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THE KNOWLEDGE SECTOR INITIATIVE

PROJECT COMPLETION REPORT

Volume 1: Main Report

April 2022

THE KNOWLEDGE SECTOR INITIATIVE (KSI)

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Acronyms and abbreviations

AIDRAN	Australia-Indonesia Disability Research and Advocacy Network
AIPI	*Akademi Ilmu Pengetahuan Indonesia* (Indonesian Academy of Sciences)
AKATIGA	Center for Social Analysis
ALMI	*Akademi Ilmuwan Muda Indonesia* (Indonesian Young Academy of Sciences)
APBN	*Anggaran Pendapatan dan Belanja Negara* (Indonesia State Budget)
ASWGI	*Asosiasi Pusat Studi Wanita/Gender dan Anak Seluruh Indonesia* (Association of Indonesian Women's/Gender and Child Study Centres)
AUD	Australian Dollar (currency)
AWP	Annual Work Plan
BaKTI	*Bursa Pengetahuan Kawasan Timur Indonesia* (Eastern Indonesia Knowledge Exchange)
Balitbang	*Badan Penelitian dan Pengembangan* (Research and Development Unit/Agency)
Bappelitbangda	*Badan Perencanaan Pembangunan, Penelitian dan Pengembangan Daerah* (Regional Research and Development Planning Agency)
Bappenas	*Badan Perencanaan Pembangunan Nasional* (Ministry of National Development Planning/National Development Planning Agency)
BPP Kemendagri	*Badan Penelitian & Pengembangan Kementrian Dalam Negeri* (The Ministry of Home Affairs' Research and Development Agency)
BPPT	*Badan Pengkajian dan Penerapan Teknologi* (Agency for the Assessment and Application of Technology)
BRIN	*Badan Riset dan Inovasi Nasional* (National Research and Innovation Agency)
BSC	Balanced Score Card
BSNP	*Badan Standar Nasional Pendidikan* (Education National Standard Agency)
CIPG	Centre for Innovation Policy and Governance
COVID-19	Coronavirus disease 2019
CSIS	Centre for Strategic and International Studies
CSO	Civil Society Organisation (*Lembaga Swadaya Masyarakat* (LSM))
CWI	Cakra Wikara Indonesia
DAK	*Dana Alokasi Khusus* (Special Allocation Fund, Special Revenue Fund)
DFAT	Australian Government Department of Foreign Affairs and Trade
DIPI	*Dana Ilmu Pengetahuan Indonesia* (Indonesian Science Fund)
DPO	Disabled People's Organisation
ELSAM	*Lembaga Studi dan Advokasi Masyarakat* (Institute for Policy Research and Advocacy)
EOPO	End-of-Program Outcome
FGD	Focus Group Discussion
GEDSI	Gender Equality, Disability and Social Inclusion
GESI	Gender Equality and Social Inclusion
IDF	Indonesia Development Forum
IDR	Indonesian Rupiah (currency)
IKK	*Indeks Kualitas Kebijakan* (Policy Quality Index)

INOVASI	Innovation for Indonesia's School Children
IRE	Institute for Research and Empowerment
ISR	Independent Strategic Review
JFAK	*Jabatan Fungsional Analis Kebijakan* (Policy Analyst Functional Position)
JPAL-SEA	The Abdul Latif Jameel Poverty Action Lab Southeast Asia
KSI	Knowledge Sector Initiative
K2P	Knowledge to policy
Kemenkeu	*Kementerian Keuangan* (Ministry of Finance (MoF))
Kemenag	*Kementerian Agama* (Ministry of Religious Affairs (MoRA))
Kemendikbudristek	*Kementerian Pendidikan, Kebudayaan, Riset dan Teknologi* (Ministry of Education, Culture, Research and Technology (MoECRT))
KemenPAN-RB	*Kementerian Pendayagunaan Aparatur Negara dan Reformasi Birokrasi* (Ministry of Administrative and Bureaucratic Reforms)
Kemenristek	*Kementerian Riset dan Teknologi* (Ministry of Research and Technology (MoRT))
KIAT	*Kemitraan Indonesia Australia untuk Infrastruktur* (Indonesia Australia Partnership for Infrastructure)
KIE	Knowledge and Innovation Ecosystem
K/L	*Kementerian/Lembaga* (Ministry/Institution)
Konsil LSM	Indonesian NGO Council
KM Bappenas	Knowledge Management Bappenas
KPPOD	*Komite Pemantauan Pelaksanaan Otonomi Daerah* (Regional Autonomy Watch)
KRISNA	*Kolaborasi Perencanaan dan Informasi Kinerja Anggaran* (Planning and Budget Performance Information Collaboration)
KSI	Knowledge Sector Initiative
KSI4RDI	KSI for Research, Development and Innovation discussion
KSIxChange	KSI's series of informal sharing sessions around the knowledge sector
LAN	*Lembaga Administrasi Negara* (National Institute of Public Administration)
LIPI	*Lembaga Ilmu Pengetahuan Indonesia* (Indonesian Institute of Sciences)
LSM	*Lembaga Swadaya Masyarakat* (Civil Society Organisation (CSO))
LKPP	*Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah* (National Public Procurement Agency)
LPDP	*Lembaga Pengelola Dana Pendidikan* (Endowment Fund for Education)
MAMPU	The Australia-Indonesia Partnership for Gender Equality and Women's Empowerment
MoECRT	Ministry of Education, Culture, Research and Technology (*Kementerian Pendidikan, Kebudayaan, Riset dan Teknologi* (*Kemendikbudristek*))
MoF	Ministry of Finance (*Kementerian Keuangan* (*Kemenkeu*))
MoRA	Ministry of Religious Affairs (*Kementerian Agama* (*Kemenag*))
MoRT	Ministry of Research and Technology (*Kementerian Riset dan Teknologi* (*Kemenristek*))
MP3	Manajemen Pengetahuan Perencanaan Pembangunan (*Knowledge Management for Development Planning*)
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organisation

Op-ed	Opposite the editorial page (a newspaper opinion piece)
PAKK	*Pusat Analisis Kebijakan dan Kinerja* (Centre for Policy and Performance Analysis)
Permen	*Peraturan Menteri* (Ministerial Regulation)
Perpres	*Peraturan Presiden* (Presidential Regulation)
PKMK UGM	*Pusat Kebijakan dan Manajemen Kesehatan Universitas Gadjah Mada* (Gadjah Mada University's Centre for Health Policy and Management)
Pokja	*Kelompok kerja* (working group)
PPH Atma Jaya	*Pusat Penelitian HIV-AIDS Universitas Katolik Atma Jaya* (Atma Jaya Catholic University's Centre for HIV-AIDS Research)
PPIM UIN	*Pusat Pengkajian Islam dan Masyarakat Universitas Islam Negeri Jakarta* (Jakarta State Islamic University's Centre for the Study of Islam and Society)
PPN	*Perencanaan Pembangunan Nasional* (National Development Planning)
PRI	Policy Research Institute
PRN	*Prioritas Riset Nasional* (National Research Priority)
PR Value	Public Relations Value
PSHK	*Pusat Studi Hukum dan Kebijakan Indonesia* (Indonesian Centre for Law and Policy Studies)
PSC	Program Steering Committee
PUSAD Paramadina	*Pusat Studi Agama & Demokrasi Yayasan Wakaf Paramadina* (Centre for the Study of Islam and Democracy)
Pusdatinrenbang	*Pusat Data dan Informasi Perencanaan Pembangunan* (The Centre for Development Planning Data and Information for Development Planning)
Renstra	*Rencana strategis* (Strategic plan)
Ristek	*Riset dan Teknologi* (Research and Technology)
RKP	*Rencana Kerja Pemerintah* (Government Work Plan)
RPJMN	*Rencana Pembangunan Jangka Menengah Nasional* (Medium-Term National Development Plan)
RPJPN	*Rencana Pembangunan Jangka Panjang Nasional* (Long-Term National Development Plan)
RPP	*Rancangan Peraturan Pemerintah* (draft Government Regulation)
RPP Penyelenggaraan Iptek	*Rancangan Peraturan Pemerintah tentang Penyelenggaraan Ilmu Pengetahuan dan Teknologi* (draft Government Regulation for the Law on the National System of Science and Technology)
RTI	Research Triangle Institute
RUU	*Rancangan Undang-Undang* (draft Law)
SAKTI	*Sistem Aplikasi Keuangan Tingkat Instansi* (MoF's Financial Application System for Agency Level)
Sisnas Iptek	*Sistem Nasional Ilmu Pengetahuan dan Teknologi* (National System of Science and Technology)
SPG	Strategic Partnership Grant
SW III	*Swakelola Tipe III* (Self-managed Procurement with CSOs)
TCID	*The Conversation Indonesia*
UU	*Undang-Undang* (Law)
YASMIB	*Yayasan Swadaya Mitra Bangsa Sulawesi*

Executive summary

The Knowledge Sector Initiative (KSI) was a decade-long partnership between the governments of Indonesia and Australia that supported Indonesian policymakers in developing more effective development policies through better use of research, data and analysis. The program was funded from 2013 to 2022 by the Australian Department of Foreign Affairs and Trade (DFAT) and implemented in cooperation with the Indonesian Ministry of National Development Planning/National Development Planning Agency or *Kementerian Perencanaan Pembangunan Nasional/Badan Perencanaan Pembangunan Nasional* (Bappenas). KSI Phase 1 was implemented from 2013–2017 and KSI Phase 2 from 2017–2022.[1] This Project Completion Report focuses primarily on Phase 2, but with some reference to relevant aspects of Phase 1, which was covered in a separate Project Completion Report.

Overall, KSI's investments have led to a stronger knowledge system supporting better use of quality evidence in development policymaking. Through investment in knowledge sector actors and institutions and their interactions within the knowledge ecosystem in Indonesia, KSI succeeded in achieving all 5 of its End-of-Program Outcomes. This report summarises the evidence that demonstrates meaningful achievements in: (1) better research governance and funding mechanisms; (2) better incentives for researchers to produce quality research; (3) Increased interaction, knowledge sharing and collaboration; (4) more accessible quality data for policy analysis; and (5) Policy Research Institutes influencing policy and becoming more financially sustainable.

The high-level assessment for the 3 focus areas is as follows. **Research funding and governance** achieved a nation-wide application of the *Swakelola Tipe III* procurement mechanism by government agencies and CSOs. The program's inputs catalysed changes from problems identification, agenda-setting, policy change, implementation and learning of this newly established procurement mechanism. The Research Endowment Fund is established and reflects several management funding principles. These new mechanisms did not exist when the program started, and are attributed to government champions and efforts for better research governance and funding mechanisms for quality policy research.

In the area of **knowledge collaboration and management** there are several remarkable achievements. The program's support for the policy analyst position was well-timed as there has been an explosive growth in the number of civil servants employed under this status. Better integrated knowledge management in Bappenas is also on the rise, with strong support and ownership by Bappenas' leadership to resolve knowledge fragmentation and duplication across directorates and units, and to strengthen knowledge-to-policy processes. The Indonesia Development Forum which, despite the challenges created by the COVID-19

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[1] KSI Phase 1 allocation was AUD60,500,000 with total program expenditure of AUD 60,498,395, or 99,9%, while for Phase 2, from the total allocation of AUD43,695,105, total program expenditure for KSI Phase 2 was AUD43,419,104, or 99%.

pandemic, also appears to have established a firm foothold through a commitment to implement, an allocated budget, and being managed by Bappenas. In addition, KRISNA (Bappenas' integrated and collaborative planning, budgeting and performance information system) has played a role in streamlining Indonesian development planning processes.

The area of **knowledge production** covers the work done with 16 Policy Research Institutes (PRIs) and for the improvement of incentives for policy research. Notwithstanding the challenges of COVID-19, the PRIs have delivered high-quality research outputs, gained a stronger position as reliable partners to the Government for policy research, and improved their own capacity to continue such work post-KSI. The improvement of research incentives did not progress as far as hoped for, but support for gender equality, disability and social inclusion (GEDSI) research is now more firmly established than before through research grants funding and integration in PRI research.

As the largest of 3 knowledge sector programs, KSI had a distinctive program focus that complemented other investments in DFAT's Indonesia portfolio and helped KSI to establish itself with GOI partners and clarify its comparative advantage.[2] Certainly, KSI is proud of the contributions it has made to individual policy reforms across a wide range of sectors and issue areas. However, it is the program's focus on working with research providers and key government agencies to strengthen the institutional foundations (formal and informal) of knowledge-to-policy processes, leading to increased sustainability and ownership, that has defined its approach and contributions in Phase 2, as reflected in the program's End-of-Program Outcomes, key initiatives and cross-cutting components.

Approach and delivery arrangements

The KSI strategic approach and delivery arrangements in Phase 2 were defined by 4 key features:

- **A strategic vision of the program as a catalyst for systemic changes in Indonesia's knowledge sector**. This vision placed the program in a variety of different technical and political roles depending on the specifics of the reform objective, ranging from an initiator of new ideas to a trusted convener and facilitator. The catalytic function was, however, consistently grounded in the program's understanding of the context in which it operated, and aligned with the broader reshaping of Australia's development relationship with Indonesia and other large, complex middle-income countries, both of which recognised that achieving changes 'at scale' would only be possible through institutional reforms rather than transactional approaches, and that the increasingly complex development challenges faced by these countries are often more challenging politically than they are technically.

- **Utilisation of diverse modalities through which the program could fulfil its catalytic role across an evolving portfolio of investments.** These included: **grants provision**, which by dollar volume formed the largest component of KSI support, the vast majority of which was allocated to 16 PRIs; **technical assistance**, which gave priority to backing locally-led efforts and sought to avoid substituting the role of government counterpart without catalysing some form of sustainable change; **brokering and facilitation**, including resolution of key collective action challenges in which similar stakeholders shared interests but coordination costs were too great for any individual organisation to bear, and brokering new relationships and interactions between actors of different types; **knowledge exchange and learning**, including the direct, targeted sharing of policy-relevant information and the provision of forums in which knowledge could flow freely among participants; and **pilot projects**,

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[2] The other 2 DFAT-supported knowledge sector programs were the Abdul Latif Jameel Poverty Action Lab Southeast Asia (JPAL-SEA) program and the Pulse Lab Jakarta program. The J-PAL Southeast Asia program conducts randomised evaluations, builds partnerships for evidence-informed policymaking, and helps partners scale up effective programs. DFAT has supported the program over 2012–2022 with AUD18.35 million. The Pulse Lab Jakarta program seeks to close information gaps in the development and humanitarian sectors through the adoption of Big Data and application of Service Design, with emphasis on gender equality, disability and social inclusion. DFAT supports the program over 2014–2023 with AUD16.78 million.

which generated learning, offered proof of concept and built an evidence base to support wider uptake.

- **An adaptive approach to delivery across and within an evolving portfolio of investments.** This approach was well suited to the fluid nature of several of the reforms KSI worked on, allowed the program to be responsive to emerging opportunities, and took on even greater relevance with the onset of the uncertainty generated by the COVID-19 pandemic. At the same time, the principle of adaptation was applied *within* each Key Initiative, utilising different modalities based on the team's assessment of needs, capacity and context. The MERLA system's project monitoring data and analysis of government data, reflection logs and semiannual Learning Weeks, alongside independent qualitative and quantitative studies that validated/triangulated where advancements were in earnest made (and not) allowed management to make real-time adaptive and iterative decisions. The gathered data also supported learning and reflection with key counterparts and DFAT, ultimately resulting in better decision making and program alignment with shareholder expectations. While the details of the MERLA approach evolved throughout Phase 2, the core of the approach remained the same: to focus program resources where their strategic role as a catalyst could make the greatest contribution.

- **Governance structures that supported the implementing team and provided accountability for decision making**. A two-tiered governance structure, developed during the Phase 2 design process, aimed to ensure that the program was strategically responding to the changing nature of the knowledge ecosystem.[3] As noted in the 2021 Independent Strategic Review[4] these arrangements were significantly more intensive, and involved much closer engagement from DFAT program staff than other programs in the knowledge sector portfolio, reflecting the size of budget, the different contractual arrangements and a much broader scope and wider range of partners and potential activities.

Achievements and challenges

In Phase 1, KSI focused on 4 outcomes:

- Research organisations are producing and communicating evidence for policymakers.
- Policymakers are seeking out and using evidence.
- Research organisations and policymakers are engaging with each other on what evidence is needed and how it can be used.
- Indonesia's research environment supports quality research and makes using evidence in policymaking easier.

Over the 4 years of Phase 1, KSI developed a good understanding of the key barriers to a more effective knowledge sector, which can be summarised as follows:

- Policy research and analysis continues to be of low quality (with insufficient attention to issues of gender and social inclusion) and not communicated to policymakers in ways that facilitate uptake into policy.

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[3] The top tier was the Program Steering Committee (PSC) which provided strategic direction, endorsed program implementation strategies, approved annual work plans, progress reports and other strategic documents, and endorsed coordinators and deputy coordinators of KSI's working groups. The second tier was the Program Technical Secretariat (PTS), which was the technical advisory body of KSI. The PTS provided input on the annual workplan and recommendations to the PSC for its approval. The PTS also provided technical oversight of the implementation of KSI's key initiatives and endorsed emerging priorities that were not listed in the approved Annual Workplan, as well as agendas emerging from the working groups.

[4] Henderson, S. & Rakhmani, I. (2021). *Independent Strategic Review: Knowledge to Policy (Knowledge Sector) Investments in Indonesia. Final Report*.

- Levels of government and private-sector funding for research are inadequate, available funds are spent ineffectively and inefficiently and existing laws, regulations and practices do not promote the production of quality research or its use in policymaking.
- The systems and incentives for better knowledge management, improved coordination, greater use of research, analysis and data and effective information flows within and between government and non-government bodies are ineffective.
- Limited public awareness of and demand for evidence-informed policymaking means there are weak incentives for policymakers to use research and analysis more systematically in policymaking.

The design for Phase 2 therefore suggested a strategic shift to overcome these barriers, with 4 focus areas.

- Quality policy research and analysis and effective communication
- Research funding (government, private sector and philanthropic) and quality of spending
- Government knowledge management systems
- Public discourse on the role of research, evidence and analysis in public policymaking

During the preparation for Phase 2, some further rearrangements were made, which resulted in a KSI theory of change for Phase 2 with 5 End-of-Program Outcomes (EOPOs) and 3 cross-cutting areas that collectively contributed to the program goal of 'better use of quality evidence in development policymaking'. Together they sought to contribute to the emerging Indonesian vision for the country's growth and transformation to a knowledge economy by helping government agencies and institutions and non-government actors to develop better approaches, better tools and better procedures to facilitate evidence-informed policymaking and to make it more likely that such approaches, tools and procedures are used and applied as intended.

As expected, the program has over the years faced a range of challenges. Some of the most important are listed below.[5]

- One of the challenges in the early stages of Phase 2 was the delay in the passage of the Law on the National System of Science and Technology (*UU Sisnas Iptek*). In 2018, deliberations between parliament and the government were held up by 2 key points: whether the law should allocate a set proportion of the state budget to research funding, and whether or not to establish a national research body. The law was passed in 2019. It did not set a specific budget allocation for research funding, but it did establish the National Research and Innovation Agency/*Badan Riset dan Inovasi Nasional* (BRIN).

- The COVID-19 pandemic. At the start of the pandemic in the first quarter of 2020, the program made some adjustments to its activities and became involved in mitigation activities. Adjustments also had to be made to how the program operated. Implementation strategies, which until then assumed in-person meetings, had to be reassessed and were replaced with online meetings. KSI staff largely worked from home. The COVID-19 pandemic also had a major impact on the operations and the financial situation of the PRIs.

- The establishment in 2020 of BRIN as a separate agency, and the reassignment of civil servants who previously held positions in other agencies, meant that KSI's workplan in areas that involved BRIN experienced delays. Despite this challenge, KSI was able to proceed with activities that involved BRIN – for example, the development of the National Research Priorities dashboard. Some activities also changed from direct interaction with BRIN staff to preparing policy papers and other inputs, to be taken up by BRIN at a later stage.

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[5] More specific challenges linked to the implementation of the initiatives are mentioned in Table 2.

To what extent were EOPOs achieved? Not all achievements are easily quantified or valued but taken together they constitute a significant return on the program's investments in key areas. Major achievements in relation to each EOPO are detailed here.[6]

EOPO 1: Better research governance and funding mechanisms for quality policy research. A decade ago, Indonesia's spending on research and development was low in comparison to other middle-income countries, and research and research funding was fragmented among many government agencies. At the end of Phase 2, the institutional landscape has changed dramatically, with major achievements KSI contributed to including:

- The successful institutionalisation of the *Swakelola Tipe III* procurement mechanism, with 3,375 planned procurements in 2021, with a total value of AUD200 million, now allowing GOI to procure services, including research, from non-government partners. A program investment of AUD459,350.50, including Phase 2 and pre-2018 spending, contributed to planned GOI budget allocations under the new mechanism totalling AUD374 million in 2019–2021. This journey, like much in KSI, required a long-term perspective and series of investments by KSI, covering the early development of the procurement policy, its institutionalisation into a regulation and eventually increasing utilisation. KSI conducted socialisation and matchmaking events, provided general reference materials and undertook implementation learning/evaluation studies to report recommendations to the National Public Procurement Agency (LKPP). Additionally, KSI supported the development of LinkLSM.id, an online database platform to link government and research CSOs.

- The passage of the Law on the National System of Science and Technology (*UU Sisnas Iptek*) in 2019 laid the legislative groundwork for subsequent reforms to the old research and development unit (Balitbang) system. Later reforms included the establishment of the National Research and Innovation Agency/*Badan Riset dan Inovasi Nasional* (BRIN) through *Presidential Regulation* (Perpres) *33/2021* and *Perpres 78/2021*, and the creation and funding of a new research endowment fund (*Dana abadi*) through *Perpres 111/2021*. These regulations are achievements of the Indonesian government and stakeholders, although KSI and its partners had some influence on when they were deliberated and debated by policymakers. During deliberation on the research endowment fund, KSI supported the Ministry of Finance by convening Focus Group Discussions that were hosted by the DG budget, facilitated a visit to Australia in 2019, advocated for changes through its partners AIPI and ALMI, and contracted a consultant to provide technical inputs based on international literature. The regulation on research endowment fund subsequently reflects several management principles proposed by KSI and its partners, namely separation of investment and utilisation functions (articles 8 and 11), support of international and multi-actor collaboration (Article 17) and flexible but still accountable funding (Article 18). While other aspects of the new arrangements were not aligned with all of the principles advocated by the program, this outcome should be considered a 'second-best', politically feasible step forward that will help address the challenges of fragmentation, poor coordination and lack of clarity on the roles and functions identified at the outset of KSI. During the deliberation of *RUU Sisnas Iptek*, KSI sought to facilitate more informed debate and broaden participation in these reform processes through a combination of a convening role that strengthened Bappenas' input to the *RUU Sisnas Iptek* reform process and direct support for AIPI, DIPI, ALMI and CIPG. Additionally, KSI funded UI-CSGAR to conduct a study and prepare a policy brief on Balitbang reform and research governance. These findings, together with an earlier study by RTI on international practices, were disseminated to KemenPAN-RB, Bappenas and other key stakeholders.

- A Knowledge and Innovation Ecosystem (KIE) Blueprint was finalised and endorsed by the Minister of National Development Planning, the Minister of Research and Technology, and the Minister of Bureaucratic Reform in February 2021. To achieve this, KSI provided technical assistance to facilitate

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[6] Even though the achievements and challenges are presented by EOPO, there was considerable interaction between the EOPOs (see the start of Chapter 4).

consultations and Focus Group Discussions with stakeholders from more than 30 ministries and non-government actors. During the blueprint drafting period the Knowledge and Innovation Ecosystem team met with the ministers of Bappenas, MoRT/BRIN, and KemenPAN-RB and consulted with the coordinating ministers of Economic Affairs, Human Development and Cultural Affairs, Maritime and Investment Affairs and Politics, Law and Security Affairs. While implementation of that KIE Blueprint vision will unfold over the coming years, the process and product brought stakeholders from across the knowledge ecosystem together to produce for the first time a cohesive and coherent shared vision for the future evolution of the Indonesian knowledge system. Content from the KIE Blueprint is being used by stakeholders for long-term strategy and planning processes including Bappenas' Economic Transformation strategy and Long-Term Development Plan 2025–2045 (see Section 4.1.4).

EOPO 2: Better incentives for knowledge producers to produce quality policy research. One of KSI's initiatives for this EOPO was to improve research quality by incentivising more and better research of GEDSI issues.

- Principles of GEDSI sensitivity have been integrated into the Ministry of Education's research grant proposal guidelines (*panduan dana hibah penelitian*) and the associated business processes (e.g. *Simlibtabmas*). These guidelines, which govern the proposal process for the type of grants that remain the main source of funding for Indonesian researchers, particularly at the university research centres, will continue to be revised, but there are no indications at present of an intention to weaken or remove the GEDSI content. The evaluation of 2020, and the latest available data, indicated signs of limited progress including: an increase in the total number of GEDSI proposals submitted from 2017 to 2018, followed by a decrease in 2019 and a further decrease in 2020; an increase in GEDSI proposals as a proportion of total proposals from 2017 to 2019, but with a drop in 2020; an increase in the number of research proposals on GEDSI perspectives funded by the Directorate of Research and Community Engagementfrom 2017 to 2019, followed by a subsequent decrease in 2020 reportedly due to the COVID-19 pandemic-induced cutback of funding for research; and an increase in funding for disability topics from 2017 to 2019.

- Indonesia's higher education system still has disincentives for university lecturers, which discourage the production of quality and policy-relevant research to inform policy. Early Phase 2 efforts to reform the university lecturer credit system to incentivise more policy-relevant research outputs failed to gain traction. However, when *UU Sisnas Iptek* introduced changes that could create further disincentives for all researchers, not only university lecturers, the program pivoted towards working to mitigate the potential disincentives of burdensome requirements for research ethics clearance processes and foreign research permits.

  It is too soon to pass final judgment on the outcome of KSI's engagement on the ethics clearance and foreign research permits issues as delays to the completion of the relevant regulations make it difficult to assess whether or not the direct inputs from KSI and the mobilisation of PRIs has proved sufficient to influence the final text. At present there is cause for limited optimism for a partial success here: as of February 2022, the indications are that a key KSI recommendation on foreign research permits has been accommodated by BRIN, namely that Indonesian researchers who receive foreign funding will not be required to obtain a foreign research permit. However, there seems to have been a mixed response to the suggestion of decentralising research ethics clearances.

EOPO 3: Increased interaction, knowledge sharing and collaboration. Indonesian policymakers tend to use evidence from researchers with whom they have trusted personal connections. As there were few formal spaces or mechanisms providing opportunities for researchers and policymakers to establish and strengthen these connections, KSI explored how such gaps could be filled. In many respects, KSI's work as a broker and facilitator cut across its work on all EOPOs. However, dedicated initiatives contributed to 2 particularly significant changes under this EOPO:

- The policy analyst position, first envisioned in the Civil Service Law (ASN) (5/2014), has been widely institutionalised. As of December 2021, there were 3,802 active functional policy analysts (*Jabatan*

Fungsional Analis Kebijakan or JFAKs) across 26 ministries, 24 government agencies and 47 local governments. With support from KSI, LAN is now better equipped with training materials, socialisation approaches and utilisation guidelines to respond to this surge in policy analysts and ensure it enforces Ministry of State Administration and Bureaucratic Reform *Ministerial Regulation 17/2021*, which obligates civil servants who are converted to policy analysts through the bureaucratic simplification process to attend training, pass a competency test and obtain a certificate of competence no later than 2 years after being appointed to their functional position.

- The Indonesia Development Forum (IDF) has quickly gained status as a premier development event and continues to promote interaction and collaboration by maintaining the 4I approach (inspire, imagine, innovate and initiate) throughout the program agenda, involving key actors at national and local levels. Over the course of 2017–2022, the balance of roles for IDF has evolved significantly, with Bappenas progressively taking on greater responsibility as its capacity has grown. While this includes the various technical and organisational inputs required for the event to succeed, the balance of financial support for IDF also changed substantially between 2017 and 2022, with KSI's share of funding dropping from 95% in 2017 to just 5% in 2021. To give a sense of scale, the 2019 IDF had 273 speakers at the two-day main event, and 30 speakers at 6 'Road to IDF' events throughout the country. IDF 2019 was supported by KSI with AUD553,140, and by GOI with IDR1,050 million.

EOPO 4: Quality data is more available and accessible for policy analysis. Indonesian government agencies experience difficulties in evaluating the effectiveness of development programs, as it is not always clear what has been funded and why. Annual development plans and budgets often do not match up, and without a system to properly link development planning and budgeting, it is impossible to effectively monitor and evaluate development programs and use this data to inform planning and budgeting decisions. Furthermore the quality of available data is often poor (e.g. lacking gender disaggregation), and data that may be available in one government agency (or even one unit in one agency), may not be accessible to other units or other agencies. Public access to government information is also limited. Under this EOPO, there were 2 initiatives that helped to address this.

- In Phase 1, KSI provided technical assistance to Bappenas for the development of an integrated and collaborative planning, budgeting and performance information system, which is known by its Indonesian acronym KRISNA. KRISNA was launched in April 2017, has been used for approximately 5 years by line ministries to prepare their planning documents (Line Ministries Annual Work Plan/*Rencana Kerja – Renja K/L*) and is now used in 87 ministries/agencies, 34 provincial governments and 514 district/city governments. Survey results indicate the utilisation of KRISNA has not only helped to integrate the long-fragmented development planning process in Indonesia, but has also improved the quality of data and business processes and paved the way for a more accountable, transparent and participatory governance. While KSI's support for KRISNA was phased out in 2020, the need for effective realignment of planning and budgeting revealed by GOI's experiences with the COVID-19 pandemic has triggered new momentum in this area, particularly in prospects for further alignment and integration of KRISNA with the Ministry of Finance's SAKTI system, a move that will further increase the value of previous investments in KRISNA.

- A clear legal framework is now in place to sustain an improved knowledge management approach in Bappenas, including the issuance of Bappenas Ministerial Regulation on Data Management of Digital Government System (*Permen 16/2020*) on 22 December 2020, and Chief Secretary's Decree on the Technical Team Establishment for MP3 (*SK Sesmen 81/SES/HK/2021*) on 14 December 2021. Technical guidance, Standard Operating Procedures and implementation modules are also now in place. The importance of knowledge management in evidence-based policy making in Bappenas was highlighted by the Deputy for Economic Affairs, Amalia Adininggar Widyasanti, during the MP3 platform launch on 14 April 2022. She said: "*This is the first step to map the need for a more holistic knowledge management in Bappenas. The MP3 platform is an example for a change initiative that*

should be carried out by all echelon working units, in order to mainstream knowledge collaboration in our work and program implementation."

For more effective knowledge management practices to truly take root, these formal institutions need to be complemented by new informal norms and values regarding evidence use. New organisational cultures are rarely built overnight, but based on the results of pre- and post-training assessments conducted in late 2021, there are already several promising signs of change in Bappenas' staff knowledge and attitudes following training and piloting of the new processes.

EOPO 5: Participating Policy Research Institutes (PRIs) are progressing towards financial sustainability and are important contributors to evidence-informed policy in Indonesia. PRIs highlighted improved organisational capacity in the form of planning and management processes, staffing, organisational infrastructure and financial sustainability. They then noted better profile among, engagement with and influence of stakeholders, followed by better research quality stemming from improved methods and better integration of Gender Equity, Disability and Social Inclusion (GEDSI) principles.[7] Notable achievements across the 4 objectives set under this EOPO include:

- **Quality policy research**: All 16 supported PRIs produced quality policy research products, supported by grants[8] to fund research and capacity building to develop good quality, policy-relevant research; technical assistance in establishing a logical program framework to direct research activities to influence policy processes; encouragement to consider GEDSI and sub-national perspectives within research where relevant; and facilitation of links and collaborative works among PRIs and other stakeholders addressing systemic knowledge sector issues. Since 2019, PRIs have completed 76 research/reform projects and all studies made met compliance targets with at least 4 of 6 research quality criteria met. Of a total of 73 studies that intentionally sought to influence policy to improve the status of GEDSI groups, 72 (99%) met the agreed target for GEDSI sensitivity. The 3 studies that were not intending to influence policy to improve the status of GEDSI groups did not meet any of the criteria, suggesting limits in their understanding of how GEDSI could be mainstreamed. While PRIs must in many respects adapt practices to suit the demands of funders, there is encouraging evidence of numerous cases in which improvements to research quality, GEDSI sensitivity and business practices show signs of more durable institutionalisation that will outlast KSI's support.

