

Final report

Independent Strategic Review

Knowledge to Policy (Knowledge Sector)

Investments in Indonesia

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Prepared for: Endang Dewayanti, Senior Program
Manager, DFAT

Prepared by: Simon Henderson and
Dr Inaya Rakhmani

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Simon Henderson Research Ltd

Maesgwyn

Trefecca, Brecon

Powys LD3 0PW

UK

Tel: +44 (0) 1874 618395

Mob: +44 (0) 7889 393703

www.simonhendersonresearch.com

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The final content of this report reflects the opinions of the ISR team.

Simon Henderson and Dr Inaya Rakhmani

Executive summary

This document presents the findings of an Independent Strategic Review (ISR) of three initiatives supported by Australia in Indonesia.

- Knowledge Sector Initiative (KSI)
- J-PAL South East Asia (JPAL SEA) and
- Pulse Lab Jakarta (PLJ)

All are longstanding and are ostensibly aimed at the same overall goal: improving evidence-informed policy making in Indonesia. However, they differ significantly in scale and approach and simple comparisons are not possible.

Currently, support to J-PAL SEA and KSI is due to finish in mid-2022 and to PLJ in 2023.

Summary description

Description	J-PAL SEA	KSI	PLJ
Support duration	10 years (2012-22)	10 years (2013-22) ¹	9 years (2014-23)
Allocation (AUD million)	18.35	103.09	16.78
Implementation model	Global initiative established by MIT (USA)	DFAT program designed in partnership with GOI and implemented by a consortium led by a managing contractor RTI	Partnership between GOI and UN Global Pulse (UN Sec-Gen initiative)
Objectives	Primary aim is to improve development policies by conducting high quality empirical evaluations—in particular randomized field experiments. Local capacity building is also an important objective, but largely limited to on-the-job knowledge transfer and broad awareness raising on use of quality evidence	Aims to strengthen the knowledge system in Indonesia by increasing government and civil society capacity to develop evidence-informed policies. Includes support to 16 Indonesian policy research institutes, policy research and advocacy on the enabling environment for public policy research	Developing and promoting technologies based on modern data analytics ('big data' and Artificial Intelligence) to inform 'soft' policy (not legal/ regulatory reforms <i>per se</i>). In addition, PLJ looks to link government, private sector and technical expertise to enable sustainable uptake and application of the technologies.

The ISR exercise

The ISR was conducted by Simon Henderson and Dr Inaya Rakhmani (the 'team'), with fieldwork taking place between May and August 2021. Over 80 virtual key informant interviews were

¹ KSI Phase 1 was preceded by a related, preparatory pilot program: Revitalising the Knowledge Sector (2009-12)

carried out with a range of stakeholders from GOI, the initiatives themselves, local think-tanks/policy research institutes, private sector, relevant Australian government and non-governmental organisations, academia and other informed observers. Internet-based surveys were conducted with KSI's 16 policy research institutes partners and with a (non-random) sample of research alumni provided by J-PAL SEA. An on-line questionnaire was also used to obtain the views of some GOI stakeholders in lieu of virtual interviews given respondent availability challenges.

The ISR examined each initiative on its own merits and drew lessons from within-case and, where relevant, between-case comparisons across the three initiatives, in order to clarify their different strengths, weaknesses and value propositions. The ISR does not provide an overall ranking of the initiatives.

Contribution to policy decisions

In different ways, and in quite different policy contexts, all the initiatives have achieved notable successes in informing policy development, J-PAL SEA particularly so.

For J-PAL SEA and (more latterly) PLJ, this reflects their ability to provide credible evidence that offers practical solutions for problems that matter to their partners. Both have benefited from effective relationships with influential advocates, who have authority and can use the evidence in the local decision context.

KSI's direct contribution has focused on institutional constraints affecting the 'enabling' environment for policy research and development. These are characterised by much less agreement on the need for and nature of reform, and greater mismatch between those with the mandate/interest for reform and those with the authority/power to bring about change. The policy questions addressed by KSI cannot be readily resolved by a single study or dataset. KSI's evidence is typically one input among a number for decision-makers, in a more messy, iterative policy development process.

As important as the evidence provided, (if not more), has been KSI's ability – based on its relationships and 'brand' – to bridge bureaucratic silos and connect reform champions with sympathetic (if less committed), influential decision-makers. In this regard, stakeholders also see the program's relationship with and access to the 16 local policy research institutes supported by the program as a valuable asset (albeit for some, one that is not fully utilised). The value of connecting actors is also evident in PLJ. For PLJ this is about linking public, private and not-for-profit actors who currently may not naturally interact, while for KSI it is more about helping partners overcome bureaucratic politics and coordination costs.

Contribution to GEDSI objectives

All three initiatives give greater attention to GEDSI issues in their current phases than previous. DFAT's pressure on these topics has been instrumental in this. The initiatives have approached GEDSI objectives through a mixture of

- Relevant analysis/dissemination by the programs themselves – e.g. J-PAL SEA estimates nearly one third of phase 2 research is focused on potentially transformative policies for gender equality (e.g. child marriage and labelled cash transfers);
- Building capacity of local agents to advocate on these priorities – e.g. Local policy research institutes who partner with KSI identified their approach to gender equality as a key area that the program has helped strengthen;
- Contributing to more equitable outcomes for women or disabled people – e.g. PLJ's collaboration with the state transport company PT KAI and the private hire firm GoJek has resulted in significant new steps taken to increase women's safety at night on the transport network in a number of Indonesian cities.

It is also true to say that progress have been less pronounced on disability inclusion than gender equality, but with KSI's support to help develop the Australian-Indonesian Disability Advocacy and Research Network (AIDRAN) a noticeable exception.

Building capacity for evidence-informed policy making

The bulk of KSI's spend has been directed at capacity-building objectives: for both organisational development (largely the 16 PRI partners) and initiatives spanning organisations.

Organisationally, PRIs are strongly positive about the value of the assistance in strengthening their research management and communications skills. However, the program has lacked a clear, consistent strategy and engagement approach among its PRIs partners – particularly on key areas such as research quality.

At a systems level, KSI support made important contributions to significant GOI reform initiatives that are on-going (policy analysts, KRISNA, IDF).

Capacity-building by J-PAL SEA and PLJ is focused mainly on knowledge-transfer through on-the-job learning and, given specialist subject matter and budgets, is relatively small-scale and long-term. During its current phase, PLJ has also given greater attention to connecting different organisations through data partnerships.

J-PAL SEA alumni are strongly positive about their experiences and some of these have taken up important roles within public and international bodies in Indonesia. Similarly, PLJ's focus on relationships between actors potentially builds systems-level capacity for specific problem spaces. However, wider uptake and application of both initiatives' methods requires individual and organisational development on a scale beyond the initiatives in the short term.

Implementation models

All 3 initiatives are implemented under different arrangements, reflecting their different institutional origins but they share the characteristic that they are all cross-cutting in nature in that they are not associated with a particular economic, social or administrative sector. J-PAL SEA and PLJ are funded through grant arrangements and are more arm's length from DFAT. As a result, principal-agent risks are greater but in practice these have been managed through good relationships and trust with the initiatives and, in PLJ's case, close DFAT engagement in governance mechanisms.

KSI implementation model is quite different – with more intensive governance arrangements, much closer engagement from DFAT program staff (given the size of budget and the different contractual arrangements), broader scope and wider range of partners and potential activities. KSI was conceived as a highly flexible and adaptive, process-orientated program before the term was in common use. It was also quite broad and conceptual (for that time) and difficult to explain.

Current governance arrangements are in part a response to the challenges experienced implementing the program for much of phase 1. As a consequence, KSI's implementation model has in practice moved quite significantly from its original intentions to something closer to a conventional program (albeit in an unconventional 'sector'). This has facilitated clearer communication and reporting about the program but has meant original ambitions for the program provide a platform for DFAT and GOI to engage in policy dialogue around the knowledge sector have not been fully realised.

Sustainability

As a DFAT-GOI developed program and funded by DFAT, KSI is not designed or intended to be self-sustaining. However, a significant share of KSI's programmable expenditure is accounted for by its support to 16 local policy research institutes (over 10 years). Both PLJ and J-PAL SEA are separate entities. With DFAT funding, they have established themselves as important initiatives in Indonesia.

The policy research institutes, J-PAL SEA and PLJ all depend on external funding for their current level of activity and are therefore vulnerable to any material changes in that. A detailed sustainability analysis was not conducted as part of the ISR but based on available evidence it seems none of the partners are likely to be so vulnerable that they would not survive an orderly scaling back of DFAT support in the short term. It is almost certain, however, that they would operate at a significantly reduced scale, with a consequent reduction in their contribution to GOI decision-making.

For DFAT, therefore, decisions about any future support may be driven less by concerns about sustainability *per se* and more by the value these 'assets' provide for DFAT's future engagement

plans in the knowledge sector. All have strengths but their potential value to DFAT depends on their congruence with DFAT's objectives, when weighed against other potential areas for Australian support.

Lessons

The final section of the report presents the ISR's broader reflections on the implementation experiences with the 3 initiatives, written primarily for DFAT as the audience for the ISR, to inform thinking as DFAT designs Australia's support post-2022. In summary:

- The ISR notes the significant, positive change in GOI's commitment to evidence-informed policy making over the course of implementation and the importance of this in facilitating the initiatives' contributions.
- It also notes the relevance of DFAT's support in this context
- Strengthening policy development capabilities in GOI is a significant bureaucratic reform process that, while underway, will take time. Inasmuch as this remains an area of priority support for Australia, DFAT is well-placed to assist.
- All 3 initiatives have made notable contributions to policy development, in different contexts, though the success factors are broadly common.
- All 3 initiatives have also helped to build capacity among local actors, organisations and systems, most effectively when problem-orientated in nature, involving on-the-job mentoring and knowledge/skills transfer as well as, in some cases, social learning processes.
- The initiatives have strengthened their approach to GEDSI over time and have made some important contributions. These successes underline the merits of mixed method approached in generating the quality of insights to influence GEDSI outcomes. The experience points to the importance of DFAT's attention to these issues in driving improvements by the initiatives, but it also suggests there is scope to strengthen understanding and strategies from the outset.
- The cross-sectoral nature of the initiatives is appropriate for their objectives but working effectively across sectors requires support from influential champions (to facilitate engagement), a clarity of purpose and role and the ability to communicate this to stakeholders.
- Within that framework, the capability to be flexible and responsive is key and the nature of DFAT support has enabled that.
- Consultations conducted for the ISR suggest there is considerable scope for continued DFAT support to help strengthen the systems and processes for public policy development; within that, there are also opportunities to strengthen links with Australian organisations in this field.

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1. Introduction

1.1 ISR background and purpose

DFAT periodically reviews all major areas of work under the Australian development program. The learning obtained is used for accountability purposes, as the basis for program improvement and to inform thinking about what assistance may be effective in the future. In 2021, DFAT commissioned an independent strategic review (ISR) of three of its “knowledge-to-policy” investments in Indonesia.

- Australia Indonesia Partnership for Pro-Poor Policy Knowledge Sector Initiative (**KSI**)
- The Abdul Latif Jameel Poverty Action Lab Southeast Asia (**J-PAL SEA**) and
- Pulse Lab Jakarta (**PLJ**)

The current phases of both KSI and J-PAL SEA are due to complete next year (in 2022), with PLJ due to finish soon after in 2023. The ISR is therefore a timely opportunity to review key elements of DFAT’s support to Indonesia’s knowledge sector and contribute to DFAT’s thinking about future assistance. DFAT will undertake a separate design exercise to define the exact nature of its support post-2022.

The ISR’s principal purpose is:

to inform thinking about how Australia’s future support to the knowledge sector in Indonesia can contribute to Australia’s strategic priorities for the bilateral relationship with Indonesia in the context of Indonesia’s COVID-19 response and recovery and the longer-term directions of Australia’s development cooperation with Indonesia.

The terms of reference (see annex 1) for the ISR identify three objectives that contribute to this purpose:

- (i) provide DFAT with an independent assessment of the programs’ performance (effectiveness and sustainability including Gender Equality, Disability and Social Inclusion GEDSI);
- (ii) assess appropriateness of the modalities used (efficiency), and identify lessons and challenges affecting achievement of each program’s objectives; and
- (iii) make recommendations about which aspects of Australia’s current knowledge sector programs should be continued going forward, taking into account their effectiveness and efficiency and recent changes in the Indonesian context.

While the ISR serves both accountability and learning objectives, the emphasis was on learning what has worked well, less well and why. The primary users of the ISR are DFAT senior management in Jakarta and Canberra (Indonesia Branch). Important secondary audiences are GOI officials and a range

of actors interested in development effectiveness and the Indonesian knowledge sector. The final ISR report and management response will be published on the DFAT's website.

1.2 ISR approach and methodology

The ISR was conducted by Simon Henderson and Dr Inaya Rakhmani (the 'team') from April-September 2021. It was preceded by an extensive desk review of available documentation for J-PAL SEA and KSI in 2020 by Simon Henderson, (at the time, it had not been decided to include PLJ in the ISR exercise).

The Key Evaluation Questions (KEQs) are:

KEQ1: How effective have the initiatives been in supporting evidence-based policy making in Indonesia

KEQ1.1. To what extent did these three programs make significant contribution to GOI policy-making process? (Section 3)

- a. What are the strengths and weaknesses of each program approach?
- b. Under what circumstances have the programs been more/less successful?

KEQ1.2. To what extent did the initiatives succeed in advancing Gender Equality, Disability and Social Inclusion (GEDSI) objectives? (Section 4)

- a. What can we learn from the programs to deal with the GEDSI issues?
- b. What are the practical actions to support Gender Equality/GEDSI principles in the programs?

KEQ1.3. How effectively have the initiatives collaborated with other development actors and other Australian development programs and agencies operating in the knowledge sector/K2P process to support effective policy making in Indonesia? (Not explicitly addressed)

KEQ2: What are the strengths and weaknesses of each initiative's implementation model?

KEQ2.1. How well have the different implementation models supported the initiatives and their partners achieve the agreed objectives? (Section 6)

KEQ2.2 What are the implications of each implementation model for DFAT staff and their engagement? (Section 6)

KEQ3: To what extent are the outcomes of the initiatives sustainable?

KEQ3.1: How far have the initiatives leveraged resources from GOI, other development programs, private sector or other Australian organizations to continue their contribution beyond DFAT's support? (Section 7)

KEQ3.2. How effective have the initiatives been in supporting sustainable increases in local capacity for evidence-informed policy making? (Section 5)

KEQ4: What are key lessons that can be learned and applied for the development of DFAT's future investment on future knowledge sector engagement?

KEQ4.1: Are there lessons about how DFAT can employ different modalities to increase its effectiveness? (Section 8)

KEQ4.2: Are there lessons about the type of actors and forms of support to them that can maximize DFAT's effectiveness? (Section 8)

An evaluation plan was submitted and approved in May 2021 following an inception phase. Further document review was undertaken, primarily for PLJ, and administrative data on the initiatives compiled and provided by DFAT as requested by the ISR team. Over 70 virtual key informant interviews were carried out with a range of stakeholders from GOI, the initiatives themselves, local think-tanks/policy research institutes, private sector organisations in Indonesia, relevant Australian government and non-governmental organisations, academia and other informed observers. Internet-based surveys were conducted with the 16 policy research institutes that participate in the KSI program and with a (non-random) sample of research alumni provided by J-PAL SEA – both of which achieved good response rates (over 70%). An on-line questionnaire was also used to obtain the views

of some GOI stakeholders in lieu of virtual interviews given respondent availability challenges. A summary of data sources and collection methods is provided in annex 2.

Key evaluation questions to direct the ISR were agreed during the inception phase (box 1.1). In the end, time and resource limitations meant that the ISR was unable to address question 1.3 adequately and explicit consideration of this issue has been omitted from the report².

The overall analytical approach to the ISR was qualitative. This was appropriate given the nature of the questions and the initiatives and the timeframe and resources for the ISR. However, within that overall approach, the team drew on a mix of both qualitative and quantitative data.

In order, in part, to validate the documentary evidence and to understand better the significance of the initiatives' contributions and the factors explaining performance, the ISR selected a sample of cases of policy engagement from each initiative for closer examination.³

Given the differences between the initiatives (see section 2), simple comparisons are not meaningful. The ISR, therefore, examined each initiative on its own merits and drew lessons from within-case and, where relevant, between-case comparisons across the three initiatives, in order to clarify their different strengths, weaknesses and value propositions. The ISR does not provide an overall ranking of the initiatives. Within this approach, the ISR identified key areas of engagement by the initiatives and selected examples ('cases') purposively to shed light on strengths and limitations. This strategy ('success case method') was considered the most efficient in the circumstances given the ISR's learning objectives, and a means to manage at least some risks associated with selection bias. However, this strategy does not provide an estimate of 'overall initiative effectiveness' across all engagements. In generalising to the initiatives as a whole, the ISR relies on the cases' 'situational representativeness' rather than statistical validity.

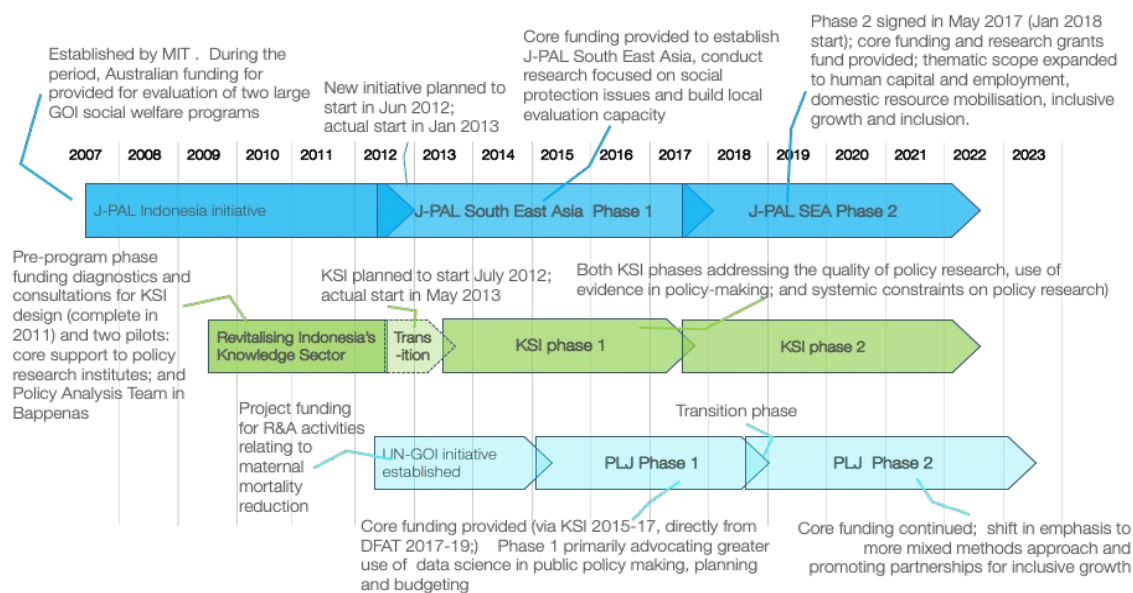
² Only a limited number of consultations covered this issue. The results have informed overall findings with respect to the initiatives' implementation models.

³ For J-PAL SEA, this covered contributions to the development of national social protection policies; tax management reform; and social/child welfare policies in Jakarta. For KSI, this covered support for Swakelola Tipe III procurement reform; institutional arrangements governing national public research (including the knowledge innovation ecosystem); funding for public research; and policy research and advocacy by three of KSI's PRI partners. For PLJ, this covered support for COVID-19 health policy responsiveness; strengthening social welfare in transport policy; strengthening MSME policy for inclusive growth and strategic prioritisation and responsiveness of work effort in foreign affairs activity.

