Strategic Evaluation of KIAT: End of Facility Report June 2026

Economic Development Services

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List of Acronyms

ADI	Australian Development Investments
ADB	Asian Development Bank
APS	Australian Public Service
Bappenas	Ministry of National Development Planning (*Badan Perencanaan Pembangunan Nasional*)
BIUTR	Bandung Intra-Urban Toll Road
BNPB	National Disaster Management Authority (*Badan Nasional Penanggulangan Bencana*)
BPPR	Bi-annual Performance and Planning Report
CMC	Construction Management Consultant
CRI	Climate Resilience Infrastructure
CSO	Civil Society Organisation
DFAT	Department of Foreign Affairs and Trade (Australia)
DRR	Disaster Risk Reduction
EMISI	Emission Measurement to Improve Sanitation
EOFO	End of Facility Outcome
EOPO	End of Program Outcome
ESG	Environmental, Social, and Governance
ESMF	Environmental and Social Management Framework
FIMR	Final Investment Monitoring Report
GEDSI	Gender Equality, Disability and Social Inclusion
GERIN	Green House Gas Emission Reduction in Infrastructure
GESIT	Gender Equality and Social Inclusion in Infrastructure (CSO small grants program)
GoA	Government of Australia
GoI	Government of Indonesia
HWDI	Indonesian Association of Disabled Women *(Himpunan Wanita Disabilitas Indonesia)*
IDD	Investment Design Document
IDP	International Development Policy
IFF	Infrastructure Funding and Financing
INA	Indonesia Investment Authority
IndII	Indonesia Infrastructure Initiative (KIAT's predecessor)
InPres	Presidential Instruction (*Instruksi Presiden*)
IRMS	Indonesian Road Management System
ITMS	Integrated Transport Management System
IWAPI	Indonesian Business Women Association (*Ikatan Wanita Pengusaha Indonesia*)

JETP	Just Energy Transition Partnership
KEQ	Key Evaluation Question
KIAT	Australia-Indonesia Partnership for Infrastructure (*Kemitraan Indonesia Australia untuk Infrastruktur*)
KINETIK	Australia-Indonesia Climate and Sustainable Infrastructure Partnership
KLHK	Ministry of Environment and Forestry (*Kementerian Lingkungan Hidup dan Kehutanan*)
LARP	Land Acquisition and Resettlement Plan
LES	Locally Engaged Staff
LG	Local Government
LKPP	National Public Procurement Agency (*Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah*)
LTA	Long-Term Adviser
MBD	Model Bidding Documents
MDB	Multilateral Development Bank
MEL / MERL	Monitoring, Evaluation, (Research), and Learning
MPW/MPWH/PUPR	Ministry of Public Works and Housing (*Kementerian Pekerjaan Umum dan Perumahan Rakyat*), now Ministry of Public Works (Kementerian Pekerjaan Umum)
MR/Permen	Ministerial Regulation (*Peraturan Menteri*)
MTR	Mid-Term Review
O&M	Operations and Maintenance
PAVE	Promoting Advancement of Women in Indonesia's Infrastructure Sector (that may include KIAT Women in Infrastructure Leadership/WIIL activity)
PBG	Performance-Based Grant
PCSP-CMC	Palembang City Sanitation Project – Construction Management Consultant
PCSP-CDTA	Capacity Development for the PCSP Service Delivery Organisation
PDAM	Regional Water Utility (*Perusahaan Daerah Air Minum*)
PERTUNI	Indonesian Blind Union (*Persatuan Tunanetra Indonesia*)
PHJD/PRIM	*Program Hibah Jalan Daerah*/Provincial Road Improvement and Maintenance
PIDG	Private Infrastructure Development Group
PKRMS	Provincial and Kabupaten Road Management System
PPF	Project Preparation Facility
PPP	Public-Private Partnership
PSEAH	Protection from Sexual Exploitation, Abuse, and Harassment
RASS	Safety Route to School (*Rute Aman Selamat ke Sekolah*)

RPJMN	National Medium-Term Development Plan (*Rencana Pembangunan Jangka Menengah Nasional*)
SLA	Service Level Agreement
SMI	PT Sarana Multi Infrastruktur
SOE	State-Owned Enterprise
SQ	Sub-Question
STA	Short-Term Adviser
TA	Technical Assistance
ToR	Terms of Reference
TWG	Technical Working Group
VfM	Value for Money
WWTP	Wastewater Treatment Plant
ZoSS	School Safety Zone (*Zona Selamat Sekolah*)

Executive Summary

This report presents the findings of the KIAT Strategic Evaluation, commissioned by DFAT in accordance with its Terms of Reference and the Evaluation Framework and Plan (April 2026). It has three interrelated purposes: (1) to generate credible evidence on KIAT's performance; (2) to support DFAT's Final Investment Monitoring Report; and (3) to inform the early implementation of KINETIK, the Australia-Indonesia Climate and Sustainable Infrastructure Partnership (up to AUD 650 million, 2026 to 2036). The evaluation adopts a 'look-back, look-forward' approach, examining what KIAT achieved while drawing out strategic lessons to inform KINETIK's inception phase. Throughout this report, findings are framed around what KINETIK should retain, refine, or rethink.

In line with DFAT Standards 9 and 10, the evaluation applied a theory-based, mixed-methods design combining an integrated desktop review of program documentation (Program Design Document, 2021 MTR, Annual Monitoring Reports, Phase 2 GEDSI Strategy, and MEL/MIS data) with semi-structured interviews of DFAT, GoI, MDB, private sector, civil society, and KIAT facility stakeholders, supported by verification fieldwork on selected activities. Contribution analysis, process tracing, and triangulation against at least two independent sources per finding were used to test causal claims. Key limitations include the inability to attribute outcomes to KIAT alone within a multi-partner ecosystem, variable data quality across streams and years, constrained stakeholder availability and recall over a ten-year program, and the resource intensity of covering KIAT's full scope with a three-person team within a compressed timeframe. The full Terms of Reference are provided in Annex A.

KIAT (Kemitraan Indonesia Australia untuk Infrastruktur) was a ten-year, AUD 300 million facility (February 2016–June 2026), supported by the Australian Government and implemented by DT Global. Built on the foundations of its predecessor, the Indonesia Infrastructure Initiative (IndII), KIAT aimed to achieve sustainable and inclusive economic growth through improved access to infrastructure for all people in Indonesia.

The facility operated across nine activity streams of urban water supply, urban sanitation, solid waste management, national roads, sub-national roads, urban mobility, infrastructure funding and financing (IFF), GEDSI, and climate change, and was initially structured around three End of Facility Outcomes (EOFOs):

- **EOFO 1**: Improved GoI policy and regulatory framework for infrastructure provision;
- **EOFO 2**: High-quality projects prepared and financed by GoI, the private sector, and/or MDBs; and
- **EOFO 3**: High-quality infrastructure delivery, management, and maintenance by GoI.

Phase 2 (July 2022 to June 2026) added two further MEL outcomes of EOFO 4 (GEDSI) and EOFO 5 (climate change).[1] These were in response to the 2021 Mid-Term Review (MTR) and

[1] The two new Outcomes were added to the MEL system but were not formally incorporated into the KIAT contract.

Australia's 2023 International Development Policy, shifting emphasis from technical preparation to financial mobilisation and full lifecycle management.

From KIAT to KINETIK: The Logic of Transition

KIAT closes with strong credibility among key GoI technical counterparts, having contributed to the policy and regulatory preconditions for infrastructure investment, particularly in PPP framework reform and sub-national road maintenance, while leaving the translation of the enabling environment into private capital mobilisation and bankable transactions as the central unfinished agenda that KINETIK must now address.

KINETIK's three End of Program Outcomes are: (1) Climate resilience: investments increasingly contribute to climate mitigation and adaptation; (2) Innovative financing: GoI increasingly uses diverse and high-quality financing for inclusive, climate-resilient development; and (3) Sustainable infrastructure: GoI delivers resilient economic infrastructure meeting community needs. With up to AUD 650 million over ten years, KINETIK operates under a substantially more complex multi-partner architecture, bringing together a Primary Contractor, Financial Markets Advisory and NGO partners, the ADB, the World Bank, ADI, PIDG, and APS partnerships.

Key Findings

While this evaluation primarily focuses on KIAT since the MTR, it incorporates earlier activities and results to ensure a coherent narrative and analysis. The Evaluation is structured around five OECD DAC criteria. Performance ratings[2] are summarised below.

Relevance (rating: strong)

KIAT pivoted effectively in response to four major contextual shifts: COVID-19 fiscal disruption, the 2023 Australian IDP, the 2024 Jokowi-to-Prabowo transition, and the deepening IFF agenda. The demand-driven model was a competitive advantage but, without a strong strategic filter, sometimes generated individually defensible activities that collectively lacked portfolio coherence.

Effectiveness (rating: moderate – strong)

Strong output delivery across all five EOFOs. Genuine policy and regulatory change achieved (PPP Regulations 7/2023 & 9/2025; MPW Ministerial Regulation 01/2026; InPres Jalan Daerah). Private sector capital mobilisation fell short of Phase 2 ambitions; no major private transactions closed by Facility end. MEL/P system was rigorous at output level but weaker on systemic change tracking, which can be explained in part by the nature of Facility-type

[2] Ratings reflect the Evaluation Team's qualitative assessment of KIAT's performance against each OECD DAC criterion, drawing on triangulated evidence from documentation, stakeholder interviews, and verification fieldwork. The scale used in this report is: Strong (consistent achievement of intended outcomes, with clear evidence of systemic contribution); Moderate-Strong (substantial achievement, with some shortfalls or unevenness); Moderate (mixed achievement, with material gaps alongside genuine progress); Adequate (basic requirements met, with significant limitations); and Weak (intended outcomes largely not achieved). The Efficiency rating also references DFAT's Investment Monitoring Report (IMR) 1-6 scale, on which 6 is the highest and 4 is the threshold for satisfactory performance.

modality. Cross-program coordination with DFAT investments was operational rather than formal; MDB engagement was substantive at the technical level, with consistent KIAT–ADB engagement (IRCIP co-financing, roads asset-management alignment, and ADB referring to KIAT for GEDSI learning) and a positive World Bank relationship on WatSan.

Efficiency* (*rating: moderate – strong)

The panel-based facility model (100+ contractors) materially reduced DFAT's administrative burden while maintaining technical quality. KIAT was rated 5 (highest) across all IMR performance categories in 2026, and 6 in Efficiency in 2025. Recurring friction points included procurement timelines for fast-moving PPP work and knowledge transfer gaps as international consultants demobilised.

Sustainability (rating: moderate)

Sustainability strongest where tools are formally embedded in GoI systems via ministerial or presidential decrees and independently funded. PRIM absorption into PHJD and InPres Jalan Daerah, and the PPP Screening Tool (MPW MR 01/2026) are the clearest examples. Results remain fragile where they depend on KIAT-supplied technical resources, FIFO advisers, or activities without explicit GoI implementation pathways.

Risk and Safeguards (rating: adequate)

Child protection and PSEAH standards maintained throughout. Environmental and social risk management embedded in project preparation. Political and reputational risks, particularly around the JETP disruption and Danantara, were monitored but could not be fully resolved within KIAT's mandate. GoI co-ownership gaps represent the most significant residual governance risk for the transition.

Most Significant Achievements

KIAT's most enduring contribution is not in individual projects, but in the policy and regulatory instruments now formally institutionalised within GoI systems. The Evaluation identified the following as highest-impact achievements:

- **PRIM Performance-Based Grants:** The clearest example of systemic sustainability. The approach was absorbed into GoI's national InPres Jalan Daerah roads program and GoI independently expanded the model without continued Australian support.
- **PPP Screening Tool (MPW Ministerial Regulation 01/2026):** A KIAT-developed instrument formally embedded in GoI systems. MPW's adoption involved genuine customisation, representing a hallmark of institutional ownership. Bappenas confirmed direct involvement and ongoing commitment to champion the tool.
- **PPP Regulatory Framework (Regulations 7/2023 and 9/2025):** Strengthened the framework for PPPs at national and sub-national levels; provides the enabling environment foundation KINETIK's clean energy portfolio requires.

- **Project Preparation Facility (PPF):** KIAT's most important structural innovation of shifting from individual project support to pipeline development that explicitly links policy work to project preparation to financing.
- **Palembang City Sanitation Project (PCSP):** A landmark multi-party investment co-funded by City Government (34%), Central Government (38%), and Australian grant (28%), inaugurated by the President of Indonesia in October 2023. Community connection targets nonetheless fell to approximately 14% of the Phase 1 plan (1,687 of 12,000 connections), providing critical lessons on community engagement for KINETIK.
- **GESIT Small Grants to CSOs:** Produced 69 regulations (of which 38 were village/district level), enabling civil society organisations to drive local government GEDSI reforms on inclusive infrastructure. Rated the most cost-efficient community engagement model in KIAT's portfolio.
- **GERIN GHG Calculation Tool:** Provides a practical mechanism for integrating climate mitigation measurement into project preparation and MERL.
- **EMISI** analysis established that sanitation generates 22 to 28 million tonnes CO_2-equivalent per year (~1 to 1.4% of Indonesia's total GHG emissions).
- **PAVE:** The PAVE women's leadership program resulted in two institutional outcomes: Srikandi PU, a structured professional platform for women within MPW, and Danantara's Larasati Infrastructure Program, a cross-institution leadership platform connecting women leaders across Infrastructure BUMNs. A leadership development program was completed with 60 women leaders across 10 MPW units and 9 Infrastructure BUMNs, producing 19 group action plans for institutional improvements to women's career pathways, and was rated 8/10 by key GoI stakeholders. KIAT was rated the best GEDSI strategy across 30+ DFAT investments for two consecutive years.
- **Climate Resilient Infrastructure (CRI) Study** included the first quantitative climate risk assessment of Indonesia’s infrastructure, an important milestone in advancing understanding of infrastructure risks arising from climate change in Indonesia.

Structural Limitations and Lessons

The evaluation was equally rigorous in identifying the gaps and delivery constraints that, if carried forward uncritically, risk replicating rather than resolving KIAT's limitations in KINETIK. Structural limitations and lessons included:

- **Private sector capital mobilisation:** Despite significant enabling environment progress, no major private capital transactions from KIAT's pipeline were closed by Facility end. Root causes include GoI's persistent expectation that the private sector should shoulder all PPP financing risk, late-stage market sounding, Danantara's uncertain operating model, and procurement timelines misaligned with commercial PPP timescales.
- **GoI co-ownership gap:** Over Phase 2, KIAT increasingly sought activity approval directly from DFAT, with GoI Technical Committees playing a diminishing co-governance role. Bappenas and MoF identified this as a structural risk to sustainability and policy ownership. The pattern is well-evidenced, though its precise timing within Phase 2 was not systematically established.
- **Policy outputs outpacing implementation:** KIAT performed least well where the distance between policy outputs and implementation momentum was too large. Sector

reforms and tools were sometimes delivered without a mapped pathway of institutional champions and financing through to implementation, limiting the conversion of policy wins into delivered outcomes.

- **MEL concentrated at activity level:** While KIAT's MEL system performed strongly on output tracking, it was less effective at translating individual results into a coherent portfolio-level narrative of systemic change. The 2024 Outcome Harvesting yielded 24 outcomes, but results were not consistently consolidated into an enabling-environment impact story.
- **FIFO advisory model:** The fly-in fly-out model of international technical assistance produced limited deep advisory impact at sub-national level. Key GoI stakeholders identified knowledge loss when international consultants demobilised and explicitly requested co-located national positions embedded within ministry offices as the preferred capacity-development modality.
- **Cross-program coordination:** Cross-program engagement with PROSPERA, SKALA, INKLUSI, SIAP SIAGA, KATALIS, and SIAP2 was good at the working level but lacked a formal strategic coordination framework. Few KIAT outputs were accessible to other programs, limiting collective impact and sub-national reach.
- **Reliance on informal political economy monitoring:** KIAT navigated the 2024 Jokowi-to-Prabowo transition effectively through proactive briefings and quarterly risk updates, but political economy analysis remained largely informal. Given the highly contested political economy of the energy transition and climate finance under the Prabowo administration, ad hoc monitoring is insufficient for adaptive management in KINETIK.
- **GEDSI ownership**: While KIAT has consistently driven GEDSI efforts rather than responding to GoI-initiated requests, a structural shift is required to progressively embed ownership within Bappenas, MPW, and the National Disability Commission to ensure long-term sustainability. The absence of GoI requests partly reflects a terminology gap. GoI priorities on gender and disability are expressed through Indonesian frameworks. KINETIK should strengthen GoI counterparts' capacity to deliver on Indonesia's own inclusion commitments while retaining shared accountability, rather than treating ownership as something to be transferred.

Priority Recommendations for KINETIK

The evaluation identifies fifteen evidence-based recommendations (see section Key findings and recommendations for a full list). Each is anchored in the findings above: R1 (Governance) responds to the GoI co-ownership gap; R2 (Strategy) to policy outputs outpacing implementation; R4 (Climate Finance) to the Project Preparation Facility and late-stage market sounding; R6 (Private Sector) to the shortfall in private capital mobilisation; R10 (Localisation) to the limits of the FIFO advisory model and key GoI stakeholder's request for embedded positions; R11 (GEDSI Institutional Capacity) to GESIT and the GEDSI institutional capacity gap; R13 (Adaptive Management) to reliance on informal political economy monitoring; R14 (Sustainability) to results being strongest where tools are embedded in GoI systems; and R15 (MEL Reform) to MEL being concentrated at activity level rather than tracking portfolio-level systemic change.

R1 (Governance)

Formalise GoI co-governance from day one. Adopt letters of activity request jointly addressed to DFAT, MOF/Bappenas, and the relevant line ministry. The joint Management Committee and Program Steering Committee structures in the KINETIK IDD provide the mechanism.

R2 (Strategy)

Develop sector engagement strategies for water and sanitation, sustainable transport, and clean energy during the Inception Phase, mapping policy reforms, institutional champions, and financing pathways to prevent policy outputs from outpacing implementation momentum.

R4 (Climate Finance)

Carry the KIAT PPF forward with an expanded climate mandate for investment-ready, climate-aligned projects. Establish iterative market sounding with climate-focused investors as standard practice from project identification, not as a late-stage, one-off event.

R6 (Private Sector)

Track Danantara and INA transaction pipelines via KINETIK's Financial Markets Advisory Partner from Inception. With SOE balance-sheet constraints, position for early advisory engagement on infrastructure asset recycling and develop non-PPP private participation pathways alongside the traditional PPP model.

R10 (Localisation)

Fund co-located Indonesian national positions embedded in GoI partner ministries as explicitly requested by key GoI stakeholders. Treat embedded, real-time skill transfer as the primary capacity development modality, with FIFO as supplementary.

R11 (GEDSI Institutional Capacity)

Strengthen GoI counterparts' institutional capacity to lead on gender equality and disability inclusion (Bappenas, MPW, Ministry of Women Empowerment) by Year three as an explicit KINETIK target, with KINETIK retaining shared accountability. Adopt the GESIT model for civil society engagement and embed GEDSI benchmarks in all PPF project preparation tools.

R13 (Adaptive Management)

Conduct structured political economy reviews every six months, with outputs feeding directly into activity planning and Program Steering Committee deliberations. Do not rely on informal monitoring as a substitute for structured political economy analysis.

R14 (Sustainability)

Design every activity with a formal handover pathway. Track GoI adoption of KINETIK-developed tools and frameworks as the primary MERL metric. Establish a system adoption

tracker at Inception using KIAT legacy tools (PKRMS, PPP Screening Tool, GERIN) as the baseline.

R15 (MEL Reform)

Design KINETIK's MERL framework from inception to track enabling environment changes and portfolio-level systemic change as primary indicators. Deploy Outcome Harvesting as a standard semi-annual practice. Make sure activity-level MEL can demonstrate systemic impact.

Closing Observation

KIAT closes as one of Australia's most significant bilateral infrastructure investments, leaving behind a set of tools, institutional relationships, and frameworks embedded in GoI systems that will continue to shape Indonesia's infrastructure landscape well beyond the Facility's close.

These assets come with structural limitations and implementation gaps, however, that will undermine KINETIK's ambitions if carried forward uncritically. The Evaluation's central message, and the basis for the fifteen recommendations above, is to consolidate what worked while directly addressing what did not. The full discussion is set out in the rest of the Evaluation with conclusions provided in the final chapter.

Introduction

KIAT was a ten-year, AUD 300 million facility spanning February 2016 to June 2026. Designed as a flexible, responsive mechanism to improve the quality and quantity of Indonesia's infrastructure, it built on the lessons of its predecessor, the Indonesia Infrastructure Initiative (IndII), and on the decades-long partnership between the Government of Indonesia (GoI) and the Government of Australia (GoA).

KIAT's overarching goal was *"sustainable and inclusive economic growth through improved access to infrastructure for all people*." To pursue this goal, the facility was structured around three End of Facility Outcomes (EOFOs) at design, expanded to five in Phase 2 (from July 2022) following the 2021 Mid-Term Review:

- **EOFO 1:** Improved GoI policy and regulatory framework for infrastructure provision;
- **EOFO 2:** High quality projects prepared and financed by GoI, the private sector and/or Multilateral Development Banks (MDBs); and
- **EOFO 3:** High quality infrastructure delivery, management, and maintenance by GoI;
- **EOFO 4** (added Phase 2): Gender equality, disability and social inclusion (GEDSI) advanced across infrastructure policy, institutions and delivery; and
- **EOFO 5** (added Phase 2): Climate change mitigation and resilience integrated into infrastructure planning, financing and delivery.

KIAT was delivered across nine major activity streams, with a primary focus on urban and peri-urban areas: urban water supply, urban sanitation, urban solid waste management, national roads, sub-national roads, urban mobility, infrastructure funding and financing, Gender Equality, Disability and Social Inclusion (GEDSI), and climate change.

The facility operated in two phases. Phase 1 (April 2017 to June 2022) established KIAT's core systems, delivered major technical assistance and demonstration programs, and built strong relationships with GoI counterparts at national and sub-national levels. A Mid-Term Review (MTR) at the end of Phase 1 found KIAT performing strongly against all three EOFOs while identifying opportunities for a more responsive and forward-looking approach.

Phase 2 (July 2022 to June 2026) built on the MTR's recommendations rather than redesigning the facility. It retained KIAT's three core EOFOs while shifting emphasis from technical studies to financial mobilisation, elevating GEDSI and climate change to dedicated outcomes (EOFO 4 and EOFO 5), and broadening the focus from construction to lifecycle management. These changes reflected the aftermath of COVID-19, shifts in Indonesia's infrastructure policy landscape, and the Australian Government's stronger emphasis on GEDSI and climate-resilient development.

Across both phases, KIAT combined short-term technical assistance and advisory support to GoI at national and sub-national levels with longer-term Australian grant-funded programs, including the Palembang City Sanitation Project (PCSP), the Provincial Road Improvement and Maintenance (PRIM) program, and water and sanitation grants. Across these instruments,

KIAT sought to strengthen GoI systems and institutions so that successful approaches could be adopted at scale through GoI-funded initiatives.

Evaluation Objective and Audience

This report presents the findings of the KIAT Strategic Evaluation, undertaken in line with DFAT's Terms of Reference (ToR) and the Evaluation Framework and Plan prepared by the Evaluation Team in March 2026. The evaluation primarily focuses on KIAT since the MTR, while incorporating earlier activities and results to provide a coherent narrative and analysis. The evaluation draws on KIAT's monitoring, evaluation, and learning (MEL) system and earlier assessments, including the 2021 MTR, while remaining independent of them.

As set out in the ToR, the evaluation has three interrelated purposes:

- Generate credible evidence and analysis to assess KIAT's performance, draw out strategic lessons learned and good practices, and provide recommendations to inform Australia's development program in Indonesia;
- Provide evidence to support KIAT's Final Investment Monitoring Report (FIMR); and
- Inform the early implementation of DFAT's new climate, infrastructure and financing investment, KINETIK.

The evaluation is structured around five OECD DAC criteria: relevance, effectiveness, efficiency, sustainability, and risk management and safeguards. These are applied through six Key Evaluation Questions (KEQs) drawn from the ToR and refined during the inception phase in consultation with DFAT. The full KEQs are set out in Annex B.

The primary audience for this evaluation is DFAT senior management and program managers at Post, together with key GoI counterparts. A secondary audience includes DFAT staff in Jakarta and Canberra working on related Australian programs, as well as others supporting infrastructure facilities. The evaluation also considers the perspectives of Indonesian Government partners, Australian Government partners, civil society organisations, the private sector, and multilateral development banks active in Indonesia's infrastructure sector.

In keeping with DFAT's commitment to transparency and learning, the final evaluation report meets DFAT's accessibility requirements and is suitable for publication on DFAT's website. It therefore adopts a clear, evidence-based, and accessible writing style appropriate for a public document.

Structure of the Evaluation Report

The report begins by setting out the strategic context in which KIAT operated, including the policy environment and the transition to KINETIK. It then summarises the key strategic and operational shifts across KIAT's two phases, with emphasis on progress since the MTR.

In line with DFAT Standards 9 and 10, the evaluation applied a theory-based, mixed-methods design that prioritises contribution analysis over direct attribution. It combined an integrated desktop review of program documentation (Program Design Document, 2021 MTR, Annual Monitoring Reports, Phase 2 GEDSI Strategy, and MEL/MIS data) with semi-structured

interviews of DFAT, GoI, MDB, private sector, civil society, and KIAT facility stakeholders, supported by verification fieldwork on selected activities. Data collection and analysis were organised through two intersecting lenses: a sectoral lens examining performance across KIAT's activity streams (Urban Water and Sanitation, Transport/Roads, Infrastructure Funding and Financing, GEDSI, and Climate Change), and a functional lens examining delivery mechanisms. The nine original activity streams were consolidated into five for the sectoral lens so that closely related areas of work could be assessed together, keeping the sectoral-by-functional matrix analytically manageable for a three-person team and allowing cross-cutting patterns to be compared consistently across the portfolio. Process tracing and triangulation against at least two independent sources per finding were used to test causal claims.

Key limitations include the inability to attribute outcomes to KIAT alone within a multi-partner ecosystem, possible under-representation of interdependencies arising from consolidating nine activity streams into five, variable data quality across streams and years, constrained stakeholder availability and recall over a ten-year program, and the resource intensity of covering KIAT's full scope with a three-person team within a compressed timeframe. A small number of specific judgements rest on less robust evidence, including single-source feedback, limited documentation, or stakeholder recall rather than systematic measurement. Where this was the case, we flagged it at the point where it appears in this report. This includes the limited senior-leadership endorsement of PAVE beyond BPSDM, the assessment that disability inclusion outpaced gender integration in technical sectors, and the timing within Phase 2 of the decline in GoI co-ownership.

The main body of the Report addresses the six KEQs in sequence, covering relevance, effectiveness, efficiency, sustainability, and risk management and safeguards. The report concludes with forward-looking lessons for KINETIK and a set of evidence-based recommendations. Annexes include the Terms of Reference, the full set of evaluation questions, as well as a list of Consolidated Lessons Learned and a detailed GEDSI Evaluation that support the findings in the main part of the Report. Annexes also include a list of KIAT Phase 2 activities, a stakeholder list, and documents consulted.

Strategic Context: KIAT’s Transition to KINETIK

KIAT (AUD 300 million, 2016–2026), implemented by DT Global, closes with strong credibility among GoI counterparts. While KIAT spanned a decade, this evaluation focuses primarily on Phase 2 (2022–2026) and examines KIAT’s evolving role in infrastructure policy, institutional strengthening, and financing. It also serves a forward-looking purpose: to provide an evidence base for KINETIK, the Australia-Indonesia Climate and Sustainable Infrastructure Partnership, a ten-year investment of up to AUD 650 million commencing in 2026. Throughout the report, findings are framed around what KINETIK should retain, refine, or rethink from KIAT’s experience.

Key Changes in Outcome Logic

From 'Technical Preparation' to 'Financial Mobilisation': In Phase 1, the primary success metric for EOFO 2 was the production of high-quality feasibility studies and project designs. In Phase 2, the logic evolved to prioritise mobilisation: outcomes were considered successful only when technical assistance led to a tangible increase in infrastructure spending, particularly from non-government sources such as the private sector and MDBs.

A Broader Definition of 'Delivery': Phase 1's EOFO 3 was often understood in terms of discrete sectoral wins (for example, getting a specific road built). Phase 2 broadened this to encompass full lifecycle management, reflecting the recognition that infrastructure quality is determined as much by operations and maintenance (O&M) as by the construction phase itself.

Dedicated Climate and GEDSI Outcomes: While Phase 1 operated under a general development mandate, Phase 2's outcomes were explicitly mapped against Australia's and Indonesia's GEDSI and climate commitments. EOFO 1 now includes a specific mandate to align infrastructure planning with Indonesia's Net Zero 2060 trajectory and Disaster Risk Reduction (DRR) strategies. A summary of how KIAT evolved from Phase 1 to Phase 2 across several key dimensions is shown below.

Overview of How KIAT's Direction Evolved[3]

GEDSI positioning. In Phase 1, GEDSI was mainly streamed, limited strategic clarity, and the MTR calls for a new strategy and clearer line-of-sight. In Phase 2, GEDSI was elevated to EOFO4 and implemented through a twin-track approach that combined mainstreamed and targeted activities, with strengthened frameworks, indicators, and tools.

Climate/ESG. In Phase 1, Climate/DRR was "factored in"; distinct climate agenda; and MTR recommends explicit focus. In Phase 2, EOFO5 lens applied; MoF ESG Manual/MAT; GHG tools; climate integrated PPP screening.

Instruments & modality. In Phase 1, KIAT focused on technical assistance and grants; large demonstration pilots such as PRIM/PHJD and PCSP; with systems strengthening emerging. In Phase 2, the program expanded its focus to system-wide instruments, including PPP regulations, Model Bidding Documents (MBDs), Value-for-Money tools, screening frameworks; and catalytic grants retained.

Delivery focus. In Phase 1, KIAT concentrated on major pilots and preparation works; and the MTR highlighted the need for stronger operational capacity transfer. In Phase 2, the focus shifted towards operationalization, including Service Level Agreements (SLAs), Integrated Transport Management System (ITMS), Indonesian Road Management System (IRMS) upgrades, O&M, and tariff frameworks.

[3] Phase 1 is based on the Design and Mid Term Review and Phase 2 is based on KIAT Activity Profile.

Sub-national scaling. In Phase 1, PRIM/PHJD models were in development and early replication. In Phase 2, the approaches were mainstreamed widely (through InPres, digital tools), covering a large number of LGs.

KINETIK represents a deliberate step change from a largely technical advisory model to a more strategically engaged, climate-focused investment that integrates climate finance, innovative financing, private sector mobilisation, and GEDSI across a coherent portfolio focused on clean energy transition, water and sanitation, and sustainable transport. It also consolidates several preceding programs, including KIAT, the current KINETIK climate finance investment (AUD 200 million, 2022 to 2027), and the ADB Sustainable Infrastructure Assistance Program Phase II (SIAP2). KINETIK's three End of Program Outcomes (EOPOs) reflect this shift:

- **EOPO 1: Climate resilience:** Investments from government, private and community actors increasingly contribute to climate mitigation and adaptation in Indonesia;
- **EOPO 2: Innovative financing:** The Government of Indonesia increasingly uses diverse, innovative, and high-quality financing for inclusive, climate-resilient development; and
- **EOPO 3: Sustainable infrastructure:** The Government of Indonesia delivers sustainable and resilient economic infrastructure (particularly in water, transport, and energy) that meets the needs and expectations of communities, including women, people with disabilities and marginalised groups.

KINETIK operates through an integrated portfolio approach, with end-to-end engagement across its three core sectors. The cross-cutting themes of digitalisation, GEDSI, climate change, private sector engagement, innovation and localisation are embedded across all activities. The governance architecture is substantially more complex than KIAT's, bringing together a Primary Contractor, specialist Financial Markets Advisory and NGO partners, the APS partnership, the Asian Development Bank, the World Bank, Australian Development Investments (ADI), and the Private Infrastructure Development Group (PIDG) under a multi-partner Partnership framework with formal bilateral steering arrangements.

From KIAT to KINETIK: The Logic of Transition

KIAT built the policy frameworks, project preparation systems, and institutional relationships that make infrastructure investment viable in Indonesia. KINETIK will now need to translate that foundation into mobilised finance, including deploying blended finance instruments, deepening private sector engagement, and integrating climate resilience as a first order investment criterion rather than a cross-cutting theme. Where KIAT enabled, KINETIK must activate.

Managing the Transition: Risks and Realities

The ambition of the KINETIK transition is matched by its complexity. The KINETIK IDD assigns the Partnership an overall risk rating of medium following mitigations, identifying programme management complexity, the political economy of the climate and energy transition under the Prabowo administration, fraud and corruption control, and safeguards as key risk

categories. The political economy dimension is particularly significant, given institutional arrangements across climate and infrastructure policy remain contested, with some GoI initiatives discontinued and others reinvigorated since October 2024. KINETIK's adaptive and responsive design is intended to manage this volatility, but it also places significant demands on DFAT's internal capacity to provide principles-based management across multiple delivery partners.

KIAT's experience offers useful guidance here. Phase 2's most consistent lesson is that reform is uneven: policy frameworks can be established faster than institutional capacity to implement them. Moreover, instruments that appear promising can become irrelevant as the policy landscape shifts and financing engagement requires alignment across agencies that takes time to develop. KINETIK inherits both the benefits of KIAT's decade of relationship-building and the reality that system-level change in Indonesia's infrastructure sector cannot be achieved through technical inputs alone. Sustained political engagement, coalition-building across agencies, and the patient accumulation of institutional credibility are all hallmarks of KIAT's best work and will remain foundational to KINETIK's success.

Key Question of Relevance

How well has KIAT demonstrated flexibility in adapting to changes in the development context, Australian Government, and Indonesian Government policy priorities?

Sub-Questions Addressed:

- 1.1 How effectively did KIAT pivot its technical assistance to meet the shifting fiscal and infrastructure priorities of the GoI post-COVID-19?
- 1.2 How well did the facility respond to the Australian Government's 2023 International Development Policy and its increased focus on climate change and GEDSI?
- 1.3 Was the 'demand-driven' nature of the technical assistance balanced effectively with Australia's strategic interests?

Overall Finding: KIAT demonstrated strong relevance across Phase 2, pivoting effectively in response to four major contextual shifts that included the COVID-19 fiscal disruption and recovery (2020–2022); the Australian Government's 2023 International Development Policy with its deepened emphasis on climate and GEDSI; the 2024 Jokowi-to-Prabowo administration transition and its restructured infrastructure priorities; and the deepening climate and infrastructure funding and financing (IFF) agendas.

The demand-driven model was both a genuine strength and a structural risk. It enabled rapid, credible responsiveness to GoI and DFAT requests and was consistently recognised by stakeholders as a competitive advantage. The model provided a strong and effective ongoing engagement pathway between KIAT and GoI. At the same time, it sometimes pulled KIAT toward individually requested technical tasks at the expense of portfolio-level strategic coherence.

The four pivots that defined KIAT's adaptive journey across Phase 2 are outlined in the timeline below, showing the contextual shifts and adaptive responses associated with each period.