- **Developing strong and effective networks**: 15 PRIs engaged targeted stakeholders as planned for all their supported research. One PRI was only able to engage some of the stakeholders as planned in one of the 2 pieces of research supported by KSI. They experienced difficulties in building solid relationships through the COVID-19 pandemic period that limits offline engagement.

- **Policy influence**: All supported PRIs achieved some form of influence on the policy processes associated with each of their research activities. While some PRIs faced challenges in aligning their research recommendations to the political forces influencing public policies, 13 of 16 PRIs successfully contributed to at least one policy change, with a total of 33 policy changes influenced by KSI-supported research and institutionalised through a variety of mechanisms, ranging from formal changes to laws, regulations and guidelines, to influence of budgets and the adoption of new databases and indices.

- **Financial sustainability**: Supported by grants[9] to fund activities that increase revenue and financial technical skills, technical assistance in establishing a logical program framework to strengthen financial sustainability, and facilitations of PRIs to share knowledge and expertise to improve each other's practices on financial resilience, all 11 PRIs participating in the investment component of KSI

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[7] Datta, A., Piper, E., & Yunita, R. (March 2022). *A review of the Indonesian Knowledge Sector Initiative's support to 16 Policy Research Institutes*, p. 4

[8] Approximately AUD16,486,466 (Phase 1: AUD8,036,154 and Phase 2: AUD8,450,313)

[9] Approximately AUD545,131 in Phase 2

support have experienced increase of skills in at least 1 of the 4 aspects of financial technical quality (Financial Practices, Fund Development, Strategic Planning, and Innovation)**.** Independent evaluation showed all 11 PRIs achieving positive Average Annual Growth Rates (AAGR), ranging from 3% to 159%.[10] This finding was tempered by the observation that 'revenue growths are not always steady as seen from some PRIs with declining trend lines' likely reflecting the impact of the COVID-19 pandemic in 2020–2021. PRIs are challenged by the lack of domestic funding and so reliance on donors remains high. However, all 11 PRIs' non-DFAT revenue increased over the 2015–2021 period, with no declining trends shown, which is sufficient to conclude that most PRIs are becoming less dependent on DFAT's funding – although 5 out of 11 were reliant on DFAT for more than half their funding in 2021.

Apart from the 5 EOPOs, the program also worked in 3 cross-cutting areas which spanned several EOPOs.

One of these was **GEDSI** where the program supported PRI work on GEDSI-sensitive research, strengthening of networks, promoting higher GEDSI-sensitivity in GOI-knowledge-sector-related policies, and increasing opportunities for women researchers and researchers with disabilities to engage in policy-related work. Achievements relevant to this area include:

- **Improved consideration of gender equality and social inclusion issues in policy research and analysis**, as noted above regarding GEDSI-sensitive research by PRIs resulting in policy changes with a clear GEDSI dimension, and in the policy research of the Australia-Indonesia Disability Research and Advocacy Network (AIDRAN) as well as in the knowledge-to-policy pilot at sub-national level.

- **Strengthened networks between research institutions working on gender equality and social inclusion issues**, particularly through AIDRAN, which held its first international disability conference in 2019, where it strengthened its networks and provided an opportunity for its members to interact and share knowledge; and through a special session on disability-inclusive employment at IDF 2019, which created new networks and sparked collaborations.

- **More Government of Indonesia knowledge-sector-related policies are sensitive to gender equality and social inclusion**, including the MoECRT research grant guidelines, Bappelitbangda South Sulawesi's decree on Technical Guidelines on Collaborative Studies, LAN's Policy Quality Index (PQI), and the MoECRT adopting AIDRAN's 2 online learning toolkits for university students with a disability, and a range of policies and procedures to secure the participation of women and people with a disability are now in place and embedded in IDF.

The **sub-national level** knowledge-to-policy (K2P) pilot was completed in December 2021, successfully showcasing an evidence-based policy process where a priority policy agenda to rebuild the silk industry was supported through an applied value-chain study as the basis for policy development, culminating in the issuing of South Sulawesi Governor Regulation 47/2021 on Label Utilisation for Silk Cloth with Typical Patterns from South Sulawesi. Regulation 47/2021 directly adopted key recommendations from the K2P process and outputs to protect producers and consumers of 100% silk products. As a pilot, the work has also catalysed **immediate replication** in the form of a Bappelitbangda-South-Sulawesi-funded value-chain study on the satoimo taro commodity in 2021, applying the collaborative approach used in the silk commodity study and using the *Swakelola Tipe III* mechanism. It will **influence additional future studies** through a new Bappelitbangda South Sulawesi decree on Technical Guidelines on Collaborative Studies based on the approach used in the silk commodity value-chain study.

The third cross-cutting initiative was on **media engagement and public discourse**, which aimed to stimulate public awareness of, and demand for, greater use of evidence in policymaking. Monitoring of these activities shows that there was growing interest and media coverage related to the Knowledge and Innovation Ecosystem. KSI investment in media engagement and knowledge exchanges generated 25 opinion editorial

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[10] Migunani (February 2022). *Assessment of Financial Sustainability Support to PRIs Knowledge Sector Initiative*

articles and 1,019 items (consisting of news articles, infographic and longform articles) with an accumulated public relations (PR) value of IDR 52,921,624,000 (AUD5,292,162) over the period 2019 to April 2022, a value more than 8 times greater than the program investment of IDR 5,474,269,604 (AUD547,427) in the same period.[11] The high PR Value is coherent with the reach of public discourse, which is estimated to reach 3,768,378 people through online platforms, while articles generated from printed media is estimated to reach more than 24 million people. This shows major traction in terms of building public awareness and embedding the Knowledge and Innovation Ecosystem and facilitating policy dialogue. What is however somewhat less clear is the extent to which this was instrumental in influencing policymaking.

Summary of lessons learned

The Project Completion Report of KSI Phase 1 mentioned 9 lessons learned and made recommendations for Phase 2. These lessons and recommendations, and how these have carried over in Phase 2, are outlined below.[12]

- Improving the program's strategic clarity and focus. It was recommended that the program should concentrate its efforts and resources on aspects of the knowledge sector where strong foundations had been put in place during Phase 1, where there was already momentum for reform, or which were critical leverage points for generating change in the system. KSI Phase 2 continued to work with the 16 PRIs and with Bappenas on knowledge management and use, and continued to promote gender sensitivity in research.

- Developing a shared understanding of key concepts and clearer communications. As program activities progressed the concept of the 'knowledge sector' and the program's emphasis on evidence-informed policymaking became clearer to partners, government and non-government alike. This led to the recommendation that in Phase 2 the program's goals and objectives should be developed in a more inclusive and collaborative way that ensured stakeholders and program staff had a clear understanding of the program's vision, concepts and approaches, how workstreams and activities would contribute to goals and objectives and how the program would support Indonesia's long-term development objectives.

- Addressing the complex challenge of improving policymakers' demand for evidence. Phase 1 had some success in bringing together researchers and policymakers in working groups to help clarify what evidence was needed and to build relationships and networks, which helped to generate increased demand for evidence. On the other hand, the program's work with internal government research and development units had limited impact on institutional demand for evidence. It was therefore recommended that in Phase 2 the program should increase its focus on addressing the institutional systems and incentives for better evidence within government.

- Using 'policy hooks' to increase the effectiveness of program implementation. Phase's 1 initial approach was to work simultaneously with key policy 'supply' and 'demand' actors, but because of various reasons there was a lack of coherence between the workstreams. The program was restructured, and started working around particular policy areas, but this also proved difficult as KSI helped generate demand for evidence, but did not help produce it. The approach did however work well in the working group on research and higher education. Based on that experience, Phase 1 recommended that KSI utilise policy 'hooks' to convene coalitions of stakeholders on key reform issues, with a focus on the policies and regulations that govern the knowledge sector.

- Creating more fit-for-purpose M&E systems and using program evidence in decision making. KSI Phase 1 struggled with monitoring and evaluation, so it was recommended that In Phase 2, KSI should

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[11] PR Value is calculated by Indonesia Indicator, the company focuses on analysing big data and provides media monitoring services.

[12] For a fuller discussion of lessons learned and recommendations, see KSI Phase 1 completion report, April 2013 – June 2017, pp. 38–43.

develop theories of change for each area of work, which reflects the multiple pathways to change. These should be revisited throughout the program to ensure that they integrate what is being learned through implementation.

- Providing targeted assistance to address gender and social inclusion more substantively. KSI Phase 1's mid-term review in 2015 highlighted the need for a more meaningful approach to gender and social inclusion. The recommendation was that in the next phase, KSI needed to identify specific entry points for addressing inequality and vulnerability across all aspects of the program, including in activity design and implementation, and engagement with program partners and stakeholders.

- Increasing media engagement. During Phase 1, KSI collaborated with a number of media organisations, but there was broad recognition among KSI's stakeholders that there were unrealised opportunities to work with the media and other intermediaries to support better policymaking. The recommendation was that in Phase 2, KSI should work with a selected range of media organisations to stimulate public awareness of and demand for greater use of evidence in policymaking.

- Considering how best to use limited resources to support partner organisations. KSI's 16 partner research organisations were a strong asset for Phase 2, but it was suggested that in Phase 2 there should be a shift in the approach to support for partner research organisations, primarily because of a reduction in resources. The recommendation was that KSI needed to consider how best to utilise its more limited resources to build on work undertaken with the 16 partners in Phase 1 as well as to expand the program's engagement with other research organisations.[13]

- Strengthening KSI's relationship with government. There is a need to engage across government, which KSI Phase 1 did from 2015. The recommendation was that KSI should continue to strengthen and expand its relationships across a range of ministries and agencies. The selection of ministries and agencies to work with – and which activities to support – should be undertaken based on well-defined criteria to ensure that there is a clear link to the program's goals and objectives.

KSI Phase 2 worked for almost 5 years with partners in government, PRIs and throughout the policymaking community on a broad range of activities aimed at strengthening the use of knowledge in the policymaking process. As a part of this effort, the program produced a significant body of work exploring and detailing lessons learned through its experiences. This knowledge will continue to be available via the KSI website for 3 years after program closure, and has been transferred to KSI partners and GOI systems in Bappenas, BRIN, National Library as a part of the program's sustainability plan.

Distilling higher-level lessons that cut across the specifics of any individual workstream or reform process, this report highlights a set of 14 lessons across 2 broad categories:

Reflections and lessons on what KSI worked on:

- Knowledge-to-policy processes, and reform efforts to improve those processes, are best understood through a systems perspective. Using a systems perspective leads practitioners to focus not simply on the capacities, interests and roles of the actors in the knowledge system but also on the linkages and interactions among them.

- In knowledge systems, as in education systems, health systems or any other sphere of policy and practice, incentives matter. Promising ideas may fail to deliver expected results if the assumptions of drivers of change are underpinned by weak incentives.

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[13] The continuity of support in Phase 2 was praised by the Policy Research Institutes (PRIs) along with the more collaborative approach of KSI in taking equal partner and critical friend roles. The shift from core funding supporting capacity building to more targeted strategic partnership grants supporting policy influence and financial sustainability helped to consolidate the foundation built in Phase 1 and to further strengthen core functions of PRIs in Phase 2.

- Knowledge systems are forums for contestation in which the different actors pursue various objectives and debate policy, taking into consideration values, traditions and political calculations. Savvy reformers can identify opportunities to build reform coalitions forward in different ways, whether through identifying stakeholders who share an interest in your reform, or bundling certain priorities with others (e.g. tying knowledge-to-policy objectives to popular innovation and research commercialisation agendas), but both involve trade-offs and which approach – if either – is correct in any given case is not always apparent at the outset.

- The institutions that shape incentives for and against evidence-based policymaking are both formal and informal, and programs that hope to influence incentives need to explore both types. Informal practices and pressures are often as important as formal structures in determining the way in which different types of knowledge are used in policymaking. Acknowledging this and enabling knowledge intermediaries to work in such a dualistic and complementary manner proved crucial to achieving results. It is recommended that a program that operates in the knowledge sector is conscious of both formal and informal structures, so that it can adjust its working modality to what seems to hold the best promise for success.

- Despite the more immediate pressures of annual planning, implementation and reporting processes, support for transformative institutional reforms requires patience and a long-term perspective. Focusing on the development of a country's knowledge system (through building up and developing structures, regulations, budgets and policies) rather than simply providing knowledge products directly to policymakers, may not show immediate results, but may prove a more valuable contribution in the long run.

Reflections and lessons on how KSI worked:

- Catalysing institutional changes that leverage local resources can lead to larger scale transformations than what could be achieved transactionally using own-program resources. Many of the areas in which KSI will leave its most significant impacts are those where the program was able to shape the flow of human and financial resources, whether in government, media, or research institutions. It is recommended that a program is attentive to opportunities for a possible leveraging of program activities or approaches on a broader scale, especially if the upscaling involves government agencies. This may require some adjustments on the program side (e.g. modifying the approach to achieve a better match with established practices; going slower at the start to achieve a stronger buy-in of the counterpart), but it may result in a larger pay-off in the long run.

- In a catalytic model, programs need to prioritise effective partnerships. The program's successes were often those areas of work in which relationships with partners were characterised by candid exchanges that not only helped the program to provide responsive support to pro-reform stakeholders in ways that built on the initiative and ownership of local leaders, but also gave the program insight into the often-complex political dynamics associated with reform.

- Implementation approaches, including operations support, need to be flexible to respond to changes in context. The program was flexible in important ways (e.g. introducing new workstreams, amending budgets and outputs, etc.) that allowed it to pursue emerging opportunities, demonstrate responsiveness and build relationships that helped to create space for more effective collaboration later on.

- Indirect support or work through intermediaries can be effective if the common approaches of interacting with counterparts cannot be pursued. This was the case when KSI wanted to safeguard the continued use of the GEDSI-sensitive research guideline. The targeted policymakers in MoECRT and BRIN were in acting positions, but KSI worked around this by engaging university advisors and technical officials who were known to and had well-established contacts with the targeted policymakers. This resulted in the latest guideline still being followed and used by MoECRT in its call for proposals for university research grants in December 2021.

- It is, however, important not to confuse flexibility with adaptation. A program should not only react to changes in the external environment, but also proactively seek to interrogate its own practice and progress by leveraging monitoring and evaluation data collected throughout implementation alongside horizon scanning and context analysis.

- The pace of activity implementation needs to be responsive to the counterparts' needs and absorptive capacity. This may mean that sometimes implementation needs to be sped up, sometimes that it needs to slow down. KSI's work with the National Institute of Public Administration (or LAN) on policy analysts is an illustration of this. In 2019–2020, there was a large increase in the number of bureaucrats moving into policy analyst positions without completing the standard competency training and selection process. KSI sped up its support to LAN to address this new situation. The opposite occurred in 2021, when KSI started an evaluation of its support to LAN for policy analysts. LAN saw this as an important learning opportunity and asked to be closely involved in the planning and implementation of the evaluation. Even though this slowed down the implementation of the evaluation, KSI considered it important to opt for this participatory approach to the evaluation, as it gave better assurances for acceptance and follow-up of the evaluation findings by LAN post-KSI, thereby enhancing the sustainability of the initiative. The recommendation of this and previous lessons is that a program must be flexible and adaptive. Flexible to respond to changes in context, or to respond to specific requests from counterparts for support. Adaptive to opt for implementation approaches that help to make progress and achieve End-of-Program Outcomes. This also means that the program must have a financing arrangement that makes such 'quick response' changes possible.

- The space for adaptation changes over the program life cycle, and thus the expectations of adaptive processes must also change. The early years of an adaptive program can seem almost boundless in the opportunities they offer, and which of those might have a plausible link to the desired End-of-Program Outcomes. In contrast, as the end of a program approaches, the pressure to demonstrate results ratchets up, there is less space for new ideas and the time for investment in relationships to bear fruit in terms of End-of-Program Outcomes shrinks, creating potential tensions between what might be possible within the program timeframe and what course might be preferred with a longer time horizon.

- Continuity of support to PRISs is important, but ideally some funding should remain untied to allow the PRI to support overall organisational development. The continuity of support to PRIs in Phase 2 was praised along with the more collaborative approach of KSI in taking equal partner and critical friend roles (as opposed to 'mentor–student' relationship). The shift from core funding supporting capacity building to more targeted strategic partnership grants supporting policy influence and financial sustainability helped to consolidate the foundation built in Phase 1 and to further strengthen core functions of PRIs in Phase 2. Nevertheless, core funding that is not directly tied to any research project is still crucial for PRIs to support their overall organisational development such as general capacity building and to continuously improve their management tools.

- The approach used by a PRI in bringing its evidence to policymakers depends on specific context and circumstances of the research and the policymaking process. Flexible but targeted funding allowed PRIs to expand their research topics, engage stakeholders to advocate their research findings, and adapt quickly to align with policy momentum, such as when PRIs need to fill the knowledge gap on COVID-19 issues. In addition, support for strategic business processes (such as program logic, stakeholder mapping, and monitoring and evaluation techniques) are helpful for PRIs to achieve their policy research goals.

1.
Purpose of the Project Completion Report

KSI was a partnership between the governments of Indonesia and Australia funded by the Australian Department of Foreign Affairs and Trade (DFAT) and implemented in cooperation with the *Kementerian Perencanaan Pembangunan Nasional/Badan Perencanaan Pembangunan Nasional* (Ministry of National Development Planning/National Development Planning Agency or Bappenas). The KSI program was the largest of DFAT's 3 evidence-based policy programs in Indonesia.[14]

The Knowledge Sector Initiative program was implemented over 2 phases: Phase 1, from 2013 to 2017, and Phase 2, from 2017 to 2022. The program was implemented by RTI International, in association with the Nossal Institute for Global Health at the University of Melbourne, the Overseas Development Institute and the Australian National University. DFAT's investment in the program since 2013 has been AUD104,195,105 in total.[15]

The purpose of this report is to provide a succinct summary of the program's background, results of both phases 1 and 2 and – especially for Phase 2 – the evolution of the technical and operational approaches, including achievements, challenges and lessons learned. It is intended to provide a high-level overview, with further information on individual aspects of the program available in the reports and analyses listed in other documents referenced throughout.

The report does not include a detailed update of all program interventions or approaches. This information can be found in the *Project Inception Report Phase 1*, *Phase 2 Program Implementation Strategy*, 6-monthly reports and annual reports, and the *Phase 1 Project Completion Report*.

The structure of this report is presented in Box 1. This report has been prepared by RTI in line with the guidance under the contract.

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[14] The other 2 programs were the Abdul Latif Jameel Poverty Action Lab (JPAL) Southeast Asia (2012-2022, AUD18.35 million), and the Pulse Lab Jakarta (2014–2023, AUD16.78 million).
[15] Phase 1 AUD60,500,000, and phase 2 AUD43,695,105.

Box 1:   Reading this report

Chapter 1 (the current chapter) sets out the purpose of this report.

Chapter 2 provides the overview, background and context of the program over the 2 phases. It describes briefly the structure of Phase 1 and what was achieved, how the transition to Phase 2 occurred, and what the structure and the achievements of Phase 2 were.

Chapter 3 describes the program's approaches, and governance and management arrangements. It discusses the key principles of implementation, KSI's catalytic roles, thinking and working politically, the approaches to program delivery and the delivery modalities the program utilised. The last part of the chapter covers the governance and management arrangements.

Chapter 4 is the key chapter of the PCR and describes progress towards the program outcomes and the cross-cutting initiatives. Within each End-of-Program Outcome (EOPO), the different initiatives are discussed, focusing on the relevance of the initiative within the overall KSI program logic; how the initiative was implemented, and what the reasons were for changes – if any – over the years; what was achieved; and how sustainability of the initiative is envisaged post KSI.

Chapter 5 discusses how the program managed monitoring, evaluation, research, learning and adaptation, including how it responded to the COVID-19 pandemic.

Chapter 6 covers operations, finance and administration, and discusses how the program pursued value for money, financial management, staffing and human resources management, and risk management.

Chapter 7 concludes with a reflection on the program overall and with lessons t can be drawn from the KSI experience.

2.
Program overview, background and context

The Knowledge Sector Initiative (KSI) was a joint program between the governments of Indonesia and Australia. KSI supported the Government of Indonesia in addressing its key development challenges through more effective public policies that make better use of research, analysis and evidence. The program was designed as a multi-phase investment, and initially conceived as a '15-year flagship program' that would continue over 3 phases.

2.1   KSI Phase 1 [16]

KSI Phase 1 was implemented in 2013–2017[17] with a budget of AUD60.5 million and was implemented by a consortium led by RTI International, in association with the Nossal Institute at the University of Melbourne, the Overseas Development Institute and the Australian National University.

In this first phase, KSI started with 4 intended outcomes.[18]

- Research organisations are producing and communicating evidence for policymakers.
- Policymakers are seeking out and using evidence.
- Research organisations and policymakers are engaging with each other on what evidence is needed and how it can be used.
- Indonesia's research environment is supporting quality research and makes using evidence in policymaking easier.

KSI achieved results in 3 main areas during its first phase.

- **Communication of research and analysis to policymakers**

  – Research organisations supported by the program are communicating their research more effectively to policymakers. They are also more organisationally sustainable.
  – Government research and development units supported by KSI are better able to analyse and package evidence for policymakers.
  – A training package for government policy analysts developed with KSI's support has been made standard and is being delivered using state funds.

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[16] The section on KSI Phase 1 is based on the publication *Australia-Indonesia Partnership for Pro-Poor Policy. The Knowledge Sector Initiative, Phase 1 Achievements, April 2013–June 2017*.

[17] Phase 1 was preceded by a 3-year pilot, Revitalising the Knowledge Sector (2009–2012).

[18] In 2015 the program was restructured around 3 working groups (supply, demand and intermediation) and through 2 'knowledge-to-policy' hubs (a capacity-building hub, which incorporated the support to the PRIs, and a learning hub, focused on documenting and sharing learning from the program and its partners).

- KSI support has helped revitalise the Indonesian Academy of Sciences, including the establishment of the Indonesian Young Academy of Sciences. These organisations are now providing advice to policymakers to improve research and higher-education policy, and are playing an active role in helping to set the national research agenda.

- **Policymakers' access to data and research, and its use in policymaking**
  - The program's support for e-planning and knowledge management in the Ministry of National Development Planning is helping to improve systems for using evidence in policymaking.
  - Working groups on specific policy issues have improved engagement between researchers and policymakers. This has resulted in policymakers using evidence to inform a range of national and local policy issues.

- **Initial improvements to the research environment**
  - KSI's support has resulted in the issuing of regulations streamlining financial reporting requirements for research grants, revisions to public procurement regulations that made it easier for policymakers to commission research from universities and NGOs, and the establishment of the Indonesian Science Fund.
  - Government and university stakeholders are working together in a KSI-supported working group to address policies and regulations that make it difficult for Indonesia's university sector to be competitive.
  - The Ministry of Research, Technology, and Higher Education revised its research grant schemes in 2018 for universities to incorporate gender perspectives.
  - KSI support for the OneData Indonesia initiative has helped the government to progress its plans for making data more open and accessible across government.

Assessments at the end of Phase 1 concluded that, overall, the program had been able to achieve meaningful progress towards its aim of 'catalysing reform', but a number of obstacles remained. These included: low levels of funding for research, particularly private sector funding; inefficient use of research budgets; and overregulation of the research and higher education sector. The Phase 1 Completion Report recommended that in Phase 2 KSI needed to build on what it had achieved – the relationships with key stakeholders and the momentum for reform generated by the program – to continue to address these constraints.

2.2   Transition to KSI Phase 2

During the transition period between Phase 1 and Phase 2 the program continued to provide ongoing support for key partners and activities while taking stock of existing knowledge and developing new streams of work. There was also a comprehensive restructuring of the team as well as an open recruitment process during this period. One of the changes considered during this transition period was the approach of working with partner research organisations, and the mechanisms for funding these. The team[19] focused on developing new streams of work for Phase 2, based on the guiding strategy approved in May 2017. This involved a comprehensive review of studies completed during the first phase and a structured process of discussions, workshops and consultations, both within the team and with stakeholders. It included consideration of how KSI would work with current and potential new partners in Phase 2, and a review of how KSI would engage with partner research organisations.

During the transition period, the program's focus was on the following 4 areas.

- Quality policy research and analysis, and effective communication
- Research funding and quality of spending

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[19] Between July and September 2017 an open, competitive recruitment process was conducted for newly created and vacant positions on the program and operations teams, and between the end of September and December 2017, KSI welcomed 12 new staff members.

- Government knowledge management systems
- Public discourse on the role of research, evidence and analysis in public policymaking

The focus during this period was not on implementing new activities or undertaking a large number of activities, but rather to ensure that momentum continued for strategic areas of work and that key relationships were maintained while preparing for 2018 and beyond.

2.3 KSI Phase 2

KSI Phase 2 was implemented from 2017 to 2022. Phase 2 had an initial budget of AUD45 million and was implemented by the same consortium as Phase 1 – RTI International, in association with the Nossal Institute at the University of Melbourne, the Overseas Development Institute and the Australian National University. The role of consortium partners and the relationships between them changed significantly in Phase 2.

In many respects, the program retained key features of its identity in Phase 2. Notably this includes a distinctive program focus that complements rather than duplicates other investments in DFAT's Indonesia portfolio and has helped KSI to establish itself with GoI partners and clarify its comparative advantage. As described in the *2021 DFAT Independent Strategic Review*:[20]

> *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. In addition, KSI's focus on strengthening policy development processes (rather than particular outcomes) was also recognised by its partners as unique and valuable.*

Certainly, KSI is proud of the contributions it has made to individual reforms across a wide range of sectors and issue areas, particularly through its work with PRIs (see Section 4.5.1). However, it is this largely sector-agnostic focus on the institutional foundations (formal and informal) of knowledge-to-policy processes that defined KSI's focus in Phase 2 as reflected in the program's End-of-Program Outcomes, key initiatives and cross-cutting components.[21]

KSI Phase 2 continued some activities from Phase 1, but also started new ones. Figure 1 shows which activities from Phase 1 continued in Phase 2, which ones ended with Phase 1 and which ones started with Phase 2. For Phase 1, activities have been grouped by the 3 main areas used for reporting achievements in the Project Completion Report.

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[20] Henderson, S. & Rakhmani, I. (2021). *Independent Strategic Review: Knowledge to Policy (Knowledge Sector) Investments in Indonesia. Final Report.*
[21] It should be noted that KSI Phase 1 originally focused on health, education and economic development but when AusAID merged into DFAT the sector focus was dropped.

Figure 1. Shift between Phase 1 and Phase 2 activities

KSI Phase 1			KSI Phase 2	
Production and communication of evidence	Support for PRIs		*Swakelola Tipe III*	EOPO 1: Research funding and governance
	AIPI/ALMI		Policy research governance	
	Policy analysts		AIPI/ALMI/DIPI	
	Work with Balitbangs		Knowledge and Innovation Ecosystem	
	Work with Bappenas' PAT		Private sector engagement	
Demand for evidence and interaction between evidence producers and users	KRISNA		Research incentives and ethics clearance	EOPO 2: Incentives for quality research
	Bappenas' Knowledge Center		Mainstreaming GEDSI in research	
	Indonesia Development Forum		Policy analysts	EOPO 3: Knowledge sharing & collaboration
Reform of policies, regulations and practices	Work with LKPP on *Swakelola Tipe III*		Indonesia Development Forum	
	Indonesian Science Fund		KRISNA	EOPO 4: Access to quality data for policy analysis
	Research excellence in universities		Integrated knowledge management	
	OneData Indonesia		Support for PRIs	EOPO 5: PRIs
Cross-cutting issues	GESI		GEDSI	Cross-cutting issues
	Private sector engagement		Sub-national	
	Innovation		Media engagement and public discourse	

Table 1 shows how the EOPO wording has evolved since 2018, primarily to increase specificity and clarity in the description of the EOPOs.

Table 1. KSI Phase 2 End-of-Program Outcomes, 2018–2020 and 2020–2022

EOPO	2018–2020	2020–2022
1	Better funding mechanisms, underpinned by clear and coordinated agendas for quality policy research	Better research governance and funding mechanisms for quality policy research
2	University lecturers have better incentives to produce quality policy research	Better incentives for knowledge producers to produce quality policy research
3	Increased interaction, knowledge sharing and collaboration between researchers, policy analysts, policymakers and other key players in the knowledge sector	Increased interaction, knowledge sharing and collaboration
4	Quality data on development planning, budgeting and performance is available and accessible in an increasingly interlinked system	Quality data is more available and accessible for policy analysis
5	Participating PRIs are progressing towards financial sustainability and are important contributors to evidence-informed policy in Indonesia	Participating PRIs are progressing towards financial sustainability and are important contributors to evidence-informed policy in Indonesia

The adjustments to the EOPOs were approved through the program's governance structures in 2020[22] with the intention of making them more readable; it was not an overhaul of the EOPOs.

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[22] Note, at this point the program also introduced its Strategic Pathways, which included merging of EOPOs into 3 program areas to streamline communication about the program, showing when initiatives phased in and phased out and thereby illustrating the program's evolving trajectory, which could continue to be adapted. The program areas were Governance and research funding (EOPO 1), Collaboration and knowledge management (EOPOs 3 and 4), and Knowledge production (EOPOs 2 and 5).

The most substantial change was for EOPO 2, where the focus shifted from an initial emphasis on university incentives to research incentives in general, clarifying the relevance of other knowledge producers, including PRIs (see Section 4.2.1 for more detail).

Apart from the 5 EOPOs, the program pursued 3 cross-cutting issues or initiatives which, at the start, also had specific outcomes for gender equality and social inclusion.

1. Gender equality and social inclusion.

   - Outcome 1: Improved consideration of GESI in policy research and analysis
   - Outcome 2: Strengthened networks between research institutions working on GESI issues
   - Outcome 3: More knowledge-sector-related policies sensitive to GESI
   - Outcome 4: Increased opportunities for women researchers and researchers with a disability

2. Sub-national engagement
3. Communications, knowledge exchange and media engagement

The achievements of Phase 2 will be discussed, per EOPO and per initiative, in Chapter 4**.**

2.3.1. Operating context

KSI's operating context in its second phase was defined in important ways by major economic and political changes in Indonesia, and by the unprecedented impact of the COVID-19 pandemic.[23]

With respect to the former, the pace and pattern of economic growth in Indonesia has continued to shape operating context and the country's relationship with Australia. Prior to the impact of the COVID-19 pandemic, the Indonesian economy had grown steadily, cementing the country's middle-income status and even seeing it reach 'higher middle-income' status. While precise income thresholds may seem somewhat arbitrary at times, the nature of Indonesia's economic development had a number of important implications.

First, there have been concerns the country would fall into a 'middle-income trap' in which growth in income per capita levels off as economic competitiveness stagnates or declines, unless it effectively manages a transition to an economy driven by knowledge, productivity and innovation, with all that requires in terms of the quality and availability of human capital and technological and managerial resources.[24] This has contributed in Indonesia to a surge in interest in innovation and the knowledge economy.

Second, overall resource availability is no longer considered the major constraint to better development outcomes in Indonesia. As Australia considers the best way to support development outcomes in this and other large, complex middle-income countries, there is now clearer recognition that achieving changes 'at-scale' will only be possible through institutional reforms rather than transactional approaches, and that the increasingly complex development challenges faced by these countries are often more challenging politically than they are technically. As described in the Knowledge Sector Independent Strategic Review:[25]

> [I]n 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

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[23] Additional detail on key features of the operating context as relevant to operations in any given year is provided in KSI's annual reports. More detailed analysis on the specifics of the knowledge sector prior to Phase 2 is also available in a number of KSI-supported publications, including: Datta, A., Marpaung, L., Meirio, A., Sabri, R., Mackenzie, J. & Young, J. (2016). *The Indonesian Knowledge Sector: A Contextual Analysis*. Working Paper 14. Jakarta: KSI, and Sherlock, S. & Djani, L. (2015). *Update on Constraints in the Enabling Environment to the Provision of Knowledge in Executive and Legislative Government*. Diagnostic Study. Jakarta: KSI.

[24] https://www.ksi-indonesia.org/en/wawasan/detail/2014-the-urgency-for-a-knowledge-and-innovation-ecosystem

[25] Henderson, S. and Rakhmani, I. (2021) *Independent Strategic Review: Knowledge to Policy (Knowledge Sector) Investments in Indonesia. Final Report.*

provision, to one supporting Indonesian policymakers in making informed decisions of how to best mobilise, allocate and spend Indonesia's own substantial resources.

Alongside these economic changes, the wider political economy and institutional arrangements have also continued to evolve, particularly in relation to President Joko Widodo's 2 terms.[26] The following changes are pertinent to the knowledge sector.