2. The initiatives

2.1 Australian support

Figure 2.1: Timeline of Australian assistance



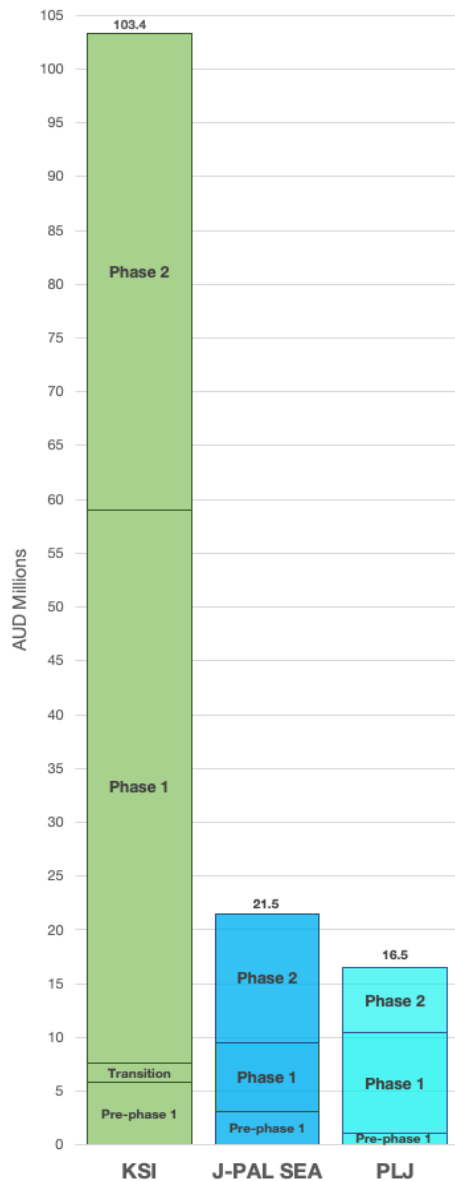
All three initiatives represent relatively long-standing commitments for the Australian government. By the end of their current phases, Australia will have supported J-PAL SEA, KSI and PLJ in one form or another for 15 years, 13 years and 10 years respectively (figure 2.1). However, while both J-PAL SEA and PLJ are relatively small investments – with average support of around AUD 1.6 million per year – KSI is altogether larger, accounting for over AUD 110 million in support, and averaging around AUD 9 million of support per year (figure 2.2). They also differ in their origin and institutional arrangements.

J-PAL a global initiative, established by the Massachusetts Institute of Technology (MIT) in 2003, to improve development policies through high quality empirical evaluations—and in particular randomized field experiments. In 2007, MIT began the J-PAL initiative in Indonesia, initiating research and building relations with key Indonesian counterparts – most notably the task force on poverty reduction (TNP2K) under the Vice President’s Office. During this period, Australia funded evaluations of two large GOI social protection programs on a project basis (via two existing DFAT-supported initiatives).

In 2012, DFAT committed grant funding for the ‘J-PAL SEA Institutional Design, Research and Capacity Building’ program (what became J-PAL SEA phase 1) – a relatively small grant of AUD 6.4 million over 4 years comprising core funding for MIT to establish the J-PAL SEA research centre within the University of Indonesia and support large-scale, randomized evaluations. Phase 1 started 6 months late due to lengthy contract negotiations with MIT and was subsequently extended before

beginning a second phase in 2018. DFAT increased J-PAL SEA’s budget for phase 2 (AUD 10 million initially) and in 2019 provided an additional AUD 1.95 million for two specific studies on international migration and the use of growth charts in childhood development, (bringing the total budget for phase 2 to AUD 11.95 million). Phase 2’s completion date was also extended from December 2021 to June 2022.

Figure 2.2: DFAT expenditure (projected)



PLJ was set up in 2012 as the Asia Pacific lab of UN Global Pulse – an innovation of the UN Secretary General on big data and artificial intelligence for sustainable development established in 2010. It is a joint initiative of the UN and GOI (Bappenas). In 2014, Australia funded PLJ to support to a project on reducing maternal mortality under the Australian-Indonesian Partnership for Decentralisation. In 2015, DFAT agreed to core fund PLJ for 4 years, providing a grant of AUD 6.7 million to what became

phase 1. Funds were initially channelled via KSI and subsequently through a direct relationship between DFAT and UNDP. In addition, DFAT provided project-specific funding during the phase for work on financial inclusion for micro-enterprises and for specific research dives. Phase 2 was approved and began in 2019 (with grant funding of up to AUD 6 million) and is currently due to finish in June 2023.

KSI, in contrast, was designed by the Australian Embassy in Jakarta in partnership with GOI. Program implementation was contracted to a managing consortium led by RTI International. The program was developed during a three-year 'pre-program' of consultations, diagnostics and pilot activities (2009-12) and the resulting design for phase 1 was large and ambitious – AUD 100 million over 5 years (2012-17), with the clear expectation that the program would run for another two, five-year phases after that.

In practice, implementation of KSI phase 1 was relatively problematic. The program contract was signed ten months late and the challenge of getting such an innovative and large-scale program up and running was significantly compounded by a combination of staff changes in key positions in both GOI and the Australian Embassy, challenges in political relations between Jakarta and Canberra and difficulties establishing effective, settled management within the program itself. In addition, the announcement of significant reductions in Australia's overall aid program to Indonesia in 2015 meant DFAT reduced KSI's phase 1 budget to AUD 65 million.

Despite the problems, KSI demonstrated sufficient progress by the end of phase 1 for DFAT to commit to fund a second, 5-year phase (2017-22) with a lower but still relatively large budget of AUD 45 million and modified scope and objectives.

2.2 Objectives

In addition to differences in origin, institutional arrangements and scale, the initiatives differ in their specific objectives within the broad aim of supporting evidence-informed policy making.

J-PAL SEA's primary aim is to deliver high-quality research that informs GOI social policy, using randomised evaluation methodologies⁴. While the objectives of DFAT funding evolved somewhat from Phase 1 to 2, this remains key to the initiative. The objectives for phase 2 refer to increased use of data to inform policy decision making but in practice J-PAL SEA's ability to influence the quantity of evidence-informed decision making is limited beyond its own research activities (figure 2.3).

Local capacity building is also an important objective for J-PAL SEA. However, the relatively small size of J-PAL SEA's budget, and the highly specialised nature (and cost) of its evaluations, means capacity-building ambitions are in reality reasonably modest and long-term, focused on staff

⁴ While the design of DFAT support recognised that randomised field evaluations were only part of the evidence base needed to support policymaking, J-PAL's comparative advantage in this field and the limited capacity regionally in these research methods justified the narrow focus on this particular research strategy.

development, interactions with its host institution, on-the-job collaboration between J-PAL, researchers and government bodies and broader awareness raising through training courses.

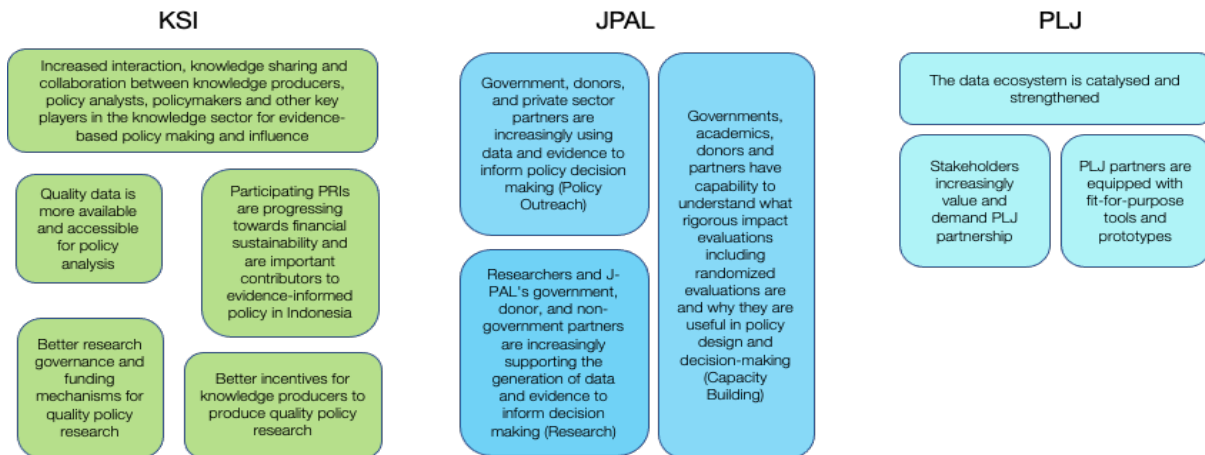
In contrast, KSI is essentially a large-scale capacity development program that seeks to strengthen Indonesia's 'knowledge sector' – a novel concept at the time that referred to the institutional landscape of government, private sector, and civil society organisations that provide research and analysis to support the development of public policy. In spite of some confusion about the precise scope and boundaries of the concept, for KSI this meant developing the capacity of research organisations that produce knowledge and evidence, of policy makers that demand and use evidence and of intermediaries who play the role of connecting the two groups. KSI was not primarily intended to conduct research on GOI policy issues itself. The exception to this is KSI's own research and advocacy on constraints to the broader enabling environment for public policy research, comprising the policies, regulations, and procedures affecting how well the different actors operate and interact.

Like J-PAL SEA, PLJ is a separate initiative with its own institutional arrangements. The terms of reference for DFAT's original grant in 2015 did not target policy reform *per se*; PLJ's immediate objectives were to provide tools to government to enable generation and analysis of real-time data, to demonstrate the value of this information (through improved development outcomes) and promote partnerships between government, private and civil sectors to advance these new technologies. These objectives have stayed largely consistent over time, though with some modification based on experience (see figure 2.3).

PLJ itself identifies two main strands of ambition: as a driver of innovation and a catalyst for the data/evidence ecosystem. The former relates to PLJ's efforts to promote the use of big data in policy making, including the development of tools to improve data-driven decision-making. The latter refers to the regulations and standards governing effective data sharing and privacy protection challenges and the capacity of the public sector to integrate real-time insights into operations, including linkages and connections with other data science actors. PLJ's original concept as a data innovation lab meant phase 1 gave primacy to the first of these strands. From the latter stages of phase 1 and during phase 2, PLJ has given greater attention to the 'ecosystem' strand and building the partnerships needed between actors (e.g. government, private, development, academic and research, and the UN), to ensure effective adoption/application of these technologies.

In terms of its engagement on policy change directly, PLJ probably is closer to KSI than J-PAL SEA, given its primary interest in stimulating interest and uptake of data science methods. A further notable difference is PLJ's limited focus on changes to 'hard' policy – laws, regulations, formal government statements of priority – and greater engagement on what might be called bottom-up changes in 'soft' policy – i.e. changing the way (operational practice and procedure) that existing policies are implemented or promoting new policies through new ways of working enabled by the technologies.

Figure 2.3: Current end-of-phase outcomes



2.3 The operating context

The three initiatives have been implemented against a backdrop of broader but closely related changes that help interpret their origins and implementation experiences.

Indonesia's economy has grown steadily over the period examined, becoming a middle-income country in the mid-2000s and achieving upper middle-income status in 2019 (pre-pandemic). Maintaining this progress, however, has significant implications for the country's overall development strategy. Historically middle-income countries have struggled to sustain per capita growth trajectories, as future growth becomes increasingly dependent on the quality and availability of human capital and technological and managerial resources. There are of course no simple solutions to these challenges but research on this topic commonly identifies the quality of government policies and policy-making institutions⁵ as important factors⁶.

At the same time, and in line with these economic changes, Australia has reshaped its development relationship with Indonesia, from one that was focused on aid to augment (at times directly) basic service provision, to one supporting Indonesian policy makers make informed decisions of how to best mobilise, allocate and spend Indonesia's own substantial resources. Furthermore, Australia is perceived as well-placed to provide this sort of support. Geographically, Australia is a high-skilled, technologically advanced neighbour, with world class policy and research capabilities, and a strong, shared interest in the economic development of the region. At the same time Australia, more perhaps

⁵High quality institutions include: good governance; corporate governance; wide participation of various stakeholders in the policy decision process; effective cooperation among academics, businesses, and government in strategy formation for strengthening international competitiveness; efficient and transparent relationship between government and businesses; and increasing investment in research and development (R&D). Rodrik, D (2007), quoted in Tran Van Tho.

⁶ Tran Van Tho, The Middle-Income Trap: Issues for Members of the Association of Southeast Asian Nations . ADB Institute Working Paper Series, No. 421. May 2013

than any other country, is able to provide the sort of innovative, flexible and responsive assistance that is valued in this context.

Finally, the initiatives coincided with a time of unprecedented interest by GOI in making better use of evidence to inform policy and responding to other relevant international initiatives and trends such as the Open Government movement and developments in data digitalisation and visualisation more generally. This change in appetite at senior levels of GOI was evident from the late-2000s under President Yudhoyono, with for example the establishment of TNP2K under the Vice President's Office. The trajectory continued under President Jokowi since his election in 2014, with various initiatives such as Nawacita, SatuData, Industry 4.0 and has intensified during the current Corona virus pandemic.

The shift has been by no means universal and considerable resistance to bureaucratic reform remains. However, almost all stakeholders consulted for this review noted significant improvements in government's interest in research and openness to engage other stakeholders on policy development – a view strongly echoed by the large majority of independent policy research institutes partnering with KSI and surveyed for this review⁷.

In that sense, the initiatives can be viewed as different types of effort to respond to Indonesia's changing development needs, to affect the transition in the nature of Australian support and to support the growing demand for better policymaking within the government generally and younger policy-makers in particular.

As the recent Knowledge Sector Review (2019) commissioned by DFAT found:

“... policy remains the main lever by which GOI and DFAT can hope to leverage the resources available to Indonesia as a growing middle-income country...In short, continued improvements in the underlying rules and systems supporting knowledge generation and its use are highly relevant to Indonesia's development needs”⁸

⁷ 92% of PRIs agreed/strongly agreed GOI is interested in locally produced policy research and 82% agreed/strongly agreed that GOI is open to engaging non-state actors in policy development. 82% of PRIs also indicated that over the last 5 years GOI's interest and openness had been increasing

⁸ Harris, D., B. Chudleigh and W. Sarosa (2019) The Knowledge Sector Review, May-July

3. Effectiveness in supporting evidence-informed policy making

3.1 Nature of the initiatives' support for policy making

Supporting evidence-informed policy making has been an objective of all three initiatives, though to differing degrees. From its outset, J-PAL was set up to help design and implement rigorous, quantitative research that directly informs the design or modification of public policies. DFAT funding has been a primary enabler for J-PAL SEA to do this, initially with a focus on social protection and subsequently on social and economic welfare more broadly.

In contrast, KSI's support for policy development has been in the main indirect, via a mixture of core and more latterly project-based funding to enable its policy research partners to undertake policy research and advocacy themselves. Insofar as KSI was to support policy development directly, the original design intention was for the program to be largely opportunistic in its choice of topic, using the engagements primarily to strengthen and model more effective knowledge-to-policy *processes*. However, the design did also envisage KSI engaging directly in policy reforms aimed at improving the 'enabling environment' for knowledge-to-policy i.e. the rules and incentives shaping the production and use of evidence for policy making.

PLJ's overriding objective is to accelerate adoption of data innovation for inclusive growth and sustainable development. PLJ supports the analysis and use of non-conventional datasets by decision-makers but does not provide policy recommendations directly. As such, the initiative does not target 'hard' policy reforms *per se* (such as laws, regulations or formal government policy) but rather aims to provide problem-driven, knowledge solutions to inform decision makers in a range of 'soft' policy settings.

In practice, use of non-conventional data collection and processing methods may enhance operational effectiveness by providing tools that support better responsiveness/implementation of existing policy. It may alternatively generate new understanding and insights about a problem that inform policy making processes, either directly (in a formal process) or indirectly, through changes in the allocation of resources and/or adoption of new operational practices and procedures.

In spite of these differing ambitions, all three initiatives have engaged in significant areas of policy development (box 3.1).

Box 3.1: Outline of major areas of policy engagement supported by the initiatives

J-PAL SEA	KSI	PLJ
<ul style="list-style-type: none"> • Major reform of subsidised rice program to reduce leakages (Raskin) • Evidence-based decisions regarding national insurance contributions by informal workers (JKN Mandiri) • Reforms to streamline, improve effectiveness and expand a major health and education block grant program (Generasi) • Decision to expand a national anti-stunting program (PKH) • Further reform to the efficiency and effectiveness of national rice subsidy program (BNPT) • Development of child welfare policies and assistance programs with Jakarta provincial government • Contribution to more effective targeting strategies for timely delivery of COVID-19 support programs • Reforms adopted by the Directorate-General of Tax, to improve efficiency and effectiveness of revenue collection nationally • Options for alternative congestion management policies in Jakarta 	<ul style="list-style-type: none"> • Reforms to policy for public procurement of research to introduce commissioning of local research institutes and more relevant reporting/accountability arrangements for research. • Institutional arrangements for the new Law on the National System for Science and Technology (UU Sistas Iptek) • Development of implementing regulations for the new Research Endowment Fund • Revised rewards policies to incentivise greater production of policy research by Indonesian universities • Policy engagement by local policy research partners supported by KSI – including <ul style="list-style-type: none"> ○ Relaxing of a moratorium on hiring more teachers (Article 33) ○ Policy reform Bali Province on elderly friendly cities (SurveyMeter) ○ Bappenas' Inclusive Economy Index (SMERU); ○ New law on Regulations (UU No. 15/2019) (PSHK) ○ Legal/ regulatory reforms to regional business licensing (KPPPOD) ○ Village Law implementation (IRE) ○ Islamic education curriculum development – (PPIM UIN) ○ National Institute for Public Administration (LAN) development of GOI Policy Quality Index (KPPPOD) ○ Roll-out and use of stunting database in areas of East Java (SurveyMeter) ○ Ministry of Religious Affairs adoption of Religious Harmony Forum (PUSAD Paramadina) 	<ul style="list-style-type: none"> • Informing responsiveness and effectiveness of fire/haze risk management in National Board for Disaster Management (BNPB) (Haze Gazer) • Food insecurity monitoring in Indonesia using global rainfall anomaly data to identify drought risk (VAMPIRE), since adopted by the Meteorology, Climate and Geophysical Agency (BKMKG) and globally by WFP and transformed into its PRISM platform. • Financial access map adopted by Secretariat of the National Council for Financial Inclusion to support policy. • After Dark: Safe Transit for Women Travelling at Night that has informed policies and services offered by transport companies for women in Jakarta, Surabaya, Semarang and Medan. • Aiding GOI response to Central Sulawesi earthquake and tsunami (2018) with dashboard to help coordinate direct social protection assistance • Inflation Nowcasting dashboard developed with Directorate of State Finance and Monetary Analysis and informs National Team for Inflation Management • COVID-19 risk monitoring at village level to inform West Java's provincial governments policy relating to the pandemic Interest currently exists in scaling up nationally.

3.2 Significance of the contribution to policy

According to the available evidence, all three initiatives have achieved some notable successes in supporting policy development, though differences in approach and in the policy contexts in which they have worked means performance cannot be straightforwardly compared.

For J-PAL SEA, while the intended number of policies was (perhaps understandably) never specified, the weight of evidence in documents and from interviews suggests that the initiative has been highly effective in this regard. Stakeholders consulted as part of the ISR were unanimously positive about the quality and importance of J-PAL SEA's support. In all cases examined, J-PAL SEA addressed policy questions that were firm priorities for government itself and in doing so, offered highly expert and trusted support that provided high quality research evidence, squarely aligned with the policy

question of interest. Furthermore, J-PAL SEA's research has supported decisions affecting public revenue and expenditure affecting people's welfare on a large scale.

Discussions with local policy actors involved suggest J-PAL SEA's research made a significant contribution in all the cases examined, but the nature of that contribution has varied depending on the context. That is not to suggest that one type of contribution is necessarily preferable but rather to highlight that even in ostensibly clear-cut policy research settings, the role and utility of evidence varies significantly:

- In some instances, results of the research were genuinely unexpected in the sense that stakeholders were *a priori* uncertain as to the likely findings, such as the work on testing different poverty targeting strategies.
- Rarely, research results pointed in the opposite direction of intended changes such as in the decision regarding increased contributions under the JKN Mandiri social insurance scheme. In this instance, the openness of policy makers to the research appears to have made a reversal of positions in line with the evidence possible.
- In many other cases, however, research results confirmed expectations but were still considered valuable, for different reasons:
 - at times findings provided additional assurance/confidence, that enabled a faster scale up of intended changes (with associated welfare benefits);
 - at other times findings provided compelling 'ammunition' to reformers to counter immediate opposition; and
 - at other times findings were important in sustaining support for the broader reform process by quantifying the magnitude of expected gains.

