

Independent Review of Partnership for Knowledge-based Poverty Reduction (PKPR)

MANAGEMENT RESPONSE AND LEARNING AND DISSEMINATION

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Date Approved:	

Activity Objective/s

The Partnership for Knowledge-based Poverty Reduction (PKPR) is a \$7.5 million program which commenced in April 2010. It was due to be completed in December 2014, but has been extended until June 2015. It aims to strengthen national efforts to reduce poverty and vulnerability by supporting the Government of Indonesia (GoI) to make informed and evidence-based policy and program decisions. It has three pillars: i) the provision of analytics and strengthening the analytical capacity of GoI and local institutes; ii) supporting GoI in the design, implementation and evaluation of key poverty and social protection programs; and iii) helping GoI to improve the quality and accessibility of data required for poverty analysis and policy making.

Activity Summary

AidWorks initiative/ Activity number	INJ244/10A664		
Commencement date	6 April 2010	Completion date	30 June 2015
Total Australian \$	7.5 million		
Total other \$	0		
Delivery organisation(s)	Poverty Reduction Team, Poverty Reduction and Economic Management (PREM) Unit, The World Bank		
Implementing partner(s)	<ul style="list-style-type: none"> The World Bank Local Think-tanks/Universities 		
Country/Region	Indonesia		
Primary sector	Economic Growth/MDG 1 – End Poverty and Hunger		

Independent Review Summary

Review Objective/s	<p>The Independent Progress Review (IPR) was undertaken approximately 28 months after the commencement of PKPR and was part of AusAID's standard quality performance program. The review had a three-fold purpose:</p> <ul style="list-style-type: none"> i) Assess the progress of the program against its objectives with particular emphasis on its effectiveness in strengthening capacity in the Gol; ii) Assess the relevance of the program and identify how the program might be improved; and iii) Identify the lessons and compare these with lessons from similar programs.
Review Completion Date	3 December 2012
Review Team	<ul style="list-style-type: none"> • Ms. Julie Hind, Team Leader and Evaluation Specialist • Mr. Gatot Widayanto, Team Member and Organisational Development Specialist • Mr. Euan Hind, Researcher supporting the Team Leader
Key Messages	<ul style="list-style-type: none"> • PKPR is providing Gol with a level of poverty analytics and advice not readily available by other means. It is filling a much needed gap in terms of rapid response studies. Its access to a global bank of knowledge and resources and the capacity to meet ad hoc analytical requests is a comparative advantage. The downside is that it may result in fewer requests by Gol to local institutes for such studies. This has negative impacts on the capacity of institutes, compounding the already serious shortage of capacity of local institutes. • PKPR is targeting capacity development at different levels – individuals, organisations and their systems, and the enabling environment, which aligns with contemporary good practice. PKPR has seen positive results where a collaborative, team approach has been taken, but there were calls for more planned, intentional capacity development strategies that were directed by counterpart agencies. • PKPR is making an important contribution to the uptake of evidence for decision-making. The program demonstrates a number of practices that will make research links with policy successful: focus on policy problems; closely engaging with policymakers; a good understanding of the political environment; and investing in communication and engagement. PKPR, unfortunately, has not yet included local institutes in knowledge sharing activities because PKPR does not have well established links or relationships with them. • PKPR's current monitoring and evaluation framework lacks a program theory, and so it is difficult to assess whether the interventions will plausibly result in the desired outcomes. The framework provides little attention to measuring capacity development • PKPR is highly relevant on two review criteria: alignment with Gol and AusAID policies and priorities; and based on good contextual analysis. Greater diligence is needed on other review criteria: the appropriateness of the mix of interventions; appropriate budget allocation to the various pillars commensurate with the level of priority and the difficulty of the task; effective program governance and oversight; implementation methods to suit the context and expected to result in sustainable change; and the program working with the right counterparts.

Management Response

The review team provided eight (8) recommendations. AusAID agrees to seven of them and partially agrees to one recommendation. AusAID is working with the World Bank to implement the recommendations.

Recommendation One

PKPR, along with key stakeholders, should develop a new results framework using a *program theory approach*, that is, the explicit theory or model of how the program causes the intended outcomes. The framework should incorporate attention to the basic elements for monitoring and evaluating capacity development and measuring analytics. PKPR should engage a monitoring and evaluation specialist with expertise in facilitating frameworks using program theory and who is able to provide on-going advice and support.

Response: AusAID agrees with the recommendation.

Actions: PKPR will mobilise a theory of change specialist in the first half of 2013 to facilitate the new results framework development that includes a long term focus on capacity building. PKPR will ensure on-going monitoring and evaluation advice and support is available throughout the PKPR implementation. Current program plans will be adjusted to reflect changes in the framework.

Recommendation Two

PKPR and AusAID should jointly facilitate a planning process with key stakeholders, to redesign the local research institute capacity building program so it is more inclusive in nature and programmatically integrated with the Knowledge Sector program. PKPR should provide a pool of technical experts that the institutes can access for a range of analytical capacity development. A pool of funds for research grants should remain as part of the program and be administered by the PKPR.

Response: AusAID partially agrees with the recommendation. A joint planning process is required to discuss the strategy to strengthen analytical capacities of local research institutes. A full redesign of the local research institute capacity building program is not required.

Actions: A joint planning process will be conducted in line with the new results framework (see actions under Recommendation One). The strategy will consider the distribution of roles between PKPR and the AusAID Knowledge Sector. For example: Knowledge Sector provides organisational support and core funding for the local research institutes. PKPR supports a local research institute only when it requires analytical capacity building.

Recommendation Three

PKPR is to shift its approach to the development and delivery of a poverty-related curriculum for a future generation of analysts and policymakers to one that is focused on supporting the universities to undertake this work. PKPR should either fund the universities or embed relevant PKPR staff in the universities. Include attention to organisational development.