- **Changes in the relationship between government and civil society.** Buffardi et al. (2017) note that 'The current presidential administration of Joko Widodo in particular has enabled much closer collaboration with research institutes and CSOs than was possible in the past. Scholars and advocates now hold positions within the government, fostering links between researchers, CSOs and national policymakers'.[27] Indeed, 82% of PRIs surveyed for the Independent Strategic Review indicated that over the last 5 years GoI's interest and openness to engaging non-state actors in policy development had been increasing.[28]

- **An acceleration of major institutional reform processes**. While major public sector reforms began under the administration of President Yudhoyono (2004–2014), progress on these was often seen as disappointing.[29] However, a succession of reforms towards the end of KSI Phase 1 and throughout Phase 2 (several of which are explored further in Chapter 4) are emblematic of a strong push from the executive in which President Widodo has questioned the effectiveness of government spending (including specifically on government research and development), challenged the bureaucracy and pushed for better performance. In practice, this has involved significant changes to government institutions, often with the president bringing matters of importance under more direct control. In the most recent example (May 2021), the Ministry of Research and Technology (MoRT) was dissolved and merged with the Ministry of Education and Culture to create the Ministry of Education, Culture, Research and Technology (MoECRT).[30] *Presidential Regulation* (Perpres) *78/2021* on BRIN was issued August 2021 replacing *Presidential Regulation 33/2021*. Both regulations provide BRIN's organisational structure, and the latest Perpres changed BRIN's structure into (a) structural deputies based on function and (b) research organisations.

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[26] In this respect, the re-election of President Widodo for a second term was a key moment in shaping the operating context for the program, though more from the perspective of the importance of continuity and the potential for continuation of reform processes than as a major point of inflection.

[27] Buffardi, A. L., Marpaung, L., Mubarok, H. & Kuntjoro, I. (2017). *Shifts in the knowledge sector in Indonesia from 2013–2016: a synthesis of cases of change*. Working Paper 25. Jakarta: KSI

[28] Henderson, S. & Rakhmani, I. (2021). *Independent Strategic Review: Knowledge to Policy (Knowledge Sector) Investments in Indonesia. Final Report.*

[29] Sherlock, S. & Djani, L. (2015). *Update on Constraints in the Enabling Environment to the Provision of Knowledge in Executive and Legislative Government*. Diagnostic Study. Jakarta: KSI.

[30] Between 2014 and 2019, the Ministry of Research and Technology was actually the Ministry of Research, Technology, and Higher Education (*Kemenristekdikti*). To avoid confusion, the acronym MoRT will be used for the Ministry of Research and Technology for the whole period up to April 2021, when it became MoECRT.

As a final note on context, it is impossible not to recognise the unprecedented impact of the COVID-19 pandemic on nearly every facet of life since its emergence in 2020, including significant effects on legislative and budget priorities in Indonesia, shifting the interests and incentives of policymakers (and donors) as well as the resources available.

Certainly this had operational implications for KSI, not least the need to protect the safety and well-being of program staff through new COVID-19 policies, health protocols and flexible working arrangements. Timelines, budgets and workplans all required changes. Even the fundamentals of the program's ways of working were challenged as limits on face-to-face interaction internally and between reform stakeholders required new approaches leveraging technology and drawing on personal relationships KSI had nurtured over the years.

Programmatically, the effects were complex, leading to some important opportunities for the program, including greater space for reform narratives that linked science and policy, recognition of the need to invest in research and new cross-ministerial attention to the ecosystem that supports knowledge and innovation. At the same time, challenges included a greater focus on epidemiology and hard sciences than on other forms of knowledge that contribute to a multi-disciplinary understanding of the pandemic (and development more broadly). Fundamentally, the program needed to find a way to balance between providing evidence to inform the Government of Indonesia's policy response to COVID-19 in the short and medium term (related to health security, stability and economic recovery), and strengthening the enabling environment for research and development and innovation by supporting key reforms in the knowledge ecosystem to support Indonesia to generate evidence to inform policy and programming decisions over the longer term in response to future threats, including pandemics.

3.
KSI program approaches and delivery arrangements

The KSI strategic approach and delivery arrangements were defined by 4 key features.

- **A strategic vision of the program as a catalyst for systemic changes in Indonesia's knowledge sector**. However, the precise nature of this catalytic role differed across each area of the program's work as KSI contributions needed to be not only technically sound, but also grounded in an understanding of the political economy of reform. Therefore, the program relied upon…

- **Utilisation of diverse modalities through which the program could fulfil its catalytic role across an evolving portfolio of investments**. However, the effectiveness of any modality could not be known in advance, with needs changing over time. Therefore, the program relied upon...

- **An adaptive approach to delivery across and within an evolving portfolio of investments**. However, adaptation does not happen automatically. Therefore, the program relied upon…

- **Governance structures that supported the implementing team and provided accountability for decision making**.

Each of these is described in greater detail in the sections 3.1 to 3.4 below.

3.1   A strategic vision for the program: KSI's catalytic roles

KSI was designed to align with Australia's aid policy, which calls for a change in the way aid is delivered. As is the case in other middle-income countries, aid constitutes only a small proportion of Indonesia's national budget, meaning the potential impact of purely transactional approaches in which aid inputs essentially purchase fixed outputs will fail to generate the scale of outcomes the program desired. Instead KSI sought to act as a catalyst for transformational change that would change the way domestic resources, whether from the Government of Indonesia (national or sub-national), the private sector or other sources, would be used.

The nature of KSI work requires the program to be nimble, continuously thinking and working politically, which means playing catalytic roles in accelerating change, asking questions and clarifying assumptions for interventions, being clear about effective, responsive and relevant support design, funding, resources, modalities, monitoring evaluation and risk management of KSI work. In practice, this catalytic role took a variety of forms, including:

- **Initiator**: Getting new ideas on the agenda, including through policy dialogue, funding studies to generate debate and discussion, identifying and promoting examples of positive deviance and demonstrating and testing new ideas through pilots. In practice, the program played the role of initiator in several workstreams including *Swakelola Tipe III* (see Section 4.1.1), GEDSI grant guidelines (see Section 4.2.2) and the sub-national K2P pilot (see Section 4.7).

- **Connector and aligner**: Bringing together interested stakeholders around key issues, facilitating the development of a shared agenda, the sharing of knowledge and brokering collaboration in pursuit of this agenda, including by convening workshops and other forums (providing funding and/or logistics), and funding studies to inform agenda-setting. In practice, the program played this role in numerous initiatives, including in its work with government and non-government actors to shape diverse interests and inputs into a coherent Knowledge and Innovation Ecosystem Blueprint capable of providing a vision for Indonesia's pathway towards a knowledge-based economy (see Section 4.1.4).

- **Critical friend**: Providing feedback and constructive criticism to strengthen the implementation of local solutions, including through sharing knowledge (documenting international experience and/or funding local studies), testing ideas and encouraging stakeholders to reflect on and address emerging strategic issues. In practice, the program played this role in work including the leveraging of Australian experiences in shaping the governance arrangements for Indonesia's new research endowment fund (see Section 4.1.2).

- **Accelerator**: Speeding up implementation of existing ideas, including by filling short-term funding gaps (e.g. where government budget is not immediately available due to planning and regulatory restrictions) and providing strategic advice or evidence to support leaders in making decisions. In practice, the program played this role in work including its support to the sub-national K2P process in South Sulawesi (see Section 4.7).

- **Amplifier**: Raising awareness, building support and momentum, and encouraging replication of good practices, including through using media and communications, and funding and disseminating studies. In practice, the program played this role in work including its support to Balitbang reform and the emergence of new research governance institutions (see Section 4.1.2).

- **Embedding**: Supporting the institutionalisation of new ideas and practices in relevant policies and regulations, in business practices, and/or in the minds of key stakeholders. In practice, the program played this role in work including the integration of GEDSI principles in IDF (see Section 4.3.2).

Notably, the same action might play a different role depending on the context and the objectives of the program. For example, the idea of funding studies appears under several different catalytic roles. Yet while KSI funded analytical work in the sub-national pilot with the logic that it might initiate a reform process, the studies funded in the policy analyst work[31] were intended to support critical friend and accelerator roles. In each case, the program sought to build an understanding of the reform process and the political economy dynamics, including stakeholder interests and incentives, and use this understanding to identify potential catalytic role for KSI. In short, to develop a theory of change in which a given modality of support would be appropriate to the needs of a particular workstream, based on an understanding of its context.

3.2   Delivery modalities/types of support

In order for KSI to play the catalytic roles described above, the program utilised a number of different forms of support.

Grants provision: Building on the program's experience providing core grants during Phase 1, which focused on institutional development, research communication and engagement with policymakers, in Phase 2 KSI provided strategic partnership grants to 16 Policy Research Institutes (PRIs). The objective of this support was to provide financial resources that would allow PRIs to improve the quality of their research and support them to engage in policy influence based on their research findings. Grant funding was also used to support PRIs to develop and enact strategic planning for financial sustainability (see Box 2 for the different types of grants). Grant funds were allowed to be used to cover both operational and programmatic costs of PRIs in their efforts. In addition, KSI offered grant funding to PRIs for joint advocacy on issues related to the

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[31] Diprose, R., Wulandari, P., Williams, E., & Yustriani, L. (2020) *Bureaucratic Reform in Indonesia: Policy Analyst Experience*

knowledge ecosystem and enabling environment for knowledge-to-policy processes. KSI also provided a platform for profiling of PRIs and policy dialogue between PRIs and policymakers regarding their policy research (see KSIxChange and KSI4RDI in Section 4.8). More detail on this modality is available in Section 4.5.1, which reviews experiences with and achievements made through the provision of grants to KSI's PRI partners. Other uses of this modality included grants to ANU and Nossal on international partnerships, part of a transition of consortium partners from providing their 'own programs' in Phase 1 to demand-based technical assistance in Phase 2.

Box 2:   Types of grants used with PRIs in Phase 2

Type of grant	Purpose	Process
Transition phase grants (Approximately AUD2,742,311)	This grant is to support PRIs during the transition phase to work collaboratively through Policy Research Association, conduct research and capacity building	PRIs are invited to respond to KSI's call for proposals by proposing collaborative projects (2017), conduct a policy research and capacity-building plan (2018) and conduct policy research to support development of RPJMN (2018).
Strategic Partnership Grant (Knowledge to policy – approximately AUD5,267,084)	This grant is to support PRIs' efforts to consolidate or further strengthen their core functions of producing quality research, engaging and influencing policy, and enabling staff development and other institutional development activities.	PRIs are invited to respond to KSI's call for proposals by proposing 3-year plans, emphasising the details of their first year of activities and intended outcomes. This was a multi-year grant (until 2021) with tranches paid at agreed intervals and subject to having met expected milestones.
Strategic Partnership Grant (Investment Component – approximately AUD545,130)	This grant is to support PRIs' efforts to strengthen their financial technical skills and increase their funding base in order to improve financial viability for example by performing a feasibility study, employing a consultant to map opportunities etc.	PRIs are invited to respond to KSI's call for proposals by proposing an activity plan and include cost-sharing component for PRIs to contribute (including in-kind) in implementing this plan. This was a grant initiated in late 2020 with tranches paid at agreed intervals and subject to having met expected milestones.
Resource Partner Grant (budget is allocated against other EOPOs – Approximately AUD440,916)	The purpose of this grant is to engage selected PRIs to work with KSI as change agents in the broader knowledge sector, supporting other EOPOs (beyond EOPO 5). Resource partners may include international or local organisations and individuals, and KSI will enter into working relationships with these organisations or individuals to address needs articulated by KSI.	KSI will call for expressions of interest and interested PRIs can submit applications. In engaging with resource partners, KSI will apply a competitive process, with selection being based on the skills, expertise and value for money offered by potential applicants.

Source: KSI (2019) Support for Policy Research Institutes – Sub-strategy

Technical Assistance: KSI provided a wide range of technical assistance during Phase 2, engaging consultants where external expertise was necessary, and utilising KSI in-house (project) staff where capacity existed internally. Program delivery via this modality reflected 2 principal concerns.

- When considering how to provide technical assistance, priority was given to backing locally led efforts. This principle can be seen in the support KSI provided to the development of Knowledge Management for Development Planning (MP3) which leveraged existing knowledge platforms that had already been developed by each working unit within Bappenas. Technical support helped integrate these existing platforms and encourage sustainable utilisation of the consolidated whole rather than developing yet another new platform.

- When considering whether or not technical assistance was appropriate, KSI sought to ensure its support would not be substituting for the role of government counterpart without catalysing some form of sustainable change. One relevant example is KSI's support of Bappenas on strategic communications for IDF. While technical assistance provided in the early years of IDF saw KSI taking on considerable responsibility, this was done with a view to building understanding in the Bappenas Public Relations Directorate about the strategic importance of crafting key messages and some of the practical methods of doing so. Having realised the existing gaps in knowledge and capacity in this area, the directorate was willing to engage dedicated consultants with APBN funding to supplement GoI capacity, allowing KSI to phase out technical assistance in this area from the middle of 2020 (see Section 4.3.2).

Brokering and facilitation: The nature of KSI's work involved extensive brokering and facilitation on top of supporting activities with technical reference, a role that emerged as highly valued by stakeholders in the Independent Strategic Review carried out during Phase 2.[32] The process included brokering of relationships and interactions between similar types of actors, and between actors of different types. Examples of the former included the resolution of key collective action challenges in which stakeholders shared interests but coordination costs were too great for any individual organisation to bear. This was the case with KSI's facilitation of 16 PRIs with an interest in reforms to GoI policies governing international research permits and decentralised ethics clearance processes, which enabled them to develop a joint position paper and present a united voice in advocacy on the issue (see Section 4.2.1). An example of brokering relationships between different types of actors are the relationships established through interactions in the IDF, KSI4RDI and forums (see Section 4.8).

Knowledge exchange and learning: KSI funded close to 1,000 knowledge products over Phase 1 and Phase 2 (see Annex C for a full list). Table 2 gives an overview of the thematic distribution of 975 knowledge products, ordered from high to low.

Table 2.   Thematic distribution of KSI-supported knowledge products

No.	Themes	Quantity	Percentage
1	Knowledge to policy	165	17%
2	GEDSI	88	9%
3	Economy	83	9%
4	Sub-national	65	7%
5	COVID-19	60	6%
6	Health	51	5%
7	Research & development	51	5%
8	Knowledge ecosystem	49	5%
9	Research capacity	43	4%
10	Research funding	43	4%
11	Communication	37	4%
12	Education	37	4%
13	Research ecosystem	30	3%
14	Social & cultural	27	3%
15	Policy analyst	24	2%
16	Organisational development	22	2%
17	Governmental governance	21	2%

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[32] Henderson, S., & Rakhmani, I. (2021). *Independent Strategic Review – Knowledge to Policy (Knowledge Sector) Investments in Indonesia*.
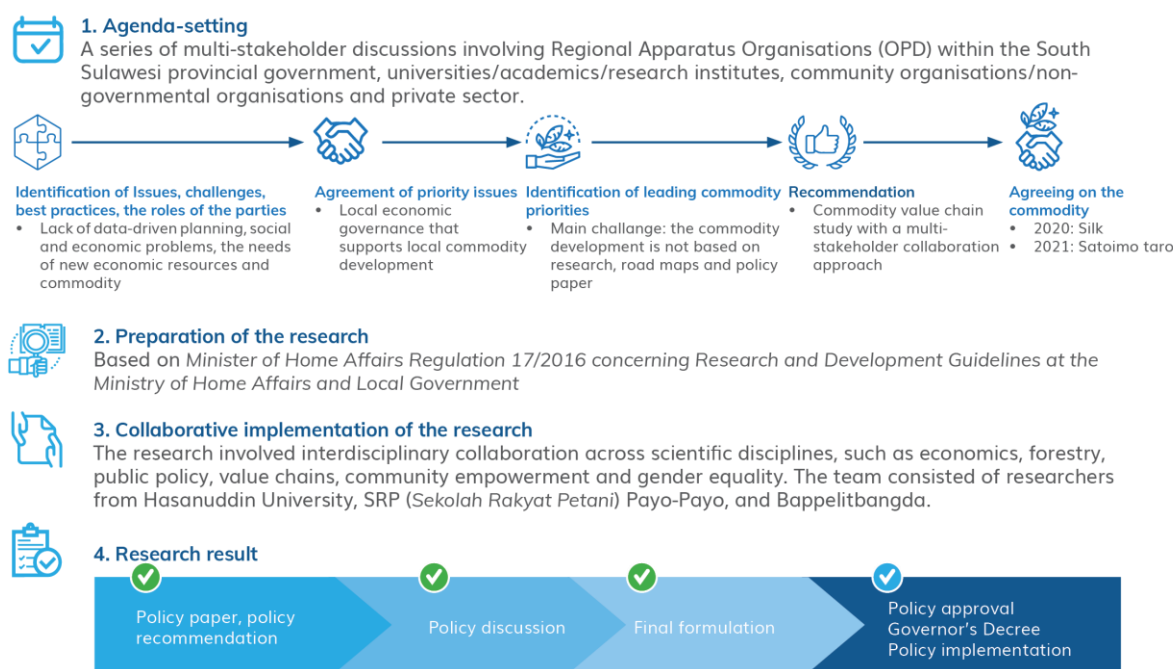
No.	Themes	Quantity	Percentage
18	Procurement regulation	20	2%
19	Political	19	2%
20	Defence and security	13	1.3%
21	KRISNA	10	1.0%
22	Digital transformation	7	0.7%
23	Research ethics	4	0.4%
24	Development planning	3	0.3%
25	Environment	3	0.3%
	Total	975	100%

The nature of that contribution in knowledge products might best be seen alongside investments aimed at the sharing of that information. In practice, the program both directly shared policy-relevant information in the form of policy briefs, but also provided forums in which knowledge could flow among participants in a less directed manner. Examples of this included the organisation and hosting of KSIxChange knowledge-sharing events that helped PRIs to exchange knowledge, network and collaborate, and to profile their institution/knowledge products, making links to other DFAT programs and other development partners where relevant. A full list of the 77 knowledge exchange activities is provided in Annex D.[33] In addition, the K2P Conference was held on 22–23 March 2022, involving more than 80 speakers from PRIs, strategic partners and the government.

Pilot Projects: Testing concepts through implementation offers a number of potential contributions, including generating learning regarding factors contributing to success and opportunities for improvement, or offering proof of concept and building an evidence base to support wider uptake. While work like KSI's support of the initial implementation of *Swakelola Tipe III* contracts made a contribution of this sort, the program also specifically identified its work at the sub-national level as a pilot. That pilot project allowed the program to explore how evidence-based policymaking worked in a particular sector and at the sub-national level (where KSI was less focused than on much of the rest of its portfolio), helping to 'ground' K2P concepts in pragmatic, easy to understand terms, and presented opportunities to capture the stages of policymaking process (see Section 4.7). Figure 2 shows the knowledge-based policymaking cycle of a silk value chain study in South Sulawesi.

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[33] Additionally KSI facilitated interaction between Indonesian and Australian institutions. In 2020, KSI facilitated the Australian Future Fund to inform management of the research endowment fund – specifically on the separation functions to ensure effective management – through the Australian Department of Finance and the National Health and Medical Research Council. In 2021 in response to a request from the LPDP, KSI facilitated an engagement with the Australian Department of Finance to learn about best practice in the governance of endowment funds. The Australian DoF provided written answers, drawing on experience with Australian Future Fund.

Figure 2.   Knowledge-based policymaking cycle as applied in the K2P pilot in South Sulawesi

1. Agenda-setting
A series of multi-stakeholder discussions involving Regional Apparatus Organisations (OPD) within the South Sulawesi provincial government, universities/academics/research institutes, community organisations/non-governmental organisations and private sector.

Identification of Issues, challenges, best practices, the roles of the parties	Agreement of priority issues	Identification of leading commodity priorities	Recommendation	Agreeing on the commodity
• Lack of data-driven planning, social and economic problems, the needs of new economic resources and commodity	• Local economic governance that supports local commodity development	• Main challage: the commodity development is not based on research, road maps and policy paper	• Commodity value chain study with a multi-stakeholder collaboration approach	• 2020: Silk • 2021: Satoimo taro

2. Preparation of the research
Based on *Minister of Home Affairs Regulation 17/2016 concerning Research and Development Guidelines at the Ministry of Home Affairs and Local Government*

3. Collaborative implementation of the research
The research involved interdisciplinary collaboration across scientific disciplines, such as economics, forestry, public policy, value chains, community empowerment and gender equality. The team consisted of researchers from Hasanuddin University, SRP (*Sekolah Rakyat Petani*) Payo-Payo, and Bappelitbangda.

4. Research result

Policy paper, policy recommendation	Policy discussion	Final formulation	Policy approval Governor's Decree Policy implementation

3.3   KSI's approach to program delivery: An adaptive portfolio

Designed to be a flexible, adaptive program that could respond to learning generated within the program and the changing context, KSI delivered support through an evolving portfolio of interventions. This approach was well-suited to the fluid nature of several of the reforms KSI worked on, allowed the program to be responsive to emerging opportunities and took on even greater relevance with the uncertainty generated by the COVID-19 pandemic. KSI's adaptive management approach played a significant role in balancing the necessities of being responsive while remaining focused on the KSI mandate of promoting evidence-based policy.

As donors and their implementing partners increasingly recognise the complexity and dynamism of institutional reform processes, some of these organisations have started to embrace the notion of their work as portfolios of investments aimed at finding new solutions to complex problems – solutions that are not only technically sound, but also tailored to context and thus politically feasible.[34] Portfolios can exist at different levels, but at the program level, this implies an approach that is trying out different strategies, learning through implementation and subsequently dropping, expanding, changing or continuing those efforts.

Throughout its second phase, KSI's portfolio consisted of an evolving set of key initiatives. While the program's goal and intended End-of-Program Outcomes (EOPOs) remained relatively consistent,[35] initiatives

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[34] Pett, J. (2020) *Navigating adaptive approaches for development programmes: A guide for the uncertain*. ODI Working Paper 589. London: ODI. Examples here include UNDP's work on portfolios and systems science and the OECD's exploration of innovation portfolios.

[35] KSI's goal has remained stable since phase 1 and is likely to endure for the entire KSI program. A change in goal would represent a significant strategic shift for KSI and would need to be approved by the PTS and PSC. EOPOs remained relatively fixed throughout KSI Phase 2, with minor modifications reviewed and approved by the PSC on an as-needed basis.

could be added, adjusted or ended.[36] Specific criteria laid out in the Program Implementation Strategy required initiatives to:

- be necessary (though not necessarily sufficient) to achieve the EOPOs and relevant to program focus areas
- allow KSI to play a catalytic role and promote systemic change across the knowledge sector
- be feasible in terms of a clear likelihood of contributing to change (a judgment that required consideration of both technical and political dimensions of feasibility)
- build upon KSI experience and assets, within available resources (financial and human)

As indicated in Figure 3, this space for flexibility and adaptation at the program level supported important strategic and operational choices that included KSI taking on new initiatives, such as the emergence of the Bappenas Knowledge Management workstream in 2020 when the political feasibility of progress in this area increased due to strong support from the Chief Secretary of Bappenas, or pivoting away from initiatives where Bappenas showed a high degree of ownership and was willing to take reform forward beyond KSI's support, as in the case of KSI winding up support to KRISNA. These decisions were not simply a matter of individual reform trajectories, but a prioritisation process that tracked the balance of efforts and potential returns across the different outcome areas through the lens of finite program resources. The question was not simply 'Are we making progress?', but 'Are we making enough progress, towards something of sufficient importance, that we are better off continuing to invest here given the alternatives available?'

Figure 3.   KSI Strategic Pathways
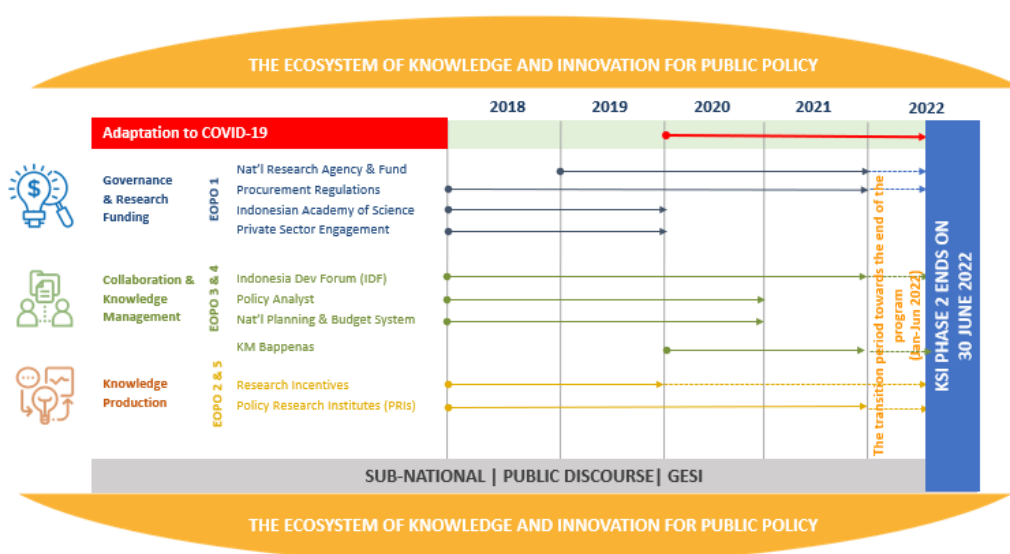
At the same time, the principle of adaptation was applied *within* each Key Initiative. More detail on how and why this took place is available in the relevant sections of chapters 4 and 5, but to clarify the concept Figure 4 provides an example of the way in which KSI's contribution to the Indonesia Development Forum evolved over time, utilising different modalities based on the team's assessment of needs, capacity and context.

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[36] Key initiatives were reviewed in regular learning and reflection sessions (see Chapter 5). Where learning and monitoring and evaluation data indicate that major adaptations are required to key initiatives, or new key initiatives are required, approval must be sought from the PTS. All proposals for new key initiatives must apply the decision-making criteria. Activities for each key initiative were included in the annual work plan endorsed by the PTS and the PSC. However, the KSI program team had some discretion to make changes to activities (including amending, cancelling and scaling up activities). Proposals for new activities were required to fit within one of the key initiatives and contribute to the achievement of the relevant EOPO. Where new activities were valued at more than AUD100,000, or where the value of changes to existing activities results in a change in budget allocation of more than AUD100,000, then approval from the co-chairs of the PTS was needed. Where proposed activities were substantial, a new key initiative may be needed, following the process outlined above for proposing new key initiatives.

Figure 4.   Adaptation at the key initiative level, an example from KSI support of IDF
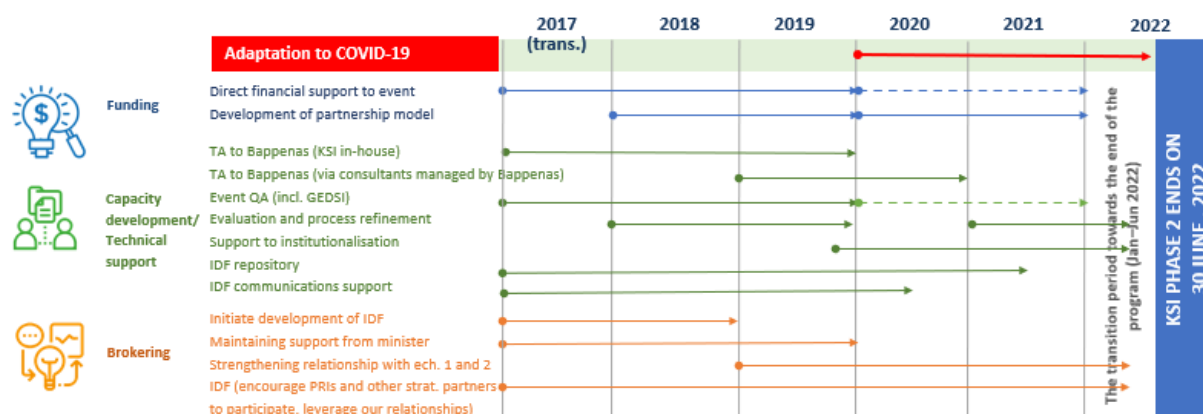
Given the highly political context of evidence-based policymaking and the part-program, part-facility design of KSI, the project embraced adaptive management and applied it rigorously throughout implementation. As the knowledge sector was new to stakeholders in Phase 1 the project responded to a range of needs and requests to strengthen the supply, demand, intermediary and enabling parts of the knowledge ecosystem. In Phase 2 under the strategic pathways, KSI narrowed its focus to a set of initiatives and reforms focusing on 5 End-of-Program Outcomes, but through political economy analysis and close consultation with KSI's Program Technical Secretariat and Program Steering Committee members remained able to adapt to changes in political and operational context including but not limited to the COVID-19 pandemic and the dissolution of the Ministry of Research and Technology,

3.4   Governance and management arrangements

A two-tiered governance structure, developed during the Phase 2 design process, aimed to ensure that the program was strategically responding to the changing nature of a strengthening knowledge ecosystem to support evidence-based policy. As noted in the 2021 Independent Strategic Review (ISR) these arrangements were significantly more intensive and involved much closer engagement from DFAT program staff than other programs in the knowledge sector portfolio, reflecting the size of budget, the different contractual arrangements and a much broader scope and wider range of partners and potential activities.[37]

3.4.1   Program governance structure

> " KSI has succeeded in establishing good relations with all actors [in the knowledge sector]. New work patterns for collaboration have been established, including between ministries. The PSC has become a good discourse for the government in discussing the knowledge and innovation ecosystem. In addition, another legacy is the increasing public discourse on evidence-based policies. "
>
> **Leonardo A A Teguh Sambodo**
> Director for Industry, Tourism and Creative Economy, Bappenas
> on March 2022

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[37] Henderson, S., & Rakhmani, I. (2021). *Independent Strategic Review – Knowledge to Policy (Knowledge Sector) Investments in Indonesia.*

The Program Steering Committee (PSC) was the highest decision-making mechanism of KSI. Chaired by the Deputy Minister for Economy in Bappenas and co-chaired by the DFAT Minister-Counsellor for Human Development, the members of the PSC provided strategic direction, endorsed program implementation

strategies, approved annual workplans, progress reports and other strategic documents, and endorsed coordinators and deputy coordinators of KSI's working groups.[38]

The Program Technical Secretariat (PTS) was the technical advisory body of KSI, chaired by the Director of Industry, Tourism and Creative Economy in Bappenas and co-chaired by the DFAT Counsellor for Development Effectiveness and Sustainability. Members provided input on the annual workplan and recommendations to the PSC for its approval, and the PTS provided technical oversight of the implementation of KSI's key initiatives and endorsed emerging priorities that were not listed in the approved annual workplan, as well as agendas emerging from the working groups.

The PTS and PSC met at least twice a year following the **Working Group/*Pokja*** meetings that included members of the PTS and technical implementing partners representing the respective agencies/institutions to discuss emerging issues, lessons learned from previous activity implementation and planning for the different program areas KSI worked on. The working group in each program area thus acted as a sounding board, providing technical and strategic inputs to KSI program implementation and a crucial point of triangulation for the team's own Learning Week reflections.

While the advice from PSC and PTS guided implementation, direct oversight was provided by the Knowledge-to-Policy Unit (DFAT) and the Directorate of Industry, Tourism and Creative Economy (Bappenas). KSI formally interacted with DFAT on a fortnightly basis at the unit manager level to cover strategic issues, and at the program manager level to cover technical and operational issues. Monthly meetings were scheduled with Bappenas to ensure expectations were communicated and managed. However, on top of these regularly scheduled meetings, considerable interaction between partners also happened frequently on an ad hoc basis. The governance structure and mechanism suit the nature of KSI being an adaptive program as they provide clear strategic direction on key focus priorities as well as a clear framework on how activities should respond to the changing environment in which KSI operates.

3.4.2 Internal systems and processes

KSI intentionally set out to develop internal program systems and processes that would enable it to recognise and engage effectively with the complex and unpredictable nature of its work in the knowledge sector. Monitoring, evaluation and learning was integrated into program activities and key initiatives through the Monitoring, Evaluation, Reflection, Learning and Adaptation (MERLA) system, capturing changes in the internal and external operating context and political economy. More detail on these systems, KSI's approach to adaptive management and the evolution of this approach over time is available in Chapter 5

3.4.3 Changes over time

This two-tiered governance structure applied across the lifespan of KSI Phase 2, with the KSI governance structure endorsed by the Bappenas Minister's Secretary on an annual basis. However, due to promotions and staff rotation in the Indonesian government and DFAT systems, the individuals occupying several of the positions in the KSI governance structure changed (sometimes multiple times) during Phase 2.[39] This required KSI to be proactive in providing incoming members of the governance structure with updated information on the progress of initiatives and activities relevant to their interest. KSI also worked with partners to identify

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[38] The PSC – and the PTS – included representatives from the following ministries/agencies: Ministry of Administrative and Bureaucratic Reforms (KemenPAN-RB); National Research and Innovation Agency (BRIN); Ministry of Finance; National Institute of Public Administration (LAN); National Public Procurement Agency (LKPP); Ministry of Education, Culture, Research and Technology; and Bappenas.