Assessing the effectiveness and significance of KSI's contribution to policy making is more complicated, in part because its major contribution to policy development has been indirect, largely through the 16 local policy research institutes that it has funded and the partners it has supported when engaging more directly itself in policy development. But also because the policy contexts where KSI has engaged directly have been messier and the outcomes more mixed.

In the case of KSI's partner research institutes, by the end of phase 1 (2017), the program reported that over 60 examples of national policy influence had been recorded. In phase 2, KSI began to track more closely partners' success in supporting policy change (a more stringent test than 'influence'). KSI's most recent estimate (July 2021) suggests that since the start of 2018, 9 policy research partners have supported (conservatively) some 12 policy changes at national and sub-national level. These important changes have ranged from reform of regulatory frameworks and business licensing, to policy on elderly-friendly cities, to relaxation of a cap on teacher recruitment and standards for primary education during the pandemic.

The ISR examined 3 cases more closely to understand the significance of KSI’s contribution with the PRIs. In each case, PRIs were positive about the support provided by KSI but, predictably, the significance of KSI’s varied in each case (Table 3.1):

Key: ● Significant ◐ Partially ○ Not significant			
Question Asked	Case 1	Case 2	Case 3
KSI funding important?	●	●	●
Research dependent on KSI funding?	○	○	●
Policy focus dependent on KSI?	○	●	●
Did KSI facilitate access to policy champions?	○	○	◐
Did KSI facilitate new connections with GOI?	○	◐	●
Was access to KSI’s PRI network useful?	● ⁽¹⁾	○	● ⁽²⁾

Notes: (1): Broadening understanding of the policy issue; (2) Quality reviewing research findings

KSI has also itself engaged more directly on policy issues affecting the enabling environment for research-to-policy practices. Most notable has been support for development of: a new law on Science and Technology, institutional and regulatory arrangements governing public research, funding arrangements for public research, procurement rules for public commissioning of policy research and incentives in the university sector to engage more directly in research-to-policy activity. In practice, while some significant changes have been achieved, overall the outcomes realised have been mixed. But this is not surprising given the quite different policy contexts around these issues.

While it is true that local policy actors recognised constraints in the enabling environment, the need for and nature of reform was not always widely agreed, or necessarily prioritised in the minds of key decision-makers. Similarly, the policy questions to be addressed in tackling enabling environment issues were typically only partially formulated, without a clear-cut decision context for research. In the main, the policy questions were of the type that cannot be readily answered with a (single) research study – whether that is how to revise procurement regulations to broaden access to government research contracts or what are the optimal governance arrangements for publicly-funded research.

In these contexts, Weiss’ interactive model⁹ for research-into-policy potentially offers a useful framework to better understand the policy process and KSI’s role. In this model, policy makers seek

⁹ Weiss, C (1979) The many meanings of research utilization. Public Administration Review. September/October.

information from a variety of sources. The process is not linear but involves to-ing-and-fro-ing between a set of somewhat disorderly interconnections. Research is pooled along with other sources of information and evidence is rarely conclusive. Use of research is only one part of a complicated process that also uses experience, political insight, pressure, social technologies, and judgment and by which decision-makers inform themselves of the range of knowledge, opinion and options in a policy area.

Discussions with stakeholders suggest that the interactive model may indeed be a reasonable approximation to the actual process for these policy issues. In these contexts, therefore, expectations about effectiveness premised on simple cause-and-effect relationships between evidence and outcomes may be misplaced.

KSI's role has been more complicated than the commissioning of research and analysis to inform debates. Interviews conducted during the ISR indicate that stakeholders involved in these policy debates felt KSI's contributions were in the main important and valuable, notwithstanding the final outcomes that transpired, and that these contributions took a number of forms:

- According to interviewees, research commissioned by KSI as evidence to inform these policy processes was largely well-regarded and considered useful. However, in some cases, interviewees also mentioned limitations in the evidence provided, which were felt to have reduced its usefulness. In part, this may reflect the challenges of research in a less clear-cut policy context. But it is also true that as a 'generalist' program, KSI included an additional step in the process in having to commission external subject-matter specialists to provide the research and analysis.
- However, evidence was not the only contribution for which KSI was valued. Equally and often more significant appears to have been KSI's contribution in convening actors and facilitating discussion and debate. This intermediary role was identified as genuinely important in bridging those with a mandate/interest in the issue and those with authority/power to influence the outcome but who may not attach the same priority to the issue. Coordination challenges are common across governments. In part this is an issue of incentives, but even when interests are reasonably aligned (or at least not in opposition), stakeholders valued support that initiated and sustained a constructive process while minimising burden as far as possible.
- The third contribution identified by interviewees was KSI's role in providing access to a broader range of perspectives (often civil society advocates) in a constructive process. As suggested in section 2, GOI has become more open to engagement with civil society over the last 5-10 years, as an opportunity to enrich policy development. However, both GOI and civil society interviewees acknowledged challenges in achieving this – for GOI, there are concerns about insufficient focus on their priorities, for CSOs concerns around maintaining their independence. KSI's facilitation of the exchanges was identified as a valuable input.

As mentioned above, PLJ does not provide policy recommendations directly. It is somewhat similar to KSI in this respect but differs in so far as PLJ also has no mandate to engage on specific policy reforms in an equivalent way to KSI's support for enabling environment reforms. The possible exception to this might be the policy Satu Data, though even here, PLJ has primarily assisted with policy implementation (box 3.2).

Even in its analytics and prototyping activities, PLJ's primary objective is to stimulate interest and application in data science methods for the creation of public value. That said, the interviews conducted for the ISR indicate that where these technologies are applied, they have significant potential to influence policy. And while this may typically be policy at an operational level, practical decisions affecting the allocation of resources and how they are deployed can have significant impact regardless.

Box 3.2: PLJ's involvement with Satu Data

In 2016, the Presidential Regulation Satu Data Indonesia (Indonesia's One Data) was issued in draft, aimed at improving the quality of data governance within Indonesia's public services. PLJ along with other stakeholders participated in consultations and in 2019 the regulation was signed. However, ensuring all involved parties have a common understanding of the regulation and are aware of the long-term benefits of better data governance is a significant challenge. To be implemented meaningfully, data in each ministry and government body need not only be open and accessible but joined up (data interoperability). The integration of government planning and budgeting needs to be implemented on all levels of government in order for the regulation to work. The discussion (2020) and formation of BRIN, and the reabsorption of the Ministry of Research and Technology into the Ministry of Education and Culture in 2021, has slowed down this process but the roll out continues. PLJ's toolkit (Wawasan Satu Data) was very useful in this process, as it helped each ministry to better understand why Satu Data Indonesia is important, and define for themselves areas they want to work in (design and test). The toolkit was useful as it was developed through a co-creation process with representatives of GOI, as well as the local governments. It was through the development of the toolkit that PLJ found users have distinctive sets of needs based on the role of their agencies and ministries, and their position within the larger Satu Data Indonesia framework.

In the cases examined for the ISR, GOI partners expressed the view that PLJ's support was significant in increasing their policy responsiveness and impact. While information alone is insufficient to deliver behaviour change, it can have a catalysing effect. It is clear from interviews that at least for those stakeholders, the ability to obtain relevant insights in real-time from non-conventional, secondary data and present the results in highly visual ways is valued. Furthermore, the value placed on access to up-to-date, relevant information not previously available has increased significantly during the pandemic. As one interviewee commented, in the current crisis the Ministry receives many proposals for assistance but the depth of PLJ's data is different, providing insights at a neighbourhood (rather than city or village) level. This finding is corroborated by PLJ's own experiences with 12 of the 17 active projects in June 2020 related to COVID-19 responses and the majority of these coming from external requests.

In some instances, utilisation of data and data governance processes provided by PLJ has also increased decision-makers' confidence in the data they are seeing with respect to the pandemic.

Partners in the private sector interviewed for the ISR echoed this perspective, equating the quality of PLJ's services with state-of-the-art programming in the private sector. Furthermore, for them this

value translated directly into new procedures and practices with direct benefits for women’s safety while using public transport networks and MSMEs in accessing financial services.

3.3 Factors influencing success

In her analysis of the uses of research by policy makers, Weiss¹⁰ identifies a number of requirements in those (relatively rare) cases where research findings directly determine a policy decision – the ‘problem-solving model’ of research use. In practice, the way research evidence is used is typically not that simple. Nevertheless, when reflecting on Weiss’ success factors, it is striking to note how closely these align with J-PAL SEA’s strengths as identified by interviewees (Table 3.2).

Table 3.2: Weiss’ success factors for “problem-solving” research and J-PAL SEA’s strengths

Success factors for ‘problem-solving’ research use	J-PAL SEA strengths
Well-defined decision situation	J-PAL SEA invests considerable effort working with partners to establish clear, testable research questions – a strength endorsed by stakeholders when referring to the quality of J-PAL SEA’s participatory approach in defining the research question.
Policy actors with a clear idea of goals, acceptable alternatives, and who have responsibility and jurisdiction for the decision	In the cases examined, J-PAL SEA worked with either an influential constituency of knowledge-brokers/champions for the research results (such as TNP2K) or a decision-making body with jurisdiction for the decision being addressed (D-G Tax, Ministry of Finance)
An issue whose resolution depends at least in part on information (which can be defined clearly)	Stakeholders also pointed to J-PAL SEA’s strong focus on practical/ actionable research that “ <i>helped them do their job</i> ” and contrasted this with other research they had experienced that had been conducted in parallel and without immediate operational relevance.
Research findings that are clear-cut, powerful, timely and reduce uncertainty regarding choices	While research findings were not always unequivocal (e.g. poverty targeting strategies), stakeholders identified the credibility of J-PAL’s research as key factor in the attention given to research findings. In addition, J-PAL SEA’s ability to mobilise initial funding requirements was also viewed as critically important to enable a timely response to opportunity.
Research findings that do not run counter to strong political interests	Stakeholders consistently identified J-PAL SEA’s strong focus on the government’s own established policy priorities – what matters to government – as a key strength. For J-PAL SEA, it is a requirement that the policy issue should have both significant priority for partners wider learning value (global public good knowledge).

This is not coincidental but is strongly rooted in J-PAL SEA’s engagement model, that appears designed to ensure alignment. J-PAL is not an advocacy organisation, (beyond promoting greater use of rigorous, quantitative policy research) and randomised evaluation studies are typically a significant

¹⁰ Ibid.

research undertaking. As a result, J-PAL SEA's places significant emphasis on addressing issues that are established priorities for its partners.

J-PAL SEA's policy outreach activities are key in this regard in enabling the initiative to continually engage with key stakeholders, to test and gauge interest in particular issues and identify and respond to opportunities as they arise. It is clear also from stakeholders that J-PAL SEA has been able to develop trusted and highly effective relationships with influential stakeholders – partly a reflection of the skills and personal motivation of senior J-PAL SEA staff, but also its outreach capability.

In this respect, DFAT's funding for J-PAL SEA was also identified as an important contributing success factor. The combination of core funding and a flexible/responsive research fund has enabled J-PAL SEA to establish a presence on-the-ground and devote time to establishing and maintaining relationships in and around specific research studies. In addition, the ability to respond quickly to opportunity with pilot studies was for interviewees also important in securing the space for and commitment to research, given the pressures faced by policy makers.

But in practice, the circumstances when all the success factors come together are not frequent/guaranteed. By its own estimation, only about one third of J-PAL SEA's pilot studies proceed to full study. This can be due to changing/waning interest in government itself (most common when the study has been initiated by an external actor) but also reflect logistical or scalability problems or lower than anticipated cost-benefit ratio for large-scale research.

In spite of the different contexts, there are some commonalities in success factors between KSI and J-PAL SEA but also some notable differences. But before outlining these, it is worth emphasising that all Indonesian stakeholders interviewed were quite realistic about the limits on KSI's ability to influence local policy processes. In those cases where the intended progress was not achieved, most praised KSI's support and attributed the outcomes to factors outside the program (and indeed their own) control. As KSI's design document noted: "*Changing the Enabling Environment is highly political since it involves sensitive policy reform and system changes... Due to the complexity and nature of the issues involved, [it] will require a high degree of GOI ownership and a long-term time horizon*".

- For all direct and indirect cases of policy engagement for KSI, reform champions were a necessary factor. However, in cases where the proposed reform was not an already established priority and the authority to carry the outcome rested elsewhere, the presence of reform champions was not sufficient. A minimum level of interest and/or openness about the issue on the part of other, important stakeholders was also important. Where absent, intended outcomes were not realised, in spite of the presence of champions.
- Also, in situations lacking a clear decision context, an effective facilitation process to arrive at a solution appears to have been an important success factor – something that interviewees frequently identified as a strength of KSI. In those cases of engagement viewed as successful, the process appeared to have many characteristics of a deliberative dialogue (in practices, if not in formal design), where different perspectives are brought to bear and informed by evidence,

often in the form of options based on experience elsewhere rather than definitive ‘answers’ to support social learning.

- That said, and in common with J-PAL SEA’s approach, successful policy processes for KSI were also solution-orientated, providing decision-makers with implementable ways forward. In some cases, this involved identifying ‘win-win’ answers (such as ways to achieve better outcomes for the same resources). In other cases, it involved providing direct assistance and resources to translate agreed positions and principles into an appropriate form to enable application (in a regulation or other policy document). In either case, the finding reflects the importance of feasibility in the reform process, both politically and practicably.
- In addition to its ability to support effective policy processes, interviewees also identified KSI’s reputation (or ‘brand’), as a recognised source of assistance for improving the enabling environment for knowledge-to-policy processes. This was considered a strength of KSI given the enabling environment for public policy development remains an important weakness in Indonesia but one that does not receive sustained attention from sector-specific programs.
- Another success factor appears to be the program’s success generally in positioning itself as a neutral broker. Although interviewees acknowledged the inevitable limits on this (for a program funded directly by the Australian Government), KSI appears to have done this well. Indeed, the few criticisms of KSI that were raised in this regard were when the program was perceived to have pushed a particular line. This neutral broker position has also enabled KSI to utilise its network of PRIs in support of policy processes – viewed as an asset, especially by GOI stakeholders, even if for some this was considered to be underutilised.
- An important element of this has been the program’s success in establishing relations and trust with respected stakeholders. This is particularly so in the case of Bappenas, a relationship that has been instrumental in opening doors for KSI and in providing other GOI stakeholders the confidence to engage with the program.

Reflecting on engagement cases where the intended policy outcomes did not transpire, there is little to suggest that these factors were significantly absent, with the exception of the necessary degree of openness on the part of key stakeholders to engage. This in turn suggests that they may be necessary but are not sufficient conditions.

KSI’s design document explicitly flagged the anticipated challenge of tackling enabling environment constraints and the likely long-term nature of progress on some. It pointed to the importance of the program building a strong constituency for reform on the issues over time, around a long-term policy assistance strategy. For the most challenging issues, simply getting reforms on the policy agenda would be considered adequate progress.

While the evidence suggests KSI has been quite effective in responding to reform opportunities, in a few situations during phase 2 where constraints on reform were not predominantly a failure of

bureaucratic coordination/collective action (given differing priorities) but reflected a lack of sufficient support in the face of strong vested interests opposed to reform, KSI withdrew support for work on the issue. While it is true that KSI was expected to scale up or down support to a particular reform in response to changing prospects and opportunity¹¹, it is also true that the program did not situate these decisions about key reforms in the type of long-term game-plans envisaged in the original design document¹². The argument that with limited time remaining in phase 2, the program had to focus on shorter-term, more achievable aims, to cement gains made only seems reasonable if all Australian assistance in the knowledge sector was also coming to an end. This does not seem to be the case.

It could be argued that recent efforts to develop the Knowledge and Innovation Ecosystem (KIE) Blueprint is a step in that direction. The initiative was originally conceived by KSI and in collaboration with the program's champions and partners grew into a 'blueprint' of priorities for the future development of the sector. It is almost certain that the blueprint would not have been developed in the absence of KSI's support and, although the current political economy around this issue has undermined the blueprint's overt status, many of the proposed reforms still appear to have currency with stakeholders. Whether DFAT will provide assistance post-KSI, however, is not yet determined. For PLJ, the factors identified by interviewees as important in explaining the success cases examined by the ISR have a number of similarities with the two other initiatives.

- PLJ's expertise in data analytics and data visualisation is highly respected and recognised as a key factor explaining success. These skills, combined with an understanding of and ability to address the social biases in the technology, are considered key strengths
- PLJ's human-centred design approach was also cited as key in ensuring the technology addressed squarely problems of interest to partners. This involves investing time in qualitative processes to ensure a PLJ has a deeper understanding about partners' needs as well as their resources and capabilities before work starts. It can also involve mapping the knowledge ecosystem together with partners so they can identify themselves as actors in the system and how they might drive the policy changes they want to see.
- Related to this is the bottom-up, practical, problem-driven nature of PLJ's assistance, with a focus on actionable insights about partners' beneficiaries/customers (rather than policy reform *per se*). In the same vein, and in spite of its highly quantitative nature, PLJ's use of mixed methods approaches to contextualise and in some respects humanise the data is also considered important in fostering understanding and developing compelling narratives for change.
- Finally, PLJ's ability to connect GOI, CSOs and the private sector was also identified as an important factor explaining the initiative's attractiveness to partners. PLJ's status as a UN unit provides legitimacy for partners from these three sectors, but it also appears grounded in PLJ's

¹¹ Decisions typically supported by its governance processes

¹² For example, sub-strategies proposed at the start of phase 2 for the program's focus areas were not developed.

understanding of the potential connections between actors in the process of inclusive development. PLJ plays a brokering role based on data analytics (using sets of data from different organisations, who traditionally firewall them) with a common agenda to create more inclusive policy spaces for women, small business holders, citizens reporting feedback to the government, etc.

Underpinning many of these factors appears to be the shift in approach that coincided with the start of Phase 2. While partners felt that the prototypes provided in phase 1 were useful to help them understand the benefits of data innovation in their policy work, prototyping alone was not enough for GOI to adopt them. The prototypes were showcased, but partners were often unclear how they would be actually used and implemented in a systematic way.

PLJ contends that 'showcasing' was a necessary step in raising awareness, though whether the balance was correct during phase 1 is more contestable. Certainly, PLJ evolved its approach based on learning from phase 1. PLJ's internal reflection process ("portfolio sense-making" workshop) conducted at the start of phase 2 concluded that for digital data tools to be sustainable for their GOI partners, as well as CSOs and the private sector, technology needs to be co-designed with users based on a human-centred design ethos. DFAT itself appears to have played an important role in stimulating this rethink and repositioning within PLJ.

4. Contribution to gender equality, disability and social inclusion objectives

All three initiatives have given greater attention to gender equality, disability and social inclusion (GEDSI) objectives as they have progressed through their phases. This appears directly as a result of sustained attention to the issue by DFAT. The contributions of each program have varied but can be grouped broadly into three main influence channels:

- Analysis and dissemination of gender and/or disability issues themselves;
- Building capacity of local agents to advocate on these priorities; and
- Contributing directly to more equitable outcomes for women and/or people with disabilities.

Programs considered GEDSI in their design and monitor progress with varying levels consistency. KSI has been the most active and influential among the initiatives reflecting in part differences in resources and, to some degree, implementation model. KSI has supported gendered analyses of policy and policy reforms (directly and indirectly) through its PRI partners and specific events. For example, KSI held a series of public events on gender issues in research and public policy with over 600 participants (2016-17) and estimates that two-thirds of PRI partners were conducting research with significant gender-based aspects (2020). KSI also used IDF to promote gender, disability, and social inclusion issues, with a disability-inclusive development session included in IDF 2018 and a knowledge sharing session on inclusive employment in IDF 2019, hosted by MAMPU, AIDRAN, and Mercy Corps. KSI promoted the active participation of women in IDF, with the number of women speakers increasing from a third in 2018 to nearly 40 percent in 2019, and the proportion of women participants rising to 42% in 2019. AIDRAN also reported IDF offered a useful platform to share knowledge on disability issues, promote their biennial conference, and the Indonesian Journal of Disability Studies.

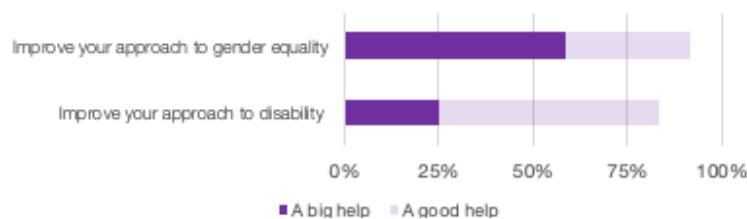
The main area where KSI was involved more directly in contributing to gender equality outcomes was through the pilot program (Athena SWAN) that sought to improve incentives and opportunities for female academics in policy research. However, this was discontinued in 2019 due to slow progress. The program had focussed on women researchers not only in STEM but also soft sciences, which must also touch upon structural barriers to increasing productivity of academics more systematically.