Response: AusAID agrees in principle with the recommendation.

Actions: The recommendation will be further considered in the joint planning process, described under actions for Recommendation Two. Implementation may depend on whether university/ies are able to take up the curriculum or whether this is a longer term objective.

Recommendation Four

A more regular and planned approach is to be taken to the PKPR Joint Management Committee (JMC) in order to strengthen program governance and oversight.

Response: AusAID agrees with the recommendation.

Actions: PKPR will improve governance oversight which ensures partners and donors take a more active part in determining the program priorities. The World Bank and AusAID will now co-chair the JMC together with the National Team for Accelerating Poverty Reduction (TNP2K) and Bappenas. The JMC meetings will be supplemented by more regular operational meetings in which priority areas of support will be identified. The operational meetings will be attended by more operational-level staff of the JMC co-chairing institutions, and representatives from other ministries/agencies benefitting program activities. PKPR will ensure that workplans submitted for the JMC endorsement are developed based on the priorities nominated by the program stakeholders.

Recommendation Five

PKPR is to implement a planned and staged strategy to ensure that, over time, all studies and rapid responses analytics are either conducted jointly between PKPR and local institutes or independently by capable local institutes. The strategy should incorporate technical assistance and mentoring of the partners where joint studies are undertaken. The focus should be on partnering with institutes not individual researchers.

Response: AusAID agrees with the recommendation.

Actions: PKPR needs to undertake the recommended strategy as a standard operation. However, AusAID acknowledges that this strategy cannot be implemented in the case of requests for rapid assistance which sometimes demand a turn-around time as short as 24-48 hours. In such situations, PKPR will report regularly (through semi-annual progress reporting) to AusAID, and explain the nature of the request and why the work could not be conducted jointly with a local institute. PKPR needs also to inform AusAID on the kind of rapid responses that may be required by the partner government agencies.

Recommendation Six

The Unit Manager Social Protection Programs, AusAID establish more formal and regular internal processes to ensure improved interface of the knowledge sector components of PKPR with the larger AusAID Knowledge Sector program.

Response: AusAID agrees with the recommendation.

Actions: AusAID will ensure that the Knowledge Sector team be invited to the PKPR JMC meetings, as well as to the program stakeholder meetings. The Social Protection and Knowledge Sector teams will work closely in oversight of the program, and AusAID's approach will be better coordinated to ensure strategic oversight is maintained across all relevant sector teams.

Recommendation Seven

PKPR should introduce an approach in which it negotiates agreements with counterpart agencies about how PKPR will support the priorities identified by each agency. These agreements should identify outputs, outcomes, incremental steps and successes, and how PKPR and the agency will jointly monitor interventions.

Response: AusAID agrees with the recommendation.

Actions: AusAID notes that the 'agreements' referred to in the recommendation do not mean PKPR has to set up a separate agreement negotiation with each partner government agency. It will be a standard practice of PKPR to have a more open and rigorous processes in developing workplans that are based on the respective partner government agency's own priorities and agenda in relation to a specific program. For example: PKPR will work in synergy with other donors to support the Ministry of Social Affairs in the implementation of PKH program. PKPR will be accountable to the relevant partner government agency for the implementation of the workplans, as well as to AusAID.

Recommendation Eight

PKPR develops and establishes a knowledge broker program, taking the lead in facilitating a range of knowledge sharing activities for a wide range of stakeholders including Gol, parliamentarians, local universities and institutes. The program should be developed jointly with a working group of key stakeholders.

Response: AusAID agrees with the recommendation.

Actions: PKPR can immediately develop and establish the recommended knowledge broker activities. The program can be further adjusted once the new results framework is available.

Learning and Dissemination Approach

Target Audiences

- Internal AusAID:
 - Indonesia program Jakarta Post, including the Knowledge Sector and the PNPM teams
 - Indonesia desk in Canberra
 - AusAID Canberra Social Protection Policy
- Relevant Indonesian Government Agencies:
 - National Team for Accelerating Poverty Reduction (TNP2K)
 - National Agency for Development Planning (BAPPENAS)
 - National Statistics Agency (BPS)
 - Ministry of Finance (MOF)
- Implementing partner:
 - the Poverty Reduction Team, Poverty Reduction and Economic Management Unit, World Bank Jakarta

Dissemination Approach

The IPR and Management Response will be publicly accessible through the AusAID website.

The draft report was distributed to AusAID social protection and knowledge sector teams, and also to the World Bank as the program implementing partner for comments.

The final IPR report will be shared with relevant Indonesian government agencies as identified in the distribution list.

Learning and Dissemination Actions

- Public release:
 - The PKPR IPR will be available and ready for public release via AusAID internet in April 2013. This will be shared with key Indonesian Government partners.

Distribution List

Stakeholders	Management Response Included	Distribution Method
Internal AusAID	Yes	Soft copy
Indonesian Government Partners	Yes	Hard and soft copies

Stakeholders	Management Response Included	Distribution Method
The World Bank	Yes	Soft copy
Australian Public	Yes	Uploaded onto AusAID website

Distribution List

Activity	Target Audience	By When?	Who
Presentation of Aide Memoire	AusAID Jakarta Post & World Bank	13 September 2012	Evaluation manager
Circulation of draft IPR to AusAID Jakarta Post & the World Bank	AusAID/Social Protection team and Knowledge Sector team, World Bank	18 October 2012	Evaluation manager
Circulation of final IPR and management response to the JMC and stakeholders	World Bank, TNP2K, Bappenas, BPS and MoF	June 2013	Evaluation manager
Release of final IPR and management response to the public via AusAID website	General Australian public	June 2013	AusAID Communication Section, Canberra