[39] KSI itself underwent a change in both Team Leader and Deputy Team Leader positions in 2019.

new contacts when the relevant agencies were in restructuring, in Bappenas and with MoRT/BRIN for example. As some initiatives ended, changes were also made to the number of working groups. Starting in 2021, the 5 original working groups[40] were merged into 3: Research Funding and Governance, Knowledge Management and Collaboration, and Knowledge Production, to better reflect the strategic priorities of KSI in its final years.

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[40] Working groups were originally assigned to 5 program areas: Knowledge Governance, Research Incentives, Knowledge Collaboration, Quality Data and Knowledge Management, and Knowledge Production.

4.
Progress towards outcomes and sustainability

KSI, through investment in knowledge sector actors and institutions, and their interactions within the knowledge ecosystem in Indonesia, succeeded in achieving its 5 End-of-Program Outcomes. Overall, KSI has contributed to a stronger knowledge system supporting better use of quality evidence in development policymaking.

In Phase 1 KSI invested in specific components of the knowledge sector (i.e. supply, demand, intermediary, enabling components as per the original DFAT design), and in Phase 2 the program focused on the interaction between actors and institutions in the knowledge system as a whole (i.e. interaction between knowledge producers, users, intermediaries and enablers as per the knowledge system model). KSI also provided a catalytic role in consensus building around a Knowledge and Innovation Ecosystem Blueprint and investment in knowledge ecosystem public discourse, which has contributed to mainstreaming the knowledge system approach. Throughout the 10 years of implementation, KSI succeeded in catalysing knowledge sector actors and institutions in breaking down barriers to successful evidence-informed policymaking, mainstreaming knowledge-to-policy processes to address complex, multisectoral issues such as COVID-19 and position Indonesia for evidence-informed policy contributions on the international stage as host of the G20 Summit in 2022.

This chapter will present progress towards outcomes organised by EOPO and with detail provided by initiative in each EOPO. Each initiative is discussed in terms of its **relevance** as part of the KSI program, how the initiative was **implemented**, what was **achieved** and what the prospects for **sustainability** are post KSI.

KSI's approach to sustainability focuses on 3 types or modalities (see Figure 5):

Type 1 **Institutionalisation through government regulation and policy**: this includes incorporation of concepts, strategies, methods and approaches into government policy and strategic plans.

Type 2 **Institutionalisation through business practices within the Government of Indonesia or with non-government actors**: this includes sustainability through clear references, and Standard Operating Procedures or guidelines developed and adopted by the Government of Indonesia and non-government actors.

Type 3 **Embedded in paradigm** or perceptual changes over time among stakeholders, which is then translated into the approach on business practices and systems.

Figure 5. **Three types of sustainability**

To provide a quick understanding of progress in EOPO achievement and on the challenges faced in those pursuits, Table 3 summarises achievements and challenges per strategic pathways and EOPOs, and for the cross-cutting initiatives. The information on evidence was generated through the program's MERLA system (see Chapter 5), complemented with findings from the independent evaluations.

Table 3. Achievements towards outcomes and challenges

Strategic focus	EOPO	Achievements	Challenges
Research governance and funding	EOPO 1: Better research governance and funding mechanisms for quality policy research.	• Evidence from multiple sources points to a growing number and increasing value of *Swakelola Tipe III* contracts from the issuance of *Perpres 16/2018* from 2018 to present. • LinkLSM.id has been officially launched on 31 March 2022, and as of May 2022, a total of 109 CSOs are listed and verified. LKPP has agreed to support the platform by sharing *Swakelola Tipe III* demand data, as per SiRUP, thereby increasing LinkLSM's profile and legitimacy. • With additional momentum provided by the effective integration of research ecosystem issues into the 2019 election debate, the revisions to *UU Sisnas Iptek* were passed into law that same year, avoiding the delays anticipated in the campaigning and elections period. • Despite challenges faced by the program, the *establishment of BRIN* was successful in contributing to a move from the status quo, but the arrangements that have been put in place are mixed, with likely benefits in addressing issues of coordination, duplication and improved clarity on roles and functions, but without integrating some 'best practice' principles. • Progress was made on the adoption of 2 research funding principles on the separation of investment and disbursement roles and the flexibility of *funding for research endowment*, institutionalised in a Ministerial Decree from the Ministry of Finance, based on recommendations from MoRT. • BRIN agreed to use the National Research Priority (PRN) dashboard that was built with support from KSI. The dashboard incorporates the key principles for effective research governance, i.e. facilitating collaboration with non-state actors. • The lessons learned from the KSI workshops were taken up by BRIN's Research Organisation of Social Sciences and Humanities/*Organisasi Riset Ilmu Pengetahuan Sosial dan Humaniora* (OR IPSH). • In a span of several years, with the support of KSI and other development partners, AIPI managed to strengthen its institutional governance, clarify its objective, and expand its network and influence. AIPI also gave birth to the Indonesian Young Academy of Sciences (*ALMI*), and the Indonesian Science Fund (*DIPI*).	• *Swakelola Tipe III* brought challenges from the user and service provider sides regarding its payment and reporting mechanism. The expectation of CSOs is that there will be opportunity for 'pre-financing' because it is difficult for CSOs to finance activities for the government. Or some parties use a 'lump sum' payment system. There is a critical need for this not to be considered an anomaly in audit findings. • In the first half of 2021, KSI faced challenges to furthering its advocacy after the dissolution of the Ministry of Research and Technology, as BRIN prioritised its internal consolidation, which delayed the deliberation and enactment of the draft Government Regulations of the Law on the National System of Science and Technology, including the draft Government Regulation for the Implementation of Science and Technology. • The issuance of *Presidential Regulation 78/2021 on BRIN* in August 2021 meant that some of the activities KSI had planned could not proceed as anticipated, as BRIN's focus was more directed to establishing its own structure and nominating suitable staff in organisational positions. KSI's approach was to put some planned activities (such as the integration of the Knowledge and Innovation Ecosystem Blueprint strategies and recommendations in the implementing regulations) on hold, until a time when BRIN counterparts would be more available for engagement, and to pursue alternative strategies to implement the program's agenda. At the end of 2021, there were clear signs that BRIN's staff was keen to resume interaction with KSI.

Strategic focus	EOPO	Achievements	Challenges
		• The Knowledge and Innovation Ecosystem Blueprint was finalised and endorsed by the Minister of National Development Planning, the Minister of Research and Technology, and the Minister of Bureaucratic Reform in February 2021. • *Private sector engagement* initiative produced a small number of interesting collaborations, including the PSHK/EuroCham MoU and *Dirjen Kebudayaan* National Roadmap on Cultural Advancement. It also laid the groundwork for subsequent work to diversify PRI financing through KSI's support for PRIs under EOPO 5, building interest in alternative sources of financing among several PRIs	
Collaboration and knowledge management	EOPO 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.	• With resources including the utilisation guidelines for government institutions (K/L/D) and the KSI supported *Indeks Kualitas Kebijakan* (IKK) or Policy Quality Index, which clarifies the role of policy analysts in agenda-setting, policy formulation, policy implementation and policy evaluation, and establishes a ranking system to incentivise improved utilisation, LAN is now better equipped to respond to this surge in policy analysts. • The IDF has quickly gained status as a premier development event and continues to promote interaction and collaboration by maintaining the 4I approach (inspire, imagine, innovate and initiate) throughout the program agenda, involving key actors at national and local levels. Senior officials have attended the IDF events, which reflects the importance that is attached to the events.	• With regard to policy analysts, ultimately whether policy analysts play their intended role depends on a range of factors beyond KSI's control, especially leadership within each ministry. • The cancellation because of the COVID-19 pandemic of the key IDF events of both 2020 and 2021 carried with it a risk that IDF would be discontinued. It has been rescheduled for 2022.
	EOPO 4: Quality data is more available and accessible for policy analysis.	• KRISNA system is refined and has not only proved successful in integrating the long-fragmented development planning in Indonesia but has also paved the way for a more accountable, transparent and participatory governance. • The sustainability of the knowledge management for development planning (MP3) initiative in Bappenas is secured through the issuance of *Bappenas Ministerial Regulation on Data Management of Digital Government System* (*Permen 16/2020*) in 2020 and the platform being accessible for policy analysis	• KRISNA has already improved the synchronisation of DAK planning and budgeting, but prospects for synchronising ministries' planning (Renja-KL) and budgeting (RKA-KL) are much lower due to political economy issues between Bappenas and the Ministry of Finance.

Strategic focus	EOPO	Achievements	Challenges
Knowledge Production	EOPO 2: Better incentives for knowledge producers to produce quality policy research.	• KSI work with MoRT on the revision of the ministry's research proposal guidelines to include GEDSI perspectives resulted in the passage of new GEDSI-sensitive research grant guidelines in 2018. To date, the Government of Indonesia maintains the GEDSI perspective in the updated research grant guidelines.	• There was support within the academic community for the changes to the credit system and the operation of the LPPMs for which KSI advocated, but not within the government. • Institutional change and the transition from the Ministry of Research and Technology (*Kemenristek*) to the Ministry of Education, Culture, Research and Technology (*Kemendikbudristek*) has affected the institutional arrangements within which the GEDSI-sensitive university research grant guidelines are formulated and implemented.

	EOPO 5: Participating PRIs are progressing towards financial sustainability and are important contributors to evidence-informed policy in Indonesia.	• Since 2019, 16 PRIs have completed 76 research/reform projects and all studies met the target of compliance with at least 4 of 6 research quality criteria.
		• Of a total of 73 studies that intentionally sought to influence policy to improve the status of GEDSI groups, 72 (99%) met the target for GEDSI-sensitive research.
		• 15 PRIs engaged targeted stakeholders as planned for all their supported research.
		• All supported PRIs achieved some form of influence on the policy processes associated with each of their research activities.
		• 13 of 16 PRIs successfully contributed to at least one policy change, with a total of 29 policy changes influenced by KSI-supported research.
		• In relation to financial sustainability:
		  - All 11 PRIs have experienced an increase of skills in at least one of the 4 aspects of financial technical quality.
		  - All 11 PRIs showed positive Average Annual Growth Rates (AAGR), ranging from 3% to 159%.
		  - All 11 PRIs' non-DFAT revenue have increased over the 2015–2021 period. No declining trend was shown, which is sufficient to conclude that most PRIs are becoming less dependent on DFAT's funding.
			• PRIs' good performance is expected in the areas of quality policy research, strengthening profile and networks, and influencing policy processes. Policy changes will happen, but not all PRIs are likely to achieve this, as some are working on highly political issues which may be difficult to influence to the point of policy change.

Cross-cutting initiatives	Sub-national	• The knowledge-to-policy pilot successfully showcased an evidence-based policy process where a priority policy agenda to rebuild the silk industry was supported through an applied value-chain study as the basis for policy development, culminating in the issuing of *South Sulawesi Governor Regulation 47/2021 on Label Utilisation for Silk Cloth with Typical Patterns from South Sulawesi*. The regulation directly adopted key recommendations from the K2P process and outputs.	• Since 28 February 2021, South Sulawesi has faced political challenges in provincial leadership where the governor was no longer active and the vice governor served in an acting position. Similarly, in September 2021 a definitive Head of the Regional Research and Development Planning Agency (*Bappetlitbangda*) in South Sulawesi was at last appointed, putting an end to a 15-month period of interim heads. KSI partner Eastern Indonesia Knowledge Exchange (BaKTI) briefed the new leadership to ensure transfer of knowledge and continuity of the pilot. The provincial leadership ushered in the final policy reforms

Strategic focus	EOPO	Achievements	Challenges
		• Bappelitbangda South Sulawesi has funded another value-chain study on satoimo taro commodity in 2021, applying the collaborative approach used in silk commodity study and using the *Swakelola Tipe III* mechanism. • Bappelitbangda South Sulawesi has released a decree on Technical Guidelines on Collaborative Studies based on the silk commodity value-chain study that was facilitated by KSI. Features of the study incorporated into the guidelines include the inclusion of GEDSI elements in the study; the use of multi-actor, multi-disciplinary approaches; and stronger quality control mechanisms involving a wider variety of peer reviewers.	including a regulation on collaborative research and a Governor Decree on the silk industry based on research findings.
	GEDSI	• KSI supported PRIs successfully producing GEDSI-sensitive research, with 72 (94%) PRI research products meeting the agreed benchmark of at least 3 out of 4 criteria for GEDSI-sensitive research and resulting in at least 6 policy changes with a clear GEDSI dimension. • This work also provided much of the input on the GEDSI lessons learned publication, *Gender Equality, Disability and Social Inclusion in Practice*, which was produced through collaboration with PRIs and other research bodies, and the DFAT project network. • Other successes in this area include the knowledge-to-policy pilot at sub-national level in South Sulawesi, in which the silk value chain study included a gender equality perspective that revealed gender bias in the silk industry and recommended additional attention to ensuring a fair distribution of financial benefits. • AIDRAN held its first international disability conference in 2019, which strengthened its networks and provided an opportunity for its members to interact and share knowledge with other stakeholders. • Successful integration of GEDSI into the XIII edition of MoECRT research grant guidelines and the incorporation of GEDSI elements in the Bappelitbangda South Sulawesi decree on Technical Guidelines on Collaborative Studies. • The KSI-supported Policy Quality Index (PQI) instruments and tools also mainstream GEDSI perspectives, including specific questions on whether the policy problem is related to vulnerable	• The challenge in this area was to adapt GEDSI approaches to the pandemic context and adjust strategies accordingly, which was accomplished through pivot of AIDRAN research to COVID-19-related issues and linking GEDSI guidelines and videos to the urgency of COVID-19 research with a GEDSI perspective.

Strategic focus	EOPO	Achievements	Challenges
		groups and whether the policy goals have been set for vulnerable groups. • Policies and procedures to secure the participation of women and people with a disability are now in place and embedded in IDF. • AIDRAN's online learning toolkits for university students with a disability were adopted by MoECRT.	
	Public discourse and communication	• The media have shown more interest in covering issues related to the knowledge system. KSI introduced the concept of knowledge innovation ecosystem to the public discourse. • KSI managed to empower evidence-based voices in the media landscape. KSI's support enabled TCID to carry out its mission to provide high-quality, evidence-based information to improve public debate Having transformed itself from a start-up to an established outlet, *The Conversation Indonesia* is poised to play a significant role as an intermediary in the knowledge sector. • KSI's knowledge exchange events provide a range of different forms of dialogue and debate, helping to shape the policy agenda, build discursive commitments from prominent policymakers on key issues and make important contributions to policy changes.	• The challenge in this area was in improving participation in our online events through a targeting strategy, promoting gender balance of speakers and refining media involvement to ensure the adoption of knowledge and innovation ecosystem thinking. • Another challenge was tracking the quality and impact of public discourse on policymaking. KSI addressed this through commissioning an evaluation on public discourse.

While the discussion below is made per EOPO and per initiative, this does not imply that there was no interaction between EOPOs. Collectively, the EOPOs and the cross-cutting initiatives worked together towards achieving the program goal. For example, KSI contributed to improved knowledge production by supporting LAN with training materials, socialisation guidelines and utilisation approaches for policy analyst civil servants (EOPO 3) as well as helping 16 participating PRIs to strengthen the quality of their research (EOPO 5). The knowledge generated by these analysts and research institutes is increasingly available and accessible for use through the KRISNA system (EOPO 4) and networking policy forums such as the Indonesia Development Forum (EOPO 3). The sustainability of these improvements to the K2P system has been enhanced at an operational level through the institutionalisation of incentives for knowledge producers to produce quality GEDSI research, reduced complication of bureaucratic approval processes for foreign research permits (EOPO 2) and increased financially sustainable of 11 PRIs (EOPO 5). Sustainability of improvements to the K2P system at the strategic level is enhanced by KSI's support for the institutionalisation of the *Swakelola Tipe III* procurement mechanism, establishment of the National Research and Innovation Agency, the creation of a new research endowment fund and development of the Knowledge and Innovation Ecosystem Blueprint.

4.1 EOPO 1: better research governance and funding mechanisms for quality policy research

4.1.1 Self-managed procurement with CSOs (*Swakelola Tipe III*)

Relevance. From the outset of Phase 2, the program had a clear intent to continue its work to increase the amount and quality of funding for policy research.[41] The diagnostic studies commissioned as part of the KSI design, along with subsequent updates, highlighted a set of challenges relating to limitations imposed by procurement regulations leading to significant Phase 1 investments on this issue. KSI's contributions to the reform of regulations governing procurement of research, culminating in the promulgation of *Perpres 16/2018* and drafting of key implementing regulations (*PerLKPP 8/2018* and *Permenristekdikti 20/2018*), would become one of the signature achievements of the program in Phase 1.[42]

Ultimately, *Perpres 16/2018*, while a significant and necessary achievement in institutional reform, was not in itself sufficient to release pent up demand in a sudden flood of new research funding. In other words, the reform was not self-implementing and additional efforts would be required to develop the formal and informal foundations for use of the new procurement mechanism. In 2018, the program concluded that '[w]hile LKPP and AKATIGA are driving the implementation of the regulation, it will take time to build the confidence and willingness of CSOs and government to use this mechanism. Most importantly, this requires building trust between the government and CSOs'.[43]

Implementation. KSI's work in this area during Phase 2 sought to facilitate usage of the new procurement mechanism through a variety of efforts that evolved as program implementation produced new learning on the barriers to wider uptake. The program's initial efforts emphasised socialisation, with the understanding that awareness of the new regulation was a necessary step for both government and CSOs to begin to use *Swakelola Tipe III*. The KSI contribution took 3 main forms, conducting socialisation events, providing general reference materials[44] and undertaking implementation learning/evaluation studies.[45] KSI complemented LKPP's work by facilitating more intensive socialisation of *Swakelola Tipe III* with CSOs and their government

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[41] KSI, 2018 Program Implementation Strategy

[42] For more detail, see Jackson, E., Prasetiamartati, B., Sadikin, M. C., Sugiyanto, & Pellini, A. (June 2007). *Commissioning knowledge for policy: Reforms in the procurement of research in Indonesia*

[43] KSI 2018 Annual report

[44] Including developing a socialisation video and guidebook on *Swakelola Tipe III* for distribution during its events. These became a key resource for SMERU, IRE and CIPG, originally used to enhance their own understanding of the mechanism and shared with potential government counterparts to help explain the mechanism. The video had been viewed on YouTube 2,386 times as of 15 February 2022, see https://www.youtube.com/watch?v=kqpHxz-lBF4&feature=emb_logo

[45] *Evaluating the Use of the 'Swakelola Tipe III' Procurement Mechanism.,* Solidaritas, 2020

partners, including with PRIs and other DFAT programs. These efforts, conducted through KSI partner AKATIGA, strengthened LKPP's own efforts, particularly where LKPP's time and resources were largely absorbed by supporting private sector procurement.[46]

While direct support to socialisation yielded important results, including at least 12 *Swakelola Tipe III* contracts[47] signed between Policy Research Institutes affiliated with KSI and various government institutions, and a further 8 contracts signed by CIPG, the experience in the socialisation process yielded 3 new paths to change. Firstly, evidence began to emerge of indirect effects in which new parts of government[48] learned about (or enhanced their understanding of) the mechanism through their interaction with the PRIs who had attended KSI (or KSI-supported, LKPP-led) socialisation sessions.

Secondly, it became increasingly clear that socialisation was not simply functioning as awareness raising, but was also generating learning about the barriers to more widespread usage. Accordingly, KSI commissioned 3 evaluation studies (in 2020, 2021 and 2022) on the utilisation of *Swakelola Tipe III*. These evaluation studies provided input, feedback and recommendations to LKPP on how the *Swakelola Tipe III* mechanism had been used, and identified benefits and challenges in using it.[49] This iterative learning process contributed to modifications that strengthened more recent GoI socialisation efforts, this time led by LKPP. Moreover, following a recommendation from the 2022 longitudinal study, the LinkLSM Consortium started conversations with the Association of Indonesian Procurement Experts (*Ikatan Ahli Pengadaan Indonesia*, IAPI) to reach more CSOs and their government partners on *Swakelola Tipe III*.

Thirdly, socialisation of *Swakelola Tipe III* separately to government and CSOs is not sufficient. In addition to trust in the mechanism, each party must have knowledge of and trust in each other as a reliable partner. This led KSI to support development of LinkLSM.id as an online database platform of CSOs that have met all criteria for *Swakelola Tipe III*. LinkLSM has been developed by AKATIGA, Konsil LSM, Seknas FITRA and YASMIB Sulawesi, with support from KSI, and to date is the only CSO platform to connect government with its potential partners in *Swakelola Tipe III* contracts.

Achievements. Evidence from multiple sources points to a growing number and increasing value of *Swakelola Tipe III* contracts from the issuance of *Perpres 16/2018* in 2018 to time of writing. Figure 6 summarises findings from the best available source of data on numbers and values of *Swakelola Tipe III* contracts, the General Procurement Planning Information System (SiRUP), though there are some limitations to note. Firstly, the SiRUP data is planning data, and therefore may not capture changes to procurement made during the year. This may be particularly relevant in interpreting the 2020 data, as procurement plans were subject to numerous changes that year as the country reworked budgets in response to the onset of the COVID-19 pandemic. Secondly, while it was not feasible to undertake a complete independent verification of several thousand planned procurements each year, sampling undertaken as a part of a more limited independent review suggests that some agencies incorrectly tagged their procurements as *Swakelola Tipe III*, while other known cases of *Swakelola Tipe III* were not always captured in SiRUP.[50, 51]

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[46] KSI 2019 Annual Report

[47] *Evaluating the Use of the 'Swakelola Tipe III' Procurement Mechanism.,* Solidaritas, 2020 and KSI monitoring from 2020–2021.

[48] Such as the Provincial Government of South Sulawesi (through works with Seknas FITRA and YASMIB Sulawesi), Coordinating Ministry of Economic Affairs (with AKATIGA).

[49] The evaluation study recommends KSI work with LKPP to strengthen its socialisation mechanism, better utilisation of the Procurement General Planning Information System (SiRUP) and a stronger role for government procurement working units/Unit Kerja Pengadaan Barang dan Jasa (UKPBJ). The evaluation recommends KSI work with the Directorate General of Treasury/Direktorat Jenderal Perbendaharaan (DJPb) Kemenkeu to clarify reporting and payment mechanisms.

[50] KSI 2019 Annual Report, citing Solidaritas (2020). *Evaluating the Use of the 'Swakelola Tipe III' Procurement Mechanism.*

[51] Given KSIs interest in this procurement mechanism, the program commissioned evaluations on *Swakelola Tipe III* in 2020 and 2021. A third and final evaluation is currently underway.

Figure 6.   Data on *Swakelola Tipe III* packages, SiRUP, 2018–2021 [52]
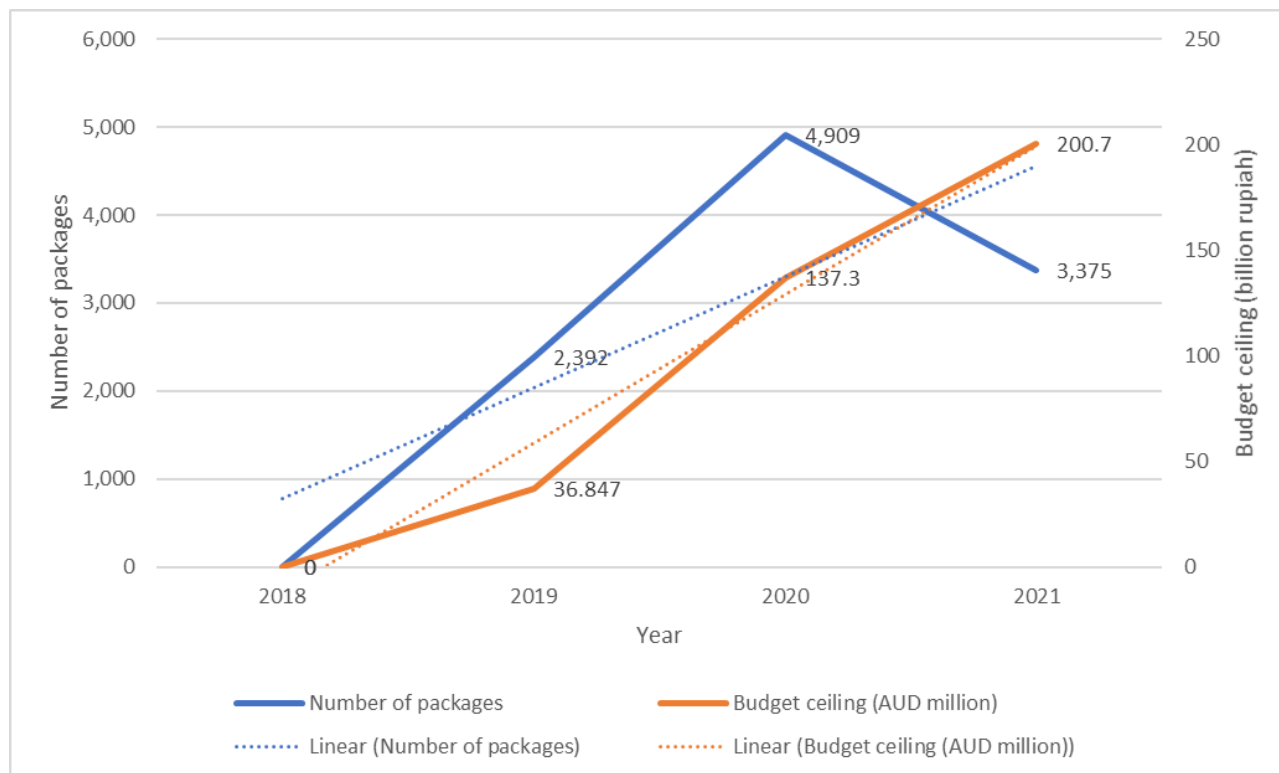
These data limitations do make it difficult to confidently state a precise figure for the number and value of procurements, but these results support a conclusion that *Swakelola Tipe III* is increasingly used as a viable mechanism to procure services, including research, from non-government partners. While it is also clear that KSI was able to play a clear role in supporting the use of *Swakelola Tipe III* by its immediate partners, the full value of the program's investment in this area should be seen as a *contribution* to wider institutional change alongside partners in government (e.g. LKPP), other DFAT programs[53] and Non-Governmental Organisations (Box 3). This confirms the value of pursuing transformational institutional changes rather than transactional changes, and of a theory of change grounded in this principle.

Box 3: Spill-over effects and repeat customers

More cases are starting to emerge in which KSI supported a partner in obtaining a first contract using the *Swakelola Tipe III* mechanism, and that partner went on to have another contract that was not KSI facilitated. At times, these cases involve repeat partnerships between the same government agency and CSO. This was the case following KSI socialisation efforts with PEDULI and promotion by YASMIB Sulawesi and Seknas FITRA in South Sulawesi, when Bappelitbangda South Sulawesi started using *Swakelola Tipe III* in 2020 with PINUS South Sulawesi, and then in 2021, collaborated again in another contract. In 2022, PINUS Sulsel is exploring other opportunities with Bappelitbangda South Sulawesi. At other times, KSI-supported partners have gone on to use knowledge of the *Swakelola Tipe III* mechanism with new partners, as was the case when KSI facilitated IRE to get their first *Swakelola Tipe* III contract with Bappeda Sumbawa in 2019. In 2020, IRE took the initiative to build on this experience and obtained a contract with Kabupaten Ngawi without KSI assistance.

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[52] As *Perpres 16/2018* was issued in 2018, SiRUP data of *Swakelola Tipe III* is only available from 2019.

[53] This included more intensive brokering and facilitating meetings between LKPP, AKATIGA, local government, CSOs and DFAT programs in Jakarta (MAMPU), Papua and West Papua (UNICEF, KOMPAK), Sumbawa (KOMPAK) and South Sulawesi (PEDULI).

KSIxChange at Bappenas to promote utilisation of Swakelola Tipe III (2019)

September 2021 – The speakers at KSIxChange#36 'How Social and Humanities Science Can Protect Vulnerable Groups from the Impact of the COVID-19 Pandemic'
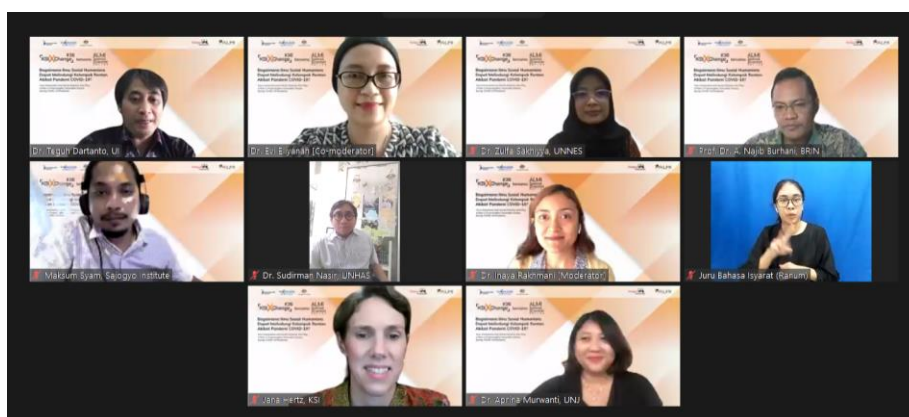
Sustainability. The formal institutional foundations of sustainable change were laid in 2018 with Type 1 institutionalisation through government regulation and policy, including the Presidential Decree on Procurement of Goods and Services (*Perpres 16/2018*) and the LKPP regulation on self-managed procurement (*Peraturan Kepala LKPP 8/2018*). To date there have been no signs of backsliding, or efforts to repeal or weaken these policies. In fact, GoI has since updated *Perpres 16/2018* with *Perpres 12/2021*, leaving the *Swakelola Tipe III* provisions intact. *LKPP regulation No. 8/2018* has been updated through *LKPP Regulation 3/2021*, with guidelines loosening the requirements for CSOs to engage in *Swakelola Tipe III* contracts by removing requirements for a 3-year financial audit and clarifying that rates for personnel can use existing or previous contracts.[54]

Type 2 institutionalisation through business practices within the Government of Indonesia or non-government actors is increasingly evident, with key indicators including development of updated guidance on *Swakelola Tipe III* in 2021. The changes to audit requirements noted above indicate ongoing GoI commitment to improving the mechanism, rather than relying on the 2018 policy. LinkLSM.id has been officially launched on 31 March 2022,[55] and as of May 2022, a total of 109 CSOs are listed and verified. LKPP

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[54] These are positive steps, though additional clarifications regarding the possibility for advance payment, coverage for indirect costs and utilisation of output-based payment may require additional discussions between LKPP and the Ministry of Finance.
[55] See https://linklsm.id/berita/platform-linklsm-id-diluncurkan-bersama-lkpp-bappenas-dan-kemendagri-untuk-mendorong-swakelola-tipe-iii

has agreed to support the platform by sharing *Swakelola Tipe III* demand data, as per SiRUP, thereby increasing LinkLSM profile and legitimacy.

Type 3 institutionalisation is here concerned mainly with the extent to which *Swakelola Tipe III* is embedded in paradigm or perceptual changes over time among stakeholders. Here, the increased usage of *Swakelola Tipe III* by a wide variety of ministries and agencies[56] is the best available proxy as usage reflects not only the presence of the mechanism and supporting business processes, but also a knowledge of and an adequate level of trust in those systems and in partners. Evidence suggests this is growing in aggregate, but that institutionalisation (and sustainability) still varies across parts of government (e.g. ministries/agencies/ sub-national jurisdictions). In some cases, trust and the norm of positive government/CSOs working relationships are better established. For example in South Sulawesi, KSI-supported efforts to promote utilisation of *Swakelola Tipe III* through collaboration with YASMIB Sulawesi and Seknas FITRA have been quite fruitful. At least 4 contracts were made in 2020 and 2021 and YASMIB Sulawesi has emerged as a reference organisation for the local government and CSOs looking for information on *Swakelola Tipe III*.

4.1.2 Policy research governance and research endowment fund

Relevance. Experience in Phase 1 and thinking during the design stage identified a number of challenges arising from the broader institutional context in which knowledge-to-policy processes unfolded in Indonesia. Among these, Indonesia lacked a national vision for its research-to-policy system, including clearer roles and responsibilities of agencies in the knowledge sector. The country had a national research agenda – *Agenda Riset Nasional* (ARN) – but this was not linked to funding. At the national level, research funding was distributed across 81 government agencies, which set their own priorities. Poor coordination between these agencies meant that research was often duplicated, and findings not shared with other agencies. There was also a lack of clarity on the roles and functions of Indonesia's national scientific and research funding agencies.