KSI's most significant contribution appears to have been in helping to build the capacity of organisations to promote GEDSI in their research and advocacy:

- Over 2016 to 2018, KSI assisted the Ministry of Research, Technology and Higher Education assess the GESI-sensitivity of the grant mechanisms for all its funded research, agreeing guidelines and the allocation of specific budget for research focused on gender issues. In 2020, KSI committed to support the Ministry to better socialise the guidelines to researchers.

- In 2021, KSI, through KSIxChange, engaged with GOI (Ministry of Research and Technology, Ministry of Education and Culture), private sector and lecturers/scientists to advocate for GESI-approaches in university management. The event continued with a loose alliance between KSI PRIs and non-PRIs working on assessing and promoting GEDSI-sensitive grant mechanisms.
- KSI has supported PRI partners efforts to review the GESI sensitivity of their research, as well as apply gender equity in their operations. Most PRIs (81%) were judged to have mainstreamed GESI-sensitive research by 2019. Anecdotally, the quality of GESI treatment by PRIs remains variable but nevertheless the partners acknowledge that KSI has been an important factor in the improvements achieved (figure 4.1).

Figure 4.1: PRIs' views on significance of KSI assistance



- KSI's contribution to advancing approaches to disability has been important but less pronounced for PRIs – reflecting the more limited focus on this issue across the partners. Its most notable contribution in this area appears to have been support to the Australia-Indonesia Disability Research and Advocacy Network (AIDRAN). With assistance, the network has been successful in securing funding to conduct its own disability research and AIDRAN held its first international disability conference in 2019. AIDRAN also produced online learning tool kits to assist students with physical, deaf, and blind disabilities to contribute to GOI's inclusive education policy objective. In 2020, AIDRAN prepared 14 knowledge products on disability inclusion and 13 knowledge products on the impact of COVID-19 towards people with disabilities and in Notable highlights in 2021 included: innovative solutions to unlock access to financial institutions for people with disability in Eastern Indonesia; research on inclusive access to education in Indonesia's higher education sector during the pandemic; and persons with disabilities' financial literacy and access to financial services.

Several KSI-supported PRIs seem also to have contributed to disability policy objectives:

- SurveyMETER's research influenced Balikpapan Municipality policy on aging and disability (2015) and Bali Provincial Parliament's passing of a new regulation promoting welfare of the elderly (2018).
- The Centre for Indonesian Law and Policy Studies (PSHK) and latterly SMERU research has helped inform regulations for Indonesia's New Disability Law with support from KSI and Australia's AIPJ program.

- SMERU's engagement with GOI (notably Ministry of Social Affairs and BAPPENAS) based on its work to develop the Inclusive Development Index and research on the barriers to inclusive development for people with disabilities.

Over the period of review, J-PAL SEA has increased its attention to gender equity in no small part due to DFAT pressure but work on disability remains limited. During phase 1, J-PAL SEA committed to analyse gender issues in its research 'as appropriate'. Consequently, 4 out of 13 studies addressed significant aspects of gender equity. Under the phase 2 proposal, J-PAL SEA committed to enhance its efforts by *inter alia* prioritising testing programs and policies that aim to empower women or strengthen inclusion for women and other marginalized groups; and building gender-research capacity among its own staff and partner organizations¹³. In 2020, 31 percent of J-PAL SEA's research projects related to gender transformative programs, (e.g. studies on child marriage and cash transfers) and a further 31 percent were deemed gender-sensitive in data collection methods. In the same year, J-PAL presented evidence from its global network on ways to increase female labour force participation in Indonesia, to contribute to planned reforms of Indonesia's labour law.

J-PAL SEA has also been sensitive to gender equity considerations in its approach to capacity building. By the end of phase 1, half of all principal investigators, and 44% of Indonesian principal investigators, involved in its research were women. This commitment to has been continued, with women accounting for 75 percent of senior positions and 60 percent of all staff.

In 2018, J-PAL SEA recruited a senior manager to lead on gender equality and allocated resources to hire a gender expert on the team. In the same year, J-PAL Global produced a practical guide to measuring women and girls' empowerment in impact evaluations to ensure J-PAL studies and other studies/research can incorporate high-quality measures for gender-related outcomes. The guide was officially launched In March 2019 in Indonesia by J-PAL SEA with a workshop involving CSO partners (with 47 participants, 39 of whom were women).

J-PAL SEA has also worked with DKI Jakarta provincial government to provide training in statistical analysis for its staff (68 percent of whom were women) and enable the recruitment of mothers as data collectors (CARIK). The government created an application so that women can gather data with their smartphones to revise and improve the Ministry of Social Affairs' data on poor families. Involving 30,000 data collectors (dasa wisma), the provincial government claimed that J-PAL SEA's research and statistical trainings were useful to carry out this gender mainstreaming in a more systematic way.

Whenever possible, J-PAL requires their researchers to address social equity issues pertaining to marginalised groups (including women, people with disability, and children) when seeking access to the (DFAT-funded) IRF. However, uptake of research on disability inclusion has been limited more

¹³ J-PAL SEA also introduced a MEL framework for the program in 2018, but beyond specifying gender disaggregated data for capacity building activities, the framework does not set any specific performance expectations for the prioritisation of research or capacity building on gender equity or disability grounds.

limited. In response to DFAT's feedback at the end of phase 1, J-PAL SEA has made efforts to address access with respect to its research products and conducted workshops and events that engage with people with disabilities. It has also sought to extend its network to incorporate disability expertise, through for example participation in the 2019 International Conference on Disability and Diversity in Asia.

It was argued before that there is a small proportion, compared to that of gender, of people with disabilities in J-PAL SEA's studies. This is related to the main research approach used by J-PAL SEA rooted in statistics (as people with disability is roughly 10 percent of the total population). However, J-PAL SEA's work with DKI Jakarta provincial government has applied a combination of statistics with more qualitative approaches. This can be seen in the questions asked by *dasa wisma* about categories or indicators of poverty (e.g. would a house with ceramic floor, three motorcycles, and other technical fieldwork questions, be categorised as a poor household). As such, it is important for J-PAL to continue developing their research abilities to address disability issues with alternative methods. J-PAL SEA seems to acknowledge this and has expressed intentions to integrate disability inclusion alongside their gender equity guideline.

PLJ's commitment for gender equity is part of their broader commitment to the SDGs and DFAT's policy. During phase 1, aspects of PLJ's work included gender dimensions:

- In 2014, through funding from the Australia-Indonesia Partnership for Decentralisation (AIPD), PLJ worked with local governments of West Nusa Tenggara on streamlining maternal health data, based on user research of frontline health workers in the province.
- In 2016, PLJ's study on Indonesia's business registration as seen by small business owners was referred to by the Australia Indonesia Partnership for Economic Governance (AIPEG) in their discussions with the Indonesian Ministry of Trade. The report, entitled *Let's Get Down to Business*, while not directly talking about gender equity, featured female small business owners throughout their findings.

Since phase 1, PLJ has taken a more structured approach to gender equity, based on its brief analysis of gender equity in several key research studies, especially considering the impact and risks to vulnerable communities including women and girls. PLJ's GEDSI strategy was recently finalised in 2021. Big data carriers tend to have biases and must contextualise data sources through calibration so that insights regarding under-represented voices are heard. PLJ applies UNDP's gender indicators to identify how big data contributes to gender equity. They do this through two main channels. First, ensuring gender-balanced participation in events, program design, and workshops (data innovation clinics). Second, by conducting research specifically looking at improving access to services and increased mobility of women.

PLJ has prioritised GESI as part of their broader commitment to achieve the SDGs and DFAT's objectives. GESI intentions expressed in the design document (Prodoc) can be seen throughout their research activities. They have allocated a Social System Lead with gender expertise, who is

experienced in overseeing social research projects. PLJ's Results Framework for phase 2 better addresses gender equity through four strategies:

- Disaggregate data in analytics and data visualisation: Wherever possible, PLJ ensures disaggregation of data to measure the differences between gender and disability. Data disaggregation enables researchers to identify users based on their genders and specific needs
- Advocacy for gender and disability disaggregated data: PLJ will play a role in advocating for the collection and sharing of disaggregated data based on gender and disability to influence policies and interventions supportive of GEDSI objective.
- Gender or disability focused research: Ensuring that PLJ research has a specific focus on gender or disability and/or disability inclusion, which also includes understanding issues of intersectionality.
- Gender-sensitive conduct: PLJ commits to be gender-sensitive in all of its conduct and service delivery, as well as ensure gender equity across its senior management team and its three main technical teams (Partnerships and Advocacy Team, Social Systems Team, and Data Innovation and Policy Team).

PLJ's research topics have included gender equality aspects, both nationally and regionally. In 2019, PLJ was instrumental in leading a discussion about the connection between gender and the environment in the Statistics on Gender and the Environment Meeting in Bangkok. They also worked with SNKI and Women's World Banking (WWB) in developing a prototype of an Indonesian financial access map, many of its users being women. In the same year, PLJ hosted a data innovation clinic for the Aga Khan Foundation to investigate the potential of mobile phone and banking data as a proxy indicator of women's empowerment in Afghanistan.

PLJ has also achieved some notable success influencing gender equality outcomes directly. In 2019, PLJ collaborated with Indonesia's state-owner railway corporation (PT KAI), to explore analysing passenger datasets. PLJ disaggregated data based on gender, through which they identified over 2 million women traveling by rail, alone and after dark (between 18:00 to 06:00). They also identified that many elderly passengers have not utilised subsidy fares (social protection) and highlighted the value of collecting data regarding people with disability. Bappenas has engaged PT KAI to channel subsidies targeted for poorer groups (such as the elderly and people with disability) based on PLJ's analysis of under-utilised subsidy fares. Partnering with UN Women, PLJ carried out the After Dark study that looked at women's experience with public transportation at night. In the 16 Days of Activism against Gender-Based Violence Campaign in December 2019, GoJek, the largest ride hailing company in Indonesia, picked up PLJ's research recommendation and created safe zones for women travelling after dark and issued educational materials on sexual harassment in public spaces.

The After Dark research continues to deliver impact. In 2020, the recommendations were taken up by Medan City's Department of Transportation and Go-Jek. The government of Medan set up safe bus

stop ecosystems throughout the city for safer travels for women. Go-Jek, too, created safety zone for women in four MRT stations in Jakarta. Go-Jek furthermore won an award from the UN Women Asia Pacific for their initiatives to protect women traveling after dark.

In 2020, PLJ collaborated with UN Women and Go-Jek by conducting a case study about how women-owned micro and small enterprises leverage digital platforms to cope with the impact of COVID-19. Using Go-Jek's quantitative data in combination with PLJ's qualitative research, the report entitled "Leveraging Digitalization to Cope with COVID-19" was launched in December 2020 opened by Indonesian Minister of Women's Empowerment and Child Protection. PLJ further identified the behavioural barriers to utilise digital tools for women business owners to help women overcome them.

In 2020, PLJ continued to ensure gender parity in their hosted events (i.e. speakers, facilitators, moderators, participants). Internally, two out of three leads of their operational units are women, with a team composition that is gender-balanced (12 men and 11 women). While PLJ's work has yet to directly involve people with disability and/or disable people organisations, they have made efforts to provide opportunities for their participation. An example of this is through PLJ's invitation for people with disabilities to participate in the After Dark research project. Using diary studies to understand the experiences of women traveling after dark, PLJ involved people with disabilities in different stages of research development, which they call proof-of-concept, to ensure that data is collected in ways that are sensitive to GEDSI. PLJ continues to apply DFAT's GEDSI policy by mainstreaming GEDSI across all activities and also supporting targeted GEDSI-focused activities. They have also addressed the challenge of big data generalisations by using qualitative methods to contextualise of data sources to better understand the implications for women (After Dark, women business owners), specifically through their human-centred approach in combination to big data innovation.

5. Contribution to local capacity for evidence-informed policy making

5.1 Nature of the initiatives' contribution

All three initiatives have contributed to capacity development but in different ways and to differing degrees, reflecting differences in resources and design. For J-PAL SEA, strengthening local capacity to produce and use high quality economic policy research is central to its mission. The size of its overall budget, however, means that its efforts have been relatively small-scale; since 2012, for example, J-PAL SEA has spent less than AUD 1.5 million on formal training activities.

J-PAL SEA has focused predominantly on capacity building among individuals, through a twin-track approach: broader awareness raising about the importance of and good practice in the production and use of high-quality evidence for policy research; and on-the-job training and mentoring of its own research staff, post-doc researchers and local research collaborators. During Phase 2, J-PAL SEA also supported organisational development in its host institution – the Institute for Economic and Social Research, located in the Faculty of Economics and Business, University of Indonesia LPEM FEB UI).

For KSI, strengthening capacity of Indonesia's knowledge-to-policy 'system' was the underlying aim of virtually all its activities. With significantly greater resources, KSI's effort has focused largely on building organisational capacity among its partners. Around half of total expenditure by KSI to date (and an even greater share of programmable expenditure) – some AUD 50-60 million – has been for this purpose. Support has been provided in the form of core funding and technical assistance to local producers and users of evidence for policy - mainly with the program's 16 partner policy research institutes (PRIs) but not exclusively. Support has also been provided to the Indonesian Academy of Sciences (API) and the associated Indonesia Science Fund, Bappenas' Centre for Policy Analysis (PAKK) and its precursor, the Policy Analysis Team, Bappenas' incipient knowledge management system and a prior initiative known as the Knowledge Centre, and to government departments' R&D units (Balitbang).

In addition, KSI has supported initiatives to build capacity at a more 'systems' level, i.e. opportunities to strengthen policy interactions between organisations and institutionalise new ways of working. This included¹⁴ KSI's Knowledge Communities Working Groups initiative, the establishment of a national conference for development policies and practice (Indonesia Development Forum), support for the roll out of a new policy analyst position across the public sector and development of a unified system for planning and budgeting information across GOI (KRISNA).

PLJ's rationale is to foster the application of data science methods to support inclusive growth.

Building a broader demand for advanced data analytics, strengthening GOI national and local capacity

¹⁴ KSI's engagement on policy reform in the broader enabling environment (section 3) may also be viewed as contributing to system-level capacity development for knowledge-to-policy practices.

to use digital data and shaping linkages with different actors in the knowledge sector are key elements in this. In practice, PLJ's approach aims to affect capacity at multiple levels, but like J-PAL SEA, limited budget and the highly technical nature of the work means efforts are relatively small-scale and require some innovation:

- With similarities to J-PAL SEA, PLJ has taken a twin-track approach to awareness-raising ('showcasing') about the potential for data sciences and on-the-job learning for organisations partnering with PLJ on an application;
- Training for individuals from government, civil society and the private sector, ranging from technical advisory support focused on specific aspects of PLJ's approach to broader events designed to raise awareness among decision-makers about the potential contribution of data science techniques; and
- Fostering data partnerships – what PLJ terms 'eco-systemic impact' – where PLJ facilitates linkages between multiple data owners relevant to a particular problem or set of problems, with a view to encouraging collaboration to mobilise respective capacities and foster capacity at a more systems level.

5.2 Effectiveness of capacity building support

Box 5.1 summarises J-PAL SEA's main contributions to capacity-building since the start of phase 1. The objectives of J-PAL SEA's formal training courses have been to increase understanding and demand among researchers and policy makers for more rigorous policy research¹⁵. Assessing the effectiveness of this broad support is difficult. Interviewees who attended training were certainly positive about its quality and value. The courses also appear in demand, although GOI ceilings on unit costs for training limit government partners' ability to pay.

Box 5.1: J-PAL SEA's capacity building activities 2012-20

Individual:

- Around 35 training courses on the use of (experimental and quasi-experimental) evaluation in social policy, for over 1,000 researchers and policymakers from universities, government, donors and non-governmental research organisations.
- On-the-job skills transfer to more than 20 Indonesia researchers (as co-principal investigators on J-PAL SEA studies)
- More than 20 former junior J-PAL SEA research staff

Organisational

- Support to its host faculty in the University of Indonesia to establish a Research Ethics Committee (KEP) for social science research (established July 2020).

¹⁵ Given the highly technical nature of J-PAL SEA research, there is certainly no expectation that such training will enable participants to conduct randomised evaluations themselves.

There is also some anecdotal evidence of the training's success in raising understanding and demand among policy research producers and commissioners: two participants in J-PAL SEA trainings became close research collaborators; two of J-PAL SEA's major research studies were proposed by GOI staff who had attended its training; for one GOI interviewee, J-PAL SEA training had played a key role in building an evaluation culture in their Ministry.

In terms of skills transfer through on-the-job collaboration in J-PAL SEA research, there seems no doubt that J-PAL SEA would have added significantly to these individuals' skills. Even allowing for the fact that they were already capable, high-potential individuals, access to hands-on, locally-based knowledge of experimental methods for social policy evaluation was not widely available before J-PAL SEA. While 20 Indonesian researchers may seem a small number, it is significantly up on 2012, when just two Indonesian researchers were conducting randomised evaluations for economic policy research.

Similarly, J-PAL SEA sees development of its own research staff as a key contribution to the pipeline of informed policy makers and influencers in Indonesia, with its alumni having completed or undertaking masters and doctoral studies in economics and social policy in leading universities worldwide or in important positions in the public sector and donor agencies/programs in Indonesia.

Nevertheless, this is clearly a relatively long-term process. Outside of donor programs, use of randomised evaluation methods is limited to a few universities and policy research institutes and is not being promoted widely by GOI. Indeed, J-PAL SEA alumni themselves point to the challenges associated with applying the skills gained (Box 5.2).

Box 5.2: Perspectives of J-PAL SEA research alumni

The ISR surveyed a sample of J-PAL SEA research alumni provided by the initiative (n=15)[†]. The findings indicated:

- Alumni were overwhelmingly positive about their experience working with J-PAL SEA
- In addition to technical experience gained in randomised evaluation research, respondents learnt other useful skills: project management, attracting and developing talent, working with multiple stakeholders.
- Although all respondents were positive about the potential of randomised evaluation methods for policy development, only a minority (25%) indicated they would be confident implementing their own study.
- Only a minority of respondents (18%) felt there were clear opportunities to use randomised methods in their current positions – with the most common constraints identified being a lack of resources and time.

[†]Response rate = 73%

The findings are not particularly surprising – (direct) utilisation of knowledge transfer to individuals typically depends on enabling changes in organisational practices. J-PAL SEA's approach may be better seen as supporting the progress of capable individuals and broadening the pool of talent exposed to its ideas, principles and skills, with a view to increasing the likelihood over time that they are applied in policy making.

During phase 2, J-PAL SEA also contributed to organisational development within its the University of Indonesia’s economics and business faculty, by supporting the establishment of a Research Ethics Committee (KEP) for social science research. J-PAL SEA assisted concept formulation through facilitating a workshop and meetings with other research ethics committee, and operationalisation by preparing guidelines on application and website development. Established in 2020, the KEP was expected to start functioning in 2021. This is the first such committee in Indonesia outside of medicine and it is expected to service not only University of Indonesia research but proposals for social science field research in Indonesia more generally.

In some contrast, KSI’s contribution has been largely focused on building organisational capacity on a significantly larger scale. Key within this has been the program’s support for the 16 local policy research institutes. By the end of phase 2, KSI will have provided nearly AUD 25 million in grants to the PRIs since the start of the program’s pilot phase in 2009.

Based on responses¹⁶ to a survey run by the ISR, PRIs appear strongly positive about the value of KSI’s support in developing their organisations, even allowing for a degree of positive respondent bias (figure 5.1).

Figure 5.1: PRIs’ views on significance of KSI assistance



For the PRIs, the areas where KSI’s assistance has been most effective are:

- How they monitor and report on the effectiveness of their work – a common challenge among research organisations generally and civil society organisations in Indonesia;
- How they approach gender equality in their work (though relatively less so on disability issues) – no doubt a reflection of the priority attached by DFAT to this attention to this issue
- Linkages with other PRIs in Indonesia and
- Their understanding of effective policy research – in particular how policy research, in design, drafting and communication and engagement, differs from ‘standard’ social research.