(2020-2021) COVID-19 Pandemic

- GoI budget reallocated to health response; infrastructure spending deferred
- KIAT pivoted to operational support: TransJakarta Pandemic Management Framework; water chlorination guidelines; PRIM road maintenance reoriented to labour-intensive works
- Supported GoI budget reprioritisation decisions across key line ministries

(2022-2023) Post-COVID Recovery

- Infrastructure budgets rebounded; GoI renewed RPJMN investment ambition
- Jokowi administration's final phase: emphasis on connectivity, roads, water; KIAT activity portfolio expanded

- MTR (2021) triggered addition of EOFO 4 (GEDSI) and EOFO 5 (Climate Change)

(2023-2024) Australia's 2023 International Development Policy and IFF Agenda

- Australia's 2023 International Development Policy elevated climate and GEDSI as headline priorities
- KIAT embedded both themes across all five sectors; appointed dedicated GEDSI Lead and launched GEDSI-targeted activities (GESIT); launched GERIN, EMISI, Infrastructure Funding and Financing (IFF) screening tools
- Project Preparation Facility (PPF) launched to link policy to preparation to finance

(2024-2025) Transition to Prabowo's administration

- New administration: food, water, and energy security priorities; Danantara sovereign wealth vehicle; reduced SOE capital injections
- KIAT recalibrated toward private sector mobilisation and IFF enabling environment; undertook Synergistic Funding and Financing Study
- JETP momentum disrupted by political economy shifts, a risk KINETIK's adaptive design must anticipate

The summary below provides the overall assessment of KIAT's performance against the four dimensions of KEQ 1. The details are provided in the following sections.

- *Responsiveness to GoI fiscal & political shifts (assessment: strong)*

Key evidence: Confirmed by Bappenas, MPW, MoF, PT SMI and DFAT. Pivoted effectively from COVID-19 through Prabowo transition. GoI stakeholder confirmed formal alignment of SNRSR with food self-sufficiency priorities.

- *Response to Australia's 2023 IDP (Climate) (assessment: adequate)*

Key evidence: Strong toolset (GERIN, EMISI, CRI, IFF screening). Bappenas coordination was ad hoc; climate relationship less deep than SIAP SIAGA. Cross-theme integration at portfolio level uneven.

- *Response to Australia's 2023 IDP (GEDSI) (assessment: adequate)*

Key evidence: Genuine evolution achieved through GESIT, PAVE, QRU best GEDSI award ×2 years. Early compliance framing corrected in Phase 2 second half. Opportunity exists for strengthening GoI capacity to lead on gender and disability inclusion through Indonesian frameworks.

- *Balance of demand-driven model and strategic interests (assessment: mixed)*

Key evidence: DFAT noted KIAT sometimes focused on technical outputs over strategic behaviour change. Studies and analyses were not always consistently synthesised into a coherent implementation framework. For at least some work streams, activity level governance became increasingly bilateral between KIAT and DFAT, with the unintended consequence of reducing GoI co-ownership.

Pivoting to GoI Priorities Post-COVID

Finding Sub-Question 1.1: KIAT adapted effectively and credibly to the fiscal and political disruptions of the COVID-19 period and to the 2024 Jokowi-to-Prabowo transition. KIAT's responsiveness was widely recognised by GoI counterparts as a defining competitive advantage. The Prabowo administration's restructuring of infrastructure priorities, centred on food, water, and energy security, the Danantara sovereign wealth vehicle, and reduced SOE capital injections, reshaped the conditions under which KINETIK needs to operate. This created both greater opportunity and greater complexity for private sector mobilisation.

The COVID-19 pandemic struck at the outset of KIAT Phase 2 and required an immediate and significant operational pivot. What makes KIAT's response notable is not simply that it responded but the quality and speed of the recalibration, and the range of modalities it employed. The KIAT Senior Management Team highlighted the Facility's ability to absorb external shocks without losing strategic momentum across five fronts simultaneously.

Each of these interventions responded to a distinct imperative. In transport, the priority was to keep essential public mobility operating safely. In water, the link to public health made rapid adaptation both necessary and credible with GoI counterparts. In roads, KIAT identified that labour-intensive maintenance works could serve dual purposes, keeping networks functional and providing economic stimulus at the local level for communities hardest hit by the pandemic.

The Phase 1 Mid-Term Review (2021) had already flagged that reduced GoI budget availability was creating downstream pressures, including funding shortfalls for household connections under the PCSP. KIAT's response of maintaining engagement with GoI counterparts and adjusting activity designs to budget realities rather than pausing was consistent with its adaptive management mandate and was confirmed across multiple counterpart interviews during the 2026 field mission.

The 2024 transition from the Jokowi to Prabowo administration represented a significant political economy shift KIAT encountered during Phase 2. The new administration brought a substantially different infrastructure philosophy, moving from large-scale public connectivity investment (toll roads, ports, airports) toward a greater emphasis on food self-sufficiency, water security, energy transition, and a reconfigured role for SOEs.

KIAT adapted to this change in priorities. It was noted that MOF shifted emphasis from direct public investment toward SOE-led financing and that when SOEs encountered liquidity problems, the burden fell increasingly on private sector mobilisation. This created a new imperative for KIAT to pivot toward improving market conditions, supporting bankable project pipelines, and demonstrating how private capital could be mobilised within Indonesia's evolving regulatory framework. External indicators confirm that Indonesia remained a fundamentally viable investment destination throughout this period: the World Bank's inaugural B-READY 2024 assessment placed Indonesia in the top half of the 50

economies surveyed, with pillar scores of 63.98 for Regulatory Framework, 63.44 for Public Services, and 61.31 for Operational Efficiency (BKPM self-rates Indonesia 20th of 50), while realised investment reached record levels in 2024, with foreign direct investment of IDR 900.2 trillion (approximately US$60 billion) contributing to total investment of Rp1,714.2 trillion (104% of target) and the absorption of 2.46 million jobs.

Jokowi Infrastructure Priorities

- Large-scale public connectivity (toll roads, airports, ports)
- SOE-led financing with capital injections
- Nusantara capital development
- National rural road and village fund programs

KIAT's focus: PPP pipeline, project preparation, asset management, sub-national grants.

Prabowo Infrastructure Priorities

- Food self-sufficiency and water security
- Energy transition and Danantara sovereign wealth vehicle
- Reduced SOE capital injections; greater private financing expected
- Sub-national fiscal pressures from reduced transfers

KIAT pivot: Synergistic Funding Study, IRCIP/food corridor alignment, PPF with private finance mandate

The written response provided by a GoI stakeholder to the Evaluation Team offered a formal institutional assessment of this adaptability:

"Overall, KIAT has demonstrated good flexibility in adapting to changes in Indonesian government policies, particularly during the transition from the 2020 - 2024 period to 2025 - 2029. This is reflected in adjustments to program support in line with shifts in national policy direction. For example, in the SNRSR activity, there was a shift from the initial IRRTIP program to IRCIP, which originally focused on road condition targets and was later aligned with a national priority theme, i.e., food self-sufficiency." (*GoI stakeholder, April 2026)*

The same written response raises a tension that cannot be glossed over. The integration of GEDSI and climate change into road asset management, while aligned with Australia's strategic objectives, was at times perceived as making processes “more complex and time-consuming, less aligned with the needs of technical units that require faster, simpler, and more practical solutions.” This tension between Australian strategic agenda and GoI operational preferences is a recurring theme across the evidence base and is addressed directly under Sub-Question 1.3.

Stakeholder interviews raised a related concern: that KIAT conducted many studies and standalone activities but sometimes failed to consolidate these into a coherent, holistic

implementation program, a limitation of the demand-driven mode of engagement that KINETIK must actively address.

Australia's 2023 International Development Policy

Finding Sub-Question 1.2: KIAT responded substantively to Australia's 2023 International Development Policy (IDP) by operationalising dedicated outcomes for GEDSI (EOFO 4) and climate change (EOFO 5) and embedding both themes across all five sectors by Phase 2 close. Early in Phase 2, KIAT's GEDSI approach at times emphasised target compliance over strategic intent; DFAT raised this and KIAT's Senior Management Team acknowledged it. This was largely corrected in the second half of Phase 2. On climate, KIAT developed a credible toolset with several instances of institutional embedding. In both areas, gaps in GoI ownership and coordination reduced the sustainability of progress. These gaps reflect a combination of KIAT-led design choices (entry through line ministries rather than central mandate-holders; donor-initiated rather than co-designed engagement; absence of a sustained sub-national presence) and GoI-side system constraints (mandate dispersion across multiple agencies; the absence of a structured GoI demand-signal channel for GEDSI and climate; turnover in key counterpart directorates). The diagnosis is set out in the sub-sections that follow and carries direct implications for KINETIK's engagement architecture.

KIAT's response to the IDP went beyond re-labelling. Establishing EOFO 4 (GEDSI) and EOFO 5 (climate) changed how KIAT framed performance and accountability in Phase 2, requiring evidence of progress against program-level outcomes rather than only activity-level mainstreaming. As understanding of Indonesia's climate vulnerability deepened, KIAT also needed to demonstrate how climate and inclusion were being applied in sector practice. The evolution of this approach across Phase 2 is summarised below.

- Phase 1 – Climate and GEDIS mainstreamed (limited evidence)
- MTR 2021 – MTR triggers dedicated EOFOs and GEDSI Lead
- 2023 IDP – Australia elevates climate and GEDSI as headline priorities
- Phase 2 Close – Both themes embedded across all five sectors

Climate Change: By mid-April 2026, stakeholders assessed KIAT's climate work positively, noting that climate had shifted from a standalone topic to being applied across KIAT's sectors. Alongside these achievements, the evaluation identified three areas where KINETIK could strengthen impact and durability.

- **Enhancing institutional alignment:** Deepen technical synergy with Bappenas by aligning external expertise (including CSIRO inputs) with GoI analytical methods and data systems. More regular, "always-on" engagement would help translate climate analytics into day-to-day planning practice.
- **Expanding the network of influence:** KIAT's strongest relationships sit in technical and line ministries; engagement with the Ministry of Environment (the primary climate mandate holder) is still developing. Broadening relationship, similar to approaches

used by programs such as SIAP SIAGA, would increase the policy traction of KIAT's technical work.

- **Strengthening cross-thematic synergy:** Climate and GEDSI are being integrated within many activities, but this integration is not consistently visible at portfolio level, particularly within the IFF stream. Clearer articulation of how climate resilience and inclusion are assessed together would strengthen the overall results story.

GEDSI integration in Phase 2 represented a genuine program evolution from the less-defined Phase 1 starting point. KIAT's SMT acknowledged that some early Phase 2 work treated GEDSI as compliance (meeting targets and indicators) rather than as a strategic objective. DFAT raised this and KIAT adjusted. By Phase 2 close, the overall trajectory was positive, with evidence across five domains.

- **Institutional Structure.** Appointed dedicated GEDSI Deputy Director following 2021 MTR. Added EOFO 4 with dedicated M&E framework. All five KIAT sectors formally mainstreamed and with stand-alone GEDSI activities.
- **Policy Tools**. Developed Integrated Gender and Disability Requirements framework and GEDSI Toolkit. GEDSI Tool formally adopted by Ministry of Public Works. ADB referred to KIAT to learn from its GEDSI practice.
- **CSO Engagement (GESIT).** GESIT small grants enabled CSOs to drive local government GEDSI reforms, including Governor and Regional Regulations on RASS and ZOSS safety zones. Firm established through GESIT is now contracted by government for inclusive infrastructure assessments.
- **Women's Leadership (PAVE).** The PAVE women's leadership program resulted in two institutional outcomes: Srikandi PU, a structured professional platform for women within MPW, and Danantara's Larasati Infrastructure Program, a cross-institution leadership platform connecting women leaders across Infrastructure BUMNs. A leadership development program was completed with 60 women leaders across 10 MPW units and 9 Infrastructure BUMNs, producing 19 group action plans for institutional improvements to women's career pathways.
- **Recognition & Quality**. KIAT rated best GEDSI strategy for two consecutive years across 30+ Indonesian DFAT investments by DFAT's Quality and Risk Unit in Jakarta Post.

While the GEDSI activities achieved several goals, consultations highlighted four substantive limitations that provide a balanced perspective on its overall performance.

- **Ownership and Structural Sustainability:** A primary concern involves the lack of independent initiative from the GoI regarding GEDSI. It was noted that KIAT has consistently led these efforts, rather than responding to unsolicited requests from the GoI. For results to be maintained after KIAT concludes, a structural shift is required to ensure ownership transitions to local counterparts, such as Bappenas, MPW, and the National Disability Commission.
- **Sectoral Performance:** The effectiveness of GEDSI integration varied significantly across different sectors; specifically, a lack of engagement at the subnational level in several areas.

- **Leadership Buy-in and Initiative Risks:** The sustainability of high-profile initiatives was also questioned. Feedback from a GoI stakeholder indicated that outside of BPSDM, senior leadership within the ministry was not fully convinced of the PAVE program's value. This is a single-source observation from a GoI stakeholder and was not independently corroborated by other GoI stakeholders. This lack of endorsement presents a potential risk to the long-term viability of one of the Facility's most prominent GEDSI efforts.
- **Disparity Between Disability and Gender Integration:** Finally, there was an uneven development between the different pillars of GEDSI. The disability dimension appeared more advanced than gender integration in certain sectors, a result attributed to the CSO-based model used by GESIT. This judgement rests on limited documented evidence rather than systematic measurement: there was less documented evidence of gender integration at the technical level of project preparation, particularly within the IFF work.

KIAT is a Connector:

…" We had never thought of working alongside the government, but through KIAT's GESIT we were able to work productively on the inclusive infrastructure that has long been needed. This engagement has also helped raise broader public awareness, which reinforces the principle that persons with disabilities have the same fundamental needs for accessible public facilities as all citizens. GESIT also gave us the confidence to manage projects. The presence of the Australian Government, through its embassy and consulate general representatives, made us feel more supported and confident." (Key Civil Society Organisation)

Demand-Driven Design and Australia's Strategic Interests

Finding Sub-Question 1.3: The demand-driven model served KIAT well, establishing Australia as a trusted partner in Indonesia and building credibility, responsiveness, and GoI ownership of activities; it was consistently recognised as a competitive advantage by GoI partners including PT SMI, MoF, Bappenas and DFAT's own team at Post.

However, the model carried a structural risk that materialised across Phase 2. That said, the Final Outcome Harvesting Report (April 2026) identified 63 verified established outcomes across Phase 2, of which 81% met DFAT's Tier 2 definition of policy or regulatory change, the systemic behavioural and institutional shifts that some stakeholders said were hard to see. This suggests the problem may have been less about the demand-driven model failing to produce coherent results, and more about the MEL system not consistently aggregating results into a visible portfolio-level narrative of cumulative impact. Nevertheless, without a sufficiently strong strategic filter at the portfolio level, demand-driven responsiveness produces a set of activities that are individually defensible but collectively lack coherence. A small number of stakeholders noted that KIAT was occasionally more focused on technical outputs than on strategic GoI behaviour change, and that policy engagement was sometimes

'directed at DFAT' rather than integrated into GoI systems; this observation, while consistent with the governance pattern set out above, was not widely held across those consulted.

A governance friction also emerged; Bappenas and MoF observed that KIAT increasingly sought activity approval directly from DFAT, reducing GoI co-ownership of the activity portfolio. DFAT clarified its preference for maintaining operational flexibility rather than adopting a formal SOP. It noted that prescriptive arrangements might constrain the responsive nature of the Facility's selection process. Nevertheless, both parties agreed that improved governance structure was needed.

The value of KIAT's demand-driven approach was confirmed across every major stakeholder group consulted during the April 2026 field mission. Three qualities stand out from the evidence:

- **Flexibility and responsiveness**. A key GoI stakeholder identified flexibility as 'one of KIAT's real strengths', noting that KIAT was easier to communicate with than most development partners and effective at managing Indonesian stakeholders. This was not just diplomatic language, as the key GoI stakeholder pointed to specific examples where KIAT mobilised resources rapidly for complex analyses that would have taken other partners months to procure.
- **Principled responsiveness**. MoF offered a nuanced perspective: KIAT was flexible but also willing to decline requests where it assessed these were not appropriate. Where requests were declined, the reasons were clearly explained and accepted by MoF. This combination of genuine responsiveness combined with technical integrity was what distinguishes a trusted partner from a passive implementing contractor.
- **Credibility with GoI**. The KIAT SMT noted that over the course of Phase 2, KIAT had built substantial trust with GoI counterparts, trust that takes years to earn and is easily lost. Bappenas confirmed that the KIAT team worked hand-in-hand with their staff and transferred knowledge to continue improvements. This trust relationship is one of KIAT's most valuable assets and forms the foundation on which KINETIK will need to build.

"Adopting a demand-driven and responsive mechanism has been critical to this approach, enabling responses to emerging issues and politically important priorities, with operational and public diplomacy benefits to both governments." (KINETIK IDD)

Against this positive picture, the Evaluation Team's consultations consistently surfaced a structural risk; demand-driven programming without a sufficiently strong strategic filter produced a portfolio of activities that were individually defensible but collectively lacked the coherence needed to drive systemic change. Several stakeholders made this point in different ways.

Governance arrangement: A significant finding from field consultations bears directly on the balance between demand-driven responsiveness and strategic governance concerns. Both Bappenas and MoF observed that, over the course of Phase 2, KIAT had increasingly sought activity approval directly from DFAT, with the GoI Technical Committees playing a diminishing

co-governance role. The result was a bilateral activity approval dynamic between KIAT and DFAT, rather than the tripartite engagement that the Technical Committee structure was designed to provide.

The implication for KINETIK's inception design is to address the co-ownership gap and find forms of governance architecture and their ongoing operation that provide GoI partners with genuine, visible co-ownership without locking Australia into prescriptive procedural arrangements that limit DFAT's strategic flexibility. The joint Management Committee and Program Steering Committee structures in the KINETIK IDD offer such a path.

Non-Government Actors: The demand-driven model employed by KIAT has created specific implications for non-government actors, revealing a notable structural gap in Facility engagement. Consultations conducted by the Evaluation Team indicate that the current approach is oriented almost exclusively toward government partners. This has resulted in the private sector and civil society being positioned as downstream recipients of policy outputs rather than active participants in shaping the Facility's direction.

A key GoI stakeholder observed that there has been limited opportunity for private perspectives to influence infrastructure policy. They noted that government thinking remains heavily focused on Public-Private Partnerships (PPPs), leaving largely underexplored other forms of private participation that could lower market entry barriers. Furthermore, PwC noted that while KIAT's procurement processes are robust, they often lack the agility required for commercial PPP activities. In particular, the absence of single-source specialist engagement for rapid or strategic procurement has sometimes prevented the Facility from securing high-quality results at a necessary pace.

Civil society organisations also highlighted structural limitations during consultations. They emphasised that the intersection of GEDSI and climate-related disasters requires urgent attention, particularly at the subnational level. However, KIAT's government-focused model has struggled to address this need effectively as the current framework is not structurally designed to prioritise the localised, community-led engagement that these complex issues demand.

Forward-Looking Lessons for KINETIK

Overall Implication: KINETIK should retain the demand-driven programming model, which provides genuine competitive and engagement advantages that Australia has built over decades in Indonesia and should not be sacrificed for the sake of administrative tidiness.

Two structural changes are needed to address the gaps identified by this Evaluation: first, stronger governance architecture; and second, a portfolio-level MEL synthesis function to make the cumulative impact of demand-driven activities consistently visible to DFAT, to GoI, and to other development partners.

Based on the findings from addressing the relevance question and three sub-questions, five priority recommendations have been identified to guide the KINETIK Inception Phase:

- **Governance Architecture:** The program should adopt governance structures, such as a joint Management Committee and Program Steering Committee, that provide GoI

partners with genuine and visible co-ownership of activity selection. While these processes must be jointly transparent, they should be designed so they do not lock DFAT into procedures that might constrain Australia's strategic discretion.

- **Sector Strategies:** During the Inception Phase, KINETIK needs to develop specific engagement strategies for each focus area. These strategies should map out policy reform pathways, identify institutional champions, and outline financing mechanisms. Such a framework will serve not as a gate on demand-driven requests, but as the analytical infrastructure needed to aggregate individual activity outcomes into a coherent portfolio-level narrative, addressing the gap identified in the Final Outcome Harvesting Report, where 63 verified outcomes with strong policy and regulatory depth were produced but not consistently synthesised into a visible account of cumulative impact.
- **Climate Analytics:** Before commencing climate analysis, KINETIK should agree on analytical parameters, data formats, and delivery timelines with Bappenas and relevant line ministries. Coordination should be formalised through agreed regular meetings (e.g. quarterly meetings), and analytical tasks should be assigned to counterparts who possess institutional knowledge of GoI systems.
- Gender and Disability and Government Capacity: As early as possible, KINETIK should set an explicit objective to strengthen GoI counterparts' capacity to deliver on Indonesia's national and sub-national commitments to gender equality, disability inclusion, and related social inclusion by working through counterparts including Bappenas, MPW, the Ministry of Women's Empowerment, and the National Disability Commission. Government is the principal duty bearer, but KINETIK should retain shared responsibility for delivering on these commitments within its own programming remit, framing entry points around Indonesia's existing commitments on gender and disability rather than around external 'GEDSI' framing. The GESIT model should be adopted as the primary mechanism for sub-national community engagement, and GEDSI benchmarks must be embedded into all PPF project preparation tools.
- **Adaptive Management:** Rather than relying solely on informal monitoring, KINETIK should conduct structured political economy reviews every six months. The outputs from these reviews should feed directly into activity planning and Program Steering Committee deliberations, providing the necessary strategic filter to prevent demand-driven efforts from becoming fragmented.

Key Question of Effectiveness

How effective has KIAT been in achieving its EOFOs and the program's policy priorities (GEDSI, climate change, and private participation in infrastructure)?

Sub-Questions Addressed:

- 2.1 To what extent has the Partnership achieved its long-term objectives and contributed to systemic changes in Indonesia's national and sub-national infrastructure planning?
- 2.2 How significantly did KIAT leverage private sector capital compared to the initial targets set in Phase 2?
- 2.3 To what extent did KIAT's policy work align with Indonesia's Net Zero 2060 trajectory and Disaster Risk Reduction (DRR) frameworks?
- 2.4 To what extent was KIAT's MEL/P system fit-for-purpose and effective in tracking progress towards all EOFOs and supporting management decision-making and learning?
- 2.5 Has the integration of GEDSI moved beyond compliance to demonstrate measurable improvements in infrastructure access for women, people with disabilities, and other marginalised groups?
- 2.6 How effective has KIAT's engagement with other DFAT programs (SIAP2, Prospera, SKALA, KATALIS) and Multilateral Development Banks (MDBs) been, and to what extent was the KIAT investment aligned with other programs and MDBs?

Overall Finding: KIAT delivered strong results at the output level across all five EOFOs: roads asset management, water sector reform, PPP framework development, climate tool development, and GEDSI mainstreaming. Against this positive baseline, the April 2026 field mission raised three recurring and inter-related concerns that qualify the overall effectiveness assessment: systemic and behaviour change outcomes were more uneven than output delivery; private sector capital mobilisation fell short of the ambitions set at the commencement of Phase 2; and the MEL/P system, while rigorous at activity level, was less effective at tracking and demonstrating systemic change.

Genuine policy and regulatory change were nonetheless achieved. PPP Regulations 7/2023 and 9/2025[4], were formally adopted by the Ministry of Public Works under the PPP Screening Tool Ministerial Regulation 01/2026, Presidential Instruction for Subnational Roads (InPres Jalan Daerah, IJD), thereby embedding KIAT's PKRMS system. KIAT also contributed to the policy groundwork for a potential Independent Water and Sanitation Regulator and Water and Sanitation Law, with enabling policy analysis delivered and the MPW Water Reform Task Force formally established, thus demonstrating that KIAT contributed meaningfully to the enabling environment for infrastructure improvement. These are not incidental policy outputs, rather they are embedded instruments that will continue to shape Indonesia's infrastructure investment landscape beyond the Facility's close.

[4] Bappenas PPP Regulations 7/2023 and LKPP regulation 9/2025 full title are: Permen PPN/Bappenas No. 7 Tahun 2023 and Peraturan LKPP No. 1 (or 9) Tahun 2025.

The more nuanced picture is one of strong technical contribution in a complex, multi-actor environment where systemic change requires sustained GoI institutional commitment that goes beyond regulatory adoption. As the KIAT SMT observed during consultations, achieving systemic impact within Indonesia's multi-layered bureaucratic environment requires a very long lead time, and it is not only about changing regulations but also about navigating complex approval chains, training people, and linking incentives to maintaining and implementing systems. This insight shapes the overall finding and the implications for KINETIK.

- *Long-term objectives and systemic change (assessment: moderate – strong)*

Key evidence: Strong output-level results; genuine policy and regulatory change (PPP Regs 7/2023, 9/2025; MPW MR 01/2026; InPres IJD). Systemic behaviour changes more uneven. GoI counterparts confirm KIAT built trust and credibility; acknowledge long lead times for institutionalisation.

- *Private sector capital mobilization (assessment: partial)*

Key evidence: PPF created a project pipeline; market sounding iterative practice underdeveloped. PwC cited GoI's unrealistic PPP timeframes and rigid requirements. No major private capital transactions closed by Facility end.

- *Alignment with Net Zero 2060 and DRR (assessment: adequate)*

Key evidence: GERIN, EMISI, CRI and PDAM Climate Adaptation Plans embedded in GoI systems. Climate integration more deep in line ministries than in Ministry of Environment (KLH). DFAT confirms 'climate was not a hard sell'.

- *MEL/P system fitness for purpose (assessment: partial)*

Key evidence: MEL strong at activity and output level; weak on systemic change tracking. IMR ratings consistently high. DFAT flagged MEL concentrated at activity level. Outcome harvesting and health-check cycles provided some portfolio-level synthesis.

- *GEDSI: beyond compliance (assessment: moderate – strong)*

Key evidence: GESIT: 69 regulations, of which 38 were village/district regulations. PAVE embedded in MPW and Srikandi Danantara. ADB referred to KIAT for GEDSI learning. Best GEDSI rating among 30+ DFAT investments for 2 consecutive years. GoI engagement on gender and disability inclusion continues to evolve; strengthening GoI institutional capacity to lead through Indonesian frameworks is a priority for KINETIK.

- *Cross-program and MDB engagement (assessment: partial)*

Key evidence: Operational-level coordination with DFAT programs; no formal cross-program framework. Positive World Bank engagement on WatSan; no formal feedback mechanism. Consistent technical engagement with ADB, including IRCIP co-financing, alignment on roads asset management, and ADB referring to KIAT for GEDSI learning; SIAP2 provides a forward reference point for KINETIK. KIAT well-networked but donor coordination largely mediated by DFAT.

Long-Term Objectives and Systemic Change

Finding Sub-Question 2.1: KIAT made meaningful contributions to Indonesia's national and sub-national infrastructure policy and planning frameworks, with several instruments formally embedded in government systems. Systemic behaviour change, particularly at sub-national level, was more limited and uneven. Achieving deeper systemic change will require sustained GoI institutional commitment, linked incentives, and continued enabling environment reforms that extend beyond the Facility's mandate.

Policy and Regulatory Achievements

KIAT's most durable legacy is found not in individual projects, but in the policy and regulatory instruments now formally institutionalised within GoI systems. This transition reflects the strategic evolution of Phase 2, moving from a project-centric focus toward cultivating an enabling environment for private sector participation in infrastructure. Central to this achievement was the drafting and adoption of PPP Regulations 7/2023 and 9/2025, which have significantly strengthened the framework for PPPs at both national and sub-national levels. Alongside these, the MPW integrated the PPP Screening Tool under MR 01/2026, creating a replicable model for how GoI can adopt and operationalise technical policy tools.

Case Study 1: Bandung Intra-Urban Toll Road: PPP Project Preparation

The Bandung Intra-Urban Toll Road (BIUTR) is a planned 18 km elevated highway linking the Pasteur interchange (Purbaleunyi toll road) with the Cileunyi-Sumedang-Dawuan (Cisumdawu) corridor, designed to relieve severe traffic congestion in Indonesia's third-largest city. With origins dating to the early 2000s, BIUTR exemplifies the long gestation periods characteristic of complex PPP transactions in Indonesia, where project viability depends on interlinked advances in policy, regulatory frameworks, institutional capacity, and market readiness.

KIAT's Role

KIAT's support for BIUTR was multi-layered, spanning policy, project preparation, tools development, and market engagement:

- **Umbrella contract model:** KIAT engaged PwC as lead adviser under an umbrella contract that empowered PwC to procure and manage specialist sub-consultants. This model delivered quality project preparation outputs at good value for money, and the April 2026 evaluation confirmed it as a contracting innovation KINETIK should formalise.
- **VfM toolkit with climate and GEDSI integration:** KIAT developed and pilot-tested a toll road Value for Money (VfM) toolkit that was also applied to the Pejagan-Cilacap PPP, and that incorporated climate change risk assessments and GEDSI considerations, embedding inclusivity and resilience into project risk tracking from the outset.

- **PPP enabling environment:** BIUTR was prepared within the broader regulatory architecture that KIAT co-developed with Bappenas and MPW, including PPP Regulations 7/2023 and 9/2025, and the PPP Screening Tool formally adopted under MPW Ministerial Regulation 01/2026.
- **Market sounding:** A market sounding workshop in March 2026 (covering both BIUTR and Pejagan-Cilacap) created a structured forum for engagement between GoI and potential investors, lenders, and operators on both the PPP enabling environment and project-specific terms.

Findings and Lessons

BIUTR remained in advanced preparation at KIAT's end. This outcome reflects structural constraints that extend well beyond project-level preparation. Bappenas, DFAT's IFF team, and MPW each described a persistent misalignment between GoI expectations on risk allocation and what the private sector is willing to accept. This is a constraint that applies across **Indonesia's full PPP pipeline**, not just BIUTR. Market sounding, while valuable, was conducted as a late-stage activity rather than an iterative process integrated from project identification. PwC noted that earlier, sustained engagement with investors would have better shaped GoI's understanding of realistic risk-sharing terms and private sector appetite.

Nonetheless, KIAT's BIUTR engagement demonstrates that comprehensive, well-structured project preparation, conducted within a strengthened regulatory framework, with climate and GEDSI tools embedded, can position projects for eventual transaction success. The umbrella contract model is a directly replicable efficiency gain. For KINETIK, the primary lesson is clear: iterative market sounding should be designed in from project identification, not added as a gateway before procurement.

The "pilot-to-policy" pathway is perhaps best illustrated in the roads sector. The 2023 Presidential Instruction for Subnational Roads (InPres Jalan Daerah) effectively embedded KIAT's Provincial and Kabupaten Road Management System (PKRMS) into a national funding mechanism, ensuring that Australia-supported innovations are funded independently by the GoI at scale.[5] While other reforms, such as the new WatSan law and the establishment of an Independent Economic Regulator, were still evolving at the Facility's close, their underlying design and the stakeholder consensus they generated remain a testament to KIAT's sustained technical influence.

The Effectiveness of Policy Dialogue

The effectiveness of KIAT's policy dialogue was most evident where it moved beyond one-off advice and into the realm of embedded co-production. Where three specific conditions of sustained technical engagement, working-level co-ownership, and a clear adoption pathway were met, the Facility achieved genuine systemic change. The PPP framework stands as the gold standard for this approach: KIAT staff worked hand-in-hand with Bappenas counterparts to draft regulations while facilitating cross-government alignment with the Ministry of Home Affairs and the National Public Procurement Agency. Crucially, Bappenas valued KIAT's neutrality as a partner, noting that the Facility remained free from the commercial conflicts of interest that can sometimes constrain MDB engagement.

However, this effectiveness was not uniform across all sectors. A recurring challenge emerged when dialogue became ad hoc or when an "analytical mismatch" occurred between KIAT's outputs and the GoI's institutional needs. For instance, while the CSIRO climate risk analysis was technically sophisticated from an Australian perspective, Bappenas assessed it as not fully aligned with the specific analytical requirements of national development planning.

[5] Note, Public Works Ministerial Circular Letter on PKRMS in 2023 mandates that all local governments use PKRMS by 2028 (five years after 2023).

Furthermore, the April 2026 field mission highlighted that while KIAT was excellent at producing high-quality policy papers, it was less consistent at tracking the actual behavioural and institutional changes that follow regulatory adoption.

As the program transitions to KINETIK, these lessons suggest a need for a more structured policy function. This includes establishing standing quarterly coordination mechanisms with Bappenas to replace ad hoc contact and designing MERL indicators that capture institutional shifts rather than just activity outputs. By deepening successful relationships in the PPP and roads sectors while investing in more structured dialogue for climate and cross-ministry coherence, KINETIK can ensure that policy dialogue remains a primary driver of systemic change.

"Achieving systemic impact requires a very long lead time. Systemic change requires not only changing regulations but training people and linking incentives to maintaining and implementing the system." (KIAT Senior Management Team)

Sub-National Systemic Change: A More Uneven Picture

At sub-national level, the evidence is more mixed. KIAT's engagement with local governments (LGs) was often mediated through central government agencies, which limited the depth of direct institutional change at the LG level. A key GoI stakeholder flagged that many sub-national governments continue to think short-term about infrastructure, with funding horizons linked to five-year electoral cycles. The single-source observation was consistent with the sub-national capacity constraints documented elsewhere in this report. KIAT's own management noted that its approach has been mainly GoI-focused, with a clear emerging need to address the private sector and sub-national financing dimensions more directly.

The Ministry of Public Works (DG Highways) provided a particularly instructive perspective. It confirmed KIAT's positive contributions, which included road safety innovations, traffic forums, capacity building, and the use of decrees to stabilise local government staffing on projects. However, it also noted that the integration of GEDSI and climate change requirements, while strategically important, made processes more complex, expensive, and time-consuming for technical units requiring faster, simpler, and more practical solutions. This tension between Australian strategic objectives and GoI operational preferences is a structural feature of KIAT's operating environment that KINETIK must actively manage.

DFAT's own analysis raised a related concern; it was not always clear what KIAT had achieved in terms of systems and behaviour change within GoI institutions, as distinct from the production of technical outputs. This was partly a MEL design issue (addressed here under Sub-Question 2.4), and partly a reflection of the genuine difficulty of attributing systemic change in a complex, multi-partner environment.