As a part of its broader efforts (see also sections 4.1.1. on procurement reform, 4.1.3 on AIPI/ALMI/DIPI, and 4.1.5. on private sector funding), the program envisioned a stream of work in which KSI would engage in government reform efforts affecting the knowledge sector, though these various reform efforts were not coordinated or linked to a common vision of the research-to-policy process in Indonesia. The work would be iterative and exploratory, responding to opportunities in a rapidly changing context.[57] KSI planned to convene and facilitate key stakeholders to raise awareness of the importance of research to policy and to increasingly work towards a common vision, to clarify roles and responsibilities and to consider links between separate reform efforts and the ramifications of decisions on the broader knowledge sector. KSI would play a critical friend role by offering suggestions and sharing other experiences (including international experience). Through engagement in these reform processes, KSI would seek to identify concrete opportunities to strengthen funding mechanisms for policy research and to identify and strengthen how these link to research agendas.[58]

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[56] At least 17 ministries and agencies at national level and 15 local government units have used *Swakelola Tipe III*.

[57] For example, during KSI implementation, the Ministry of Research and Technology changed 3 times, i.e. Ministry of Research, Technology, and Higher Education (2015–2019), Ministry of Research and Technology/National Research and Innovation Agency (2019–2021), and then Ministry of Education, Culture, Research, and Technology (2021–present).

[58] KSI Phase 2 Program Implementation Strategy

Implementation. Phase 2 offered several opportunities to contribute to systemic changes in research funding and governance. The KSI team initially identified a set of 3 nascent reform efforts, each of which had an institutional home and supporters in GoI, as a starting point for potential reform.

- **Review of the Law on the National Science and Technology System (*UU Sisnas Iptek*)**, which the team hoped would provide opportunities to: (a) clarify the role of DIPI as the key funding mechanism for basic research and for the government to take responsibility for fully funding DIPI (see Section 4.1.3), (b) broaden the government's perspective on how a piece of research can be used to inform policy and (c) identify entry points to strengthen funding for policy research and the roles of key actors related to policy research.

- **KemenPAN-RB's review of the Research and Development Units (Balitbang)**, [59] which offered an entry point for reform to the institutional arrangements governing research and research funding, including the establishment of a national research body to centralise research funding.

- **Ministry of Finance's development of a research endowment fund**, which offered an opportunity to institutionalise a new mechanism for funding of policy research that would better enable quality policy research, including its links to research agendas, provisions for multi-year funding and merit-based peer review of research proposals.

KSI's engagement sought to use these windows of opportunity to influence policymakers when these issues were being deliberated and debated. To do so, the program played a variety of roles. Initially, KSI sought to facilitate more informed debate and broaden participation in these reform processes through a combination of a convening role that strengthened Bappenas' input to the *RUU Sisnas Iptek* reform process, and direct support for AIPI, DIPI and ALMI (including funding, technical advice to strengthen inputs to *RUU Sisnas Iptek* and providing forums for them to present their views) as well as CIPG (through a sub-contracting arrangement).[60]

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[59] Research and Development Unit, a specific unit under line ministries that has roles to coordinate related technical policies through research and analysis activities.

[60] For an in-depth assessment of the dynamics at play in the genesis of *UU Sisnas Iptek*, see Pawennei, I. *et al.,* (forthcoming), 'Can a Vision Change the Game? Learning from Indonesia's National Science and Technology Law Reforms'.

While contributions of this nature would again be important in the coming years, the *RUU Sisnas Iptek* proceedings have been closed to the public since November 2018, making it difficult to lobby members of the Parliamentary Special Committee deliberating the law. Additionally, internal program discussions identified a concern that the 2019 National Elections would lead to the reform process stalling as parliamentarians turned to campaigning, leading the program to make 2 key decisions. Firstly, KSI decided to look at the elections as a political opportunity rather than an obstacle and developed new strategies to leverage the 2019 elections to keep the research ecosystem issues (including funding and institutions) on the national agenda during the election period. KSI worked with professional media and public relations agencies to support the publication of articles and videos by key opinion leaders (in both print and online media) and used social media to amplify this discourse. In collaboration with Tempo Institute, KSI was engaging ALMI (Indonesia Young Academy of Sciences) to discuss challenges in the research ecosystem during its live-stream commentary on the vice-presidential debate. The traction gained in the lead-up to the election provided further momentum for the passage of *UU Sisnas Iptek*.

Secondly, in parallel to the *UU Sisnas Iptek* reform process, the program pursued its objectives through the ongoing Balitbang reform and research endowment fund processes. On the former, KSI funded the Centre for the Study of Governance and Administrative Reform (UI-CSGAR) to conduct a study and prepare a policy brief on Balitbang reform and research governance. These findings, together with an earlier study by RTI on international practices, were disseminated to KemenPAN-RB, Bappenas and other key stakeholders. KemenPAN-RB produced a policy brief for its minister which drew upon the KSI Phase 1 diagnostic study and was further reinforced by UI-CSGAR's findings. The minister of KemenPAN-RB used the policy brief to make recommendations to the president in April 2019. Key recommendations included: the need for a clear mission, the independence of the future funding body, a delineation between investment and disbursement functions, and exploring the option of setting up a trust fund that would enable the government to tap into non-state budget for research. The third of these recommendations was fulfilled with the government's decision to allocate the investment and disbursement of the fund to different agencies with relevant expertise.

The faster than expected passage of *UU Sisnas Iptek* in 2019 reflected Parliament's strong interest in establishing a new research body and the president's desire to address concerns over the effectiveness and efficiency of research spending. Although some of its features presented challenges for KSI's objectives (see Section 4.2.1 on research incentives), the new law provided an institutional basis for BRIN and the new National Endowment Fund for Research. That basis, and the fact that additional regulations would be necessary to determine the form and function of these new institutions, provided new openings for KSI to continue its contributions to the debate on how the new agency and fund should operate.

- The program supported the Ministry of Research and Technology and the Ministry of Finance for the endowment fund through the provision of a consultant who convened FGDs that were hosted by the DG Budget, and who provided technical inputs based on international literature. KSI also facilitated a visit to Australia in 2019 and advocated for changes through its partners AIPI and ALMI. The focus of these efforts was to include funding for policy-relevant research, especially through social sciences and humanities research, and for funding arrangements which promote quality research (such as output-based, multi-year research; competitive peer review selection processes; and the promotion of research collaborations, including with non-government research providers).

- KSI convened a series of Focus Group Discussions with diverse stakeholders to provide quality input to decision makers. KSI supported the development of a position paper on Technological Readiness Level/*Tingkat Kesiapterapan Teknologi* (TKT) as part of the input for the draft Presidential Regulation on Science & Technology Implementation (*RPP Penyelenggaraan Iptek)*. KSI played its role as 'critical friend' by advocating that inclusive innovation, which values sustainability and meets the needs and interests of disadvantaged groups, underlie scientific research and technology creation. This framework is also intended to encourage more collaborative research to engage critically with institutional actors within the knowledge ecosystem, such as universities, NGOs and civil society at national and sub-national levels.

As the program entered 2021, the institutional setting for policy research governance in Indonesia changed drastically. In May of that year, the Ministry of Research and Technology (MoRT) was dissolved and merged with the Ministry of Education and Culture to create the Ministry of Education, Culture, Research and Technology (MoECRT). Under *Perpres 33/2021*, and subsequently *Perpres 78/2021*, the National Research and Innovation Agency/*Badan Riset dan Inovasi Nasional* (BRIN) was officially established as a separate agency integrating ministerial/agency research units. The new agency was immediately occupied with establishing itself, limiting the space for engagement and advocacy by KSI and its partners.[61] With the limited time remaining in for Phase 2 implementation, KSI pivoted its support to focus on developing Indonesia's National Research Priorities/*Prioritas Riset Nasional* (PRN).

In 2019, MoRT and Bappenas had developed the PRN in line with the existing National Research Masterplan/*Rencana Induk Riset Nasional* (RIRN). Despite this effort and a number of regulations,[62] most government agencies were not properly prioritising, planning or budgeting for their research priorities, limiting the availability of evidence to inform policy. Research priorities commonly rested with individual technical units to respond to sectoral needs and lacked a common platform for quality assurance. There were some counterexamples of better practice. LIPI's Deputy of Social Sciences and Humanities was responsible for responding to the PRN's national research flagships in the social sciences and humanities, and actively coordinated with other government agencies, NGOs and think tanks to identify research priorities aligned with these flagships. At the time, KSI engaged in this process to better learn how these agencies set and fund a research agenda to respond to the PRN for 2020 and to investigate openings to apply the procurement regulation (*Swakelola Tipe III* and Article 62).

Back in 2021, this work regained momentum through strong demand from Bappenas and, eventually, BRIN for tracking research progress and PRN-related outputs, and for promoting sustainability of research accountability. Under Bappenas' leadership and in close coordination with BRIN, KSI contracted consultants to develop the PRN dashboard, which is scheduled for release in 2022 (see Figure 7).[63] The PRN dashboard development was achieved through working closely with BRIN's Directorate of Research and Innovation Policy and the Centre for Data and Information/*Pusat Data dan Informasi* (Pusdatin). These units commit to using and integrating the PRN dashboard into BRIN's system. The dashboard development process also helped clarify BRIN governance functions in different units in relation to PRN and encouraged collaboration among different units within the newly established BRIN. The dashboard structure embeds the operationalisation of KSI's advocated principles, i.e. creating spaces for recording and analysing the involvement of research users (industry) and facilitating collaboration with non-state actors.

Figure 7.   PRN dashboard

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[61] The project did some work with LIPI in 2021 with the hope of influencing to-be-established BRIN structures. It is however not clear to what extent such inputs were passed on to BRIN after LIPI was abolished and its mandate taken over by BRIN.

[62] These regulations include *Perpres 38/2018* on RIRN, *Perpres 16/2018* on procurement regulations (especially Pasal 62), and a number of ancillary regulations from the Minister of Research, Technology and Higher Education's Regulation (*Peraturan Menteri Riset, Teknologi dan Pendidikan Tinggi, Permenristekdikti*) to PMK.

[63] https://dashboardprn.brin.go.id
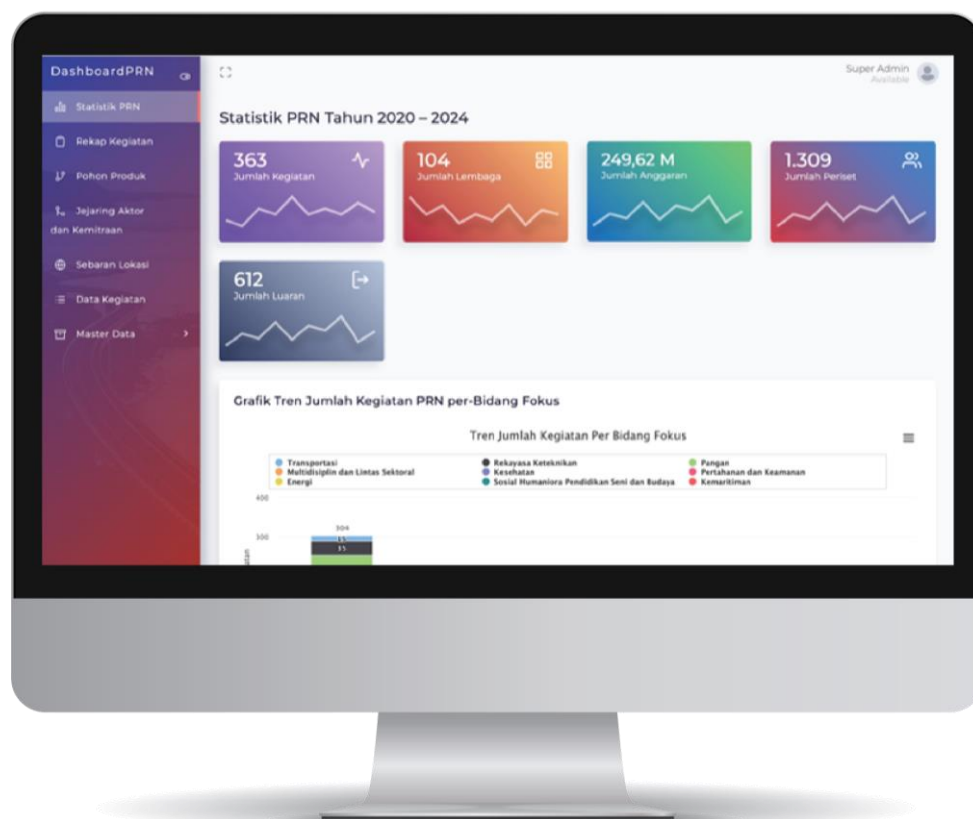
Achievements. The institutional arrangements for policy research governance and funding in Indonesia look significantly different in 2022 than they did at the start of Phase 2 in 2018. The way these reform processes unfolded reflected a wide range of interests and incentives, and while the results to date do not reflect every outcome that KSI had hoped for, there have been a number of noteworthy achievements.

- *UU Sisnas Iptek*. With additional momentum provided by the effective integration of research ecosystem issues into the 2019 election debate, the revisions to the *UU Sisnas Iptek* were passed into law that same year, avoiding the delays anticipated from the campaigning and elections period.

- BRIN. The establishment of BRIN as a separate agency reporting to the president by *Perpres* 33/2021, later replaced by *Perpres 78/2021*, was not aligned with key principles[64] advocated by KSI in the final stages of developing the new agency. The outcome, which was the culmination of a process that began with debates on Balitbang reform, should still be considered a 'second-best', politically feasible outcome in light of the challenges identified at the outset: 'At the national level, research funding is distributed across 81 government agencies, which set their own priorities. Poor coordination between these agencies means that research is often duplicated, and findings are not shared with other agencies. There is also a lack of clarity on the roles and functions of Indonesia's national scientific and research funding agencies'.[65] Thus, the program was successful in contributing to a move from the status quo (though obviously there were other contributing factors as well), but

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[64] For research governance, the principles include (a) BRIN as coordinator and administrator to provide autonomy, while enabling collaboration in research and innovation; (b) BRIN to ensure a multi-disciplinary approach, coherence and impactful agenda-setting; (c) BRIN to promote inclusive research and innovation through mainstreaming socio-engineering and social innovation; (d) BRIN as resource allocators to ensure flexibilities (and optimisation) of research funding, researcher collaborations and infrastructure; (e) BRIN to make corrections and accelerate priorities, as well as to confirm continuity and coherence of research through open innovation.

[65] KSI Program Implementation Strategy 2018

the arrangements that have been put in place are mixed, with likely benefits in addressing issues of coordination, duplication and improved clarity on roles and functions, but without integrating some 'best practice' principles.

- Research endowment fund. The passage of both Presidential Regulations for the fund was further delayed in 2020 due to COVID-19. Despite the delay, progress was made on the adoption of 2 research funding principles on the separation of investment and disbursement roles and the flexibility of funding for research endowment, institutionalised in a Ministerial Decree from the Ministry of Finance, based on recommendations from MoRT. The interim Ministerial Decree (*KMK 594/KMK.06/2020*) gave LPDP a legal mandate to start investing in 2021 around IDR5 trillion out of a total committed budget of IDR9 trillion for the research endowment fund. *Perpres 111/2021 on the Endowment Funds in the Education Sector* (*Dana Abadi Pendidikan di Bidang Pendidikan*) was then issued in December 2021. This regulation reflects several management principles[66] proposed by KSI and its partners, namely (a) separation of investment and utilisation functions (articles 8 and 11), (b) support for international and multi-actor collaboration (Article 17) and (c) flexible funding with accountability (Article 18). Most of the principles not reflected in the above arrangements can only be seen for compliance when BRIN has set technical regulations regarding the use of endowments. However, these 3 principles have already provided a solid foundation for the management of research endowments.

In addition to the overarching policies described above, BRIN agreed to use the National Research Priority (PRN) dashboard built with support from KSI. The dashboard incorporates the key principles for effective research governance, i.e. facilitating collaboration with non-state actors.

The project did some work with LIPI in 2021 with the hope of influencing to-be-established BRIN structures. KSI facilitated online workshops, involving experts from other countries (Australia, the UK, Japan, China, Taiwan and South Korea) to draw lessons on the process of clustering of specialties and disciplines in the social sciences and humanities within government research institutes. The lessons learned from the workshops were taken up by BRIN's Research Organisation of Social Sciences and Humanities/*Organisasi Riset Ilmu Pengetahuan Sosial dan Humaniora* (OR IPSH). As an example, in those countries, a disciplinary approach is chosen to establish research centres, however, a cross-disciplinary approach must be the basis for carrying out research. In BRIN's OR IPSH, the research program encourages multi- and/or cross-disciplinary research collaborations. Although in the early stages the single discipline approach was still dominant in the research teams, multi-disciplinary research teams have now started to emerge.[67]

Sustainability. KSI has attempted to achieve sustainable change through a range of mechanisms. The primary focus was the pursuit of formal institutionalisation by focusing on inputs to policy and regulations that would improve research governance and funding (Type 1) and support for development of technical instruments with built in principles of effective governance (Type 2). As noted above, there have been notable successes alongside some less successful attempts where political considerations proved insurmountable. With respect to policies and regulations, the *UU Sisnas Iptek* and subsequent regulations on the research endowment fund have established a sustainable base for long-term investments in research (pending subsequent allocations and reasonable market returns). The *Sisnas Iptek* provisions and subsequent regulations on BRIN provide more of a mixed picture, but nevertheless provide a strong institutional foundation that prevents the worst effects of fragmented and siloed research governance and, together with the development and use of new

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[66] The advocated research funding principles are (a) professional management reflected by a separation of functions between investment and programmatic roles; (b) flexible disbursement reflected by a grant mechanism which better accommodates research characteristics (multi-year, multi-source); (c) merit-based funding via an open, competitive and transparent selection process; (d) independence reflected by a non-political governing board; (e) a clear mission reflected by a distinctive statement of funding objectives and; (f) to enable collaboration of multiple actors, including international collaboration.

[67] KSI (August 2021), *Rangkuman Rangkaian Diskusi LIPI IPSK* [Summary of LIPI IPSK Discussion Series], with written comments from Trina Fizzanty (BRIN).

business tools and processes like the PRN dashboard, offers scope for greater alignment with National Research Priorities.

There is, however, clearly room for continued improvement in this area, and indeed implementation remains a question as BRIN's roles, responsibilities and structure are solidified and the new arrangements are clarified in the outstanding Government Regulation. The hope is that key principles can be picked up again when the institutional environment is more conducive to such inputs. Key policy studies on research funding governance are available online for reference by both the policymaker and the advocate. Perhaps just as encouraging on this point are positive signs that several KSI partners are engaged and ready to leverage the relationships they developed with KSI's support. For example, based on *Perpres 111/2021*, BRIN has a role in allocating the use of these investment returns. BRIN has been exploring another legal umbrella or guidance on the disbursement or use of the research endowment fund and started consultations with CIPG and ALMI, which have been aware of and advocating for the research governance and research funding principles, even after KSI closes. Similarly, with respect to integrating consideration of multi-disciplinary/social sciences and humanities research and collaboration with non-state actors, 12 PRIs and CIPG are aware of BRIN's role in science-based policy and have been advocating the urgency of working with non-government think tanks to BRIN's Research Organisation of Social Sciences and Humanities (BRIN OR IPSH) and BRIN's Deputy on Development Policy. While KSI facilitated these contacts initially, some PRIs and BRIN OR IPSH now have direct communications and SMERU has initiated further advocacy with BRIN OR IPSH to promote a platform for community of practice, without KSI facilitation. More efforts of this kind will be necessary as the reform process continues to unfold after the closing of KSI.

The 40 end products of National Research Priority have been set as strategic indicators. To achieve these, the National Research Priority dashboard will be serving as our tool to monitor and evaluate the research program and its policies. In the near future, we expect that the dashboard will be integrated with other new schemes. We are committed to optimising this dashboard given that the head of BRIN would be refocusing research priorities. KSI has been part of the early development of this dashboard and we are thankful for this support.

Ayom Widipaminto ST MT
Acting Director of Research and Innovation Policy in BRIN
Statement made at the launch of the PRN Dashboard on 11 January 2022

4.1.3 AIPI (Indonesian Academy of Sciences)/ALMI (Indonesia Young Academy of Sciences)/DIPI (Indonesian Science Fund)

Relevance. Indonesia's funding for research and development as a percentage of GDP is significantly below that of other lower-middle income countries,[68] and the private sector contributes only a fraction of the overall funds for R&D.[69] Moreover, the dispersal of research funding across a range of government agencies meant that the national investment was not used strategically. KSI's efforts to increase the availability of

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[68] The 2014 ADB publication *Innovative Asia: advancing the knowledge-based economy* reported that Indonesia scored 3.11 on the knowledge economy index compared with an average 4.39 for countries in Asia and the Pacific and an average 8.25 for OECD countries.
[69] In 2016, 84% of the funding for research in Indonesia came from the government *Perhitungan Belanja Litbang Nasional* (Calculation of National Research and Development Expenditure), (2016).

research funds in Phase 1 focused therefore on supporting the Indonesian Academy of Sciences/*Akademi Ilmu Pengetahuan Indonesia* (AIPI) and helping it to establish the Indonesian Science Fund/*Dana Ilmu Pengetahuan Indonesia* (DIPI). DIPI, which was launched in March 2016, is the first independent funding institution for fundamental and frontier research in Indonesia. DIPI's mission is to improve research quality and the outcomes of scientific exploration by creating a favourable ecosystem for excellence in national scientific research.

During Phase 1, deliberations on the draft law on the National Science and Technology System (*RUU Sisnas Iptek*) had progressed, and the law was passed by parliament in July and enacted in August 2019. KSI assessed that there were several reasons why it was strategically sound to engage in the *UU Sisnas Iptek* process. First, to clarify DIPI's role and funding. Second, to take advantage of discussions around the importance of research, to broaden the government's perspective on how a piece of research can be used and to advocate for research to inform policy. Third, to provide opportunities to engage on the roles and functions of many key agencies in the knowledge sector, and to identify entry points to strengthen funding for policy research and the roles of key actors related to policy research.

Implementation. During Phase 1, the program's efforts were focused on strengthening AIPI's institutional capacity, and the program also provided a grant.[70] AIPI used the grant funds to improve its management policies, processes and procedures, including establishing quality guidelines for its research and policy products, putting in place a new code of conduct and Standard Operating Procedures covering management, finances, governance and procurement, developing a comprehensive human resources policy and funding staff for critical roles. The funds were also used to support the establishment and activities of the Indonesia Young Academy of Sciences (ALMI) and for setting up the Indonesian Science Fund (DIPI), including establishing financial management systems and procedures for managing research grants.[71]

At the start of Phase 2, it was envisaged that activities with ALMI would continue for some time.[72] Support for ALMI would enable it to grow its profile and gain influence as a key advocate for research to policy, and ALMI was also expected to help advocate for changes to the regulations governing the university promotion system. Support for DIPI was envisaged to continue to 2020.

Achievements. The 5-year partnership (2014–2019) between AIPI and KSI was a strategic step in advancing scientific progress in Indonesia.[73]

In a span of several years, with the support of KSI and other development partners, AIPI managed to strengthen its institutional governance, clarify its objective and expand its network and influence. AIPI also gave birth to the Indonesian Young Academy of Sciences (ALMI) and the Indonesian Science Fund (DIPI). DIPI became the first independent research funding agency in Indonesia that can award multi-year funding on a competitive basis through a peer review process, applying internationally recognised research funding practices. DIPI built its reputation as a nationally and internationally recognised research funding agency and has established collaborations with both donor agencies and other research funding agencies in Asia and Europe. This has increased the availability of sustainable, domestic funding for research. DIPI now provides grants for basic and cutting-edge research through a merit-based, internationally peer-reviewed process. The 8 thematic focus areas for the grants are based on the Indonesian Science Agenda (SAINS45).[74]

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[70] KSI's ability to provide support to strengthen AIPI's institutional capacity was particularly valuable given that other donors were not able to provide this kind of assistance. KSI supported organisational strengthening workshops to help AIPI identify and address organisational weaknesses.

[71] In 2017 KSI financed a strategic assessment of DIPI (Widayanto, G., (2018) DIPI Strategic Assessment, Final Report), which helped KSI to identify how it could best support DIPI in the subsequent years.

[72] The underlying theory of change was that KSI would provide funding to temporarily fill a gap that would allow ALMI to develop its own capacity and reputation so that it would become sustainable in its own right.

[73] KSI's interaction with AIPI is documented in *Story of Change*.
https://www.ksi-indonesia.org/assets/uploads/original/2020/07/ksi-1594698888.pdf

[74] https://dipi.id/sains45

The year 2019 proved difficult for AIPI and DIPI. While DIPI continued to attract new funding, it was not enough to cover its full operational costs. DIPI received management fees under 2 engagements (as Call Secretariat for Southeast Asia – Europe Joint Funding Scheme for research and innovation, and under a contract with the Indonesian Endowment Fund for Education (LPDP) to deliver RISPRO International Cooperation) but this would only cover around half its operational needs. Government funding for AIPI also decreased, and the government did not allocate further funding for DIPI. MoRT provided some funding to DIPI in 2019, but not for operational costs. In the period 2020–2022 DIPI was able to secure funding through research grants and management fees, which gave it an annual funding IDR14 billion and IDR18.6 billion respectively, roughly similar to the IDR15 billion it had in 2019.[75]

Sustainability. The *de jure* conditions for the sustainability of AIPI, ALMI and DIPI are met (i.e. there is a legal framework in place, so Type 1 sustainability was achieved, and KSI assisted AIPI to develop operating procedures and improve management practices, contributing to Type 2 sustainability). However, the lack of adequate government funding may limit the effectiveness of AIPI and ALMI, and the research funding that it can make available through DIPI. As part of its exit strategy for this initiative, KSI advocated for DIPI to be the key funding mechanism for basic research, and for the government to take responsibility for fully funding DIPI. DIPI's funding was however reduced after KSI support ended in 2019 leaving it to survive (successfully) on research grants and management fees (for international collaboration). Future sustainability will depend on either a change of position by government, or a continuation and possible expansion of the grants and fees on which DIPI currently relies.

4.1.4   Knowledge and Innovation Ecosystem Blueprint

Relevance. The last decade has included a number of significant reforms to the Indonesian knowledge sector, as outlined in the Phase 1 Completion Report and elsewhere in this document. The Law on the National System for Science and Technology (*UU Sisnas Iptek*)[76] was signed by President Widodo in August 2019, formally establishing BRIN (National Research and Innovation Agency)[77] and the Research Endowment Fund. These are important breakthroughs in Indonesia's research ecosystem, opening opportunities to strengthen research funding and governance, though *UU Sisnas Iptek* included administrative and criminal sanctions related to research permits, ethics clearance, data submission and other issues that may create disincentives for domestic and international researchers (see Section 4.2.1). At the same time new procurement practices are now in place (see Section 4.1.1), new stakeholders like the Indonesian Science Fund/*Dana Ilmu Pengetahuan Indonesia* (DIPI) have emerged, and new knowledge management systems like KRISNA are in place (see sections 4.1.3 and 4.4.1), all of which is taking place in the context of significant bureaucratic restructuring and ongoing debates over authority, responsibilities and influence.

KSI applies a knowledge systems perspective to supporting knowledge sector reforms, focusing on the actors and institutions within the ecosystem (knowledge producers, users, intermediaries and enablers, as well as the interaction between them). As part of the knowledge systems approach, KSI selected a number of key knowledge system reforms, in cooperation with shareholders and stakeholders. KSI provides catalytic support to help knowledge actors accelerate or promote change. Overall, KSI supports the development of the Knowledge and Innovation Ecosystem Blueprint, which is in line with the Vision of Indonesia 2045 to develop a knowledge economy by 2045. The Indonesian Knowledge and Innovation Ecosystem Blueprint is an initiative of the Government of Indonesia, in cooperation with knowledge ecosystem partners, to develop strategies and recommendations for long-term growth and provide the foundation for coordinated implementation.

To ensure the sustainability of the Knowledge and Innovation Ecosystem in Indonesia and KSI's efforts to support the system itself, as well as key reforms, KSI, in cooperation with key ministries, research institutes and non-state actors facilitated a consensus-building process for a vision of the Knowledge and Innovation

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[75] Information obtained from DIPI on 21 Feb 2022.
[76] *Law No. 11/2019*.
[77] Through *Perpres 74/2019* enacted on 24 October 2019.

Ecosystem for Indonesia. This consultative group demonstrated commitment to the establishment of a blueprint, with strategies and recommendations for implementation over the next 25 years.
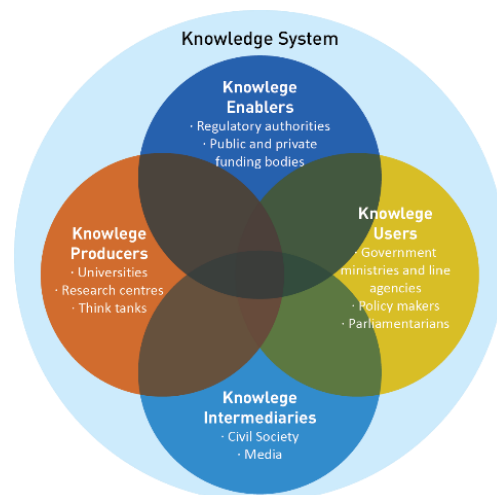
While each area of reform is significant in its own right, there remained a question about how these reforms and indeed the various parts of the system fit together. There is some tension in this question, as KSI had envisioned its support in EOPO 1 as building opportunistically on emerging reform efforts rather than working towards an idealised end state that might not be grounded in Indonesia's realities. At the same time, the program believed from the outset of Phase 2 that 'Indonesia need[ed] a national vision for its research-to-policy system, including clearer roles and responsibilities of agencies in the knowledge sector'.[78] While major institutional reforms in the sector had contributed some clarity (as well as making some important changes to those roles and responsibilities), the program still had a sense that there was a lack of shared vision for what GoI was building towards and how that fit with the vision for the country as a whole. Therefore, building on the momentum of major knowledge sector reforms, KSI continued its support to the 3 ministries through the development of a Knowledge and Innovation Ecosystem (KIE) Blueprint with the specific intent of clarifying roles of key actors in the ecosystem and how these actors interact (see Figure 8 for the original 2012 design and how it evolved to focus on the system approach).

Implementation. Building on the foundation of its work on specific reforms to the institutional arrangements for policy research governance and funding, and specifically its efforts to bring the concept of a knowledge ecosystem into the policy debates of the 2019 National Elections, the program began a concerted effort to accelerate and shape the national debate on research and knowledge to policy. The public discourse strategy implemented in 2020 aimed to influence policy through agenda-setting, through high-level webinars involving the Minister of Research and Technology and the Minister of Administrative and Bureaucratic Reform, Webinars, content development partnerships, journalist fellowships, media visits and content pitches. These events and publications highlighted key issues, the importance of interactions between institutions and actors, and reforms needed for the Knowledge and Innovation Ecosystem to thrive.

Figure 8.   Knowledge-to-policy cycle and Knowledge and Innovation Ecosystem
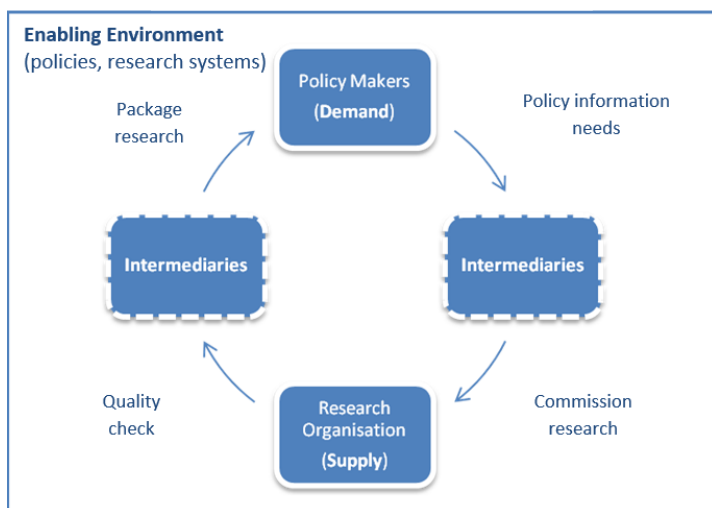
Source: AusAID (2012) [79]   Source: Hertz et al. (2020) [80]

KSI partnered with CIPG to facilitate the development of a concept note for a national knowledge and innovation ecosystem. This concept note was endorsed by Bappenas, MoRT/BRIN and KemenPAN-RB, other government agencies, PRIs and private sector representatives and served as the basis for a blueprint on the

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[78] KSI Phase 2 Program Implementation Strategy, 2018. In Phase 1, KSI also conducted a comparative study on knowledge ecosystems.
[79] AusAID (2012) The Knowledge Sector Initiative, Design Document
[80] Hertz, J. C., Brinkerhoff, D. W., Bush, R., & Karetji, P. (2020). Knowledge systems: evidence to policy concepts in practice. (Policy Brief, June). RTI Press. https://doi.org/10.3768/rtipress.2020.pb.0024.2006

ecosystem, which can be used to develop a government regulation and institutionalise the ecosystem within the government system.