¹⁶ 75% response rate

In spite of this last point, areas where assistance was felt to have made relatively less difference were in building links with GOI (or other parts of the Indonesian State) and internationally. Certainly, discussions with GOI stakeholders indicated that for many linkages are still underdeveloped.

To a large degree, these findings echo the positive results of earlier efforts by the program to assess its organisational support for the PRIs¹⁷ and provide a compelling case for the perceived value of DFAT support. That said, a key rationale for building PRI capacity from the start was the generally poor quality of locally conducted policy research – identified as a major reason for the lack of demand for local policy research within GOI and continued reliance on international evidence providers (or no evidence at all). It is much harder to say whether the program has made a significant difference to the quality of policy research produced domestically. For most of the period of assistance, KSI did not engage systematically with the question of research quality and so there little accumulated evidence.

Anecdotal evidence gathered during the ISR suggests overall research quality remains variable. Indeed, KSI's own salutary experience in transitioning between Phase 1 and 2, and between core funding to strategic partnership grants, highlighted the limitations of organisational development efforts during phase 1 in terms of strength of research capacity in PRIs.

Reflecting on the program's approach to capacity building with the PRIs, the ISR has the following observations:

- Over its 2 phases, KSI did not develop a consistent strategy towards the issue of quality – a challenge that was compounded by relatively frequent, wholesale changes to the staff working on this element of the program.
- The program did not develop a particularly nuanced approach in spite of the variety and potential for grouping that existed among the PRIs; the program continued to support 16 PRIs during phase 2 but the advent of fewer available resources did not prompt a more stratified approach to engaging the PRIs.
- During phase 1, the approach taken initially was unproductive; this improved but support, while valued by the PRIs, was rather general organisational development and faced with fewer resources, the program's approach began to resemble a small grants program rather than an organisational development initiative.
- More recent efforts to focus on practical ways to improve research quality appear to be proving quite useful, though the scope for the program to build on this now is limited given available time and resources.

¹⁷ Attempts were made in 2014 and again in 2016 to determine the organisational development of partners PRI. The results pointed to improvements in key areas for 13 of the 16 partners. A subsequent 'meta-analysis', also conducted in 2016, pointed to the importance of KSI core-funding for all PRIs for their development and near universal appreciation of KSI's support for review of organisational vision, mission and strategy. Of the training provided, 69% of PRIs identified communication skills as the most useful.

- In spite of the value placed on linkages to other PRIs, the program did not develop systematic approach to strengthening and exploiting the PRI network, in terms of linkages between PRIs or with other DFAT programs working in areas of shared interest. It is not the case that this never happened, but rather that there was not a clear, consistent strategy – indeed during the transition between phases the effort to shift significantly to a more networked model was not well-conceived or implemented and was consequently abandoned.

KSI has also provided support for organisational development with a number of other bodies, albeit less sustained than the PRIs. In all these cases, the ISR found good evidence that KSI’s contribution was generally well-received and valued. However, the impact of this support has been dependent on the strength of leadership locally and broader (political) commitment to the organisations (box 5.3).

Box 5.3: Capacity building with other knowledge-to-policy organisation

- Under strong leadership and with senior GOI support, the **Indonesian Academy of Sciences** (AIPI) has played an active role in shaping the national research agenda even if not always successful in influencing government decisions. KSI played an important role in supporting AIPI’s revitalisation, and in establishing the Indonesia Science Fund (DIPI). While both AIPI and DIPI remain chronically underfunded by GOI, they continue to be important actors advising on the development of Indonesian science research and policy.
- KSI’s support for a **Centre for Policy Analysis** (PAKK) in Bappenas had its genesis in the program’s pilot phase. Conceptually attractive given the program’s rationale, the Centre was intended to act as a knowledge intermediary/broker within Bappenas. By the end of phase 1, PAKK was fully staffed and integrated into Bappenas’ structure. Nevertheless, organisational resistance to the initiative continued, leaving PAKK vulnerable to changes in leadership in Bappenas. KSI stopped support in phase 2.
- From April 2015 KSI Phase 1 began supporting Bappenas in piloting a **Knowledge Centre** (KC), as a knowledge repository for models of smart practice that could be replicated in regional development planning. In 2017, the KC was institutionalized within Bappenas but structural changes in the Ministry meant it lost its champion and priority status. As a result, KSI stopped its support. However, the new Minister’s priorities in 2019 re-invigorated interest in the KC concept. Over 2019, KSI facilitated a series of successful discussions and information gathering exercises within Bappenas which saw the initiative expand to encompass a Knowledge Management (KM) Strategy for the whole of Bappenas. During 2020, KSI assisted with the development of Bappenas’ **Knowledge Management blueprint** and work taking this forward is still on-going.
- During phase 1 KSI provided assistance to government Research and Development Units (Balitbang) to improve alignment and communication of their work with GOI policy needs. More than 1,000 staff from four Balitbang participated in 17 workshops/trainings supported by KSI on policy briefs, popular scientific writing, knowledge management and awareness about the ‘research-into-use’ process. The evidence available suggests Balitbang in at least two ministries made use of the learning to strengthen their approaches. However, the recent decision to disband all Balitbang and centralise government research planning and oversight under one institution leaves the enduring value of KSI’s influence in doubt.

Some of KSI’s capacity strengthening work has also been directed at a broader, ‘systems-level’, as efforts to strengthen (in some cases, create) and promote, mechanisms and practices for evidence-informed policymaking processes between different organisations (Box 5.4).

Like the program’s support for organisational development, all of these examples can demonstrate success at some level. But the unsurprising conclusion is that capacity building at a system-level is a long-term and uncertain endeavour. In such circumstances, questions of effectiveness typically involve

judgements about the quality of program strategy. In this respect, KSI does appear somewhat weak. While KSI did conceptualise the enabling environment for the knowledge system, and situated key constraints within it, the framework's value seems largely for communication purposes. It does not appear to have been used as an analytical tool to support the program's theory of change, guide action and test on-going effectiveness. The current 'end-of-program-outcomes' were drawn from the framework, but progress reports under each are more task-based than strategy-focused.

Box 5.4: Systems-level knowledge-to-policy capacity development

- KSI introduced the concept of '**Knowledge Communities**' in mid-2015 to address the lack of interaction between policy makers and knowledge producers. This involved bringing together government, civil society PRIs and academics with an interest in a policy area in a structured manner for them to work together, build trust, allow for contestation of data, facilitate provision of fit-for-purpose data, and enrich policy outputs. The concept evolved to include **Working Groups** within each Community, as the operational mechanism (led by Bappenas and facilitated by KSI) to address specific policy issues identified in the broader Community forum. Although performance varied, the approach appears to have been relatively successful e.g. Research and Higher Education Working Group actively contributed to decisions relating to the establishment of the Indonesia Science Fund, the approval of a simplified reporting system for researchers using state funds and the revision of the regulation governing procurement of research by GOI. Five Working Groups currently operate, covering key outcome areas for KSI, but the concept does not seem to have been codified yet or institutionalised as a model for policy engagement elsewhere in GOI.
- KSI was instrumental in assisting Bappenas launch the **Indonesia Development Forum (IDF)** in 2017 – an event bringing policymakers and researchers together from across the country, to present and discuss development policy, learn about relevant activities and foster connections and interactions. The IDF is now established as an annual event, with Bappenas assuming full responsibility for the funding (from 2022). Evaluation exercises commissioned by KSI suggest that the events are highly valued as a presentation and learning platform and to some degree have informed subsequent practice and led to further interactions between actors. The IDF's broader contribution to policy development is much harder to determine though the event clearly has value for Bappenas.
- Following GOI's decision to update its annual planning arrangements, a new regulation was enacted in 2017 for Bappenas to create a single, digital system for planning and budgeting across government (**KRISNA**). At that time, necessary resources had not been allocated to task in Bappenas. In response, KSI supported the project formulation and initiation, facilitating consultations in Bappenas internally and with other stakeholders and funding programmers and system development work. By the end of 2019, the core system and supporting apps had been established, with all national and local planning and indicative budget data available in one place for the first time. Given the scale of the exercise, KSI stopped supporting KRISNA's development in 2019 and significant areas of work remain. But for a relatively small investment (estimated AUD 0.4m), KSI's support appears to have been important in accelerating GOI's own investment (estimated AUD 2.5 million) in KRISNA.
- In 2013, GOI established a new functional position of **policy analyst** in the public sector. Effective from 2015, these analysts sit in all ministries at the national and sub-national level (up to an estimated 24,000 posts). The National Institute of Public Administration (LAN) was appointed to lead the development of the policy analyst position. During 2014-20, KSI supported LAN with technical assistance and training, mobilising inputs from local policy research institutes, Indonesian universities and the Melbourne School of Government. This support appears to have been significant in helping to develop the national competency standards for policy analysts and LAN's Policy Quality Index (IKK) – a tool to assess the quality of government agencies' policies and incentivise improvement. KSI's support also helped raise awareness in LAN about the importance of supporting effective use of policy analysts by ministries. While notable progress has been made, challenges remain in operationalising the policy analyst concept. Stakeholders estimate it may take 5-10 years for the reform to have a noticeable impact on the quality of GOI policy making at scale.

Capacity building of partners and stakeholders is embedded in all PLJ's activities. Determining the effectiveness of it is, therefore, challenging a review of this scope, given the variety of levels at which it takes place. It is also the case that PLJ itself has not systematically assessed its own effectiveness in this regard.

Certainly, PLJ faces a challenge in building capacity given the highly technical and skilled nature of its work. While data science capability is growing in Indonesia (particularly in the private sector), the skills are still relatively scarce. As a result, the nature of the development enabled through on-the-job learning with PLJ varies depending on the existing capacity of partners.

- Interviewees from PLJ partners with relevant in-house technical expertise were positive about the learning gained from working with PLJ and its value in helping to develop their organisational capability (see box 5.5)
- With other partners such as the Foreign Affairs Ministry (Kemlu), where in-house technical expertise is absent, PLJ worked closely with staff to understand their needs and develop a machine learning, data visualisation tool to prioritise issues and highlight trends in information flows relating to diplomatic engagements (ALITA). Kemlu has scaled up use of the tool independently.

Box 5.5: PLJ organisational capacity support

PLJ and STIS Polytechnic of Statistics supported Statistics Indonesia (BPS) in establishing a big data capability under its Sub Directorate for Statistical Model Development. Before engagement with PLJ, BPS had only limited experience with the use of big data. PLJ's support exposed BPS to the use of data analytics, beginning with simple mining through Twitter social media, and was then expanded to encompass crowdsourcing on food costs and people's mobility / commuting patterns and validation of these data with official statistics. For BPS, PLJ's support influenced how they carry out modelling and match proxy data and big data with BPS' official data. This is a crucial capacity to have especially in times of the pandemic.

To a large extent, recent achievements appear to be the result of the conscious shift in PLJ's approach in Phase 2, where greater emphasis is being placed on building partners' capacity to ensure effective adoption, uptake and sustainability of new tools and approaches. This response reflects the finding that the effectiveness of prototypes and tools provided to partners in phase 1 was limited in terms of partners' subsequent uptake and use. This learning highlighted not only the technical requirements associated with maintaining and developing the technologies offered by PLJ but also the organisational implications of adopting them. PLJ's recent work with PT Kereta Api Indonesia (PT KAI), the state-owned transport company, is a case in point. PLJ has supported internal capacity development for PT KAI's programmers and provided assistance to inform the organisation's business strategies. PT KAI has recognised, however, that fully utilising the insights provided by PLJ requires organisational and staff development.

The significance of PLJ's support for 'eco-systemic' change is harder to discern. Certainly, the number of partnerships with GOI has increased significantly – from 1 formal relationship in 2015 to 10 in 2021. Similarly, the range of data partnerships with the private sector has grown. Compared with the start of PLJ when the initiative relied almost entirely on big data from social media, PLJ now has more than two dozen data sources. Many of these are provided by the private sector mobile network, ride-hailing, and fintech data who are interested in exploring the potential of their data in the context of creating public value. Through partnership working, PLJ aims to promote understanding among government, private, and development actors about mechanisms for data sharing, privacy safeguards and risk assessment, what alternative datasets can and cannot do as well as how they can complement available statistics. The approach aims to shift the discourse from data philanthropy (by private sector) to shared value partnerships, that can increase systems-level capacity through collaboration that would otherwise not occur.

A flagship of PLJ's capacity building initiative is their Research Dives, which were conceptualised to widen research engagement with data analytics. The target is analysts, academics and practitioners. Between 2016-18, more than 100 participants from 85 universities, 12 GOI institutions, and 5 NGOs/research institutions have participated in PLJ's Research Dive (box 5.6). In February 2018, dozens of PLJ alumni gathered for a four-city reunion in Jakarta, Bandung, Yogyakarta, and Surabaya to share updates and ongoing research.

Box 5.6 PLJ Research Dives

In 2018, PLJ held three Research Dives:

Data dive on urban and regional developments that led up to the Indonesia Development Forum organised by KSI. Participants received facilitation to design regional development policies, based on analysis of data relating to social events, news media sourced from a global news media monitoring platform; access to emergency health facilities in Sumatra, water access monitoring for infrastructure planning, analysis of municipal waterworks customer distribution, as well as energy consumption and urban development.

Artificial intelligence and machine learning for estimating poverty, in partnership with KSI and the Artificial Intelligence Journal. The research dive drew together researchers and data analysts from the academia, development sector, UN and GOI to measure poverty using satellite imagery, estimate poverty rates using e-commerce data, and Jakarta's poverty level using Twitter data.

Financial inclusion research data, which examined dimensions of financial inclusion for Indonesia. Four research were outlined: measuring financial awareness and literacy through social media, measuring financial access based on information from financial and nonfinancial institutions, gender-based modelling for financial inclusion, and assessing digital opportunity impact of financial inclusion.

In 2019, PLJ held its 9th Research Dive for Development in partnership with the Macroeconomic Policy Department of Bank Indonesia:

PLJ convened stakeholders across GOI, academia, and the private sector to explore the issue of financial vulnerability in Indonesia at the national and sub-national levels. The event was designed to help Bank Indonesia explore how big data could be used to measure household financial vulnerability alongside its conventional banking indicators and survey results. The themes examined included housing mortgage default rates, indicators of household indebtedness on a provincial level, fintech data to assess customers' financial vulnerability, and evaluating the impact of natural hazards on loans-at-risk.

6. Implementation models

All 3 initiatives are implemented under different arrangements (table 6.1) but share the feature of being cross-cutting, in the sense that they are not sector-specific and in principle could be applied broadly. This feature presents particular challenges that have been addressed in different ways.

Table 6.1: Implementation arrangements

Element Assessed	J-PAL SEA	KSI	PLJ
Institutional status	Global initiative from MIT, USA	Program designed by DFAT in partnership with GOI	Partnership agreement between GOI and UN (Global Pulse Lab)
Funding mechanism	Grant (core and research fund) between DFAT and MIT	Commercial contract between DFAT and managing contractor	Grant agreement between DFAT and UNDP
Counterpart / host organisation	Hosted by LPEM, FEB University of Indonesia	Bappenas Directorate of Industry, Tourism and Creative Economy (IPEK)	Bappenas Centre for Development Planning Data and Information (PUSDATINRENBANG)
Governance mechanism	Consultation with DFAT for research projects exceeding agreed financial threshold Annual reporting to DFAT	Multi-agency Program Steering Committee and Program Technical Secretariat, co-chaired by Bappenas and DFAT, which meets every six months and is supported by multi-agency working groups covering most program outcome areas.	Joint Steering Committee (annual) (co-chaired by GOI, UN and from phase 2, DFAT); More frequent Technical Committee meetings, comprising Bappenas and PLJ.

J-PAL SEA has no official GOI counterpart organisation but in practice well-established relationships with TNP2K and key officials in Bappenas and Ministry of Finance means this has not been a limitation in engaging with GOI. The light-touch, grant-based relationship for DFAT is underpinned by clear design, consultation and reporting arrangements and a high degree of confidence in J-PAL SEA. As a consequence, the relationship with J-PAL SEA involves relatively low transaction costs for DFAT.

The funding arrangements – a combination of core funding and a dedicated research fund to facilitate responsiveness to policy research requests – is credited by J-PAL SEA as playing a key role in establishing the initiative in Indonesia and underpinning its effectiveness. Both J-PAL SEA and Indonesian partners cited the ability to fund a response when a window of opportunity opened as an important factor in J-PAL SEA's success.

J-PAL SEA's implementation model coupled with the specialist nature of its research methods could pose principal-agent risks for DFAT, but in practice these do not appear to have materialised:

- The light-touch arrangements in principle mean that DFAT has fewer points of leverage over the initiative. However, J-PAL SEA's responsiveness to DFAT's interests suggests this has not

been a problem in practice. J-PAL SEA's efforts to incorporate greater attention to gender equity issues and (to a lesser extent) disability are cases in point.

- An arms-length relationship for DFAT could compound the challenge of justifying Australian support to senior DFAT staff in Jakarta and Canberra, given the technical and typically long-term nature of J-PAL SEA research. However, DFAT benefits in this regard from J-PAL's international reputation and the clear focus and readily explainable nature of J-PAL SEA's research activities (in spite of their highly technical nature). In addition, J-PAL SEA makes the point of engaging Embassy staff regularly as part of its outreach activities as well as acknowledging the importance of Australian support publicly where appropriate.
- J-PAL SEA's academic roots increase the risk that research becomes driven by a publication imperative rather than meaningfully informing social and economic policy decisions. In practice, J-PAL SEA appears to have managed this risk well to date through its research pipeline management processes. Research proposals are carefully screened for relevance to J-PAL SEA's mission and then piloted against a number of criteria before investing in a full study. Those criteria include demand/commitment among the intended users and the anticipated cost-benefit ratio to the research investment. The personal motivation of J-PAL SEA's current senior staff also appears a key factor mitigating this risk.

In practice, the main limitations of J-PAL SEA's implementation model relate to the particular requirements of J-PAL SEA's methodological approach.

- Even J-PAL SEA's champions and partners pointed to the challenging design and implementation requirements of randomised field experiments. While the quality of J-PAL SEA's engagement with partners was recognised as a key strength in managing this, it was also recognised as a somewhat 'luxury' process within the normal constraints/demands of supporting policy decisions
- The cost of generating primary data through field research in Indonesia (high even by international standards) was also identified as a constraint.
- Interviewees also highlighted the challenge in squaring the timeline involved in J-PAL SEA research with the demands of policy makers for advice. Notwithstanding exceptions, randomised evaluation studies are generally longer-term. The pilot phase for J-PAL SEA studies may take 6 months, while duration of a full study varies but might require 1-3 years.

It is testament to the quality of J-PAL SEA and commitment of its GOI champions that under these circumstances the initiative has been so effective. But the findings also point to limits on the potential for application in practice – in spite of continuing interest within GOI in J-PAL SEA – in cases of key GOI policy priorities, with a clear decision context and on issues where the additional knowledge provided by research is likely to have a high pay off.

KSI's implementation model in many respects could not be more different – with significantly more intensive governance arrangements, much closer engagement from DFAT program staff (a reflection of

the size of budget and the different contractual arrangements) and much broader scope and wider range of partners and potential activities.

In part, the intensive governance arrangements reflect the complexity of the program's scope, but they have also developed in response to the challenges experienced implementing the program for much of phase 1. The fact that a potentially burdensome arrangement is viewed by some stakeholders a model of effective governance and engagement is testament to the commitment and efforts of the GOI, DFAT and program staff involved.

Many of these challenges were related to aspects of the KSI implementation model. Some of these were always likely to pose a challenge, such as the broad, conceptual and cross-cutting nature of the design. Others became more acute as the context for the program changed¹⁸. Based on the implementation challenges experienced in phase 1, DFAT concluded the prospects of KSI, as originally designed, influencing complex reform processes were not as strong as originally hoped. As a result, the transition to phase 2 involved significant adjustment of the design (scope and objectives) and a greater focus on sustainability and KSI's 'exit strategy'. As part of this, 4 focus areas were identified for the program under a new 'Guiding Strategy', and these were subsequently replaced by 5 more specific 'end-of-program outcomes'.

