



United Nations Development Programme  
And  
Government of Indonesia

Art Gold Indonesia (AGI) Project Evaluation  
(26 March – 7 May 2011)

**Final Report**

Prepared by  
Akbar Meirio (Consultant)

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## List of Acronyms and Abbreviations

A4DES	Aid for Development Effectiveness Secretariat
ACC10	Catalan Business Support Agency - Spain
AGI	ART Gold Indonesia
AGSL	ART Gold Sri Lanka
AKLN	<i>Administrasi Kerjasama Luar Negeri</i> (Centre for Administration for International Cooperation)
ANAAO	Association of Italian Medical Doctors
BAPPEDA	<i>Badan Perencanaan Pembangunan Daerah</i> (Regional Development Planning Agency)
BAPPENAS	<i>Badan Perencanaan Pembangunan Nasional</i> (National Development Planning Agency)
BRIDGE	Building and Reinventing Decentralized Governance
CSO	Civil Society Organization
CTA	Chief Technical Advisor
DGU	Democratic Governance Unit
Ditjen PUM	<i>Direktorat Jenderal Pemerintahan Umum</i> (Directorate General of Public Administration)
DPRD	<i>Dewan Perwakilan Rakyat Daerah</i> (Regional House of Representatives)
IPAR	Internal Project Assurance Report
KII	Key Informant Interview
LoA	Letter of Agreement
M&E	Monitoring and Evaluation
MoU	Memorandum of Understanding
Musrenbang	<i>Musyawahar Rencana Pembangunan</i> (Development Planning Meeting)
NCC	National Coordination Committee
NGO	Non-Governmental Organization
NIM	National Implementation
NTT	<i>Nusa Tenggara Timur</i> (East Nusa Tenggara)
P3BM	Pro-Poor Planning, Budgeting, and Monitoring
PAP	Preparatory Assistance Phase

PDGs	Provincial Development Guidelines
Permendagri	<i>Peraturan Menteri Dalam Negeri</i> (Regulation of Ministry of Home Affairs)
PGSP	Provincial Governance Strengthening Programme
PIP	Project Initiation Phase
PMEU	Planning, Monitoring and Evaluation Unit
PMU	Project Management Unit
PWG	Provincial Working Group
QIP	Quick Impact Project
RAD	<i>Rencana Aksi Daerah</i> (Regional Action Plan)
RKP	<i>Rencana Kerja Pemerintah</i> (Government Work Plan)
RKPD	<i>Rencana Kerja Pemerintah Daerah</i> (Regional Government Work Plan)
RPJMD	<i>Rencana Pembangunan Jangka Menengah Daerah</i> (Regional Mid-Term Development Plan)
RPJMN	<i>Rencana Pembangunan Jangka Menengah Nasional</i> (National Mid-Term Development Plan)
SEKBER	<i>Sekretariat Bersama</i> (Joint Secretariat)
SETDA	<i>Sekretariat Daerah</i> (Regional Secretary Office)
SKPD	<i>Satuan Kerja Perangkat Daerah</i> (Regional Government Working Unit)
SMEs	Small and Medium Enterprises
SPADU - KLPI	<i>Sekretariat Terpadu untuk Kerjasama Pembangunan Lembaga Internasional</i> (Integrated Secretariat for Development Cooperation with International Organizations)
SSC	South-South Cooperation
ToR	Terms of Reference
TTS	<i>Timor Tengah Selatan</i>
UNDP	United Nations Development Programme
UNDP CO	United National Development Programme Country Office
I-UNV	International United Nations Volunteer

## Executive Summary

1. This report presents findings of the final evaluation of the Art Gold Indonesia (AGI) Project based on analysis of relevant documents and interviews with project stakeholders and beneficiaries. Findings are categorized into six criteria: effectiveness, efficiency, relevance, appropriateness, impact and sustainability.

2. The evaluator found that AGI, which was implemented from April 2008 to December 2011 at the national level and in two pilot provinces, Gorontalo and Nusa Tenggara Timur (NTT), has not been effective in achieving Output One: Provincial governments use participatory instruments to fulfill their roles as facilitators and promoters of regional strategic development, open to international opportunities. With regards to Output Two, although AGI has provided some models for reinforcing the role of the provinces as promoters and facilitators of inclusive and balanced regional development, those models are not yet tested. With regards to Output Three, AGI has helped internationalize Indonesia's experience in decentralization in terms of providing opportunities for Indonesian delegates to participate in UNDP-ART international events and to link with international ART partners. Through strengthening of the Integrated Secretariat for Development Cooperation with International Organizations (*Sekretariat Terpadu untuk Kerjasama Pembangunan Lembaga Internasional/SPADU*), the project helped NTT in coordinating external aid resources. However, it has not really helped reinforce the national institutions to coordinate external aid resources, since its initiative does not help clarify and develop a clear and concrete framework of relations between aid effectiveness mechanisms at the national level and such mechanisms at the local level.

3. With limited funding, AGI has been inefficient in using financial resources for personnel costs, especially from July to December 2009 and in 2010, when it spent 48.41% (2009) and 42.57% (2010) out of its total budget for hiring international personnel. The project became more efficient in using financial resources for personnel costs in 2011, as it hired only national personnel, restructured the project management unit and shared costs with another UNDP project – the Provincial Governance Strengthening Programme (PGSP). With regards to time, the project faced time inefficiencies due to protracted and still unsolved

problems of fund channeling mechanisms from the national government to the local government.

4. In general AGI's design was very consistent with government policies and regulations on participatory development planning, decentralization, and promotion of South-South Cooperation. However, in its implementation, AGI did not internalize its participatory approaches into the loop of the formal government's participatory development planning process - Musrenbang. In addition, its promotion of decentralized international cooperation is not in accordance with the regulation of Ministry of Home Affairs No.3/2008 on the Guidance to Conduct Cooperation between Local Government and Foreign Parties (*Pedoman Pelaksanaan Kerjasama Pemerintah Daerah dengan Pihak Luar Negeri*).

5. AGI's design and implementation was feasible to be implemented within the local context as they are very much in line with the needs and priorities of the local government. However, in general the methods used to deliver the initiatives were somewhat insufficient to achieve sustainable results because they did not really suit the local bureaucratic practices.

6. Almost all of AGI's initiatives and benefits, such as participatory instruments, strengthening aid effectiveness mechanisms, South-South Cooperation and other international decentralized cooperation efforts promoted by AGI were not sustained by the provincial government. Although the government seems interested to continue the initiatives and benefits, there are no official plans to continue, develop or replicate them with the government's own resources. Instead, the provincial governments still expects that AGI will continue to provide support for them.

7. With the limitations in achieving the desired project outputs, the impacts of the AGI project were still felt at the national level and subnational level. At the national level, AGI's impact was indirect, through creating awareness for the national institutions to learn and replicate some good practices in AGI's initiatives that could provide better policy frameworks that would potentially benefit people. At the subnational level, although most of AGI's activities related to participatory mechanisms and decentralized international

cooperation had less impact on institutional capacity building, they had more impact on individual capacity building for those involved in the activities.

8. The evaluation has extracted several lessons learned from the implementation of AGI. It has also provided several recommendations that could be used for UNDP to strategically continue the benefits of AGI. For example, at the national level UNDP is recommended to conduct a study to formulate a policy paper for the Government to promote decentralized international cooperation within the context of strengthening the roles of the provincial government in decentralization in Indonesia. In Gorontalo, for example, UNDP is recommended to continue advocating the importance of the province to establish an aid effectiveness mechanism and, further, providing strategic support for establishing and strengthening such mechanism. In NTT, for example, UNDP is recommended to advocate and support SPADU to adopt and utilize of the participatory mechanism, as promoted previously by AGI, in coordinating international aid resources.

## **1. Introduction**

9. From April 2008 to December 2011, UNDP Indonesia and the Directorate of Regional Autonomy at BAPPENAS implemented the ART Gold Indonesia project (AGI). At the end of the project implementation, the National Coordination Committee (NCC) agreed to commission an independent evaluator to identify the project's achievements as well as its lessons learned to provide insights for future initiatives in order to capitalize on the experiences in implementing AGI.

10. From the 26<sup>th</sup> of March 2012 until the 7<sup>th</sup> of May 2012, assigned by the Planning, Monitoring and Evaluation Unit (PMEU) of UNDP Indonesia, the evaluator carried out the evaluation process through document reviews and field assessment. The results of the evaluation are presented in this report. The report consists of sections which describe the intervention briefly; evaluation scope and objectives; evaluation approach and methodology; data analysis; findings; lessons learned and recommendations.

## 2. Brief description of the intervention

11. ART Gold Indonesia (AGI), stands for Articulating Governance and Local Development in Indonesia, and was implemented by the UNDP ART Initiative in Indonesia. The ART Initiative aimed at enhancing the capacity of multi-stakeholder partnerships to generate development results, and reinforcing the ability of local actors to plan and manage territorial development through an integrated and participatory process that is open to international opportunities. The ART initiative promotes decentralized international cooperation through ART methodology that can be observed in the following diagram:

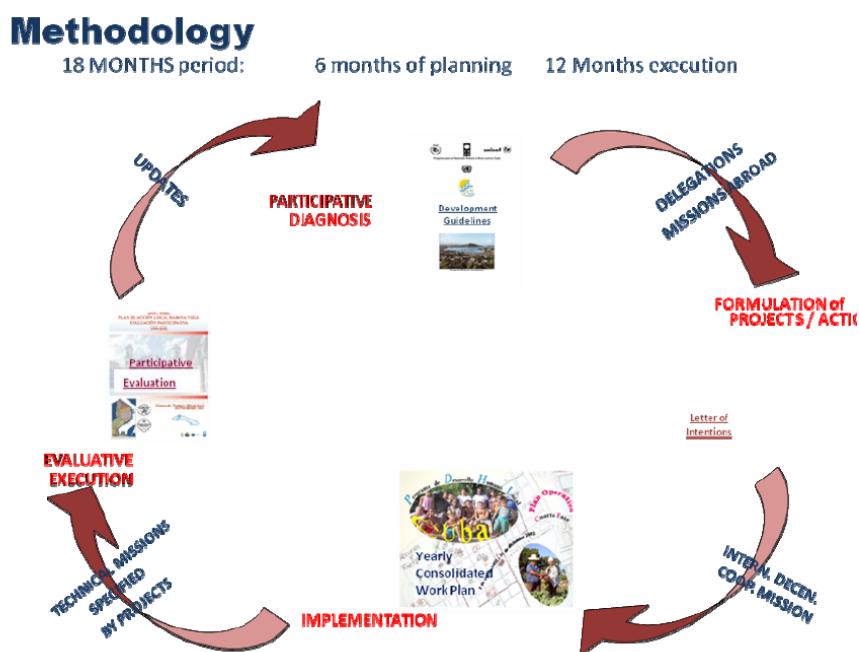


Diagram 1. ART Methodology

12. In Indonesia, AGI is designed as a framework to contribute to the attainment of the Millennium Development Goals and to enhance human development through participatory local development. AGI is intended as a tool to support public institutions at all levels (with a particular focus on the provincial and district level), in their efforts to improve the living conditions of local communities through more effective, participatory and balanced local development, open and conducive to international opportunities.



13. AGI was implemented from April 2008 to December 2011.<sup>1</sup> AGI has three territorial focuses: subnational, national and international. The project is designed to attain three key outputs related to the territorial focus: 1) Provincial governments use participatory instruments to fulfill their roles as facilitators and promoters of regional strategic development, open to international opportunities; 2) National institutions responsible for regional development will be provided with tested models for reinforcing the role of the provinces as promoters and facilitators of inclusive and balanced regional development; and 3) Provincial and national institutions are reinforced in their capacity of coordinating external aid resources in line with strategic regional planning; and the Indonesian experiences are linked to international decentralized cooperation networks, hence internationalizing Indonesia's efforts in decentralization and local development.

14. AGI was nationally implemented under the National Development Planning Agency (BAPPENAS). The Implementing Partner established a Project Management Unit (PMU) to execute daily implementation of the project. At the subnational level AGI was implemented in two pilot provinces - Gorontalo and East Nusa Tenggara (Nusa Tenggara Timur, NTT). In these two provinces, AGI carried out its activities in five districts/municipalities - Municipality of Gorontalo and District of Pohuwato in Gorontalo; and District of Timor Tengah Selatan (TTS), District of Flores Timur and District of Sabu Raijua, in NTT.

15. AGI facilitated the establishment and functioning of the National Coordination Committee (NCC) at the national level. AGI facilitated the use of participatory instruments to reinforce the role of the government in promoting international cooperation through the establishment of Provincial Working Groups, multi-stakeholder consultations, and the participatory creation of Provincial Development Guidelines. AGI facilitated international missions of Indonesian delegates to UNDP-ART international events to promote international cooperation with ART international partners. AGI also implemented Quick Impact Projects (QIPs) in the selected districts and municipalities; QIPs were designed as a participatory exercise for the Working Groups to engage in, responding to immediate and

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<sup>1</sup> From April 2008 until June 2009, AGI was conducted under Preparatory Assistance Phase (PAP) modality. From July 2009 until December 2009, AGI was conducted under Project Initiation Phase (PIP) modality. Upon signing of the AGI Project Document in December 2009, implementation of the AGI project under National Implementation (NIM) modality formally started.

short-term needs expressed by the community. AGI also facilitated: i) South-South Cooperation (SSC) between the pilot provinces with Southern Province of Sri Lanka; ii) training on economic development by Catalan Business Support Agency – Spain (ACC10) in the pilot provinces; iii) training on health management by Association of Italian Medical Doctors (ANAAO) in the pilot provinces; and (iv) cooperation between BICCOCA University and state universities in the pilot provinces.

16. As per the project document, AGI was officially closed at the end of December 2011. However, to mainstream its results into policy-making, some activities still required more time, with a specific focus on aid effectiveness at the subnational level. The National Coordination Committee (NCC) agreed to merge the AGI into PGSP (Provincial Governance Strengthening Programme) in order to be managed effectively and efficiently, and approved a one-year extension of AGI under PGSP.

### **3. Evaluation Scope and Objectives**

17. Based on the Terms of Reference (ToR), the scope of evaluation is as follows:

1. This evaluation will focus on assessing the implementation of the AGI project from April 2008 to the end of the project in December 2011;
2. All of the three outputs of the project will be evaluated;
3. The evaluation will take into account implementation at national level and subnational level (Gorontalo and NTT); and
4. The evaluation process will include consultations with the beneficiaries of the project at national, provincial and district levels including government and NGOs/CSOs following sampling methodology.

18. According to the ToR, the key objective of the evaluation is to assess the following criteria:

1. Effectiveness: evaluate the extent to which the intended results of the AGI have been achieved; and attribute observed changes or progress toward changes to the initiative to determine AGI contribution toward observed changes.

2. Efficiency: evaluate how economically resources or inputs (such as funds, expertise and time) were converted to results.
3. Relevance: evaluate the extent to which the intended outputs of the AGI project are consistent with national and local policies and priorities and the needs of intended beneficiaries; and the extent to which AGI was able to respond to changing and emerging development priorities and needs in a responsive manner.
4. Appropriateness: evaluate cultural acceptance as well as feasibility of the AGI project within the local context.
5. Sustainability: evaluate the extent to which benefits of the AGI continue beyond the life of AGI project or when the external development assistance has come to an end; the extent to which relevant social, economic, political, institutional, and other conditions are present and contributing to maintain, manage and ensure the AGI results in future.
6. Impact: evaluate changes in human development and people's wellbeing that are brought about by development initiatives, directly or indirectly, intended or unintended.