What Needs to Happen from GoI to Sustain Systemic Change

The April 2026 consultations identified a clear, if challenging, set of conditions required on the GoI side for systemic change to be sustained beyond KIAT's close. These include:

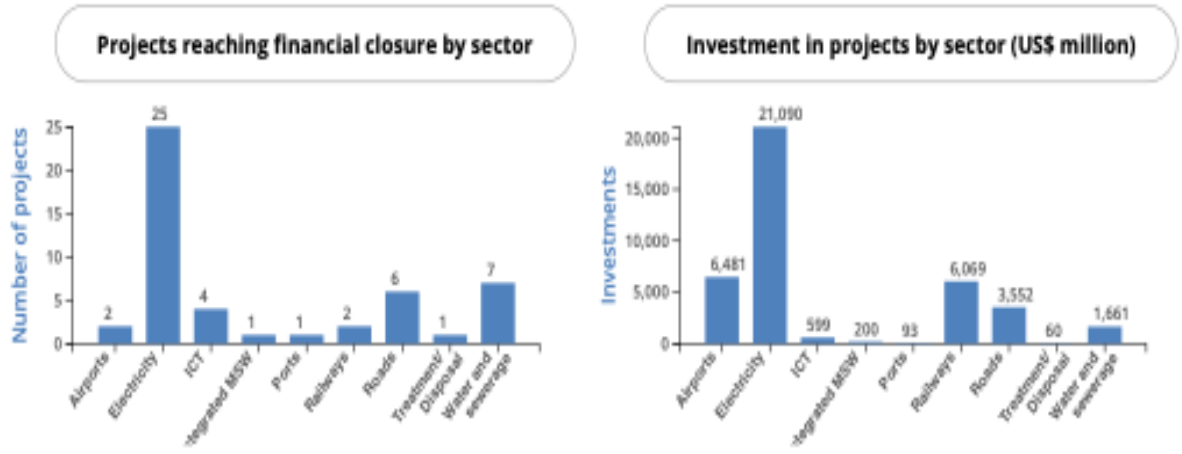
- Formal adoption and funding of tools and frameworks within GoI budget mechanisms, not merely endorsement of outputs. The PRIM-to-PHJD and PKRMS-to-InPres pathways demonstrate this is achievable but is not automatic.
- Linked incentives for maintenance and implementation, not only for policy reform. As the SMT observed, training people and linking incentives to implementing systems is as important as changing the regulatory framework itself.
- Sustained GoI leadership buy-in at senior level within line ministries, including for cross-cutting themes such as GEDSI and climate change. Several KIAT initiatives, including PAVE and some climate coordination work, faced limitations in their implementation and operationalisation because GoI institutional sponsorship was not consistently confirmed at design and then reaffirmed over the course of implementation.
- Greater sub-national government fiscal capacity and longer planning horizons. Municipal bonds, sub-national revenue instruments, and linkages with high-performing PDAMs offer pathways, but require enabling central government policies and capacity support that go beyond any individual facility mandate.
- Broader GoI political economy understanding of private sector participation. As DFAT's IFF team noted, GoI expectations on PPP risk sharing remain misaligned with global norms and with what private investors are willing to accept, which has constrained the depth of systemic change in the IFF space.

"Relationships and credibility with counterpart are critical. We need to focus on practical and sustained hands-on support, not just policies. For a PPP Framework to work, we need to support project preparation, so we have a list of good (real) projects as well as develop examples that demonstrate PPPs work." (KIAT Senior Management Team)

Private Sector Capital Mobilisation

Finding Sub-Question 2.2: KIAT made significant advances in developing the enabling environment for private sector participation in infrastructure, including the PPP Screening Tool, Project Preparation Facility, and the PPP regulatory framework. However, private sector capital mobilisation against the Phase 2 ambition was limited: no major private capital transactions under KIAT's support were closed by Facility end. Market sounding was underdeveloped as an iterative practice, GoI expectations on PPP risk-sharing remained overly rigid, and the evolving Prabowo political economy (including the creation of Danantara) reshaped the private sector landscape mid-Facility.

KIAT's record of private sector capital mobilisation sits in Indonesia's track record on private sector participation infrastructure (PPI) over the period 2016-2024 (the most recent reporting). This saw 51 projects reach financial close worth USD 40.4 billion, primarily covering: airports, electricity, railways, roads, water and sewerage (World Bank PPI Database). Of these the largest number were in the electricity sector with 25 projects, followed by Water and Sewerage (7 projects) and Roads with 6 projects.



***Source**: World Bank PPI Database*

While the electricity sector is certainly noteworthy in its own right (and while also outside KIAT's scope), it reflects a sector with a very strong and prevailing SOE presence (PLN) and financing, and an at-times tangled history of private sector capital mobilisation through the Independent Power Producers (IPPs). Reflecting this against wider infrastructure development in Indonesia and its ability to attract PPI, some common needs can be identified:

- The importance of significant ongoing GoI/SOE budget support aligned with private sector investment
- The crucial weight of robust and balanced contracting mechanisms with the private sector, along with transparent governance with clear project disclosures and budgets
- Independent oversight mechanisms to improve accountability and minimise corruption risks
- Community engagement strategies that involve local stakeholders in infrastructure decision-making

Advances in the Enabling Environment

KIAT's most significant contribution to private sector mobilisation was upstream; building the frameworks, tools, and project pipelines that make private investment in Indonesia's infrastructure more feasible. The formal adoption of the PPP Screening Tool by MPW under MR 01/2026 is the clearest example of a KIAT-developed instrument being embedded within GoI systems in a way that will shape future private sector engagement. The Project Preparation Facility (PPF), piloted in Phase 2, represents a further structural advance, shifting KIAT's mode of engagement from individual project support to pipeline development that explicitly links policy work to project preparation and on to financing.

A key GoI stakeholder confirmed that KIAT's flexibility, speed of mobilisation, and effectiveness in managing Indonesian stakeholders were genuine competitive advantages, distinguishing KIAT from other development partners. The stakeholder particularly valued KIAT's capacity to deliver resources or expertise quickly when needed, and found KIAT easier to communicate with than most development partners.

Other significant contributions to the IFF enabling environment included support for ESG standards for infrastructure project screening, feasibility studies and environmental impact

assessments for toll roads, and the Synergistic Funding and Financing Study to support GoI's evolving understanding of blended finance options. The BIUTR umbrella contract model, with PwC as lead adviser procuring sub-consultants, delivered good value for money and demonstrated a contracting model that KINETIK should formalise.

Constraints on Private Capital Mobilisation

Against this positive enabling environment picture, the private capital mobilisation results at Facility end were more limited than Phase 2 ambitions anticipated. The Evaluation Team's consultation with stakeholders identified several structural constraints:

- GoI risk allocation on PPPs remains a structural constraint. DFAT's IFF team observed that GoI expectations on how risk should be shared between public and private parties remain misaligned with global PPP norms and with what private investors are willing to accept. This misalignment has slowed transaction progress across the full PPP pipeline, and no major PPP transactions in KIAT's pipeline had reached financial close by Facility end. The constraint operated against a pipeline of substantial scale rather than a shortage of candidate projects: PUPR offered 34 PPP projects in FY2025 (14 water resources, 10 roads and bridges, 7 settlement, and 3 housing), following 39 projects worth Rp252 trillion offered for FY2024, underscoring that the binding constraint lay in transaction structuring and risk allocation rather than in the availability of bankable projects.
- Market sounding was a late stage, rather than an iterative process integrated from early project preparation. PwC noted that PPP timeframes were often unrealistic and that GoI technical requirements could be overly prescriptive and rigid, reducing private sector appetite. Early, iterative engagement with investors from the project identification phase is a key lesson for KINETIK.
- GoI counterparts consulted during the April 2026 field mission acknowledged the structural constraints that PwC identified but framed them differently. A key GoI stakeholder confirmed that GoI is actively working to reform the PPP framework, noting that the successive PPP Regulations 7/2023 and 9/2025, both drafted with KIAT support, were specifically designed to streamline approval processes and bring greater clarity to risk allocation between public and private parties. MPW's formal adoption of the PPP Screening Tool under Ministerial Regulation 01/2026 represents a further GoI-owned step to impose more rigorous and transparent project selection criteria that should, over time, reduce the mismatch between project readiness and investor expectations. A broader policy shift is also underway, reflecting recognition that GoI thinking on private sector participation has been largely locked on the traditional PPP model. The stakeholder noted PT SMI and Bappenas are beginning to explore non-PPP private sector participation pathways that could lower barriers to entry and diversify the private finance toolkit available for infrastructure investment. Notwithstanding these reform efforts, DFAT's IFF team assessed that GoI expectations on PPP risk allocation have not yet moved meaningfully closer to global norms. Realigning these expectations is a long-term institutional reform agenda with deep roots in Indonesia's PPP environment, on which many development partners have provided sustained advice over many years. The tardiness of advancement of these reforms should not be underestimated, and

KINETIK must actively support the reform agenda through sustained policy dialogue with Bappenas, MOF, and MPW on global PPP risk-sharing norms and through the iterative market sounding function recommended for the Project Preparation Facility.

CASE STUDY 2: Bandung Intra-Urban Toll Road: Systemic Lessons for Infrastructure Finance

The Limits of Project Preparation Without Systemic Reform

BIUTR's protracted journey from inception to advanced preparation illustrates a core finding of KIAT's evaluation: even technically well-prepared PPP projects cannot reach financial close if the surrounding systemic conditions are not also addressed. KIAT's engagement with BIUTR: spanning feasibility studies, environmental impact assessments, regulatory co-drafting, VfM analysis, and market sounding, represents one of the most intensive and multi-dimensional project preparation investments of Phase 2. Yet no private capital transaction was closed by Facility end.

Three Binding Constraints

- **Risk allocation misalignment:** GoI's expectation that the private sector should absorb all project risk and financing, thereby removing infrastructure entirely from government's balance sheet is inconsistent with global PPP norms. This fundamental mindset was confirmed by several GoI stakeholders and DFAT's IFF team during the April 2026 field mission and is the single most significant structural barrier to BIUTR and Indonesia's wider PPP pipeline reaching financial close.
- **Late-stage, one-off market engagement:** The March 2026 market sounding workshop was substantive and well-attended but occurred very late in the project cycle. As PwC noted, market sounding conducted as a one-off gateway event, rather than as iterative dialogue integrated from project identification, limits its ability to shape feasible risk-sharing arrangements or build investor confidence. GoI technical requirements were also at times overly prescriptive, further reducing private sector appetite.
- **Muted international investor appetite:** International investors generally do not view Indonesia as an easy market, given the limited track record of completed infrastructure PPP transactions. This structural context constrains the pace at which even well-prepared projects attract financing.

Implications for KINETIK

BIUTR's experience directly informs three KINETIK design priorities: (i) the Project Preparation Facility should incorporate a formal, iterative market sounding function from project identification, not as a pre-procurement step; (ii) KINETIK's policy dialogue agenda should explicitly target the risk-sharing mindset at senior GoI level, drawing on global PPP norm-setting; and (iii) KINETIK should explore non-PPP private sector participation pathways to diversify the private finance toolkit and lower market entry barriers beyond the traditional PPP model.

- The political economy shifts under the Prabowo administration further complicated private capital mobilisation. The creation of Danantara as a sovereign wealth vehicle, the reduction in SOE capital injections, and the JETP momentum loss created uncertainty in the market that dampened investor interest. These are external factors beyond KIAT's control but that shaped the effectiveness context.
- Private sector perspectives had limited input to infrastructure policy development. Forms of private sector participation beyond the traditional PPP model remain largely unexplored. KIAT has begun to address this gap but there is significant unfinished work, as well as opportunities for KINETIK to progress.

Implication for KINETIK: KINETIK's PPF should be carried forward with an expanded climate mandate and a formal iterative market sounding function. Danantara and INA transaction pipelines should be tracked by KINETIK's Financial Markets Advisory Partner to position for early advisory engagement. The enabling environment reforms initiated by KIAT, especially around non-PPP private sector participation pathways, should be explicitly carried forward in KINETIK's design.

"Most PPPs are in the planning and preparation stages. To move from upstream to downstream will need financing and technical expertise. Much of GoI thinking on private sector participation is locked on PPPs but there are other forms of PSP that could better bring in the private sector and lower risk barriers to entry." (Key GoI Stakeholder)

Alignment with Net Zero 2060 and DRR Frameworks

Finding Sub-Question 2.3: KIAT's climate work was strategically well-positioned and produced a meaningful set of tools and analytical frameworks that have begun to be embedded in GoI systems. Alignment with Indonesia's Net Zero 2060 trajectory was genuine in technical and line ministry contexts, though the relationship with the Ministry of Environment, the primary GoI climate mandate holder, remained underdeveloped. Coordination with Bappenas on climate analytics was ad hoc and would benefit from more systematic, 'always-on' engagement in KINETIK.

Climate Tools and Their Institutional Embedding

By the close of Phase 2, KIAT had developed and institutionalised a meaningful set of climate-related tools and instruments across its infrastructure sectors. The field consultations with DFAT's Climate team confirmed that KIAT did well and integrated climate change across all areas of work, and that climate change was not a hard sell to GoI, as real opportunities exist in this area. Specific achievements with evidence of institutional embedding included:

- GERIN (Green House Gas Emission Reduction in Infrastructure): a GHG calculation tool piloted on MPW projects for national road maintenance, providing GoI with a practical instrument for measuring and reporting infrastructure emissions reductions aligned with Indonesia's Nationally Determined Contributions (NDCs). It was applied across 7 projects spanning road, water resources, and human settlement sectors.
- EMISI (Emissions Measurement to Improve Sanitation in Indonesia): produced Indonesia's first Tier 3 national GHG estimate for the sanitation sector, based on direct field measurement across five locations. National sanitation emissions were estimated at 22 to 28 million tonnes of CO_2-equivalent per year, approximately 1 to 1.4% of Indonesia's total GHG emissions, with more than 90% originating from onsite systems. These figures provide, for the first time, a credible empirical baseline to inform Indonesia's NDC reporting, regulatory reform, and climate finance engagement. Developed through an advisory group comprising Bappenas, the Ministry of Environment, and MPW, the findings were showcased at Stockholm World Water Week (August 2025) and the IWA Congress (December 2025). DFAT confirmed EMISI "opened GoI's eyes" to climate opportunities in the sanitation sector.

- Climate Resilience Index (CRI) analysis: contributed a study to Bappenas providing input to national development planning (RPJMN), with DFAT confirming that this analysis encouraged GoI's climate resilience planning efforts.
- PDAM Climate Adaptation Plans: by Phase 2 close, several PDAMs had developed Climate Change Adaptation Action Plans (CCAPs) for use in future planning, embedding climate risk into water utility planning cycles at sub-national level.
- IFF Climate Screening Tool: integrated climate change mitigation and adaptation assessments into PPP project screening, ensuring that private sector-oriented project preparation incorporates emissions and climate risk considerations aligned with Indonesia's Net Zero trajectory.
- PCSP Climate Assessment: a comprehensive climate assessment examining flooding risks to the wastewater treatment plant, construction and operational emissions, and resource recovery opportunities including biogas electricity generation, directly informing the Balikpapan Feasibility Study and broader sanitation planning.

Across national road management, KIAT's engagement of CSIRO to deliver climate resilience modelling for the national road network produced the first climate vulnerability assessment for Indonesia's national road network, which was presented to and accepted by the Directorate General of Highways (DGH) and will be used to guide investment in preventative maintenance.

Gaps in Climate Coordination and Institutional Alignment

Against the backdrop of positive feedback, GoI identified three substantive concerns:

- **Analytical alignment**: while CSIRO's involvement brought high-level technical capability, the resulting analysis did not always match its specific analytical needs or connect with GoI institutional methods and data systems. Bappenas indicated that coordination and communication with KIAT were not the best, with KIAT contacting Bappenas in an ad hoc way when it needed something rather than through structured, ongoing collaboration. Partly this can be explained by Bappenas' Directorate of Environment having during the life of the activity three different Directors, each with a different level of interest and engagement.
- **Institutional relationship depth**: KIAT's climate relationship with GoI was assessed as less deep than other Australian programs such as SIAP SIAGA. This is partly a structural issue as KIAT worked primarily with technical and line ministries, while the Ministry of Environment holds the primary GoI climate mandate. It may also be that as a demand-driven facility, KIAT engagement was different. By working at the line ministry level, KIAT achieved embedding within operational systems but did not sufficiently engage the central climate coordination architecture.
- **Cross-thematic integration**: while GEDSI and climate were successfully integrated into many individual KIAT activities, the consistency of this integration across the entire portfolio, particularly within the IFF stream, was uneven, and several stakeholders noted that the impact of cross-cutting integration was not always visible in KIAT's outputs.
- Taken together, these concerns reflect both design and system factors. On the KIAT side, the ad hoc pattern of engagement with Bappenas and the deliberate entry through technical and line ministries were programmatic choices that delivered operational

embedding but limited central-level ownership. On the GoI side, the primary climate mandate sits with the Ministry of Environment, outside KIAT's working architecture, and counterpart continuity in Bappenas' environment function was uneven over the Facility period. KINETIK's climate engagement should therefore pair line-ministry embedding with structured, ongoing engagement of central mandate-holders, and build in resilience to counterpart turnover through institutional rather than individual relationships.

"KIAT has developed a range of activities and tools with several examples of real impact. Climate change was not a hard sell to GoI, and real opportunity exists in this area. Most initiatives for climate change were initiated by KIAT, some by GoI." (DFAT Climate Team Consultation, April 2026)

Disaster Risk Reduction

KIAT's alignment with Indonesia's Disaster Risk Reduction (DRR) frameworks was more implicit than explicit across Phase 2. Climate resilience work in roads (slope management, flood risk assessments), sanitation (flood risk at the PCSP WWTP), and water supply (climate vulnerability in PDAM planning) all addressed infrastructure-related disaster risk. However, KIAT did not maintain a dedicated DRR engagement stream, and alignment with BNPB (National Disaster Management Authority) and other DRR institutional actors was limited. This represents a gap that KINETIK, with its broader climate-integrated mandate, should address, particularly given the relevance of climate-related disasters to GEDSI-vulnerable communities, as CSO consultations in April 2026 highlighted.

Implication for KINETIK: Before commencing climate analytics, KINETIK should agree analytical parameters, data formats, and delivery timelines with Bappenas and relevant line ministries. Coordination should be formalised through regular quarterly meetings. KINETIK should also develop a specific engagement pathway with the Ministry of Environment and BNPB to deepen alignment with Indonesia's central climate and DRR institutional architecture, complementing the line ministry engagement that was KIAT's primary mode.

MEL/P System Fitness for Purpose

Finding Sub-Question 2.4: KIAT's MEL/P system was robust and well-regarded at the activity and output level, earning consistently high IMR ratings and receiving DFAT recognition for reporting quality. However, the system was less effective at tracking systemic change at the portfolio-level outcomes that define KIAT's most significant development impact. Much of the MEL was concentrated at the activity level rather than capturing the cumulative, systemic effects that KIAT's work was designed to produce. This is a design gap with direct implications for KINETIK's MERL framework.

MEL Strengths: Output Tracking and Adaptive Management

KIAT's MEL/P system demonstrated several genuine strengths that should be carried into KINETIK. The system was structured around the four dimensions of DFAT's Facilities Performance Assessment Framework (PAF): development results, stakeholder engagement, operations, and learning and adaptation. Performance across these dimensions was

rigorously tracked through six-monthly Bi-Annual Performance and Planning Reports (BPPRs), Annual Investment Monitoring Reports (IMRs), and activity lifecycle monitoring.

KIAT received consistently high IMR performance ratings across Phase 2, including a rating of 5 across all categories in the 2026 IMR, and was recognised by DFAT's Quality and Risk Unit (QRU) as having the best GEDSI strategy for two consecutive years among more than 30 Indonesian DFAT investments. DFAT Post confirmed that KIAT did well in achieving results and operations but was less strong on collaboration with other development partners. Specifically, cross-program coordination with PROSPERA, SKALA, and KATALIS was operational rather than strategic. KIAT outputs were not systematically accessible outside the Facility, and MDB engagement, while positive at the technical level, lacked formal coordination mechanisms.

The Outcome Harvesting methodology, introduced in Phase 2, added a qualitative layer to MEL that improved the capture of behavioural and institutional change beyond output-level metrics. The 2024 Mid-Term Outcome Harvesting Report demonstrated progress against KIAT's theory of change at outcome level. Annual facility-level Health Check processes (conducted at the facility level each March) and the six-monthly Performance System cycles, which involved structured progress marker setting and review across all activities, further strengthened KIAT's ability to use MEL data for real-time management decision-making.

MEL Limitations: Systemic Change and Portfolio-Level Synthesis

The April 2026 field consultations identified a clear and recurring concern: KIAT's MEL system was well-designed for tracking individual activity outputs but was less effective at answering the more fundamental question of whether KIAT contributed to systemic changes in how Indonesia plans, finances, and delivers infrastructure. DFAT's Infrastructure team noted that it was not always clear what KIAT had achieved in terms of systems and behaviour change in GoI institutions, suggesting that MEL outputs were not consistently translating into a coherent portfolio-level narrative of systemic impact.

Specific MEL gaps identified in the consultations included:

- **Systemic change indicators**: most MEL indicators were defined at the activity output level, such as number of policies supported, number of guidelines developed, or number of officials trained. These are necessary but not sufficient to demonstrate systemic change. The more critical questions of whether GoI counterparts have changed how they plan and make infrastructure decisions, whether tools are being used independently after KIAT support ends, and whether policy reforms have been implemented in practice, were tracked less rigorously.
- **Portfolio-level synthesis**: the World Bank observed that KIAT conducted many studies and standalone activities without consolidating them into a coherent, holistic picture to inform subsequent implementation. This is partly a MEL design issue: the absence of a portfolio-level synthesis function meant that individual activity outputs were not regularly aggregated into a narrative of KIAT's cumulative contribution.
- **Enabling environment metrics**: the key enabling environment changes needed to effect systemic change, including GoI's adoption of performance-linked incentives, sub-national government fiscal capacity, and the regulatory environment for private sector

participation, were not consistently tracked as MEL indicators, making it difficult to assess KIAT's contribution to the conditions for systemic change.

- **Cross-program learning**: DFAT noted that some programs did not know what KIAT was doing, and that few KIAT outputs were accessible outside the Facility. The absence of a cross-program knowledge-sharing function meant that MEL learning was largely siloed within KIAT, reducing its broader value to the Australian development program.[6]

"A lot of the MEL is at the activity level rather than systemic change. How well did the MEL system meet the needs to measure systemic change? What are the key enabling environment changes needed to effect systemic change?" (DFAT Infrastructure Team, April 2026)

Enabling Environment Changes Needed for Systemic Change Tracking

For KINETIK to effectively track systemic change, the MERL framework must explicitly define and measure the enabling environment conditions that underpin infrastructure system reform in Indonesia. Based on consultations, the Evaluation Team identified five key enabling environment dimensions that KINETIK's MERL should capture:

- **GoI regulatory adoption**: whether KINETIK-developed tools, regulations, and frameworks are formally adopted through ministerial or presidential decrees and integrated into GoI planning systems. The PKRMS-to-InPres and PPP Screening Tool-to-MR 01/2026 pathways provide the model.
- **Institutional capacity and incentives**: whether GoI counterpart institutions have the human resource capacity, IT systems, and linked incentives to implement adopted frameworks independently. Training alone is insufficient; performance-linked funding mechanisms and institutional accountability structures are also required.
- **Private sector market conditions**: whether the conditions for private investment in infrastructure, including bankable project pipelines, realistic risk-sharing frameworks, and iterative market sounding, are improving as a result of KINETIK's enabling environment work.
- **Sub-national government fiscal and planning capacity**: whether LGs are moving beyond five-year electoral planning cycles and accessing longer-term financing instruments, including municipal bonds and performance-based grants, as a measure of systemic change at the sub-national level.
- **Cross-sectoral and cross-agency policy coherence**: whether GoI ministries and agencies are working more coherently on infrastructure policy, a higher-order systemic outcome that requires MEL to track not just individual ministry engagements, but multi-stakeholder coordination dynamics.

It is important to note that the KIAT MEL/P Strategy did include design mechanisms intended to address systemic change tracking. Specifically, the Key Outcomes Log and the Outcome Harvesting methodology (Section 6.2 of the MEL/P Strategy) were explicitly designed to capture “observable and significant changes in the behaviour of a social actor.” The MEL/P

[6] The Evaluation Team acknowledge that the issue of making outputs available to a wider audience was currently in the process of being addressed.

went beyond output metrics to document behavioural and institutional change. The 2024 Mid-Term Outcome Harvesting demonstrated that this mechanism functioned as intended at the design level. The gap identified by DFAT and the World Bank is therefore more accurately characterised as a gap between design intent and consistent implementation in practice: while the mechanisms existed, they were not consistently translated into a coherent portfolio-level narrative of systemic impact. The Final Outcome Harvesting Report (April 2026) provides important context here: across Phase 2, KIAT's demand-driven portfolio generated 63 verified established outcomes, of which 81% met DFAT's Tier 2 definition of policy or regulatory change. The lesson for KINETIK is therefore not to constrain the demand-driven model but to build the portfolio-level aggregation function into the MERL framework from the outset, so that cumulative impact is visible in real time rather than recoverable only through end-of-facility evaluation.

Implication for KINETIK: KINETIK's MERL framework should track government adoption of tools, regulations, and frameworks as the primary sustainability metric. A 'system adoption tracker' should be established at Inception with baseline from KIAT legacy tools already embedded in GoI systems (PKRMS, PPP Screening Tool, GERIN). Portfolio-level synthesis should be built into KINETIK's MERL design from the outset, ensuring that individual activity outputs are regularly aggregated into a narrative of cumulative contribution to systemic change.

GEDSI: Beyond Compliance

Finding Sub-Question 2.5: KIAT's GEDSI integration moved meaningfully beyond compliance in Phase 2's second half, producing genuine innovations in inclusive infrastructure design, CSO-led local government engagement, and women's leadership in infrastructure institutions. Measurable improvements in infrastructure access for women, people with disabilities and vulnerable groups were demonstrated in several contexts, particularly through GESIT. KIAT data shows 935 participants were trained (392 men, 543 women), and 485 persons with disabilities; and 193 women and persons with disabilities gained employment and internships; while 21 women engineers in Lombok Barat and 20 in Pesisir Selatan obtained Level 6 Job Competency Certificates.[7] The fundamental challenge of GoI ownership of GEDSI as a program objective was not resolved by Facility close, with KIAT continuing to lead on GEDSI rather than responding to GoI demand.

From Compliance to Strategic Engagement: The Phase 2 Evolution

KIAT's GEDSI journey across Phase 2 is best understood as a genuine evolution from a compliance-oriented starting position to a more strategically embedded approach. The KIAT Senior Management Team acknowledged that in earlier Phase 2 activities, there had been a tendency to approach GEDSI targets as a compliance process, producing required indicators, rather than seizing strategic opportunities to advance inclusion as a program objective in its

[7] Level 6 corresponds to graduate university level under Indonesia's National Qualifications Framework (KKNI) and represents a nationally recognised professional credential, issued by accredited certification bodies such as BNSP, confirming competency in infrastructure-related fields including road supervision, building planning, and construction maintenance.

own right. This was noted by DFAT and addressed. By Phase 2 close, the GEDSI trajectory was substantially more positive, reflected in five domains of achievement.

Institutional Structure. Appointed dedicated GEDSI Deputy Director following 2021 MTR. Added EOFO 4 with dedicated M&E framework. All five KIAT sectors formally mainstreamed with stand-alone GEDSI activities.

Policy Tools. Developed Integrated Gender and Disability Requirements framework and GEDSI Toolkit. GEDSI Tool formally adopted by Ministry of Public Works. ADB referred to KIAT to learn from its GEDSI practice. KIAT presented GEDSI best practice in PPPs to DFAT.

CSO Engagement (GESIT). GESIT small grants enabled CSOs to drive local government GEDSI reforms across 10 LGs, including Governor and Regional Regulations on RASS (Safety Route to School) and ZOSS (School Safety Zone). A firm, established through GESIT and consisting of persons with disability is now contracted by government for inclusive infrastructure assessments.

Women's Leadership (PAVE). PAVE resulted in the launch of Srikandi PU within MPW and Danantara's Larasati Infrastructure Program across Infrastructure BUMNs, both formally endorsed and committed to by their respective institutions. Sustainability depends on whether these platforms are resourced and championed independently of KIAT. PAVE was rated 8/10 by a GoI stakeholder, but senior leadership endorsement beyond BPSDM was not fully confirmed, creating a risk to long-term viability.

Recognition and Quality. KIAT rated best GEDSI strategy for two consecutive years across 30+ Indonesian DFAT investments by DFAT's Quality and Risk Unit (QRU). Phase 2 GEDSI more integrated than Phase 1.

A more detailed GEDSI evaluation is provided in Annex D, prepared in response to the recommendations by DFAT's Equity Hub. It deepens the analysis summarised here across four areas: the GESIT civil society small-grants program and the 69 local regulations it helped secure; the uneven pattern in which disability inclusion advanced faster than gender integration in technical sectors; the intersectional data gap around women with disabilities and a corrected four-cell (sex-by-disability) data architecture for KINETIK; and the framing of government ownership of GEDSI, including the terminology mismatch between DFAT's 'GEDSI' frame and Indonesia's own legislative and institutional vocabulary.

Measurable Improvements in Infrastructure Access

The most concrete evidence of measurable improvements in infrastructure access for marginalised groups came through GESIT and the Performance-Based Grant (PBG) program for water utilities. Under GESIT, inclusive infrastructure assessments conducted by CSOs in partnership with local governments led to the adoption of Governor and Regional Regulations requiring safety zones for school-age pedestrians and people with disabilities. Under the PDAM PBG program, all 17 participating PDAMs developed and implemented GEDSI Action Plans, resulting in improved workforce diversity including increased representation of women in middle management, promotion of one female employee into senior management, recruitment of people with disabilities by 4 PDAMs, and upgraded physical facilities to improve accessibility including accessible restrooms and breastfeeding rooms.

The PCSP provided a further example: by early 2026, the project had established an Inclusive Grievance Redress Mechanism (IGRM), enabling communities including women and people with disabilities to raise concerns and provide feedback on project implementation. More than 1,500 households and commercial properties were connected to the network by early 2026, with a roadmap to expand to approximately 8,000 connections by 2030. However, the World Bank raised concerns about the initially low household connection rate, estimated to be approximately 14 per cent of design capacity at project completion. This reflected the challenge of demand-side engagement and inter-agency coordination that must be built into KINETIK's approach to large city-scale projects from the outset.

Remaining Gaps: Ownership and Subnational Reach

Despite these genuine achievements, the April 2026 consultations identified four substantive limitations that balance the overall GEDSI picture:

- **GoI ownership**: DFAT confirmed it had never received an unsolicited request for GEDSI from GoI. This dependence on external initiative means GEDSI achievements remain at risk of reversal unless GoI counterparts internalise GEDSI as a programmatic priority in their own right. DFAT often needed to remind Bappenas to ensure female participants in panel meetings, indicating that even at senior coordination levels, GEDSI ownership had not been fully transferred.
- **Subnational reach and scale**: GEDSI results were stronger at national level and in specific program contexts (GESIT, PBG) than at sub-national level more broadly. The challenge of achieving GEDSI at sub-national scale without a local, ongoing presence remained a structural gap.
- **Disability-gender disparity**: the disability dimension of GEDSI appeared more advanced than gender integration in certain sectors, particularly at the technical level of project preparation and IFF work. Disability inclusion was embedded in design and safeguards tools for example in the accessibility standards in infrastructure specifications, inclusive grievance redress mechanisms (e.g. the PCSP IGRM), and disability-specific feasibility assessments under GESIT, whereas gender integration largely remained at the level of participation counts and consultation attendance, with less traction in technical design and resourcing. DFAT's GEDSI team noted that KIAT's gender integration at the subnational level remained limited.
- **Leadership gender balance**: while KIAT promoted women's leadership in GoI, its own leadership structure was often perceived as predominantly male, an observation made by both CSOs and DFAT.

"CSOs highly value KIAT's GESIT Program for its support to inclusive infrastructure. A notable achievement was the adoption of local regulations, a Governor Regulation, and a Regional Regulation, on RASS and ZOSS. GESIT provided support throughout the entire process including inclusivity feasibility assessment, public hearings, and socialisation activities." (CSO Consultation)

These gaps reflect a combination of KIAT/DFAT-led design choices and GoI-side system constraints. On the design side, GEDSI engagement was donor-initiated rather than built around co-designed GoI entry points, and the Facility's modality did not include the sustained

sub-national presence needed to convert national-level commitments into local practice. On the system side, the absence of any unsolicited GoI request framed as 'GEDSI' is at least in part a terminology issue: GEDSI is a framework used by DFAT, whereas Indonesian priorities are expressed in terms of gender (and women) and disability. The GoI, including in its national development plans, legislation, and institutions, does not use the same terminology. The more substantive constraint is the lack of an established demand-signal channel built around these Indonesian commitments, compounded by responsibility for gender and disability being dispersed across Bappenas, MPW, the Ministry of Women's Empowerment, and the National Disability Commission, with no single agency positioned to lead. These factors are addressed directly in the KINETIK design implications below.

Implication for KINETIK: KINETIK should set an explicit objective to strengthen GoI counterparts' capacity to deliver on Indonesia's own national and sub-national commitments to gender equality, disability inclusion, and related social inclusion by working through counterparts that include Bappenas, MPW, the Ministry of Women's Empowerment, and the National Disability Commission, and progressing this through the Inception Phase and beyond. Government is the principal duty bearer for these commitments, but this is a shared responsibility: KINETIK should retain accountability for delivering on gender equality and disability inclusion within its own programming remit rather than treating ownership as something to be handed over. To support this, a structured engagement programme should be delivered in Year 1 to build commitment and address cultural or institutional barriers, as well as to foster shared understanding among senior leadership and technical staff, with entry points framed around Indonesia's existing commitments on gender and disability as reflected in national development plans, legislation, and institutions rather than around external framing. The GESIT model should be adopted as the primary mechanism for sub-national community engagement. GEDSI benchmarks should be embedded into all PPF project preparation tools, and KINETIK's own leadership structure should explicitly address gender balance from the Inception Phase.

Cross-Program and MDB Engagement

Finding Sub-Question 2.6: KIAT's engagement with other DFAT programs and MDBs was primarily at the operational level rather than through a formal strategic coordination framework. KIAT was well-networked, particularly with the World Bank and ADB in its technical domains, but cross-program alignment with PROSPERA, SKALA, KATALIS, and SIAP2 was inconsistent and largely mediated by DFAT rather than built into KIAT's operating model. The absence of a shared knowledge platform and formal cross-program mechanism meant that KIAT outputs were not systematically accessible to other programs, leaving valuable tools, methodologies, and lessons learned siloed within KIAT and limiting their potential for broader application across the DFAT portfolio. Whether this produced active duplication of effort cannot be confirmed from the available evidence; what is clear is that other programs lacked a structured pathway to identify, access, and adapt KIAT's work. Conversely, KIAT missed opportunities to leverage the subnational presence, community networks, and sectoral expertise of partner programs such as SKALA and INKLUSI. The result was a missed opportunity for collective impact rather than a demonstrable waste of resources, but the

distinction matters less than the remedy: KINETIK should establish systematic knowledge sharing and coordination mechanisms from the outset so that this gap does not recur.

Engagement with Other DFAT Programs

As noted earlier in the Evaluation, KIAT's engagement with complementary DFAT programs, including PROSPERA, SKALA, KATALIS, and SIAP2, was described by multiple stakeholders as good at the working level but limited in strategic coherence. DFAT Post confirmed that cross-program coordination was primarily operational, addressing specific joint activities or referrals rather than being anchored in a framework that explicitly mapped complementary roles and responsibilities. DFAT noted that few KIAT outputs were accessible outside the Facility and that there was no shared knowledge platform or consistent cross-program visibility.

The most cited example of positive cross-program alignment was KIAT's role in advancing GEDSI across the DFAT program portfolio: the GEDSI toolkit and integrated gender and disability requirements developed by KIAT were acknowledged as relevant to multiple programs, but DFAT noted that these were not systematically shared across DFAT investments. DFAT has since asked KIAT to share its GEDSI approach and risk management practice with other programs, suggesting that more structured knowledge-sharing mechanisms could have produced broader program-level dividends earlier.