Key features of the implementation model important in this respect are:

¹⁸ in particular, significant changes early on in Bappenas left the program initially with no GOI champion; changes then occurred in DFAT staffing, resources and priorities, and subsequently in DFAT's budget commitment to the program. The 15 year, 3 phase approach for support to KSI envisaged in the original design was also practically reduced to 10 years and two phases at end of phase 1.

Features	Issues	Implementation experience
Conceptual and broad scope, with strong focus on process outcomes	Innovative design, responding to new ambitions for Australia-Indonesia relationship but partners did not initially understand the concept. Fluid and broad platform designed to support DFAT-GOI dialogue hard to operationalise. Long-term, process-orientated program requires strong strategic management and communications skills.	Changing DFAT priorities and the program's difficulties in building confidence among GOI and DFAT has increased KSI's focus on shorter-term deliverables on effectiveness/accountability grounds (i.e. a more conventional program model). This improved implementation but ambitions to provide platform for dialogue only partially realised. Some confusion remains about KSI's scope (despite program-developed criteria). Over time, GOI's recognition of the 'knowledge sector' concept appears to have grown appreciably and levels of comfort with KSI much higher now. The program itself has had mixed success in articulating a compelling strategy.
'Generalist' model (cf. 'specialist' sector programs)	Lack of clear boundaries and identifiable 'sector' specialists. Breadth of engagements requires good networks to source out-of-house expertise.	Originally staffed with experts in aspects of knowledge-to-policy, KSI has shifted over time to a more generalist model. Current expertise in convening, facilitation, communications, valued by stakeholders but criticisms of implementation quality appear rooted in limited expertise in policy making and influencing: <ul style="list-style-type: none"> • Lower quality/utility of some support, reflecting limited understanding of partner needs; • Willingness to support GOI requests not always balanced by appropriate challenge or willingness to say no. • Relationship with PRIs at times projectized and managed as sub-contractors • Under-developed appreciation of the political sensitivity around some issues • Connections between KSI units and beyond established relationships with PRIs not fully exploited.
Consortium model	The consortium offered relevant expertise and experience. But the challenge of collaborative working by organisations with different interests is significant and underestimated. (Most joint ventures in the private sector fail).	The consortium design did not address challenges faced by partners coming from academia, policy research and commercial consulting. Contracting arrangements created disincentives for effective joint working. Insufficient resources were devoted to reach an 'enlightened' solution, while efforts to 'regulate' a solution were not effective. Potential of the consortium remained sub-optimal.

Notwithstanding these challenges, interviewees were generally satisfied with the way KSI works, even if the model itself has moved quite significantly from its original intentions. Indeed, this shift from a highly innovative, experimental model to something closer to a conventional program (albeit in an unconventional 'sector') appears part of the reason for this satisfaction. Nevertheless, two broad observations can be made about the implementation model based on experience to date:

- KSI was conceived as a highly flexible and adaptive, process-orientated program before the term was in common use. It was also quite broad and conceptual at the time and difficult to explain. It is likely that any implementation model would have drawbacks given these challenges.
- Such a design requires highly strategic and adept management:
 - to elaborate a convincing strategy that incorporates short-term targets and long-term aims and appropriate means of determining the progress against both;

- that can establish clear criteria and principles when determining what activities are relevant to the core aims of the program;
- that can abstract and codify the value from successful engagements and use this to promulgate and replicate effective practices more widely;
- that can communicate the program’s vision to partners and funders.
- The original model also requires a highly adept and supportive donor:
 - that can strike a balance between the short-term reportable and longer-term game;
 - that is has a reasonably high risk appetite, well-developed risk assessment processes and is comfortable with (appropriately managed) uncertainty;
 - can work at a less tangible ‘systems-level’ for the opportunity it provides for dialogue with counterparts, with a view to reaching common values and promoting actions to advance these.

Institutionally, PLJ is officially a UN unit, and its official counterpart organisation is BAPPENAS. Through their partnership with BAPPENAS (specifically Pusdatinrenbang), PLJ has well-established relationships with local governments (especially West Java) and other ministerial bodies (such as Ministry of Foreign Affairs, Ministry of Cooperatives, Executive Office of the President, Ministry of Health) as well as state enterprise (PT KAI). The initiative is predominantly core funded by DFAT, with some research grants from donor organisations and in kind contributions from data partners. These core funding and grants provide PLJ with the capacity to respond to opportunity.

These institutional arrangements have strengths and weakness from both PLJ’s and DFAT’s perspective.

- PLJ’s UN status is viewed as indicative of impartiality and credibility, in spite of being funded predominantly by Australia. It seems likely, for example, that this helped PLJ’s work with the Ministry of Foreign Affairs on the ALITA project. Similarly, PLJ’s UN unit status has been useful in working with private organisations, in which data privacy is sensitive and sharing commercial data with a third party is not favourable (in terms of market competition).
- While UN status has been an asset in leveraging cooperation from partners (including in-kind contributions), it poses challenges, however, when it comes to PLJ establishing commercial contracts that are required to allow fees for services; in practice financial/ administrative systems and processes are cumbersome and not well-suited to a responsive, service-oriented approach.
- While concerns were expressed during phase 1 with a mismatch between PLJ’s approach and GOI’s needs, PLJ’s engagement with Bappenas as its counterpart body during phase 2 especially has helped establish relationships with other stakeholders and also facilitated collaboration with other DFAT programs, given their common focus on GOI/RPJMN priorities.

- Challenges in communications between DFAT, Bappenas and PLJ during phase 1 appear to have been largely resolved with PLJ's re-orientation of its approach and the introduction of the current governance arrangements; previously, DFAT were not co-chairs on the steering committee.
- Nevertheless, PLJ's arm's length positioning from DFAT's systems seems to have to some degree complicated the task of reporting achievements and challenges of the initiative to senior DFAT managers. In part, this appears to be a language/terminology issue. It is certainly the case that both PLJ and KSI have experienced challenges communicating key aspects and concepts of their work. But there was also the suggestion it might reflect differences in expectations between PLJ and DFAT – between a process-orientated approach that does not fit easily in a results-based reporting regime.

Interestingly, PLJ's experience during phase 1 has some similarities with KSI in terms of the challenges defining the boundaries of its work. During the transition between phase 1 and 2, PLJ's own internal reflection highlighted the challenge, with its approach to project selection judged to lack strategic rationale and clear, effective communication and staff not understanding the strategic value of the projects they were working on. The introduction of the President's regulation on Satu Data, in principle, could provide a valuable guiding framework for PLJ. However, the process of defining the policy in operational terms and implementing it is still underway. In the meantime, the challenge of scope appears to have been resolved satisfactorily during phase 2 with closer alignment to Bappenas and a clearer strategy.

More generally, the limited availability of data science skills in the public sector in particular in Indonesia and challenges retaining them given competition from the private sector necessarily limits the effectiveness of PLJ's implementation model. PLJ has recognised the need for sufficient follow-up support to help embed organisational changes enabled by the technology but PLJ's support, given available resources, depends on existing capacity.

7. Sustainability

All three initiatives have contributed to developments in policy in Indonesia that are likely to have enduring effects for some time. However, the rate of depreciation/ obsolescence of these contributions will vary. Changing circumstances will necessitate adaptation of existing policies, while policy making around any individual issue remains an unpredictable and inherently political process, as recent experience with developments in the institutional arrangements governing public research has demonstrated. Given this, possibly a more relevant way of looking at the issue is whether the direction of reform remains broadly in line with the policy support provided to date.

Box 7.1: Establishing the Indonesia Development Forum

KSI was instrumental in assisting Bappenas launch the Indonesia Development Forum in 2017 – an event designed to bring policymakers and researchers together from across the country, to present and discuss development policy, learn about relevant activities around Indonesia and foster connections and interactions. The IDF is now established as an annual event, with Bappenas taking on increasing responsibility for the funding (from 0% in 2017, to 67% in 2019 and an aimed for 100% in 2022).

Evaluation exercises commissioned by KSI suggest that the events are highly valued as a presentation and learning platform and to some degree have informed subsequent practice and led to further interactions between actors. The IDF's broader contribution to policy development is much harder to say. On this question, it is more realistic to think of IDF providing a backdrop and status check on relevant ideas and orientations, that can sensitise policymakers and researchers to new issues and may challenge current values and patterns of thought. The fact that Bappenas sees value in the event and is willing to pay for it suggests it has demonstrated proof of concept.

The point is well-illustrated by the waxing and waning of interest in the Knowledge Centre initiative in Bappenas, first supported by KSI in 2015, and experiencing renewed interest and engagement now under the ambit of Bappenas' Knowledge Management blueprint (see box 5.3). However, detailed assessment of this question was beyond the scope of the ISR but views expressed during interviews suggest this is generally the case. If so, it is likely on balance that elements of DFAT supported reform initiatives that continue to provide value will be maintained locally (box 7.1).

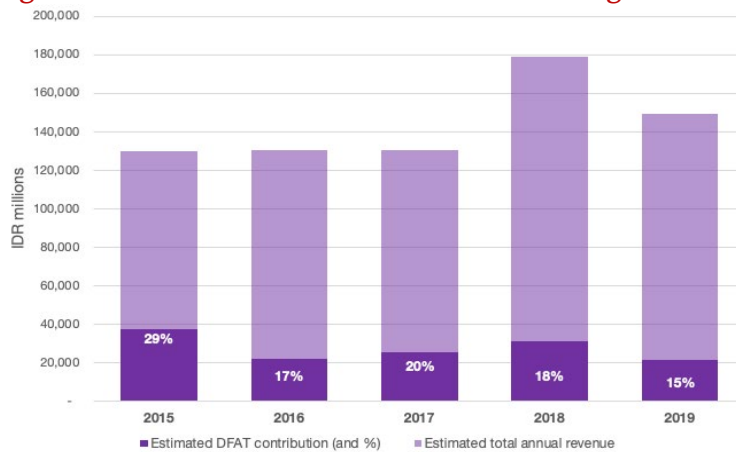
A more immediate question for DFAT is whether after 10 or so years support the three initiatives (or the main actors supported by them) remain fundamentally dependent on DFAT support for continuation.

7.1 Dependence on DFAT funding

As a DFAT funded program, KSI is not designed or intended to be self-sustaining. Nor does KSI appear to provide the type of services that might viably be spun-off to a new, self-funding entity any time soon. The ISR instead has considered the situation of KSI's PRI partners, who have received significant organisational development support over the life of the program. It was beyond the scope of the ISR to collect detailed information for a full sustainability analysis of the PRIs, but based on available evidence, it seems unlikely that ending DFAT's funding would result in (effective) closure of the PRIs *en masse*.

- The PRIs are local organisations, that were independently established, separate from KSI funding and have never been fully funded by KSI for any appreciable period during the two phases.

Figure 7.1: DFAT contribution to PRI funding



- Aggregate income data for 14 PRIs (2015-19) provides a broad sense of developments over the period (figure 7.1). The evidence suggests overall income sourced by these PRIs collectively has increased since 2015.
- DFAT’s contribution in absolute terms has varied year to year but has trended gradually downwards.
- DFAT’s contribution as a share of total income has declined more markedly over the period.

At an individual PRI level, the picture is more variable. For the majority of PRIs, DFAT’s share of their average annual income was lower in 2018-19 compared with 2015-16, but for a sizeable minority (around 40%), this increased.

Figure 7.2: PRI perceptions of change and prospects



It is not surprising that the importance of DFAT funding in practice varies between PRIs and between years, given the challenges in securing funding these organisations face. PRI responses to a short survey run by the ISR support the broadly positive assessment of prospects, but also underline the fact that improvements in the enabling environment for policy research – both legally/regulatory and

culturally/attitudinally – tend to run in advance of substantive changes in funding and practice at scale (figure 7.2).

Figure 7.3: Main challenges facing PRIs



That is not to underplay the challenges facing individual PRIs. Figure 7.3 indicates that in spite of the acknowledged improvements in organisational capacity, recruiting and retaining high quality staff and attracting sufficient funding remain major concerns for a significant number of PRIs. Nor are PRIs currently very optimistic that procurement reforms (Swakelola Tipe III) will have a significant, positive impact on their organisation, with two-thirds unsure and the remainder evenly split between a positive and negative view on the issue.

The biggest risk to sustainability of DFAT’s investment in these organisations would be a sudden and unplanned withdrawal of DFAT funding. This does not seem likely, though the transition process envisaged for the end of KSI next year is not clear from the program’s draft sustainability strategy (July 2021).

Both J-PAL SEA and PLJ are separate initiatives, independent of DFAT. DFAT support has been instrumental in establishing them in Indonesia but their continuation is not immediately dependent on DFAT funding. Barring significant institutional change, both however will depend on donor funding in the future, given the unlikely prospect of GOI or the private sector funding a large part of either’s budget. This is the basic funding model for J-PAL SEA’s sister organisations elsewhere in the world.

For both J-PAL SEA and PLJ, DFAT was the only donor at the start of each initiative. The number of donors for J-PAL SEA has increased over time but appears to fluctuate between around 2-5 year to year, given donors’ varying agendas. Non-DFAT funding during phase 1 (2012-17) amounted to 21% of total income. During the first three years of phase 2 (2018-20), the share of non-DFAT income increased somewhat to 25%. In reality, so far over phase 2, average annual non-DFAT funding has increased by around 30%¹⁹ in absolute terms compared with phase 1, given J-PAL SEA’s larger phase 2

¹⁹ Assumes that for the first year of Phase 1, J-PAL SEA was funded only by DFAT, with external funding starting from year 2.

budget. Nevertheless, the proportion of non-DFAT funding of J-PAL SEA's total income remains significantly below the 40% indicative target proposed at the end of phase 1.

Although DFAT did not apparently require J-PAL SEA to include key performance indicators relating to the share and/or diversification of non-DFAT income, these measures have remained of significant concern to DFAT.

The major challenge for J-PAL SEA is sourcing funding for its core costs – i.e. those expenses not directly related to research projects.

- These include 'classic' overhead elements that enable a presence on the ground, such as office costs, contributions to J-PAL SEA's host university and (non-research) management costs.
- However, they also include what J-PAL SEA terms policy outreach, covering strategic engagement, analysis and communications that are important in establishing and maintaining the relationships with reform champions (present and future) that contribute to J-PAL SEA's effectiveness.
- J-PAL SEA's training activities also largely require core funding. On the face of it, training should be more readily self-funding. However, GOI unit cost ceilings are not sufficient to cover the full cost of J-PAL SEA training, given the involvement of international experts.

In spite of evident interest in J-PAL SEA's research services, no other donors have committed medium-term, predictable core funding to support the initiative.

In response, J-PAL SEA has developed a financial sustainability strategy for 2022-27. The aim is to increase self-funding of core costs and reduce reliance on donors for this element by approximately one third – from around USD 1.5 million per year to about USD 1 million over the plan. While some reduction in annual overhead costs is envisaged to support this, J-PAL SEA aims to further develop the concept of research 'initiatives' as a key strategy to improve sustainability and address free-rider problems among donors. These are thematic research areas (rather than individual projects) that speak to common donor priorities – such as financial inclusion and climate change – and are designed to attract more blended/pooled funding that provides a contribution to strategic development, engagement and communication activities, as well as supporting research studies of particular interest.

DFAT itself may be able to help promote the concept with other donors who are interested in J-PAL SEA's work, through the donor coordination mechanisms operating in Indonesia.

PLJ was established with funding from UNICEF, Rockefeller Foundation (through UN Global Pulse, New York) and in-kind contributions from GOI, though Australia also provided support on a project basis. As a UN-GOI partnership, PLJ can in principle access a diversity of donors. However, during phase 1 of the initiative (2015-19) Australia was PLJ's primary source of funding²⁰.

²⁰ Specific funding was also provided by the Danish government and UNDP Innovation for Development initiative (2015) and German GIZ (2016).

Again, PLJ's sustainability has been a significant concern for DFAT and its decision for phase 2 to participate in PLJ's Steering Committee as co-chair was in part to ensure this issue received sufficient attention. In 2019, as part of the transition to phase 2, PLJ repositioned its strategy in a "portfolio sensemaking" process. In essence, the shift committed PLJ to transition from an organisation largely focused on producing prototype applications, to what they call an "analytic partnership accelerator". The latter focuses on ensuring their innovations are taken up and adopted by their partners, considering sustainability.

This shift seems to have been instrumental also in increasing PLJ's access to non-DFAT funding sources²¹. During 2019, the initiative leveraged AUD 631,279 (70 percent of DFAT's annual allocation for PLJ) through partnerships with the private sector amounting to nearly AUD 200,000, with the remainder contributed by other donors, NGOs, philanthropic organisations, and state-owned enterprises.

7.2 Implications of withdrawal of DFAT funding

The PRIs, J-PAL SEA and PLJ all depend on external funding for their current level of activity and are therefore vulnerable to any material changes in that respect. The discussion above suggests that none are so vulnerable that they would not survive an orderly scaling back of DFAT support, at least in the short term. However, it certainly the case that – all else being equal – all would operate at a significantly reduced scale, at least for a time.

- For J-PAL SEA, similar experience with the regional office in Latin America suggests this would involve significant reduction in on-the-ground presence, scaling back of strategic outreach activities and a narrower project-based focus. For DFAT, however, much of J-PAL's 'added value' would also be lost: high quality engagement with Indonesian stakeholders, high profile platform for Australia in Indonesia, insights on important issues for Indonesia and access to internationally recognised expertise.
- While PLJ is legally a unit under the UN, this does not guarantee any core level of funding from the UN, nor can it receive state funding for GOI. As such the initiative remains heavily dependent on donor funding in some form, though more recent success in securing additional contributions from partners suggests it has the capability to attract alternative funding. In 2017, PLJ incorporated fee for services into its business model. A review in 2018 concluded a full fee for services model was not currently viable in the development and public sector (public good) market in Indonesia, but that cost recovery of well-developed and low-risk services and data tools is possible. This remained PLJ's view in 2020. Given the shortage of data science skills in Indonesia, there is nevertheless continuing interest within GOI in institutionalising the initiative as a quasi-government body to act as a hub for data science

²¹ The ISR is not fully clear on this, given PLJ did not previously value in monetary terms in-kind contributions by partners

services in the public sector²², and DFAT has been facilitating discussions between stakeholders to explore the options. Whatever the final institutional arrangement, the process will require careful transition from UN Global Pulse and resources to ensure PLJ can maintain adequate capacity to effect the change.

- For the PRIs, some might risk temporary cessation of activity, depending on circumstances, many would very likely restrict operations and output for a period. For DFAT, this would certainly weaken its relationship with the PRIs as a collective asset. Individual DFAT programs could of course work with particular PRIs, though experience to date suggests general limitations in awareness and use of the PRI group. But DFAT's scope to access the breadth of civil society perspectives (national and subnational) represented by the PRIs would likely be diminished. Assuming that DFAT sees vibrant, plural engagement by civil society as an important element in Indonesia's development, support for that end has merit.

The fundamental issue is whether the value provided by these different assets continues to align with the priorities for Australia's relationship with Indonesia, when weighed against other potential areas for Australian support. That is not to say that the nature of support should remain unchanged in the future. There is potential, for example, to build stronger academic and research links between J-PAL SEA and PLJ (UN requirements notwithstanding) and the university PRIs. Similarly, there are opportunities for DFAT to continue to support the GOI's increasing interest in research and openness to engagement with civil society on policy development.

In line with the suggestion above regarding J-PAL SEA's initiative concept, DFAT could take a lead among other donors in advocating more generally for greater, shared responsibility in promoting the objectives of openness and use of local evidence in the public policy making process. The 2018 Review of PRIs makes a number of sensible suggestions about mechanisms to transition DFAT support away from current arrangements that are relevant post-2022. The case for expanding the concept of allowable costs in bids by local research organisations (suitably itemised and costed) seems to have merit, as does a consistent approach across assistance programs to way local researchers are engaged and used.

²² Various organisational options are being considered, including a standalone association (Yayasan) or foundation (Perkumpulan) or incorporated into an international university.

8. Lessons

This section presents the ISR's broader reflections on the implementation experiences with the 3 initiatives. They are based on the observations provided by stakeholders but they are written primarily for DFAT as the audience for the ISR, in the form of general lessons to inform thinking as DFAT designs Australia's support post-2022.

The operating context for initiatives shifted positively and significantly over the course of their implementation. The language of evidence-informed policy making, commitment to research and comfort with the concepts like the 'knowledge sector' are far more commonplace within the Indonesian Government today than at inception. This shift has been a significant factor in facilitating the positive contributions made by all 3 initiatives. However, it is also true that initiatives were well-placed to provide effective support as the situation evolved – an outcome that required some foresight and risk appetite on DFAT's part at inception.