19. In addition, the evaluation should also address the detailed purposes of the evaluation as stated in the ToR:

1. To assess to what extent the project has contributed to the improved capacity of the provincial government to use participatory instruments to enhance their roles as facilitators and promoters of regional development, open to international cooperation;
2. To assess to what extent ART methodology has been mainstreamed into policy making and within other UNDP programmes;
3. To identify good practices and lessons learned in the area of linking the aid effectiveness process at national and local level and the role the subnational level could play in Indonesia;
4. To assess South-South Cooperation and its effectiveness in exchanging experiences and achieving concrete results in both territories;

5. To identify good practices and lessons learned in the area of project implementation modality;
6. To assess to what extent international decentralized cooperation has contributed to an increased knowledge and capacity of intended beneficiaries;
7. To assess the sustainability of cooperation and partnerships with international decentralized actors;
8. To gain insights into the level of client satisfaction with the project, including from community and CSO beneficiaries; subnational and national government partners; and
9. To provide recommendations for sustaining the benefits of the project and strategic issues and initiatives for strengthening PGSP.

#### **4. Evaluation approach and methodology**

20. This evaluation applies a qualitative research approach. The methodology used for data collection is document review, key informants interview with stakeholders, and direct observation.

21. The document review was conducted using secondary data, including documents related to the project implementation and government documents. The project related documents included the Project Document of AGI (Result Resources Framework with detailed indicators, baseline and targets), Quarterly Monitoring Report, Internal Project Assurance Report (IPAR), Minutes of NCC Meeting, Project Fact Sheet, Donor Report, and M&E plan. The government documents included National and Regional Planning Documents (RPJM and RPJMD), National and Regional Government Work Plans (RKP and RKPD) and Monitoring and Evaluation report of relevant projects/programmes.

22. Key informant interviews with stakeholders were conducted with key persons involved in the projects as implementers, partners, or beneficiaries. These were conducted either in the form of individual interview or group interview. The stakeholders include relevant UNDP Country Office officials, key officers of AGI, National Coordination Committee, relevant provincial government officials, Provincial Working Groups, SPADU officials (in

NTT), relevant district government officials, District Working Groups and NGO beneficiaries of the project.

23. Key informant interviews were conducted at national level, provincial and district level. At national level the interviews were conducted in Jakarta, while at provincial level the interviews were conducted mostly in Gorontalo and NTT. At the district level, among the five sub-districts where AGI was implemented, key informants interviews were performed in four districts/municipalities, including the Municipality of Gorontalo, District of Pohuwato in Gorontalo province, and District of TTS and District of Sabu Raijua in NTT province. Key informant interviews were not performed in the District of Flores Timor in NTT due to time limitations faced during the field visit. The list of key informants interviewed can be found in Annex 1 of this report.

24. The detailed list of questions to be addressed in the evaluation was developed based on the evaluation criteria of the evaluation. The evaluation matrix that provides the list of questions, data sources and data collection methods is available in Annex 2 of this report.

## **5. Data analysis**

25. Data analysis was performed qualitatively. The data analysis process was conducted simultaneously with the data collection process. To analyse the data the evaluator reviewed the notes of interviews to find out and collate the key information from the interviews. The key information collated was summarized and found to contribute to the answers of the evaluation questions. To confirm the accuracy of data and results, the evaluator conducted a comparative analysis among the information gathered from different key informants, and triangulation between the results of interviews with the field observation and document/literature review. Whenever needed, the evaluator conducted further interviews with certain key informants to reconcile contradictory information.

26. To simplify data analysis and presentation of findings, the evaluator used six criteria of evaluation as the main questions to be analysed, answered and presented in this report. The answers of eight detailed questions of the evaluation are incorporated into the analysis and presentation of the findings of the six criteria of the evaluation. The findings of questions

pertaining to recommendations for sustaining the benefits of the project and strategic issues and initiatives for strengthening PGSP are presented in the section on recommendation in this report. The matrix combining the six criteria and eight detailed questions can be seen in Annex 3 of this report.

## 6. Evaluation Findings

### Effectiveness

*To what extent has the project achieved its intended outputs? To what extent can the achievement be attributed to project implementation?*

**Output 1: Upon completion of the project, the provincial governments utilize participatory instruments to fulfill their roles as facilitators and promoters of regional development, open to international cooperation.**

27. AGI has introduced, to the provincial government, relatively new participatory instruments to formulate a planning document to be utilized to promote international cooperation. The participatory instruments consist of the establishment of Provincial Working Group (PWG) and the conduct of multi-stakeholder consultations from the sub-district to provincial levels to develop Provincial Development Guidelines (PDGs) which function as a document to inform potential international partners of the development intervention possibilities in the regions. For the provincial government, the establishment of Working Groups involving inter-sectoral partners to address development issues is not a new practice. The novelty of PWG promoted by AGI, felt by the provincial government, is its concern on international cooperation and its participatory mechanism in developing PDGs.

28. AGI's initiatives have contributed to the building of personal capacities of the persons involved in the participatory instruments (members of PWG), to undertake development planning through the real process of consultation with the people at the grass-roots level. Based on the interviews with key persons involved actively in PWG, AGI has equipped them with knowledge and methodology gained from trainings and experiences to conduct the participatory planning process in the field as well as close assistance in developing

documents identifying the needs or priorities of development to be promoted for international cooperation.

29. However, upon completion of the project, the AGI project appears to be ineffective in achieving Output 1 related to the utilization by the provincial governments participatory instruments to fulfill their roles as facilitators and promoters of regional development, open to international cooperation.

30. The PWG in Gorontalo is currently inactive, despite the fact that the Governor Decree on PWG establishment is in place. The Gorontalo PWG was expected to play a role as a “think tank” for AGI project implementation, but has been relatively inactive even since the fourth quarter of 2010.<sup>2</sup> This is indicated by the fact that since that time the PWG meetings attended by all of the PWG members has no longer been able to be held. The AGI project did involve some PWG members in several activities, specifically in those initiatives related to their specific sectors, including international missions, training of ACC10 on economic development, ANAAO health management training, and cooperation between BICCOCA University and Universitas Negeri Gorontalo. The relative inactivity of the PWG as a team in Gorontalo was due to a number of factors: 1) the disappointment of PWG members that their identified need and priorities on the PDG received no response from UNDP and ART International Partners;<sup>3</sup> 2) the priorities of the PWG members to their assigned SKPD tasks; and 3) the rotation of some PWG members by the local government to work in other SKPDs.

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<sup>2</sup> Confirmed through reviewing Quarterly Monitoring Report (QMR) AGI from Q4 2010 to Q4 2011.

<sup>3</sup> The PDG was developed with the expectation that the document would attract ART international partners to develop cooperation with the pilot provinces to fund the identified needs and priorities identified in the document. In fact, based on ART Methodology, certain needs and priorities identified in the document could be funded by AGI to provide incentive for the PWG initiatives. However, in Gorontalo, ART methodology was not implemented in sequential order. The Quick Impact Projects (QIPs) in two city/districts in Gorontalo, i.e. Kota Gorontalo and Kabupaten Pohuwato were identified and implemented by AGI project in 2008, prior to the establishment of PWG and the implementation of participatory mechanism to develop PDG. In addition, international cooperation in the form of South-South Cooperation between Gorontalo and Southern Province of Sri Lanka was also initiated prior to the establishment of PWG and the development of PDG. PWG of Gorontalo was established in February 2009 and worked to develop the PDG until August 2009. After the PDGs were produced, they were brought to an ART international event in Spain in November 2009 for promotion to ART international partners and resource mobilization. PWG members in Gorontalo were very disappointed and felt discouraged when they saw that until the end of AGI project none of activities proposed in PDG were responded or funded by UNDP and ART international partners. Based on the interviews with the Sekda of the province, coordinator of PWG and some members of PWG, in their view, international cooperation activities facilitated by AGI, i.e. ANAAO Health Management Training and ACC10 economic training, BICCOCA university student exchange were not either responding to the activities/priorities proposed in PDGs. By carefully

31. A similar situation took place in NTT. The NTT PWG has been inactive since the third quarter of 2010, indicated by the fact that no PWG meetings were organized since that time.<sup>4</sup> The NTT PWG faced a number of challenges: 1) the authoritarian nature of the coordinator<sup>5</sup>; 2) the busy working conditions of members of PWG; and 3) the rotation of some PWG members by the provincial government to work in other SKPDs. Like in Gorontalo, in NTT, the AGI project engaged some members of PWG individually in AGI activities that were considered their field. The NTT PWG was eventually dissolved in the beginning of 2011, concomitantly with the establishment of Integrated Secretariat for Development Cooperation with International Organizations (*Sekretariat Terpadu untuk Kerjasama Pembangunan Lembaga International/SPADU-KPLI*) which functions to coordinate international aid resources in NTT.

32. Neither the Gorontalo nor NTT provincial government has replicated or has plans to replicate the PWG's participatory mechanism concept. SPADU did take over the role of PWG in terms of being a partner of AGI and was involved in monitoring some AGI activities, including the Quick Impact Projects in Sabu Raijua. However, SPADU cannot be considered a replication of PWG's participatory mechanism concept, for the following reasons. *First*, unlike PWG, which consists of representatives of government from various departments, of NGO and academics, SPADU only consists of BAPPEDA's functional staff to run its activities. *Second*, SPADU does not adopt the PWG's multi-stakeholder and multi-level consultation as implemented during the formulation of the NTT PDG. *Third*, SPADU does not utilize the PDGs produced by NTT PWG.

33. The utilization of PDGs by the provincial governments is also very weak. PDG documents are only viewed as the result of AGI-UNDP, and are not seen as owned by the provincial

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reviewing the PDGs, the evaluator is also convinced that the trainings facilitated by AGI were not a direct response to the plans stated in the PDGs (on education, health and economy, see p.32-33 of the PDGs). According to Decentralization Cluster Manager of DGU UNDP in charge with AGI project, the PDGs got no response because of the following reasons: 1) The technical proposal produced by PWG was not sufficient quality; 2) the proposal was shared with UNDP ART Geneva, but found no partners to respond to the proposal because the European economic crisis hit those countries which had traditionally supported ART (Spain and Italy). With regard to the reason of point (1), from interview with key persons of PWG and AGI, the evaluator found that the PWG members were not equipped by AGI either with the sufficient trainings or with assistantship on how to make good quality proposals.

<sup>4</sup> Confirmed through reviewing Quarterly Monitoring Report (QMR) of AGI from Q3 2010 to Q4 2011.

<sup>5</sup> In Quarterly Monitoring Report (QMR) AGI Q1 2010, the authoritarian characteristic of the PWG Coordinator in NTT has been identified as a problem weakening the functioning of PWG in NTT.



government. The PDG documents are viewed as a “proposal” from the province to UNDP to provide them with international assistance/cooperation either funded by UNDP or by ART international partners. PDG documents produced by the PWGs in Gorontalo and in NTT currently are not utilized as provincial government guidelines to promote wider international cooperation beyond AGI facilitation.

34. The ineffective contribution of AGI to the utilization of participatory instruments by the provincial government to enhance their roles as facilitators and promoters of regional development, open to international cooperation, is primarily caused by the weak internalization of AGI participatory instruments in the government formal institution or mechanism.

35. PWGs as promoted by AGI were actually established after consultation with the provincial government. This initiative was also conducted with the full support of the national government and UNDP. At the beginning of its implementation, there was a discussion about incorporating the PWG mechanism within the existing government institution, such as Sekber in NTT and within the government planning mechanism of Musrenbang. However, the project management was worried that if it was incorporated into the existing government institution and mechanism at early stage, the PWG would lose its unique characteristics and added value in promoting international cooperation within the ART framework. It was expected that after the PWG was well established and working, then the mechanism could be incorporated by the government themselves into internal mechanisms. However, this expectation was not met. Instead of working well, PWGs faced a number of challenges, as outlined above, and have become inactive, even during the implementation of the project.

36. In reality, although the PWG is established through a Governor’s Decree, it is a newly established “body” located outside of government institutions. From the beginning, the PWG was only viewed by the provincial governments as UNDP-AGI’s working group, not the government’s. This could be observed from the title of decree used in both the Gorontalo and NTT Governor’s Decrees names - in Gorontalo, the title of the decree is: “The Formation of Working Group Team of ART Gold – UNDP Programme”. Similarly, in NTT the

title of the decree is: “The Formation of Provincial Working Group of Art Gold Indonesia-UNDP in East Nusa Tenggara”.

37. The participatory mechanism of the PWG in developing the PDGs was conducted outside of the loop of the formal government participatory planning mechanism, namely *Musyawarah Rencana Pembangunan/Musrenbang*. Although according to AGI project management, the use of PDGs was intended to be used in general resource mobilization, not only within ART framework, it appears that from the beginning the design and utilization of PDGs during AGI implementation was intended mainly to attract international aid or cooperation resources from ART international partners. This was indicated clearly in the Gorontalo PDGs, where it is written that “this document consists of information collected at the provincial level, as well as from the three selected districts which will implement the programme. Further, the document is designed to inform potential partners of the development possibilities of the province in the hope that international partnerships can be achieved within the ART GOLD methodology”.<sup>6</sup> As a result, the PDGs produced by PWG through wide multi-stakeholder consultation facilitated by AGI, despite their high quality, are viewed as AGI-UNDP’s PDG documents serving as “proposals” for UNDP and AGI (or ART international partners), not government documents complementary to existing government development planning documents, such as Regional Mid-Term Development Planning (RPJMD), Regional Government Work Plan (RKPD), Regional Actions Plans (RAD), etc. The ownership of the provincial governments of the PWG and its participatory mechanism as well as the PDG documents promoted by AGI is very weak. For example, in Gorontalo, although every year the provincial government holds an annual donor meeting, it never utilized the PDGs as the basis to coordinate donor intervention in the province.

38. AGI’s initiatives are not designed to develop a regulatory framework that equips the provincial government with the procedure or methodology for continuing, replicating or developing the participatory mechanism promoted by AGI, particularly without the presence of AGI. AGI’s initiatives equipped only the individuals involved in the PWG with the knowledge, methodology and experiences to use participatory mechanism. The development of a regulatory framework, which could be in the form of a governor’s decree

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<sup>6</sup> Gorontalo Provincial Development Guidelines, Art Gold Indonesia UNDP Indonesia 2009, p. 4.

or regulation, could help ensure the adaptation and incorporation of PWG participatory mechanism into local government institutions or mechanisms beyond AGI project life, which eventually could contribute to the reinforcement of the provincial government utilizing this kind of participatory mechanism to promote or coordinate international cooperation.

**Output 2: The national institutions responsible for regional development are provided with tested models for reinforcing the roles of the provinces as promoters and facilitators of inclusive and balanced regional development**

39. The initiatives of AGI have provided at least three models for national level/government institutions to reinforce the roles of the provinces as promoters and facilitators of inclusive balanced regional development. The first model is the establishment of the National Coordination Committee (NCC) as soon as the Project Document of AGI was approved. NCC involves the Directorate of Regional Autonomy of BAPPENAS as the Executive, the Directorate of Region and Land (*Direktorat Kawasan dan Pertanahan*) under Directorate General of Public Administration (*Direktorat Jenderal Pemerintahan Umum/Ditjen PUM*) at the Ministry of Home Affairs as the Senior Supplier, AGI CTA as Executive Secretary; and the Democratic Governance Unit of UNDP as another Senior Suppliers. In 2011, the NCC meeting also involved the Centre of Administration for International Cooperation (*Administrasi Kerja Sama Luar Negeri/AKLN*) from the Ministry of Home Affairs.