To clarify this finding: “not systematically shared” refers specifically to the absence of a formal, facilitated mechanism for transferring KIAT developed GEDSI tools, including the Integrated Gender and Disability Requirements framework and the GEDSI Toolkit, to other DFAT programs in Indonesia. While KIAT’s GEDSI products were available in principle, there was no structured process, such as a shared knowledge platform, cross-program workshop series, or standing coordination mechanism, to ensure that other programs could access, adapt, and apply them. This is distinct from any failure of KIAT’s GEDSI quality: as noted above, DFAT’s Quality and Risk Unit rated KIAT’s GEDSI strategy as the best among DFAT’s 30-plus Indonesia investments for two consecutive years, and ADB was referred to KIAT to learn from its GEDSI practice.

At the strategic level, KIAT’s GEDSI approach was grounded in two overarching Australian Government policy frameworks: Australia’s International Gender Equality Strategy and Australia’s International Disability Equity and Rights Strategy. Both strategies require their objectives to be reflected and operationalised across DFAT development programmes. Importantly, both strategies recognise that implementation will necessarily look different across sectors and program contexts. In infrastructure, the application of gender equality and disability inclusion principles requires sector-specific tools and approaches, such as the physical accessibility standards and inclusive grievance mechanisms developed for KIAT’s urban transport and sanitation work, which differ substantively from how these strategies are applied in governance, health, or education programs. This sector-specific differentiation was not always well-understood or consistently applied across DFAT’s Indonesia portfolio, which is precisely the gap that a structured knowledge-sharing mechanism from KIAT could have helped to bridge.

Urban coordination meetings between KIAT and complementary programs occurred only twice between program inception and 2023 and then ceased, reflecting the absence of a formal mechanism to sustain inter-program engagement on shared sectoral priorities. KIAT maintained good networks with other donors and development programs, but DFAT noted that this was often left to DFAT to manage rather than being built into KIAT's operating model.

Beyond PROSPERA, SKALA, KATALIS, and SIAP2, KIAT maintained engagement with INKLUSI and KONEKSI, though on a more limited and thematic basis. Coordination with INKLUSI occurred primarily through KIAT's GESIT activity, where overlapping CSO networks and shared community-level inclusion objectives created natural points of contact. KONEKSI linkages were episodic, centred on specific research outputs. This included KIAT's Women's Leadership in the Infrastructure Sector study with the University of Indonesia, which was presented at a KONEKSI workshop, and the EMISI emissions work with the University of Technology Sydney, which intersected with KONEKSI's climate and environment grant stream. It is also worth noting that KIAT, PROSPERA, and SKALA were all contracted to DT Global during Phase 2, and KIAT acknowledged that this common contractor relationship generated some informal coordination pathways between programs. While this produced working-level benefits in specific instances, it represents coordination through contractor convenience rather than through a deliberately designed cross-program architecture, a distinction that is relevant to how KINETIK structures its own inter-program engagement from inception.

Engagement with Other Australian Government Agencies

Beyond DFAT-funded programs, KIAT engaged with a range of other Australian Government agencies, though the nature of this engagement varied considerably, from substantive integration within KIAT activities through to ad hoc peer exchange and public diplomacy support.

The most operationally significant example was KIAT's collaboration with CSIRO, which provided climate data and modelling directly integrated into two KIAT activities: the Improving Asset Management and Climate Resilience (IAMCR) activity in the transport sector, and the Climate Resilience Infrastructure (CRI) activity under KIAT's climate change policy stream. Unlike the cross-program coordination described above, the CSIRO engagement was embedded within KIAT's activity design rather than organised alongside it and produced concrete analytical outputs that informed GoI infrastructure planning and asset management decisions. This integration model where an Australian technical agency contributes specialist capacity directly within a KIAT activity rather than through a parallel program represents a coordination approach that generated more tangible results than the broader inter-program coordination mechanisms discussed above, and warrants consideration for KINETIK.

Export Finance Australia (EFA) featured as a bilateral financing partner in KIAT's project preparation work. KIAT prepared the Sarbagita electric Bus Rapid Transit (eBRT) system for potential EFA financing following the withdrawal of Millennium Challenge Corporation funding, and EFA issued a Letter of Interest to the Government of Bali for this project. KIAT also undertook preparation work on the LetKol Wisnu airfield with EFA as a prospective downstream financier. These examples sit alongside the MDB project preparation outcomes

discussed below and reflect KIAT's broader role in positioning priority investments for a range of international financing sources, bilateral and multilateral.

Engagement with Australian Public Service (APS) agencies and state-level institutions was more episodic. KIAT supported Australia's participation at the World Water Forum in Bali through coordination with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) and other APS agencies. Infrastructure NSW and NSW Treasury engaged in a government-to-government exchange on Environmental, Social, and Governance (ESG) frameworks during a senior GoI visit to Sydney, facilitated through KIAT's ESG-related advisory work with the Ministry of Finance. These interactions represented genuine peer learning opportunities but were not anchored in formal engagement structures and did not generate sustained coordination outcomes.

Engagement with Multilateral Development Banks

KIAT's engagement with the MDBs was more substantive in technical terms, particularly with the World Bank and ADB. KIAT's engagement with the ADB was considered more consistent across Phase 2. In terms of sector-level work, KIAT's alignment with ADB priorities in roads asset management was assessed as good, and ADB referred to KIAT to learn from its GEDSI practice, an unusual reverse-flow of expertise from a bilateral facility to an MDB. ADB also actively adopted KIAT technical products, for example, ADB replicated KIAT's Model Bidding Documents for street lighting PPPs in Bali. This elevated KIAT from a mere coordination partner to a trusted technical reference, driving deeper and more impactful engagement. On the forward agenda, the ADB Sustainable Infrastructure Assistance Program Phase II (SIAP2) provides a natural reference point for KINETIK's climate and sustainable-infrastructure focus.

Regarding the World Bank relationship, while the engagement was strongest at the technical level, it was more episodic and there was no formal program-to-program coordination mechanism. In the WatSan space, the World Bank confirmed overall good collaboration with KIAT, noting a positive working relationship at the technical level. The Bank's own staff identified the absence of a formal feedback mechanism as a structural gap, and a previously functioning donor coordination mechanism had ceased to operate. In transport and roads asset management, KIAT's alignment with ADB and World Bank priorities was assessed as good. The World Bank noted it had not maintained a significant portfolio for some years but was returning to the roads sector with its commitment to be part of the broader IRCIP program, which involves total financing of up to USD 2.25 billion[8].

KIAT's engagement with the ADB and World Bank was strong in the roads assets management sector primarily because KIAT, World Bank and ADB provided preparation support to DGH MPW on IRCIP, which required sustained collaboration and technical coordination on shared program design elements including the PMM, DLIs, and DGH governance arrangements.

For KINETIK, the clear lesson is that consistent MDB engagement requires structural co-investment from Inception, identifying which ADB and World Bank lending programs

[8] Total indicative amount of Indonesia Road Connectivity Improvement Program to Support Food Self Sufficiency (IRCIP) based on the updated Bappenas Bluebook 2025-2029 (List of Medium-term Planned External Loans 2025-2029).

KINETIK's TA is designed to support, establishing formal joint coordination mechanisms, and ensuring KINETIK's tools and analytical outputs are actively shared with MDB sector teams.

Alignment with MDB Programs and Indonesia's Development Architecture

KIAT's investment was broadly aligned with MDB priorities in Indonesia's infrastructure sector, particularly in roads asset management, water sector reform, and PPP framework development. The complementarity with ADB and World Bank programs in these areas was genuine, even if the formal coordination mechanisms to realise the full potential of this complementarity were underdeveloped. MDBs also advocate for GoI SOE reforms, providing a natural point of strategic alignment with KIAT's IFF enabling environment work.

The creation of Danantara in February 2025 as a sovereign investment platform represents a new entry point for MDB and KINETIK collaboration. Both KIAT and MDBs are tracking the evolution of Danantara's investment mandate as a potential vehicle for infrastructure capital mobilisation, though the institutional arrangements remain in flux. This is one area where structured cross-partner coordination between KINETIK, MDBs, and DFAT's own deal team would generate greater combined impact than parallel, uncoordinated engagement. It is notable that KIAT characterised the outcomes of cross-program and cross-agency coordination as being "in many instances part of a potential longer-term engagement", thus acknowledging that the concrete results of coordination remain largely prospective rather than established, and one that is consistent with the operational rather than strategic nature of engagement identified in this finding.

Implication for KINETIK: KINETIK should establish a formal DFAT cross-program coordination mechanism from Month 1, with a simple matrix mapping roles across PROSPERA, SKALA, INKLUSI, SIAP SIAGA, and KATALIS. A shared knowledge platform should make KINETIK outputs systematically accessible to other programs. Partnership Coordination Committee structures with MDB partners should include formal feedback mechanisms, not just reporting channels.

Forward-Looking Lessons for KINETIK

Overall Implication: KIAT's strongest development impact came where it combined policy work, institutional capacity building, and project preparation in a coherent end-to-end sequence. KINETIK's integrated portfolio model, spanning climate, finance, and infrastructure, must preserve this logic. The risk is that the expanded scope produces fragmentation rather than coherence. Addressing the systemic change tracking gap, the GEDSI institutional capacity gap, and the private sector engagement gap will be defining challenges for KINETIK's Inception Phase.

The effectiveness evidence across the six sub-questions points to a consistent set of strategic lessons for KINETIK's design and early implementation. The challenge for KINETIK is to preserve this end-to-end integration across a substantially more complex program architecture, while simultaneously addressing the gaps in systemic change tracking, private sector mobilisation, MDB coordination, and GEDSI institutional capacity that KIAT's experience has revealed.

Five priority implications for KINETIK emerge from the effectiveness analysis:

- **Preserve KIAT's end-to-end logic**. The integrated sequence of policy into institutional capacity into project preparation and into financing is KIAT's most significant structural contribution and must be preserved within KINETIK's expanded mandate. Fragmented approaches, however, technically sound, struggle to deliver sustained systemic impact.
- **Design for systemic change from the outset**. KINETIK's MERL framework should track enabling environment changes and GoI system adoption as primary indicators, not as secondary considerations. A system adoption tracker, built on KIAT's legacy tools already embedded in GoI systems, should be established at Inception.
- **Strengthen GoI co-governance on GEDSI and climate**. The absence of GoI-initiated GEDSI and climate requests, resulting in KIAT consistently leading, signals a co-ownership gap that KINETIK must actively resolve. Strengthening GoI counterparts' capacity to lead on gender and disability inclusion by Year three should be an explicit KINETIK target, with KINETIK retaining shared accountability. For climate, a similar ownership gap exists, but the pathway may differ. KIAT engaged primarily with line ministries (MPW, Bappenas, MOF), not the Ministry of Environment. KINETIK should therefore identify and formally coordinate with the most strategically placed GoI institutions for climate-resilient infrastructure from the start.
- **Establish iterative private sector market sounding**. Private capital mobilisation requires early, continuous engagement with investors, not one-off market sounding at late preparation stages. KINETIK's PPF should incorporate iterative market sounding as a standard practice from project identification through to financial close.
- **Build a formal cross-program coordination mechanism**. The knowledge-silo problem that characterised KIAT's cross-program engagement could be addressed at KINETIK inception through a formal coordination mechanism, a shared knowledge platform, and a matrix of program complementarity across the DFAT Indonesia portfolio.

Key Question of Efficiency

How well has KIAT's delivery mechanism and level of resourcing delivered value for money?

Sub-Questions Addressed:

- 3.1 To what extent did the facility model reduce administrative burdens for DFAT while maintaining technical quality?
- 3.2 Was the allocation of adviser resources (subcontracts to large firms, specialist firms, short-term advisers, in-house technical expertise) the most cost-effective way to influence GoI policy, project preparation, and institutional practice?
- 3.3 How efficiently were cross-cutting resources (MEL and GEDSI specialists) utilised across the transport, water, and sanitation portfolios?
- 3.4 To what extent KIAT governance structure allowed for an efficient implementation and decision-making process?

Overall Finding: KIAT's efficiency is assessed as moderate-strong overall, and strong on governance, procurement integrity, and administrative burden reduction. Across the four efficiency sub-questions, performance was rated Strong on the facility model's reduction of DFAT's administrative burden and Adequate on adviser resource allocation, cross-cutting (MEL and GEDSI) resourcing, and decision-making efficiency; KIAT was rated 5 (out of 6) across all IMR performance categories in 2026 and 6 on Efficiency in 2025, and the facility delivered value for money overall. The panel-based facility model (100+ contractors) reduced DFAT's administrative burden and was assessed as efficient at the 2021 MTR. The mix of long-term advisers (LTAs), short-term advisers (STAs), and subcontracts to specialist firms provided genuine flexibility; however, the staffing profile grew progressively heavier toward national long-term staff, procurement timelines caused recurring friction with GoI partners, and knowledge transfer from international to local consultants and GoI institutions was a persistent gap. A more detailed analysis of efficiency showed:

- GoI partners (MoF, MPW, and PT SMI) consistently cited KIAT's flexibility in design and procurement as a core strength to be preserved. PwC observed that for fast-moving PPP advisory work, rapid access to specialist sub-consultants was critical, and that single-source procurement provisions are warranted in time-sensitive circumstances.
- The BIUTR 'umbrella contract' model, in which PwC served as lead adviser and procured sub-consultants, delivered good value for money and is a contracting model KINETIK should formalise.
- MPW and Bappenas both identified knowledge loss when international consultants demobilised. Requested remedies included more embedded local consultants, co-located positions within ministry offices, and knowledge sharing through digital means, such as portals, repositories, and virtual collaboration tools for guidance and learning.
- By June 2025, KIAT's in-house workforce had reached 78 staff (63 LES and 15 LTA), with a ratio of approximately 4:1 national to international staff. The STA panel had issued a

cumulative total of 153 service orders across multiple technical panels, demonstrating the panel mechanism's centrality as a delivery modality.

- KIAT's governance progressively became bilateral (KIAT - DFAT) over Phase 2, with GoI Technical Committees playing a diminishing co-governance role in activity selection and approval. Bappenas and MoF both flagged this as a friction point; KINETIK's governance architecture must actively involve GoI as a co-decision-maker, not only DFAT and the contractor.

Implication for KINETIK: The Facility model works but needs modernisation. KINETIK should increase contracting flexibility, formalise the umbrella contract model, invest in digital systems and embedded local consultant pathways from inception, and address procurement efficiency without sacrificing the robust governance standards that protect the integrity of Australian aid delivery. The staffing model should be calibrated for flex rather than scale: a leaner long-term core supplemented by a more actively utilised and diversified STA panel, including a higher share of local specialist advisers.

The summary below provides the overall assessment of KIAT's performance against the four dimensions of efficiency. The details are provided in the sections following.

- *Facility model and DFAT administrative burden (assessment: strong)*

Key evidence: Panel of 100+ contractors enabled flexible activity design without each requiring separate DFAT procurement. MTR 2021 rated the model efficient. DFAT Quality and Risk Unit rated KIAT 5 (highest) across all performance categories in the 2026 IMR, and 6 in Efficiency in 2025.

- *Adviser resource allocation and cost-effectiveness (assessment: adequate)*

Key evidence: Mix of LTAs, STAs, and specialist subcontracts appropriate to portfolio breadth. BIUTR umbrella contract a VfM model. Procurement timelines and reliance on international experts flagged as efficiency constraints by MPW, World Bank, and DFAT IFF team. Local labour laws created some rigidity in managing the national workforce.

- *Cross-cutting resource utilisation (MEL and GEDSI) (assessment: adequate)*

Key evidence: Dedicated MEL and GEDSI units functioned across all five sectors; GEDSI best rated among 30+ DFAT investments two years running. DFAT WatSan noted low utilisation of some national staff in water stream. MEL strong at activity level; weaker on portfolio-level systemic change tracking.

- *Governance structure and decision-making efficiency (assessment: adequate)*

Key evidence: Management and Technical Committees functioned well overall. Digital systems (AidWorks, MS 365, activity tracking) materially improved operational efficiency. Governance increasingly became bilateral (KIAT-DFAT), reducing GoI co-ownership and slowing some activity approvals. Procurement robustness was a structural feature, not a failure.

The Facility Model and DFAT's Administrative Burden

Finding Sub-Question 3.1: The panel-based facility model materially reduced DFAT's direct administrative exposure while maintaining a consistent standard of technical quality. By managing a panel of over 100 contractors, KIAT absorbed procurement, contracting, performance management, and safeguards responsibilities that would otherwise have fallen to DFAT Post's infrastructure team. The 2021 Mid-Term Review assessed this model as efficient and effective, a finding that remained valid through Phase 2. The Evaluation Team's findings support DFAT's Quality and Risk Unit rating of KIAT at the highest performance tier across all categories in the 2026 IMR (and rated 6 in Efficiency in 2025), confirming that the facility model delivered quality alongside administrative convenience.

KIAT's management of procurement represented the most significant administrative contribution to DFAT's burden reduction. Across Phase 2, KIAT managed a total of over 250 contracts under its portfolio, with 105 contracts executed in the January–June 2024 period alone, including 29 umbrella agreements (Deeds of Standing Offer) and 36 new service orders to STA panel members. Procurement savings were demonstrable: in the same period, KIAT achieved savings of AUD 2.95 million across eight subcontracts through competitive negotiation between the tender price of the preferred tenderer and the final awarded contract price. This type of systematic contract management would require substantially greater DFAT Post capacity to replicate without a managing contractor.

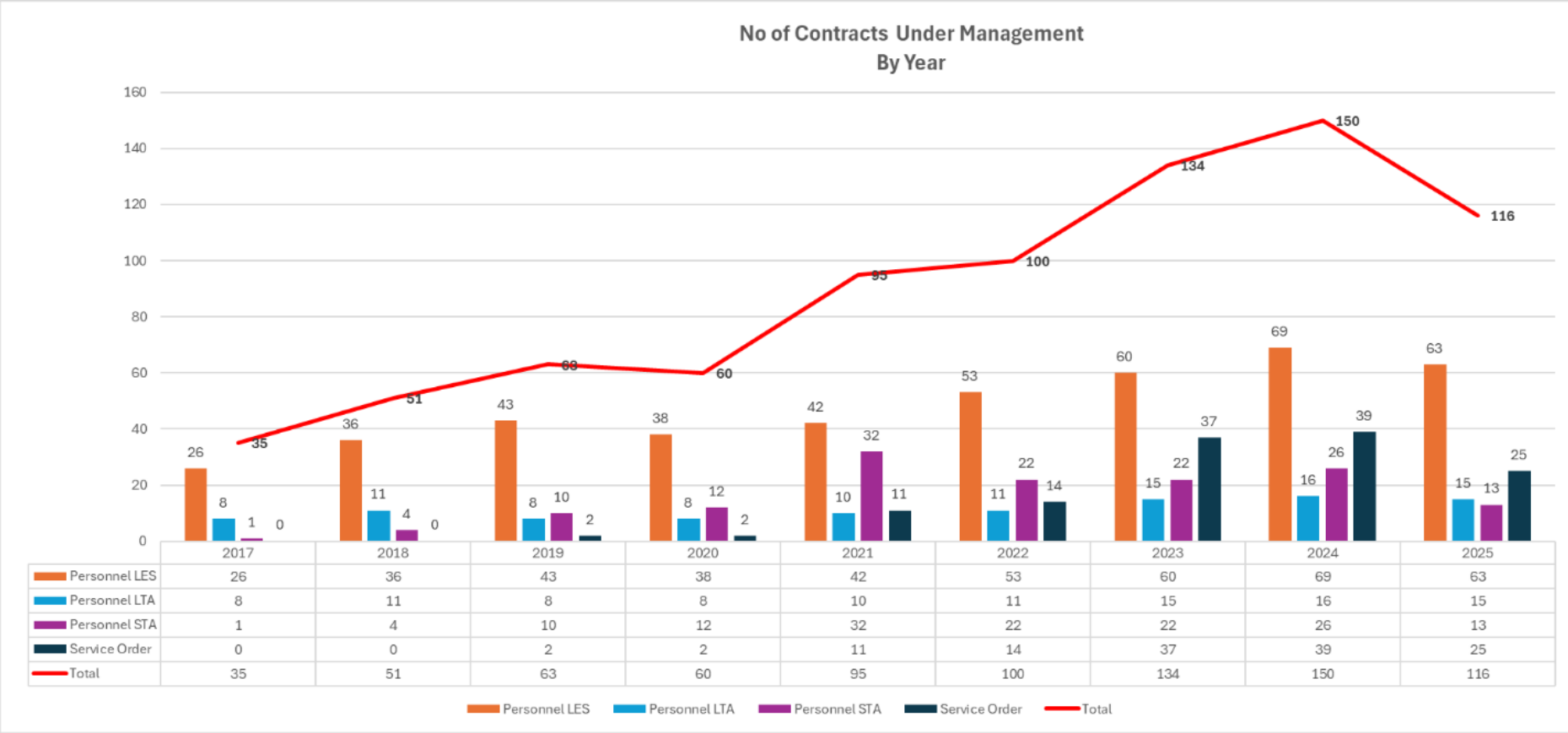
The facility model's administrative value was also visible in its quality assurance systems. KIAT's internal Partner Performance Assessment framework assessed subcontractor performance against agreed deliverables, with an average score of 4.98 out of 6 across assessments conducted in the reporting period. The Safeguards Adviser conducted activity-level risk assessments for each new activity entering the workplan, with intensive support to high-risk activities, functions that DFAT Post could not have managed across a portfolio of this complexity without delegation to a managing contractor.

The demand-driven nature of the facility model created one structural tension in the administrative relationship with DFAT. GoI partners observed that KIAT increasingly sought activity approval directly from DFAT over Phase 2, with the GoI Technical Committee playing a progressively less active co-governance role. This was not primarily an administrative burden issue for DFAT, but it did concentrate the approval relationship in ways that reduced the tripartite governance the original facility design intended. The DFAT infrastructure team confirmed this pattern and it is addressed directly under Sub-Question 3.4.

"KIAT has been rated 5 across all categories in the 2026 IMR, and 6 in Efficiency in 2025. QRU sees these results as the outcome of committed engagement between the KIAT Senior Management Team and DFAT senior management." (DFAT Quality and Risk Unit Consultation)

Adviser Resource Allocation and Cost-Effectiveness

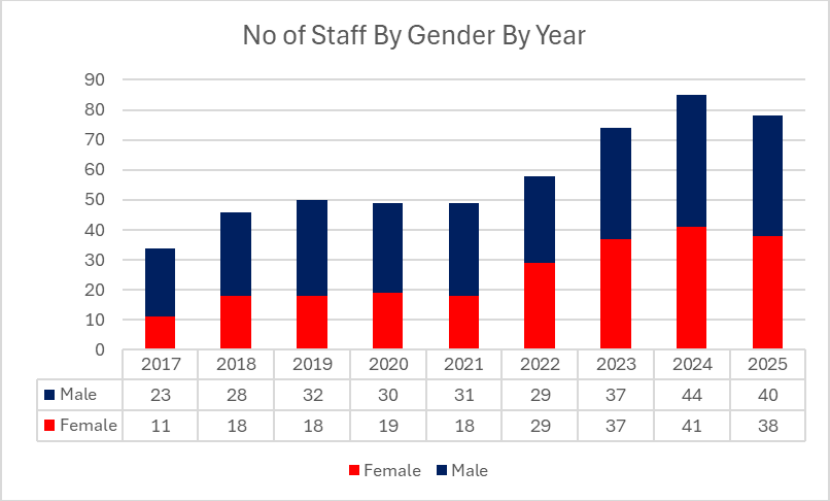
Finding Sub-Question 3.2: The allocation of advisory resources across LTAs, STAs, specialist subcontracts (to large firms such as PwC and Deloitte, and to smaller specialist firms), and in-house technical expertise was broadly appropriate for the breadth and complexity of KIAT's portfolio. The BIUTR umbrella contract demonstrated a particularly effective value-for-money model. However, three recurring structural issues qualified the overall assessment: the progressive growth of the national long-term staff base in ways that reduced workforce flexibility; procurement timelines that created friction with GoI partners on time-sensitive work; and a reliance on international experts in some technical streams that limited knowledge transfer and raised questions about whether comparable local expertise could have been engaged.



No of Contracts Under Management By Year (2017–2025)

Long-Term Advisers, Short-Term Advisers, and the Staffing Balance

The line and bar chart above shows contracts under management by year from 2017 to 2025 (total contracts as a red line; contract types as coloured bars, Personnel LES orange, Personnel LTA blue, Personnel STA purple, Service Order pink), with Personnel LES consistently the largest type and Service Order the smallest. KIAT's staffing profile followed a deliberate trajectory: total contracts under management rose from 28 in 2017 to a peak of 158 in 2024 before declining to 116 in 2025, while core personnel (LES and LTA combined) grew from approximately 64 in 2022 to 85 by end of 2024 then tapered to 78 by June 2025 as the Facility entered its wind-down phase. By June 2025 the workforce comprised 63 locally engaged staff (LES) (81 per cent) and 15 long-term advisers (LTA) (19 per cent), a ratio of approximately 4:1. Female representation in leadership grew substantially, from approximately 22 per cent in 2017 to approximately 46 per cent by 2025, and KIAT achieved near gender parity in overall staffing (50/50 in 2022–2023, 48–49 per cent female in 2024–2025), as detailed in the table below.



	2017	2018	2019	2020	2021	2022	2023	2024	2025
Male	23	28	32	30	31	29	37	44	40
Female	11	18	18	19	18	29	37	41	38

The progressive nationalisation of the KIAT workforce aligned with Australia's localisation agenda and reflects genuine progress: it was actively tracked through KIAT's Diversity and Local Leadership Action Plan, approved by DFAT in May 2024, which achieved implementation of approximately 80 per cent of its 18 priority actions within the first year.

There was some concern about the efficiency implications of KIAT staffing trajectory: whether KIAT had become local staff 'heavy,' with retraining to adjust the workforce profile rendered difficult or expensive by Indonesian labour law. This concern has merit. DFAT's WatSan team observed low utilisation of some national staff in the water stream, partly attributable to local labour laws that constrain the redeployment or release of long-term national employees. As KIAT moved toward its close, several infrastructure policy positions that had been STA-based were converted to full-time roles, a decision that increased workforce stability in the short term but reduced the model's inherent flexibility in the Facility's final eighteen months.

The STA panel model, by contrast, was designed explicitly to provide the flex-staffing capacity that the LTA workforce could not. Across Phase 2, KIAT established panels across all major technical streams (Water and Sanitation, Transport, IFF, GEDSI, Climate Change, Infrastructure Policy, and MEL and Performance) and issued a cumulative total of 153 service orders to panel members by June 2025, with the rate of issuance increasing during the period of peak execution in 2023 - 24. Operational efficiency in the panel improved measurably: the time from service order request to issuance declined over the course of Phase 2, reflecting the advantage of having pre-qualified advisers already under contract and eliminating repeated full procurement cycles.

The Evaluation Team examined the composition of the STA pool in terms of local versus international advisers, and what proportion of the panel was actually utilised. Service orders under management grew sharply from 11 in 2021 to 37 in 2023 and 39 in 2024, before declining to 25 in 2025 as activities wound down. The cumulative total of service orders issued across Phase 2 reached 153 by June 2025. The panel spanned multiple technical streams, though not all individual panel members across all streams were activated during the Facility's life. KIAT's Facility Completion Report confirms that the mix of local and international advisers engaged through the STA mechanism was positively noted by MoF, which assessed the combination of local and international, and gender balance, as appropriate. Ministry of Public Works (DG Highways) requested a greater proportion of locally embedded consultants, particularly for knowledge transfer and continuity purposes, a finding that directly informs the KINETIK staffing design question.

- **Long-Term Advisers (LTAs).** *Phase 2 Role:* Senior technical leadership, sector management, GoI relationship management, policy advisory roles. *VfM Assessment:* Effective for sustained GoI engagement and technical credibility. Workforce grew progressively national-staff heavy; local labour law reduced flexibility in the wind-down phase.
- **Short-Term Advisers (STAs – panel).** *Phase 2 Role:* Surge capacity for specific technical tasks, reviews, studies, targeted policy inputs across all streams. *VfM Assessment:* Core delivery modality: 153 service orders issued across Phase 2. Reduced SO issuance time over time. Utilisation was not uniform across all streams. Local–international balance a question for KINETIK design.
- **Large specialist subcontracts** (e.g. PwC, Deloitte). *Phase 2 Role:* Major PPP project preparation, IFF analytics, financial modelling, private sector advisory. *VfM Assessment:* Delivered high-quality outputs on complex PPP preparation. BIUTR umbrella contract model (PwC as lead, procuring sub-consultants) assessed as good VfM. Procurement timelines remain a tension.
- **Smaller specialist firms & NGOs**. *Phase 2 Role:* GEDSI capacity (GESIT), community engagement, water and sanitation delivery, local government support. *VfM Assessment:* Effective for GEDSI and community-facing work. CSO panel (GESIT) enabled rapid, locally

grounded GEDSI engagement at sub-national level. Contractor panel of 100+ provided flexibility.

Specialist Subcontracts and the Umbrella Contract Model

The use of large specialist advisory firms for complex IFF and PPP work represented a deliberate and generally successful deployment of KIAT's advisory resources. PwC's engagement as the lead adviser for the Bandung Intra-Urban Toll Road (BIUTR), procuring and managing sub-consultants under a KIAT-approved umbrella contract, was assessed by PwC itself as a good VfM approach and was validated by the Evaluation Team as an effective contracting model. Deloitte's engagement on broader IFF analytical work similarly delivered quality outputs with GoI endorsement.

PwC's feedback during the Evaluation Team's consultation introduced an important qualification. While endorsing the umbrella contract model, PwC observed that the KIAT-approved procurement process did not always best serve to identify sub-consultants who could most effectively interact with the lead adviser. For time-sensitive and technically complex PPP work, PwC argued that single-source procurement provisions, where the lead adviser can directly engage trusted specialist sub-consultants without a full competitive process, are warranted in some circumstances. KIAT's procurement regime, while procedurally sound, created delays that GoI partners experienced as a structural constraint on momentum.

A formal written response by a GoI stakeholder to the Evaluation Team reinforced this tension. The written response assessed that efficiency was constrained by "relatively lengthy expert procurement processes and a tendency to rely on international experts, despite the availability of domestic experts with comparable competencies." It also noted that instability in implementation teams, arising from changes in team leaders and personnel, affected work continuity, a concern that speaks to the cost of knowledge loss at the activity level. This is a finding that must be read alongside, not against, the acknowledgement that robust procurement processes protect the integrity of Australian aid delivery. The challenge for KINETIK is not to abandon rigour but to find procurement modalities that are both accountable and agile,

The frustration with procurement timelines, while genuine, must be contextualised; Indonesia is a challenging procurement environment, as DFAT's own infrastructure team noted this 'frustration was a fact' and 'robust procurement processes take time', and that the value of having a fit-for-purpose process that provides transparency, probity, and competitive tension justifies the time cost. The challenge for KINETIK is to design procurement modalities that are both accountable and proportionate, including umbrella contracts, single-source provisions for defined circumstances, and a broader, more diverse panel that includes Indonesian specialist firms, universities, and think tanks as standard participants.

"Implementation efficiency has not yet been fully optimal. Although technical support quality is good, implementation is still constrained by relatively lengthy expert procurement processes and a tendency to rely on international experts, despite the availability of domestic experts with comparable competencies. Instability in the implementation team due to changes in team leaders and personnel has affected work continuity." (GoI stakeholder, April 2026)

Cross-Cutting Resource Utilisation: MEL and GEDSI Specialists

Finding Sub-Question 3.3: KIAT's dedicated MEL and GEDSI specialist functions were deployed across all five sectors and represented an efficient use of cross-cutting resources at the Facility level. The MEL performance unit functioned as a genuine portfolio coordination mechanism, supporting activity-level reporting and providing the basis for KIAT's consistently high IMR ratings. The GEDSI specialist function produced measurable results, most visibly through the GESIT small grants model and the PAVE women's leadership program and earned KIAT the best GEDSI rating among more than 30 Indonesian DFAT investments for two consecutive years. Against this positive baseline, two structural limitations qualify the efficiency assessment: MEL resources were more effective at tracking outputs than systemic change, and some national staff utilisation in cross-cutting roles, particularly in the water sector, was sub-optimal.

MEL Resource Deployment Across Sectors

KIAT's MEL function was structured through a dedicated Performance Unit reporting to the Deputy Director for Strategic Planning and Performance. The unit comprised a minimum of an international Strategic Advisor (STA-level), three full-time MEL Managers each aligned to a KIAT technical directorate, and program support officers responsible for data compilation. This structure enabled consistent MEL coverage across all five activity streams, supported by activity-level counterparts within each technical team. Additional specialist support for evaluation tasks and knowledge products was drawn through a dedicated STA Panel for MEL and Performance, initially established in the first quarter of 2023, and refreshed in the fourth quarter of 2024.

The efficiency of this cross-cutting model is evidenced by KIAT's track record on performance reporting: consistently high BPPR quality, recognition by DFAT's Quality and Risk Unit for its approach to risk management and outcome harvesting, and a performance rating of 5 across all categories in the 2026 IMR. The Outcome Harvesting methodology, introduced in Phase 2, added qualitative depth to MEL that the standard activity-level reporting framework could not capture alone, enabling a more nuanced picture of behavioural and institutional change across the portfolio.

The structural limitation of the MEL system, discussed in greater detail under KEQ 2, was the absence of a built-in portfolio-aggregation function: while individual mechanisms for tracking systemic change existed at the design level, notably the Key Outcomes Log and Outcome Harvesting methodology, the system was not designed to synthesise these into a coherent portfolio-level narrative of cumulative impact in real time. This is not primarily an efficiency issue

(the MEL resources were appropriately deployed for what they were asked to track) but a gap in the aggregation architecture, with direct implications for KINETIK's MERL framework.

A more direct efficiency concern was the low utilisation of some national KIAT staff in the water stream, partly influenced by local labour laws that limited flexibility in staff redeployment or release. This issue, while specific to the water sector context, reflects a broader structural question about the efficiency of maintaining a large national LTA workforce as KIAT's activity portfolio evolved. As activities concluded and new ones required different skill sets, the cost of maintaining under-utilised long-term positions was a real VfM concern that the KINETIK staffing model should explicitly address through a more dynamic balance between core LTAs and an actively maintained and utilised STA pool.

CASE STUDY 3: GESIT: Civil Society as the Engine of Inclusive Infrastructure

GESIT (Gender Equality and Social Inclusion in Infrastructure) was KIAT's CSO small grants program, working through civil society organisations to bring women and people with disabilities into infrastructure planning and delivery at the community level. Operating as a collaborative partnership between GoI, civil society, and local governments, it embedded inclusion not as a reporting requirement but as a practice, with grantees undertaking action research, facilitating community engagement, and building the capacity of local government counterparts.

The results were tangible. Three examples illustrate the model's reach:

- **Regulations on inclusive infrastructure:** GESIT grantees supported the passage of 69 regulations, of which 38 were village/district regulations promoting inclusive infrastructure and enabling the use of village funds for inclusion-focused investment.
- **Participatory planning:** Grantees in Lombok Barat and Tegal worked with District Planning Agencies to strengthen the capacity of women and persons with disabilities to participate in thematic *musrenbang*, a traditional Indonesia bottom-up development planning process.
- **Water sector skills:** In Bandung, Palangkaraya, Banyuwangi, and Tegal, grantees partnered with PDAMs to deliver training in pipe installation, maintenance, and water quality testing for women and persons with disabilities, directly improving access to technical employment in the sector.