The blueprint was developed through a series of consultations and Focus Group Discussions with stakeholders from more than 30 ministries and non-government actors. KSI provided technical assistance to facilitate these consultations and to draft the blueprint based on inputs from the review team. During the blueprint drafting period (Jul–Dec 2020) the Knowledge and Innovation Ecosystem team met twice with the ministers of Bappenas, MoRT/BRIN and KemenPAN-RB, and consulted with the coordinating ministers of Economic Affairs, Human Development & Cultural Affairs, Maritime & Investment Affairs, and Politics, Law & Security Affairs. The consensus-building process among stakeholders included a focus on 'grand challenges' instead of a sectoral approach, thus incorporating important research governance principles such as cross-sectoral research and analysis of policy issues. In addition, stakeholders agreed to the priority areas identified in the concept note developed with KSI assistance including regulatory framework, incentive mechanism or funding, institutional setting, governance and accountability framework, and human capital.[81]

However, shortly afterwards, the government decided to establish BRIN as a separate agency, to dissolve the Ministry of Research and Technology, and to merge the higher education aspects of the Ministry of Research and Technology with the Ministry of Education and Culture. Due to BRIN's focus on establishing itself as a new consolidated organisation and the limited timeframe for implementation, KSI adapted its support for the KIE. KSI focused its technical assistance on embedding KIE content in work on talent management in science and technology and on the Long-Term Development Plan (RPJP).

KSI sought guidance from Bappenas and DFAT on its intention for direct engagement with BRIN and repurposed the blueprint. The advocacy strategy was intended to ensure that the principles, values and recommendations in the blueprint continue to be used to support national development plans. With regard to the institutionalisation of key knowledge-to-policy issues and recommendations from the KIE Blueprint, the Centre for Innovation Policy and Governance (CIPG) focused on 3 outputs: research and innovation, the government business process and evidence-based public policy.[82]

Achievements. KSI support for the development of the Knowledge and Innovation Ecosystem Blueprint has resulted in notable achievements:

The Knowledge and Innovation Ecosystem Blueprint was finalised and endorsed by the Minister of National Development Planning, the Minister of Research and Technology, and the Minister of Bureaucratic Reform in February 2021.[83] However, the current political context and sensitivities continue to prevent implementation of the document as a whole. In late 2021 and early 2022, KSI prioritised institutionalisation of selected elements in 3 areas:

- In the RPPs of *UU Sisnas Iptek*. With delays to the RPPs, KSI stopped working directly with BRIN, instead working with PRIs and ALMI with the hope that they will be able to advocate and influence BRIN and the development of the RPP[84] (see Section 4.2.1).

- In the draft Government Annual Workplan (RKP) 2022. In May/June 2021 CIPG combed through the targets and strategies of the blueprint to provide input on the draft *Perpres RKP 2022*. In January

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[81] Nugroho, Y. (2021) *Building Indonesia's Knowledge and Innovation Ecosystem*. Jakarta: CIPG.

[82] For the first output, CIPG submitted a roadmap to BRIN, showing how the KIE Blueprint strategies could be accommodated in the RPPs of *UU Sisnas Iptek*. For the second output, CIPG submitted to the relevant directorate at Bappenas policy briefs describing how KIE Blueprint strategies could be integrated into the draft Government Annual Workplan (RKP) for 2022. For the third output, CIPG supported the Deputy of Economy at Bappenas in integrating key strategies of evidence-based public policy on the preparation of the National Long-Term Development Plan (RPJPN) 2025–2045.

[83] *Cetak Biru Ekosistem Pengetahuan dan Inovasi* (2021). https://www.menpan.go.id/site/publikasi/unduh-dokumen/buku/file/6433-cetak-biru-ekosistem-pengetahuan-dan-inovasi

[84] At time of writing, there is no information that the KIE Blueprint has influenced the content of the RPPs.

2022 CIPG conducted an assessment of its advocacy for the RKP 2022, but there was no visible influence of their efforts.[85]

- In the RPJPN 2026–2045. CIPG developed a policy brief for Bappenas, using the blueprint organisation around the grand challenges Indonesia will face to 2045 that require evidence-based strategies. The evidence in the policy brief draws on KSI and partner products from the last 10 years. As preparation for the next RPJPN will likely only start in earnest in 2023, it is too early to gauge any impact the policy brief might have had.

Sustainability. To ensure sustainability, KSI supported the institutionalisation of the blueprint into selected existing GoI initiatives to ensure the key principles and issues raised by stakeholders during the drafting process are codified and provide a legal basis for planning and budgeting purposes. While formal reform processes are still ongoing, Type 3 sustainability appears furthest developed. Principles and ideas on research and innovation, including on research permit and ethical clearance, will be advocated by CIPG, PRIs and ALMI for the draft Government Regulation on Implementation of Science and Technology, all of which now have direct contact with the legal drafting team in BRIN. Recommendations on selection criteria, database and breakthrough policies on research and innovation talent management will be incorporated by Bappenas in the National Talent Management Grand Design 2022–2045. Principles on the government business process will be carried by National Institute of Public Administration (LAN) in integrating the key strategies into the talent management design of policy analysts. Principles and issues on evidence-based public policy are expected to be integrated by Bappenas in the RPJPN 2025–2045.

4.1.5 Private-sector engagement

Relevance. As KSI considered options to help achieve its objective of improving the quantity and quality of funding for quality policy research, the program grappled with 2 facts. First, Indonesia's Gross Expenditure on Research and Development (GERD) is low compared to other middle-income countries.[86] Second, there is little private sector funding for research, with Indonesia's private sector contributing just over 13% of all funding for research and development.[87] In Phase 1, KSI had engaged the Public Interest Research and Advocacy Centre (PIRAC) to conduct a comprehensive mapping of Indonesian philanthropic organisations providing funding for research. This 2017 study identified significant potential for Indonesia's private sector and philanthropic organisations to invest in research.[88] The study found that philanthropic funding for education and research in 2014 was around IDR2.41 trillion (AUD241 million) per year, with companies allocating between IDR100 million (AUD10,000) and IDR1 billion (AUD100,000) for research and research-related activities.

However, while this report offered some cause for optimism, and KSI's international partners had positive experiences with collaborative research models in Australia, there were clear challenges as well. For example, although tax breaks were already available for the private sector to invest in research, these were often poorly understood and implemented.[89] Further, the initial Phase 2 strategy recognised potential issues with the focus of any additional funds; if private sector funding for research was to contribute to better

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[85] CIPG, (2022), *Implementasi Cetak Biru Ekosistem Pengetahuan dan Inovasi – Laporan advokasi*.

[86] Latest reference by CIPG and ANU (2020). https://www.ksi-indonesia.org/en/pengetahuan/detail/2299-making-indonesias-research-and-development-better-stakeholder-ideas-and-international-best-practices. See Table 3.1 GERD Comparisons (p. 53).

[87] This figure comprises 9.15% from the manufacturing industry and 4.33% from private non-profit organisations. The private sector's contribution to research in Indonesia compares to around 52% in Vietnam and Malaysia, 60% in Singapore, and more than 70% in Thailand, China, Korea and Japan. See *Perhitungan Belanja Litbang Nasional 2016* [Calculation of National Research and Development Expenditure], a booklet published by the Indonesian Institute of Sciences/*Lembaga Ilmu Pengetahuan Indonesia* (LIPI) and the Ministry of Research, Technology, and Higher Education, October 2017.

[88] See PIRAC (2017, April). *Mapping Philanthropic Organisations for Research in Indonesia* https://www.ksi-indonesia.org/id/pengetahuan/detail/182-kajian-diagnostik-pemetaan-lembaga-filantrofi-pendukung-riset

[89] For example, *Ministry of Finance Regulation Number 76/PMK.03/2011* provided Procedures for Recording and Reporting Contributions for National Disaster Management, Research and Development Contributions, Education Facilities Donations, Sports Development Donations, and Social Infrastructure Development Costs that can be deducted from Gross Income.

policymaking, it needed to be linked to government research agendas rather than the discrete business interests of private sector organisations.[90]

Implementation. Building on interest generated during Phase 1, KSI sought to increase private sector investment in policy research by facilitating links between the private sector and PRIs, focused on convening and brokering new relationships through a series of research and business forums facilitated by Company Community Partnerships for Health Indonesia (CCPHI). The program also explored new collaborative models for co-funding policy research by the government and the private sector including success in bringing *Dirjen Kebudayaan* on board with the idea of co-funding models.

These early experiences during implementation revealed a number of important issues that suggested the need for a strategic pivot. First, it became clear that low levels of trust between the private sector and PRIs meant that individual consultations, intensive facilitation and direct brokering between parties were more effective than larger forums in scoping potential models for collaboration. While the forums fostered some interaction and contributed to increased PRI interest in private sector engagement, their value proved to be in generating knowledge on prevailing perceptions of PRIs and the private sector rather than identifying parties with mutual interests, and building the required understanding and trust, ultimately resulting in policy research collaborations.

Initially, this led to a shift in emphasis to supporting a small number of quality examples of collaboration and learning from these processes, with some success in the form of an MoU between the Indonesian Centre of Law and Policy Studies (PSHK) and EuroCham to partner together on policy research, with PSHK subsequently able to broaden its network of contexts while providing EuroCham background information on the process of making laws, but no funding relationship developing.[91] However, by this time a more fundamental issue was becoming clear. While the program had seen some success in building PRI and government interest in private sector funding for policy research, the private sector largely lacked strong incentives to invest in the *type* of research in which PRIs and indeed KSI had an interest. This was corroborated by analysis by CCPHI that found that 'the private sector has little understanding of, or experience in, collaborating with research institutions or government on policy research on issues for the public good. It also has little incentive to do this, as policy research and advocacy needs for specific private sector business interests are served by public affairs agencies or business coalitions'.[92]

The program could potentially address the former, but the incentive issue was likely to be more entrenched. The passage of *Government Regulation 45/2019*, which provided a 300% supertax deduction for private sector companies conducting research and development activities, offered some hope. However, while this reflected a welcome increase in Indonesia's commitment to research and development in support of economic growth, it reinforced incentives for the private sector to focus on research for innovation, commercialisation and technology transfer. Research by PSHK identified numerous operational challenges with the regulation and the program concluded it was unlikely to increase private sector appetite for funding social science policy research.[93]

Based on the analytical findings of this KSI-supported research, as well as firsthand learning from the program's experiences during implementation, KSI finalised and disseminated key reports on private sector

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[90] KSI 2018 Program Implementation Strategy

[91] https://pshk.or.id/aktivitas/penandatanganan-mou-kemitraan-pshk-dengan-eurocham/

[92] CCPHI study report, 'Exploring Collaborative Research Models in Indonesia' 2019.

[93] A 2019 study by the Indonesian Centre for Law and Policy Studies/*Pusat Studi Hukum dan Kebijakan* (PSHK), working in collaboration with the Association of Philanthropy Indonesia (*Filantropi Indonesia*) found that lack of education and dissemination about tax deduction and exemption policy has resulted in private sector not being interested in these facilities and thinking that the incentives are insignificant compared to their efforts to obtain these facilities. Tax Incentives for Philanthropic Funding (2019) by PSHK and *Filantropi Indonesia.* https://www.ksi-indonesia.org/old/in/news/detail/insentif-pajak-untuk-kegiatan-filantropi

funding of research,[94] and in 2019 phased out this dedicated workstream on private sector engagement activities. Private sector funding continued to be of interest to the program as a part of efforts to diversify PRI financing and the program supported interested PRIs in pursuing private sector engagement (either revenue generation or policy collaborations) through their grants under EOPO 5.

Achievements. The program's work under this initiative produced a small number of interesting collaborations, including the PSHK/EuroCham MoU and *Dirjen Kebudayaan* National Roadmap on Cultural Advancement. It also laid the groundwork for subsequent work to diversify PRI financing through KSI's support to PRIs under EOPO 5 (see Section 4.5.1 for more detail), building interest in alternative sources of financing among several PRIs.[95] For example, SMERU's work on the Inclusive Development Index attracted additional funding from the Ford Foundation to conduct data collection in additional districts, and its Development Policy Forum series attracted private sector sponsorship from Bank Rakyat Indonesia, Bank Bukopin and the Tanoto Foundation. In other cases, the private sector engagement has been operationalised via new fee-for-service models, such as ELSAM's use of its KSI grant to establish a unit to deliver human rights training to the private sector and government, or SMERU using its grant to develop a poverty analysis training module for policy analysts.

However, the principal outcome generated by this workstream was a much more realistic understanding of the incentives driving private sector investment in research. In some cases, this has prompted additional collaboration. For example, KSI's partner the Company Community Partnerships for Health Indonesia (CCPHI) completed and disseminated a study to raise awareness of different approaches the government and private sector could take to co-fund policy research,[96] contributing to Bappenas' and Traveloka's agreeing to share tourism data. That study, as well as PSHK and *Filantropi Indonesia*,[97] and CIPG[98] will be useful sources to inform BRIN and the research endowment fund as these reach a stage of exploring how to access non-APBN sources of funding.

Sustainability. While there have been some efforts by GoI to institutionalise stronger incentives for the private sector through formal policies and regulations such as *Government Regulation 45/2019*, this does not appear to have done much to incentivise investment in public policy research, nor would KSI claim a strong contribution to its passage. More positive indicators here include the adoption of new business processes in selected PRIs, as well as albeit limited success in changing mindsets regarding the role of private sector financing, with PRIs increasingly accepting ideas of financial diversification as including the private sector and taking proactive steps on this basis, such as CSIS creating a corporation, Tenggara Strategics,[99] to handle the private sector market and tapping into private sector partners (e.g. Facebook) as sources of data.

4.2   EOPO 2: better incentives for knowledge producers to produce quality policy research

4.2.1   Research incentives – Ethics clearance and international research permits

Relevance. KSI Phase 1 worked both on the 'supply' and the 'demand' side for evidence. For the 'supply', the program provided core funding and capacity-building support to 16 PRIs to support organisational development, improve research quality and strengthen communications with policymakers and the public. Engagement for the 'demand' side – which was slow in the first half of Phase 1 – was done through policy issue working groups on the issues of village governance and development, bureaucratic reform, and

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[94] For example, CIPG completed and disseminated their study on potential sources of private sector funding for research during a KSIxChange on 'Multi-stakeholder Collaboration in Supporting Policy Research' on 13 December 2019. https://cipg.or.id/en/publication/pendanaan-riset-swasta.

[95] Migunani. (2022). *Assessment of Financial Sustainability Support to PRIs Knowledge Sector Initiative*

[96] https://www.ksi-indonesia.org/en/pengetahuan/detail/854-exploring-collaborative-research-models-in-indonesia

[97] https://www.ksi-indonesia.org/old/in/news/detail/insentif-pajak-untuk-kegiatan-filantropi

[98] https://www.ksi-indonesia.org/id/pengetahuan/detail/964-potensi-pendanaan-riset-berorientasi-kebijakan-di-sektor-swasta

[99] https://tenggara.id

research and higher education. Each of these working groups was led by a government agency and included partner research institutes and other key stakeholders.

One of the recommendations of Phase 1 was that 'the program should increase its focus on addressing the institutional systems and incentives for better evidence within government'.[100] It was also noted that one of the changes in the program's operating context was that 'Ministry [of Education] officials are increasingly open to reform of regulations and practices that will facilitate better quality research, including reforms to administration of research grants, and incentives for academics to conduct research'.[101] This seemed to indicate that there were reasonable prospects of achieving some progress in this area. At the start of Phase 2, EOPO 2 was formulated as 'university lecturers have better incentives to produce quality policy research'.

Implementation. In 2018 and 2019, the focus for this initiative was to incentivise university lecturers to produce policy briefs, and to lighten the administrative burden on researchers working under government research grants. One of the challenges to incentivise university lecturers in Indonesia is that they prioritise teaching over research and put a premium on academic research over policy research.

KSI sought to promote better incentives for research through regulatory reform to the lecturer credit system[102] to incentivise production of policy briefs, and by exploring the potential for strengthening the role of universities' Institutes for Research and Community Service/*Lembaga Penelitian dan Pengabdian Kepada Masyarakat* (LPPM) in helping lecturers to produce quality policy research. The LPPMs could help reduce the administrative burden on lecturers receiving government grants, connect lecturers with policy priorities and facilitate research collaborations.

Discussion with UI-CSGAR and Indonesia's Rector Forum on the regulation of the Minister of Administrative and Bureaucratic Reform (PermenPAN-RB) 46/2013 regarding functional positions of lecturers and credit points (2019)

In 2019, KSI assessed that the prospects of success for the university lecturer credit system and strengthening the role of LPPMs were low, given the difficulty in reforming the tertiary education system and KSI's available resources. KSI provided technical inputs, and convened people to discuss these, but was unable to influence the right persons to take this to the next step. During 2019, KSI phased out support for these areas.

One important development in Indonesia's knowledge ecosystem in 2019 was the passage of the law on the Science and Technology National System (*Undang-Undang tentang Sistem Nasional Ilmu Pengetahuan dan Teknologi, UU Sisnas Iptek*).[103] This law introduced changes that could create further disincentives for all

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[100] KSI Phase 1 PCR, p. vi.
[101] KSI Phase 1 PCR, p. 7.
[102] The focus for this was a revision of the *KemenPAN-RB Ministerial Decree* (PermenPAN-RB) *46/2013*, which governs how credit points are assigned to Indonesian academics. Once that was achieved, the focus would have shifted to assistance for the revision of the technical guidelines to implement that Ministerial Decree
[103] KSI worked through its partners AIPI, ALMI and CIPG to raise the issues of research funding governance and foreign research permits in the discussions with DPR and MoRT during the formulation of the law.

researchers, not only university lecturers.[104] KSI decided therefore to shift focus for this initiative for the remaining years, and to explore whether any of these new disincentives could be addressed. To reflect this change, EOPO 2 was reworded to 'Better incentives for knowledge producers to produce quality policy research'.

UU Sisnas Iptek (Law 11/2019) mandates more detailed regulation through Government Regulations (PP) and Presidential Regulations (Perpres), which include the draft Government Regulation for the Implementation of Science and Technology (RPP *Penyelenggaraan Iptek*). In 2020, KSI's focus shifted towards influencing *RPP Penyelenggaraan Iptek*, advocating for the uptake of research governance principles such as greater autonomy for and greater collaboration among research institutions, promotion of a multi-disciplinary approach and inclusive innovation, and ensuring both flexibility and optimisation of research funding.

Two areas KSI worked on specifically were:

- Streamlining the foreign research permit process. A combination of the existing burdensome permit process, coupled with new criminal sanctions introduced by *UU Sisnas Iptek* for researchers violating permit requirements creates significant disincentives for international researchers to conduct research in Indonesia. This undermines international research collaborations, an important means of improving research quality. KSI advocated for streamlining the foreign research permit process across government agencies, including development of a one-stop shop for processing research permits.

- Decentralising the ethics clearance process. *UU Sisnas Iptek* mentions an ethics committee will be established, but does not specify what this will look like. There has therefore been a risk this could be interpreted as requiring a centralised ethics clearance process, which would create a burden for researchers and act as a disincentive for research. KSI was in favour of retaining the status quo of decentralised ethics clearance processes. KSI was invited by BRIN to provide inputs for this, and the program hired CIPG to write a position paper and a policy brief, in consultation with interested PRIs. The meetings for this were facilitated by KSI.

In 2021, KSI focused on supporting the formulation of the *RPP Penyelenggaraan Iptek*, and on integrating its advocacy on research incentives with the PRI group to provide recommendations to the implementing regulations of *UU Sisnas Iptek*. In doing so KSI faced delays as, after the abolition of MoRT (in April 2021), BRIN prioritised its internal consolidation, which delayed the deliberation and enactment of the 2 RPPs. KSI brokered a collective action led by the SMERU Research Institute, and the group prepared an update of its March 2020 position paper on foreign research permits and decentralised ethics clearance. The revised position paper – now a policy brief – recommended deregulation, de-bureaucratisation and digitalisation in foreign research permit and ethics clearance. In the last quarter of 2021, these were discussed with key BRIN personnel, and the policy brief was submitted as recommendation for the Drafting Team of the *RPP Penyelenggaraan Iptek*.

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[104] *UU Sisnas Iptek* included administrative and criminal sanctions related to research permits, ethics clearance, data submission and other issues that affect researchers internationally as well as domestically, but its potential impact on research collaboration in Indonesia was a concern.

> "We thank KSI for its support, which we have enjoyed since we were the Ministry of Research and Technology, and continue to receive now. We have had many discussions in various areas, such as research ethics, research permits. The Knowledge-to-Policy approach is very relevant to BRIN going forward as we have deputies who will serve as K2P 'interfaces'. KSI's stock of knowledge also has greatly contributed to our work."
>
> **Dr Ir Dudi Hidayat MSc**
> Acting Director for Research, Technology, and Innovation Policy, BRIN
> Statement during the Program Technical Secretariat meeting on 16 November 2021

Achievements. Work in the early years of Phase 2 did not yield lasting achievements. There was not enough support within the academic community for the changes to the credit system and the operation of the LPPMs KSI advocated for, and these initiatives were ended in late 2019, allowing the program to reassign its resources to other priorities.

It is too soon to pass final judgment on the outcome of KSI's engagement on the ethics clearance and foreign research permits issues as delays to the completion of the RPPs make it difficult to assess whether or not the direct inputs from KSI and the mobilisation of PRIs has proved sufficient to influence the final text. At present there is cause for limited optimism for a partial success here: BRIN is supportive of the recommendations on the ethics clearance process and is seeking to streamline its own process for issuing foreign research permits.[105] However, it is not interested in more fundamental reform, which would require advocacy to other ministries (Ministry of Home Affairs, immigration, local government, etc.) to streamline their processes. While this is far from an ideal outcome, it appears to be better than what would likely have been the case without KSI's support.

Regardless of the outcome on the RPP *Penyelenggaran Iptek*, the 2020 joint position paper developed by 16 PRIs, CIPG and ALMI, which was submitted to MoRT/BRIN, potentially constitutes an important achievement in its own right. Additionally, in 2021, there was another joint position paper on research permit and ethics clearance. Previous efforts to facilitate the formalisation of a collective body of PRIs through the Indonesian Alliance for Policy Research/*Aliansi Riset Kebijakan Indonesia* (ARK Indonesia) faltered due to a lack of appetite for coordination among these organisations in the absence of a clear agenda (see Section 4.5.1). However, the collective action facilitated in this case is demonstrative of the potential of an alternative issue-based model, something PRI executive directors have subsequently recognised and for which the experience on this issue sets a valuable precedent.

Sustainability. The collective action, involving CIPG, SMERU, KPPOD, Article 33 Indonesia, AKATIGA, PSHK and ALMI intends to engage and build collaborative advocacy, to ensure that this agenda will be carried further, beyond KSI's lifespan. In addition, CIPG has been engaging with government actors other than BRIN (e.g. the Ministry of State Secretariat) to integrate policy recommendations into the draft *RPP Penyelenggaraan Iptek*. The RPP Drafting Team at BRIN is familiar with the PRI group and is keen to receive more input from other PRIs on the legal drafting of the draft regulation. KSI facilitated communications with other PRIs, such as CSIS, Seknas FITRA and PUSAD Paramadina, which expressed interest in becoming involved in the finalisation of the draft regulation and meeting with BRIN. This direct connection shows that BRIN is aware of think tanks interested in research policy and is willing to engage them in the deliberation of the draft Government Regulation for the Implementation of Science and Technology.

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[105] A new development – reported in a meeting with BRIN in February 2022 – is that a KSI recommendation on foreign research permits has been accommodated. Indonesian researchers who receive foreign funding will not be required to obtain a foreign research permit. However, there seems to be a mixed response to the suggestion for decentralising research ethics clearances. The regulations for this are still being developed. In March 2022, Head of BRIN released a decree about research ethics clearance, which startled PRIs as it creates ambiguity towards the centralisation of ethics clearance.

4.2.2 Mainstreaming Gender Equality, Disability and Social Inclusion in research

Within KSI, GEDSI was the focus of both a specific initiative (the one covered here) as well as a cross-cutting initiative (see Section 4.6). This section focuses on a limited set of initiatives to mainstream GEDSI issues as a part of improving and enriching research quality. The cross-cutting initiative is focused on how GEDSI was integrated in other aspects of KSI's work (e.g. through the work with PRIs).

Relevance. KSI's work on mainstreaming GEDSI-sensitive research to inform policy in Indonesia related to a key limiting factor in the knowledge sector: the absence of adequate incentives within that sector for knowledge producers to produce high quality, policy-relevant research. KSI sought to address this issue by strengthening government policy/regulation and its implementation. In Phase 1 and at the beginning of Phase 2, the focus of gender equality activities, and to a lesser extent social inclusion, was primarily on gender in research and higher education.[106]

Implementation. At the start of Phase 2, the focus of EOPO 2 was on university lecturers. Section 4.2.1 above discussed the initiative that focused on research incentives, while the other 2 initiatives of this EOPO were GEDSI-focused, i.e. incentivising the incorporation of GEDSI in university-based policy research, and increasing the participation of female academics in policy research. The 2018 Annual Report listed 4 key achievements for 'stronger incentives for policy research',[107] but the 2019 Annual Report indicated that the follow-on steps on those initial results had not happened, and some activities had basically stalled.[108] The program decided to phase out support for reforms to the university lecturer credit system, LPPM reform and Athena SWAN[109] during 2019.

The work with MoRT on the revision of the ministry's research proposal guidelines to include GEDSI perspectives nonetheless continued. This effort had begun under Phase 1 through policy dialogue with KSI and research by the Sajogyo Institute (funded by KSI). Between July 2016 and June 2017, KSI held a series of public events attended by more than 600 participants on issues of gender in research and public policy, with speakers from ANU.[110] These events raised awareness of GEDSI issues as a quality concern in GoI-funded research. With support from KSI Phase 1, MoRT passed new GEDSI-sensitive research grant guidelines, however, 'disability' was not mentioned specifically; there was only a broad reference to 'inclusive'. In 2022, AIDRAN, PSHK and BRIN researchers joined efforts recommending disability aspects for Appendix 2 Priority Research Topics of the grant guideline, and this is expected to be embedded in the online system (*Simlitabmas*). Considering that *Kemenristekdikti*'s research grant is still the main source of funding for Indonesian researchers, it made sense for KSI to continue advocating for the use of GEDSI-sensitive guidelines in assessing grant proposals, thus encouraging academics to consider GEDSI in their policy research.

To promote GEDSI-sensitive research to a larger audience, KSI worked with *The Conversation Indonesia* to develop 2 videos that MoRT/BRIN used to open its call for university research grants in October 2020.[111] Aside

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[106] KSI Phase 1 Completion Report, April 2013 – June 2017, p. 31.

[107] The 4 achievements were: draft regulation provides new incentives for university lecturers to do policy research, MoRT's grant guidelines revised to promote GEDSI-sensitive research, new indicators included in university ranking methodology to incentivise gender equity in universities, pilot program is underway to increase female academic involvement in policy research.

[108] There have been challenges to passing and implementing most of these new ideas, due to challenges in building broader support within MoRT and a lack of external push factors.

[109] Athena SWAN (Scientific Women's Academic Network) is a quality charter and accreditation scheme started in the UK in 2005 that recognises and celebrates good practices in higher education and research institutions towards the advancement of gender equality representation, progression and success. In Indonesia, MoRT, the Indonesian Association of Women's Study Centres and the Australian National University jointly designed 2 pilots to improve incentives and opportunities for female academics as Athena SWAN pilots. In 2018 and 2019, KSI helped to implement pilot programs in 4 universities. The first stage of these pilots focused on data collection to understand the current status of gender equity in those universities.

[110] McKibbin, R., Taylor, V., & White, N. (2017, February). *Gender Equity in Research and Higher Education*. Australian National University https://www.tribunnews.com/nasional/2017/02/03/ksi-gelar-knowledge-sharing-bertajuk-keadilan-gender-dalam-penelitian-dan-pendidikan-tinggi

[111] The same guidelines were used by MoECRT in its call for proposals for university research grants in December 2021.

from featuring researchers who have practiced GEDSI mainstreaming, the videos featured the Minister of Research and Technology calling on Indonesian researchers to consider GEDSI issues in their research.

Institutional change and the transition from the Ministry of Research and Technology (Kemenristek) to the Ministry of Education, Culture, Research and Technology (Kemendikbudristek) has affected the institutional arrangements within which the GEDSI-sensitive university research grant guidelines are formulated and implemented.

Achievements. In 2017–2018, KSI, MoRT, PRIs, and other organisations worked together to revise the ministry's research grant proposal guidelines (*panduan dana hibah penelitian*) to include GEDSI perspectives.[112] Considering that MoRT's research grant is still the main source of funding for Indonesian researchers, particularly at the universities' Research and Community Service centres/*Lembaga Penelitian dan Pengabdian Masyarakat* (*LPPM*), the use of GEDSI-sensitive guidelines in assessing grant proposals was expected to encourage academics to consider GEDSI in their policy research. The GEDSI-sensitive university research grant guidelines were launched in 2018, and embedded in the online system (*Simlitabmas*) that manages the grant. In cooperation with Cakra Wikara Indonesia (CWI), KSI supported MoRT to socialise the GEDSI-sensitive research grant guidelines to 60 university researchers in several regions and to the proposal reviewers.

In 2021, KSI commissioned a monitoring and evaluation study of the implementation of the research grant guidelines incorporating GEDSI perspectives.[113] By analysing 2017–2020's funded proposal data[114] from BRIN, this evaluation investigated whether universities were undertaking more GEDSI-sensitive research, and the extent to which the application of GEDSI-sensitive guidelines was likely to be sustainable. However, with the recent institutional change,[115] KSI had limited access to the data it needed for this evaluation. Key findings from the study, now expanded with additional data from 2020, include:

- an increase in the total number of GEDSI proposals submitted from 2017 to 2018, followed by a decrease in 2019, and a further decrease in 2020 (Table 4)[116]
- an increase in GEDSI proposals as a proportion of total proposals from 2017 to 2019, but with a drop in 2020 (Table 4)
- an increase in the number of research proposals on GEDSI perspectives that were funded by the Directorate of Research and Community Engagement from 2017 to 2019, followed by a subsequent decrease in 2020 (Table 4). The decrease in 2020 was reportedly due to the COVID-19-pandemic-induced cutback of funding for research.
- an increase in funding for disability topics from 2017 to 2019 (Figure 9).

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[112] Researchers can now indicate that their proposed research is focused on gender, it being one of the research categories.

[113] The study (Yusadiredja, I. N. (2021). *Evaluasi Pengarusutamaan Kesetaraan Gender, Disabilitas dan Inklusi Sosial pada Riset Universitas Melalui Hibah Penelitian KemenRisTek-BRIN 2017–2020*) was completed in November 2021.

[114] Ristek reported receiving 456 GEDSI-related proposals, 388 of which were being funded (80%).

[115] Since June 2021, the transition from the Ministry of Research and Technology (MoRT) to the Ministry of Education, Culture, Research and Technology (MoECRT) has affected the institutional arrangements within which the research grant guidelines are formulated and implemented.

[116] The ministry could not provide the data on the 2020 proposals to the evaluator.

Table 4.   Number and proportion of funded GEDSI proposals[117]

Year	# of Funded Proposals	Funded Proposals as % of total	# of Funded Proposal with at least one GEDSI keyword	% of Funded Proposals with at least one GEDSI keyword
2017	17,138	38.90%	781	4.60%
2018	20,913	45.00%	865	4.13%
2019	18,692	49.52%	874	4.90%
2020	10,853		388	3.70%

Note: KSI could not obtain data on the total number of proposals submitted in 2020.
The percentage of funded proposals could therefore not be calculated.