40. The NCC has indeed played a strong and important role in providing strategic direction to AGI, as well as strategic advice for the implementation of activities, including reinforcing the role of the province in promoting and facilitating inclusive and balanced regional development. However, the NCC has not yet been a tested model at the national level, for two reasons. *First*, the NCC was established within the context and period of AGI's project implementation, and there is no sustainability of this mechanism beyond of AGI's project lifespan. *Second*, NCC meetings, in reality, did not involve additional governmental ministries/agencies which are very relevant to the issue of decentralized international cooperation implemented by AGI, such as the Ministry of Foreign Affairs, Ministry of Agriculture, and Ministry of Trade. NCC meetings therefore lost valuable opportunities to create better cross-government department coordination to promote and help solve some of the obstacles of decentralized international cooperation in Indonesia.

41. The second model provided by AGI at the national level is the promotion of South-South Cooperation (SSC) between Gorontalo Province and the Southern Province of Sri Lanka. The facilitation by AGI of SSC these two provinces provided quite a new model at the national level for reinforcing the role of the provincial government as a promoter of inclusive economic development, in the form of decentralized international cooperation that enables a province in Indonesia to establish cooperation with subnational entities in other countries. The experience of SSC between the Province of Gorontalo and the Southern Province of Sri Lanka has been documented as a case study of SSC resulting in the development of a draft policy paper on South-South Cooperation. The draft policy paper has been shared through the national seminar and workshop on South-South Cooperation in Jakarta in June 2011; communicated to the Directorate for Multilateral Funding within the National Development Planning Agency (BAPPENAS), and contributed to the development of the Grand Design of South-South Cooperation Indonesia 2011-2025 and Blue Print of South-South Cooperation 2011-2014.

42. At the time of the evaluation, the formulation of Grand Design and Blue Print of South-South Cooperation is still on going. However, from the draft Grand Design of South-South Cooperation Indonesia as of April 2012, it could be observed that although the SSC between Gorontalo and Southern Province of Sri Lanka is not mentioned explicitly in the document, the document acknowledges that there is “a new scheme to promote regional cooperation and decentralized South-South Cooperation involving institutions outside of the national government and involving the local government”.<sup>7</sup> It is also acknowledged in the document that “the implementation of SSC in the regions is hoped to be in harmony with the spirit of decentralization and regional autonomy. The implementation of SSC does not only involve government and stakeholders at the national level but also the local government, NGOs, private sector, and universities.”<sup>8</sup>

43. Despite the provision of this new model of decentralized SSC, the SSC between Province of Gorontalo and Southern Province of Sri Lanka had several limitations in terms of how this cooperation is perceived to be mutually benefiting each party involved; how cooperation

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<sup>7</sup> The draft of Grand Design of Indonesia’s South-South and Triangular Cooperation, as of April 2012,p.14.

<sup>8</sup> The draft of Grand Design of Indonesia’s South-South and Triangular Cooperation, as of April 2012,p.33.

can be sustained beyond AGI facilitation; and how it can be improved to be full cooperation under the existing national regulations. The limitations could be explained as follows.

44. *First*, based on the interview with key officials from the Government of Gorontalo involved in SSC initiatives of AGI, there is a strong impression from the Government of Gorontalo that the SSC between Gorontalo and Southern Province of Sri Lanka is perceived to be not mutually beneficial. The Government of Gorontalo perceived that the cooperation has delivered more benefits to the South Province of Sri Lanka rather than to Gorontalo. Gorontalo has transferred knowledge, methodology as well as expertise for improving corn cultivation and management in Southern Province of Sri Lanka. From the cooperation, the Gorontalo province obtained only knowledge of crop insurance that still needs to be studied further to be implemented in Gorontalo. Although it was planned in the Letter of Intent between the Governor of Gorontalo and the Governor of Southern Province of Sri Lanka that the cooperation would include also education and health sectors, during the facilitation of cooperation by AGI, the Government of Gorontalo was not supported by AGI to undertake the study on free education and health systems implemented in the Southern Province of Sri Lanka.<sup>9</sup>

45. *Second*, the cooperation between Gorontalo and the Southern Province of Sri Lanka is highly facilitated by AGI and ART Gold Sri Lanka (AGSL). The dependency of the Government of Gorontalo on AGI to support the continuation of the cooperation is very high. Currently the Gorontalo government still expects that AGI will continue its support to the studies on crop insurance and free health and education systems.

46. *Third*, during AGI implementation, SSC between Gorontalo and the Southern Province of Sri Lanka has not yet become “full scheme cooperation”, conducted under an existing government regulatory framework. The status of “full scheme cooperation” might help guarantee the sustainability of cooperation, since it would be conducted under full intention

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<sup>9</sup> The Government of Gorontalo did not receive financial benefits from the cooperation in the corn sector with the Southern Province. When the Government of Gorontalo received the request of the Government of Sri Lanka to export the corn seeds to Sri Lanka, it faced difficulties since it did not comply with the regulation of Indonesia’s Ministry of Agriculture. The export of the corn seeds was therefore carried out by PT. Tanindo, which is based in the province of East Java; for the Government of Gorontalo, this meant a loss of income from the export process.

and consent of the provincial government with the further approval of the national government. According to the Regulation of the Ministry of Home Affairs (Permendagri) No.3/2008 on the Guidance to Conduct Cooperation Between the Local Government with Foreign Parties (*Pedoman Pelaksanaan Kerjasama Pemerintah Daerah dengan Pihak Luar Negeri*) there are a series of procedures that should be followed by the local government to conduct cooperation with foreign parties, from the consultation of local government with the Ministry of Home Affairs to get approval for the basis to formulate the plan of cooperation; the communication of the plan of cooperation to the Ministry of Home Affairs; the approval of DPRD; the formulation of Memorandum of Understanding by the Head of the local government; the submission of the plan of cooperation, the approval from DPRD and the draft of MoU to the Ministry of Home Affairs to be discussed with relevant ministries/government institutions; the submission of the plan of cooperation and the draft of the MoU from the Ministry of Home Affairs to State Secretary to obtain Government Consent (for cooperation in the form of sister cities/districts/provinces); the submission from Minister of Home Affairs to Minister of Foreign Affairs to obtain “full power” that would serve as a basis for the signing of the MoU between the local government and foreign parties.

47. *Fourth*, the existing government regulations might be viewed as too bureaucratic and time consuming for the local government to establish cooperation with foreign parties. The mechanism of SSC between Gorontalo and South Sri Lanka, conducted under a Letter of Intention between the Government of Gorontalo and the Government of Southern Sri Lanka and under supervision of National Coordination Committee (NCC) consisted of representatives of BAPPENAS and Ministry of Home Affairs, has the potential to provide an easier mechanisms for provincial governments to conduct decentralized cooperation. Unfortunately, during the project implementation, there was no deliberation or studies conducted to compare the weaknesses and strengths of the existing government regulation and the AGI mechanism. Further studies need to be conducted on this issue.

48. Another contribution of a model at the national level for reinforcing the roles of the provinces as promoters and facilitators of inclusive and balanced regional development is the facilitation for the establishment of SPADU in NTT. AGI did not provide full support to

advocate and facilitate the establishment of SPADU. SPADU was established through Governor's Regulation Number 4 Year 2011 on 1 March 2011 as a transformation of a previous aid coordination mechanism known as the Joint Secretariat (SEKBER), established in 2005, and initiated by an AusAID supported programme called Australia Nusa Tenggara Assistance for Regional Autonomy (ANTARA). The transformation of SEKBER into SPADU was the Government of NTT's initiative to improve its performance in coordinating international aid.

49. AGI did facilitate a socialization workshop on the draft of the NTT Governor's regulation on the establishment of SPADU in January 2011. One of the significant inputs that was hoped to be accommodated was that the steering committee should come from relevant SKPDs, NGOs, and academics as a replication of the PWGs. However, the Governor's decree did not accommodate this input due to internal considerations.

50. AGI's initiatives, however, did contribute to the strengthening of SPADU functionality following its establishment. AGI facilitated missions of provincial SPADU staff to some districts in NTT to help share experiences and strengthen the network of aid effectiveness between the province and districts. AGI also facilitated training on the improvement of performance management to cooperate with international partners, a joint mission of AGI provincial office, SPADU and BAPPEDA staff to TTS, Sabu Raijua and Flores Timor to help facilitate the establishment of the aid effectiveness mechanism at the district levels and training on Pro-Poor Planning, Budgeting and Monitoring (P3BM) involving not only SPADU staffs but also BAPPEDA planning staff from both the provincial and district level.

51. SPADU is a good practice of the application of an aid effectiveness mechanism at the local level. Through SPADU, the Government of NTT has been able to actualize its capacity to facilitate and coordinate international donors, international organizations, and international NGOs who would like to carry out development intervention programmes in NTT. Therefore, SPADU has provided a concrete and more applicable model for reinforcing the roles of the provinces as promoters and facilitators of inclusive and balanced regional development through the development of aid effectiveness mechanism.

52. However, SPADU in NTT has not yet been tested, and has following limitations. *First*, SPADU functions only to coordinate aid coming to the provinces through the intervention of donors, international organization, international NGOs. It has no functions to promote international cooperation. *Second*, SPADU still lacks guidance or an operation manual for developing networking with similar institutions/mechanisms at the district/municipality levels. *Third*, SPADU still lacks a participatory mechanism to identify the needs or priorities of development interventions by donors, international cooperation, and also lacks a PWG-like think tank body. *Fourth*, SPADU is only a functional unit under BAPPEDA (not an SKPD), and has limited funds/resources to fully coordinate aid, including participatory planning for aid coordination and field monitoring and evaluation.

53. The limitation of the SPADU mechanism has provided another possible model for aid effectiveness and international cooperation, which is the establishment of a Bureau or Division of Cooperation under the Regional Secretary Office (*Sekretariat Daerah*). Under this structure and form, rather than SPADU, the Bureau or Division of Cooperation potentially has a stronger position and role as well as an ability to obtain more allocated fund resources in local government budget to function optimally, not only to coordinate incoming external aid, but also to promote international cooperation. This alternative has been implemented in Timor Tengah Selatan (TTS), where the district government transformed SEKBER into the Division of Cooperation and Investment (*Bagian Kerja Sama dan Penanaman Modal*) located structurally under Regional Secretary Office (*Sekretariat Daerah*) at the district level through the Regulation of District Head (*Peraturan Bupati*) of Timor Tengah Selatan No.72/2011. The division has three sub-divisions, for the management of cooperation between organizations and institutions, investment and data processing, evaluation and reporting. These functions and activities are incorporated primarily into the sub-division of management of cooperation. It should be noted that, similar with NTT SPADU, the division has no a think tank body consisting of relevant SKPDs, NGOs, and academics, and does not apply a participatory mechanism in developing planning documents for cooperation with international partners as promoted by AGI.

54. In Gorontalo, AGI also has triggered the interest of provincial government to establish an aid effectiveness mechanism similar to SPADU through the facilitation of a visit of Gorontalo



provincial government officials to NTT and workshops on aid effectiveness. In 2011, during a UNDP Country Office mission for to review projects, the PWG coordinator presented his view of transforming the PWG into a Joint Secretariat, which would eventually become a Bureau and an integrated structure within the Provincial Secretariat Office to manage and develop partnership policies and programming, as well as conducting donor mapping. He noted that the PWG could act as a think tank of the Joint Secretariat and the Bureau. If this has been realized under AGI implementation, Gorontalo's experience of transformation of the PWG into a Joint Secretariat and Bureau could have been a model for a stronger aid effectiveness mechanism.

**Output 3: The capacity of the provinces and national institutions are reinforced in coordinating external aid resources in line with strategic regional planning; and Indonesia's experiences are linked to international decentralized cooperation networks, hence internationalizing Indonesia's efforts in decentralization and local development.**

55. According to the AGI project document and project reports, this output focuses primarily on the international level. At the international level, AGI supported the establishment of cooperation and partnerships with international decentralized actors, and promoted the Indonesian experience in decentralization and local development in a number of international forums.

56. AGI facilitated missions of Indonesian delegates, which include provincial and national delegates, to a number of UNDP-ART international network events. This has enabled the provincial governments and relevant national institutions to link with ART international decentralized cooperation networks and gain interest for cooperation from the members of these networks. As a result of these missions, AGI facilitated cooperation between Gorontalo Province and Southern Sri Lanka Province. AGI also facilitated cooperation between Catalan Business Support Agency – Spain (ACC10) with the local government in Gorontalo and NTT to provide training on economic development in the regions; cooperation between Association of Italian Executive Doctors (ANAAO) with the local government in Gorontalo to provide training on provincial health management; and cooperation between the University of Gorontalo with BICCOCA University in Italy for research and student exchanges.

57. In the international events, through presentations and discussion meetings between the Indonesian delegates and ART international partners, the Government of Indonesia gained opportunities to inform ART international partners about the policy framework of decentralization in Indonesia and the progress of its implementation. The internationalization of Indonesia's efforts in decentralization and local development has been achieved, therefore, although in a somewhat limited manner, in terms of disseminating information about Indonesia's decentralization policies and progress in ART international forums or events.

58. AGI's initiatives at the international level might have reinforced the capacity of the provinces and national institution, particularly in terms of promoting the needs and priorities of development in Gorontalo and NTT through the PDGs, to obtain external aid resources from ART international networks. However, the initiatives were not really effective in reinforcing the capacity of provinces and national institutions to coordinate the external aid resources that resulted from the international missions. The international decentralized cooperation manifested during AGI implementation, in fact, was initiated, facilitated and coordinated by AGI.

59. AGI's initiatives at the subnational level towards strengthening the function of SPADU in NTT had a more concrete and strategic contribution to reinforce the capacity of the provincial government to coordinate external aid resources. AGI's initiatives in facilitating the visit Gorontalo PWG members and provincial government to learn about SPADU and conducting workshops on aid effectiveness in Gorontalo also had concrete result in creating awareness and interest of the Government of Gorontalo to replicate a SPADU-like mechanism in Gorontalo.<sup>10</sup>

60. It appears that there is a missing link between the SPADU mechanism, as an initiative of the provincial government to coordinate external/international aid coming to the provinces at the local level, and mechanisms related to international aid channeling at the national level. At the national level, as a follow up of the signing of Jakarta Commitment, the government established the Aid for Development Effectiveness Secretariat (A4DES) as the basis for strengthening aid effectiveness across the country. Unfortunately, AGI's initiatives

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<sup>10</sup> See previous explanation in p. 23-24.

were not designed to help clarify and develop a concrete framework of connections between aid effectiveness mechanisms at the local level and A4DES. AGI did initiate contact with A4DES in 2011. Several workshops were organized in Kupang and Gorontalo in cooperation with A4DES and the Directorate of Multilateral Funding at BAPPENAS, where policies on aid effectiveness were disseminated. This resulted in raising awareness about SPADU. This, however, did not help clarify the framework of connection between aid effectiveness mechanisms at the local level and A4DES at the national level. AGI could have contributed to the reinforcement of the role of national institutions in coordinating external aid resources more comprehensively if it had, provided recommendations for this particular context.