KIAT's GEDSI strategy was rated the best among more than 30 DFAT Indonesia investments for two consecutive years, and the Asian Development Bank was referred to KIAT to learn from its GEDSI practice. GESIT was central to both distinctions: its CSO-based model produced measurable improvements in infrastructure access and inclusion that KIAT's more government-facing activities could not readily replicate. A grantee organisation captured the model's significance: "We had never thought of working alongside the government, but through KIAT's GESIT we were able to work productively on the inclusive infrastructure that has long been needed. GESIT also gave us the confidence to manage projects."

The primary constraint on GESIT's sustainability is structural: DFAT confirmed it never received an unsolicited request for GEDSI from GOI counterparts related to infrastructure, and for engaging with CSOs/OPDs for KIAT activity implementation. KIAT consistently led on inclusion rather than responding to GoI demand. Unless GoI counterparts such as Bappenas, MPW, and the National Disability Commission are supported to take up these gains as part of delivering on Indonesia's own commitments to gender and disability inclusion, GESIT's achievements remain dependent on external initiative. The disability dimension of GEDSI was also more advanced than gender integration at the technical project preparation level, particularly in the Infrastructure Funding and Financing stream.

For KINETIK, the lesson is clear: *the GESIT model should be adopted as the primary mechanism for sub-national community engagement, benchmarks for gender and disability inclusion should be embedded into all project preparation tools from inception, and an explicit objective should be set to strengthen GoI counterparts' capacity to deliver on Indonesia's own commitments to gender equality and disability inclusion and with KINETIK retaining shared responsibility within its programming remit rather than handing ownership over.*

GEDSI Specialist Resources

KIAT's GEDSI specialist function represented an efficient use of cross-cutting advisory resources, particularly in the second half of Phase 2 following the addition of a dedicated GEDSI Deputy Director in response to the 2021 MTR. The twin-track approach (mainstreaming across all five sectors plus targeted standalone GEDSI activities) was supported by a small but dedicated specialist team, whose outputs included the GEDSI Toolkit formally adopted by the Ministry of Public Works, the GESIT small grants model deployed with CSOs across 10 local governments, and the PAVE women's leadership program resulting in the launch of Srikandi PU within MPW. On balance, the GEDSI expertise and budget allocated to Phase 2 were broadly adequate for KIAT's mainstreaming and stand-alone objectives, the principal constraint being the thin national pool of disability-and-infrastructure specialists rather than the level of funding itself; KINETIK should nonetheless budget explicitly for sustained disability-inclusion expertise rather than relying on ad hoc short-term engagements.

The GEDSI Mainstreaming Review (October 2024) identified a structural challenge in engaging disability specialists for infrastructure work: most GEDSI specialists in Indonesia have a gender background, and the pool of experts combining disability inclusion expertise with infrastructure sector knowledge remains limited, reflecting the broader historical focus of development programming on gender equality over disability inclusion. In response, KIAT contracted a

disability inclusion specialist with lived experience to co-design and facilitate a Disability Inclusion in Infrastructure Training in March 2025, attended by 86 KIAT staff and 14 subcontractor staff across seven organisations, and established a small pool of short-term disability advisers accessible to activity teams for the remainder of Phase 2.

The efficiency of KIAT's GEDSI function is perhaps best illustrated by the leverage it achieved relative to its resource base. A small specialist team, working across all five sectors and supporting both national-level policy tools and sub-national community engagement through GESIT, contributed to 69 regulations, including 38 at village and district level, and to the development of a GEDSI Toolkit subsequently adopted at national level. DFAT assessed KIAT's GEDSI performance as among the stronger of its Indonesia portfolio investments, and ADB engaged with KIAT to draw on aspects of its GEDSI approach.

While men continued to constitute the majority of KIAT's leadership, defined as the Senior Management Team, Lead Advisers, and Coordinators, female representation at this level rose from 42% (June 2023) to a peak of 45% (December 2024), before closing at 40% across a management cohort of 82 staff at Facility close in June 2025. Across the Facility as a whole, a near-equal gender balance of 46% female and 54% male was achieved among all 82 full-time staff by June 2025. More significant was that KIAT had always led on GEDSI rather than responding to GoI-initiated requests. Both observations were less about inefficiency in the use of GEDSI specialist resources and more about the limits of what a small specialist function can achieve in the absence of institutional ownership by GoI counterparts, a sustainability concern addressed under KEQ 4.

To address these findings, KINETIK should implement several key strategies: set internal gender balance targets from the start, build in GoI co-leadership of GEDSI components and activities rather than just KIAT facilitation, and track GoI-initiated GEDSI requests as a metric for shifting ownership.

Governance Structure and Decision-Making Efficiency

Finding Sub-Question 3.4: KIAT's governance structure functioned adequately for much of Phase 2, with the Management Committee and Technical Committee structure providing regular mechanisms for activity coordination, issue resolution, and GoI engagement. Digital systems investments materially improved operational efficiency in contracting, financial reporting, and activity tracking. Two structural issues limited governance efficiency across the Facility's life: the progressive shift toward a bilateral KIAT - DFAT activity approval dynamic that reduced GoI co-ownership; and the inherent tension between robust procurement governance and the pace of delivery that GoI partners expected.

Governance Structures: What Worked

KIAT's Management Committee met regularly throughout Phase 2 and served as the primary forum for resolving operational issues and seeking agreement on new areas of focus. Technical

Committees convened at the sector level, providing structured engagement with GoI counterparts including senior Bappenas, MPW, and MoF officials at Echelon 1 and Echelon 2 levels. The six-monthly KIAT update meetings were specifically cited by MoF as very helpful for information sharing and program transparency.

KIAT's investment in digital governance infrastructure was a genuine efficiency gain. Across Phase 2, KIAT progressively digitised core operational, financial, and human resources processes through MS 365 tools, reducing reliance on manual and paper-based systems, strengthening internal controls, and enabling more timely management oversight. The KIAT Senior Management Team noted that continuing to make operational processes digital-based improves efficiency and provides opportunities for operational innovation, as well as generating useful data for decision-making. The KIAT member who raised this point specifically recommended this as a model for KINETIK to build upon.

One of KIAT's most substantive institutional partners on IFF confirmed that KIAT's governance model was less bureaucratic than many development partners, and that this flexibility was a real positive. The combination of formal governance structures and informal working-level responsiveness was seen as one of KIAT's genuine competitive advantages over MDBs and bilateral development partners that operate with more rigid programme management frameworks.

Procurement Governance: A Feature, Not a Flaw

The tension between procurement robustness and delivery pace deserves explicit examination. The GoI stakeholder formal written response to the Evaluation Team assessed KIAT's procurement processes as relatively lengthy and called for greater flexibility, including provision for single-source engagement in some circumstances. This concern was echoed by PwC in the context of PPP advisory work. At the same time, it was noted that robust procurement processes take time, and the value of maintaining a fit-for-purpose process that provides probity and competitive tension justifies the cost.

This is not a contradiction but a genuine trade-off that KINETIK's contracting framework must navigate. The evidence from KIAT's experience points toward a differentiated approach: maintaining full competitive procurement for large, long-duration subcontracts where competitive tension delivers measurable savings (as KIAT's AUD 2.95 million negotiation savings in H1 2024 demonstrate), while introducing proportionate provisions for time-sensitive, specialist engagements, such as the single-source option for specialist sub-consultants within an umbrella contract framework. KIAT's SMT observed that a contractor panel of more than 100 was useful for flexibility, and that the successor program should be 'even more flexible by allowing a greater variety of contracting modality', a recommendation the Evaluation Team endorses.

Forward-Looking Lessons for KINETIK

Overall Implication: KIAT's delivery mechanism delivered value for money at an overall adequate level, with strong performance in some dimensions (administration, GEDSI specialist deployment) and structural limitations in others (staffing flexibility, procurement pace, knowledge transfer from international to local advisers). KINETIK should retain the facility model's core strengths, including the panel-based contractor mechanism, the demand-driven advisory model, and the in-house MEL and GEDSI functions, while addressing the structural efficiency gaps through a recalibrated staffing model, more flexible contracting modalities, and governance architecture that brings GoI meaningfully into activity design and approval from inception.

Based on the findings across the four efficiency sub-questions, five priority recommendations are identified to guide the KINETIK inception phase:

- **Staffing Model**: Design a leaner LTA core supplemented by a more actively deployed and diversified STA pool. Set explicit utilisation targets for STA panels by sector. Calibrate national LTA positions against genuine workload needs at design and include Indonesian specialist firms on panels from the outset to address the local - international adviser balance. Avoid converting STA roles to full-time positions in the final two years of the program.
- **Contracting Flexibility**: Formalise the umbrella contract model (lead adviser with delegated sub-procurement) as a standard modality for complex specialist engagements. Introduce single-source provisions for time-sensitive, specialist tasks within defined parameters. Expand the contractor panel to include Indonesian firms, universities, think tanks, and specialist NGOs from inception.
- **Knowledge Transfer**: Require Knowledge Transfer Plans as formal milestones in all international adviser contracts. Fund co-located national positions embedded within GoI ministries, as explicitly requested by GoI stakeholders. Invest in digital repositories (including video-format guidance accessible to sub-national government staff) to retain institutional knowledge beyond individual adviser assignments.
- **Governance Architecture**: Design governance structures that provide GoI partners with genuine, visible co-ownership of activity selection and design, without locking DFAT into prescriptive procedural arrangements. Ensure activity approval involves GoI counterparts from the design stage, not as a post-DFAT notification. The joint Management Committee and Program Steering Committee structures in the KINETIK IDD offer a credible path.
- **MEL for Systemic Change**: Design KINETIK's MERL framework from inception to track systemic change at the portfolio level, not only activity outputs. Establish a 'system adoption tracker' at inception with baseline from KIAT legacy tools (PKRMS, PPP Screening Tool, GERIN). Deploy Outcome Harvesting as a standard semi-annual practice, not a one-off activity.

KIAT's MEL/P system was rigorous at the activity level but less effective at tracking systemic change and answering the 'so what' question, specifically, the significance of results for Indonesia's development trajectory and Australia's strategic interests. Outcome Harvesting, deployed three times across Phase 2 and identifying 63 established and emerging outcomes by Facility close, provided the primary mechanism for this portfolio-level narrative. However, it operated as a periodic qualitative exercise rather than a continuous impact-tracking framework with established baselines and targets at the systemic level. KINETIK's MERL design directly responds to this gap: the IDD commits to portfolio-wide outcomes measurement with specific methodologies, including longitudinal research, PEA analysis, and ongoing pipeline reviews, linked to Intermediate Outcomes and End of Program Outcomes, with data collection distinct from activity-level reporting.

Key Question of Sustainability

To what extent has KIAT ensured sustainability of the results of its activities for the intended beneficiaries, specifically in relation to locally led development? Will the benefit last?

Sub-Questions Addressed:

- 4.1 Are asset management systems (e.g., for national and sub-national roads) being maintained and funded by the GoI independently of KIAT support?
- 4.2 To what extent has KIAT built the capacity of Indonesian partner ministries (Bappenas, PU) to manage complex PPP transactions without external TA?
- 4.3 How has KIAT supported “locally led” development by empowering sub-national government agencies in the delivery of sanitation and water services?

Overall Finding: KIAT’s sustainability is assessed as moderate overall, and strong where outcomes are formally institutionalised in GoI systems. Across the sub-questions, sustainability was rated Strong for road asset management systems (4.1), Moderate for PPP institutional capacity (4.2) and locally led water and sanitation (4.3), and Mixed for the piloting, demonstration-effect and TWG models (4.4). KIAT’s impact is most durable where outcomes are institutionalised. Sustainability is strongest when tools and reforms (such as PKRMS, GERIN, and procurement shifts) are formally embedded into Government of Indonesia (GoI) systems, backed by ministerial or presidential decrees, and funded independently through GoI's own budget framework. Conversely, results remain fragile where they depend on external factors:

- **Consultant Dependency**: Outcomes tied to KIAT-funded external consultants without a clear handover pathway show limited longevity.
- **The FIFO Model**: The "fly-in fly-out" technical assistance model has limited deep advisory impact, particularly at the sub-national level.

- **Sub-national Capacity**: High staff turnover and the cessation of KIAT support often interrupt knowledge continuity, leaving sub-national government capacity a significant constraint.

Consultations with the KIAT SMT, MOF and MPW identified asset management as the cornerstone of the sustainability agenda. They emphasised that technical tools alone are insufficient; lasting success requires:

- **Work Simplification**: Making processes intuitive enough to survive bureaucracy.
- **Formalisation**: Codifying practices into law via formal decrees.
- **Master-of-Trainers Systems**: Establishing internal training pipelines to mitigate the "revolving door" of staff transfers.

While Bappenas notes that the transition to GoI-funded systems is underway, many areas still signal a reliance on external financing, suggesting the shift to full domestic ownership is not yet complete.

The Evaluation Team identified three specific questions raised by DFAT regarding KEQ 4: first, how those not involved in pilots benefit from KIAT's piloting approach; second, whether pilots are useful as a demonstration effect; and third, whether the TWG model has been effective for KIAT and what model would best serve KINETIK. These questions are addressed alongside the three formal sub-questions within the sections that follow.

- *Asset Management Systems - National and Sub-national Roads (assessment: strong)*

Key evidence: PKRMS embedded via 2023 Presidential Instruction (InPres Jalan Daerah), providing dedicated GoI budget. VicRoads G2G valued but ended due to internal changes in VicRoads and a dedicated International Office in VicRoads no longer existed. MPW decree model stabilised local government staffing. Master-of-trainers system established, and the training modules were handed over to the MPW's Human Resources Development Agency. DFAT confirmed strong performance on road asset management.

- *PPP Institutional Capacity -Bappenas and Ministry of Public Works (assessment: moderate)*

Key evidence: PPP Regulations 7/2023 and 9/2025 co-drafted; PPP Screening Tool adopted by MPW (MR 01/2026). Bappenas confirmed hand-in-hand knowledge transfer. GoI capacity to manage transactions independently without TA remains limited; alignment of GoI risk-allocation expectations with global PPP norms not yet complete.

- *Locally Led Development - Sub-national Water and Sanitation (assessment: moderate)*

Key evidence: PCSP largest city-scale sanitation intervention. PBG model improved PDAM performance. PERPAMSI emerging as locally led support mechanism. KIAT TA model was largely FIFO; sub-national sustainability constrained by staff turnover, linked finance access, and limited resident advisory presence in-region.

- *Piloting, Demonstration Effect and TWG Models (assessment: mixed)*

Key evidence: Pilot-to-policy pathway demonstrated in roads (PKRMS, PRIM/PHJD). Demonstration effect strongest where formalisation through decree or regulation was achieved. Benefits to non-pilot beneficiaries were real but often diffuse and took long lead times. TWG model supported sector coordination; its relevance for KINETIK is sector dependent.

Asset Management Systems for National and Sub-national Roads

Finding Sub-Question 4.1: Road asset management represents KIAT's clearest sustainability success. The Pavement and Road Management System (PKRMS) is now embedded in GoI systems through the 2023 Presidential Instruction for Subnational Roads (InPres Jalan Daerah, IJD), which provided formal national budget allocation for the system's implementation across sub-national road networks. Formalisation through Ministerial and Presidential instruments, the establishment of master-of-trainers programmes, and the stabilisation of local government staffing through Regional Secretary decrees constitute a multi-layered sustainability model that reduces dependence on continued KIAT support.

During the Evaluation Team's meeting, KIAT SMT placed asset management at the centre of its sustainability narrative. Three mechanisms were cited as essential: first, work simplification: ensuring that technical systems were calibrated to the practical capacity of local government infrastructure units, not just to technical best practice; second, formalisation through decree: using regulatory instruments to institutionalise tools and processes so they were not dependent on individual champions; and third, the master-of-trainers model: establishing the internal GoI training capacity needed to replicate skills as staff turned over.

This approach is best illustrated through the PKRMS pathway. The system moved from KIAT-supported pilot through national policy adoption and into a formal GoI funding mechanism via the 2023 Presidential Instruction. As discussed in the Effectiveness section, this represents a near-complete pilot-to-policy transition: a tool designed and tested with KIAT support is now maintained, budgeted, and applied by GoI independently. GoI Stakeholders confirmed this trajectory in April 2026 consultations, noting that KIAT innovations on roads, including slip road improvements, traffic forums, and the use of wider sub-national road designs, had been formally incorporated into national standards and implemented beyond the areas where KIAT directly intervened.

A closely related sustainability mechanism was KIAT's use of Regional Secretary decrees to stabilise local government infrastructure teams on KIAT-supported projects, holding skilled staff in post for three-year periods rather than allowing the routine transfers that frequently disrupted project continuity. DFAT's Infrastructure team confirmed that this approach had worked well on sub-national roads, observing that KIAT had "done well in roads GoI asset management." GoI stakeholder consultations reinforced that this model could serve as a template for managing the

institutional sustainability of technical programmes in contexts where public service staff rotation is structurally entrenched.

The G2G engagement with VicRoads for asset management knowledge transfer was assessed as useful and effective. However, this collaboration ended as there was no ongoing program or funding basis established between KIAT and the Victorian Government to continue the engagement beyond its initial scope, underscoring a structural vulnerability in G2G partnerships that are not embedded in longer-term bilateral arrangements. The Evaluation Team notes this as a cautionary lesson for KINETIK: G2G partnerships require their own sustainability architecture, not simply a link to facility-level funding cycles.

"Achieving systemic impact requires a very long lead time. What is important for systemic change is not only changing regulations but training people and linking incentives to maintaining and implementing the system." (KIAT Senior Management Team)

Building PPP Institutional Capacity in Bappenas and Ministry of Public Works

Finding Sub-Question 4.2: KIAT has made meaningful and documented contributions to the PPP institutional capacity of Bappenas and MPW. Two generations of PPP regulations (7/2023 and 9/2025) were co-drafted with KIAT support; the PPP Screening Tool has been formally adopted by MPW under Ministerial Regulation 01/2026; and Bappenas confirmed that KIAT consultants worked hand-in-hand with its staff, transferring the knowledge to continue improvements independently. However, the capacity of GoI ministries to manage complex PPP transactions from identification through to financial close without sustained external technical assistance remains limited, and the realignment of GoI risk-allocation expectations with the level of government support PPPs typically require is not yet complete.

GoI stakeholders provided a detailed account of the KIAT PPP partnership. KIAT's contributions spanned the full legislative and institutional architecture: it assisted with the drafting of PPP regulations, worked to align Ministry of Home Affairs regulations for local government-level PPPs with the Bappenas framework, and engaged the National Public Procurement Agency (LKPP) on the procedural details of PPP procurement. Bappenas confirmed that the contractor worked hand-in-hand with its staff and transferred the knowledge needed to continue the work. Crucially, Bappenas also confirmed that it would like to be involved in the next phase, signalling institutional ownership rather than passive receipt of external assistance.

The PPP Screening Tool, formally adopted under MPW's Ministerial Regulation 01/2026, represents the clearest example of KIAT-developed institutional capacity being embedded in GoI systems independently of the facility. DFAT's IFF team confirmed that the tool had been adopted with the necessary customisation to meet MPW's operational needs, a hallmark of genuine institutional ownership rather than compliance adoption. It noted, however, that the broader question of how well GoI was applying the screening tool to its own projects, without KIAT

prompting, remained unclear, pointing to a gap between formal adoption and operational internalisation.

The most structural barrier to PPP capacity sustainability, identified across multiple stakeholder interviews, is a persistent misalignment between GoI expectations on PPP risk allocation and the level of government support that PPPs typically require to attract private capital. DFAT's IFF team noted that this misalignment is the single most significant constraint on PPP deal completion in Indonesia. Until expectations on risk sharing realign at both political and technical levels, GoI agencies will continue to require external support to navigate the financial structuring of individual transactions, regardless of how well they understand the regulatory framework.

MOF reinforced a related point: while KIAT's project preparation and feasibility work was of high quality and trusted by both the private sector and GoI, the programme had built more capacity in policy and preparation than in the downstream phases of transaction and financing. The transition from a pipeline of well-prepared projects to actual financial close requires capabilities in negotiation, risk allocation, and financial structuring that KIAT has begun to develop but has not yet fully embedded in GoI partner institutions.

"The contractor worked hand in hand with Bappenas staff and transferred the knowledge to continue the improvements. Overall, KIAT did well in its support for the Ministry of Public Works and Bappenas would like to be involved in the next phase." (Key GoI Stakeholder)

Locally Led Development: Sub-national Water and Sanitation

Finding Sub-Question 4.3: KIAT's support to locally led development in water and sanitation delivered significant infrastructure outcomes and important institutional innovations. The PCSP, the PBG programme for water utilities, and the PERINTIS community empowerment model all demonstrated that it is possible to combine physical investment, institutional strengthening, and community engagement in an integrated approach. However, the sustainability of these gains is constrained by the primarily FIFO nature of the technical assistance model, persistent staff turnover at local government level, a gap in financing access for ongoing operations, and limited sub-national resident advisory presence. In several locations, local government agencies and PDAMs reported uncertainty about how to sustain programme gains once KIAT technical support ended.

Over the full period from 2016, KIAT's WatSan work had been rated by DFAT at eight out of ten, with clear improvements in planning, construction, inclusiveness, and institutional strengthening. The PBG program's results across 17 PDAMs illustrate the quality of what was achieved: average non-revenue water fell from 54% to 43%, with 10.77 million cubic metres of water saved against a target of 144%; local government equity transfers totalled IDR 180.6 billion, exceeding the committed amount by 24%; and water quality compliance rose from 58% to 79%, with nine of sixteen locations achieving 100% compliance by program completion. These are strong, verifiable

performance gains. However, the areas identified for improvement centre directly on sustainability: KIAT needed a clearer end-game strategy, particularly on what comes after PBGs; how to make benefits more sustainable; and how to fund any ongoing advisory support at the local government level.

CASE STUDY 4: Urban Sanitation: From Policy to Delivery at Scale

Phase 2 Urban Sanitation activities include National Sanitation Hibah Program – Implementation Support (NSHP); Balikpapan Wastewater Management System – FS & DED; Sanitation Infrastructure Institutional Support Program (SIIP); Sanitation Greenhouse Gas Emissions Research (EMISI); Support for Preparing DITSAN Strategic Plan (Renstra) 2025–2029; and activities continuing from Phase 1 into Phase 2 (PCSP-CMC; PCSP-CDTA; and RISE).

Urban sanitation was KIAT's single largest Phase 2 activity stream at 29 per cent of total funding, reflecting Indonesia's acute urbanisation pressures: more than half the population now lives in urban areas, with over 15 cities exceeding one million residents. KIAT's engagement spanned a genuine policy-to-delivery continuum.

KIAT contributed to systemic change at national and sub-national levels. The PCSP, co-financed by Palembang City (34%), Central Government (38%), and an Australian performance-based grant (28%), and inaugurated by the President in October 2023, is the most visible demonstration. EMISI produced Indonesia's first national GHG estimate for the sanitation sector; DFAT confirmed it "opened GoI's eyes" to climate opportunities. On GEDSI, the PERINTIS community empowerment model and an Inclusive Grievance and Redress Mechanism (IGRM) embedded inclusion into project delivery in Palembang's densely populated neighbourhoods.

KIAT's sanitation work also reveals the limits of externally supported locally led development. The PCSP household connection rate of around 20 per cent of design capacity at completion reflects weak demand-side engagement and inter-agency coordination not addressed at design stage. The Performance-Based Grant (PBG) program across 17 PDAMs reduced average non-revenue water from 54 to 43 per cent and exceeded local government equity transfer targets by 24 per cent, but GoI has not mainstreamed the model into national budget programming. A predominantly FIFO technical assistance model compounded these risks: local agencies frequently lacked the embedded support needed to sustain systems once advisers demobilised.

Lessons for KINETIK

- **Design for connection uptake from the outset:** community strategies and inter-agency coordination must be built into city-scale projects at design, not treated as implementation afterthoughts.
- **Replace FIFO with embedded advisory presence:** resident co-location at sub-national level is a prerequisite for locally led sustainability.
- **Build GoI co-investment into grant instruments:** without a national budget mainstreaming pathway, PBG-style grants risk creating dependency rather than systemic change.
- **Carry EMISI forward:** KIAT's sanitation GHG measurement capacity is directly applicable to KINETIK's MERL requirements and Indonesia's Net Zero 2060 commitments.

The World Bank, which has collaborated with KIAT in the water sector, raised a structural concern that reinforces the sustainability challenge. It observed that PCSP, while a landmark investment,

suffered from slow household connection rates with initially around twenty per cent of design capacity and weak inter-agency coordination across government levels, and operating costs that were borne primarily by the PDAM rather than being distributed across a broader financing structure.[9] These are not KIAT-specific failings; they reflect the broader challenge of sustaining large city-scale infrastructure investments in contexts where local government fiscal capacity and inter-agency coordination are structurally constrained. KINETIK must build demand-side support and inter-agency coordination architecture into city-scale projects from the design phase rather than addressing these as implementation problems.

PERPAMSI (the Indonesian Water Supply Association) was identified as an emerging model for locally led support to water utilities. DFAT's own PBG review suggested that PERPAMSI could become a sustainable source of peer support, technical assistance, and benchmarking for local water utilities beyond the life of externally funded programmes. This points to a model of locally led development that is grounded in Indonesian institutional architecture rather than externally provided advisory capacity, exactly the type of sustainability pathway that KINETIK should actively design for. Similarly, a key GoI stakeholder noted PDAMs could benefit from more direct engagement with the private sector, including Indonesian and regional companies with relevant operational expertise, moving beyond the bilateral G2G model that characterised KIAT's water work with Sydney Water.

The KIAT technical assistance model in water and sanitation was characterised by DFAT as primarily FIFO: advisers would engage at sub-national level for specific tasks and then demobilise, without maintaining a sustained resident presence in the cities and regions where programmes were implemented. It was observed that local government agencies often did not know what to do when a contractor left, and that the systems built at sub-national level did not always need to be the most technically sophisticated. Rather, they needed to be fit for purpose so that local government could continue to operate and maintain them independently. This observation has direct implications for KINETIK's approach to sub-national engagement: embedded, resident advisory presence is a prerequisite for locally led development, not an optional efficiency enhancement.

"Especially at local government level, they often don't know what to do when the contractor leaves. Systems built do not necessarily have to be the most expensive but fit for purpose, so local government can continue." (DFAT Water and Sanitation Team)

[9] See for example the PCSP Reflections Paper which noted that as of October 2025, 1,687 property connections had been made, approximately 14% of the Phase 1 target of 12,000 connections. The paper notes that the challenges of preparing citizens to accept the sanitation service and city officials in ensuring steady connection growth were "underestimated," and that planning and implementation required technical, financial, and social considerations that proved more complex than anticipated.

Piloting as a Development Model

A specific question raised by DFAT focused on the value of KIAT's piloting approach: who benefits beyond those directly involved in the pilot, and is piloting a useful model as a demonstration effect? The evidence from KIAT's ten-year history provides a nuanced answer.

The clearest examples of piloting as a vehicle for broader benefit are in the roads sector. The PKRMS system was piloted in selected local government contexts before being formally embedded in a Presidential Instruction that extended its application across national and subnational road networks. The PRIM performance-based road maintenance grants were piloted at provincial level before being adapted into the GoI-funded Program Hibah Jalan Daerah (PHJD), which extended performance-based financing principles to a much larger number of local governments using Indonesian budget resources. In both cases, the benefit to non-pilot beneficiaries was real and substantial. Local governments that never directly participated in KIAT-funded pilots are today applying systems whose design was validated through KIAT-supported pilots elsewhere.

The KIAT SMT offered an important lesson from the roads experience: robust outcomes required a whole-of-system approach, not simply the introduction of specific technical tools. A single tool, for example an asset management platform, or a performance-based grant mechanism, is valuable; but its demonstration effect is most powerful when supported by an overall approach that addresses both soft systems (institutional incentives, decree-level formalisation, training) and hard systems (the technical platform itself). This observation is consistent with what the evaluation found in water and sanitation: pilots in PCSP and the PBG programme were technically well-designed, but the demonstration effect to other cities and utilities was constrained by the complexity of the institutional and financing conditions required to replicate them.

A structural reality is that with more than 300 local governments across Indonesia, there is no viable way to institute pilot outcomes across the sector through KINETIK alone. The implication is not that piloting is without value, but that its design must be explicitly oriented toward scalability from the outset. Pilots should be selected for their replication potential, designed with formal adoption pathways built in, and accompanied by the system-level work, including regulatory frameworks, training capacity, stakeholder mapping, and financing instruments, which enables non-pilot local governments to adopt the model independently. The Prospera programme model, noted by the KIAT SMT as particularly relevant for KINETIK, combined upstream enabling environment work with downstream delivery and learning by doing, allowing a broader demonstration effect to develop organically alongside the programme's more direct interventions.

"Learning from the road sector shows you have to work on all aspects. Specific tools to support various aspects of road development and maintenance have their use, but robust outcomes need an overall approach to soft and hard systems, including providing the demonstration effect."

(KIAT Senior Management Team)

The Technical Working Group Model: Effectiveness for KIAT and Lessons for KINETIK

DFAT also asked whether the TWG model worked for KIAT, and whether there are better models for KINETIK. The evidence points to a differentiated conclusion.

KIAT's governance structure during Phase 2 included three Technical Committees (TCs) for Water and Sanitation, Transport, and Infrastructure Funding and Financing, with GEDSI and Climate Change addressed as standing items within all three. This arrangement supported sector coordination and provided GoI counterparts with a structured forum for engagement with KIAT's programme, operating on a six-monthly meeting cycle. Bappenas and line ministries confirmed that coordination with KIAT through these structures was generally easy and appreciated. MOF noted that the six-monthly update meetings were very helpful for information sharing.

However, the Evaluation Team identified a structural limitation. The TC model, structured around activity portfolios and sector silos, was well-suited to a predominantly technical advisory programme but less well-suited to the cross-cutting, politically engaged character that KINETIK is designed to pursue. The Climate Change TWG, for example, was assessed by DFAT as no longer requiring a standalone structure: climate change had been sufficiently mainstreamed across all KIAT activities that a dedicated coordination mechanism was no longer the most efficient approach. By contrast, DFAT recommended consideration of a dedicated GEDSI TWG, recognising that GEDSI ownership by GoI counterparts had not yet been fully achieved and that a structured working group could help accelerate the transfer of ownership to institutions such as Bappenas, MPW and the National Disability Commission. This reflects a logical and positive development. In Phase 1, GEDSI was not a standalone EOFO, so it did not have its own governance structure. Now that GEDSI has been elevated to a dedicated outcome, it is fully justified for it to have its own Technical Working Group.

A broader governance concern also emerged. Bappenas and MOF observed that, over the course of Phase 2, KIAT increasingly sought activity approval directly from DFAT, with the GoI TCs playing a diminishing co-governance role. This raises the question of whether KIAT's TWGs should be taken forward into KINETIK, or whether new governance models better suited to KINETIK's broader mandate should be designed. The joint Management Committee and Program Steering Committee structures proposed in the KINETIK Investment Design Document offer a path forward, but the Evaluation Team notes that structural innovation in governance is not sufficient on its own: GoI co-ownership must be operational and visible from inception, not just formally documented.

For KINETIK, the relevant design question is not whether to have working groups but what purposes they should serve. KIAT's experience suggests that TWGs are most valuable as platforms for cross-agency coordination, knowledge exchange, and shared ownership of programme direction, not as technical advisory forums, or approval bodies. A GEDSI TWG, as recommended by DFAT, would be consistent with this function. Sector-level TWGs linking

KINETIK activities to the broader policy reform agendas of Bappenas, MOF and line ministries could also strengthen the portfolio-level coherence that was sometimes lacking in KIAT.

Forward-Looking Lessons for KINETIK

Based on the findings across the four sub-questions and the additional DFAT questions, the following priority implications are identified for KINETIK's design and inception:

- **Handover by design**: Design every activity with a formal handover pathway. The most durable KIAT outcomes have been those where a formal adoption mechanism, a ministerial regulation, a presidential instruction, a GoI budget allocation, was built into the activity design from the outset, not retrofitted at programme close. KINETIK should make the handover pathway a mandatory design element for every activity, with the system adoption tracker proposed in Recommendation 14 providing the primary sustainability metric.
- **Embedded presence**: Replace FIFO with resident advisory presence at sub-national level. The sustainability of locally led development in water and sanitation is directly constrained by the FIFO character of KIAT's TA model. KINETIK should fund embedded, co-located advisory positions in sub-national government agencies for sustained periods, as explicitly requested by key GoI stakeholders and supported by the evidence from KIAT's WatSan work.
- **Scale-ready piloting**: Design pilots explicitly for demonstration and replication. Pilots should be selected for their replication potential, designed with formal adoption pathways from the outset, and supported by the system-level work, including regulatory frameworks, training capacity, financing instruments, which enables non-pilot local governments to adopt the model without direct KINETIK support. The PKRMS-to-InPres and PRIM-to-PHJD pathways provide the design model.
- **Locally anchored support**: Build PERPAMSI and sector associations as platforms for locally led support. The emerging role of PERPAMSI as a peer support and technical assistance provider for water utilities offers a sustainable, GoI-anchored model for sub-national capacity building. KINETIK should invest in strengthening such associations as vehicles for locally led development beyond the life of the programme.
- **TWG redesign**: Redesign TWG architecture for KINETIK's mandate. The existing Technical Committee structure served KIAT well as a sector coordination platform but needs adaptation for KINETIK's broader, cross-cutting portfolio. A dedicated GEDSI TWG, with explicit ownership transfer targets, is the most pressing governance design priority. Climate change should be integrated as a cross-cutting element of all sector TWGs rather than requiring a standalone structure.

Risk Management and Safeguards

How well has KIAT managed risks and safeguards issues?

Sub-Questions Addressed:

- **5.1** How effectively did KIAT identify and mitigate environmental and social risks in high-impact infrastructure projects (distinguish between projects directly funded/managed by KIAT, and projects funded/managed by GoI)?
- **5.2** Were DFAT's child protection and PSEAH standards rigorously applied across all technical activities?
- **5.3** How well did the program manage political and reputational risks associated with complex land acquisition or resettlement issues?

Overall Finding: Safeguards management was adequate overall, with GEDSI strongest and environmental and social safeguards moderate. Child Protection and PSEAH systems improved markedly over Phase 2. Political and reputational risks were well-managed through flexible programming, close DFAT-KIAT collaboration, and regular political economy monitoring.

- The annual safeguards spot-check process, embedded in KIAT's Environmental and Social Management Framework (ESMF), should be retained and strengthened for KINETIK's expanded scope and geographic reach.
- Energy transition and climate finance politics under the Prabowo administration are 'highly contested' (KINETIK IDD). Both formal and informal GoI engagement channels must be actively maintained to navigate this environment.

KIAT operated across a diverse and sometimes high-risk portfolio, spanning capital construction in Palembang, performance-based grants to 17 local water utilities, subnational road programs across hundreds of districts, urban mobility pilots, and complex PPP transaction advisory work. This breadth placed genuine demands on the Facility's risk management systems. The evidence across six Biannual Performance and Planning Reports (BPPRs), four Investment Monitoring Reports (IMRs), the Final Investment Monitoring Report (FIMR), and stakeholder consultations conducted during April 2026 indicates that KIAT maintained an adequate and, in the final period of Phase 2, a good overall risk management and safeguards posture.