In this context, all 3 initiatives have made notable contributions. However, significant challenges remain: whether in rendering high-level ambitions into agreed actions in the face of opposition to change, or accessing the resources and expertise required to do so, or responding to the growing demand at provincial and local government levels for better evidence to inform resource allocation decisions; or the need to address quality concerns in regional universities. The 'knowledge-to-policy' agenda is clearly not simply about technocratic improvements in policy making but is political and linked to major institutional reform and development of the bureaucracy in Indonesia.

Depending on DFAT's priorities, there is significant scope to continue Australia's engagement in this space. But it should be noted that progress will be made over a fairly long time-frame. As one member of GOI put : "We need to develop the ecosystem for ideas to be successful – it can take 8-10 years: it needs a pilot, good M&E, staff capacity, national policy, sectoral partners and the Ministry of Finance on board, but if we continuously advocate the idea, we usually get there." In principle, this should not discourage DFAT given its enduring relationship with Indonesia. But it does point to the need for realism about what can be achieved in any 3-5 year window.

The success recorded by the initiatives have largely been achieved by working collaboratively – on the 'inside-track' – with GOI champions, supporting their efforts. The success factors in these circumstances are generally well-known but bear brief reiteration here:

- Aligned closely with champions' priorities;
- Problem-orientated;
- A focus on not only the provision of information but practical application of results²³;
- The ability to convene and facilitate coordinated action, in cases where the decision-context/authority was more dispersed;

²³ Either inherently in the design and communication of research or by complementary support to assist uptake and application

- Capacity to be flexible and responsive.

Tackling important areas of reform that lacked sufficient agreement among stakeholders has not been a feature of the initiatives. This is built into the operating model of both J-PAL SEA and PLJ; neither are really advocacy bodies (as distinct from lobbyists for greater use of evidence in policymaking) and both are premised on strong expressions of demand and ownership by their partners. For KSI, the same is largely true but it is also the case that low prospects of success in the time remaining for phase 2 meant some identified objectives were dropped. Engaging in reform in such cases of course is a longer-term endeavour and may be more uncertain, but it is also true the strong relationships DFAT has with Indonesian partners provide the opportunity for meaningful dialogue about such deep-rooted challenges, with a view to agreeing common values and actions to progress reform over time. Whether the decision to withdraw from particular areas reflects a deliberate, strategic choice about engagement or motivated by shorter-term pressures to demonstrate results is not clear. But in considering support in the future, clarity regarding DFAT's intentions is important to avoid a mismatch between ambition and management approach.

All 3 initiatives have made progress on GEDSI issues, though progress has been generally greater in gender equality than disability inclusion. The evidence points to the importance of DFAT's role in this, maintaining attention on this issue and pushing the initiatives to do more in the GEDSI sphere. That said, most progress has been achieved during the second phase in all 3 initiatives, which suggests there is scope for more discussion and clarity at the outset of any initiative (program or grant) regarding DFAT's expectations for GEDSI, the challenges and what is therefore realistic. The experience of all 3 initiatives in different ways also points to the importance of diversifying research methods, and mixed-methods approaches, in order to develop insights capable of directly affecting GEDSI outcomes.

In terms of implementation models, all initiatives are cross-cutting. While well-suited to their objectives, the ability to work across departments and silos poses some implementation challenges. Necessary success conditions seem to include a clarity of 'offer' and support from influential champions to facilitate cross-boundary working. The specificity of J-PAL SEA's 'offer' and its close relationship with TNP2K have helped the initiative navigate administrative boundaries²⁴. In comparison, KSI has been much more problematic implement. KSI struggled to develop a clear, coherent narrative in the minds of stakeholders for phase 1 and took time to find champions that could help connect the program with different actors. In comparison to the other initiatives, KSI's design has also involved more 'moving parts'²⁵. The solution found was to narrow KSI's scope (somewhat) and put in place more intensive governance arrangements, combined with strong facilitating support from Bappenas during phase 2. These changes appear to have addressed a number

²⁴ It should be remembered also that relationships with TNP2K were started some 5 years earlier when J-PAL began working in Indonesia.

²⁵ Working with 16 local policy research institutes, multiple parts of GOI, other knowledge intermediaries including the media.

of the challenges, even if the program lost some of its innovative characteristics in the process. PLJ's experience has been somewhere between these.

One implication going forward is that the design of any cross-cutting initiative in the future should give explicit attention to the question of how such an approach will be operationalised. The same applies to ambitions for cross-cutting initiatives to coordinate with DFAT sectoral support. While it was not possible to look at the latter issue in any detail, the general sense from ISR consultations was there is scope to extract more value from DFAT's investments through greater collaboration.

Certainly, no-one advocates collaboration for the sake of it, but, at present, opportunities will not necessarily be seized without an appropriate, facilitating framework.

A second implication is that caution is warranted in designing broad programs covering many different areas of engagement. The ISR does not conclude that implementing a wide-ranging, cross-cutting program in the knowledge sector is 'not feasible'. But KSI's experience does point to significant challenges. In the case of policy research institutes, for example, 16 partners is a large number as a group; but the solution in future might be not be simply to work with a smaller number but instead stratify within the group and tailor the engagement according to need. More generally, the experience of KSI suggests that bundling up multiple engagement channels under one program does not solve coordination/collaboration challenges.

KSI has nevertheless established itself with GOI partners and most now are quite clear about KSI's comparative advantage (or 'brand' as termed by some):

- Primarily this relates to its focus on the enabling environment for policy development. No other program was felt to have this mandate and in spite of the growing recognition in GOI about its importance, it remains a strategic weakness for Indonesia. Furthermore, the program has deepened its understanding of the enabling environment constraints over time, providing potentially a good base to explore scope for future support in the context of recent institutional developments for public research.
- In addition, KSI's focus on strengthening policy development *processes* (rather than particular outcomes) was also recognised by its partners as unique and valuable.

Stakeholders also acknowledged the value of the relationships that DFAT has built with local policy research institutions. These are perceived as an asset in the eyes of GOI stakeholders, who face constraints in brokering collaboration with civil society themselves. However, while there have been gains in organisational capacity, quality of research across many PRIs remains a challenge, notwithstanding the capabilities of individual staff members. The approach taken by J-PAL SEA, PLJ suggests possible insights on this issue. Active support for hands-on, on-the-job learning through mentoring and accompaniment techniques may offer a way to utilise PRI partners across DFAT's

program (as appropriate) while actively managing and addressing quality related risks.²⁶ The ISR also notes the variation between the PRIs, suggesting such an approach need only be used selectively.

All initiatives benefited from the capacity to be flexible and respond to opportunities as they arose. DFAT's support has been instrumental in achieving this. The funding mechanism for J-PAL SEA and PLJ has been important in this regard, while as a DFAT program, KSI's governance arrangements have been useful in identifying opportunity and endorsing action.

Finally, the ISR has not been directed by DFAT with respect to its priorities for future support or available budget. The following observations are therefore the ISR's alone and offered only to inform DFAT's deliberations:

- As a high-profile, successful and relatively inexpensive initiative, J-PAL SEA has much to commend it. Moreover, it has demonstrated it can be impactful even at a relatively small scale. DFAT's has an interest in fostering relationships between Australian and Indonesia organisations more generally. Any future support could potentially explore scope for J-PAL SEA to foster greater collaboration with Australian economics expertise with Indonesian partners.
- PLJ experienced teething problems during its first phase but interest and demand for its expertise is growing and will likely continue as a result of urgent information needs in the pandemic and post-pandemic. Whatever institutional from PLJ takes in the future, like J-PAL SEA, any assistance to PLJ could also provide an opportunity to build links in Indonesia for Australian data science expertise.
- KSI will finish in 2022. In addition to the comments above about engagement with PRIs, there appears to be demand among GOI partners and scope for continuing support in addressing enabling environment constraints. Any assistance would need to be premised on detailed understanding of requirements, feasibility, timeframes and the like and would need to align with DFAT's appetite and ambitions in this space.

²⁶ Any future collaboration with PRIs will of course require detailed discussion with the PRIs themselves. Such discussions were not held as part of the ISR.

Annex 1: Terms of reference

Independent Strategic Review Knowledge to Policy (Knowledge Sector) Investments in Indonesia

Introduction

This document constitutes a terms of reference for the Independent Strategic Review (ISR) for knowledge to policy (K2P) also known as Knowledge Sector investments funded by Department of Foreign Affairs and Trade (DFAT) bilaterally through the Indonesia Program, namely the Australia-Indonesia Partnership for Pro-Poor Policy: Knowledge Sector Initiative (KSI), Poverty Action Lab Southeast Asia (J-PAL SEA) and the Data Innovations for Inclusive Economic Growth and Sustainable Development project – Pulse Lab Jakarta (PLJ).

This review is a priority strategic evaluation listed under DFAT’s Annual Evaluation Plan and will be published online in November 2021.

In parallel with the ISR, we will also commence a design process with the aim to launch the new K2P investment in July 2022 as the basis for future Australian development cooperation and engagement on K2P.

Purpose

The ISR principal purpose is to inform thinking about how Australia’s future support to the Knowledge Sector in Indonesia can contribute to the Indonesia COVID-19 Development Response Plan (CDRP) and the likely longer-term directions of Australian assistance post COVID. The evaluation will directly inform the subsequent design of new Knowledge to Policy (K2P) investment.

We expect the ISR will:

- (a) provide DFAT with an independent assessment of the programs’ performance (effectiveness, efficiency and sustainability including Gender Equality, Disability and Social Inclusion (GEDSI));
- (b) assess appropriateness of the modalities, generate lessons learned, as well as fundamental challenges hindering achievements towards each programs’ objectives; and
- (c) make recommendations about how to configure the portfolio going forward, taking into account the effectiveness of the work under each program, upcoming changes in the Indonesian context, and the need to maximise coherence between investments and the cost effectiveness of management arrangements.

Background

Over recent decades, Indonesia has enjoyed impressive rates of economic growth, driven by a abundant natural resources and a rapidly growing labour force. Yet its recent growth performance has declined as a result of factors such as a lack of a competitive manufacturing export sector and low tax-to-GDP ratios, areas which are critical to finance infrastructure needs and basic services.

A 2019 political economy analysis commissioned by DFAT predicted Indonesia risks sharing the fate of other large emerging economies with prolonged stagnation and falling into the ‘middle-income trap’. The COVID-19 pandemic has exacerbated these challenges, creating immediate and longer-term impacts in the context of an expected long tail of economic recovery and on the resilience of existing and newly emerging vulnerable groups.

Based on vast literatures and empirical experiences of developing countries that have succeeded to escape the middle-income trap, a shifting from extractive economy to an inclusive knowledge-based economy is one the solutions.

Therefore, the integration of knowledge and innovation in government policy has a major role to Indonesia's post-pandemic recovery. Collaboration is needed to produce quality research and to ensure its benefits reach the community. As a step towards a knowledge-based economy, the knowledge and innovation ecosystem itself needs to be recognized and clarified.

Knowledge to Policy (Knowledge Sector) in Indonesia

Government of Indonesia (GoI) has been undertaking a variety of potentially promising reforms related to the knowledge sector including reforms to public procurement regulations for research, the new National Law on Science and Technology (UU Sistas Iptek), the creation of research endowment fund and the creation of a National Research and Innovation Agency (BRIN- Badan Riset dan Inovasi Nasional).

The multi-sectoral challenges of COVID-19 re-affirm the need for evidence-based data and debate to inform Indonesia's response and recovery efforts. Many Indonesian Government agencies have shown a strong appetite for real-time research, analysis and technical advice. However, effective uptake is dependent on governance – the quality of domestic policies and institutions and political economy incentives. Formal rules and regulations generally do not incentivize policymakers to overcome relatively cumbersome procurement processes to invest in, consider and use high quality evidence to devise and develop government policies and programs.

Australia's Knowledge to Policy (Knowledge Sector) Investments in Indonesia

DFAT undertook a Knowledge Sector Review in May-July 2019 to assess the knowledge sector in Indonesia, to conduct rapid assessment of current DFAT investments in the knowledge sector and to provide insights to inform future Australian investments.

The review highlighted that in some sense almost everything the Government of Australia does in Indonesia has relevance to issues of knowledge generation and use. This includes direct provision of knowledge inputs to Government of Indonesia in specific sectors and on specific issues. This support takes different forms, including commissioning and managing research in areas of Australian expertise, supporting basic and applied research, managing and documenting numerous pilots, provision of embedded Australian Government advisors and contracted-technical assistance, and provision of research and policy advice through multilateral partners.

There are smaller number of aid investments, which are distinctive in supporting research partnerships and strengthening Indonesia's 'knowledge sector', including the KSI, J-PAL SEA, PLJ, the Partnership for Australia Indonesia Research (PAIR), and the Indonesia Project (IP). These investments represent approximately AUD15m/year in 2020-21.

Key features of these investments include:

- Supporting reforms to Indonesia's knowledge and research 'ecosystem' (governance, financing and regulatory elements)
- Strengthening (including through funding) Indonesian-led think tanks and building capacity of local researchers
- Knowledge transfer of research approaches such as randomised evaluation, interdisciplinary methods and use of big data
- Convening forums to disseminate and discuss research, such as the Indonesian Development Forum (IDF), the Indonesia Update and issue-specific seminars/webinars
- Building stronger networks and shared capacities (and soft power) through institutional partnerships between Australian and Indonesian universities and researchers.

Please find detailed background of those five investments at **Appendix A**.

The review recommended continued Australia's engagement in the knowledge sector over the medium to long term. Continued improvements in the underlying rules and systems supporting knowledge generation

and its use are highly relevant to Indonesia's development needs and to Australia's stated objectives of achieving impact at scale, by leveraging the combined resources of Australia and Indonesia as a growing middle-income country.

Australia's recently released COVID-19 development policy, *Partnerships for Recovery*, outlines our approach to tackling COVID-19 in the Indo-Pacific region. The policy emphasises the importance of evidence-based interventions as one of the key implementing principles.

The Indonesia COVID-19 Development Response Plan (CDRP) highlights that Australia will continue to provide evidence-based policy and technical advice to ministries in real time as they make critical COVID-19 response decisions. Australia will support Indonesia to generate evidence to inform policy and programming decisions, including through joint research and knowledge exchange, and by strengthening the enabling environment for research and development and innovation.

Rationale of the ISR

The ISR was initially planned in year 2020, about 24 months before support to KSI and J-PAL SEA will conclude in June 2022. PLJ was not included given our further support (phase 2) had just started in 2019.

Due to the COVID-19 outbreak, travel restrictions and changed priorities for all stakeholders, we adjusted the ISR plan. In 2020 a desk review of the performance of KSI and J-PAL was undertaken based solely on available documentation. The aim of the desk review was to determine what could be concluded with reasonable confidence based on the secondary data and streamline and focus the subsequent consultations phase of the ISR.

Simon Henderson, an evaluation specialist, who has supported DFAT to monitor and review KSI periodically since 2015, undertook and completed the desk review in November 2020. A desk-based exercise reliant largely on secondary data from the programs themselves necessarily limits the strength of conclusions possible.

In assessing the two investments, the desk review has made judgements on the basis of plausibility and likelihood given available evidence. As such the conclusions are considered reasonable and defensible but are not definitive. Mindful of the potential margin of error, the desk review is careful in the claims it makes.

Following further discussion, we considered the value in adding PLJ into the ISR scope so that we could get more complete picture of K2P in Indonesia and how the Australian programs have responded to its need and priorities through our investments. Other similar investments such as PAIR (just started in 2019) and IP (independently reviewed in 2019) will not be part of the review's scope but will be engaged in the review process through interviews.

A dedicated ISR mission will commence in March 2021 and conduct consultations remotely due to current COVID-19 situation. **We expect the final ISR report to be submitted in September 2021.** It will be used as a key input to the upcoming design process for future K2P investment(s).

Audience of the ISR

The review's primary audience is DFAT senior management in Jakarta and Canberra (Indonesia Development Strategy and Performance –ICP). The second audience is GoI officials and a range of actors interested in development effectiveness and the Indonesian knowledge sector. The final ISR report and management response will be published on the DFAT's website. Noting that the document is to be published, care should be given knowing that Australian, Indonesian, and possibly other audiences may read the final document.

It should consider a wide range of perspectives from all program partners including (but not limited to): Indonesian Government stakeholders, Australian government partners (such as Dept of Education, CSIRO. etc.), research organisations, media partners and others.

Evaluation Questions

A draft set of key evaluation questions (KEQs) has been developed but will only be finalised once the ISR team is on board. A combination of monitoring, evaluation and learning (MEL) data, interviews, and other research will inform the responses to the KEQs. Draft KEQs include:

KEQ1: How effective have KSI, J-PAL SEA and PLJ been in supporting evidence-based policy making in Indonesia?

- KEQ1.1. To what extent did these three programs make significant contribution to GoI policy-making process?
 - a. What are the strengths and weaknesses of each program approach?
 - b. Under what circumstances have the programs been more/less successful?
- KEQ1.2. How effective have these three programs been in supporting increased local capacity for evidence-informed policy making?
 - KEQ1.3. To what extent did the programs succeed in advancing Gender Equality, Disability and Social Inclusion (GEDSI) objectives?
 - a. What can we learn from the programs to deal with the GEDSI issues?
 - b. What are the practical actions to support Gender Equality/GEDSI principles in the programs?
 - KEQ1.4. How effective have the programs been in collaborating with other development actors in Indonesia or other Australian development programs or with Australian agencies operating in the knowledge sector/K2P process to support effective policy making in Indonesia?

KEQ2: How effective and appropriate has the approach in managing and resourcing the programs been?

- KEQ2.1. How effective are programs internal systems, structures, and processes in achieving its outputs/outcomes and addressing its major constraints?
- KEQ2.2. To what extent have the programs leveraged DFAT, GoI, private sectors or other development program resources?
- KEQ2.3. How effective is the role/impact of DFAT staff/resources in supporting program management by the implementing partners?

KEQ3: To what extent are the outcomes of the programs sustainable?

- KEQ3.1. To what extent have the programs successfully contributed to Indonesia effectively allocating its own resources, including to continue reforms beyond Australia's support?
- KEQ3.2. How effective have the programs been in contributing to sustained and improved systems, procedures, and behaviour related to K2P (Knowledge sector) issues?

KEQ4: What are key lessons that can be learned and applied for the development of DFAT's future investment on Knowledge to Policy?

- KEQ4.1: Are there any alternative modalities that would be more effective in achieving and sustaining the investments' End of Program Outcomes (EPOs)/objectives?
- KEQ4.2: How can we refine our approaches to achieve the intended outcomes, including supporting Indonesian research partners and better engaging with Australia's non-Official Development Assistance (ODA) knowledge sector engagements?

Key Deliverables

- a) **Evaluation Plan** – outlining the scope and methodology of the evaluation. The plan will include: the methodology to be used for assessing the outcomes of the investments being reviewed; the process for information collection and analysis, including tools such as questionnaires and/or questions to be asked; a timeline linked to key milestones; identification of key review informants; a draft schedule of the ISR mission; identification of any challenges anticipated in achieving the evaluation objectives; allocation of tasks of the review team; and an outline of the final report. (max. 20 pages, exclusive of annexes).

- b) **Aide Memoire** – the Team Leader with support from a team member will prepare and present an Aide Memoire (up to 6 pages, exclusive of annexes) on key findings upon completion of the in-country (or virtual) mission.
- c) **Draft report** – a report not exceeding 30 pages (excluding annexes) to be submitted to DFAT within four weeks of the in-country mission.
- d) **Final report** – to be submitted to DFAT after receiving DFAT’s comments. The report will include an executive summary (max. 4 pages). The report should meet DFAT’s M&E Standards.

Roles and Responsibilities

Review Management Team: K2P Unit at Jakarta Post will manage the evaluation process including planning the evaluation in close consultation with Counsellor Development Effectiveness and Sustainability (DES) and Indonesia Development Strategy and Performance (ICP) team in Canberra, procuring the evaluation team, managing field work, coordinating input throughout the review and preparing management response.

DES Counsellor will be the evaluation delegate to review and approve the evaluation plan; approve the procurement method and outcome. The delegate will join briefing of the evaluation team, review the draft report, provide input into the development and implementation of the management response.