## Efficiency

*How efficient were resources converted into results?*

61. Since the beginning of its implementation, AGI faced limitations in funding. Approximately 46% of the total budget was unfunded (USD 1,376,291 out of USD 3,000,000). AGI project activities were also targeted to secure additional financial resources for its implementation. However, upon the completion of the project, the additional funds had not been secured. With these financial limitations, financial efficiency was crucial to the project.

### **Financial and human resource arrangements**

62. AGI did not use its financial resources in an efficient way, particularly during the Project Initiation Phase (PIP) period from July to December 2009 and its first year of national implementation in 2010. During this period, AGI spent 75% of the total funded budget, and most of it on personnel costs, i.e the costs to hire personnel. In 2009, 57.16% out of total project budget was used for personnel cost. In 2010, the proportion for personnel cost increased to 57.79% out of the total project budget.

63. In terms of the size of project management, AGI did attempt to make it small and efficient. PMU at the national level and at the provincial level only consisted of key functional positions. However, during this period AGI hired a number of international

personnel, which mainly contributed to the high spending on personnel cost. In 2009, AGI recruited international personnel for the position of Chief of Technical Advisor (CTA) and International Area Manager for Gorontalo. From July to December 2009, to hire these international personnel, it cost 48.41 % of the total budget of AGI. In 2010, AGI again hired international personnel for the position of CTA, Project Officer (International United Nations Volunteer/IUNV), International Area Manager for Gorontalo, and a number of international consultants. These posts cost 42.57% out of total project budget. In comparison, AGI also recruited national personnel for the posts of Development Officers, whose costs were only 4% and 6% in 2009 and 2010, respectively.

64. Considering the financial limitations faced by AGI, spending too much of the available budget on personnel costs, particularly on hiring too many international personnel, was unwise. Moreover, some of these positions did not need to be international personnel. In the position of CTA, international staff with strong ART skill and experience was needed to establish the platforms, disseminate and apply ART's approach and methodology, at least in the first phase of AGI implementation. The CTA helped AGI to build links with ART international partners to ensure that commitment and support was obtained. However, the posts of Project Officer at the national level, of Area Manager in Gorontalo and of consultants for NTT (for the interim post of Area Manager) would have benefitted from national expertise, particularly as these staff worked primarily with national and subnational counterparts and within national and local circumstances. This included language considerations, as Bahasa Indonesia was the primary language of communication. Human resources with the managerial capacities required for the position was actually available in Indonesia.

65. In addition, from the evaluation process the evaluator got the impression, both from national project officers and government counterparts, that even though the international staff were skillful in ART methodology, they did not have enough knowledge about the local context and regulations. In addition, many had the impression that these international staff did not express interest in learning more about the regions they were living and working in, though this might be partially subjective. It is, however, supported in part by the weak internalization of ART participatory methodology into local institutions, regulations and

mechanisms (as discussed previously in the discussion on the achievement of output 1), particularly during the period of AGI implementation from 2009 to 2010. This is some indication that the use of international staff in key positions was not effective in adjusting the ART methodology into the local context to ensure achievement of the project outputs.

66. With regards to the resources mobilized for AGI, the government expected that international staff would bring expertise and networks to mobilize external/international resources under the ART Framework, and would secure additional funding for AGI. However, it is clear that in ART programmes, fundraising is actually the joint responsibility of the project itself, the UNDP CO and also the government, with the support of ART International. Based on interviews with the CTA, it was strongly perceived by the CTA that there was no full endorsement and understanding from the UNDP CO that it also had some responsibility for assisting in the resource mobilization for AGI. The UNDP CO thought that AGI would carry out fund-raising by itself, and that funding would continue coming from ART international partners. By the end of 2010, additional funding had still not been secured. According to the CTA, mixture combination of three factors led to the inability of AGI to secure funding from traditional ART donors: 1) the financial crisis in Europe, which unfortunately coincided with the beginning of AGI; 2) a lack of strategy for ART in the Asia Pacific region; and 3) the fact that many of ART's donor, which are mostly European, in general do not have a long history of cooperation with Asia. Overall, the international staff of the project did not bring the expected fundraising support to the project.

67. By the end of 2010, an awareness of the lack of funds for AGI arose. In 2011, AGI had restructured its project management to make it more financially efficient. Previously international posts (CTA, Project Officer (I-UNV) and International Area Manager), were reorganized; The CTA was replaced by a National AGI Coordinator, who was assisted by two Administrative and Finance Assistants. AGI shared the costs for hiring national Development Officers in Gorontalo and NTT with UNDP's Provincial Governance Strengthening Programme (PGSP). This significantly decreased the personnel costs, to 21.77% out of the total project budget.

68. In 2011, the total budget was only USD 350,875 (25% out of total funded budget), and AGI was still able to continue some of the initiatives that had been running since 2008.

However, the limited financial resources of AGI were used more efficiently in terms of reinforcing the capacity in coordinating aid resources and providing best practices of the project that could be replicated at the national level. AGI conducted initiatives to strengthen the aid effectiveness mechanism in NTT, and facilitated visits of the Government of Gorontalo to NTT to learn about the mechanism, then facilitated a workshop on this issue in Gorontalo. AGI was relatively successful at wrapping up SSC initiatives that had been implemented from 2008 to 2010, and raising awareness at the national level on the models of SSC between Gorontalo and Southern Province, as well as SPADU through workshop and NCC meetings.

69. Measuring fund efficiency against the achievements of each output for AGI project is quite difficult. Within the project, activities were not focused enough to contribute exclusively to their related outputs. The activities in Output 1, for example, could also contribute to the achievement of Outputs 2 and 3. The activities in Output 3 also could contribute the achievement of Output 1. For this reason, the evaluator did not measure fund efficiency against each output.

### **Time efficiency**

70. Time efficiency was a big challenge in the implementation of AGI, starting from its preparatory and initiation phases. The time used for AGI to be implemented fully with a Project Document and National Implementation Modality (NIM) was not efficient. AGI experienced a long process of negotiation between the UNDP Country Office and the National Government Counterpart, given its implementation under National Implementation Modality through the signature of the Project Document.<sup>11</sup> AGI preparatory activities were conducted since April 2008, when AGI was operating under the framework of the UNDP-BAPPENAS project entitled BRIDGE (Building and Reinventing Decentralized Governance). It was expected that the signature of the Project Document would be secured

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<sup>11</sup> In the beginning, there was a request from Government of Indonesia to combine AGI and PGSP into one project. Both projects were finalizing project documents with the same implementing partner - the Directorate of Local Autonomy at BAPPENAS. This request was not granted, however, though both project preparation stages took place at the same time - many meetings were held jointly. Confirmation for funding for PGSP took longer than expected, and this affected finalization of the AGI project document. PGSP funding was confirmed at the end 2009.

by mid-January 2009. However, in fact, the negotiation took longer, and was only signed on 29 December 2010. The absence of a signed Project Document limited the activities and margin of AGI to develop its full potential for the achievement of the outputs.

71. During its implementation in 2010 and 2011, many AGI activities in the provinces experienced delays in implementation. The implementation of the Quick Impact Projects (QIPs) in NTT is an example. QIPs in NTT were identified in a participatory manner, involving a wide range of local social and civil society actors, from the district down to the village level. The process of identifying QIPs in NTT provided an excellent opportunity for the Working Groups to engage in, responding to immediate and short-term needs expressed by the community. However, some of QIPs in NTT which were planned to be implemented in 2010 were only implemented in 2011. One example was a QIP in Timor Tengah Selatan District involving the provision of bio-digester equipment in Tesiyofanu Village. The consultation with the community was conducted in Q1 2010 and the proposal was prepared and submitted by the local government counterpart to AGI in July 2010. However, the implementation was delayed for eight months; the QIP was only implemented in the first quarter of 2011. This delay disappointed government counterparts, discouraged the community from becoming involved in the project, and made the assistance of the government counterpart less intensive. This more or less contributed to the failure of the implementation of this QIP. Another example was the implementation of the QIP in Sabu Raijua District, which provided training on seaweed production. This QIP was identified as the chosen community priority in the fourth quarter of 2010, but was implemented only in September 2011, nearly the end of AGI's implementation.

72. In general, the problems related to the fund channeling mechanism from the national government to the provincial government under the National Implementation Modality (NIM) hampered time efficiency in implementing activities in the provinces. Under NIM, the budget for implementation was regulated by the government and accounted for as "on budget off treasury". The transfer of funds is done between the national institution as the implementing partner to the provincial government, in compliance with the government regulation on transferring funds from national government to the local government. The Ministry of Finance Regulation No. 40/2009 on Grant Accounting Systems, which was

replaced by Regulation No. 191/2011 on Grant Management Mechanisms and Regulation No. 230/2011 on Grant Accounting Systems enables national ministries to use the Deconcentration Fund channeling to transfer funds to regional governments under the off budget approach. However, during AGI implementation (2009-2011), BAPPENAS as the implementing partner of AGI, did not manage Deconcentration Funds, making it difficult to transfer funds to regional governments.<sup>12</sup> In order to enable fund channeling from BAPPENAS to BAPPEDA, BAPPENAS attempted to create a Letter of Agreement (LoA) between BAPPENAS and BAPPEDA of Gorontalo in 2010, which had not previously been done under any regulation of the Ministry of Finance for transfers of funds from national level governments to regional governments. This LoA was cancelled due to non-compliance with the Regulation of Ministry of Finance. Until the end of AGI implementation, there remained no clear solutions on how to channel funds in a proper and timely manner. AGI project management attempted many solutions to fund the implementation of activities at the provincial level, using the advance payment mechanism, reimbursement of activities and national execution-like transfer of funds to project management. However, these did not have any legal framework under NIM, and still led to delays in implementation of activities.

### **Partnership strategy**

73. AGI has been implemented under the National Implementation Modality, which creates a partnership between UNDP as the senior supplier, BAPPENAS as the executive, and the Ministry of Home Affairs as senior beneficiary. Through the partnership with BAPPENAS at the national level (and BAPPEDA at the provincial level) responsibility for conducting AGI's initiatives are shared by BAPPENAS, UNDP and BAPPEDA in the pilot provinces. The role of the Ministry of Home Affairs as senior beneficiary also has contributed to the achievement of the project's intended outputs through their participation in AGI's NCC meeting, provision of direction and advice, as well as participation in monitoring AGI activities. That means that all of the parties involved in AGI project activities have contributed to the achievement of

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<sup>12</sup> Based on interview with Deputy NPD of AGI, in year 2012 BAPPENAS just started to manage De-concentration fund. This will make easy to transfer fund of BAPPENAS-implemented UNDP's project from BAPPENAS to regional governments.



the outputs, which can be considered a good practice of the National Implementation Modality of AGI.

74. This partnership also resulted in cost-sharing between AGI and the government counterpart. As shown in AGI's Annual Report for 2011, the proportion of national government cost-sharing and provincial government (Gorontalo) cost-sharing with AGI project was 16% and 1%, respectively, of the total funds used by AGI from 2009 until 2011. Unfortunately, a description of activities using this government funding is unavailable in the annual report. There is also no consolidated Annual Work Plan reflecting the cost-sharing of activities between AGI and government that could be used to measure how this cost-sharing might have contributed to the achievement of AGI's outputs.<sup>13</sup> This cost-sharing is very likely in the form of parallel funding.

75. The strategy of AGI to share costs with UNDP's PGSP also contributed to efficiency in the use of AGI's financial resources. In 2011, for example, an agreement was made between AGI and PGSP to share the costs for of the salary of a Development Officer, where AGI was responsible for paying 50% of the 12 month wage of the Development Officer in NTT and 10% of the 12 month fee of the Development Officer in Gorontalo.

## Relevance

*To what extent were AGI's project design and implementation consistent with national and local policies and priorities and the needs of intended beneficiaries?*

76. The AGI project design introduces a participatory mechanism for developing planning documents for promoting cooperation with international partners, and is consistent with the Government of Indonesia's policy framework in promoting participatory development planning. Law No. 25/2004 on the National Development Planning System and its operational government regulations mandate the implementation of a bottom-up planning process, called the Development Planning Meeting (*Musyawarah Rencana Pembangunan/Musrenbang*) from the village level (pre-Musrenbang) up to the national

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<sup>13</sup> This cost-sharing is not reflected in the Annual Work Plan. As written in AGI's Annual Work Plan, the financial resources of all activities of AGI Projects, including operational costs, only come from UNDP (UNDP TRAC and the Geneva-based Trust Fund on Innovative Partnership).

level. AGI's participatory mechanism through the establishment of PWGs, which uses multi-stakeholder meetings at the village, sub-district, and district level to identify needs and priorities and formulate Provincial Development Guidelines, is similar to the Musrenbang process. PDGs produced by the PWG mechanism, and Government Planning Documents developed through the Musrenbang process could be complementary to each other, in the sense that PDGs could identify the specific priorities/activities in the Government Planning Documents which require international cooperation or aid to be implemented.

77. The Project Document of AGI states that Musrenbang is an existing instrument that can be capitalized on, and that AGI would try, as much as possible, to align its actions with the Musrenbang process. The Project Document notes that AGI implementation will attempt to be in consonance with Musrenbang, and where possible its planning cycle will be followed. However, in its implementation, the participatory mechanism and multi-stakeholder consultation of AGI in developing PDGs were not aligned at all with bottom-up Musrenbang process in either Gorontalo or NTT. The PWG participatory mechanism ran in parallel with the Musrenbang process and the mechanism was not adapted or incorporated into the loop of annual Musrenbang process. In Gorontalo, the opportunity to align the participatory process of both the PWG and Musrenbang process was actually quite open. The PWG was established in February 2009, which is, according to the Musrenbang planning cycle, the time for Musrenbang at the district level. PWG could have reviewed the results of Musrenbang at the village levels, which was conducted in January 2009, carry out consultations in certain villages, and jointly follow the Musrenbang process from district level (March 2009) up to the provincial level (April 2009). This did not happen. Some criticisms of Musrenbang include the fact that it is too bureaucratic, but AGI's participatory mechanism, if aligned with the Musrenbang process, could have potentially provided important lessons to the government on how to conduct the process of consultation with the community in a more meaningful way. Moreover, if the PWG consultative mechanism is adapted and incorporated into the loop of the annual Musrenbang process, the participatory mechanism of PWG and its products would be legalized and achieve more sustainable impacts.

78. AGI's design in strengthening the role of provincial government to be facilitators and promoters of regional development, open to international cooperation, is very much in line with the decentralization policy of the Government of Indonesia. Law No. 32/2004 on Regional Governance, which replaces Law No. 22/1999, has strengthened the role of the provincial government in the context of local autonomy or decentralization in Indonesia. The provincial government, inter alia, will be responsible for providing services that are provincial in scale or concern, and coordinate with inter-local governments and in cross jurisdictional/regional affairs. The discussions on the revision of the Law No. 32/2004 tend to strengthen the role of the provincial government in conducting planning, coordination, and monitoring of development and government administration.

