learned and recommendations on how UNDP can improve its approach based on the findings/conclusions

Into the outline described above, evaluators may subsume the evaluative criteria as relevance, efficiency, effectiveness, degree of change, sustainability; together with the usual deductive categories (findings, conclusion, and recommendations). Table 1 shows how the criteria may be applied within the core outline of an outcome evaluation report.

Table 1: Application of Evaluation Criteria to the Core Outline for an Outcome Evaluation		
Category of Analysis	Pertinent evaluation criteria	Place in the outline
1. Evidence of change in the outcome	Degree of change	Findings/conclusion
2. Review of factors influencing outcomes	Relevance Effectiveness	Findings/conclusion Lessons learned
3. UNDP contributions to outcome	Relevance Effectiveness Efficiency Degree of change Sustainability	Findings/conclusion Lessons learned Recommendations

4. Partnerships for changing the outcome	Relevance Sustainability	Findings/conclusions Lessons learned

Evaluators need to agree with country offices on the core outline. In addition, they need to agree on supplementary aspects of work organization and report presentation including the methodological approach and use of executive summary and technical annexes.

Gender, Human Right, and Capacity Development.

Gender, Human Right (right based approach) and Capacity development need to be assessed the extent to which the intended outcome has contributed to these three development effectives. Especially for gender, the questions to be asked is that does the outcome reflect the interest, rights and concern of men, women and marginalized group. In the designing the methodology consultant need to group the sample or Focus Group Discussion based on gender that ensure data collected can be specified into gender component. On the human right it need to be assessed how the intended outcome facilitate the claim of right-holder and the corresponding obligation of the duty bearer (UNDP Handbook Planning, Monitoring, Evaluating for Results, page 171-172). Duty bearers particularly group subject to discrimination need to be included in the sample. For capacity Development it needs to be evaluated the extent to which the intended outcome promotes national capacity development. Questions to be asked: Will the intervention / outcome sustainable? Can national system and processes be used or augmented? What are the existing national capacity assets in this area? (The Handbook page # 14).

V.   DELIVERABLES

The ultimate product expected from the evaluation: - a detailed report with findings, recommendations and lessons learnt covering the scope of evaluation. The structure of the report should meet with the requirements of the UNDP Monitoring and Evaluation Policy.

VI.   MANAGEMENT ARRANGEMENT

The evaluation is commissioned by the UNDP Indonesia Country Office under coordination of the Planning and Monitoring Unit (PMEU). A programme officer from Planning

Monitoring and Evaluation MEU (PMEU) will be assigned as task manager. The main role of the task manager is the quality assurance for the evaluation includes : a) provide TOR for the evaluation, b) select consultant to conduct the evaluation, c) support interview of respondents, data analysis and . The Poverty Reduction Unit who own the outcome being evaluated will support the overall activities of the evaluation includes: a) prepare the schedule of the evaluation and arrange meetings with respondents, b) provide copies of the project documents, project QMR, project evaluation and reviews; c) provide budget for the evaluation (to hire consultants) and field visit as necessary. Final report will be reviewed and approved by the *Country Director*.

VII.   TIME FRAME and assignment

The evaluators will consists of two national consultants with one strong back ground in monitoring and evaluation and the other one with substantive knowledge on Poverty Reduction and MDGs programmes. The evaluation will take place during September for about 4 weeks (20 effective working days). This will include a preliminary desk review, design of evaluation scope and methodologies, data collection and analysis, and report writing

VIII.   DUTIES AND RESPONSIBILITIES OF THE EVALUATORS

- Design evaluation methodology following UNDP Guidelines for Outcome Evaluators for approval by the Head of PMEU;
- Data collection and analysis, including desk review, field visits, discussion and interview with stakeholders and beneficiaries, and conduct other means of data collection as and when required;
- Present the major findings and the first draft to PMEU and relevance Programme Unit;
- Refinement and editing of report after consultation and validation process with key stakeholders as well as the final comments from programme units and UNDP management;

Ensure that the report is finalized within maximum 3 weeks after the mission completion.