

Indonesia Australia Partnership for Infrastructure

Management Response to the Mid-Term Review (March – August 2021)

Summary of Management Response

An independent Mid-Term Review (MTR) of KIAT was undertaken from March to August 2021 to assess KIAT's performance and progress against its End-of-Facility Outcomes (EOFOs) and to identify areas of improvement including how best to respond to emerging infrastructure priorities. The review concluded that the KIAT Facility remains highly relevant to Australia's engagement in Indonesia and has delivered substantial achievements against all three EOFOs.

DFAT has agreed, in part or in full, to all the recommendations as detailed in the table below including to exercise the four-year extension option for the KIAT Facility from 1 July 2022, based on its performance to date.

Individual Management Response to the Recommendations

Recommendation	Response	Explanation	Action Plan	Timeframe
Recommendation 1 KIAT should be extended for the remaining four years. This will allow time for the End of Facility Outcomes (EOFOs) to be fully realised and evidence of achievements to be collated.	Agree	Extending the Facility aligns with DFAT's value for money principles in aid delivery. It would allow DFAT to consolidate the effectiveness and efficiency of a well performing program, provide certainty to KIAT partners and staff and ensure continuity/stability through the pandemic. The extension is supported by GOI partners and is aligned with the policy and development priorities of both countries.	DFAT will work closely with KIAT on the contractual changes to reflect the recommendation. DFAT will also review the Subsidiary Arrangement with GOI to cover the extension.	Contract signed by March 2022 Subsidiary arrangement signed by February 2022
Recommendation 2	Agree in Principle	DFAT notes that implementation of this recommendation will take into	KIAT will prepare strategic plans for each theme/sector for Phase 2	Strategic plans for each

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<p>If resources are available, KIAT and DFAT should collaborate with GOI to identify and assess new themes, partners, and sectors where KIAT can use its resources to create meaningful impact and ensure KIAT's ongoing relevance and strategic value (see Recommendation 7).</p>		<p>consideration any resources that become available as existing pilot programs come to an end in the coming months.</p>	<p>including resourcing implications. Detailed analysis will be prepared for any new thematic or sectoral proposals. Any new areas of work should obtain the support of both GOI and DFAT before they can be implemented.</p> <p>DFAT will establish an infrastructure Technical Advisory Group (iTAG) to provide strategic advice to DFAT on Post's infrastructure programs including KIAT.</p>	<p>theme to be finalised in March 2022 and reviewed as necessary to reflect any emerging priorities and resourcing</p> <p>Set up iTAG by March 2022</p>
<p>Recommendation 3</p> <p>KIAT should seek to identify opportunities to increase capacity building among GOI officials, such as through more formalised skills transfer by advisers, training or exposure visits, particularly if strongly linked to policy and/or project activities. Cross learning between activities or in new locations could also be beneficial, especially if pilot and demonstration activities show promise of being replicated.</p>	<p>Agree</p>	<p>KIAT will explore opportunities for capacity building including through existing DFAT mechanisms such as Long and Short-Term Australia Awards and Partnerships for Infrastructure (P4I). It will also consider impacts of COVID-19 in the implementation of this recommendation.</p>	<p>KIAT will liaise closely with DFAT on existing and new capacity building opportunities.</p> <p>Quality of entry criteria for KIAT activities should assess capacity building opportunities and delivery of capacity building activities where relevant.</p>	<p>From March 2022 to end of KIAT program</p> <p>March 2022 for any new activity proposals</p>
<p>Recommendation 4</p>	<p>Agree</p>	<p>KIAT will prepare a GESI-CSE strategy to inform delivery under Phase 2. DFAT GESI (and disability) experts will</p>	<p>KIAT to prepare a new GESI action plan that is linked to KIAT's logic model, program outcomes and</p>	<p>New GESI Strategy</p>

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<p>KIAT should develop a new GESI-CSE strategy. As part of this process, GESI considerations should be incorporated more explicitly into the Logic Model, EOFOs and M&E Framework. This should help maintain or increase GESI ratings.</p>		<p>be consulted in the process. Implementation will require a dedicated GESI expert in KIAT and has resource implications.</p>	<p>M&E framework. It will also set out the resourcing requirements for implementation.</p>	<p>finalised by February 2022</p>
<p>Recommendation 5 KIAT and DFAT should ensure adequate attention and resourcing is provided to investigate, demonstrate and communicate impact from KIAT activities. This should help maintain or increase effectiveness ratings in the years as the Facility nears completion</p>	<p>Agree</p>	<p>As KIAT matures as a program, harvesting lessons will be beneficial in improving program outcomes but also extending the reach of the program across the DFAT infrastructure network and maximising DFAT's public diplomacy opportunities. Note that implementation may have additional resource implications.</p>	<p>KIAT will review and revise as necessary its existing Communications Strategy to consider ways to increase the effectiveness and reach of KIAT's activities as recommended.</p>	<p>June 2022</p>
<p>Recommendation 6 KIAT should proceed with existing plans to implement new COVID-19-specific activities while continuing to look for opportunities through established programming to contribute to the COVID-19 response and recovery in Indonesia, as has been done effectively so far.</p>	<p>Agree</p>	<p>DFAT agrees with the proposal to continue existing plans and to consider supporting new pandemic recovery activities where appropriate. Any new activities should meet KIAT criteria and obtain the support of both GOI and DFAT before they can be implemented.</p>	<p>DFAT to continue to assess and report progress of existing plans as set out in the Indonesia COVID-19 Development Response Plan (2020-2022). KIAT and DFAT to coordinate with GOI on additional opportunities to respond to COVID-19 needs.</p>	<p>Ongoing</p>

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<p>Recommendation 7</p> <p>KIAT should make more explicit its commitment and existing contributions to climate change responsiveness while also looking for opportunities to increase the number of direct activities to address climate change and related issues. This could look like initial funding through the re-established Emerging issues and priorities workstream with the intention to translate into a climate change activity stream, which in turn drives mainstreaming across other activity streams and is guided by its own strategy.</p>	<p>Agree</p>	<p>KIAT will work closely with GOI to identify suitable activities to deliver on climate change priorities.</p>	<p>In consultation with DFAT and GoI, KIAT will prepare an overarching climate change strategy for its work program in Phase 2. This will be informed by analytical work and include resourcing implications.</p>	<p>March 2022</p>