79. AGI South-South Cooperation (SSC) is in line with government commitment to promote South-South cooperation as articulated in the Government Mid-Term Development Plan (RPJMN) 2010-2014. However, AGI introduced a new approach to SSC through decentralized international cooperation, which enables the provincial government to conduct cooperation with other subnational actors overseas. This new approach of decentralized international cooperation, which was facilitated in part by AGI, is not fully implemented in accordance with the existing national regulations related to the procedures by the provincial governments to develop international cooperation with decentralized actors. Ministry of Home Affairs Regulation No. 3/2008 on the Guidance to Conduct Cooperation Between Local Governments with Foreign Parties underlines a series of procedures that must be followed by the local government to conduct cooperation with foreign parties (see previous section discussing efficiency). There are also several technical regulations issued by different ministries to administer international technical cooperation. AGI's initiatives can be considered as an introduction of a new scheme, as it is not conducted within the framework of the existing regulations, meaning that it is not in line with Article 5, Paragraph 3 of Law No. 32/2004, where international relations are still a national function which are not decentralized, and all international cooperation conducted by regional governments must go through the national government. However, AGI's initiatives did not really examine the existing formal schemes, for example, which could have been done by facilitating a study to comparatively examine AGI's experiences and government regulations with regards to decentralized international cooperation.

80. AGI's initiatives are in line with the agenda for developing aid effectiveness as articulated in the Jakarta Commitments. Indonesia is a signatory to the Paris Declaration on Aid Effectiveness, and has committed to the principles of aid effectiveness contained in the Declaration. As a result of these commitments, Indonesia has established the Jakarta Commitments as a roadmap to strengthen Indonesia's efforts to maximize the effectiveness of international aid in support of development. Following the signing of the Jakarta Commitments on 12 January 2009 at the national level the Government of Indonesia established the Aid for Development Effectiveness Secretariat (A4DES) at BAPPENAS, also supported by UNDP. Through its initiatives in promoting international cooperation based on the PDGs formulated at the provincial level, AGI had the potential to facilitate aid coordination and effectiveness at the provincial level. Besides functioning as an instrument to mobilize resources, PDGs may also have been used by the province to facilitate aid coordination and effectiveness. However, based on the Project Document, AGI's outputs, target, activities and structure were not designed at all to create framework for the relationship between the aid effectiveness mechanism at the local level and A4DES at the national level. AGI could have made more of a contribution to strengthening A4DES in terms of providing the lessons or recommendation on how to connect the aid effectiveness mechanism at the national level with the initiatives related to aid coordination at the local level.

81. The decision to locate the project under the Directorate of Regional Autonomy at BAPPENAS to execute the project was consistent with the project's overall objective in the context of decentralization in Indonesia. However, AGI had a strong international dimension, as it facilitated and promoted international cooperation between subnational governments with international partners. In addition to involving the Directorate of Region and Land at the Ministry of Home Affairs (*Direktorat Kawasan dan Pertanahan, Kementerian Dalam Negeri*) as the senior beneficiary, from the beginning the structure of the project should have been designed to also involve the Centre for Administration of International Cooperation (AKLN) from the Ministry of Home Affairs and the Ministry of Foreign Affairs as other senior beneficiaries.<sup>14</sup> The involvement of these parties would have ensured that

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<sup>14</sup> Based on the records of NCC meeting, AKLN was just involved in the NCC meeting since November 2011. There are no records to indicate that Ministry of Foreign Affairs was ever involved in the NCC meeting.

more advice and direction would have been provided to facilitate decentralized international cooperation in line with the regulatory framework.<sup>15</sup>

82. AGI was designed to be flexible to adapt to the changing and emerging priorities and needs of both the provincial and national government. However, the flexibility and adaptation of AGI was highly dependent on the initiative and creativity of AGI personnel in the field. The switch in support from the PWG mechanism to SEKBER and SPADU was an indication that the project was able to adapt to changes in context and need in NTT, but occurred later than it should have. From the beginning of its support in NTT, AGI should have provided more support to SEKBER and attempted to implement the PWG participatory methodology and formulation of PDGs within the SEKBER mechanism.

## Appropriateness

*How feasible was project design and implementation within the local context? To what extent was the project adapted to local conditions?*

83. Formally, the local government acceptance of AGI was positive, as the design was viewed as relevant to the government needs to develop the regions through international development and cooperation. The acceptance of the local government was demonstrated by the issuance of a decree on the establishment of the PWG, provision of AGI project office space located within government offices, and support to AGI project implementation.

84. With this positive partnership, AGI's initiatives were applicable within local context. However, in general the methods used to deliver the initiatives were somewhat insufficient to achieve sustainable results because they did not really suit the local bureaucratic practices that still perceive UNDP as a "donor". AGI's delivery methods did not result in any real strategic partnership between UNDP and the local government, either through

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<sup>15</sup> By involving Ministry of Foreign Affairs, together with AKLN and other members of NCC, the NCC could have discussed more substantive issues related to the regulatory framework in order to revise it to make it easier for the local government to conduct international cooperation with other legal entities abroad. It is the fact that in Indonesia, each ministry has its own technical regulation on how to conduct international cooperation. When the Government of Gorontalo wanted to export its corn seeds to Sri Lanka's Southern Province, it faced difficulties complying with the regulations of the Ministry of Agriculture. When this problem happened, it would have been better if NCC had involved the Ministry of Agriculture and the Ministry of Trade in its discussion about the solution for the problem.

harmonization and integration of the UNDP initiative with annual formal government development planning or in terms of programmes and budgets. As a result, AGI remained viewed by the local government officials more as a “donor” rather than “partner” to achieve the objectives of the project. Most of AGI’s initiatives, in terms of activities and budgets, were viewed solely as the responsibility of UNDP to be implemented within the time frame of AGI implementation.

85. Despite its basis in sound logic, the concept of the PWG was not sustainably implemented during AGI implementation. Although it was legalized through a Governor’s Decree, the PWG was perceived by bureaucrats as an external mechanism of the government. From the evaluation process, the evaluator found the impression that being actively involved in the PWG was perceived as additional work, and even burden, by some members of the PWG, particularly by those from non-BAPPEDA SKPDs. Although their membership in PWG was also legalized through the Governor’s Decree, they sensed that AGI’s work is additional, non-governmental work for them, and the government provides no incentives for them to be actively involved in the PWGs in terms of financial or other rewards. This perception resulted in decreased participation in the PWGs.

86. In addition, the design of the PWGs does not consider the common bureaucratic practice of job rotation. The rotation of some members of the PWG to work in other SKPDs resulted in the inability of some PWG members to participate in the group. Membership in the PWGs was found to be more individual than institutional, however, the issues brought up by the individuals were related to their field/sector or institutional work. Once they were moved to other offices (SKPDs) or other institutions, they were no longer able to bring up issues representing their previous institutions.

87. As explained previously, AGI’s method of facilitating the participatory mechanism to develop the PDGs was not implemented within the loop of the Musrenbang, which made the ownership of the government in both the PWGs and PDGs weak. In addition, there was no attempt to encourage the utilization of the PDGs within the annual donor meetings held by the Government of Gorontalo. Finally, AGI’s utilization of the PDGs was too limited - sending government officials to international ART events to promote PDGs to ART partners with the goal of attracting funding was not successful.

88. AGI was also late to adapt appropriately to the local conditions and adjust its initiatives to provide more strategic intervention for more sustainable impact. In NTT, AGI decided to support the existing aid effectiveness mechanism only in the last year of its implementation. Although AGI conducted initiatives to strengthen SPADU, these were too late, and were not organized or targeted to promote the participatory mechanism as intended in Output 1 of the project. The initiatives focused more on disseminating information about the existence of SPADU to the districts, attempting to trigger interest in establishing similar mechanism at the district levels, and provided knowledge to SPADU staff on aid management and the Pro-Poor Planning Budgeting Monitoring (P3BM) mechanism. In its last year of implementation, AGI facilitated the provincial government of Gorontalo to visit NTT to learn about SPADU and conducted a knowledge exchange workshop. Yet, in its implementation, AGI missed an opportunity to explore the possibility of facilitating the establishment of an aid effectiveness mechanism in Gorontalo province.

## **Sustainability**

*To what extent will the benefits of AGI continue after the end of the project implementation?*

### **Participatory instruments promoted by AGI**

89. The participatory instruments promoted by AGI through the establishment of PWGs, as well as the multi-stakeholder consultations to formulate the PDGs have not been sustained by the provincial governments. At the end of AGI project implementation, PWGs in both provinces were no longer active. PDGs produced by PWGs were also not utilized by the provincial governments of Gorontalo or NTT to promote international cooperation or coordinate external aid resources. In Gorontalo, despite the fact that the PWG coordinator in 2011 declared an interest to utilize the PWG as a think tank or bureau/institution in charge of international/external cooperation, by the time of the evaluation, the PWG was no longer active. Neither does the provincial government have an official plan to replicate or revitalize the PWG and its participatory mechanism, or adapt them into government institutions or mechanisms. In NTT, although it is expected that the PWG participatory mechanism would be taken over by SPADU, this has not taken place.

90. However, based on interviews with the SPADU coordinator, current and former staff, there is some interest in adapting some of the PWG mechanisms, particularly in developing something similar to the PDG, and to make sure it is in line with the government planning mechanisms. They saw this as potentially providing comprehensive information regarding the needs and priorities for the whole province, and envisioned that the document could be legalized by the government and acknowledged as complementary to other provincial planning documents (RPJMD, RKPD, Action Plan, etc). However, beyond AGI project implementation, there were no official plans or allocated budget from the provincial government to implement these activities.

### **Aid effectiveness mechanism**

91. Based on NTT Governor Regulation No. 4/2011, since March 2011, SPADU has functioned and played an important role in coordinating external aid resources in the province. The initiatives of AGI have helped to strengthen the roles of SPADU in NTT, potentially providing benefits beyond the life cycle of the project. The socialization of the establishment of SPADU to some districts in NTT has also resulted in some districts establishing the same mechanism. The technical trainings on improvement of performance in managing international partners and Pro-Poor Planning, Budgeting and Monitoring (P3BM) provided by AGI to SPADU have provided knowledge and skills for staff to coordinate better donor intervention in NTT, and resulted in the development of a database and mapping of budget allocation to accelerate the achievement of the MDGs. However, the sustainability of these initiatives faces challenges. By the time of the evaluation, the SPADU coordinator and most of the current SPADU staff were newly appointed, and most had not been involved in AGI project activities in NTT, including the socialization process of SPADU to the districts or the technical trainings provided by AGI. The transfer of knowledge on the initiatives of AGI and the benefits of SPADU to newly appointed staff was not sufficient, and hampers the sustainability of the benefits of socialization and trainings facilitated by AGI.

92. The facilitation of visits of the PWG members from Gorontalo to NTT inspired the PWG members to establish a similar mechanism to SPADU in Gorontalo. The workshop on aid effectiveness mechanisms, facilitated by AGI in July 2011, attended by national and local



government participants, recommended the establishment of an aid effectiveness mechanism at the provincial level to deal with international partners. However, by the time of the evaluation, the provincial government still did not have an official or clear plan to develop this mechanism in Gorontalo. Based on the Gorontalo Provincial Government Work Plan (RKPD) of 2012, there are no specific programmes planned to develop an aid effectiveness mechanism, or allocated funds for 2012. AGI did try to advocate for these interventions, but was not successful.

93. Through AGI NCC meetings and coordination at the national level, the SPADU mechanism attracted the attention of the national government to replicate such a mechanism in other provinces in Indonesia. The Directorate for Regional Autonomy of National Planning and Development Agency and the Centre of Administration for International Cooperation (AKLN) at MoHA have explored the idea of developing a policy to replicate the secretariat in other provinces in Indonesia. However, at the time of the evaluation, policy formulation on this initiative had not yet started. If such a policy at the national level is formulated, the benefit of AGI in terms of promoting aid effectiveness at the local level would be more sustainable.

### **South – South Cooperation and its benefits**

94. The Gorontalo provincial government does not have plans to continue the cooperation between Gorontalo and the Southern Province of Sri Lanka beyond AGI facilitation. The government also has no plans to develop SSC with other foreign countries. As explained previously, the provincial Government of Gorontalo feels that SSC between Gorontalo and the Southern Province of Sri Lanka benefited Sri Lanka more than Gorontalo. The cooperation in the health and education sectors, which was planned to provide opportunities for the Gorontalo government to learn about free health and education in Sri Lanka did not materialize as intended during AGI implementation.<sup>16</sup> Based on an interview with the Secretary of the Province of Gorontalo, the Government of Gorontalo still expects that AGI will continue its facilitation of cooperation between Gorontalo and Southern

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<sup>16</sup> According to the Decentralization Cluster Manager of DGU UNDP Indonesia, who is in charge of the AGI project, the missions to Sri Lanka and to Gorontalo covered these sectors, though they were not sufficient. To this end – government officials/delegates should have been more active in designing the mission itinerary and deciding how to follow up afterwards.

Province of Sri Lanka in the sectors of health, education and crop insurance. According to the Secretary, the provincial government has had other development priorities, and did not receive or budget sufficient funds to continue the cooperation without AGI's support.

95. One benefit of the cooperation that could potentially be sustained by the Government of Gorontalo is the knowledge gained about crop insurance. Through one knowledge-sharing mission between experts in Southern Province of Sri Lanka to Gorontalo, the relevant government stakeholders from Gorontalo gained general knowledge on crop insurance application in Southern Province of Sri Lanka. According to a member of the Gorontalo PWG who deals with economic issues, the Government of Gorontalo is interested in replicating crop insurance to provide incentives for corn farmers in Gorontalo to continue cultivating corn in the case of harvest failure. However, the Government of Gorontalo still needs to further study the feasibility of crop insurance within the local context. However, looking at the provincial government's RKPDP for 2012, there is no clear or official plan to conduct such a study. AGI did try to advocate for this, but was not successful. When asked by the evaluator, the PWG member who deals with economic issues said that the provincial government still expects that AGI will facilitate this study in collaboration with Universitas Gorontalo. Again, the lack of budget was cited as the main reason for the government to ask for AGI's continuing support on this regard.

96. In the case of NTT, AGI facilitated two missions for BAPPEDA representatives to travel to Southern Province of Sri Lanka to learn about the creation of jobs and local economic development. However, there were no clear benefits of this mission contributing to the next development plan or initiatives of the NTT provincial government. Similar to Gorontalo, the NTT provincial government also does not have plans to continue developing cooperation with the Southern Province of Sri Lanka.

97. On 26 January 2012, the Government of Indonesia and the Government of Democratic Socialist Republic of Sri Lanka held a Joint Commission Meeting led by the Ministers of Foreign Affairs of both countries to promote cooperation in several sectors. The coordinator of the PWG of Gorontalo was also invited by the Ministry of Foreign Affairs to provide inputs during the meeting, based on the experience of South-South Cooperation between Gorontalo and Southern Province of Sri Lanka. The meeting resulted in an agreement on the

target to achieve trade volume of as much as US \$ one billion by 2015. The Joint Commission also identified a number of sectors for potential collaboration, including agriculture (crude palm and tea), tourism, culture, education and technical cooperation. For 2012, Indonesia has planned training programmes for Sri Lanka on agro-industry, including fruits and vegetables as well as fisheries. The Joint Commission agreed to hold a business forum between Indonesia and Sri Lanka in Colombo in the second-half of 2012. In the Joint Commission meeting, the Ministers of Foreign Affairs of both countries signed two MoUs on cooperation in culture and diplomatic training for the ministries of both countries. The results of this meeting could potentially open the opportunity for the Government of Gorontalo to continue or even develop further cooperation with Southern Province of Sri Lanka. At the time of this evaluation, the Government of Gorontalo did not have any further information regarding the results of this meeting, and were not aware of the opportunities available to continue or develop further cooperation with Southern Province of Sri Lanka.<sup>17</sup>

98. The Grand Design of South-South Cooperation Indonesia 2011-2025 could also provide opportunities for Gorontalo to develop or sustain cooperation with Southern Province of Sri Lanka. Discussions regarding the appointment of Gorontalo as a pilot for SSC in this grand design have not been finalized, and no written commitment to this has been articulated in the government plan. The opportunities to sustain SSC between Gorontalo and Southern Province remain highly dependent on the intentions of the provincial government to sustain this cooperation in accordance with its own needs and priorities.