ICP Director will be consulted for overall oversight of evaluation quality and strategic direction of the review.

Minister Counsellor, Governance and Human Development (GHD) will approve the independent review, management response and publication of final report and management response on the DFAT website.

Independent Strategic Review Team: A team of two consultants will be engaged by DFAT to conduct the review. The team will be led by a senior evaluation specialist, supported by a team member with strong knowledge sector expertise, Gender Equality, Disability and Social Inclusion (GEDSI) skills and experience and with comprehensive understanding of the Indonesian knowledge sector context.

A DFAT staff, LES6 Endang Dewayanti, will support the ISR team to help ensure the evaluation team understand our context and have insights into whether evaluation recommendations are appropriate and feasible. To ensure the independence of the review and encourage frank discussion with stakeholders the evaluation Team Leader may at times request DFAT staff remove themselves from particular interviews or discussions.

Team Leader (TL): The TL must have 15 or more years’ professional background and experience on M&E including GEDSI, demonstrated professional leadership including leading independent one or more multidisciplinary teams, and demonstrated ability to draw on international best practice to inform the evaluation. The TL will have a forward-looking perspective in terms of looking for lessons and implications to inform future programming. The TL will preferably have a sound knowledge of DFAT corporate policy on performance and quality reporting system. He/she has a high level of professionalism and commitment to delivery of results and produce excellent complex report writing skills in English.

The TL will negotiate the roles of individual team members as specified in the Evaluation Plan. The TL will effectively utilise the expertise of the team members in meeting the TOR and contractual obligations. He/she will be ultimately responsible for delivering a quality evaluation report and directing the preparation of all deliverables including Evaluation Plan, Aide Memoire, draft and final reports. He/she also leads on establishing in-country and remote arrangements and liaison with DFAT team in Jakarta.

Team Member (National/Local Knowledge Sector Specialist): He/she requires a sound understanding of Indonesian context and knowledge system/sector, ideally with experience working with the supply (research) and/or demand sides (policy makers) relating to research and/or the knowledge enabling

environment (knowledge ecosystem). This person will have extensive networks and will lead on stakeholder management in Indonesia (Jakarta). This person will have demonstrated experience in political economy analysis and strong English as well as Bahasa Indonesia communication and writing skills.

Evaluation Timing and Process

- e) The expected timeframe for the ISR is March-November 2021. The review will consist of documents review, interviews with key stakeholders remotely, presentation of Aide Memoire, reports, and DFAT's management response.

Task:

- Verbal briefing of the key issues and priority information from DFAT;
- Conduct desk study to review relevant documentation and advise DFAT of any additional documents or information required prior to the in-country mission;
- Develop an evaluation plan, which includes methodology, instruments, identification of key respondents, and further documentation required;
- In-country mission remote meetings with stakeholders in May - July 2021). This includes briefing sessions for senior management teams of DFAT, GOI (Bappenas), KSI, J-PAL, PLJ and other relevant programs;
- Conduct preliminary analysis of the interview results and prepare an Aide Memoire for submission which outlines the major findings and preliminary recommendations of the review;
- Participate in a DFAT debriefing session at the completion of the in-country mission and present the Aide Memoire of the review to the DFAT, and GOI (possibly to Bappenas);
- Write draft report;
- Finalise the ISR report.

Proposed timeline for ISR and the design mission for future K2P investment are outlined at **Appendix B**.

Ethical Considerations

In conducting this review, the ISR team should at all times comply with:

- a. the Australasian Evaluation Society code of ethics, available at: https://www.aes.asn.au/images/stories/files/About/Documents%20-%20ongoing/code_of_ethics.pdf
- b. DFAT Aid Evaluation Policies including relevant M&E standards, available at <https://www.dfat.gov.au/sites/default/files/monitoring-evaluation-standards.pdf>

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 in the study should be appropriately referenced. List of key documents is provided at **Appendix C**

Appendix A: Detailed background of KSI, J-PAL SEA, PLJ, PAIR and ANU Indonesia Project

The Knowledge Sector Initiative (KSI) – AUD 105 million, 2012-2022

KSI is a partnership with the Indonesian government that aims to address key development challenges through improved public policies informed by evidence. The program supports policy makers in Indonesia to develop more **effective development policies using good research, data and analysis**. KSI works with universities, think tanks and government institutions to improve the quality of research and strengthen its relevance. KSI also works to improve regulations and practices that support quality research facilitate evidence-use in policymaking.

The first AUD 60 million phase commenced in May 2013 following a three-year pilot, implemented by a consortium led by RTI International (a managing contractor), in association with the Nossal Institute for Global Health, the Overseas Development Institute and the Australian National University.

Key achievements from Phase 1 (2013-2017) included:

- supporting 16 Indonesian Policy Research Institutes (PRIs) with core funding and other capacity development support;
- building ‘knowledge communities’ of policymakers and researchers around emerging sectoral priorities;
- supporting the establishment of the Indonesia Science Fund for multi-year research funding;
- supporting National Development Planning Agency (Bappenas) to build a ‘knowledge center’ repository of good local development practices/pilots/models;
- supporting Bappenas to set up a Policy Advisory Centre as part of its role as a ‘think tank’ in government and ‘system integrator and’;
- starting to build capacity of five Research and Development Units in line ministries.

In the second phase (AUD 45 million, 2017-2022), KSI intends to work in a more focused way with policymakers and research organisations to improve the quality and applicability of research, support increased public and private sector funding for research, and improve government information systems and processes.

In phase 2 (2017-2022), KSI’s scope includes 5 End Of Program Outcomes (EOPOs):

1. Better research governance and funding mechanisms for quality policy research
2. Better incentives for knowledge producers to produce quality policy research
3. Increased interaction, knowledge sharing and collaboration between knowledge producers, policy analysts, policymakers and other key players in the knowledge sector for evidence-based policymaking and policy influence
4. Quality data is more available and accessible for policy analysis
5. Participating Policy research institutes (PRIs) are progressing towards financial sustainability and are important contributors to evidence-informed policy in Indonesia

In 2019, DFAT, GOI and KSI reduced the scope of EOPOs to better reflect where KSI can make an impact in its final 2.5 years and in line with a reduced annual budget. The revised EOPOs are 1) research funding and governance, 2) knowledge collaboration and management and 3) knowledge production. KSI’s initiatives were grouped under these main categories as part of consolidation under the KSI Phase 2 Strategic Pathways.

The Abdul Latif Jameel Poverty Action Lab Southeast Asia (J-PAL SEA) – AUD 18.4 million, 2012-2022

Headquartered at the Department of Economics, Massachusetts Institute of Technology (MIT), in USA, JPAL’s is a global network of researchers that produce impact evaluations of development programs and provide policy advice to governments.

In Indonesia, JPAL SEA aims to help Indonesian policymakers by ensuring that the policies designed to create a more productive and inclusive society are informed by scientific evidence. Established in 2012 at the Institute for Economic and Social Research, Faculty of Economics and Business, University of Indonesia (LPEM FEB UI), J-PAL SEA was formally launched by President Susilo Bambang Yudhoyono in 2013. Since then, J-PAL SEA has helped governments, NGOs and others apply evidence from randomized evaluations to their work and contributed to public discourse around some of the most pressing questions in social policy.

EOPOs of JPAL’s works in Indonesia are:

- EOPO 1: Generating Evidence to Inform Decision Making
- EOPO 2: Increasing the Use of Evidence to Inform Decision Making
- EOPO 3: Improving the Capacity to understand Rigorous Impact Evaluation including Randomized Evaluation

The three main EOPOs are geared to strengthen evidence-informed policy making related to poverty reduction and development within Government, donor, and private sectors in Indonesia.

Australia Government has provided core-funding support to JPAL SEA since its establishment. Following completion of 1st phase (from 2012 to Dec 2017) of AUD 6.45 million, further core funding grant of AUD 10 million was approved for Phase 2 (from 2018 to June 2022).

In addition to the core funding grant, AUD 1,949 million (funded by DFAT Canberra) was provided for specific two research activities 1) International Migration study (AUD 500,000); and 2) the Impact of Home-Based Growth Charts on Child Linear Growth in Indonesia (AUD 1,449,000). Given this additional funding, DFAT extended the investment period from 31 December 2021 to 30 June 2022. The extension will allow J-PAL to better manage the available tranche payments for the Growth Chart Study and will allow more time for the study to be delivered

Pulse Lab Jakarta (PLJ) – AUD 13.2 million, 2015-2023

Pulse Lab Jakarta (PLJ) is a partnership project between UNDP and Government of Indonesia (GOI)'s Ministry of National Development Planning (Bappenas). The project is based on MoU between Bappenas and the UN Resident Coordinator (UNRC) and is under joint oversight and strategic direction.

PLJ, as a data innovation lab, supports Indonesian policymakers to **use digital data sources and technologies to identify community needs, understand the impact of policy, and apply innovative approaches to the delivery of government programs.** PLJ combines data science and social research and uses data from social media, mobile communications and other sources to generate insights for policy and practice on topics ranging from fuel subsidies, financial inclusion to natural disasters.

The Australian Government has provided core funding to UN Development Program (UNDP) for Pulse Lab Jakarta (PLJ) since 2015. A first phase of PLJ (AUD 6.7 million, June 2015-31 December 2019) was administered through the Knowledge Sector Initiative (KSI) and currently through a direct grant (AUD 6 million, April 2019-June 2023) including AUD 500,000 contribution from the InnovationXchange DFAT Canberra for PLJ to implement the Data Innovations for Inclusive Economic Growth and Sustainable Development.

The core funding supports PLJ's operational activities, which also encourages PLJ to undertake efforts to raise funds from other sources for advancing data innovation prototypes and experiments.

The investment has three End of Program Outcomes (EOPOs):

1. Partners are equipped with fit-for-purpose methods and tools to respond faster and more effectively to complex challenges (EOPO1);
2. Stakeholders increasingly demand to gain insights from non-conventional data sources (EOPO2) and;
3. Positive changes in Indonesia's data ecosystem is catalysed (EOPO3).

The strategies include capacity building for advanced analytics, independent research with experimental value, complimentary social research to contextualize data, and help Indonesia share solutions in Asia Pacific.

Partnership for Australia Indonesia Research (PAIR) – AUD 8 million, 2019-2022

PAIR brings together early and mid-career researchers from Indonesia and Australia to conduct interdisciplinary, place-based and policy-relevant research focused on South Sulawesi. PAIR aims to support the development of sustainable, resilient and connected communities.

PAIR is an Australia Indonesia Centre (AIC) initiative supported by the Australian Government, the Indonesian Government and 11 leading universities to advance the research linkages between the two countries and improve the impact of that research. PAIR, operating from 2019 to 2022, focuses on the importance of knowledge production and research capability building to support development, planning and policy-making for both countries.

PAIR two end-of-program outcomes (EOPOs):

1. A better quality of researched evidence that is relevant to and that addresses key policy challenges.
2. Building a network of researchers that conducts demand- driven, applied and interdisciplinary research.

The Indonesia Project (IP), Phase IV – AUD 8.4 million, 2016-2022.

IP was established in 1965 and is located within ANU’s Arndt-Corden Department of Economics, in the Crawford School of Economics and Government, within the ANU’s College of Asia and the Pacific. Since 1980 DFAT has provided grant funding to the IP.

The IP’s long-term goal is **to contribute to the creation of stronger, research-based public policies in Indonesia by producing and disseminating quality research, conducting public dialogue, building institutional capacity and establishing institutional networks.**

IP also has four short term ‘goals’ of:

- 1) Key stakeholders in Indonesia and Australia are aware of and supportive of the Project’s activities, including research produced by staff
- 2) The Project is viewed as a trusted and high-quality source of research by academics, policymakers and the general public
- 3) New or strengthened relationships with key stakeholders, including policymakers and research institutions in Indonesia and Australia.
- 4) Strengthened capacity of researchers, particularly Indonesian researchers based in Indonesia.

An Independent Review of IP was conducted in early 2020 with the review period covering mid-2012 to end 2019. The ICR noted that for a relatively small investment (0.43 percent of Australia’s total Indonesia ODA budget in 2018-2019) the IP has made an important contribution to Indonesia’s development and Australia – Indonesia relationship and influence.

Appendix B: Timeline for K2P ISR and Design process for future K2P investment

Step 1: Design

Action	Timing	Comment
Evaluation Plan	14 May 2021	Approved by Counsellor, DES
Stakeholder consultations (virtually)	19 May – 16 July 2021	Led by post (DFAT Jakarta)
Draft report submission	20 August 2021	Post (DFAT Jakarta) to circulate the draft for feedback
Review report finalised, with recommendations for new design	17 September 2021	Led by post (DFAT Jakarta), with close engagement of desk (DFAT Canberra)
Review management response	October 2021	Approved by Minister-Counsellor, GHD branch
Publication of review report and management response	November 2021	Led by post (DFAT Jakarta), with close engagement of desk (DFAT Canberra)
Draft and finalise Design Concept Note (including consultation with key stakeholders)	March – May 2021	Concept approval minute (quality assurance)
Submit a paper which sets out the rationale for future K2P investment, the proposed design process and quality assurance process to AMM for approval	May 2021	AMM paper for future K2P investment approved by Minister-Counsellor, GHD Branch

Action	Timing	Comment
Terms of Reference for design to be finalised	May 2021	Approved by Counsellor, DES
Written Approval to Commence Design process (risks and safe guards)	June 2021	Led by post (DFAT Jakarta) with desk (DFAT Canberra) to support
Contract consultants for design	June 2021	Approved by Counsellor, DES
Stakeholder consultations to produce design document	July – September 2021	Led by post (DFAT Jakarta)
Peer review the design document	October 2021	Including independent appraisal and ensure the design document is fit for purpose
Design document finalised - to be cleared by the AGB	To be confirmed	Design approval minute

Step 2: Procurement

Action	Timing	Comment
Ensure all financial approvals are finalised	December 2021	Approach the market minute.
Tender process, contract negotiation, Subsidiary Arrangement negotiations with GoI	January – April 2022	Led by post (DFAT Jakarta) with close engagement with DFAT Canberra
Contracts signed between DFAT and new in-country delivery team	April 2022	Minister-Counsellor, GHD branch/DHOM to approve Commit and Enter into an Arrangement Minute as well as Subsidiary Arrangement

Step 3: New Investment

Action	Timing	Comment
End of KSI and J-PAL SEA	June 2022	
New K2P investment commences	July 2022	

Appendix C: List of key documents

DFAT

- Partnership for Recovery: Australia's COVID-19 Development Response
- DFAT's Covid-19 Development Response Plan - Indonesia
- DFAT – Knowledge Sector Review report (by Dan Harris et al., July 2019)
- Australian Government Foreign Policy White Paper

KSI

- Annual Reports
- Monitoring, Evaluation and Learning framework
- KSI Phase 1 Completion Report (2013-2017)
- KSI Phase 2 Implementation Strategy (March 2018)
- KSI Phase 2 Implementation Sub strategies: PRIs, Subnational, GESI

- Phase 2 - Guiding Strategy
- PRI Capacity Development Study – RTI 2017
- KSI Mid-Term Review finalreport 5 June 2015
- KSI Phase 1 Design Document

J-PAL SEA

- Sustainability Plan 2020
- Monitoring, Evaluation and Learning Framework
- Annual Reports
- Aid Quality Checks (2015 to 2020)
- Phase 2 Proposal to DFAT (2017)
- Phase 1 Final Report 2012-2017 (May 2018)
- Phase 1 – design

Pulse Lab Jakarta

- Phase 2 - MEL/Result Management Framework
- Annual Reports
- Aid Quality Checks
- Phase 2 proposal to DFAT
- Phase 1 – completion report

ANU Indonesia Project

- Extension of phase 4 - Proposal for DFAT funding
- Independent Completion Report (ICR) of the Indonesia Project Phase IV – Final

PAIR

- Program Design document
- Annual Reports
- Aid Quality Checks

Annex 2: Summary of data sources and collection methods

Data sources

The ISR team drew on both primary and secondary sources of data. **Primary data** was obtained from remote interviews conducted with stakeholders and on-line surveys as set out below:

Primary data sources

Primary data collection method	Scope (number of interviews)	Purpose
Semi-structured, group interviews with DFAT program staff in Australian Embassy Jakarta and Canberra	All program staff and relevant senior staff in Jakarta (4) Relevant Desk staff in Canberra (1)	Inception stage interviews held for orientation/scoping purposes Interviews during the implementation stage will be evaluative, designed to gather views in particular with respect to KEQs 1.3, 2.2 and 3.1.
Semi-structured interviews with DFAT in Canberra	Desk staff for PAIR and Indonesia Project (2) Indonesia Development Strategy and Performance section and Gender Equality branch (1)	Evaluative interviews, designed to gather views on DFAT's role in the K-sector in Indonesia, linkages between programs (actual and potential) and future prospects (esp. KEQs 1.3 and 3.1) Contextual interview to inform/frame assessment of GEDSI (KEQ 1.2).
Semi-structured interviews (individual and group) with Program teams	KSI (4) JPAL (4) PLJ (4)	Evaluative interviews, designed to gather program perspectives relating to almost all KEQs but with a focus on: <ul style="list-style-type: none"> - Clarifying contribution claims (1.1, 1.2 and 3.2) - Assessing linkages/collaboration (1.3) - Implementation model's strengths and weaknesses of (2.1) - Leverage/sustainability successes and challenges (3.1)
Semi-structured, individual interviews with Program partners	KSI: (15-20) JPAL: (10-15) PLJ: (8-12)	Interviews will be held with GOI, PRI and other non-governmental actors, to validate claims about contribution and capacity-building (KEQs 1.1, 1.2 and 3.1), obtain views on the strengths and weaknesses of the programs' implementation models (2.1) and on the prospects and key constraints affecting sustainability (3.1).
Semi-structured, individual interviews with other stakeholders	other DFAT programs, other development partners and Australian initiatives (5-10)	Interviews will gather views on linkages, opportunities and sustainability prospects (KEQs 1.3 and 3.1).
On-line survey of KSI PRI partners	16-40 questionnaires (depending on number per PRI surveyed)	Focus on sustainability issues (KEQs 3.1 and 3.2) and also on support modality (KEQ 2.1). The survey will not repeat previous self-assessments exercises with PRIs that focused on organizational capacity but instead examine the success of the strategy to build 'relational capacity'.
On-line tracer survey of JPAL alumni	10-20 questionnaires	This will follow up ex-JPAL research collaborators to understand how the learning obtained has been useful in their subsequent work.

Secondary data sources were:

- DFAT policies and strategies
- Programs' own strategies, design, planning and performance reports
- DFAT's own corporate performance reports (AQC's, PPA's, IMR's, PAF reports)

- Relevant management information data (financial, operational and administrative) held by both DFAT and the programs
- Relevant reviews and evaluation reports of the programs

The ISR also had access to a desk-based review of KSI and JPAL conducted in 2020 for DFAT in preparation for the ISR.

Sampling

The scope of the ISR and the time available precluded comprehensive review of all support provided under the three programs. Sampling was used to address primarily programs' contributions to GOI policy (KEQ1.1) and capacity building (KEQ3.2). The sampling approach was as follows:

- Sampling was purposive (i.e. cases will be selected by the ISR team). Given the small number of cases, random sampling was unlikely to be either efficient or appropriate.
- The ISR aims to learn what works well, what works less well and why. The sampling strategy was designed to maximise learning efficiently, by using a "success case method". This involves examining cases at either end of the performance distribution, to capture 'best' and 'worst' cases.
- In principle, under KEQ 1.1 (GOI policy contribution) for example, the ISR would examine a couple of each programs' most significant contributions, which in turn would guide selection of interviewees and the content of interviews. The ISR would also identify with the programs themselves a couple of areas of support that proved least successful, to explore the reasons explaining this. Comparison of the types of cases was expected to shed more light on the factors affecting success.
- In practice, the ISR had less control over, for example, selection of interviewees (because availability issues), but the general approach to sampling was followed.

This sampling approach was considered both appropriate (given the ISR's objectives) and efficient. Purposive sampling of the best and worst cases for learning purposes was also expected to manage at least some risks associated with selection bias.

However, it should be noted that this approach did not generate an estimate of 'overall effectiveness' (i.e. the 'average' level of success across program interventions). In generalising to the programs as a whole from the cases, the ISR relied on their 'situational representativeness' rather than statistical validity.