Figure 9.   Funding for disability topics[118]
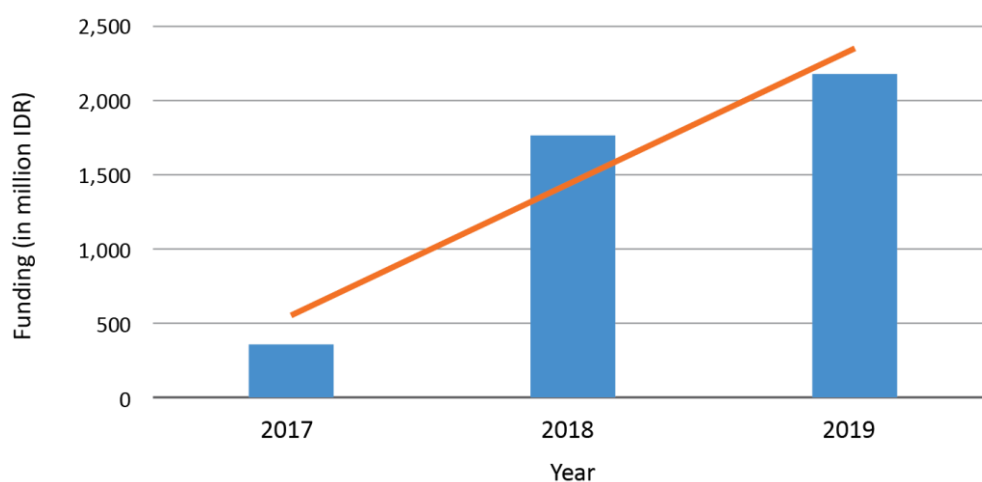
Sustainability. For this initiative, sustainability has 3 dimensions. First, the sustainability of the mechanism for institutional change. Here, the objective of formal institutionalisation was achieved through the incorporation of principles of GEDSI sensitivity into GoI guidelines and the associated business processes (e.g. *Simlitabmas*). These guidelines will continue to be revised, but there are no indications at present of an intention to weaken or remove the GEDSI content.

Second, there is the question of whether the guideline content, even if it remains in the formal guidelines, will continue to have a sustainable impact on the desired outcome, namely the quality of the research (specifically the GEDSI dimension of quality) being funded through the grant mechanism. Some of the data cited above gives reason for pause. At present, the causes behind the 2020 numbers are only partially explained. First, the evaluation team did not have access to the same categories of information in 2020 that they did in previous years. Second, the existing information is insufficient to disentangle different potential causes of some of the shifts that were observed in 2020. For example, it is likely that the 2020 decrease in funded research proposals on GEDSI perspectives was due, at least in part, to the COVID-19 pandemic, which resulted in a cutback of funding for research. However, the pandemic would not have been the cause of the reduction in the number of GEDSI proposals submitted in 2019. Kemendikbudristek applied the guidelines again in December 2021 for the grants that will be allocated in 2022, and the outcomes of this process may shed additional light on the effectiveness of the guideline revisions.

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[117] *Simlibtabmas Kemenrisktek*/BRIN, 2017–2019, in Yusadiredja (2021)*.*

[118] *Kemenristek*/BRIN, 2020, in Yusadiredja (2021)*.*

The third dimension of sustainability for this initiative therefore involves the extent to which an organised constituency exists not only to push for continued implementation of the existing GEDSI dimension of the grant guidelines, but also to build on this achievement. To this end, there are good signs that the GEDSI network[119] facilitated by KSI are well positioned to continue to advocate for implementation of university research grant guidelines with a GEDSI perspective, using policy briefs developed with KSI's support.

4.3 EOPO 3: increased interaction, knowledge sharing and collaboration

Under EOPO 3, KSI targeted a range of issues related to the 'interaction, knowledge sharing and collaboration between key players in the knowledge sector'. Included among these was the recognition that few robust mechanisms were in place to support the flow of various forms of knowledge to policymakers, contributing to a tendency to rely on informal networks of personal connections. [120] This challenge was identified in the early diagnostic work done by KSI in advance of Phase 1 of the program,[121] and also resonated with the Government of Indonesia's own attempts to improve the effectiveness of the government bureaucracy (as articulated in the Grand Design of Bureaucratic Reform strategy and subsequently the National Medium-Term Development Plan 2020–2024).[122]

In KSI Phase 2, 2 initiatives were pursued for this EOPO: support for the functional position of policy analyst, and the Indonesia Development Forum.

4.3.1 Policy analysts

Relevance. To strengthen interaction, knowledge sharing and collaboration between key players in the knowledge sector, KSI Phase 1 worked in collaboration with the School of Government at the University of Melbourne, Gadjah Mada University and LAN to develop curriculum and 4 training modules for a new 'policy analyst' position within the Government of Indonesia.[123] In introducing the position, GoI 'sought to improve evidence-based policymaking and the quality of policy outcomes, by incorporating merit-based recruitment, appointment and promotion.' [124] The role of functional policy analysts (*Jabatan Fungsional Analis Kebijakan* or JFAKs) is to assist policymakers in identifying policy issues, analyse evidence available on these issues and ultimately make policy recommendations.[125] [126]

While these initial investments were positive steps, additional analysis conducted prior to Phase 2 pointed to the persistence of this challenge and the number of policy analysts remained limited.[127] Phase 2 therefore aimed to build on this foundation by supporting the expanded rollout of the then-nascent policy analyst role and supporting efforts to improve the utilisation of policy analysts to better fulfil the promise of the role as envisioned.

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[119] Members of this network include, ALMI, BRIN, ASWGI, PSHK and AIDRAN. ASWGI has been contracted by MoRT to develop a research roadmap. ASWGI's roadmap for 2022 is on violence against women.

[120] KSI (2018, 18 May) Knowledge Sector Initiative Phase 2 Program Implementation Strategy.

[121] Datta, A., Jones, H., Febriany, V., Harris, D., Dewi R. K., Wild, L. & Young, J. (2011). *The political economy of policy-making in Indonesia: Opportunities for improving the demand for and use of knowledge.* https://odi.org/en/publications/the-political-economy-of-policy-making-in-indonesia-opportunities-for-improving-the-demand-for-and-use-of-knowledge/.

[122] Diprose et al., 2020

[123] The modules included: training for beginners, mid-level and advanced or special trainings, and have been institutionalised through a decree by the Head of LAN (*PerkaLAN No. 33/2015 on guidelines for conducting the policy analyst trainings* (*pedoman penyelenggaraan pelatihan analis kebijakan*).

[124] The position was established by GoI in 2013 (without KSI's intervention), and in 2014 LAN sought KSI's support. KSI responded with a curriculum development plan.

[125] According to both the *Ministerial Regulation No. 45/2013* from the Ministry of State Administration and Bureaucratic Reform (PermenPAN-RB) and the Indonesian National Job Competency Standards/*Standar Kompetensi Kerja Nasional Indonesia* (SKKNI), JFAKs have 2 main roles: to formulate and analyse policy research, and to work on policy advocacy.

[126] Diprose et al., 2020

[127] See Datta, A., Hendytio, M. K., Perkasa, V. & Basuki, T. (2016, November) *The Acquisition of Research Knowledge by National-Level*, KSI Working Paper and Saryadarma, D., Royono, R., & Zhang, D. (2017, December). *Indonesia's Knowledge Sector: A Stocktake*

Implementation. This workstream initially aimed to solidify the idea of policy analysis as a legitimate and important specialisation distinct from pure research, and support the development of formally recognised policy analyst expertise both within and outside government. On the government side, lessons learned in the initial use of training materials at the end of KSI Phase 1 could be rolled out as KSI, LAN and other partners worked to build demand for policy analysts in other parts of government. On the non-government side, KSI hoped to formalise qualifications for policy analysts with uptake among academics, activists, businesses and think tanks at national and local levels.

In practice, the program's approach has evolved with the growth of some expected pathways to positive change accelerating while others found less traction and were wound down. The primary example of the former is an acceleration in the expansion of the functional policy analyst position within GoI. The first 2 years of KSI Phase 2 saw a moderate acceleration of the training and deployment of policy analysts in the Government of Indonesia without fundamentally altering the vision for how change might happen. However, bureaucratic reform in 2019 resulted in a significant increase in policy analyst numbers via a new route to creation of positions: the bureaucratic simplification process. This move by the Widodo administration, announced in his inauguration speech for his second term and formalised in a Ministry of State Administration and Bureaucratic Reform regulation (*No. 13/2019*),[128] reduced the number of structural positions in government (as well as merging Balitbang into BRIN (see Section 4.1.2)), which in turn reduced the need to build demand through initiatives with individual ministries, departments and agencies as KSI had been doing, for example with the Ombudsman's office. Yet, while the greater number of policy analyst roles prompted by bureaucratic simplification was welcome, this strained the training and certifying systems in place and many new policy analysts did not initially complete the standard competency training and selection processes. KSI responded to this surge by pivoting to support LAN efforts to address this influx, providing utilisation guidelines for government ministries and agencies on how to integrate new policy analysts.

Policy analyst training for senior policymakers in the Ministry of Health (2019)


In an example of the latter, KSI initially anticipated further development and popularisation of non-government policy analysts. The program, through its partners KPPOD, CSIS, the University of Diponegoro,

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[128] Additional formalisation of this policy occurred through a series of 3 instruction letters, known as Circulars (nos. 384, 390 and 391 of 2019), sent by the Minister of State Administration and Bureaucratic Reform to ministers, governors, mayors and district heads on Strategic and Concrete Steps for Simplifying the Bureaucracy, and through *Ministerial Regulation No. 28 of 2019 on the Equalization of Administrative Positions*.

Gadjah Mada University and the University of Indonesia, supported LAN in establishing a National Qualification Framework for Policy Analysts/*Standar Kompetensi Kerja Nasional Indonesia* (SKKNI), subsequently institutionalised through the passage of the *Ministry of Manpower Decree 106/2018 on Indonesian Job Competency Standards for Public Policy Analysts*. Following the passage of the decree, the program was optimistic about the potential for expansion of non-government policy analysts as a means to improve available policy analysis, as well as providing PRIs with the opportunity to developing specialised training modules for policy analysts as a means of revenue generation. Yet despite some important achievements in this area, such as the signing of an MoU between LAN and 8 universities to socialise and enhance the academic field of policy analysis,[129] the market for certification has not developed. Analysis by KPPOD shows that while some universities are interested in their students and lecturers being certified as policy analysts to access government consultancies, most PRIs and CSOs are not, as they do not feel it will make a difference to their work prospects.[130] This led to KSI phasing out support for non-government policy analysts by the end of 2019 at the same time as the program pivoted away from its core funding for the Indonesian Policy Analyst Association/*Asosiasi Analis Kebijakan Indonesia* (AAKI), concluding that the organisation is not playing an effective role in supporting and socialising the policy analyst profession.

Achievements. As of December 2021, there were 3,802 active policy analysts across 26 ministries, 24 government agencies and 47 local governments (see Figure 10). Of this number, 1,120 were appointed through a competency test, job transfer or promotion, while the remaining 2,682 were appointed through bureaucracy simplification.[131]

Figure 10. Number of policy analysts in bureaucracy
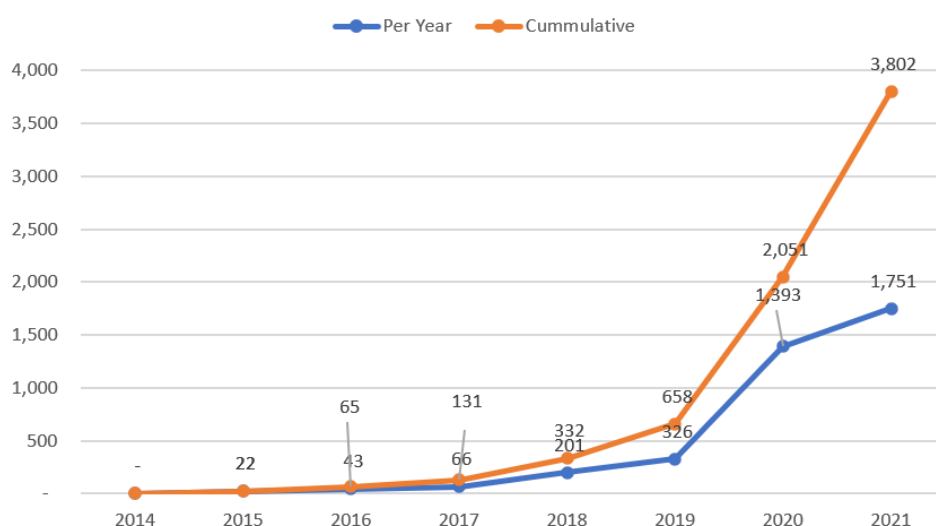
Source: Peta Persebaran JF Analis Kebijakan per 10 Desember 2021 [Government Policy Analyst Function Position Distribution Map as of December 2021] by National Institute of Public Administration, 2021

With resources including the utilisation guidelines for government institutions (K/L/D) and the KSI-supported Policy Quality Index/*Indeks Kualitas Kebijakan* (IKK),[132] which clarifies the role of policy analysts in agenda-

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[129] The universities are University of Andalas, University of Merdeka Malang, University of Brawijaya, University of Indonesia, University of Hasanuddin, University of Sriwijaya, University of Diponegoro and Gadjah Mada University.

[130] KPPOD 2019a, Laporan Kajian Creating the Market AK Non-ASN, and KPPOD 2019b, Laporan Kajian Roadmap AK Non-ASN.

[131] *Peta Persebaran JF Analis Kebijakan per 10 Desember 2021* [Government Policy Analyst Function Position Distribution Map as of December 2021] by National Institute of Public Administration, 2021.

[132] The objective of this index is to be a common instrument to assess the quality of policy across the country. The measurement is based on the policymaking process from agenda-setting, policy formulation and implementation, to evaluation. The instruments and tools of the index also include a set of qualitative questions that require evidence-based answers. All government institutions use the

setting, policy formulation, policy implementation and policy evaluation, and establishes a ranking system to incentivise improved utilisation, LAN is now better equipped to respond to this surge in policy analysts. While KSI's efforts began earlier, the need for these materials is now even greater with the Ministry of State Administration and Bureaucratic Reform releasing its *Ministerial Regulation 17/2021*, which obligates civil servants who are converted to policy analysts through the bureaucratic simplification process to attend training, pass a competency test and obtain a certificate of competence no later than 2 years after being appointed to their functional position.

Certainly, the program cannot claim sole responsibility for the full scope of the institutionalisation and roll-out of the policy analyst position in GoI. As outlined above, the program worked closely with partners like LAN and Indonesian PRIs, without whose efforts this would not have been possible. Additionally, the broader context of bureaucratic reform, with key actors pushing for change for their own reasons helped to create an opportunity for reform and to increase the scale of achievements.

> *Poverty is not only caused by one factor; we must identify the root cause and the problem itself. These are the things that need to be shared especially with policy analysts. Now is the opportunity to transfer knowledge to policy analysts at every level, in government and in various sectors, to submit ideas for poverty reduction efforts.*
>
> **Dr Totok Hari Wibowo**
> Chair of the Association of Indonesian Policy Analysts
> On the soft launch of the SMERU Learning Center 'Poverty Reduction Policy Analysis Module' 9 December 2021

Sustainability. There are numerous positive indicators of the sustainability of this initiative post-KSI. The foundational formal institutional change was achieved in Phase 1 when the policy analyst position was one of the 'functional' positions developed during the deliberations of *Law 5/2014* (Diprose et al., 2020).[133] However, since that time, additional indicators of sustainability have been achieved, including:

- Type 1 institutionalisation, through the issuance of regulations and guidance on the functional position of policy analyst in Indonesian public administration. Along with Law 5/2014, this includes the passage of the Ministerial Decree of Administrative and Bureaucracy Reform (*PermenPAN-RB 45/2013*) on policy analyst competency standards, and the Ministerial Decree of Manpower (*Permenaker 106/2018*) on Indonesian Job Competency Standards for Public Policy Analysts. In addition, support for the Policy Quality Index/*Indeks Kualitas Kebijakan* (IKK) or culminated in the passage of *PermenPAN-RB 25/2020* on the Roadmap for Bureaucratic Reform 2020–2024.

- Type 2 institutionalisation, through the adoption of changes in business practices – as evidenced by the increasing number of policy analyst positions at national and sub-national levels. In other words, building on the formal legal foundations now present, the policy analyst position has developed considerable momentum in terms of integration into current GoI working arrangements with growing awareness and increasing numbers of positions across government. It should be noted that the rate of growth in policy analyst numbers is unlikely to continue on its present trajectory, with a

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instrument to undertake a self-assessment through an online submission. The results of the PQI assessment are intended to be used by government agencies in developing strategies to improve policy quality in their organisations and to establish strategies for policy analyst development, in order to contribute to policy quality improvement. The index is measured every 2 years rather than annually, in order to provide time for government institutions to improve their policymaking process based on the previous assessment.

[133] Diprose, R., Wulandari, P., Williams, E., & Yustriani, L. (2020) Bureaucratic Reform in Indonesia: Policy Analyst Experience

tapering of growth in JFAK numbers expected as the bureaucratic simplification process reaches its conclusion and there are few structural positions to be converted.

- Type 3 institutionalisation, which is embedded in a paradigm or perceptual changes over time. For policy analysts to achieve the influence envisioned for them in a more evidence-informed policymaking process, they ultimately need not only to be in established positions, they need to be respected and influential in their role. At present there are some positive signs here, with a number of islands of previously documented good practice such as Fiscal Policy Agency in the Ministry of Finance.[134] Other examples are also emerging, including in the Ministry of Health[135] and in the case of KSI's sub-national K2P pilot in South Sulawesi. However, the issue of utilisation remains a priority for future work in this area as practice remains uneven. It is important to maintain some perspective here. In no context are policy processes purely technocratic and freed from other (often political) considerations, but the ultimate link from outcomes to the desired impact will depend on whether or not policy analysts can more consistently achieve a significant level of policy influence.

4.3.2 Indonesia Development Forum

Relevance. A first initiative to stimulate interaction, knowledge sharing and collaboration between key players in the knowledge sector was to establish a new platform to create opportunities for a more formal interaction between policymakers, policy analysts, researchers and others key actors: the Indonesia Development Forum (IDF). There was (and is) no other forum for bringing together such a wide range and number of actors to discuss development policy issues in Indonesia.[136] By presenting and discussing quality research to inform development policy in a knowledge-to-policy dialogue, participants at the IDF would be fostering interaction, sharing knowledge and encouraging collaboration between policymakers and other actors. Given the focus on national policy, Bappenas was an obvious choice as lead agency for this initiative, and has strongly supported IDF from the start.

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[134] Good practice in agency preparedness for the policy analyst position and function is demonstrated by the Fiscal Policy Agency in the Ministry of Finance. The agency undertook an organisational transformation and strengthened its enabling environment so that it could establish a coordinated working relationship between policy analysts and their supervisors. The agency undertook steps to plan for and manage change prior to appointing policy analysts, and prepared relevant technical guidance for policy analyst career development. This included defining the relationship between structural (or managerial) and functional officials, designing the organisational structure, and preparing transition planning (see Diprose et al., 2020).

[135] Good practice in utilising policy analysts was demonstrated when the Ministry of Health encouraged the formation of a policy analyst Community of Practice within the ministry, based on fields of expertise or specialisation. These communities of practice assist supervisors and users in setting policy analysis assignments on issues that require an immediate response (LAN, 2021). The formation of a Community of Practice is encouraged by LAN in the guide to optimise the role of policy analysts for ministries, agencies and regional governments, especially in agencies with 10 or more analysts. The community functions as a communication forum among policy analysts, and between analysts and the head of agency, as well as between analysts, LAN and AAKI. It also encourages policy analysts to respond to problems as a team across units and to strengthen their identity within the agency.

[136] KSI (2018) Knowledge Sector Initiative Phase 2 Program Implementation Strategy, p. 26.

Implementation. The first IDF was held in 2017, with follow-on events in 2018 and 2019.[137] The 2017 IDF was implemented as a single event, but 2018 and 2019 included pre- and post-conference events to encourage ongoing interaction and collaboration between the participants, and a clearer link to policy.[138] [139] One other difference of the 2018 and 2019 IDFs compared to 2017's was that Bappenas involved an event organiser. The 2019 IDF also included live streaming of sessions to reach a wider audience, especially outside of Jakarta.

The 2020 event was postponed because of the COVID-19 pandemic, and again in 2021. As an alternative to the IDF, Bappenas conducted 24 Road-to-IDF events in 2020 and 2021.[140] The next IDF is scheduled for September 2022, with the theme 'Indonesia's Future Industrialisation Paradigm: Value Creation and Adaptive Capacity for Socio-Economic Transformation'.[141]

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[137] IDF 2017, 9–10 August, with the theme 'Fighting Inequality for a Better Growth'; IDF 2018, 10–11 July, 'Pathways to Tackle Regional Disparities Across the Archipelago'; IDF 2019, 22–23 July, with the theme 'Leveraging Future Job Opportunities to Drive Inclusive Growth'.

[138] There were 6 Road to IDF events in 2018 (in 4 regional cities), and 7 Road to IDF events in 2019. These events were hosted and funded by Bappenas, with KSI providing advice to strengthen the interactive design.

[139] On policy influence, the 2018 IDF evaluation stated that 'IDF 2018 has served as a catalyst for new ideas and innovations, rather than a mechanism to influence policy' (p. 54). During the evaluation of the 2019 IDF a senior Bappenas official mentioned that '…the realistic contribution of IDF in strengthening evidence-informed policymaking is through increasing "policy literacy" and "policy attitude" instead of a direct uptake to policy content' (p. 19).

[140] The 2021 'Road-to-IDF' events are documented at https://indonesiadevelopmentforum.com/id/2021/video/detail/14254-road-to-idf-2019-sorong. These were attended through Zoom by 5,968 people and received 18,191 views (via the IDF YouTube channel), and 8,152 views on IDF social media.

[141] https://indonesiadevelopmentforum.com/id/2022

The interaction at the IDF 2018 marketplace

Over the course of this period, KSI's contribution to IDF evolved significantly. Whereas KSI began Phase 2 providing funding and taking on much of the organisation for the conference events, it quickly began a process of transitioning greater levels of responsibility to relevant counterparts in Bappenas. Figure 11 shows how the modalities of KSI support to IDF changed over the years. In 2017, KSI provided most of the funding, KSI staff provided technical assistance and KSI contracted consultants to help Bappenas coordinate the event. From 2018 onwards, Bappenas' role was much more prominent, and from 2020, KSI no longer contracted consultants to support Bappenas with IDF organisation.[142]

Figure 11.   Modalities of KSI support to IDF, 2017–2022
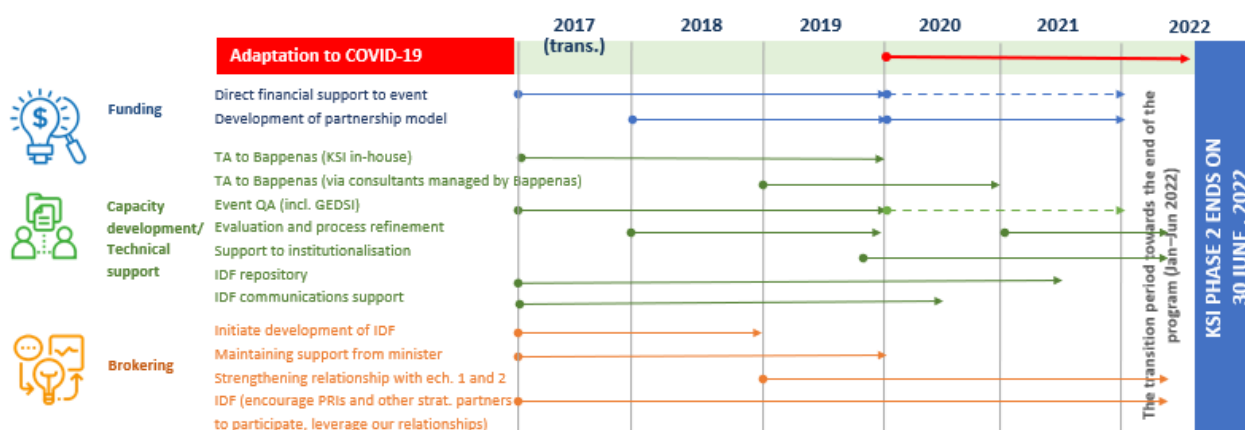
KSI financial support for IDF also changed substantially between 2017 and 2022, with KSI's share of funding decreasing over time, with a small temporary increase to bridge a gap in 2020 when GoI was grappling with the immediate budgetary effects of the pandemic (Table 5).

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[142] KSI, (2019), 'Brief on Transition Strategy: Idonesia Development Forum (2019-2022). Unpublished.

Table 5. KSI and GoI financial contributions to IDF, 2017–2022

Year	2017	2018	2019	2020	2021	2022*
KSI expenditure [AUD thousands]	682.91	582.19	553.14	140.25	13.55	
GoI expenditure [IDR millions]	35.94	411.11	1,050	395.45	2,453.67	6,000.00
KSI share of funding	+ 95%	+ 56%	+ 33%	+ 78%	+ 5%	

Note: From 2018, there was also partnership funding from other DFAT programs (e.g. for speaker fees at 'Road to IDF' events, or in-kind payments for main IDF events)

KSI's early contribution was to initiate and accelerate the development of IDF. KSI helped Bappenas envision and design IDF as an interactive mechanism and provided funding and technical support to kickstart its implementation. It is unlikely IDF would have happened without this intensive support from KSI, or at least not with the same interactive design, wide stakeholder participation and profile.

While Bappenas took the lead on many aspects of IDF 2019, KSI played an important role in strengthening the quality and profile of IDF. Aside from KSI funding, about one-third of IDF 2019, the IDF 2019 evaluation and after-action reviews found that Bappenas most valued KSI's intellectual contribution and strategic financial support.[143] KSI also helped ensure the quality of IDF through promoting the inclusion of GEDSI considerations and strengthening the call-for-papers process to include knowledge beyond scientific research.[144] KSI led media engagement and communications for IDF, a key factor supporting IDF's strong profile.

In 2020, KSI supported the finalising of IDF Standard Operating Procedures and started to support preparations for the partnership scheme. The approach to implementation also shifted significantly in light of the emergence of COVID-19 early in 2020. The implications for a workstream structured around a mass gathering were significant, with the pandemic requiring reconceptualisation of the event and new emphasis on KSI's contribution to its success. For KSI, this required significant efforts to support Bappenas' Public Relations (Humas) to adjust the IDF communications strategy. KSI's effective engagement with Humas Bappenas has helped encourage it to take the lead on IDF communications, with KSI now playing an advisory role.

In 2021, KSI support was limited to providing technical advice and input to ensure that knowledge transfer was in place. The aim of KSI's support and engagement was to allow Bappenas to gain full ownership and experience in managing the events itself.

Achievements. IDF has quickly gained status as a premier development event and it continues to promote interaction and collaboration by maintaining the 4I approach (inspire, imagine, innovate and initiate) throughout the program agenda, involving key actors at national and local levels. The 2017 IDF was attended by 1,400 participants, close to 1,800 in 2018, and more than 3,100 in 2019. The 2019 IDF evaluation found that the 4 categories of knowledge sector actors (i.e. knowledge producers, knowledge enablers, knowledge

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[143] Migunani, (2020). *Evaluation of the Indonesia Development Forum (IDF) 2019*, p. 24

[144] Praxis Consultants, (2019). *Evaluation of the Indonesia Development Forum 2018*, p. 29

users and knowledge intermediaries) were relatively equally represented as participants.[145] The IDF events have been attended by senior officials, which speaks to their importance.[146]

The COVID-19-related cancellation of the key IDF events of both 2020 and 2021 might have meant the end of IDF. However, Bappenas was able to maintain momentum through 24 'Road to IDF' events (estimated cost AUD245,000). These incorporated GEDSI approaches in their management, and involved 44 female and 74 male speakers, attracting 5,968 attendants (via Zoom) and 18,191 views (via IDF's YouTube channel and social media). Attention to GEDSI issues has been part of IDF since 2017, and it was taken into account to guarantee diversity of participants, in the scoring matrix to assess the submissions (to strive for a diverse and inclusive program) and to reduce barriers for people with disabilities to attend the event. A review of the 2017 proceedings and evaluations reports 2018 and 2019 showed that attention to GEDSI was clearly reflected in all instances of the IDF. In the 2022 design, informants from KSI and Bappenas confirmed commitment to deepening GEDSI in proceedings, participants, and sub-themes.

The IDFs have also been properly documented,[147] and the IDF website provides links to presentations, ideas and innovations that can continue to be a source of reference and inspiration.[148]

Sustainability. The IDF platform complements well the national and regional development planning cycles.[149] The available evidence suggests both a demonstration of commitment in Bappenas and a strong likelihood of the IDF continuing as an annual event: there are yearly budget allocations, a Standard Operating Procedure document has been adopted, and the establishment of a permanent secretariat to plan and manage IDF as a regular annual event is still in process.[150]

Over the years, Bappenas has gained valuable experience in the organisation of the IDF, and Bappenas' staff feel confident to manage IDF in the future. Continued commitment among Bappenas' leadership (the minister and echelon 1 staff) has increased this confidence, along with experience with KSI since 2017 in co-managing IDF. Specifically, Bappenas know which areas they can directly manage, and for which parts they need assistance (and which are then outsourced). Some tasks, however, were identified as areas that need support or collaboration with external parties, for example on managing and curating the research and evidence to be presented in IDF.

4.4   EOPO 4: quality data is more available and accessible for policy analysis

4.4.1   KRISNA

Relevance. Beginning in Phase 1, KSI identified the potential for improvements to Indonesia's systems for annual development planning, which were noted to be highly fragmented. Systems within Bappenas were not connected to each other, nor to other ministries and agencies, including the Ministry of Finance, which determines the budgets for development programs.[151] This led to a series of investments in which KSI provided technical assistance to Bappenas to develop a new e-planning system – the Collaboration and

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[145] Producing-20%, intermediary-25%, developing policy-19%, and implementing policy-17%, In Migunani, (2020), Evaluation of the Indonesia Development Forum (IDF) 2019, p. 11.

[146] The 2017 IDF was attended by, among others, then Vice President Jusuf Kalla, 7 ministers, 7 governors or deputy governors, 42 district regents and 3 mayors. The 2018 IDF was opened by the vice president, with the Minister of Bappenas, and the Australian Deputy Head of Mission. The 2019 IDF was opened by the vice president and the Minister of Bappenas, along with the Australian Deputy Head of Mission, and attended by 5 ministers, 14 governors and vice governors, 3 mayors and vice mayors, and 21 regents and vice-regents.

[147] KSI developed the IDF repository to store data and information from IDF activities from 2017.

[148] indonesiadevelopmentforum.com

[149] Migunani, (2022), Evaluation of the Indonesia Development Forum (IDF), p. 15.

[150] The partnership funding for IDF and 'Road to IDF' is a sign of broader buy-in, and also strengthens the sustainability of the initiative.

[151] Wasono, A. & Maulana, M. (2017, March) *Tinjauan Kritis Perencanaan dan Penganggaran Pembangunan di Indonesia* [A Critical Review of Development Planning and Budgeting in Indonesia] and Policy paper: Tim Analisa Kebijakan, (2015), *Sinergi Perencanaan dan Penganggaran* http://pak.bappenas.go.id/portfolio-item/sinergi-perencanaan-dan-penganggaran/.

Integration of Planning, Budgeting and Performance Information System/*Kolaborasi Perencanaan dan Informasi Kinerja Anggaran* (KRISNA) – with KSI further accelerating the development of KRISNA through convening and brokering agreement between Bappenas directorates to establish the system and funding high-quality system developers.

The KRISNA platform has supported government planning and budgeting process since it was first launched in mid-2017 and was used in that year by 125 national government agencies for the 2018 annual planning process, providing a sustainable mechanism supporting more efficient, effective and evidence-based planning. It improves access to and exchange of data and information, decreases the time needed to develop annual workplans and will potentially help improve coordination between ministries and agencies at national and sub-national levels. Bappenas, line ministries and local governments benefit from simplified administrative processes and streamlined reporting requirements. Importantly, the system supports Bappenas to ensure that priority development programs receive adequate budget allocations in annual workplans and that sectoral ministries implement these programs effectively.

While these were significant accomplishments, there were some persistent challenges for KRISNA following its initial introduction. Entering Phase 2, KSI made the decision to continue limited support for KRISNA with the goal of addressing the reach of the system, its sustainability and its usability. The initiative started with the objective of gradually improving the integration and synchronisation of planning and budgeting between Bappenas and the Ministry of Finance, but over time additional functionalities (such as its use as an analytical tool, or the linkage to a dashboard) were added.