### **Cooperation with other international decentralized actors and their benefits**

99. The Gorontalo provincial government has no plans to continue cooperation with the international decentralized actors introduced by AGI, such as ACC10, ANAAO, and BICCOCA University. It also has no plan to develop cooperation with similar organizations in other countries. It appears that the facilitation of AGI on the implementation of training of ACC10

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<sup>17</sup> In the AGI Final Report it is written that: "In January 2012, the Ministry of Foreign Affairs facilitated establishment of an MoU between Gorontalo and Southern Province of Sri Lanka to cooperate in health and education sectors." After consultation with the Coordinator of PWG in Gorontalo and the news at <http://www.kemlu.go.id/Pages/News.aspx?IDP=5428&l=id> (Official website of Ministry of Foreign Affairs of RI), the information in AGI final report is not fully correct. In reality, in January 2012 the Ministry of Foreign Affairs of Indonesia and the Ministry of Foreign Affairs of Sri Lanka signed an MoU between Indonesia and Sri Lanka, not a specific MoU between Gorontalo and Southern Province of Sri Lanka. It appears that the Project Management's personnel who wrote the report did not get accurate information about this.

and ANAAO and cooperation between BICCOCA University and Universitas Gorontalo did not encourage the government to conduct or continue cooperation through its own initiative; the trainings were viewed as solely part of AGI and not government programmes and priorities.

100. The ACC10 training in Gorontalo was evaluated as useful for the relevant stakeholders in gaining knowledge on how to develop and promote small and medium enterprises (SMEs). However, the knowledge was not directly applied in the context of the Gorontalo government. Therefore, there was no follow up from this training to utilize or apply it. The ANAAO training in Gorontalo was also seen as very useful for individual doctors and nurses, who gained knowledge on how to better manage health services; again, however there was no follow up to the training by Health Department of the province.

101. Cooperation between BICCOCA University and Universitas Negeri Gorontalo (UNG) was also not sustainable. UNG did not have enough resources or capacity to facilitate the exchanged students to conduct their field research, and this joint research, which was planned in the MoU between the two universities, did therefore not take place. By the end of the student exchange programme, Universitas Negeri Gorontalo did not have plans to further continue or develop it.

102. The government officials involved in AGI agree that among all of the features of ART methodology, the most exceptional feature is the participatory mechanism in planning for international cooperation, as well as the promotion of decentralized international cooperation through facilitation of subnational actors (provinces) to develop international cooperation with other subnational actors in other countries. In the view of government officials, participatory planning is not really new in the context of Indonesia, as the formal process of government planning has officially adopted a bottom-up process of planning through Musrenbang. However, the promotion of decentralized international cooperation is considered as a new approach promoted by AGI

103. By the time of the evaluation, there were no indications that decentralized international cooperation had been officially mainstreamed into government policy making at the national level. As a result of AGI, it is clear that in order to facilitate decentralized

international cooperation, the Ministry of Home Affairs (Permendagri) No. 3/2008 on the Guidance to Conduct Cooperation between the Local Government with Foreign Parties (*Pedoman Pelaksanaan Kerjasama Pemerintah Daerah dengan Pihak Luar Negeri*) should be amended to promote decentralized international cooperation.

104. Nonetheless, the government officials involved in AGI showed interest in promoting decentralized international cooperation in the context of decentralization in Indonesia. The Deputy NPD told the evaluator that his department in BAPPENAS has recommended some revisions to Law No. 32/2004 on Regional Government, which is now under deliberation in the Parliament of Republic of Indonesia, to promote decentralized international cooperation by making amendments to make it easier for the provincial government to promote and develop international cooperation. If this recommendation was adopted, it would provide more favorable condition at the national level to sustain decentralized international cooperation as promoted by AGI.

105. At the subnational level, the establishment and functioning of SPADU did not incorporate the ART methodology in promoting decentralized international cooperation at the local level. The institution is designed only to coordinate cooperation between the local government and other international actors working in the province, but did not promote international cooperation or attract international partners to come to the province. In addition, SPADU does not adopt the participatory mechanism introduced by ART methodology. SPADU is, however, a good practice, but would benefit from strengthening its participatory aspects.

106. UNDP Indonesia does not mainstream ART methodology in its other programmes. The Country Programme Action Plan for 2011-2015 does not mention, implicitly and explicitly, the ART methodology or its suggested application in UNDP projects. Although UNDP Indonesia has no plans to mainstream ART methodology into UNDP programmes, it has been agreed that some of AGI's initiatives and results would be incorporated into UNDP Indonesia's Provincial Governance Strengthening Programme (PGSP).

## Impact

*What changes in human development are brought about by project implementation?*

107. With the limitations in achieving the desired project outputs, the impacts of AGI project were still felt at the national level and subnational level.

108. At the national level, AGI benefits people's well-being indirectly, at least, through creating awareness for the national institutions to learn and replicate good practices from AGI to provide better policy frameworks that would potentially benefit people.

109. Through its initiatives in promoting decentralized international cooperation, AGI has created awareness of the relevant national institutions (BAPPENAS and Ministry of Foreign Affairs) on the need to promote decentralized cooperation, including South-South Cooperation. AGI's initiatives in developing South-South Cooperation between Gorontalo and Sri Lanka, at least, have been acknowledged by the draft of National Blue Print for SSC as a new scheme for developing SSC where the subnational government could play an important role in initiating cooperation. In AGI's final report, it is mentioned that the government, through the Directorate for Multi-lateral Funding at BAPPENAS has shown interest in making Gorontalo the pilot province for implementation of the national programme on South-South Cooperation when the Grand Design and Blue Print are endorsed by national authorities. However, looking at the document of the Grand Design and Blue Print, there is no explicit or implicit promise or plan for making Gorontalo the pilot province.

110. Another impact of AGI at the national level has been the creation of awareness and lessons learned on aid effectiveness to realize the Jakarta Commitment and Paris Declaration in a more concrete and applicable form through the establishment of SPADU or similar mechanisms. Through the PWGs, AGI also provides lessons learned at the national level on the need and potential to strengthen the provincial government's role in promoting international cooperation and coordinating aid resources in a participatory way. The national institutions involved in NCC have explored the possibility of adopting and replicating good practices on aid at the provincial level (NTT) to other provinces in

Indonesia, through the development of national guidelines on aid effectiveness at the subnational level. However, by the time of this evaluation, there was still no follow up in developing the guidelines.

111. At the subnational level, most of the activities implemented by AGI had less of an impact on institutional capacity building, but were more effective in terms of individual capacity building. Regardless of the sustainability of the participatory instruments, for the government personnel who were involved in the PWGs, the participatory mechanism introduced and implemented by AGI improved their personal capacity to conduct consultations with people, identifying needs for development, and writing planning documents. The involvement of government personnel in international missions has introduced them to international cooperation and how to promote this within their own work, which has the potential to contribute in the longer term to promoting international cooperation.

112. Decentralized international cooperation promoted by AGI through the ACC10 and ANAAO training also primarily benefited the persons involved in the training. South-South Cooperation promoted by AGI has benefited the officials of the Government of Gorontalo mainly in obtaining knowledge on crop insurance in Southern Province, and has raised interest in adapting the same mechanism in Gorontalo. If this crop insurance was to be adopted by the provincial government, it would have had wider benefits and impact on the people in Gorontalo. With regard to the cooperation between BICCOCA University and Universitas Negeri Gorontalo (UNG) facilitated by AGI, the potential for developing similar agreements with other universities was strong, but in reality resulted in problems and had little impact on UNG in terms of exchanging knowledge and in developing their capacity to develop cooperation with other foreign universities.

113. At the subnational level, AGI brought direct benefits for the people through the Quick Impact Projects. The QIPs in Gorontalo were quite successful in benefitting communities through practical activities. The provision of computers and internet access and the establishment of the Information Technology Centre at the Gorontalo Provincial Library and Archive, was useful to community members as it provided free internet access, which is still on-going. The malaria reduction campaign in six villages in Pohuwato brought awareness to

the doctors, the head of public health and also staff at the Health Department of Pohuwato District, as the training on identification of malaria disease provided them with practical knowledge. For the people, the dissemination of mosquito nets and socialization on how to prevent the disease was direct. The construction of two classrooms in a primary school in Buntulia Selatan in District Pohuwato also improved the capacity of the school to accommodate children to study in the school. The two classrooms are still in use at the present.

114. In NTT, the training on the identification of leprosy symptoms in the District of Flores Timur resulted in the improvement of individual knowledge and skills of village nurses involved in the training to minimize wider transmission. The implementation of the seaweed cultivation training in Sabu Raijua introduced seaweed farmers on a new method of cultivating seaweed to produce better quality seaweed. However, from the field observation during the evaluation process, the farmers no longer used the new technique introduced by AGI, as the equipment has been broken due to huge tides of the sea. The technique and tools introduced by the training were therefore not sustainable.

115. The QIP in Tesiyofanu Village in District of TTS in NTT was not so successful in bringing benefits for the people. There were three QIP activities in this village: 1) the training and cultivation of vegetables and plantation of trees; 2) the making of fish ponds; and 3) the construction of bio-gas facilities. The cultivation of vegetables and plantation of trees was successful in quickly generating income for the people and reforestation in the long-term. However, in the case of the fish ponds, from three fish ponds planned, only one was actually constructed. All of the construction of three biogas facilities in Tesiyofanu Village failed; the biogas facilities did not function at all, so the people did not benefit from the QIP activity.

## **7. Lessons Learned**

116. The implementation of AGI project has provided important lessons learned, as follows:

1. To achieve better outputs, strategic projects like AGI should have strong internalization. This internalization would create more ownership from the government that would



contribute to the sustainability of the initiatives or benefits. Instead of creating new bodies or institutions, and running them outside of existing government bodies or SKPDs, it would be better if the project adapts and incorporates these initiatives into existing government institution that have similar function. For example, in Gorontalo, the PWG and participatory mechanism promoted by AGI could have been adapted and incorporated into a BAPPEDA section whose function is to coordinate cooperation. In NTT, it would have been better if from the beginning AGI had provided direct support to the already established SEKBER, implementing the PWG and participatory mechanism within SEKBER, so when SEKBER was transformed into SPADU the participatory mechanism could be also continued by SPADU. In addition, the participatory mechanism of developing the PDGs should be incorporated into the loop of the Musrenbang process. Through the adaptation and incorporation of the PWG participatory mechanism into the already existing government institutions and planning mechanisms, there would be a stronger opportunity for the PDGs produced by the PWGs to be officially owned and utilized by the existing government institution.

2. AGI should also have designed its initiatives to develop a regulatory framework that will equip the government with the procedure or methodology to continue, replicate or develop good practices promoted by the project beyond its presence. For example, in AGI , some initiatives could have been directed towards advocating and assisting the government in formulating a regulatory framework (in the form of a governor decree or regulation) for adapting, replicating or developing PWG like mechanisms into government existing institutions and/or mechanisms.

3. Any projects which bring “international” methodology to be applied nationally or locally should be more flexible and adaptive to the national or local context. In AGI, as explained previously, the PWG and participatory mechanism should be adapted and incorporated into existing local government institution and mechanism. The initiatives also should consider local bureaucratic practices. The PDGs produced by the PWGs, from the beginning, should not be designed to be utilized only within AGI’s owned framework, including sending the government officials to international ART events to promote PDGs to ART international partners with expectations about the commitment of international cooperation by ART international partners. From the beginning, the PDGs should be designed to be utilized

generally to promote decentralized cooperation through any existing government mechanism, for example through annual donor coordination meetings, international development exhibitions, and aid effectiveness mechanisms such as SPADU.

4. Any projects that bring “a breakthrough” in methodology, like AGI, should also include initiatives to elaborate further whether “the breakthrough” is sustainable beyond the project implementation, compare “the breakthrough” and existing mechanisms, and provide recommendation in what ways “the breakthrough” would be sustainable. AGI’s initiatives in promoting SSC between Gorontalo and Southern Province of Sri Lanka could be considered a “breakthrough” in facilitating decentralized South-South Cooperation, as it is beyond the existing government regulation. The project should provide further studies on the sustainability of this SSC, compare the weaknesses and strengths between the existing government regulations and AGI’s promoted mechanism, and recommend adjustments that may be needed on the government regulations to sustain this SSC.

5. Future projects should also create strategic partnerships that avoid high dependency of the beneficiaries on the project. The strategic partnership should be implemented through concrete harmonization and synchronization of project objectives with government strategic planning, as well as the project’s annual work plan with the government’s annual development planning documents. In the AGI project, there was no harmonization or synchronization between AGI’s annual work plan and budget with the government annual planning documents and budget. Many initiatives were facilitated solely by AGI. This created very high dependency of the provincial government on AGI. By the end of the AGI project, many of the initiatives of the project were not sustained by the government, and there remained high expectations that AGI would continue supporting the government in these initiatives.

6. The use of international experts in any project at national and local levels should consider the budget of the project, expertise or skills that can be utilized optimally from the experts, and, last but not least, their knowledge on national and local context. AGI hired international experts, which was very costly, and they came with limited knowledge on the local mechanisms and regulations, so AGI initiatives were not adapted into the local government mechanisms and regulations.

7. UNDP and the government counterpart should immediately provide solutions on the fund channeling mechanism from the national government to provincial government under National Implementation Modality. Based on AGI's experience, this fund channeling problem hampered the project in implementing most of its activities in a timely manner. For the government counterparts at the local level, this problem also created confusion and frustration.

## **8. Recommendations**

117. The following recommendations are strategic as well as practical recommendations for sustaining the benefits of the AGI project beyond the project life. As the merger of AGI project into PGSP has been agreed by National Coordination Committee (NCC) on 9 December 2011, PGSP will be responsible for implementing these recommendations. However, it should be noted that to be financially efficient, the activities recommended should be conducted in real cost-sharing of activities with government counterparts.

A. At the national level:

1. UNDP should formulate a policy paper for the government to promote decentralized international cooperation within the context of strengthening the roles of the provincial government in decentralization in Indonesia.

A model provided at the national level by AGI is decentralized international cooperation which facilitates the provincial government to develop cooperation with other subnational entities in other countries. However, this model is not yet tested or proven sustainable. UNDP should provide support to conduct further studies on the weaknesses and strengths of new methods of decentralized international cooperation, including SSC, promoted by AGI, compared with the methods provided by existing government regulations, and provide recommendations to create better methods of decentralized cooperation in Indonesia, including recommendation for possible revisions or adjustments of the current regulatory framework when needed. This study should also take into account the Grand Design of South-South Cooperation Indonesia 2011-2025 and the Blue Print for South-South Cooperation 2011-2014 prepared by the government, as well as the revision of the national

regulatory framework on regional autonomy, which is currently under discussion in the parliament. Strategically, the study on this issue could be directed to provide a policy paper to the government to promote decentralized international cooperation within the context of strengthening the roles of the provincial government in decentralization in Indonesia.