Risk management is a joint DFAT-KIAT responsibility. DFAT's infrastructure team at Post monitored risks at the activity level through bi-weekly sector team meetings, covering water and sanitation, transport, Infrastructure Funding and Financing (IFF), GEDSI, and climate change. The Minister-Counsellor for Economic, Investment and Infrastructure received briefings on significant risks as they arose. From 2024, DFAT introduced dedicated quarterly internal risk meetings with

KIAT. This shared architecture of oversight, while not always visible in KIAT's own reporting, is an important feature of how risk was actually managed across Phase 2.

Environmental and Social Risks in High-Impact Infrastructure Projects

Finding 5.1: KIAT's Environmental and Social Management Framework (ESMF), finalised in 2023, provided a structured and proportionate safeguards system for directly managed activities. Across Phase 2, all activities were screened for safeguards risks, high-risk activities received intensive support from the dedicated Safeguards Adviser, and incidents were reported, managed, and formally closed in accordance with DFAT policy. For GoI-managed projects where KIAT's advisory role was indirect, safeguards oversight depended substantially on GoI counterpart systems, which varied in capacity. A key GoI stakeholder acknowledged in its April 2026 written response that while it recognised KIAT's safeguards work contributed positively to implementation quality, safeguards are not within its direct operational mandate, and that a comprehensive safeguards approach adds complexity to implementation timelines.

KIAT-Funded and Managed Activities

KIAT's safeguards system operated through an identify, prevent, report, respond, and learn cycle, formalised by the ESMF introduced in 2023. The ESMF was the principal tool through which safeguards processes were embedded across activity design, procurement, contracting, partner management, and monitoring. Activities were categorised using the KIAT Safeguards Screening Tool, with risk ratings determining monitoring intensity, contractual requirements, and the involvement of the Safeguards Adviser. This proportionality principle, concentrating safeguards effort where exposure was greatest, was well suited to KIAT's diverse portfolio.

Across Phase 2, the annual spot-check process identified activities requiring elevated monitoring. During the 2023 period, 22 safeguards risk assessments of KIAT activities were completed; in 2024, 14 assessments were conducted, with five high-risk activities receiving intensive Safeguards Adviser support including two field visits. Safeguards risks were assessed as highest in activities involving direct community engagement and civil construction works, notably PCSP and the PBG activity for water utilities.

Across Phase 2 as a whole, KIAT experienced a total of nine reported safeguards incidents: two child protection cases, two PSEAH cases, one resettlement case, two work health and safety incidents, and two fraud cases. All incidents were reported to DFAT in a timely manner, managed through established procedures, and formally closed by DFAT, with the exception of one fraud case, which remained open and under active investigation at the time of facility closure. This track record reflects a safeguards system that was functioning.

Reported Safeguards Incidents by Category and Year (Phase 2)

Incident Category	2022	2023	2024	2025	2026 (to June)	Total
Child Protection	0	1	1	0	0	2
PSEAH	0	1	1	0	0	2
Resettlement	0	0	1	0	0	1
Work Health & Safety	0	0	1	1	0	2
Fraud	0	0	1	1	0	2
Total	0	2	5	2	0	9

The most complex safeguards case in KIAT's directly managed portfolio was PCSP. The construction of the Wastewater Treatment Plant (WWTP) at Sei Selayur required the resettlement of 98 persons across 27 households, a process initiated under KIAT's predecessor (IndII) and completed in 2017 in accordance with a Land Acquisition and Resettlement Plan (LARP) prepared jointly with the ADB. The approach emphasised public consultations, independent valuations, and provisions going beyond Indonesian regulations, including additional allowances for vulnerable households, and was completed with minimal disruption. For the subsequent network construction phases, KIAT's Construction Management Consultant (CMC) monitored contractor environmental and social performance, with safeguards spot-checks confirming consistent compliance with environmental, social, and work health and safety requirements. The FIMR (2026) concluded that no major incidents occurred during the PCSP construction period.

GoI-Funded and Managed Projects

KIAT's advisory relationship with GoI-managed programs, particularly subnational road programs operating under the PRIM framework and the InPres for Subnational Roads, created a different and more limited safeguards oversight function. For these programs, safeguards responsibilities rested primarily with Indonesian government counterparts and the contractors they engaged. KIAT's contribution was advisory: supporting the integration of safeguards considerations into technical guidelines, road management systems, and procurement documentation.

The GoI stakeholder, in its April 2026 written response, noted that KIAT had demonstrated good flexibility in adapting to changes in national policy and provided effective support in adjusting corridor determinations as policy priorities shifted. The stakeholder also acknowledged that a comprehensive safeguards approach contributes to increased implementation complexity from the perspective of technical units requiring faster and more operationally focused support, a tension that is not unique to KIAT but that reflects a broader friction between Australian strategic agenda and GoI operational preferences documented across the evaluation evidence base.

This distinction between activities where KIAT held direct management accountability and those where GoI held primary responsibility is important for interpreting the overall safeguards picture.

It also has direct implications for KINETIK, which is likely to operate increasingly through GoI systems and intermediary partners, requiring a nuanced approach to safeguards oversight that goes beyond direct management.

Child Protection and PSEAH Standards

Finding 5.2: DFAT's three overarching safeguards policies: Environmental and Social Safeguards, Child Protection, and PSEAH, were embedded throughout KIAT's Facility Operations Platform and applied rigorously across KIAT-managed activities during Phase 2. The system improved progressively across the two phases, with Phase 2 characterised by stronger systems, mandatory refresher training, more structured incident reporting pathways, and the introduction of the ESMF. PSEAH and Child Protection risks were explicitly captured in the facility-level risk register, which was updated quarterly in consultation with DFAT and escalated where necessary.

KIAT operationalised child protection and PSEAH standards through a “zero harm" framework that mandated inductions and refresher training for all personnel. By embedding these requirements directly into contracting and procurement documentation, from concept notes to final agreements, KIAT ensured that safeguard obligations extended beyond the core team to include all implementing partners and the broader supply chain.

Central to this approach was a sophisticated risk register that addressed SEAH and gender vulnerabilities as distinct yet intersecting priorities. Managed by a dedicated Safeguards Adviser, mitigation strategies included activity-level screening and spot-checks of high-risk tasks. During Phase 2, the facility recorded and resolved four incidents (two PSEAH and two child protection). Rather than signalling failure, these reports, including one originating from internal training, demonstrated a healthy, transparent safeguards culture capable of navigating complex civil construction and community environments where "zero reports" would have suggested a lack of oversight.

Complementing these measures, an ISO-compliant fraud control framework provided multi-layered assurance via rigorous vendor due diligence and monthly invoice audits. This system ensured strict accountability, with a fraud register barring compromised parties from future engagement. By the program's conclusion in 2026, these systems were recognised as being “good”, reflecting a mature, rigorously applied safeguards trajectory that evolved alongside DFAT guidance.

Political and Reputational Risks

Finding 5.3: Political and reputational risks, including those associated with land acquisition, resettlement, administration transitions, and strategic grant instrument decisions, were well-managed across Phase 2. The PCSP resettlement was handled in a structured, consultative manner that met both Indonesian and ADB safeguard standards. The transition from the Jokowi to Prabowo administration was navigated without loss of strategic momentum. The decision to close the Hibah-based grant instrument for water utilities is properly understood as a DFAT

strategic determination responsive to changing national policy conditions, not as KIAT stepping back unilaterally, and the future of PBGs depends on designing them around beneficiary co-investment rather than continued donor grant financing.

Land Acquisition and Resettlement: The PCSP Case

The most significant land acquisition and resettlement case in KIAT's Phase 2 portfolio relates to the PCSP WWTP site at Sei Selayur, Palembang. As noted under Sub-Question 5.1, this resettlement affected 27 households and was conducted under a Land Acquisition and Resettlement Plan developed in accordance with ADB's involuntary resettlement requirements and completed by late 2017, prior to the Phase 2 commencement. By the Phase 2 period, the resettlement risk had been resolved: Palembang City had secured the site, and the construction phase proceeded without major incidents.

The reputational dimension of land acquisition risk in KIAT's portfolio was managed primarily through transparent process, not risk avoidance. The WWTP design took specific account of Palembang's location in the flood-prone Musi River delta, incorporating climate resilience features into the physical structure, elevating the facility 2.5 metres above the highest recorded flood level. This integration of environmental risk management into infrastructure design provided a form of reputational protection by demonstrating alignment between development objectives and sound engineering practice.

For the network construction phases, KIAT's PCSP team worked closely with the city's community development contractor (PERINTIS) to manage the social interface of construction works in densely populated neighbourhoods. The deployment of a community-based Inclusive Grievance and Redress Mechanism (IGRM) was widely socialised across project communities and provided a structured channel for residents to raise concerns. CMC monitoring confirmed that contractors consistently met their environmental, social, and work health and safety obligations throughout the construction period.

Political Risk: The Jokowi-to-Prabowo Transition

The 2024 presidential transition from Jokowi to Prabowo represented the most significant political economy shift KIAT encountered during Phase 2. As documented under the Relevance KEQ, the new administration brought a substantially different infrastructure philosophy, shifting emphasis from large-scale public connectivity investment toward food self-sufficiency, water security, energy transition, and a reconfigured role for state-owned enterprises. For KIAT, this created both political risk of the possibility that KIAT-supported policy frameworks would be deprioritised or discontinued and reputational risk of the possibility that KIAT's association with the previous administration's signature programs could compromise its standing with new counterparts.

KIAT managed this transition effectively. Political risk associated with the new administration's priorities was addressed through proactive briefings with new GoI counterparts, maintaining both formal governance channels (Program Steering Committee, Partnership Coordination

Committee) and working-level relationships. The Risk Register was restructured in 2022 to align with new DFAT guidance and updated quarterly through the transition period.

The KINETIK IDD characterises the political economy of energy transition and climate finance under the Prabowo administration as 'highly contested'. This assessment is confirmed by multiple stakeholder consultations during the Evaluation Team's consultations, including by DFAT's own infrastructure team and underscores the importance of KINETIK maintaining robust political monitoring and adaptive management across both formal and informal engagement channels.

The Hibah and Performance-Based Grant Decision

The evaluation's initial framing characterised KIAT's exit from Hibah-based subnational financing mechanisms as an example of good adaptive risk management demonstrating KIAT's ability to step back when policy conditions shifted. However, it was DFAT's strategic decision to discontinue Hibah-based grants, not a unilateral KIAT initiative. The distinction matters both for the accuracy of the evaluation record and for the lessons it yields for KINETIK.

KIAT's Water Hibah program and its successor, the PBG for Water Utilities, were among KIAT's most prominent direct-investment instruments during Phase 1 and the early years of Phase 2. The PBG activity, implemented across 17 PDAMs between 2020 and 2024 with a AUD 15 million grant allocation, achieved substantial results, including a reduction in average Non-Revenue Water across participating utilities from 54 per cent to 43 per cent, and local government equity transfers exceeding committed levels by 24 per cent. However, the independent review of the PBG program (December 2024) found that the delivery mechanism required a relatively high level of KIAT resourcing relative to scale, and that GoI had not moved to mainstream the model into national budget-funded programming, in contrast to the PRIM roads PBG approach, which GoI did absorb into national programs.

DFAT's decision to discontinue the Hibah grant mechanism reflects a considered judgment about where Australian public resources can be most effectively deployed and, critically, about what makes grant instruments sustainable. The PBG model demonstrated the technical and governance case for performance-based transfers to water utilities. The missing ingredient was GoI willingness to fund this from its own budget at scale. The lesson for KINETIK is not that PBGs have failed, but that future grant instrument design must embed the principle of beneficiary co-investment from the outset. Without that co-investment structure, donor-funded grants risk creating dependency rather than systemic change.

This finding connects directly to the broader sustainability question addressed under Key Evaluation Question 4, instruments that are not designed for transition to GoI funding or beneficiary co-financing from their inception are unlikely to persist beyond Australian support. The PRIM roads model, where GoI absorbed the approach into the InPres Jalan Daerah national program, demonstrates that transition is achievable when design anticipates it. The PBG water model did not achieve the same mainstreaming outcome, and future iterations under KINETIK should be designed explicitly around the transition question.

Implication for KINETIK: Risk management under KIAT was a shared DFAT-KIAT responsibility, with the ESMF, risk register, bi-weekly sector meetings, and quarterly risk reviews providing the institutional architecture for that collaboration. KINETIK should invest in strengthening this shared architecture and include formal, co-designed risk registers and dedicated PSEAH Adviser capacity from inception, while retaining the annual safeguards spot-check process that proved its value across KIAT's high-risk activities. For political and reputational risks, KINETIK must maintain dual-track engagement with GoI across formal governance structures and working-level relationships to navigate the contested political economy of energy transition and climate finance under the current administration. For grant instruments, the lesson is one of design: future Performance-Based Grant models should require genuine beneficiary co-investment from program commencement, making the transition from donor-funded to GoI-funded or beneficiary-funded operations a design condition, not an aspiration.

Key Findings and Recommendations

What activities and approaches have been most effective, efficient, and sustainable and therefore suitable for possible inclusion in a future infrastructure program (KINETIK)?

Sub-Questions Addressed:

- 6.1 What were the primary barriers to private sector finance mobilisation and delivery of infrastructure projects supported by KIAT, and how can these be addressed in the next phase?
- 6.2 Which existing initiatives under KIAT have been most effective, efficient, and sustainable?
- 6.3 Which are most applicable to the Energy Transition and Green Infrastructure goals of KINETIK?
- 6.4 Based on KIAT's performance and overall delivery model, what changes in overall resourcing approach and modalities may be required to meet the EOIOs for the KINETIK initiative?

Overarching Finding: KIAT closes Phase 2 as one of Australia's most significant bilateral infrastructure investments, with tools, institutional relationships, and frameworks embedded in GoI systems that will continue to shape infrastructure investment well beyond the Facility's close. The evidence from stakeholder consultations, review and analysis of secondary documents points consistently toward a program that performed strongest where it combined policy work, institutional capacity building, and project preparation in an integrated, end-to-end sequence and performed least well where the cumulative impact of individual activities was not consolidated into a coherent portfolio-level narrative, where GoI co-ownership was weak, or where the distance between policy outputs and implementation momentum was too large.

Critically, the review evidence also reveals a set of challenges and structural limitations that must be confronted. KINETIK inherits a strong legacy but also inherits a number of design gaps and delivery constraints that, if unaddressed, risk replicating rather than resolving the weaknesses of KIAT. The evaluation explores not only what worked but also what did not work during KIAT implementation, because the most valuable lessons for KINETIK implementation are often found in the gaps. The consolidated lessons learned across all five evaluation criteria are set out in full in Annex C.

Key KIAT Lesson for KINETIK: "Infrastructure outcomes are strongest where policy, project preparation, and financing are treated as part of a single system. Fragmented approaches,

however, technically sound, struggle to deliver sustained impact. KINETIK must build and maintain this integration across its entire portfolio." (KIAT Facility Completion Report, March 2026)

Assessment Against KIAT's Five End of Facility Outcomes

The Evaluation is structured around the six KEQs and the related sub-questions drawn from the ToR. Because the KEQs and sub-questions do not map one-to-one onto KIAT's five End of Facility Outcomes (EOFOs), this section draws the evidence together to assess achievement against each EOFO directly. The ratings below are consistent with the sub-question findings presented in this report and do not introduce a separate headline judgement; the table that follows summarises the EOFO findings.

End of Facility Outcome	Assessment	Basis
EOFO 1: Improved policy and regulatory framework	**Moderate-Strong**	PPP Regs 7/2023 & 9/2025, PPP Screening Tool (MPW MR 01/2026), InPres Jalan Daerah embedding PKRMS; systemic behaviour changes more uneven (Sub-Question (SQ) 2.1)
EOFO 2: High-quality projects prepared and financed	**Partial**	PPF pipeline and enabling environment advanced; no major private capital transactions reached financial close by Facility end (SQ2.2)
EOFO 3: High-quality infrastructure delivery, management, and maintenance	**Adequate**	Roads asset management (PKRMS via InPres) and PDAM water planning; direct delivery-level evidence limited, key gap for KINETIK MERL (SQ2.1)
EOFO 4: GEDSI advanced across infrastructure	**Moderate-Strong**	GESIT (69 regulations), PAVE embedded in MPW and Srikandi Danantara, best GEDSI rating among 30+ DFAT investments two years running (SQ2.5)
EOFO 5: Climate change integrated into infrastructure	**Adequate**	GERIN, EMISI, CRI, PDAM Climate Adaptation Plans, CSIRO road vulnerability assessment; Ministry of Environment relationship underdeveloped (SQ2.3)

EOFO 1 (Improved policy and regulatory framework). This is among KIAT's strongest areas of achievement. As set out under Sub-Question 2.1, KIAT co-drafted and helped embed durable policy instruments in GoI systems, including the enabling policy groundwork for a potential Independent Water and Sanitation Regulator. Policy achievements include the PPP Regulations 7/2023 and 9/2025, the PPP Screening Tool adopted by MPW under Ministerial Regulation 01/2026, and the Presidential Instruction for Subnational Roads (InPres Jalan Daerah) that

embedded the PKRMS system into a national funding mechanism. Systemic behaviour change beyond regulatory adoption was more uneven, supporting a Moderate–Strong rating.

EOFO 2 (High-quality projects prepared and financed). KIAT performed strongly on the preparation half of this outcome but the financing half was not realised within the Facility period. As set out under Sub-Question 2.2, the Project Preparation Facility built a credible pipeline and KIAT advanced the enabling environment for private participation, but no major private capital transactions from KIAT's pipeline reached financial close by Facility end, constrained by GoI risk-allocation expectations, underdeveloped iterative market sounding, and the mid-Facility political-economy shift. Achievement against EOFO 2 is therefore Partial, including strong on preparation, but unproven on financing.

EOFO 3 (High-quality infrastructure delivery, management, and maintenance). EOFO 3 is the outcome against which the evidence is thinnest, because KIAT's mandate and Phase 2 results concentrated on the enabling environment, policy, and project preparation rather than on delivered and maintained infrastructure. The clearest contributions are in roads asset management where PKRMS was embedded into the InPres Jalan Daerah funding mechanism, giving GoI a sustained instrument for managing and maintaining the subnational road network. Further contributions were made through water-sector asset planning and the PDAM work. These are real contributions to the systems through which GoI delivers, manages, and maintains infrastructure, but direct evidence of delivered infrastructure outcomes against EOFO 3 is more limited than for the policy and GEDSI outcomes, and strengthening this evidence base should be a priority for KINETIK's MERL from inception. On the available evidence EOFO 3 is rated Adequate, with delivery-level outcomes the key gap to monitor.

EOFO 4 (GEDSI advanced across infrastructure). KIAT performed strongly against this Phase 2 outcome. As set out under Sub-Question 2.5, the GESIT model supported 69 regulations (38 at village or district level), PAVE was embedded in MPW and Srikandi Danantara, ADB referred to KIAT for GEDSI learning, and KIAT held the best GEDSI rating among more than 30 DFAT investments for two consecutive years. Strengthening GoI institutional capacity to lead through Indonesian frameworks remains the forward priority, supporting a Moderate-Strong rating.

EOFO 5 (Climate change integrated into infrastructure). KIAT made genuine, well-evidenced progress against this Phase 2 outcome. As set out under Sub-Question 2.3, it developed and began embedding GERIN, EMISI, the Climate Resilience Index input to national planning, PDAM Climate Adaptation Plans, and the CSIRO national-road vulnerability assessment accepted by the Directorate General of Highways. Integration was genuine in line-ministry contexts though the relationship with the Ministry of Environment remained underdeveloped, supporting an Adequate rating.

Taken together, this EOFO-level reading reinforces the overall finding: KIAT delivered strongly on the policy-and-regulatory and cross-cutting (GEDSI, climate) outcomes, partially on the financing outcome, and left the clearest evidence gap on infrastructure delivery and maintenance (EOFO

3). It does not displace the overall effectiveness assessment above; it locates that assessment against each outcome KIAT was accountable for.

Barriers to Private Sector Finance Mobilisation

Finding: KIAT made significant advances in developing the enabling environment for private sector participation in infrastructure, including the PPP Screening Tool, the Project Preparation Facility (PPF), and the PPP regulatory framework (PPP Regulations 7/2023 and 9/2025). Despite this, private sector capital mobilisation against Phase 2 ambitions was limited: no major private capital transactions from KIAT's pipeline were closed by Facility end. The barriers were structural, political economy driven, and in part a consequence of KIAT's own programme design choices. The limited private capital mobilisation observed under KIAT is not necessarily a programmatic deficiency but rather a reflection of deeper structural constraints, such as GoI mindset on PPP risk-sharing, limited international investor appetite for Indonesian infrastructure, and political economy shifts and fine tuning (the Jokowi-to-Prabowo transition and the creation of Danantara). These constraints are structural and require collective effort. It is therefore difficult to rely on a single Facility to resolve them. Consequently, the next program under KINETIK should be measured not only by transaction closure but also by measurable progress in the enabling environment, as previously mentioned in this report.

Primary Barriers

GoI Risk Allocation on PPPs as a Structural Constraint. A persistent structural barrier to private sector capital mobilisation in Indonesia's infrastructure sector is the misalignment between GoI expectations on risk sharing and what the private sector is willing to accept. Despite significant KIAT investment in the PPP enabling environment, including two generations of PPP regulations, the PPP Screening Tool, and the Project Preparation Facility, no major private capital transactions from KIAT's pipeline were closed by Facility end. The KINETIK IDD identifies "limited risk-sharing instruments" and an "uncompetitive risk-reward ratio" as persistent barriers that successive Indonesian governments have been unable to resolve, notwithstanding their stated ambitions to attract private financing.

PwC, KIAT's primary PPP advisory partner, observed that GoI's technical requirements were often unrealistic and overly prescriptive, reducing private sector appetite. A key GoI stakeholder noted that GoI thinking on private sector participation has been largely locked on the traditional PPP model, leaving other forms of private participation, with lower barriers to entry, largely unexplored. Together, these structural features of Indonesia's PPP environment extend well beyond project-level preparation quality, and KINETIK must actively address them through sustained policy dialogue on risk-sharing norms and iterative market sounding from project identification.

Late-Stage and One-Off Market Sounding. PwC, KIAT's primary PPP advisory partner under the BIUTR umbrella contract, noted that market sounding was consistently a late stage, one-off practice rather than an iterative process integrated from early project identification and enabling effective dialogues between parties. PPP timeframes were often unrealistic, and GoI technical requirements could be overly prescriptive and rigid, reducing private sector appetite.

SOE Dominance and the Danantara Effect. The creation of Danantara under the Prabowo administration reshaped the private sector landscape mid-Facility, concentrating infrastructure assets in a sovereign vehicle whose operating model remained unclear to international investors. Historically, SOEs dominated Indonesia's infrastructure investment landscape, often crowding out private capital by accepting risk allocations and rates of return that private investors cannot match, backed by state equity injections, subsidies, and guarantees. The GOI recent administrative decision to reduce SOE capital injections and the creation of Danantara as a sovereign consolidation vehicle have altered this dynamic. With some construction SOEs now facing balance-sheet constraints, a genuine if time-limited window has opened for private sector participation, particularly through asset recycling from SOE balance sheets and well-structured greenfield projects no longer pre-wired for SOE delivery.

Insufficient Capacity in Transaction and Financing Phases. The Ministry of Finance observed that while KIAT's project preparation and feasibility work was of high quality, the programme built more capacity in policy and upstream preparation than in the downstream phases of transaction management and financial close. This imbalance meant that well-prepared projects could not always be advanced to financing without sustained external support.

Structural Procurement Constraints. PwC and key GoI stakeholders both noted that KIAT's procurement processes could be relatively lengthy for fast-moving PPP advisory work. The KIAT process does not necessarily best serve the identification of sub-consultants who can effectively interact with the lead adviser on complex transactions. For time-sensitive specialist engagements, single-source procurement provisions were warranted in circumstances that KIAT's standard framework did not readily accommodate.

"We need to focus on practical and sustained hands-on support, not just policies. For a PPP Framework to work, we need to support project preparation so we have a list of good (real) projects as well as develop examples that demonstrate PPPs work." (KIAT Senior Management Team)

What Didn't Work: Lessons for KINETIK to Avoid

The BIUTR and other toll road projects demonstrated that even well-prepared feasibility studies cannot overcome an unreformed risk-allocation framework. PPP project preparation without

parallel, iterative engagement with the investor community on risk appetite and financing terms produced shelf-ready documents that were not market-ready.

Across the IFF stream, KIAT's analytical work on climate finance, blended finance, and LVC/LCS mechanisms generated policy-level insights that were rarely translated into implementation momentum. It was noted that the integration of GEDSI and climate considerations into IFF work produced no clear visible outcomes at the level of changed financing practices.

How These Can Be Addressed in KINETIK

- The PPF must be carried forward with an expanded climate mandate, redesigned to incorporate iterative market sounding as standard practice from project identification.
- KINETIK's Financial Markets Advisory Partner should track the Danantara and INA transaction pipelines from Inception, positioning for early advisory engagement on SOE asset recycling.
- The PPP Screening Tool (adopted under MPW Ministerial Regulation 01/2026) should be expanded to cover clean energy, urban connectivity, waste, and water, with operational internalisation, not just formal adoption, tracked as the sustainability indicator.
- PT SMI and Bappenas are beginning to explore non-PPP private sector participation pathways; KINETIK should position from inception to support and shape this emerging policy direction.

Most Effective, Efficient and Sustainable Initiatives

Finding: Effectiveness and sustainability across KIAT's portfolio were most pronounced where three conditions were met simultaneously: tools and reforms were formally embedded in GoI systems through ministerial or presidential decrees; GoI counterparts were actively involved in design and delivery rather than as passive recipients; and the approach demonstrated a clear transition pathway from donor funding to GoI or beneficiary co-financing. Conversely, initiatives dependent on external consultants without a clear handover pathway, reliant on the FIFO technical assistance model, or generating policy outputs without a corresponding chain to implementation showed limited durability.

Initiatives with Strongest Demonstrated Impact:

PRIM- Performance-Based Grants for Roads. The clearest example of systemic sustainability. The approach was absorbed into GoI's InPres Jalan Daerah national roads program. Performance-based grant financing linked to road asset management improvements at the sub-national level, and the GoI independently expanded the model without requiring continued Australian support.

PPP Screening Tool (MPW Ministerial Regulation 01/2026). The clearest example of a KIAT-developed instrument embedded in GoI systems independently of the Facility. MPW's adoption involved genuine customisation, a hallmark of institutional ownership rather than compliance

adoption. Bappenas confirmed direct involvement and ongoing commitment to champion the tool.

Project Preparation Facility (PPF). KIAT's most important structural innovation in the IFF stream. Shifted KIAT's mode of engagement from individual project support to pipeline development that explicitly links policy work to project preparation to financing. Provides the structural mechanism KINETIK needs for clean energy, urban connectivity, water, and sanitation.

Palembang City Sanitation Project (PCSP). KIAT's most complex multi-dimensional investment, co-funded by City Government (34%), Central Government (38%), and a performance-based Australian grant (28%). Inaugurated by the President of Indonesia in October 2023. However, household connection uptake reached approximately 14% of the Phase 1 target (1,687 of 12,000 connections). Community connection strategies and inter-agency coordination must be central to KINETIK water activity design from the outset.

GESIT- Small Grants to CSOs for GEDSI Engagement. The most replicable and cost-efficient community engagement model in KIAT's portfolio. Civil society organisations at the sub-national level were resourced to engage with local governments on inclusive infrastructure. Directly applicable as KINETIK's Lead NGO community engagement mechanism.

GERIN- GHG Calculation Tool for Infrastructure. Provides a practical mechanism for integrating climate mitigation measurement into project preparation and MERL. Directly relevant to KINETIK's climate mandate and should be embedded in all KINETIK-supported project preparation activities.

G2G Partnerships (CSIRO, Sydney Water, VicRoads, Infrastructure NSW). Australia's comparative advantage in infrastructure knowledge transfer. Face-to-face technical collaboration was consistently valued by GoI counterparts, and institutional rather than commercial authority carries particular credibility with Bappenas and MOF on climate science and infrastructure management.

What Didn't Work and Lessons to Avoid:

Performance-Based Grant for Water Utilities (PBG). Demonstrated the technical case for performance-based transfers to water utilities but did not achieve mainstreaming because GoI willingness to fund the approach at scale was not secured. Future grant instrument design must embed beneficiary co-investment from the outset. Without a co-investment structure, donor-funded grants risk creating dependency rather than systemic change.

FIFO Technical Assistance Model. The fly-in fly-out model of international technical assistance produced limited deep advisory impact, particularly at the sub-national level. Key GoI

stakeholders identified knowledge loss when international consultants demobilised. KINETIK must treat the FIFO model as a delivery constraint to be minimised, not a default approach.

MEL Concentrated at Activity Level Rather than Systemic Change. KIAT's MEL/P system performed strongly at the activity and output level but was less effective at translating individual activity results into a coherent portfolio-level narrative of systemic and enabling-environment change. While the MEL/P Strategy included design mechanisms for systemic change, including the Key Outcomes Log, Outcome Harvesting, and facility-level Health Checks, these were not consistently operationalised in a way that answered the more fundamental question of whether KIAT contributed to durable shifts in how Indonesia plans, finances, and delivers infrastructure.

The MEL concentrated at the activity level. The End of Facility Report rated MEL fitness for purpose as only "Partial." The Mid-Term Outcome Harvesting in 2024 yielded 24 outcomes: 13 established and 11 emergent, demonstrating the mechanism worked when applied, but the results were not consistently translated into a portfolio-level impact narrative. The KIAT Senior Management Team's own observation that systemic change requires "not only changing regulations, but training people and linking incentives to maintaining and implementing the system" confirms that this gap was well understood internally but not fully addressed by the MEL system in practice.

The gap is therefore one of implementation practice, not design intent, and KINETIK is well-placed to address it by building on the mechanisms KIAT established rather than starting from scratch.

KINETIK must operationalise systemic change tracking as a primary metric from inception. This means establishing a system adoption tracker at the outset, building portfolio-level synthesis into quarterly reporting cycles rather than treating it as an end-of-facility exercise, and defining indicators that explicitly capture enabling-environment shifts, including GoI regulatory adoption, institutional incentive structures, and sub-national fiscal and planning capacity, and do so alongside activity-level output metrics.

Cross-Program Coordination. DFAT programs (PROSPERA, SKALA, INKLUSI, SIAP SIAGA, KATALIS) operated largely in silos relative to KIAT. Few KIAT materials or outputs were accessible to other programs. Strategic integration at portfolio level was insufficient. KINETIK must establish a formal coordination mechanism from Month 1.

What to Carry Forward from KIAT into KINETIK

KIAT activities, tools, and models with demonstrated impact, to be explicitly preserved, scaled or institutionalised under KINETIK.

GESIT (small grants to CSOs for local government GEDSI engagement). *Relevance to KINETIK:* Core model for KINETIK's Lead NGO community engagement function. *Recommended action:* Adopt as primary sub-national community engagement mechanism.

Project Preparation Facility (PPF). *Relevance to KINETIK:* Pipeline development linking policy to finance. Exactly what KINETIK needs for clean energy, urban connectivity, waste, and water. *Recommended action:* Scale up with expanded climate mandate and market sounding function.

GERIN (GHG calculation tool for infrastructure). *Relevance to KINETIK:* Climate mitigation measurement for infrastructure projects. *Recommended action:* Embed in all KINETIK-supported project preparation and MERL.

PPP Screening Tool (formally adopted by MPW under MR 01/2026). *Relevance to KINETIK:* Replicable model of policy tool adoption by GoI. *Recommended action*: Expand to cover KINETIK focus sectors (clean energy, urban connectivity, waste, water).

PRIM Performance-Based Grants model. *Relevance to KINETIK:* Demonstrates PBG approach works in Indonesia's subnational context. *Recommended action*: Apply in water and energy sectors via KINETIK IFF work; design with beneficiary co-investment from inception.

PAVE (women in infrastructure leadership). *Relevance to KINETIK:* Foundation for KINETIK GEDSI approach in infrastructure agencies. *Recommended action*: Continue with stronger GoI leadership buy-in confirmed at design and avoid KIAT pattern of programs without institutional sponsorship.

ESG framework for PPP project screening. *Relevance to KINETIK:* Directly relevant to KINETIK private sector engagement and IFF. *Recommended action*: Integrate with KINETIK's activity selection criteria from inception.

PCSP lessons (Palembang City Sanitation Project). *Relevance to KINETIK:* Major example of city-scale sanitation with GEDSI, climate and community components. *Recommended action*: Apply lessons on community connections and inter-agency coordination; do not underestimate connection-uptake complexity.

G2G partnerships (CSIRO, Sydney Water, VicRoads, Infrastructure NSW). *Relevance to KINETIK:* Australia's comparative advantage in infrastructure knowledge transfer. *Recommended action*: Sustain and expand under KINETIK with explicit KINETIK branding and mandate.

Applicability to Energy Transition and Green Infrastructure Goals of KINETIK

Finding: KINETIK's mandate represents a deliberate step-change from KIAT: expanding from a predominantly technical advisory role to a politically engaged, climate-focused investment model that integrates climate finance, innovative financing, private sector mobilisation, and gender and

social inclusion. Several KIAT initiatives are directly applicable to this expanded mandate, but applicability requires deliberate adaptation, not simple continuation. KIAT's climate agenda was grafted onto an existing infrastructure program in response to the 2021 Mid-Term Review, rather than designed from inception. KINETIK must correct this structural gap.

Most Applicable KIAT Initiatives for KINETIK's Climate and Green Infrastructure Goals:

- The PPF with Expanded Climate Mandate is the single most applicable KIAT initiative. It provides the structural mechanism for developing a pipeline of investment-ready, climate-aligned projects in energy transition, urban connectivity, water, and sanitation. It must incorporate iterative market sounding with climate-focused investors from project identification through to financing.
- GERIN should be embedded in all KINETIK-supported project preparation activities and MERL as a standard instrument, providing a credible, quantified basis for connecting KINETIK's project preparation work to international climate finance standards.
- The ESG Framework for PPP Project Screening, developed with Bappenas PPP Toolkits and piloted in PPF projects, provides a mechanism for integrating environmental, social, and governance standards into infrastructure screening. Adopting ESG will also enhance project bankability, mitigate environmental and social risks, and embed GEDSI considerations into infrastructure financing. Therefore, this is directly relevant as international investors increasingly require ESG compliance as a condition of investment.
- The PPP Regulatory Framework (Regulations 7/2023 and 9/2025) provides a foundation for clean energy and green infrastructure, where risk-sharing between public and private parties is particularly complex. The reform trajectory toward clearer risk allocation is the enabling environment work that KINETIK's clean energy portfolio requires.
- The PRIM PBG Model adapted for Water and Energy provides the performance-based grant logic that can be applied to water tariff reform and decentralised energy service delivery, with the critical design requirement that beneficiary co-investment is structured in from commencement.
- G2G partnerships with CSIRO, Sydney Water, VicRoads, and Infrastructure NSW carry institutional credibility with Bappenas and MOF that is particularly important in climate science and climate-resilient infrastructure design. Face-to-face technical collaboration was consistently the most valued modality.
- KIAT's analytical work on emissions measurement (EMISI and related) built Indonesia's capacity to measure infrastructure-related GHG emissions and is directly applicable to KINETIK's MERL requirements and Indonesia's Forestry and Other Land Use (FOLU) Net Sink commitments. EMISI's central finding that sanitation generates 22 to 28 million tonnes of CO_2-equivalent per year, representing approximately 1 to 1.4% of Indonesia's total GHG emissions, with more than 90% originating from onsite systems, gives KINETIK a credible, measured baseline from which to engage GoI on climate finance, NDC reporting, and sanitation sector decarbonisation for the first time.

