

SUBSIDIARY ARRANGEMENT
BETWEEN
THE GOVERNMENT OF AUSTRALIA
AND
THE GOVERNMENT OF THE REPUBLIC OF INDONESIA
RELATING TO
THE AUSTRALIA INDONESIA ELECTORAL SUPPORT PROGRAM

1. GENERAL

- 1.1. This Subsidiary Arrangement expresses the understanding of the Government of the Republic of Indonesia (GOI) and the Government of Australia (GOA) (the "Parties") and is made pursuant to the terms of Article IV of the General Agreement on Development Cooperation that came into force on 21 July 1999 (the "MOU"). The terms of the MOU apply to this Subsidiary Arrangement.

2. NAME OF ACTIVITY

- 2.1. The name of the activity is the Australia Indonesia Electoral Support Program ("the Activity").

3. PURPOSE

- 3.1. The Parties will cooperate in implementing the Activity in support of the development needs of GOI. The purpose of the Activity is to strengthen:
- (a) the institutional capacity of civil society; and
 - (b) the National Electoral Commission (KPU) to prepare and administer local and national events over the next four and a half years.

4. COORDINATING AUTHORITIES

- 4.1. The Coordinating Authorities for this Activity will be:

For the GOA: The Australian Agency for International Development (AusAID).

For the GOI: The National Development Planning Agency (BAPPENAS).

- 4.2. AusAID will engage the Australian Electoral Commission (AEC), the International Foundation for Electoral Systems (IFES), The Asia Foundation and other civil society groups to carry out the Activity.

5. DURATION OF THE ACTIVITY

- 5.1. The Parties anticipate that the Activity will be implemented over four and half (4.5) years. The Subsidiary Arrangement may be extended subject to review in

accordance with a mechanism approved by both GOA and GOI and subject to normal Australian annual parliamentary approval of budget appropriations.

- 5.2. Either Party may advise the other Party of their withdrawal of participation in, or discontinuation of support for, the Activity in accordance with paragraph 17.2.

6. ACTIVITY LOCATION

- 6.1. The Activity will take place predominantly in Jakarta, although some elements may take place in regional areas.

7. ACTIVITY DESCRIPTION

Background

- 7.1. The Activity is part of the Australia Indonesia Electoral Support Program (AIESP) 2011-2015 that will support the GOI to improve the quality and integrity of Indonesian electoral systems and processes over the 2009-2014 electoral cycles.
- 7.2. On 26 May 2011, the National Electoral Commission (KPU) submitted a request to AusAID to support KPU in strengthening its capacity to conduct elections.

Activities Description

- (a) Improve the capacity of the KPU to apply consistent policies and procedures for electoral events.
 - (b) Strengthen capacity for training and development.
 - (c) Increase the capacity of the KPU to produce manuals in preparation for the 2014 National Elections; and
 - (d) Increase capacity of KPU officials at all levels through training and exposure to international best practices
 - (e) Assist the KPU, in collaboration with key electoral stakeholders, in formulating a revised methodology for voter registration in Indonesia.
 - (f) Motivate and facilitate all relevant national stakeholders to contribute to immediate and effective voter registration reform.
- 7.3. Support to selected local elections will also be provided in consultation and coordination with Bappenas and the KPU.

Program Management and Analysis

- 7.4. AusAID will manage a Program Management and Analysis Fund. The main purpose of the fund will be for monitoring and evaluation and small-scale research activities during the life of the program.

8. COORDINATION AND MANAGEMENT ARRANGEMENTS

- 8.1. The existing electoral sector GOI coordination mechanisms will oversee the Activity.

- 8.2. The GOI Program Coordination Steering Committee will ensure the Activity is harmonised with other donor programs and GOI electoral policy.
- 8.3. The GOI will provide the following management and coordination functions to assist with the implementation, progress and monitoring of the Activity:
- (a) Overall coordination of GOI participation in the Activity;
 - (b) Nominating the Chairperson and GOI representatives on the relevant committees if required;
 - (c) Disseminating relevant information about the Activity to all participating line agencies;
 - (d) Ensuring participating line agencies are aware of their responsibilities in relation to provision of counterparts and training costs;
 - (e) Facilitating engagement with other national and local GOI agencies that indicate their interest in being involved in the Activity; and
 - (f) Assisting and facilitating approval of the Activity review and the Annual Plan.

9. MATERIALS, SERVICES AND EQUIPMENT TO BE SUPPLIED

GOA

- 9.1. Through the AEC, the GOA will provide technical assistance for the Activity, which includes but is not limited to, the provision of:
- (a) One full-time international Country Director;
 - (b) Seven full-time national project staff: Senior Project Officer, Project Officer, Project Officer IT, Assistant Project Officer, Research, General Office duties, Accountant;
 - (c) One part-time Australia-based support staff; and
 - (d) One part-time facilitator/teacher for Democracy and Elections Communication Strengthening.
- 9.2. Through the Civil Society Sub-Grants and Technical Assistance component, the Asia Foundation will engage one full-time international Program Director to support the activity.
- 9.3. Through the Program Management and Analysis Fund, the GOA will engage one monitoring and evaluation specialist to provide support to the program.

GOI

- 9.4. The GOI will provide the following materials, services and equipment for the Activity:
- (a) Providing sufficient office space, and furnished training facilities, where appropriate, free of rent and other charges, together with personnel to work on

the program, related utility charges, and incidental costs associated with program-related activities conducted with relevant GOI counterparts;

- (b) Facilitation of passport formalities for all internationally engaged technical assistants and personnel involved in the Activity in accordance with prevailing laws and regulations of the Republic of Indonesia.