2. UNDP should formulate a policy paper to promote the establishment of aid effectiveness mechanisms at all governmental levels (national, provincial and district).

A model of an aid effectiveness mechanism at the subnational level is SPADU. However, SPADU still has some limitations to be an ideal model. UNDP should provide support to conduct further studies on more comprehensive aid effectiveness mechanisms at the national level, provincial level, and district/municipality level; the strength and weaknesses of the national aid effectiveness mechanism, SPADU and other possible aid effectiveness mechanisms applied at the local level (for example, the Bureau of Cooperation under the Regional Secretariat Office at provincial level and Division of Cooperation under Regional Secretariat Officer at district level<sup>18</sup>); and recommend the ideal models for aid effectiveness mechanism at national, provincial as well as district/municipality levels and ideal ways or patterns of interactions among these mechanisms. The ideal models should ensure that the promotion and/or coordination of international cooperation will be conducted through a participatory mechanism. The ideal models should be able to promote real and concrete harmonization between the programmes or initiatives of external aid resources and the work plan of the national and local governments. Strategically, the study could provide a policy paper to the national government to promote the establishment of ideal aid effectiveness mechanisms at all governmental levels (national, provincial and district).

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<sup>18</sup> The Head of Centre of Administration of International Cooperation of MoHA strongly advocates the establishment of a Bureau of Cooperation under the Regional Secretariat Office at provincial level and Division of Cooperation under Regional Secretariat Office at the district level, under the consideration that PWGs and PDGs can only function under a specific Bureau/Division that handles only national/international cooperation. According to him, the PWG is not effective under BAPPEDA, because BAPPEDA itself is already a coordinating agency, and it cannot create another coordinating agency under its umbrella. Some provinces already adopted this idea by forming Bureau of Cooperation namely, East Java, West Java, North Sumatera, South Sulawesi and West Nusa Tenggara. At district levels, TTS is an example of the districts which has established Division of Cooperation under Regional Secretariat Office of TTS.

3. UNDP should provide support directly to the government institutions interested in developing policies that would promote decentralized international cooperation and/or promote the establishment of aid effectiveness mechanisms at the provincial level.

In an AGI's annual report, it is implied that the Directorate for Regional Autonomy of the National Planning and Development Agency, and the Centre of Administration for International Cooperation (AKLN) at MoHA was interested in the idea of developing a policy to promote the establishment of aid effectiveness mechanism in other provinces in Indonesia. UNDP should advocate the follow up of this idea and provide direct support to develop such a policy. However, this would be stronger if conducted concomitantly with the activities recommended in point two of this recommendation, as this could open opportunities to develop an ideal model of aid effectiveness mechanism at the provincial level.

At the provincial level:

1. In Gorontalo, UNDP should hold a meeting with the newly elected provincial government officials to inform them about the initiatives and benefits of AGI implementation and explore opportunities to sustain the benefits of AGI using government resources.

Some provincial government officials in Gorontalo are newly elected or assigned. The Governor of the province, Ruslie Habibie, and its Vice Governor are newly elected. The Head of BAPPEDA of Gorontalo, Sudirman, is also newly assigned. These key officials are not well informed about what AGI has done in Gorontalo and what benefits AGI brings to the province. UNDP's core staff need to hold a meeting with these key persons to inform about them of AGI and its benefits. Without triggering the expectation that UNDP would continue all of AGI's initiatives, UNDP's key officers could explore the new government official's interest and commitment in continuing the initiatives and benefits of AGI with their own resources, and inform them about the opportunities to sustain the benefits of AGI through existing government documents (for example the agreement between Indonesia and Sri Lanka in January 2012 and draft Grand Design of Indonesia's SSC).

2. In Gorontalo, UNDP should continue advocating the importance of the province to establish an aid effectiveness mechanism and, further, providing strategic support for establishing and strengthening such mechanisms.

In Gorontalo, UNDP should continue advocating the importance of the province to establish an aid effectiveness mechanism, like SPADU in NTT. Once the government's official commitment to establish the mechanism is gained, UNDP should provide strategic support in facilitating the establishment of the mechanism, for example, through providing assistance in drafting a decree or regulation, conducting consultative meetings on the draft, and ensuring that participatory instruments promoted by the PWG mechanism, multi-stakeholder meetings, PDG development are included in the regulation. Once the mechanism is established, UNDP could also strengthen the mechanism through providing training on aid management, proposal writings, etc.

3. In NTT, UNDP should advocate and support SPADU to adopt and utilize the participatory mechanism, as promoted previously by AGI, in coordinating international aid resources.

In NTT, UNDP should advocate and support the adaption and incorporation of the PWG into SPADU and its participatory mechanism in developing PDGs. Currently, such participatory mechanisms, as well as the PDGs, are not utilized by SPADU. However, based on the interviews with the SPADU coordinator, staff and former staff, there is continued interest in adapting the PWG like mechanism, particularly for developing a PDG-like document. PDGs will be utilized by SPADU as a basis for coordinating international aid as long as: 1) the mechanism to produce the PDGs is in line with the government planning mechanism; 2) PDGs describe comprehensive needs and priorities for the whole of NTT province; and 3) the document is legalized by the government and acknowledged as complementary to provincial government planning documents (RPJMD, RKPD, Action Plan, etc.).

4. In NTT, UNDP should strengthen the role of SPADU to facilitate the establishment of aid effectiveness mechanisms at sub-district level, by for example, providing support to SPADU to facilitate the establishment of SPADU-like mechanism at Sabu Raijua district.

In NTT, UNDP should support NTT SPADU to facilitate the establishment of aid effectiveness mechanism at the sub-district level. Based on interviews with the Vice Bupati and a former BAPPEDA official of Sabu Raijua, the government is interested in establishing SPADU-like mechanism. Some meetings have been arranged with BAPPEDA to initiate the establishment. UNDP should not support this district's initiatives directly; instead, UNDP should support NTT SPADU to play the role of facilitating the establishment of Sabu Raijua SPADU-like mechanism. NTT SPADU with the support of UNDP could provide assistance in drafting the regulation, conducting multi-stakeholder consultative meetings prior to the establishment of Sabu Raijua SPADU-like mechanism, as well as training once the mechanism is established. Through this strategy, UNDP would not only contribute to the establishment of Sabu Raijua SPADU, but also to the building of capacity of the NTT SPADU in facilitating the establishment of aid effectiveness mechanism at the district level as well as building close relations and networks between aid effectiveness mechanisms at the provincial level and the district level.

## Annex 1. List of Informants Interviewed

Name	Position	Organization
<b><u>Government of Indonesia (national)</u></b>		
Antonius Tarigan	Deputy NPD	BAPPENAS
Beni Pakpahan	Head of Sub-Division of Region of Economy, Industry and Free trade, Ditjen PUM	Ministry of Home Affairs
Basilio Araujo	Head of Department of Cooperation with International Monetary Organizations and International Organizations, Centre of Administration for Foreign Cooperation	Ministry of Home Affairs
Amirullah	Head of Section at the Sub-Division of Region of Economy, Industry and Free Trade, Ditjen PUM	Ministry of Home Affairs
<b><u>UNDP and Project Team</u></b>		
Irman G. Lanti	Head of DGU	UNDP Indonesia
Angger Wibowo	Head of PMEU	UNDP Indonesia
Budiarti Prasetiamartati	Programme Manager, Decentralization Cluster, DGU	UNDP Indonesia
Zeina Morgabhel Valles	Former Chief Technical Advisor of AGI	UNDP Indonesia
Yesua Pellokillla	Former AGI National Coordinator	UNDP Indonesia
Mellyana Frederika	Project Manager, PGSP; former Liaison Officer of AGI	UNDP Indonesia
Yunior Rumanige	Administration Staff, AGI, Jakarta	UNDP Indonesia
Syamsir Kyai Djafar	Development Officer, AGI, Gorontalo	UNDP Indonesia
Timothy Nugroho Adi	Former Developmet Officer of AGI, NTT	UNDP Indonesia
<b><u>Local Government - Gorontalo</u></b>		
Winarni Monoarfa	Regional Secretary	Gorontalo Provincial Government
Sudirman	Head	BAPPEDA Gorontalo
Aryanto Hussain	Head of Economic Division	BAPPEDA Gorontalo
Desi Rahmayanti	Staff	BAPPEDA Gorontalo



M. Ridwan Nadjamuddin	Head of Section of Food Availability	Department of Agriculture, Gorontalo
Andi Taweng	IT Staff	Library and Archive Centre of Gorontalo
Sagita Wartabone	Head of Sub-Division of Economic Infrastructure	Bureau of economic development controlling, Gorontalo
Azis Salam	Lecturer	Universitas Negeri Gorontalo
Sabrun	Secretary	Department of Health, Pohuwato
Rizal Mohune	Head of Sub-Division of General and Human Resources Planning	Department of Health, Pohuwato
Fidi Mustofa	Staff	Department of Health, Pohuwato
Irwan	Staff	Department of Health, Gorontalo
<b><u>Local Government – NTT</u></b>		
Marius Jelamu	Head of Economic Division	BAPPEDA NTT
Heri Balo	Former Staff of SPADU	BAPPEDA NTT
Eduardus Manek	Coordinator of SPADU	BAPPEDA NTT
Dewi Suryandari	Coordinator of multilateral, SPADU	BAPPEDA NTT
Sherley Wilahuki	Functional Staff	BAPPEDA, NTT
Tere D' Carvalho	Staff, SPADU	BAPPEDA NTT
John Asbanu	Head of Social and Culture division	BAPPEDA TTS
Eferdetan	Head of Sub-Division	BAPPEDA TTS
Neltji H. Ati	Head of Sub-Division	BAPPEDA TTS
Timotius Riwu	Staff	BAPPEDA TTS
Jitro Lumoka	Head of Section	Department of Agriculture, TTS
Welhelmus Nabunome	Head of Section	Department of Fisheries, TTS
Elisama MS Boru	Head	Department of Livestock
Purwa	Staff	Department of Livestock
Sustenis Sesfao	Head of Sub-Division	Division of Cooperation and Investment, TTS
Nikodemus N. Rihi Heke	Vice Bupati (Vice Head of District)	Sabu Raijua District Government
Dominggus W. Hae	Head	Department of Fisheries, Sabu Raijua
Titus B. Duri	Secretary	Department of Fisheries, Sabu Raijua

Mancy Korei	Head	Department of Agriculture
Winston Rondo	Head	CIS Timor, NTT
<b>Community members of Sabu Raijua</b>		

## Annex 2. Evaluation Matrix based on Criteria & Evaluation Matrix based on Purposes

### Evaluation matrix based on criteria

No	Evaluation Criteria	Indicators	Key questions	Sub-questions	Data Sources	Data Collection Methods
1	Effectiveness	Extent to which outputs have been achieved; extent to which the achievement can be attributed to project activities	To what extent has the project achieved its intended outputs? To what extent the achievement can be attributed to project implementation?	To what extent the project has contributed to the utilization by the local government of participatory instruments to enhance their roles as facilitators and promoters of regional development, open to international cooperation? To what extent the project has contributed at the national level/government to the provision of tested models for reinforcing the roles of the Provinces as promoters and facilitators of inclusive and balanced regional development?	Project reports; internal monitoring reports; stakeholders' views	Document review; key informant interviews (KII) with stakeholders; direct observation

				<p>To what extent the project has contributed to the improved capacity of the provinces and national institutions in coordinating external aid resources in line with strategic regional planning; and Indonesia experiences are linked to international decentralized cooperation networks, hence internationalizing Indonesia's efforts in decentralization and local development</p> <p>What factors in the project activities (implementation) have contributed to achieving or not achieving intended results?</p>		
2	Efficiency	Extent to which resources have been used wisely to achieve the intended results; extent to which partnership strategy has leveraged other resources or initiatives that have contributed to project's intended outcomes	How efficient were resources converted into results?	<p>Was project funding well spent?</p> <p>Was expertise well used?</p> <p>Was time well used?</p> <p>To what extent partnership strategy has leveraged other resources or initiatives that have contributed to project's intended outcomes?</p>	Project reports; internal monitoring reports; stakeholders' views	Document review; KII with stakeholders, especially key officers of AGI, donors and/or partner government agencies; direct observation

3	Relevance	Extent to which intended outputs or outcomes are consistent with national and local policies and priorities and the needs of intended beneficiaries; he extent to which AGI project was able to respond to changing and emerging development priorities and needs in a responsive manner.	To what extent the AGI project design and implementation are consistent with national and local policies and priorities and the needs of intended beneficiaries?	To what extent AGI project design and implementation are consistent with the GoI policies of participatory development planning?	Project reports; internal monitoring reports; stakeholders' views; reports and information on other government policies and priorities related to AGI's design	Document review; KII with stakeholders; interviews with partner agencies; direct observation
				To what extent AGI's design and implementation consistent with aid effectiveness and south-south cooperation promoted by GoI?		
				To what extent AGI's design and implementation consistent with decentralization policy of GoI?		
				How AGI project adapt with changing and emerging development priorities and needs?		
4	Appropriateness	Cultural acceptance as well as feasibility of the activities or method of delivery of a development initiative; extent to which the planning, design and implementation of initiatives has taken local context into account	How feasible was project design and implementation? To what extent was the project adapted to local conditions?	To what extent AGI's design and implementation was accepted by local government?	Project document; Project reports; internal monitoring reports; stakeholders' views	Document review; KII with stakeholders; direct observation
				To what extent was AGI's design and implementation adapted to local conditions?		
5	Sustainability	The extent to which the benefits of AGI continue after the end of the project	To what extent the benefits of AGI continue beyond external development	To what extent participatory instruments promoted by AGI will be utilized by national/subnational government?	Stakeholders' views; Government laws and policies; capacity	Document reviews; KII with stakeholders, especially partner government agencies

		implementation; The extent to which relevant conditions at the national/subnational level are present to maintain, manage and ensure the benefit of AGI in future;	assistance?	To what extent decentralized cooperation facilitated by AGI will be continued by national/subnational government? What relevant conditions at the national/subnational level are present to maintain, manage and ensure the benefit of AGI in the future?	assessments	
6	Impact	Extent to which project has delivered benefits to people's wellbeing, directly or indirectly, or as an intended or unintended consequence of project activities	What changes in human development that are brought about by project implementation?	To what extent the international decentralized cooperation promoted by AGI has contributed to an increased knowledge and capacity of intended beneficiaries? To what extent the internationalized decentralized cooperation (including South-South cooperation) promoted by AGI has contributed to exchanging experiences and achieving concrete results in both territories?	Project reports; internal monitoring reports; stakeholders' views	Document review; KII with stakeholders; direct observation

### Evaluation matrix based on purposes

No	Evaluation Purposes	Indicators	Key Questions (based on evaluation purposes)	Specific Sub-Questions	Data Sources	Data Collection Methods
1	To assess to what extent the project has contributed to the improved capacity of provincial government to use participatory instruments to enhance their roles as facilitators and promoters of regional development, open to international cooperation	The connection between PWG mechanism and multi-stake holders mechanisme promoted by AGI and the formal development planning process	To what extent the project has contributed to the improved capacity of provincial government to use participatory instruments to enhance their roles as facilitators and promoters of regional development, open to international cooperation? (Note: Participatory instruments in AGI was promoted through the establishment of PWG and a series of multi-stakeholders consultation meeting in developing Provincial Development Guidelines (PDG) as a basis to prioritise development, support (QIP) and	What is the connection or link between the participatory mechanism promoted by AGI (PWG and multi-stakeholders meeting to develop PDG) and the formal/government process of participatory development planning, like Musrenbang? Are they running parallelly without any relations? Or supportive to each other?	Project document, project reports, stakeholders views, direct observation	Document review, KII with stakeholders; Direct Observation
		The acknowledgment of provincial government on the important lessons or benefit of the use of PWG and multi-stakeholders consultation in promoting local development and international cooperation		Does the Provincial Government think that the AGI activities in promoting participatory mechanism promoted by AGI provide meaningful lessons for the government to improve its role in promoting local development and international cooperation? Why?		