- Climate Resilience Infrastructure (CRI) study can serve as a climate risk analytics reference as it provides a quantitative climate risk assessment of Indonesia's infrastructure and identifies types of hazards likely to be most damaging to infrastructure.

Political Economy Considerations: The Prabowo administration's focus on food, water, and energy security creates both entry points and constraints for a climate-focused infrastructure agenda. The KINETIK IDD rightly characterises energy transition and climate finance politics as "highly contested." KINETIK must navigate this directly: both formal (Program Steering Committee, Partnership Coordination Committee) and informal working-level GoI channels must be maintained simultaneously. The absence of GoI-initiated climate requests during KIAT, with KIAT consistently leading rather than responding, signals a co-ownership gap that KINETIK must actively resolve. Formal transfer of climate analytics and climate finance co-governance to Bappenas and MOF counterparts by Year three should be an explicit KINETIK target.

Changes in Resourcing Approach and Modalities for KINETIK

Finding: KIAT's facility model with a panel-based contractor mechanism (100+ contractors), a mix of long-term advisers (LTAs) and short-term advisers (STAs), in-house MEL and GEDSI functions, and a demand-driven advisory approach was able to deliver value for money at an adequate overall level and reduced DFAT's administrative burden effectively. The demand-driven model was among the most highly valued features of KIAT, prized by GoI partners and DFAT alike for its responsiveness to emerging priorities and its ability to mobilise the right expertise at the right moment. That same responsiveness, however, sits in tension with portfolio coherence: where activities are initiated in reply to individual partner requests, the Facility risks accumulating a collection of well-executed but loosely connected engagements rather than a strategically integrated portfolio whose parts reinforce a common direction. Preserving the value of demand-driven programming for KINETIK therefore depends on managing this tension deliberately, capturing cumulative, portfolio-level impact rather than constraining the responsiveness that makes the model valuable in the first place.

Coherence was not the only aspect of the model that showed strain. Over Phase 2, the staffing profile grew progressively heavier toward national long-term staff, procurement timelines created recurring friction with GoI partners, knowledge transfer from international to local consultants was a persistent gap, and cross-program coordination within the DFAT Indonesia portfolio remained largely informal and insufficient. Individually manageable within KIAT, these limitations carry greater weight for KINETIK: its step-change in scale and ambition, up to AUD 650 million over ten years, means that a simple continuation of KIAT's delivery model would be insufficient.

Proposed Changes in Resourcing Approach and Modalities

Staffing Model. *Evidence and rationale:* By June 2025, KIAT's staffing structure comprised 78 personnel (63 locally engaged staff and 15 long-term advisers), representing a 4:1 ratio. While a strong local footprint directly aligns with localisation and locally led development goals, the findings highlight a critical trade-off between institutional stability and operational flexibility as the program enters its final phase. To balance these priorities, KINETIK will need to maintain a leaner LTA core supplemented by an agile, diversified pool of short-term advisers (STAs), governed by explicit sector-utilisation targets. Crucially, the program must resist converting temporary STA roles into full-time positions during its concluding years, a pattern that inadvertently locks in fixed costs, reduces pivot agility, and compromises the strategic flexibility required to navigate a successful program closure.

Contractor Panel Composition. *Evidence and rationale:* Include Indonesian specialist firms, universities, think tanks, and specialist NGOs on panels from inception. KIAT's panel of 100+ was useful for flexibility, but Indonesian providers were underrepresented relative to international firms. A more diverse local panel reduces procurement timelines and builds a pre-established institutional network.

Localisation: Co-located National Positions. *Evidence and rationale:* Key GoI stakeholders explicitly requested co-located KINETIK positions within ministry offices of national advisers embedded directly in the operational environment of GoI counterparts. This addresses the knowledge-loss problem that occurs when international consultants demobilise. Treat the FIFO model as a last resort, not a default modality for complex, long-term capacity development work.

Contracting Flexibility. *Evidence and rationale:* Formalise the umbrella contract model (lead adviser with delegated sub-procurement, as piloted in BIUTR) as a standard option for complex specialist engagements. Introduce proportionate single-source provisions for time-sensitive, specialist tasks within defined parameters. Maintain full competitive procurement for large, long-duration subcontracts where competitive tension delivers measurable savings (KIAT achieved AUD 2.95 million in negotiation savings in H1 2024 alone).

Governance Architecture: GoI Co-Governance from Day One. *Evidence and rationale:* One of KIAT's most consistent structural weaknesses, confirmed by Bappenas, MoF, and DFAT, was a governance model that increasingly saw KIAT going directly to DFAT for activity approval without meaningful GoI co-governance. Bappenas called for formal arrangements with activity requests jointly addressed to DFAT, MOF/Bappenas, and relevant line Ministry. The joint Management Committee and Program Steering Committee structures in the KINETIK IDD offer a credible path. Activities designed with GoI co-ownership are more likely to be adopted into GoI systems after KINETIK closes.

MEL for Systemic Change. *Evidence and rationale:* KINETIK's MERL framework must track systemic change at portfolio level from inception, not only activity outputs. A system adoption tracker, with baseline from KIAT legacy tools embedded in GoI systems (PKRMS, PPP Screening Tool, GERIN), should be established in the Inception Phase. Outcome Harvesting should be deployed as a standard semi-annual practice.

Cross-Program Coordination. *Evidence and rationale:* Establish a formal cross-program coordination mechanism from Month 1: a matrix of who does what across DFAT programs, a shared knowledge platform, and a deliberate strategy for leveraging other program's subnational locations and networks. The knowledge-silo problem that characterised KIAT's cross-program engagement must be resolved at KINETIK inception.

Knowledge Management: Digital Repositories. *Evidence and rationale:* Key GoI stakeholders specifically requested video-format guidance accessible to sub-national government staff as part of knowledge transfer. Build a searchable, shared knowledge repository as an operational function, not a communications add-on. This extends KINETIK's reach into sub-national government despite high staff turnover and limited training capacity.

Quick Wins for the KINETIK Inception Phase (Year 1)

The following actions can be initiated immediately in the KINETIK Inception Phase (April–August 2026):

Convene KIAT-to-KINETIK knowledge transfer workshop with DFAT, Bappenas, MOF, and key line ministries. *Owner:* DFAT and Primary Contractor. *KIAT Lesson Grounding:* KIAT knowledge silo and GoI co-governance gap.

Audit all KIAT tools, regulations and frameworks adopted by GoI to establish a system adoption baseline for the system adoption tracker. *Owner:* DFAT and Primary Contractor. *KIAT Lesson Grounding:* Sustainability tracking gap.

Initiate sector engagement strategy development for Water, Transport and Energy, with GoI co-authorship from the outset. *Owner:* DFAT and Primary Contractor. *KIAT Lesson Grounding:* Policy-to-finance logic gap.

Establish KINETIK knowledge platform and ensure all KIAT Phase 2 outputs are migrated and accessible to all DFAT programs and GoI counterparts. *Owner:* Primary Contractor. *KIAT Lesson Grounding:* Cross-program knowledge sharing gap.

Engage PT SMI on co-designing KINETIK's Project Preparation Facility mandate and climate finance integration. *Owner:* DFAT and Financial Markets Adviser. *KIAT Lesson Grounding:* PT SMI partnership opportunity.

Develop GEDSI baseline and identify GoI GEDSI champions in each sector ministry as a precondition for Year 1 activity design. *Owner:* GEDSI Manager and DFAT. *KIAT Lesson Grounding:* GEDSI institutional capacity gap.

Map and leverage DFAT program locations (PROSPERA, KATALIS, SKALA, INKLUSI, SIAP SIAGA) for subnational network integration. *Owner:* DFAT and Primary Contractor. *KIAT Lesson Grounding:* Cross-program coordination gap.

Priority Recommendations for KINETIK

The following fifteen recommendations are grounded in the KEQ evidence and align with the KINETIK IDD.

Recommendation 1 – Governance. Formalise GoI co-governance from day one. Adopt formal arrangements (letters of activity request jointly addressed to DFAT, MOF/Bappenas and relevant line Ministry) that give GoI partners genuine, visible co-ownership of activity selection. The joint Management Committee and Program Steering Committee structures in the KINETIK IDD offer a credible path.

Recommendation 2 – Strategy. Develop sector engagement strategies for sanitation and water, sustainable transport and clean energy in the Inception Phase, mapping policy reforms, institutional champions, and financing pathways, to avoid producing policy outputs without corresponding implementation momentum. Retain KIAT's demand-driven programming model as a core competitive advantage rather than trading it away for administrative tidiness; address the coherence risk it creates through a portfolio-level MEL synthesis function that aggregates individual activity outcomes into a visible account of cumulative impact, not through gatekeeping of demand-driven requests.

Recommendation 3 – Communication & Coordination. Establish a formal DFAT mechanism for cross-program communication and coordination, including with PROSPERA, SKALA, INKLUSI, SIAP SIAGA, and KATALIS, as well as, with other development partners starting from Month 1. This initiative should focus on building and maintaining a "who does what" matrix and a shared knowledge platform while strategically leveraging the programs' existing subnational locations and networks to maximise collective impact.

Recommendation 4 – Climate Finance. Carry the KIAT PPF forward with an expanded climate mandate for investment-ready, climate-aligned projects in energy transition, urban connectivity, water, and sanitation. Establish iterative market sounding with investors as standard practice, not a late-stage, one-off event.

Recommendation 5 – Climate Analytics. Agree analytical parameters (spatial scale, data formats, methodology) with Bappenas and line ministries before commencing analysis. Formalise quarterly coordination meetings with GoI counterparts. Do not repeat KIAT's pattern of producing analytical outputs without a clear GoI adoption pathway.

Recommendation 6 – Private Sector. Track Danantara and INA transaction pipelines via KINETIK's Emerging Markets Advisory Partner from Inception. With SOE balance-sheet constraints and reduced capital injections, position for early advisory engagement on infrastructure recycled from SOE balance sheets. Develop non-PPP private sector participation pathways alongside the traditional PPP model.

Recommendation 7 – Innovative Financing and Funding (IFF) Integration. Integrate ADI and PIDG visibly within the KINETIK portfolio, not as parallel streams. Portfolio-wide MERL should track how upstream policy and project preparation work creates enabling conditions for ADI/PIDG investment and other infrastructure programs.

Recommendation 8 – Contracting. Adopt flexible contracting: formalise the umbrella contract model (as demonstrated in BIUTR); introduce single-source provisions for time-sensitive specialist engagements within defined parameters; expand the panel to include Indonesian firms, universities and think tanks from inception.

Recommendation 9 – Digital & Knowledge. Build a searchable, shared knowledge repository accessible to DFAT programs, GoI counterparts and development partners. Include video-format content (YouTube) for subnational staff, as requested by Ministry of Public Works.

Recommendation 10 – Localisation. Fund co-located Indonesian national positions embedded in GoI partner ministries, explicitly requested by key GoI stakeholders. Treat embedded, real-time skill transfer as the primary capacity development modality, with FIFO technical assistance as a supplementary option. Require Knowledge Transfer Plans as formal milestones in all international adviser contracts to retain institutional knowledge when advisers demobilise.

Recommendation 11 – GEDSI Institutional Capacity. Strengthen GoI counterparts' institutional capacity to lead on gender equality and disability inclusion (Bappenas, MPW, MoWE) by end of Year three as an explicit KINETIK target, with KINETIK retaining shared accountability. Adopt the GESIT model for civil society engagement. Embed GEDSI benchmarks in all preparation tools, including the PPF. Redesign the Technical Working Group architecture for KINETIK's broader cross-cutting portfolio: establish a dedicated GEDSI TWG with explicit ownership-transfer targets as the most pressing governance design priority and integrate climate change as a cross-cutting element of all sector TWGs rather than as a standalone structure.

Recommendation 12 – Women's Leadership. Continue PAVE-style programming only where GoI Ministry leadership buy-in is confirmed at design. Avoid the KIAT pattern of producing high-quality programs that lack institutional sponsorship for scale-up. GoI commitment is a design condition, not a hoped-for outcome.

Recommendation 13 – Adaptive Management. Conduct structured political economy reviews every six months, with outputs feeding directly into activity planning and Program Steering Committee deliberations. Do not rely on informal monitoring as a substitute for structured political economy analysis.

Recommendation 14 – Sustainability. Design every activity with a formal handover pathway. Track GoI adoption of KINETIK-developed tools, regulations, and frameworks as the primary MERL metric. Require genuine beneficiary co-investment in all grant instruments from commencement. Establish a system adoption tracker at Inception with baseline from KIAT legacy tools (PKRMS, PPP Screening Tool, GERIN).

Recommendation 15 – MEL for Systemic Change. Design KINETIK's MERL framework from inception to track enabling environment changes and portfolio-level systemic change as primary indicators. Deploy Outcome Harvesting as a standard semi-annual practice. Make sure activity-level MEL can demonstrate systemic impact.

Closing Observation: KIAT's most enduring contribution is a set of tools and institutional relationships embedded in Indonesian government systems that will continue to shape infrastructure investment well beyond the Facility's close. The PPP Screening Tool under MPW Ministerial Regulation 01/2026, PRIM's absorption into the national InPres Jalan Daerah program, the PPF's positioning as a pipeline-development mechanism, and KIAT's deep partnerships with Bappenas, MoF, MPW, and PT SMI are the assets KINETIK inherits.

But the evaluation evidence is equally clear that these assets come with a set of structural limitations and implementation gaps that, if carried forward uncritically, will undermine KINETIK's ambitions. Fragmented approaches to cross-program coordination, a FIFO advisory model that leaves limited durable capacity, an MEL system focused on outputs rather than systemic change, insufficient GoI co-ownership, and an incomplete journey on private sector mobilisation are not minor operational deficiencies. They are design challenges that KINETIK's Inception Phase must address explicitly, not inherit by default.

KIAT closes as one of Australia's most successful bilateral development investments. KINETIK 2.0 inherits this legacy, and that is both its greatest asset and its greatest risk. The temptation will be to start fresh, without adequately building on what KIAT established. The evidence points in the

opposite direction: consolidate KIAT's most effective contributions while directly addressing the gaps this evaluation has identified. With genuine co-governance and the design choices set out in these recommendations, KINETIK is well-positioned to succeed.

KIAT End of Facility Completion Report, June 2026

Annex A: Terms of Reference

KIAT Strategic Evaluation

Introduction

The Department of Foreign Affairs and Trade (DFAT) requires a Strategic Evaluation of the *Kemitraan Indonesia Australia untuk Infrastruktur* (KIAT), or the Indonesia Australia Partnership for Infrastructure.

Background

KIAT is a partnership between the Government of Indonesia (GOI) and the Government of Australia (GOA) to support 'sustainable and inclusive economic growth through improved access to infrastructure for all people'. KIAT[10] replaced and built on the lessons learned from the Indonesia Infrastructure Initiative (IndII) in 2015. It was designed as a facility to provide flexible and responsive mechanisms to improve quality and quantity of Indonesia's Infrastructure through funding activities intended to achieve its End of Facility Outcomes.

KIAT was established with three End of Facility Outcomes:

- EOFO #1 Improved GOI policy and regulatory framework for infrastructure provision,
- EOFO #2 High quality projects prepared and financed by GOI, the private sector and/or Multilateral Development Banks (MDBs), and
- EOFO #3 High quality infrastructure delivery, management and maintenance by GOI.

KIAT has nine major activity streams focusing primarily on urban and peri-urban areas (including connectivity between urban population centres): urban water supply, urban sanitation, urban solid waste management, national roads, subnational roads, urban mobility, infrastructure funding and financing, Gender Equality, Disability and Social Inclusion (GEDSI), and climate change.

KIAT's delivery mechanisms include short-term technical assistance (TA) and advisory services to GOI at the national and subnational levels to improve infrastructure policy, planning and delivery. It has also supported longer term grant programs from the Australian Government to the Indonesia Government in the infrastructure sector, including the Palembang City Sanitation Project (PCSP), Provincial Road Improvement and Maintenance (PRIM), and grants for water

[10] KIAT design phase (1 September 2016 to 16 February 2017); KIAT Implementation Phase 1 (20 April 2017 to 30 June 2022); KIAT Implementation Phase 2 (1 July 2022 to 30 June 2026)

and sanitation. KIAT is focused on strengthening GOI policies, systems and institutions to mainstream each program's core features into GOI-funded initiatives.

Purpose

The purpose of the evaluation is to:

1. Generate credible evidence and analysis to assess KIAT's performance, draw out strategic lesson learned and good practices, and provide recommendations to inform Australia's development program in Indonesia.
2. Provide evidence to support KIAT's Final Investment Monitoring Report (FIMR).
3. Inform the early implementation of DFAT's new climate, infrastructure and financing investment.

The evaluation will draw on, but remain independent from, the KIAT Mid-Term Review and KIAT-led assessments from Phase 2. Rather than duplicating prior analysis, it will use those findings as inputs and focus on generating additional evidence and strategic lessons. The evaluation will also inform DFAT's transition to the initial implementation phase of its new climate, infrastructure and financing program.

The primary audience for this evaluation is DFAT's Senior Management and Program Managers at Jakarta Post and key counterparts in GOI. The secondary audience is DFAT staff (at Post and Canberra) more broadly, including thematic areas and other geographic areas providing support to Australian-funded infrastructure facilities.

The evaluation should consider a range of stakeholders' perspective including but not limited to key Indonesian Government partners, Australian Government partners, civil society partners and others as relevant.

The final evaluation report and management response should meet DFAT's accessibility requirements and will be published on DFAT's website.

Key evaluation questions and scope

The provisional evaluation questions will be finalised in the Evaluation Plan in consultation with DFAT. The evaluation questions will focus on five criteria: 1) relevance, 2) effectiveness, 3) efficiency, 4) sustainability, 5) risk management and safeguards, and provide recommendations, taking KIAT Monitoring, Evaluation, Learning and Performance (MEL/P) into account during the evaluation. The following questions will guide the development of the evaluation plan to be prepared in consultation with DFAT during the inception stage, which will streamline and prioritise the key evaluation questions:

Relevance

1. How well has KIAT demonstrated flexibility in adapting to changes in the development context, Australian Government and Indonesian Government policy priorities?

Effectiveness

2. How effective has KIAT been in achieving its EOFOs and the program's policy priorities (GEDSI, climate change, and private participation in infrastructure?

Efficiency

3. How well has KIAT's delivery mechanism and level of resourcing delivered value for money?

Sustainability

4. To what extent has KIAT ensured sustainability of the results of its activities for the intended beneficiaries, specifically in relation to locally-led development? Will the benefit last?

Risk Management and Safeguard

5. How well has KIAT managed risks and safeguards issues?

Recommendation

6. What activities and approaches have been most effective, efficient and sustainable and therefore suitable for possible inclusion in a future infrastructure program.

Evaluation Process

The evaluation process is likely to include:

Phase 1: Development and Finalisation of an Evaluation Plan

- Initial team briefing provided by DFAT Indonesia to the evaluation team to highlight key priorities and expectations of the evaluation team and provide relevant documentation.
- The Team Leader to develop an evaluation plan including the methodology, refinement of key evaluation questions, and identification of key respondents. The evaluation plan will outline the specific roles, responsibilities and expectations of the evaluation team members, and meet the DFAT MEL Standard 9.

Phase 2: Desktop Review, and Preliminary Findings and Recommendations

- Desktop review and analysis of key documentations related to KIAT. The evaluation team may identify additional documents to those provided by DFAT for inclusion in the desktop review.
- Preliminary findings and recommendations based on the desktop review and analysis.

Phase 3: Verification and Supplemental Data Collection and Analysis

- In-country DFAT briefing session in Jakarta at the start of the in-country field visit.
- Internal and external stakeholder meetings. Infrastructure team at Post will provide the evaluation team with the names, positions, and contact details of key stakeholders and facilitate meetings as necessary.
- Validate and/or test the preliminary findings and recommendations.
- Field visit to a selected number of project sites (as necessary, depending on the time and resources).
- Aide memoire for submission to DFAT on the final day of the field visit, outlining the evaluation team's initial impressions, initial validation of the preliminary recommendations, and highlighting initial key findings and key lessons.

Phase 4: Reporting

- Submit a draft report that meets DFAT MEL Standard 10 for comment by DFAT.
- Submit the final report based on DFAT feedback.

Key deliverables

The evaluation team will provide DFAT with the following key deliverables:

a. **Evaluation plan** – articulating key evaluation questions outlining scope and methodologies to collect data, a timeline linked to key milestones, identification of key evaluation informants, methods of analysis and process for coming to evaluative judgements, schedule for in-country field work and a detailed breakdown of responsibilities between team members. The evaluation plan should meet DFAT standards and be submitted at least 14 days prior to the in-country visit for stakeholder consideration (5-6 pages exclusive of annexes).

b. **Presentation of an Aide Memoire and discussion** – the initial key findings upon completion of the in-country mission to be presented to DFAT at the completion of the in-country mission (4-5 pages, exclusive of annexes).

c. **Draft evaluation report** – includes an executive summary (up to 4 pages) that summarises findings and recommendations of the evaluation; explores key issues arising from the program and highlights critical lessons which can help improve the effectiveness of Australia's ongoing and future support for infrastructure in Indonesia.

d. The report must meet DFAT standards and be submitted to DFAT within two weeks of completing the field visit (25-30 pages, exclusive of annexes).

e. **Final evaluation report** – to be submitted within 14 days of receipt of comments from DFAT on the draft report, incorporating any agreed changes. The final report should provide a balanced, succinct and clear presentation of key findings and backing evidence, an executive summary, recommendations and lessons learned. The report should meet DFAT's accessibility guidelines and be fit for publication (2430 pages, exclusive of annexes). Timeframes for all deliverables are dependent upon the provision of timely feedback to the evaluation team as specified in the below timetable.

Evaluation team composition

Specification of the Evaluation Team

The evaluation team should collectively possess the following expertise, experience and skills:

- Proven experience in evaluating development programs;
- Proven experience in applying program logic and theory of change in a practical way that is appropriate, relevant and easily understood by stakeholders;
- Technical expertise in:
  a. Infrastructure development
  b. Climate mitigation, adaptation and resilience on infrastructure
  c. Gender equality, disability and social inclusion
  d. Design, monitoring, evaluation and learning
  e. The evaluation team should also have the ability to engage technical expertise as needed in relation to the transport sector, water and sanitation sector, and infrastructure financing and funding;
- Sound understanding of Australian and Indonesian Government policies and priorities in infrastructure;
- Extensive practical experience in applying technical and analytical skills in the evaluation;
- Excellent analytical and writing skills to tell clear performance stories (including narratives and/or infographics) drawing on qualitative and quantitative data;
- The team should include a mix of international and local participation with the requisite skill sets in team. Local consultants will contribute substantively to contextual analysis, stakeholder engagement, and validation of findings, beyond logistical support. Their roles will be outlined in the Evaluation Plan.

The team should include a **Team Leader**, with responsibility for:

a. Delivery of all key deliverables;

b. Managing team inputs and responsibilities, coordinating the consultations in Jakarta and delivering quality deliverables as outlined in this ToR;
c. Ensuring the consistency and quality of all evaluation products;
d. Ensuring alignment with DFAT policies and guidance, and Indonesian policies as appropriate, and the utilisation of best practice principles in development program evaluation.

All team members must have:

a) Familiarity with, and sound knowledge of, relevant DFAT policy priorities;
b) Excellent writing and analytical skills to support co-drafting of the Evaluation Report and annexes.

DFAT Responsibilities

The Infrastructure section at Jakarta Post will manage the evaluation process including planning the evaluation, procuring the evaluation team, assisting with scheduling the field work and arranging contact with GoI, coordinating input throughout the evaluation process, providing feedback on drafts of deliverables and preparing the management response.

DFAT may request the evaluation team to provide briefings to update on progress, delays, and emerging evaluation issues for discussion with DFAT. The briefings may be informal (phone, email, or teleconference).

DFAT will manage separately a Reference Group that includes expertise on GEDSI and Climate Change. DFAT and the Reference Group will provide input and feedback in an advisory capacity. The evaluation team will retain full independence and final responsibility for findings and recommendations.

Ethical Considerations

In conducting this review, the evaluation must comply with DFAT's quality expectations, as outlined in:

- DFAT Design and Monitoring and Evaluation and Learning Standards (DMEL), available at DFAT Design and Monitoring, Evaluation and Learning Standards | Australian Government Department of Foreign Affairs and Trade.
- DFAT's Ethical Research and Evaluation Guidance Note, available at Research overview | Australian Government Department of Foreign Affairs and Trade, and the Australasian Evaluation Society's Guidelines, available at Ethical guidelines - Australian Evaluation Society.
- All reports produced by this evaluation should comply with DFAT's Accessibility guidelines, available at https://www.dfat.gov.au/about-us/about-thishttps://www.dfat.gov.au/about-us/about-this-

website/Pages/accessibilitywebsite/Pages/accessibilityhttps://www.dfat.gov.au/about-us/about-this-website/accessible-documents/creating-documents-meet-accessibility-guidelines

- Australia's International Disability Equity and Rights Strategy:https://www.dfat.gov.au/publications/australias-international-disability-equity-and-rights-strategy-advancing-equity-transform-lives
  Advancing equity to transform lives | Australian Government Department of Foreign Affairs and Trade identifies reasonable accommodation as a key enabler for inclusion of people with disability across society.

Informed consent should be obtained in writing from all evaluation participants after they have been advised of what information will be sought and how the information will be recorded and used.

All information and findings should be treated as confidential.

All published or unpublished evaluation documents used should be appropriately referenced.

Evaluation timetable

The indicative timeframes are as follows:

Date	**Tasks**
Late February 2026	Contracting of Evaluation team
March 2026 (exact timing TBC)	Submission of evaluation plan
Early April 2026	Completion of desk research analysis
Mid-April 2026	Evaluation in-country mission to Indonesia (Note: aligning dates with KIAT Achievement Ceremony)
Early-May 2026	Submit draft evaluation report for DFAT review
Mid-May 2026	Receipt feedback from DFAT on evaluation report
Early June 2026	Final report submitted to DFAT
Mid-June 2026	DFAT prepares management response and seeks internal approval

Key documents:

- KIAT Investment Design Document (IDD):
  Indonesia Australia Infrastructure Partnership (KIAT): Facility design document | Australian Government Department of Foreign Affairs and Tradehttps://www.dfat.gov.au/about-us/publications/Pages/indonesia-australia-infrastructure-partnership-facility-design-document

- KIAT Mid Term Review 2022
  Indonesia Australia Partnership for Infrastructure (KIAT) Phase 1: Mid-Term Review and Management Response | Australian Government Department of Foreign Affairs and Tradehttps://www.dfat.gov.au/publications/development/indonesia-australia-partnership-infrastructure-kiat-phase-1-mid-term-review-and-management-response

Annex B: Evaluation Questions and Sub-Questions

Drawing on the methodology described in the Draft Evaluation Plan and considering the strategic context of KIAT's transition to KINETIK, this section presents the set of Key Evaluation Questions (KEQs) alongside detailed sub-questions used in the Strategic Evaluation. The questions most relevant to Non-Government Actors (NGAs) have been specifically identified, indicated by the notation *"(NGA)*" following each applicable question.[11]

1. Relevance

KEQ 1: How well has KIAT demonstrated flexibility in adapting to changes in the development context, Australian Government, and Indonesian Government policy priorities? *(Original Q1)*

- **1.1** How effectively did KIAT pivot its technical assistance to meet the shifting fiscal and infrastructure priorities of the Government of Indonesia (GoI) post-COVID-19? *(NGA)*
- **1.2** How well did the facility respond to the Australian Government's 2023 International Development Policy and its increased focus on climate change and GEDSI?
- **1.3** Was the "demand-driven" nature of the technical assistance balanced effectively with Australia's strategic interests?

2. Effectiveness

KEQ 2: How effective has KIAT been in achieving its EOFOs and the program's policy priorities (GEDSI, climate change, and private participation in infrastructure)? *(Original Q2)*

- **2.1** To what extent has the Partnership achieved its long-term objectives and contributed to systemic changes in Indonesia's national and sub-national infrastructure planning?
- **2.2** How significantly did KIAT leverage private sector capital compared to the initial targets set in Phase 2? *(NGA)*
- **2.3** To what extent did KIAT's policy work align with Indonesia's Net Zero 2060 trajectory and Disaster Risk Reduction (DRR) frameworks? *(NGA)*
- **2.4** To what extent KIAT MEL/P system fit-for-purpose and effective in tracking progress towards all EOFOs and support management decision-making and learning.

[11] Non-Government Actors include: Multilateral Development Banks (MDBs), Civil Society Organisations (CSOs) (including partners for GEDSI and community engagement), Disabled People's Organisations (DPOs) (specifically linked to the GESIT program for inclusive infrastructure), and Private Sector (PS) (focused on capital leverage and participation in PPPs).

- **2.5** Has the integration of GEDSI moved beyond compliance to demonstrate measurable improvements in infrastructure access for women and people with disabilities and other marginalised groups? *(NGA)*
- **2.6** How effective has KIAT engaged with other DFAT programs (SIAP2, Prospera, SKALA, KATALIS) and Multilateral Development Banks (MDBs) been? And to what extent was the KIAT investment aligned with other programs and MDBs? *(NGA)*

3. Efficiency

KEQ 3: How well has KIAT's delivery mechanism and level of resourcing delivered value for money? *(Original Q3)*

- **3.1** To what extent did the facility model reduce administrative burdens for DFAT while maintaining technical quality?
- **3.2** Was the allocation of advisor resources (subcontracts to large firms, specialist firms, short-term advisors, in-house technical expertise) the most cost-effective way to influence GoI policy, project preparation, and institutional practice?
- **3.3** How efficiently were cross-cutting resources (MEL and GEDSI specialists) utilised across the transport, water, and sanitation portfolios?
- **3.4** To what extent KIAT governance structure allowed for an efficient implementation and decision-making process?

4. Sustainability

KEQ 4: To what extent has KIAT ensured sustainability of the results of its activities for the intended beneficiaries, specifically in relation to locally led development? Will the benefit last? *(Original Q4)*

- **4.1** Are asset management systems (e.g., for national and sub-national roads) being maintained and funded by the GoI independently of KIAT support?
- **4.2** To what extent has KIAT built the capacity of Indonesian partner ministries (Bappenas, PU) to manage complex PPP transactions without external TA? *(NGA)*
- **4.3** How has KIAT supported "locally led" development by empowering sub-national government agencies in the delivery of sanitation and water services? *(NGA)*

5. Risk Management and Safeguards

KEQ 5: How well has KIAT managed risks and safeguards issues? *(Original Q5)*

- **5.1** How effectively did KIAT identify and mitigate environmental and social risks in high-impact infrastructure projects (distinguish between projects directly funded/managed by KIAT, and projects funded/managed by GoI)? *(NGA)*
- **5.2** Were DFAT's child protection and PSEAH standards rigorously applied across all technical activities? *(NGA)*
- **5.3** How well did the program manage political and reputational risks associated with complex land acquisition or resettlement issues?

6. Recommendations

KEQ 6: What activities and approaches have been most effective, efficient, and sustainable and therefore suitable for possible inclusion in a future infrastructure program (KINETIK)? *(Original Q6)*

- **6.1** What were the primary barriers to private sector finance mobilization and delivery of infrastructure projects supported by KIAT, and how can these be addressed in the next phase?
- **6.2** Which existing initiatives under KIAT have been most effective, efficient, and sustainable?
- **6.3** Which are most applicable to the Energy Transition and Green Infrastructure goals of KINETIK?
- **6.4** Based on KIAT's performance and overall delivery model, what changes in overall resourcing approach and modalities may be required to meet the EOIOs for the KINETIK initiative?

Annex C: Consolidated Lessons Learned

This section consolidates the forward-looking lessons identified across the five evaluation criteria into a single list. Each lesson is drawn from the criterion-specific "Forward-Looking Lessons for KINETIK" discussions in the main Report and is cross-referenced to the 15 Priority Recommendation it informs. Where a lesson maps to no one single recommendation, this is noted.

Relevance

- Retain the demand-driven programming model as a core competitive advantage built over decades in Indonesia; do not trade it away for administrative tidiness. (→ R2)
- Address the coherence risk of the demand-driven model through a portfolio-level MEL synthesis function that aggregates activity outcomes into a visible cumulative-impact narrative, not through gatekeeping of requests. (→ R2, R15)
- Adopt governance structures (joint Management Committee, Program Steering Committee) giving GoI genuine, visible co-ownership of activity selection, without locking DFAT into procedures that constrain strategic discretion. (→ R1)
- Develop sector engagement strategies during Inception, mapping policy reforms, institutional champions, and financing pathways. (→ R2)
- Agree climate-analytics parameters, data formats, and timelines with Bappenas and line ministries before commencing analysis, formalised through regular coordination. (→ R5)
- Set an explicit objective to strengthen GoI capacity on gender and disability inclusion; adopt the GESIT model for community engagement and embed GEDSI benchmarks in all PPF tools. (→ R11)
- Conduct structured political economy reviews every six months, feeding directly into activity planning and Steering Committee deliberations. (→ R13)

Effectiveness

- Preserve across KINETIK's expanded mandate KIAT's end-to-end logic of policy into institutional capacity into project preparation into financing. (→ R2, R14)
- Design for systemic change from the outset: track enabling-environment change and GoI system adoption as primary MERL indicators, with a system adoption tracker built on KIAT legacy tools. (→ R15)
- Strengthen GoI co-governance on GEDSI and climate by Year three as an explicit target, resolving the co-ownership gap where KIAT consistently led. (→ R11)
- Establish iterative private-sector market sounding from project identification through to financial close, not late-stage one-off sounding. (→ R4, R6)

- Build a formal cross-program coordination mechanism with a shared knowledge platform and a program-complementarity matrix from inception. (→ R3)

Efficiency

- Design a leaner LTA core supplemented by an actively deployed, diversified STA pool with explicit utilisation targets; avoid converting STA roles to full-time positions in the program's final years. (→ R8)
- Formalise the umbrella contract model and introduce single-source provisions for time-sensitive specialist tasks; expand the panel to include Indonesian firms, universities, and think tanks from inception. (→ R8)
- Require Knowledge Transfer Plans as formal milestones in all international adviser contracts, and fund co-located national positions embedded in GoI ministries. (→ R10)
- Invest in digital repositories, including video-format guidance for sub-national staff, to retain institutional knowledge beyond individual adviser assignments. (→ R9)
- Design KINETIK's MERL to track systemic change at portfolio level from inception, with Outcome Harvesting as a standard semi-annual practice. (→ R15)

Sustainability

- Design every activity with a formal handover pathway (ministerial regulation, presidential instruction, or GoI budget allocation) built in from the outset, not retrofitted at close. (→ R14)
- Replace FIFO with resident, co-located advisory presence at sub-national level for sustained periods, as explicitly requested by key GoI stakeholders. (→ R10)
- Design pilots explicitly for demonstration and replication, with formal adoption pathways and system-level support enabling non-pilot local governments to adopt without direct support. (→ R14)
- Build PERPAMSI and sector associations as GoI-anchored platforms for locally led, sustainable sub-national capacity building. (no single recommendation candidate)
- Redesign the TWG architecture for KINETIK's portfolio: a dedicated GEDSI TWG with explicit ownership-transfer targets is the most pressing governance design priority; integrate climate across sector TWGs. (→ R11)

Risk Management and Safeguards

- Retain and strengthen the annual safeguards spot-check process embedded in the ESMF for KINETIK's expanded scope and geographic reach. (no single recommendation)
- Actively maintain both formal and informal GoI engagement channels to navigate the 'highly contested' politics of energy transition and climate finance. (→ R13)

Annex D: KIAT GEDSI Evaluation

This Annex provides a more detailed evaluation of KIAT GEDSI practices. The Annex is divided into four parts, reflecting the recommendations made by DFAT's Equity Hub. The analysis below offers an opportunity to deepen analysis present in this report, providing the additional specificity, contextualisation, and evidence that are important for future programming. The Evaluation team see potential for the evaluation to support learning on gender and disability in KIAT's successor (KINETIK) and possibly more broadly across the Indonesia portfolio.