10. ACTIVITY PERSONNEL

GOA

- 10.1. The GOA will provide accommodation, travel costs and remuneration for all internationally and locally engaged technical assistants and contractor personnel assigned to the Activity.

Counterpart Staff of GOI

- 10.2. The GOI will nominate persons to represent the Government at the Activity Coordination Committee and the Reference Group at the meetings and for relevant activities in accordance with specific activities approved under the Annual Plan.

11. FINANCIAL CONTRIBUTIONS

GOA

- 11.1. The total GOA contributions to the Activity are estimated to be up to **AUD9,551,642.00**. The GOA contributions will cover implementation, management, coordination, review and monitoring of the Activity and related activities.
- 11.2. The provision and disbursement of GOA contributions to the Activity will be subject to the normal Australian annual Parliamentary approval of appropriations.

GOI

- 11.3. GOI funding contributions will be in-kind as described in Clause 8.3. and 9.4. and cover implementation, management, coordination, review and monitoring of the Activity and related activities.
- 11.4. In accordance with the prevailing laws and regulations in Indonesia, as well the procedures and policy of the GOI concerning international technical cooperation, the GOI will provide and facilitate the issuance of stay permits, exit and re-entry permits, work permits and other necessary permits for approved Activity experts and international staff and their respective dependants.
- 11.5. Tax exemption and relief will be in accordance with the relevant provisions contained in the Treaty and the prevailing laws and regulations in Indonesia.

12. MONITORING, REVIEW, EVALUATION AND REPORTING ARRANGEMENTS

Monitoring and Evaluation

- 12.1. Activity monitoring and evaluation will be undertaken jointly by GOI and GOA.

- 12.2. Evaluation and review of progress in the implementation of the Activity may be made at times arranged between, and mutually convenient to, both Governments to measure progress against mutually decided performance indicators.

Reporting Arrangements

- 12.3. The AEC and other implementing partners will develop and collect information on activity implementation and achievements, and will provide reports to the AusAID Jakarta. AusAID will provide this reporting to counterparts in BAPPENAS who together with AusAID will analyse the information to ensure that assistance remains relevant and effective. Both AusAID and BAPPENAS will report implementation progress to the GOI Program Coordination Steering Committee.

13. INTELLECTUAL PROPERTY

- 13.1. Pursuant to Paragraph 1 of Article VII of the Treaty, the Parties have decided that any Intellectual Property issues that might arise during the carrying out of the Activity will be addressed in an Implementing Arrangement in accordance with Article VII.

14. SETTLEMENT OF DISPUTES

- 14.1. This Subsidiary Arrangement serves only as a record of the Parties' intentions and does not constitute or create (and is not intended to create) rights or obligations under domestic or international law and will not give rise to any legal process and will not be deemed to constitute or create any legally binding or enforceable rights or obligations (expressed or implied). Consequently, any dispute, controversy, or claim, which arises out of the interpretation or application of this Subsidiary Arrangement will not be subject to adjudication or arbitration, but will instead be dealt with through amicable consultations and negotiations as the only method of achieving the peaceful settlement of that dispute, controversy, or claim.

15. AMENDMENTS

- 15.1. This Subsidiary Arrangement may be amended at any time through an Exchange of Letters signed by the Parties.

16. ANTI-CORRUPTION

- 16.1. Consistent with both Parties' commitment to good governance, accountability, and transparency, each Party reserves the right to investigate, directly or through its agents, any alleged corrupt, fraudulent, collusive, or coercive practices relating to the Activity.

17. UNDERTAKING TO PREVENT FINANCING OF TERRORISM

- 17.1. Both Parties are firmly committed to the international fight against terrorism and, in particular, the financing of terrorism consistent with United Nations Security Council (UNSC) regulations relating to terrorism, including UNSC Resolution 1373 (2001), 1267 (1999) and related resolutions.
- 17.2. Both Parties reaffirm their commitment to the principles of the International Convention for the Suppression of the Financing of Terrorism (New York, 9 December 1999).

- 17.3. The Parties will cooperate to ensure that no Activity funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism.
- 17.4. If, during the term of this Subsidiary Arrangement, either Party discovers an organisation or individual involved in the Activity is associated with terrorism, it will immediately inform the other Party.

18. **COMMENCEMENT AND TERMINATION**

- 18.1. This Subsidiary Arrangement will take effect on signature by both Parties.
- 18.2. Either Party may terminate this Subsidiary Arrangement by giving written notice of its intention to terminate to the other Party. In the event that written notice of termination is given, this Subsidiary Arrangement will terminate three months after the date that the other party receives that notice of the intention to terminate.

ANNEXURES to this Subsidiary Arrangement form an integral part of it.

Signed at JAKARTA this 25th day of NOVEMBER 2017

For the Government of Australia

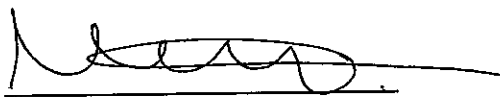
For the Government of the Republic of
Indonesia

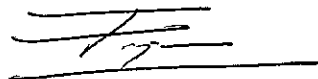
Signature of representative

Signature of representative

Mat Kimberley

Rizky Ferianto





Chief of Operations

Deputy for Politics, Law, Defence and
Security Affairs