		<p>"Knowledge on how to" conduct participatory mechanism equipped by AGI to provincial government</p>	<p>promotion of international cooperation)</p>	<p>Based on AGI's experience and activities in promoting participatory mechanism, is the Provincial Government equipped with the procedure/methodology/knowledge on how to continue/replicate/develop the participatory mechanism promoted by AGI (especially without the presence of AGI)?</p>		
<p>The participatory instruments or aspects included in SPADU (in NTT case)</p>	<p>With regard to the integration or taking over of PWG role into SPADU in NTT Province, how is the implementation of the participatory mechanism in SPADU di NTT?</p>					
<p>The contribution of capacity building training done by AGI to SPADU in implementing participatory instruments (NTT case)</p>	<p>What is the contribution of the capacity building training facilitated by AGI to the implementation of participatory instruments/mechanism?</p>					



		<p>The government's plan to continue/develop PWG and multistakeholders consultation mechanism, including the forms of its continuation and/or development (if any); and the government's confidence to apply the plan.</p>		<p>Does the Provincial Government of Gorontalo have a plan to continue or develop the participatory mechanism promoted by AGI? If yes, why, how and in what form? (explore any willingness or enthusiastic to establish a kind of SPADU as done in NTT). How confidence is the government to be able to continue or develop participatory mechanism?</p>		
		<p>The financial commitment of the provincial government to fund the participatory instruments</p>		<p>Does the Provincial government have financial commitment to continue or develop the participatory instrument promoted by AGI?</p>		
		<p>The supports still needed to increase capacity to use participatory instruments</p>		<p>If the Provincial Government still need assistance in improving capacity, what kind of supports needed? (non-financial and material supports)</p>		

2	To assess to what extent ART methodology is mainstreamed into policy making and within other UNDP programmes;	The government understanding on ART methodology	To what extent ART methodology is mainstreamed into policy making and within other UNDP programmes?	What are the government (national and provincial) understandings on ART methodology? (explore 4 components in ART methodology: consultative process in developing development program, aid effectiveness, decentralized cooperation and local economic development)	National and provincial government laws or documents; stakeholders views, direct observation	Document review, KII with stakeholders; Direct Observation
		The newness aspects of ART methodology in Indonesia		Was the substances of ART methodology ever applied by the government of Indonesia before AGI is implemented? For Indonesia, is there a newness in ART methodology? Explain?		
		The efforts to put ART Methodology into national policy framework		Are there some initiatives to incorporate ART methodology into national policy framework? (e.g.: ministerial regulations, government regulation, RPJM, etc)? Explain, why?		

		The link between identification of cooperation between Gorontalo and Southern Sri Lanka as piloy project for South-South Cooperation; and the mainstreaming ART methodology in policy making		To what extent the incorporation of Gorontalo - Southern Srilanka cooperation as pilot of South-South cooperation in RKP 2012 link to the mainstreaming of ART methodology in policy making ?		
		The link between SPADU and the mainstreaming ART methodology in policy making		To what extent the establishment and capacity building of SPADU in NTT which is facilitated by AGI reflects the mainstreaming of ART methodology in policy making?		
		The use of ART methodology in other UNDP programmes		Are there any other UNDP projects utilize ART methodology? (4 components)		
		The willingness and strategy (if any) to mainstream ART methodology in UNDP programmes		In the future, will be there any efforts to mainstream ART methodology ART in other UNDP programmes (primarily the component of aid effectiveness and decentralized cooperation)? What is the strategy to do so?		
3	To identify good practices and lessons learned in the area of linking	The success of AGI on aid effectiveness	What are good practices and lessons learned in the area of linking the aid effectiveness process at	What are the examples of the success of AGI in aid effectiveness at the national and/or subnational level ?	Project reports; stakeholder's views; direct observation;	Document review, KII with stakeholders; Direct

the aid effectiveness process at national and local level and the role the subnational level could play in Indonesia;	The factors leading to the success	national and local level and the role the subnational level could play in Indonesia?	What factors lead to the sample of the success of aid effectiveness promoted by AGI?	government documents	Observation
	The good practices of the role of national and subnational and interaction between them to achieve aid effectiveness		Does AGI experience provide good practices of the role of government at the provincial and national level and interactions between them in aid effectiveness? Based on the success experience of AGI, what is the role of the province to achieve aid effectiveness? What is the role of the province with regard to the coordination with district level? What is the role of national institution to achieve aid effectiveness? What is the pattern of interaction between provincial level and national to achieve aid effectiveness?		
	The lessons learned on aid effectiveness with regards to the role of national and subnational as well as the interaction between them		Learning from AGI experience, what are the obstacles/challenges faced to make aid effectiveness at local level (primarily with regard to the role and interaction between national and subnational level)? How to solve the obstacles/challenges? What should be done and what should not be done?		

4	To assess the South-South cooperation and its effectiveness in exchanging experiences and achieving concrete results in both territories;	The background of the SSC facilitated by AGI and whether the planned goal has been achieved.	How effective is the South-South cooperation promoted by AGI in exchanging experiences and achieving concrete results in both territories?	With regard to the SSC developed between Gorontalo and Southern Srilanka, what are the background or objectives of the cooperation at the side of Gorontalo government? With the cooperation, are the objectives purpose achieved?	Project reports; stakeholder's views; direct observation; government documents	Document review, KII with stakeholders; Direct Observation
		The benefit of cooperation on exchanging experience		What is the benefit in exchanging experiences gained by Gorontalo government in cooperation with Southern Sri Lanka?		
		The concrete results achieved by Gorontalo Provincial Government		What are the concrete results of the cooperation achieved by Gorontalo and Southern Sri Lanka ?		
		The obstacles/challenges of SSC and how to handle them		What are obstacles/challenges faced in the cooperation between Gorontalo and Sri Lanka? How to handle them?		
		The plan to develop the SSC in the future without support of UNDP and the reasons behind the plan		What is the continuation or development of SSC (with Sri Lanka or other South country in the future (without supports of UNDP)? What factors lead to the continuation or development?		

5	To identify good practices and lessons learned in the area of project implementation modality;	The good practices of NIM as modality	What are good practices and lessons learned in the area of project implementation modality?	What is considered as good things/benefit/experience of using NIM in implementing AGI? To what extent NIM implementation contribute to the effectiveness of AGI and efficiency of AGI?		Document review, KII with stakeholders; Direct Observation
		The obstacles/challenges using NIM as modality		What are obstacles/challenges faced in using NIM for implementing AGI? How to solve the obstacles/challenges? What should be done and what should not be done in using NIM to achieve effectiveness?		
6	To assess to what extent the international decentralized cooperation has contributed to an increased knowledge and capacity of intended beneficiaries;	The benefit achieved through international decentralized cooperation on an increased knowledge and capacity of intended beneficiaries	To what extent the international decentralized cooperation has contributed to an increased knowledge and capacity of intended beneficiaries?	What is the benefit of decentralized international cooperation facilitated by AGI (Gorontalo-Southern Sri Lanka, training by ACC10, training by ANAAO, and BICCOCA-Universitas Gorontalo agreement) on the increased knowledge and capacity of government and/or non-government actors involved?	Project reports; stakeholder's views; direct observation	Document review, KII with stakeholders; Direct Observation

7	To assess the sustainability of cooperation and partnerships with international decentralized actors;	The continuation of existing cooperation and partnerships with international decentralized actors	What is the sustainability of cooperation and partnerships with international decentralized actors that has been promoted by AGI?	Without UNDP support, will the government or non-government actors continue the cooperation and partnerships with international decentralized actors facilitated by AGI (Gorontalo-Southern Sri Lanka, training by ACC10, training by ANAAO, and BICCOCA-Universitas Gorontalo agreement)? In what forms? Why?	Document review, KII with stakeholders; Direct Observation
		The plan of the provincial government to develop other cooperations and partnerships with international decentralized actors, and how to do so.		Is there any plan of national/provincial government or non-government actors to develop cooperation and partnerships with other international decentralized actors ? What is the strategy?	
		The factors leading to sustainability and AGI project contributions to the factors,		What conditions/factors will support the sustainability of cooperation and partnerhips with international decentralized actors? What the contribution of AGI project to creating such conditions/factors?	

		The supports might be needed to continue or develop cooperation and partnerships with international decentralized actors		What kind of supports (non-financial or material) needed to continue or develop cooperation and partnerships with international decentralized actors (subnational or non-government actors from other countries) ?		
8	To gain insights into the level of client satisfaction with the project. The clients include community and CSO beneficiaries; subnational and national government partners;	The satisfaction of provincial government to thr project in achieving output 1	What are the level of client satisfaction with the project? (The clients include community and CSO beneficiaries; subnational and national government partners)	According to provincial government, has AGI project contributed to the utilization of participatory instruments to fulfill their roles as facilitators, promoters and monitors of regional strategic development, open to international opportunities (output 1) (note: this question is very much related to the point 1 of the purpose of evaluation)? What is the level of satisfaction on the component activities to achieve the output?	Project reports; stakeholders' views; direct observation	Document review, KII with stakeholders; Direct Observation



		<p>The satisfaction of national government to the project in achieving output 2</p>		<p>According to relevant national institutions, has AGI project contributed to provide tested models for reinforcing the role of Provinces as promoters and facilitators of inclusive and balanced regional development, including promoting decentralized international cooperation (output 2)? What is the level of satisfaction on the component activities to achieve the output?</p>		
		<p>The satisfaction of national government to the project in achieving output 3</p>		<p>According to relevant national institutions, has AGI project contributed to reinforcement of the provinces and national institutions in the capacity of coordinating external aid resources? And the Indonesian experiences as linked to internationalized decentralized cooperation networks, hence internationalizing Indonesia's efforts in decentralization and local development (output 3)? What is the level of satisfaction on the component activities to achieve the output?</p>		

		The satisfaction of non-government partners to improved capacity or knowledge of non-government partners		According to non-government partners involved in AGI activities, has AGI contributed to the increased knowledge and capacity for them? What is the level satisfaction on the activities?		
		The obstacles faced by AGI in implementing its activities		What are the main obstacles/challenges of AGI in achieving output optimally? For future recommendation, how to handle the obstacles/challenges?		
9	To provide recommendations for sustaining the benefits of the project and strategic issues and initiatives for strengthening PGSP.	N/A	What are the recommendations for sustaining the benefits of the project and strategic issues and initiatives for strengthening PGSP.	N/A		Data analysis of evaluation purposes point 1-point 8

**Annex 3. Combination between key questions in the matrix based on criteria and the key questions in the matrix based on purposes**

No	Evaluation Criteria	Indicators	Key questions	Sub-questions	Incorporated key-questions from detailed evaluation purposes
1	Effectiveness	Extent to which outputs have been achieved; extent to which the achievement can be attributed to project activities	To what extent has the project achieved its intended outputs? To what extent the achievement can be attributed to project implementation?	To what extent the project has contributed to the utilization by the local government of participatory instruments to enhance their roles as facilitators and promoters of regional development, open to international cooperation?	To what extent the project has contributed to the improved capacity of provincial government to use participatory instruments to enhance their roles as facilitators and promoters of regional development, open to international cooperation?
				To what extent the project has contributed at the national level/government to the provision of tested models for reinforcing the roles of the Provinces as promoters and facilitators of inclusive and balanced regional development?	What are good practices and lessons learned in the area of linking the aid effectiveness process at national and local level and the role the subnational level could play in Indonesia?

				<p>To what extent the project has contributed to the improved capacity of the provinces and national institutions in coordinating external aid resources in line with strategic regional planning; and Indonesia experiences are linked to international decentralized cooperation networks, hence internationalizing Indonesia's efforts in decentralization and local development</p>	
				<p>What factors in the project activities (implementation) have contributed to achieving or not achieving intended results?</p>	<p>What are the level of client satisfaction with the project?</p>
2	Efficiency	Extent to which resources have been used wisely to achieve the intended results; extent to which partnership strategy has leveraged other resources or initiatives that have contributed to project's intended outcomes	How efficient were resources converted into results?	<p>Was project funding well spent?</p> <p>Was expertise well used?</p> <p>Was time well used?</p> <p>To what extent partnership strategy has leveraged other resources or initiatives that have contributed to project's intended outcomes?</p>	<p>What are the level of client satisfaction with the project?</p>

3	Relevance	Extent to which intended outputs or outcomes are consistent with national and local policies and priorities and the needs of intended beneficiaries; he extent to which AGI project was able to respond to changing and emerging development priorities and needs in a responsive manner.	To what extent the AGI project design and implementation are consistent with national and local policies and priorities and the needs of intended beneficiaries?	To what extent AGI project design and implementation are consistent with the GoI policies of participatory development planning?	
				To what extent AGI's design and implementation consistent with aid effectiveness and south-south cooperation promoted by GoI?	
				To what extent AGI's design and implementation consistent with decentralization policy of GoI?	
				How AGI project adapt with changing and emerging development priorities and needs?	
4	Appropriateness	Cultural acceptance as well as feasibility of the activities or method of delivery of a development initiative; extent to which the planning, design and implementation of initiatives has taken local context into account	How feasible was project design and implementation? To what extent was the project adapted to local conditions?	To what extent AGI's design and implementation was accepted by local government?	
				To what extent was AGI's design and implementation adapted to local conditions?	
5	Sustainability	The extent to with the benefits of AGI continue after the end of the project	To what extent the benefits of AGI continue beyond external development	To what extent participatory instruments promoted by AGI will be utilized by national/subnational government?	To what extent ART methodology is mainstreamed into policy making and within other UNDP programmes?

		implementation; The extent to which relevant conditions at the national/subnational level are present to maintain, manage and ensure the benefit of AGI in future;	assistance?	To what extent decentralized cooperation facilitated by AGI will be continued by national/subnational government?	What is the sustainability of cooperation and partnerships with international decentralized actors that has been promoted by AGI?
				What relevant conditions at the national/subnational level are present to maintain, manage and ensure the benefit of AGI in the future?	What are the level of client satisfaction with the project?
6	Impact	Extent to which project has delivered benefits to people's wellbeing, directly or indirectly, or as an intended or unintended consequence of project activities	What changes in human development that are brought about by project implementation?	To what extent the international decentralized cooperation promoted by AGI has contributed to an increased knowledge and capacity of intended beneficiaries?	What are the level of client satisfaction with the project?
				To what extent the internationalized decentralized cooperation (including South-South cooperation) promoted by AGI has contributed to exchanging experiences and achieving concrete results in both territories?	