GESIT was KIAT's civil society small grants program. GESIT stood for Gender Equality and Social Inclusion in Infrastructure, the name also means "nimble" or "agile" in Indonesian.

It was designed to bring women and people with disabilities into infrastructure planning and delivery at the community level, operating as a collaborative partnership between civil society organisations (CSOs), local governments, and government of Indonesia counterparts.

How it worked: GESIT provided grants of up to AUD 50,000 annually per CSO or Organisation of Persons with Disabilities (OPD), along with technical support, coaching, and training in organisational management, advocacy, and action research. It supported two grantees in each participating district; one focused on women's equality, and one on disability inclusion.

Timeline: After a design process in 2021, it began with an 8-month pilot in one district (Probolinggo) in early 2022, then ran a 34-month full implementation phase (December 2022 to September 2025) across 10 districts and cities, six of which focused on transport, four on water and sanitation.

GESIT's Comparative Advantage

GESIT represented a fundamentally different approach to community engagement from the rest of KIAT's portfolio. Understanding that difference is important for KINETIK's design, because GESIT produced outcomes that KIAT's more government-facing technical activities could not readily replicate.

How KIAT otherwise engaged communities. Across KIAT's mainstream technical activities, community engagement operated primarily as a project-specific input: focus group discussions, accessibility audits, consultations during infrastructure design phases, and participation in formal planning forums such as musrenbang. These engagements were typically convened and managed by KIAT or its subcontractors, with CSOs and OPDs appearing as participants or facilitators rather than as independent actors. The GEDSI Mainstreaming Review (October 2024) confirmed that activity teams' ability to identify and reach affected communities depended almost entirely on the personal networks of whichever GEDSI specialist had been contracted to that activity. Thus, making community reach a function of individual capacity rather than embedded program

architecture. When technical activities concluded, so did most of the structured community interface they had created.

What GESIT did differently. GESIT inverted this relationship. Rather than KIAT facilitating community input into government processes, GESIT resourced and capacitated CSOs and OPDs to become autonomous actors within those processes. Grants of up to AUD 50,000 per organisation annually were combined with training in organisational management, advocacy, safeguards and action research, collaborative work planning with local government counterparts, and ongoing coaching. Three structural differences from KIAT's other community engagement work stand out.

First, inclusive by design rather than by mainstreaming. KIAT's standard approach treated GEDSI as a dimension to be screened for and layered onto existing technical activities. GESIT's mandate was explicitly inclusion-focused from inception, with two defined outcome areas of employment opportunities for women and people with disabilities, and greater influence of women and people with disabilities in local infrastructure processes, and second, an open menu of initiative types for grantees to pursue. Inclusion was not a consideration added to a technical activity; it was the entire activity logic.

Second, CSOs as agents rather than informants. GESIT enabled grantee organisations to lead action research, draft and advocate for local regulations, build the capacity of government counterparts, and sustain community forums; functions requiring genuine institutional standing rather than participation in a KIAT-managed process. This distinction was captured directly by a grantee: "We had never thought of working alongside the government, but through KIAT's GESIT we were able to work productively on the inclusive infrastructure that has long been needed. GESIT also gave us the confidence to manage projects."[12]

Third, horizontal learning as a structural feature. From October 2023, GESIT embedded six-monthly learning workshops at which grantees and local government representatives from all participating regions shared experience and cross-pollinated innovations. This peer-learning infrastructure was absent from KIAT's project-specific community engagement work, which was largely siloed by activity. The workshops contributed directly to the diffusion of locally developed approaches, including accessibility audits, inclusive village regulations, and water tariff concessions. The workshops across GESIT regions occurred without proportional additional investment.

Inclusivity. GESIT reached groups that KIAT's government-facing technical work could not. Government and contractor networks for engaging affected communities remained underdeveloped throughout Phase 2; KIAT's subcontractors depended on their GEDSI specialist's personal networks to make community connections that CSOs held organically. GESIT bypassed this structural bottleneck. In the water sector alone, grantees in Bandung, Palangkaraya, Banyuwangi, and Tegal delivered pipe installation, maintenance, and water quality testing

[12] From KIAT End of Facility Report May 2026, case study 3.

training specifically for women and persons with disabilities. Outcomes that government counterparts had neither the mandate nor the community relationships to produce independently. In transport-focused districts, OPDs conducted disability accessibility audits of roads, buildings and public facilities, giving disability expertise a direct technical role that was not replicated through any other KIAT mechanism.

Scalability. GESIT's model is inherently more scalable than project-specific consultation approaches because it works through existing CSO and OPD infrastructure rather than requiring KIAT to establish and maintain direct community relationships for each new activity. The horizontal learning mechanism, including, learning workshops, case studies, and national stakeholder visibility, all facilitated the diffusion of locally developed innovations across regions without proportional additional investment. GESIT operated across 10 local governments across two phases, which is meaningful sub-national scale; importantly, the End of Facility Report (May 2026) notes that a version of the model could also operate at national level through national CSOs and OPDs, extending the scalability case further. The model does not require large, embedded teams, and the open-menu design allows it to be adapted to different sector contexts as demonstrated by the transition from Phase 1 transport to Phase 2 water and sanitation without redesigning the core grant and support architecture.

Cost-efficiency. KIAT's End of Facility Report describes GESIT as "the most replicable and cost-efficient community engagement model in KIAT's portfolio." The leverage argument is clear: a small specialist GEDSI team, supporting GESIT grantees across 10 local governments, contributed to 69 regulations (38 at village and district level) and produced measurable employment, skills, and participatory planning outcomes simultaneously. Results that mainstream KIAT activities could not readily replicate through direct delivery. By routing investment through civil society organisations that already held community trust and government relationships, GESIT avoided the cost of building those relationships from scratch for each new activity. The fixed grant structure (up to AUD 50,000 per CSO/OPD per year, with performance-based top-ups) provided a transparent and manageable cost base relative to the institutional and regulatory changes achieved.

The sustainability caveat. The comparative advantage of GESIT is genuine, but it does not resolve the structural challenge of GoI ownership. DFAT confirmed it never received an unsolicited GEDSI request from GoI counterparts in relation to infrastructure, and KIAT consistently led on inclusion rather than responding to GoI demand. GESIT's community engagement achievements remain externally initiated. The practical implication for KINETIK is that adopting the GESIT model as the primary mechanism for sub-national community engagement should be paired with an explicit objective to build the institutional capacity of Bappenas, MPW, and the National Disability Commission to sustain and extend it, so that the model's comparative advantages are embedded in GoI systems rather than dependent on ongoing external resourcing.

Regulations established via GESIT

The following provides regulations established via GESIT with clear examples of GEDSI related outcomes. By the time of the final BPPR (January–June 2025), GESIT-supported CSOs and OPDs had successfully advocated a total of 69 local regulations mandating inclusive infrastructure across 10 districts, including discount tariffs for households with disabilities in clean water installations, job opportunities for women and persons with disabilities, and establishment of four Disability Services Units in Employment (ULD-K).

Breakdown by Administrative Level and Regulation Type

Regulation type	Description and GEDSI significance
Peraturan Daerah (2) District Regulation	The strongest form of district legislation. Examples: Lombok Barat District Regulation No. 02/2024 on Protection and Fulfilment of Disability Rights; Bandung District Regulation No. 04/2024 on Respect, Protection and Fulfilment of Rights of Persons with Disabilities. These bind local government budgets and create enforceable entitlements.
Peraturan Bupati / Walikota (various) Regent/Mayor Regulation	Subordinate regulatory instruments with binding force within districts. Examples include Belitung Regent Regulation No. 28/2024 on Women's Participation in Inclusive Infrastructure Development and Tegal Regent Regulation No. 33/2024 on the Role of Women and Persons with Disabilities in Community-Based Clean Water Management. Several have already triggered budget allocations for implementation.
Surat Edaran / Instruksi Bupati Circulars and Instructions	Administrative instruments directing government agencies to implement inclusive practices. These operate at district level and have immediate operational effect on agency procedures, though they carry lower legislative weight than Peraturan Bupati.
Peraturan Desa (27) Village Regulations	Village-level regulations on inclusive infrastructure under the Village Law framework. While these are legislatively junior to district instruments, they carry significant operational importance: village governments allocate village funds for implementation, and several have directly funded accessibility improvements. Examples: eight village regulations in Probolinggo on inclusive, women- and child-friendly villages; three village regulations in Malang on inclusive village implementation; 26 villages across four districts with disability-inclusive village regulations by end 2024.
PDAM Director Decrees Water Utility Decrees	Private-sector equivalent regulatory instruments within state-owned water utilities. Examples: PDAM Tegal Decree No. 690/59/2024 on discounted tariffs for households with disabilities (applied to 13 households); PDAM Banyuwangi Decision No. 42/2024 on free home connections and discounts for persons with disabilities. These operate independently of local government but have direct service-delivery outcomes for people with disabilities.

Specific Gender and Disability Outcomes

The regulations are not ends in themselves. The following examples illustrate concrete outcomes that have flowed from district and village level regulations:

- **Accessibility audits:** OPDs in Probolinggo and five other GESIT districts assessed public roads, buildings, parks, hotels, mosques and government buildings for accessibility, with findings reported back to local government and integrated into remedial planning.
- **Village fund allocations:** Village governments in West Lombok, East Java and Central Java have allocated village funds for physical accessibility improvements to local health centres, roads and public facilities following enactment of inclusive village regulations.
- **Disability services units:** ULD-K (Disability Services Units in Employment) were established in four districts under GESIT, providing structured pathways for employment training, placement and assistance for workers with disabilities.
- **Women's participation in musrenbang:** In Lombok Barat and Tegal, GESIT grantees partnered with the District Planning Agency to strengthen the capacity of women and persons with disabilities to participate in thematic musrenbang (participatory development planning). A total of 33 trainings (594 participants: 215 male, 379 female, 248 people with disabilities) were delivered under this stream.
- **Water access for disability households:** GESIT grantees in Tegal installed drinking water pipes in 13 houses of people with disabilities, directly funded through the PDAM tariff concession mechanism created by the regulatory change.
- **Business entity formation:** Six grantee organisations established CVs (business entities) consisting of and for persons with disabilities, enabling access to government contracts for inclusive infrastructure assessments.

CSO and OPD Involvement in GESIT

OPDs and women's rights organisations were also involved in GESIT, supporting 8 CSOs and 10 OPDs across 10 cities and districts, including Himpunan Wanita Disabilitas Indonesia (HWDI, the Indonesian Association of Disabled Women) in Lombok Barat, which drove five of the district's landmark regulations. All ten GESIT locations included a DPO grant recipient. Within the reporting period July 2024-June 2025, grantees participated in 279 formal policy discussions, including musrenbang sessions.

Implication for KINETIK

The distinction between village and district level regulations matters for KINETIK. District regulations create legally binding institutional frameworks; village regulations create implementation mandates with direct village fund access. Future programming should target both levels intentionally, tracking the conversion of district-level policy commitments into village-level budgetary and implementation action as a key sustainability indicator.

Disability more advanced than gender

The record of disability inclusion and gender integration under KIAT was uneven and understanding why is analytically important for future programming. Disability inclusion advanced more rapidly in certain areas, particularly at the technical project preparation level, while gender integration achieved stronger results at the institutional and representational levels. This section disaggregates that pattern, examines the explanatory factors behind it, and draws out the implications for design and measurement under KINETIK.

Why Disability Advanced More Quickly in Technical Sectors

The relative advancement of disability inclusion over gender integration was most pronounced in the technical sectors of Infrastructure Funding and Financing (IFF) and at the project preparation level. Three explanatory factors are identified:

- **Technical standards provide a clearer entry point:** Disability inclusion in infrastructure design is anchored in the Universal Design Principles and Indonesia's national disability law (Law 8/2016 on Persons with Disabilities), which mandates accessible infrastructure. These standards provide concrete, measurable specifications: ramps, railings, accessible toilets, tactile paving, signage, that technical staff can integrate into design documents without high levels of contestation. Gender integration at the design level is less standardised and depends more heavily on deliberate analytical framing.
- **Disability inclusion was embedded in safeguards tools:** KIAT's GEDSI Action Plans, the PPP Screening Tool, the DEIA Guide within the MoF ESG Framework, and the accessible Inclusive Grievance Redress Mechanisms (IGRMs) under PCSP all specifically operationalised disability requirements in technical documentation. This gave disability integration a structural foothold in project preparation workflows that gender integration did not consistently achieve at the same technical depth.
- **OPDs were direct participants in technical assessment:** Through GESIT, OPDs were contracted to conduct disability accessibility audits of infrastructure, giving disability expertise a direct technical role in project delivery. Women's organisations were not systematically integrated in equivalent technical advisory roles across KIAT's IFF or transport portfolios.

Where Gender Integration Was Stronger

Gender integration was stronger than disability inclusion at the institutional and representational levels: the PAVE program produced Srikandi PU and Larasati Infrastructure as institutional platforms for women's leadership within MPW and Infrastructure BUMNs respectively; 21 women engineers in Lombok Barat and 20 in Pesisir Selatan obtained Level 6 Job Competency Certificates; and all 17 participating PDAMs under the PBG program developed GEDSI Action

Plans with specific gender targets, including increased women in middle management and promotion of one female employee into senior management.

The Intersectional Gap

A significant gap in KIAT's reporting is the near invisibility of women with disabilities as a distinct group. The main body of the Evaluation Report presents 935 participants trained (392 men, 543 women) and 485 persons with disabilities but does not indicate how many of the 485 persons with disabilities were women. The combined figure of 193 women and persons with disabilities gaining employment and internships conflates rather than disaggregates two distinct population groups. The KIAT program holds richer underlying data than the evaluation presents; the gap is in the reporting layer, not in the evidence base itself. This intersectional gap is examined in detail in the section on disaggregated data below.

Impairment Type Considerations

A further dimension of the disability-gender disparity concerns impairment type coverage. A structural risk in infrastructure programming is that disability integration defaults to physical mobility, that is ramps, accessible toilets, pedestrian paths, without adequately addressing the access and inclusion needs of people with sensory or intellectual disabilities. The GESIT GEDSI Mainstreaming Review (October 2024) confirmed this pattern: KIAT's disability integration was strongest for mobility-related accessibility and less consistently addressed the needs of people with visual, auditory or intellectual disabilities. The FERSIA e-Learning platform, launched August 2024, was a deliberate exception: it was designed to be accessible for people with hearing and visual impairment. This represents a design standard that should become the baseline for all digital and in-person engagement under KINETIK, not a one-off accommodation.

Implication for KINETIK

KINETIK should design from the outset for full impairment-type coverage, extending beyond mobility accessibility to sensory and cognitive inclusion in infrastructure design standards and community engagement processes. The GESIT OPD grant model should explicitly include OPDs representing diverse disability groups. Intersectional data collection (disability by sex) should be a mandatory data field across all KINETIK MERL systems.

Data and intersectionality

KIAT collected disaggregated data by sex and disability status across its programs. The limitation is that the reporting consolidates those data in ways that obscure the distinct experiences of sub-groups, particularly women with disabilities, and prevents meaningful intersectional analysis. This section presents the available data in fuller form, acknowledges where genuine gaps remain, and sets out what a corrected data architecture should look like for KINETIK.

What the Data Shows

Indicator	Detail
GESIT training participants (total)	935 participants trained: 392 men, 543 women
Persons with disabilities trained	485 persons with disabilities, a gender breakdown not separately reported in primary evaluation documents
Employment and internships	193 women and persons with disabilities gained employment and internships. This is reported as a combined category. Available records indicate the majority were women or women with disabilities, but a precise individual breakdown is not available for inclusion in this report.
Women engineers certified	21 women engineers in Lombok Barat and 20 in Pesisir Selatan obtained BNSP Level 6 Job Competency Certificates. All are women without noted disability.
FERSIA webinar participation (Oct–Dec 2024)	970 participants: 57% men, 43% women, 1.2% persons with disabilities, across 145 districts/cities in 34 provinces. This data is disaggregated by sex and disability status simultaneously.
PBG PDAMs: workforce diversity	4 of 17 PDAMs recruited persons with disabilities. Increase in women in middle management recorded across participating PDAMs. One female employee promoted into senior management. Accessible facilities upgraded at all 17 PDAMs.

Acknowledging the Gap

The combined presentation of '193 women and persons with disabilities' as a single outcome group is analytically inadequate. It prevents examination of: (a) how many people with disabilities gained employment; (b) how many of those were women with disabilities; and (c) whether men with disabilities benefited equivalently. This is a data presentation limitation rather than a data absence. The underlying GESIT monitoring records contain individual-level data that would support a more complete disaggregation.

It is **recommended** that training participation is reported as four cells (men without disability, men with disability, women without disability, women with disability). Employment outcomes should also be reported in the same four-cell format. This approach is standard in disability-inclusive MERL and should be adopted as the baseline data structure for KINETIK.

Intersectionality: Women with Disabilities

The intersectional disadvantage faced by women with disabilities is a structural feature of Indonesia's disability and gender contexts. Women with disabilities face compounded exclusion in infrastructure participation: social stigma around disability, gender norms that restrict women's economic participation, and the absence of accessible transport and childcare combine to create multiple overlapping barriers. KIAT's programming, particularly through GESIT, where OPD grantees included HWDI (the Indonesian Association of Disabled Women), did engage women with disabilities directly. However, this engagement was not systematically captured in disaggregated data and was therefore not reflected in outcome reporting.

What Should Be Noted as Gaps

- The evaluation does not contain disaggregated employment data by sex and disability status simultaneously.
- Impairment type data is not collected in KIAT's standard MERL system, meaning it is not possible to report outcomes by type of disability (physical, sensory, intellectual, psychosocial) from existing records.
- Qualitative data on the specific experience of women with disabilities within GESIT activities exists in grantee reports but was not synthesised at evaluation level.

Implication for KINETIK

KINETIK's MERL framework should require four-cell sex-by-disability disaggregation as a mandatory data standard for all activities with individual-level beneficiary data. Impairment type should be collected as a standard demographic variable. Qualitative case studies should be commissioned at mid-term specifically examining the experience of women with disabilities to provide the intersectional analysis that quantitative data alone cannot capture. The KINETIK GEDSI strategy should explicitly name women with disabilities as a priority intersectional group.

Government ownership of GEDSI

The language of 'transferring ownership of GEDSI' requires careful interpretation. Two distinct issues converge here: the conceptual framing of ownership and shared responsibility in inclusion-focused programming; and the practical question of whether 'GEDSI' as a terminological frame is fit for purpose in engaging Indonesian government counterparts. Both are addressed in turn.

On the Framing of Ownership

The Evaluation Report draws a clear distinction between the goal of building GoI capacity and the problematic framing of ownership as something to be handed over. Government is the principal duty bearer for commitments to gender equality and disability inclusion, but this is a shared responsibility. KINETIK should retain accountability for delivering on these commitments within its own programming remit rather than treating ownership as something that can be progressively divested.

The relevant finding is that KIAT's failure to receive any unsolicited GEDSI request from GoI reflects two compounding constraints. The first is a terminology problem: 'GEDSI' is a DFAT framework term while Indonesian national priorities are expressed through *kesetaraan gender* and *inklusi disabilitas*, grounded in distinct legislative mandates. The second is a structural problem: responsibility for gender and disability is dispersed across Bappenas, MPW, the Ministry of Women's Empowerment, and the National Disability Commission, with no single agency positioned to lead or generate coordinated demand. These are design constraints for KINETIK.

The KINETIK implication accordingly sets an objective to strengthen GoI counterparts' capacity to deliver on Indonesia's own national and sub-national commitments, with entry points framed around existing Indonesian legislative and regulatory frameworks rather than around DFAT's external framing. A structured engagement programme is proposed for Year 1, directed at both senior leadership and technical staff, to build commitment and address the cultural and institutional barriers that constrained GoI-initiated engagement under KIAT.

On Terminology: 'GEDSI' versus Indonesian National Frameworks

The Evaluation Report acknowledges that the absence of unsolicited GoI requests for GEDSI is at least in part a terminology issue. This opens the possibility that GoI counterparts were engaging on gender equality and disability inclusion through their own institutional frameworks, including budget requests, legislative processes, regulatory instruments that were not recognised or tracked as 'GEDSI' within KIAT's monitoring systems.

The practical implication for KINETIK is that engagement should be framed around the legislative and regulatory vocabulary that GoI counterparts recognise as authoritative. The relevant frameworks include Law 8/2016 on Persons with Disabilities, the RPJMN 2025-2029 cross-cutting priorities on gender equality and disability inclusion, the Bappenas gender mainstreaming commitments embedded in the draft PPP Regulation, and the MoF ESG Framework's DEIA Tool. Engagement anchored in these instruments is more likely to generate genuine GoI demand than engagement framed in DFAT's taxonomy. KINETIK's monitoring systems should be designed from inception to track requests and engagement in GoI's own institutional language rather than in DFAT's.

The governance implication follows directly. DFAT has recommended a dedicated GEDSI Technical Working Group for KINETIK, recognising that GoI ownership had not yet been fully achieved and that a structured working group could accelerate the capacity of Bappenas, MPW, and the National Disability Commission to drive inclusion independently. A GEDSI TWG is consistent with the lesson from KIAT that working groups are most valuable as platforms for cross-agency coordination and shared ownership of programme direction and not as technical advisory or approval bodies.

On Entry Points with Government

The entry points most productive under KIAT were those anchored in GoI's own systems and institutional channels:

Entry point	Demonstrated effectiveness under KIAT
Technical design standards	Universal Design Principles and disability accessibility standards in infrastructure specifications: accepted by MPW/Bina Marga as technical requirements with clear regulatory backing
Policy tools and frameworks	GEDSI Toolkit adopted by MPW; DEIA Tool in MoF ESG Manual; GEDSI components in Bappenas PPP Regulation. Tools that enter GoI systems create durable entry points

Entry point	Demonstrated effectiveness under KIAT
Existing institutions and networks	FERSIA (PERPAMSI); Srikandi PU (MPW); Larasati Infrastructure (Danantara); National Disability Commission. Working through existing institutional channels rather than creating parallel structures was more sustainable
CSO/OPD advocacy (GESIT)	The most effective sub-national entry point: civil society advocacy to local government with KIAT providing technical backstop created demand from within local government rather than supply from the program
Local government champions	Multi-stakeholder forums were effective in identifying and engaging district-level champions who could drive regulatory change from inside the system

Implication for KINETIK

Three implications follow for KINETIK's design. First, KINETIK should set its objective as strengthening GoI counterparts' institutional capacity and commitment to deliver on Indonesia's own gender equality and disability inclusion commitments and with KINETIK retaining co-responsibility throughout rather than stepping back as GoI capacity grows. Second, a structured Year 1 engagement programme targeting both senior leadership and technical staff in Bappenas, MPW, MoWE, and the National Disability Commission should be treated as a design requirement, not an optional early activity. Third, KINETIK's MERL system should track GoI engagement on gender and disability in GoI's own institutional language framed around kesetaraan gender, inklusi disabilitas, Law 8/2016, and the RPJMNas well as in DFAT's GEDSI framework, to avoid the monitoring blind spot that may have obscured demand signals under KIAT.

The GESIT model should be retained as the primary mechanism for sub-national community engagement, benchmarks for gender and disability inclusion should be embedded in all PPF project preparation tools from inception, and KINETIK's own leadership structure should explicitly address gender balance from the Inception Phase.

Annex E: List of KIAT Activities during Phase 2

Activities marked with ***** are carried over from Phase I. Activities highlighted in green are those undertaken wholly in Phase 2 (i.e. no carryovers).

Activity Stream: Urban Water Supply

- Performance Based Grant – Program Implementation Consultant*****
- Regional Water Supply (RWS) – Planning and Development*
- Water Safety Plan (WSP) Technical Assistance
- ZAMP (Zona Air Minum Prima) - Prime Drinking Water Zone*****
- Modified Water Hibah Pilot & Design
- PDAM Performance Benchmarking and Reporting

Activity Stream: Urban Sanitation

- Palembang City Sanitation Project – Construction Management Consultant (PCSP-CMC)*****
- Capacity Development for the PCSP Service Delivery Organisation (PCSP-CDTA) *****
- Revitalising Informal Settlements and their Environments (RISE) Program*****
- Balikpapan Wastewater Management System – FS & DED
- National Sanitation Hibah Program – Implementation Support (NSHP)
- Sanitation Infrastructure Institutional Support Program (SIIP)
- Sanitation Greenhouse Gas Emissions Research (EMISI)
- Support for Preparing DITSAN Strategic Plan (Renstra) 2025-2029

Activity Stream: Urban Solid Waste

N/A

Activity Stream: Immediate & Emerging Needs (Watsan)

- Watsan Sector Background Studies for RPJMN 2025-2029
- Policy Paper: Establishment of Water & Sanitation Regulator
- Water and Sanitation Landscape Analysis

Activity Stream: National Roads

- Improving Project Delivery (IPD)*****
- Integrated Road Asset Management System & Data Collection (IRAMS-DC)*****
- Road Preservation Fund (RPF) Phase 2*****
- Evaluation of the Implementation of RUNK LLAJ 2021–2025
- Improving Asset Management and Climate Resilience for National Roads (IAMCR)
- Scoping for an IT-based Construction Quality Monitoring Systems (CQMS)
- Strategic Assessment of Toll Road Network Development in Indonesia (ISAT)

-Support for Preparing DGH Strategic Plan (Renstra) 2025-2029
-Toll Road Master Plan Update for Kalimantan

Activity Stream: Sub-National Roads

-Program Hibah Jalan Daerah (PHJD) and Provincial Road Improvement & Maintenance (PRIM) (PIC and VTASC)*****
-Interim Support for Sub-National Roads
-Subnational Road Strengthening and Reform

Activity Stream: Urban Mobility

-Sustainable Urban Mobility Plans (SUMPs) for Denpasar, Semarang, and Makassar*****
-Developing a Performance Benchmarking Mechanism for Public Transport in Jakarta (PTPB)
- Jakarta Transit Oriented Development (TOD) - Pedestrian Oriented Design (POD) Implementation: Pilot Project & Capacity Building
-Letkol Wisnu Airfield Upgrade (North Bali) – Strategic Assessment (under PPF)
-Nusantara Urban Mobility Masterplan and Intelligent Mobility Ecosystem
-Sarbagita Electric Bus Rapid Transit (eBRT): Corridor Planning and Project Preparation
-Sudirman Gateway (under PPF)
-Ulapan Mobility Plan

Activity Stream: Immediate & Emerging Needs (Transport)

-Transport Sector Background Study for RPJMN 2025-2029
-Transport Landscape Analysis

Activity Stream: Infrastructure Funding and Financing

- Limited Concession Schemes (LCS) for Government Assets*****
- Preparation of the Land Value Capture (LVC) Mechanism to support the development of infrastructure projects in Indonesia*****
- Strengthening the Infrastructure Procurement Framework in Indonesia (Support to LKPP)*****
- Denpasar SPAM PPP Pre-Feasibility Review
- Infrastructure Capital Stock Analysis for RPJMN 2020-2024
- Minimum Revenue Guarantee (MRG) for Toll Road Projects
- PPP Screening and Pipeline
- Public Private Partnership Project Preparation Facility (PPF), consists of following projects:
    - Bandung Intra Urban Toll Road (BIUTR)
    - Greater Cirebon Solid Waste
    - Lombok Regional Water Supply
    - Green Climate Finance - Climate Fund Facility
    - Sudirman Gateway
    - Letkol Wisnu Airfield Upgrade (North Bali)

- Strengthening MOF Infrastructure Funding and Financing Scheme
- Support to Bappenas on PPP Toolkits and Capacity Building
- Support to Bappenas to Amend PPP Regulation No. 4/2015
- Support to MOT for PPP Regulatory and Institutional Strengthening
- Support to MPWH on PPP Project Preparation of Pejagan-Cilacap Toll Road
- PPP Value for Money (VfM) Guideline and Toolkits

Activity Stream: Gender Equality, Disability and Social Inclusion

- Gender Equality and Social Inclusion in Infrastructure (GESIT)*****
- Inclusive Community Empowerment for Sanitation (PERINTIS)*****
- Institutional Support to Strengthen FERSIA
- Promoting Advancement of Women in Indonesia's Infrastructure Sector (PAVE)
- Women in Infrastructure Leadership

Activity Stream: Climate Change

- GHG Emissions Reduction in Infrastructure
- Implementation of ESG Principles in PPPs
- Support to Bappenas for Climate-Resilient Infrastructure Planning

Activity Stream: Infrastructure Policy

-KIAT Infrastructure Policy Analysis

Activity Stream: MEL Performance

- Palembang City Sanitation Project – Reflections on the Financing and Delivery Model

Annex F: List of Stakeholders Groups Interviewed

DFAT, Australian Embassy Jakarta

Government of Indonesia

- Ministry of National Development Planning/ BAPPENAS
- Ministry of Finance
- Ministry of Public Works
- PT Sarana Multi Infrastruktur

KIAT

Multilateral Development Banks

- The World Bank, Indonesia Country Office
- The Asian Development, Indonesia Country Office

Private Sector

- PwC Indonesia

Civil Society Organisation

- The Indonesian Association of Women with Disabilities (HWDI)
- Indonesia Businesswomen Association (IWAPI), Pesisir Selatan District, West Sumatera Branch
- Indonesian Blind Union (PERTUNI), Probolinggo District Branch

Annex G: List of Documents Consulted

AidWorks, Annual Investment Monitoring Report (IMR) 2023, 2024, 2025, 2026 (draft)

Australia's International Disability Equity and Rights Strategy

Australia's 2023 International Development Policy

Australia's International Gender Equality Strategy

Climate & Sustainable Infrastructure IDD

DFAT. Creating Documents that Meet Accessibility Guidelines. https://www.dfat.gov.au/about-us/about-this-website/accessible-documents/creating-documents-meet-accessibility-guidelines

DFAT. Design and Monitoring, Evaluation and Learning Standards. September 2023

DFAT's Ethical Research and Evaluation Guidance Note

DFAT's Facilities Performance Assistance Framework (PAF)

DFAT's Terms of Reference (ToR) for the Strategic Evaluation

Draft Synergistic Funding and Financing for Sustainable and Inclusive Subnational Infrastructure (March 2026)

Final Investment Monitoring Report (FIMR). INM147 - Palembang City Sewerage Project, 2026

Integrated Gender and Disability Requirements Framework

KIAT Biannual Performance and Planning Report (BPPR) 2022, 2023, 2024, 2025

KIAT End of Program Review Provincial Road Improvement and Maintenance (PRIM) Program, January 2023

KIAT Environmental and Social Management Framework (October 2022)

KIAT Investment Design Document (IDD)

KIAT Mid Term Review (MTR) Report (August 2021)

KIAT Safeguards Screening Tool

KIAT Strategic Evaluation Plan, March 2026

KIAT. Draft KIAT Facility Completion Report Phase 2 (March 2026)

KIAT. Infrastructure & Climate Change Strategy 2024-2026. September 2024

KIAT. KIAT Engagement Strategies (January 2024 – June 2026), Version 2, December 2023, Version 4July 2024

KIAT. KIAT Final Outcome Harvesting Design Document. August 2025

KIAT. KIAT GEDSI Strategy 2022-26 (February 2022)

KIAT. KIAT Monitoring, Evaluation, Learning and Performance (MEL/P) Strategy (December 2024)

KIAT. KIATGEDSI Mainstreaming Review Report, October 2024

KIAT. Outcome Harvesting Report 2024 (August 2024)

KIAT. Phase 1 Facility Completion Report. July 2017 – June 2022

KIAT. Reflections on implementation of the Palembang City Sanitation Project (2017-2025), February 2026

KIAT. Review of KIAT Support to Improve the Government of Indonesia's Quality of Infrastructure Investment Outcome Harvesting Report, April 2022

KIAT's Development Risk Management Practices and Reflections

KINETIK Investment Design Document (IDD)

Land Acquisition and Resettlement Plan (LARP) for the PCSP WWTP at Sei Selayur

Management Committee Meeting Facility Director Report (MCM FD)

Ministry of Public Works Ministerial Regulation (MR) 01/2026)

Key GoI Written Response, April 2026

PPP Regulation 7/2023

PPP Regulation 9/2025

Presidential Instruction for Subnational Roads (InPres Jalan Daerah, IJD), 2023

Sustineo. Independent Review of Performance-Based Grants to Water Utilities, Final Report. December 2024

The Australian Centre for Social Innovation. Review of KIAT's Experience with Piloting and Demonstration, February 2026

The Australian Centre for Social Innovation. Review of KIAT's Experience with Piloting and Demonstration, February 2026

Web Content Accessibility Guidelines (WCAG) 2.0

Annex H: Written version from image ‘No of Contracts Under Management by Year’

Clustered bar and line chart titled **“No of Contracts Under Management By Year”** showing contract counts from 2017 to 2025. Four bar series represent Personnel LES, Personnel LTA, Personnel STA, and Service Orders, with a red line showing the total number of contracts each year. Total contracts increase from **35 in 2017** to **150 in 2024**, then decline to **116 in 2025**. LES contracts are the largest category throughout, rising from **26** in 2017 to a peak of **69** in 2024 before falling to **63** in 2025. Service Orders grow significantly from **0** in 2017 to **39** in 2024 and **25** in 2025. STA contracts peak at **32** in 2021, while LTA contracts remain relatively stable, ranging from **8 to 16**. Overall, the chart shows strong growth in contracts under management through 2024, followed by a decrease in 2025.

Annex I: Written version from image ‘No of Staff by Gender by Year’

A stacked bar chart titled **"No of Staff By Gender By Year"** presents staff numbers by gender between 2017 and 2025. Male staff are shown in blue and female staff in red. Data values are: 2017: 23 male, 11 female; 2018: 28 male, 18 female; 2019: 32 male, 18 female; 2020: 30 male, 19 female; 2021: 31 male, 18 female; 2022: 29 male, 29 female; 2023: 37 male, 37 female; 2024: 44 male, 41 female; and 2025: 40 male, 38 female. Overall staffing increased substantially over the period, peaking at 85 staff in 2024, while the gender balance became progressively more equal, with male and female numbers matching in 2022 and 2023.