March 2018 – Socialisation and training for the KRISNA application, to prepare the Special Allocation Fund for 2019
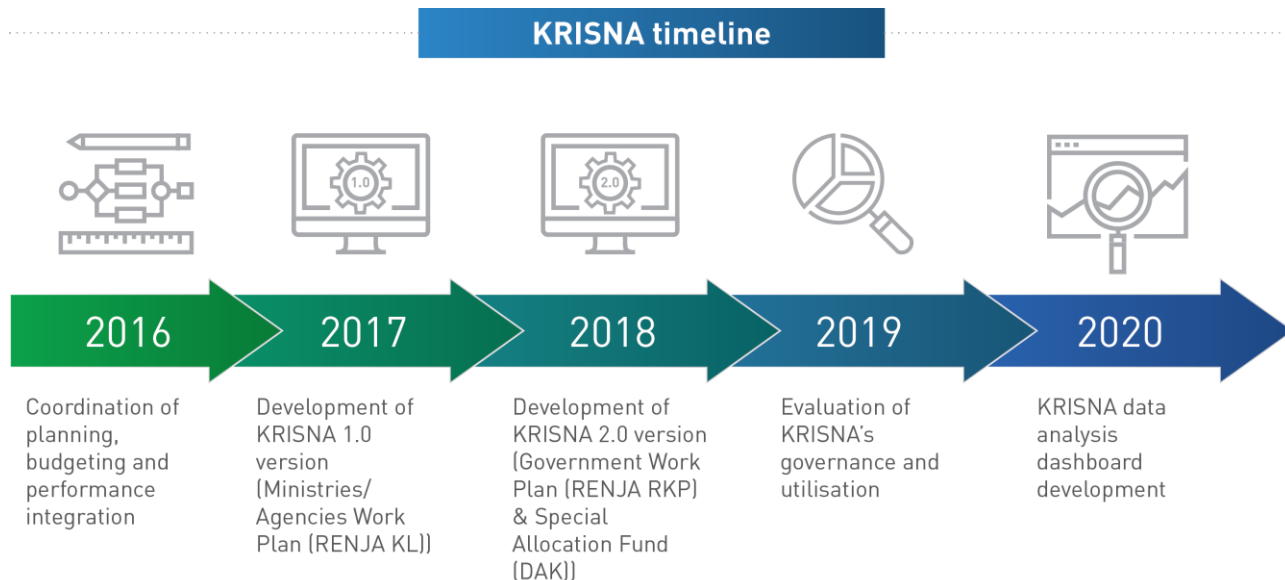

Implementation. Immediate priorities in Phase 2 included the expansion of the system to incorporate additional parts of the planning process, leading KSI to fund further systems development work up to the middle of 2019, enabling the development of the core system and important applications connecting the *Rencana Kerja Pemerintah*/Government Workplan (RKP), ministries' strategic plans and annual work plans (*Renstra* and *Renja*) and planning and budgeting for local governments' DAK (see Figure 12). At this stage, KRISNA already had interoperability capabilities that allowed sharing of data between agencies, including identification of output components for integration with related planning systems at the regional level.

At this point, the program pivoted away from funding further systems development, instead focusing on usability of the KRISNA system, including for policy analysis. This required a new lens for implementation, leading the team to build and refine prototype dashboards subsequently adopted by Bappenas for

replication.[152] KSI ceased its support for KRISNA in December 2020, and an independent evaluation was completed in March 2021, which offered some recommendations for follow-up.

After KSI funding ended, there were other developments, such as the addition of another component, and the integration of KRISNA and SAKTI, being piloted by Bappenas and the Ministry of Finance.

Figure 12.   Timeline of KRISNA development

KRISNA timeline

2016 — Coordination of planning, budgeting and performance integration

2017 — Development of KRISNA 1.0 version (Ministries/ Agencies Work Plan (RENJA KL))

2018 — Development of KRISNA 2.0 version (Government Work Plan (RENJA RKP) & Special Allocation Fund (DAK))

2019 — Evaluation of KRISNA's governance and utilisation

2020 — KRISNA data analysis dashboard development

Achievements. A third party 2021 evaluation of KRISNA and KSI's support of the platform found that KSI had helped to mediate relationships between key stakeholders throughout the process of developing and refining the system and, through its support for the development of a prototype and for system upgrades, had helped to make it a better and more usable system. While several other partners in GoI and in the donor community also made contributions, the final outcomes represent significant achievements for all involved.

KRISNA has proven that it not only succeeded in integrating the long-fragmented development planning in Indonesia, but has also paved the way for a more accountable, transparent and participatory governance. KRISNA has now been used for approximately 5 years by line ministries to prepare their planning documents (Line Ministries Annual Work Plan/*Rencana Kerja – Renja K/L*) and is used in 87 ministries/agencies, 34 provincial governments and 514 district/city governments.

The utilisation of KRISNA has resulted in more effective and efficient planning and budgeting processes. The analysis of survey results and in-depth interviews reveals that in the use of KRISNA: 84.4% of participants observed that the budgeting process was more efficient and effective, 94% of participants observed that KRISNA provided better data for planning, 96.6% of participants observed an increase in the transparency and accountability of the planning and budgeting process, and 91% of respondents observed an improvement in the quality of the business process itself as the government officials can look at more detailed and substantial aspects of the activities.[153]

Regarding government ownership and value for money, in 2017 the Phase 1 Completion Report noted that:[154]

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[152] The SIMREG application, under *Deputi Regional*, is one such replication.

[153] Hanik, U. & Pattinasarany, G. D. V. (2021). Review KRISNA - Laporan Akhir. The online survey involved 98 participants and was conducted between 24 and 28 June 2020. See Annex H for a summary of the evaluation.

[154] KSI Phase 1 Completion Report, April 2013–June 2017, p. 23.

KRISNA provides a good return on investment: between June 2016 and June 2017, KSI provided AUD250,000 to support its development. In July 2017, Indonesia's parliament approved an increase of IDR19 billion (AUD1.9 million) in Bappenas' budget to strengthen KRISNA. KSI's AUD250,000 investment has thus leveraged just under AUD2 million in state funds. This relatively small initial investment will support improvements to the efficiency and effectiveness of Indonesia's spending on priority development programs, which in 2015 totalled IDR133 trillion (AUD13.3 billion), or just under 7% of the national budget.

GoI contributed over IDR44.2 billion (AUD4.4 million) to the development of KRISNA between 2016 and 2022. KSI provided an investment of almost IDR7 billion (AUD700,000) – up to 14% of the total sum – to support the initiation and development of KRISNA.[155] The reach of KRISNA has expanded, and now includes RKP and DAK sub-systems.

Sustainability. KRISNA is now a sustainable system being used nationwide for planning and budgeting. Internal changes in Bappenas have improved prospects for improving the use of KRISNA data, while Bappenas has already demonstrated motivation to address IT and hardware sustainability issues. While KSI's support has ended, KRISNA is continually being improved with additional utilities related to the National Medium Term Development Plan (KRISNA-RPJMN), priority programs and several additional features. Work plan information from KRISNA serves as a single source of data for the Ministry/Agency Budget and Work Plan (RKAKL) which is prepared through the Financial Application System for Agency Level (SAKTI) platform organised by the Ministry of Finance.

Using KSI's sustainability typology, the system has the following strong foundation.

- Type 1: Institutionalisation within the Government of Indonesia or non-government actors
    - **Policy**: *Government Regulation 17/2017 on KRISNA* continues to provide the formal policy foundation for the ongoing use of KRISNA as a critical part of GoI's planning and budgeting processes.
    - **Budget**: To ensure the sustainability and independence of KRISNA management, since 2019 the budget for KRISNA system maintenance has been allocated in the state budget (APBN), while further development of parts of the system continued to receive support from other donor programs besides KSI. As a result, as of 2019, KRISNA was equipped with additional features related to the National Medium-Term Development Plan (RPJMN), Strategic Planning (Renstra), and others.
- Type 2: Incorporated into regulations, policies or work plans
    - **Integration into Bappenas working arrangements**: KRISNA has been successfully incorporated into the broader vision for and operationalisation of improved knowledge management in Bappenas (see also Section 4.4.2). KSI supported the inclusion of KRISNA in the Ministerial Decree on Data Management (*Permen* 16/2020[156]) that governs use of data from a variety of sources in Bappenas, including KRISNA.
    - **Integration into wider GoI working arrangements**: Future developments of KRISNA involve further integration with other agency platforms to enable interoperability, such as between KRISNA and the Ministry of Finance's SAKTI. In 2021, The Minister of Bappenas and the Minister

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[155] The AUD700,000 DFAT support for KRISNA through KSI in 2016–2020 helped to develop the components of Budget Allocation Plan of Ministries and Government Agencies (RKA-KL), Government Work Plan (RKP), Special Allocation Funds (DAK), and to strengthen the management and governance of KRISNA, including the use of KRISNA data for development monitoring and evaluation. This was later extended by the GoI, which contributed more than IDR30.2 billion (AUD3.02 million) for KRISNA development in the same time span. The development of KRISNA was then fully taken over by GoI through Bappenas, budgeting IDR7 billion in 2022.

[156] *Peraturan Menteri PPN/Kepala Bappenas Nomor 16 Tahun 2020 tentang Manajamen Data Sistem Pemerintahan Berbasis Elektronik* (SPBE)

of Finance signed a MoU on KRISNA–SAKTI follow-up for better synchronisation. The recommendation for Bappenas and MoF to collaborate more closely on KRISNA–SAKTI interoperability echoed and reiterated advocacy efforts from KSI and others since the issuance of *Government Regulation 17/2017 on KRISNA*.[157]

- Type 3: Embedded in a paradigm or perceptual changes over time
  - Recent events give a strong indication of perceptual changes regarding the importance of integrated budgeting and planning. Following the government's experiences (and challenges) in revising workplans and budgets in response to the COVID-19 pandemic, there appears to be a newfound consensus regarding the importance of integrated planning and budgeting, as evidenced by the Minister of Bappenas and Minister of Finance signing an MoU for the integration of KRISNA and SAKTI.[158]

4.4.2   Integrated knowledge management in Bappenas

Relevance. In 2020, KSI added support for improvements in knowledge management practices within Bappenas in response to a direct request from Bappenas. KSI support for knowledge management in Bappenas (KM Bappenas) contributes to the quality and credibility of national development planning (EOPO 4) by facilitating the restructuring of Bappenas' norms and model for knowledge collection, storage, utilisation and distribution. KSI supports the implementation of KM Bappenas as an integral part of the Grand Design of National Bureaucratic Reform for 2010–2025, and the Bappenas Strategic Plan for 2020–2024, in which integrated knowledge management is essential to effective knowledge-to-policy processes.

We highly appreciate KSI and its partnership with Bappenas and other government institutions that has resulted in useful output, primarily on the knowledge product repository. The repository is essential so that we can take a look at the existing analysis and policy briefs. This is to prevent us from reinventing the wheel to produce knowledge for policymaking. We also thank KSI for the support for developing the grand design on National Talent Management related to research, technology, and innovation. This support will be useful input and we aim to use it in communicating with other relevant stakeholders.

Dr Ir Subandi Sarjoko MSc
Deputy for Human, Community and Culture Development, Bappenas
Statement during the Project Steering Committee meeting on 16 December 2021

Implementation. KSI focused on both hard and soft aspects of institutional reform in the implementation of KM Bappenas. Hard aspects refer to the formal policies and regulations necessary for the implementation of the Knowledge Planning for Development Management Platform/*Manajemen Pengetahuan Perencanaan*

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[157] The COVID-19 pandemic reportedly accelerated this development. The pandemic necessitated several budget reassessments and budget adjustments to finance COVID-19 response activities, and this raised the awareness of a lack of synchronisation between Bappenas and MoF, and the difficulty of tracking what impact budget shifts would have. A change in context thus created a moment of opportunity for change, and the urgency of the task at hand, coupled with the political will to see it happen, ensured that this opportunity was seized.

[158] See e.g. statements from MoF leadership at https://anggaran.kemenkeu.go.id/in/post/penandatanganan-nota-kesepahaman-bersama-antara-kemenkeu-&-kementerian-ppnbappenas

Pembangunan (MP3), an integrated knowledge platform developed by Bappenas. KSI's contributions included working with Bappenas on 4 key documents.

- A KM Bappenas blueprint. KSI's involvement started with an assessment that recognised a 'data silo' culture in knowledge management in Bappenas, with each directorate handling its data needs largely independently of other directorates.[159] A meeting under the chairmanship of the chief secretary agreed that Bappenas needed better-integrated knowledge management. KSI drafted the blueprint, and this was subsequently consulted with IPEK, *Pusdatin* and others for inputs and suggestions. A key question was which unit in Bappenas should take responsibility for coordinating knowledge management. The blueprint raised the importance of KM governance, but didn't suggest a specific structure.

- A Ministerial Regulation on Data Management (*Permen 16/2020*). This regulation assigned the responsibility for knowledge management in Bappenas to *Pusdatinrenbang*. Previously no specific unit carried this responsibility. KSI didn't play a direct role in this beyond highlighting the need for better KM and integration in Bappenas; the momentum for the issuance of the Ministerial Regulation came from the chief secretary.

- A set of Standard Operating Procedures (SOPs) and technical guidelines for MP3 implementation. KSI staff and a KSI-contracted facilitator worked closely together with *Pusdatinrenbang* to develop technical guidance, SOP and implementation modules, and a pilot implementation was conducted with 48 echelon working units (close to 80% of the total working units in Bappenas).

- A decree from the Bappenas Chief Secretary (*SK Sesmen 81/SES/HK/2021*) establishing the cross-unit KM Bappenas technical team[160] and building an incentive system for Bappenas staff across all 47 echelon 2 working units. KSI advocated for a 'whole of Bappenas' approach, to ensure that all working units were on board for knowledge management.

> *Most of the existing knowledge in Bappenas is actually generated from knowledge collaboration, instead of being produced independently. Therefore, the MP3 Platform is needed as a tool to support Knowledge Management and collaborative knowledge creation.*

Dr Ir Himawan Hariyoga Djojokusumo MSc
Bappenas Chief Secretary
During a meeting on MP3 implementation roadmap on 17 December 2021

While these new formal instruments are necessary steps towards better knowledge management in Bappenas, KSI's theory of change envisioned the need for complementary changes to the 'soft' institutions, or norms, that help shape actual practice. In other words, policies and regulations needed to be accompanied by an organisational culture where the value of information and knowledge in achieving operational and strategic goals is recognised, and where data and knowledge forms the basis of organisational decision making and evidence-based policy decisions. Therefore, KSI's contribution to the first phase of MP3 implementation in 2021 included a series of learning activities (e.g. trainings and a MP3 pilot process) that not only allowed the KM team to refine the MP3 platform, but also aimed to support changes in operational

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[159] Under KSI Phase 1, there were also some activities related to knowledge management in Bappenas, but the focus then was not on integrating different systems.
[160] The KM team consists of 60 staff from across all 47 echelon 2 working units in Bappenas and 2 KSI representatives.

practices by changing how Bappenas staff thought about knowledge management and ensuring they internalise the importance of KM culture.[161] The different stages of the MP3 institutionalisation process are shown in Figure 13.

Web-based tools were developed and refined until March 2022 to facilitate the process of implementing these models, including the knowledge repository and exploration tools.

Figure 13.   The institutionalisation process for MP3 in Bappenas
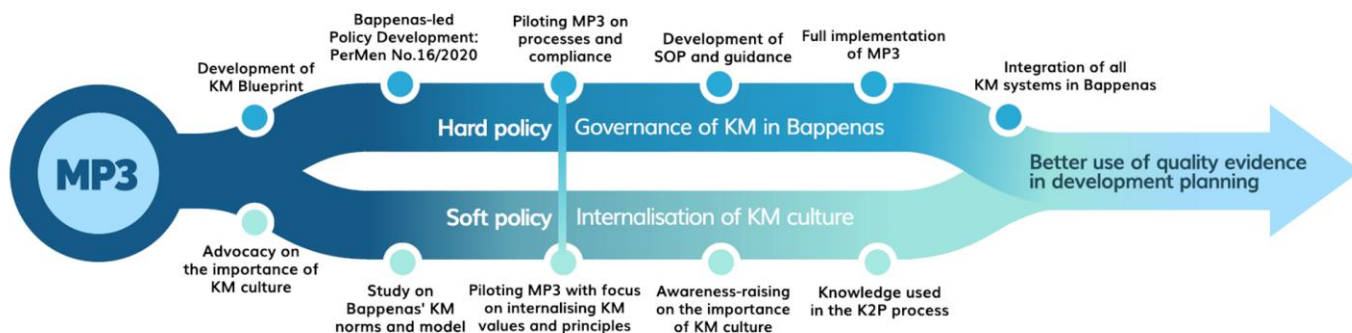
Achievements: Despite emerging as a KSI workstream relatively recently, there have been a number of significant achievements in relation to both hard and soft aspects of reform.

With respect to the former, a clear legal framework to sustain the MP3 initiative is now in place, including the issuance of Bappenas Ministerial Regulation on Data Management of Digital Government System (*Permen 16/2020*) on 22 December 2020 and Chief Secretary's Decree on the Technical Team Establishment for MP3 (*SK Sesmen 81/SES/HK/2021*) on 14 December 2021. Technical guidance, Standard Operating Procedures and implementation modules are now in place.[162]

Regarding the latter, it is important to note that new organisational cultures are rarely built overnight, but there are already several promising signs of change.

- Changes in staff knowledge and attitudes. In October and November 2021 Bappenas conducted 4 training series on MP3 with 6 sessions per series, which were attended by 89 participants (39 male, 50 female) from 48 echelon working units in Bappenas. At the end of the training the participants, and those who had attended 'training of trainer' sessions in September, were asked to rate knowledge transfer and knowledge management in their units before and after the MP3 training, and how their understanding of the MP3 concept had changed due to the training.

  Before the MP3 training, knowledge transfer in the units had an average rating of 3.42, which had increased to 3.72 after the training, or an increase of 9%. For knowledge management, the pre-training average rating was 3.35, increasing to 3.58 – a 7% increase. The improvement in knowledge

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[161] Ninety-six Bappenas staff from 33 echelon 2 working units (approximately 70% of the total number of echelon 2 working units in Bappenas) participated in the trainings and pilot implementation.

[162] The modules and technical guidelines are Module 1: Knowledge Concepts and Explanation of Knowledge Management Norms; Module 2: Literature Study and Content Analysis on Knowledge Management Model; Module 3: Problem Identification Concepts and Problem Diagnosis; Module 4: The Concept of Problem-Solving Design Formulation and Its Implementation; Module 5: Concept Testing Design Development; Module 6: Concepts of Solution Formulation to Transfer of Knowledge Products; Module 7: Technical Guidelines for Utilising the MP3 Platform. These modules can be viewed at https://bit.ly/modulmp3

on the MP3 concept before and after the training was however the most noticeable; it had increased from an average rating of 3.02 before to 3.79 after the training, or an increase of 25%.[163]

- Strong leadership. The MP3 initiative is progressing well due to strong leadership and ownership of the initiative by Bappenas Chief Secretary, Director IPEK and the Director of *Pusdatin*. This breadth of ownership is a key achievement of the process to date as it indicates broader support for the desired culture of knowledge management and avoids some of the potential pitfalls of relying on an individual champion whose transfer or promotion could derail a reform process.

- Effective incentive mechanisms in place. With the presence of the decree from the Bappenas Chief Secretary (*SK Sesmen 81/SES/HK/2021*) establishing the cross-unit KM Bappenas technical team, the listed staff in the decree can claim credit points, useful for their key performance indicators.

Knowledge management is an effort to transmit and manage knowledge for the circulation of knowledge to produce new knowledge. It is important for Bappenas to have this culture to increase capacity, regenerate policies and regenerate leadership. The knowledge possessed by the senior generation must be continued by the next generation, so that traces of knowledge are always there. This is in accordance with the mandate of Bappenas to implement development planning policies. These policies must be based on the theoretical context, regulatory context and empirical context that is wrapped in knowledge. Good planning policies can only be made with good knowledge and good knowledge management.

Randy R Wrihatnolo
Main Expert Planner of Center for Data and Information for Development Planning, Bappenas

With this foundation of hard and soft reforms now in place, the official launch of the MP3 platform happened on April 14, 2022. During the launching event, the Deputy for Economic Affairs at Bappenas, Amalia Adininggar Widyasanti, emphasized the importance of knowledge management in evidence-based policy making: '*This is the first step to map the need for a more holistic knowledge management in Bappenas. The MP3 platform is an example for a change initiative that should be carried out by all echelon working units, in order to mainstream knowledge collaboration in our work and program implementation,*" said Deputy Amalia. The launching showcased how the platform accommodates repository functions for knowledge products of Bappenas, knowledge from other ministries and institutions, regional knowledge products and cross-cutting and thematic modules as can be seen in Figure 14.

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[163] Bappenas, (2020). Laporan Pelaksanaan Manajemen Pengetahuan Perencanaan Pembangunan (MP3) di Bappenas

Figure 14.   The Knowledge Product Transfer Mechanism from BAPPENAS' Development Partners to MP3 Platform
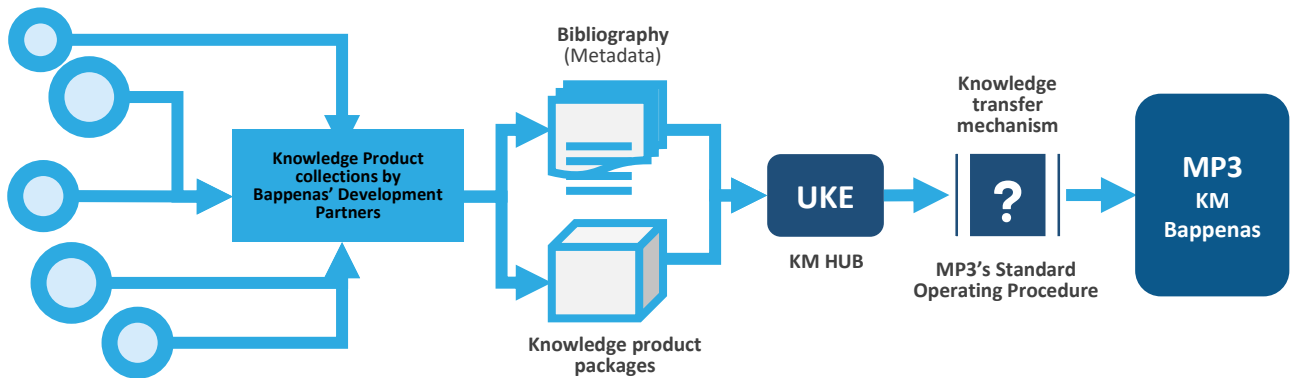
Sustainability. Concerning what has been achieved to date, there is already a strong basis for sustainability, including successful formal institutionalisation of the relevant regulations note above (Type 1), the successful piloting and scheduled mid-March 2022 roll-out of refined business processes in Bappenas (Type 2), and the positive indications regarding changes to organisational culture and norms noted above (Type 3).

The second phase, which will be carried out by *Pusdatinrenbang* in 2022, will be expanded to reach sectoral knowledge in other ministries and national institutions. There are plans to develop a local government module in 2023, and more cross-cutting and thematic modules by 2024, as elaborated upon in Figure 15.

Figure 15.   MP3 development plan for 2022–2024

To ensure that the knowledge collected by KSI continues to contribute to development policymaking and does not dissipate after the program ends, KSI transfers all knowledge products generated from the 10-year partnership to Bappenas. This strategy was developed to build a knowledge transfer model for Bappenas' development partner's projects to become part of Bappenas' knowledge repository for development planning. This model has been tested by KSI with a total of 611 KSI knowledge products now synced to the MP3 platform.

Box 4: Further engagement for MP3

Bappenas envisions MP3 will be interoperable with other line ministries so that data and knowledge can be systematically shared within government agencies, between government agencies or between national and sub-national governments, and that there is increased public access to government information. Further support of the MP3 initiative by DFAT beyond the KSI program would be advantageous for such developments.

The model that KSI is using for transferring knowledge to Bappenas can be used by other DFAT programs and other donor programs to ensure that knowledge and data developed during the program can be used for development policymaking. Further engagement between DFAT Programs, the relevant echelon working units and Pusdatinrenbang to take the opportunity for knowledge collaboration using this platform would be beneficial.

4.5 EOPO 5: participating PRIs are progressing towards financial sustainability and are important contributors to evidence-informed policy in Indonesia

4.5.1 PRIs as knowledge producers and policy influencers, and their progress towards financial sustainability

Relevance: Policy Research Institutes (PRIs) are policy actors, contributing to evidence-informed policy and the reform of the knowledge sector in Indonesia. The 16 PRIs supported by KSI were selected for being reputable, strong and credible non-government or university-based organisations experienced in providing high-quality and locally contextualised evidence aimed at improving public policies.[164]

To effectively use their knowledge to influence policy, PRIs need to be able to produce high-quality and policy-relevant research, and strategically engage their networks and advocate their analysis across the policy cycle. To maintain independence and promote an organisation's credibility in the eyes of its stakeholders and sponsors, PRIs' financial sustainability is critical. Through grants, technical assistance and KSI's role in connecting PRIs to relevant stakeholders, accelerating and being critical friends to their knowledge-to-policy process, and amplifying their research findings, KSI has been supporting 16 PRIs to increase the quality and policy relevance of their research, improve their practices of evidence-based communication and advocacy for policy influence and strengthen their technical financial skills, resulting in better analysis, broader networks and profile, financial sustainability and ultimately stronger influence. The PRI evaluation conducted at the end of Phase 2 asked the PRIs what they considered the most noteworthy changes to have emerged from their engagement with KSI. Most PRIs highlighted improved organisational capacity in the form of planning and management processes, staffing, organisational infrastructure and financial sustainability. Then came better profile among, engagement with and influence of stakeholders, followed by better research quality stemming from improved methods and better integration of Gender Equity, Disability and Social Inclusion (GEDSI).[165]

Implementation: In its first phase, KSI's support for PRIs aimed to improve the quality and relevance of their research and their capacity to use it effectively to engage with policymakers. It also sought to support partners to become more organisationally and financially sustainable by strengthening their ability to manage their organisations effectively. This support consisted of core grants and capacity building, as well as facilitation and brokering of relationships and networks with policymakers and other research organisations. A review of achievements at the end of KSI's first phase recommended the definition of quality of policy research be clarified and acknowledged the continuity of funding challenges faced by the PRIs, and therefore recommended these 2 be the focus of support to PRIs during the next phase.[166]

Entering Phase 2, KSI initially planned to channel funding to Indonesian Alliance for Policy Research/*Aliansi Riset Kebijakan Indonesia* (ARK Indonesia) which had been established by KSI's 16 PRIs in 2016. The basic premise of ARK was to support collective action to address systemic issues in the knowledge sector faced by the alliance's members. The alliance was also expected to provide a platform to share knowledge, skills and data, and to build and strengthen networks with other research organisations and with policymakers. During

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[164] The 16 think tanks are AKATIGA Pusat Analisis Sosial, Article 33 Indonesia, Cakra Wikara Indonesia (CWI) started in Phase 2, Centre for Strategic and International Studies (CSIS), *Lembaga Studi dan Advokasi Masyarakat* (ELSAM), Institute for Research and Empowerment (IRE), *Komite Pemantau Pelaksanaan Otonomi Daerah* (KPPOD), *Pusat Kebijakan dan Manajemen Kesehatan* (PKMK) UGM, *Pusat Studi Hukum dan Kebijakan* (PSHK), *Pusat Kajian Politik Universitas Indonesia (Puskapol UI) in Phase 1, Pusat Unggulan* IPTEKS *Perguruan Tinggi–Pusat Unggulan Kebijakan Kesehatan dan Inovasi Sosial, Universitas Katolik Indonesia Atma Jaya* (PUI-PT PPH PUK2IS UAJ), *Pusat Pengkajian Islam dan Masyarakat* UIN *Syarif Hidayatullah* (PPIM UIN), *Pusat Studi Agama dan Demokrasi Paramadina* (PUSAD Paramadina), Sajogyo Institute, *Sekretariat Nasional Forum Indonesia untuk Transparansi Anggaran* (Seknas FITRA), the SMERU Research Institute (SMERU) and SurveyMETER

[165] Datta, A., Piper, E., & Yunita, R. (2022). *A Review of the Indonesian Knowledge Sector Initiative's Support to 16 Policy Research Institutes*

[166] See Phase 1 achievements, which noted specifically that '[d]iversification of funding sources is an ongoing challenge across NGOs in Indonesia: while some partners have succeeded in attracting funds from several sources, financial sustainability remains aspirational for most' (p. 16).

its transition phase, KSI funded 11 joint activities aimed at addressing shared challenges, while also continuing core funding of the 16 individual organisations for the first year, building on what partners had learned during Phase 1, addressing barriers to a healthy knowledge sector, and/or addressing policy issues relevant to partners' expertise.[167] In addition, 6 PRIs were also funded to support development of background studies to inform the medium-term national development plan 2020–2024, providing opportunities for PRIs to expand their networks with policymakers in Bappenas.[168]

In 2019, however, taking into account findings from DFAT's independent review of KSI's support to PRIs in May 2018, the program shifted its approach away from supporting broader organisational development, putting new limits on what PRIs could spend grant funding on with the intent of tightening the focus on strengthening PRIs' core functions of producing quality policy research; developing strong and effective networks, influencing policy and strengthening financial sustainability. KSI's arrangements for monitoring and evaluating support to PRIs were established following the finalisation of the new PRI strategy in late 2018. This includes a clear overarching M&E framework for PRI support, and technical support that was provided to PRIs to strengthen their M&E approaches.[169] KSI also brought its support for ARK Indonesia to a close. Despite continued efforts by the program to sustain the alliance, and a series of discussions among PRIs in the relevant working group, the lack of a strong appetite among PRIs or a clear agenda for how to use funding (other than for alliance staffing and database development), contributed to the emergence of a new grant model of multi-year strategic partnership grants (SPGs).[170]

While the terms of the SPGs remained flexible enough to allow a diverse group of PRIs to think strategically about how they could best influence policy, the SPGs were more restrictive than core funding in that they initially supported specific pieces of policy-relevant research and required PRIs to follow specific criteria on research quality[171] and to integrate practices designed to facilitate research that is GEDSI-sensitive.[172] By 2020–2021, 11 PRIs[173] received a dedicated investment component (IC) of their SPG, which was intended to provide additional resources for PRIs to increase revenue and financial technical skills. Figure 16 shows the modalities of support provided to the PRIs.

KSI also provided technical assistance of various kinds to produce and embed business process tools that focus on building connections with policymakers and research translation. This included the use of program logic, a strategic planning mechanism to design and support implementation and monitor the journey of research findings to influence policies. As a part of this, all PRIs mapped and analysed key stakeholders, including targeted policymakers, other policy actors or networks, and the media, all of which are important in opening and expanding the path to influencing policy. In this way, PRIs were able to monitor and evaluate the quality of their research process and their progress in influencing policies. 11 PRIs also utilised the program logic approach and mapped potential resources as a part of efforts to increase their technical financial capabilities. In the PRI evaluation, most PRIs reported that they found developing and following the 'program logic' helpful, saying it helped them to identify particular outcomes or targets and track back, thinking through which stakeholders they needed to engage with and influence, through stakeholder mapping exercises and what outputs they needed to produce. Program logic helped to articulate a complex landscape in relatively simple terms and translate what might have been implicit (contained in a researcher's

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[167] See AIP4-KSI Six-monthly report Jul–Dec 2017

[168] See 2018 KSI annual report, p. 11

[169] See 2018 KSI annual report, p. 23

[170] The program also developed resource partner grants in which KSI recognised PRI's as 'partners' capable of delivering specific deliverables needed for other workstreams, invited expressions of interest and awarded targeted funds for those inputs.

[171] Quality criteria included: ensuring the robustness of the research method and its execution; the quality and influence of literature review; the presence of peer review in the design and reporting phrase; the assurance of key users that the results are relevant, timely, and useful; and evidence of uptake among targeted stakeholders.

[172] GEDSI criteria whether the research seeks to provide recommendations to influence government policy toward improving the status of GEDSI groups;[172] GEDSI issues relevant to the research were identified and clearly addressed in the research design, process, and analysis; and peer reviews conducted of the research design and reporting included review of whether GEDSI concerns were present and adequately addressed.

[173] PPIM, Article 33, AKATIGA, IRE, KPPOD, SMERU, Sajogyo Institute, PUSAD Paramadina, PPH, FITRA and CWI

head) into something more explicit through documentation, which in turn promoted conversation among staff. Several PRIs said they would use this approach for other pieces of research they were being funded to undertake. To assist the PRIs with this, KSI developed a good practice toolkit, 'Turning Quality Research into Effective Policy – A Good Practice Toolkit for Policy Research Institutes',[174] outlining key processes that were effective during KSI in supporting PRIs focus on becoming more effective players in evidence informed policy. The document outlines those processes that helped PRIs improve the quality, uptake, and use of their research and provides specific tools for implementation to promote the sustainability of knowledge-to-policy approaches.

Figure 16   Modalities of support to PRIs in Phase 2
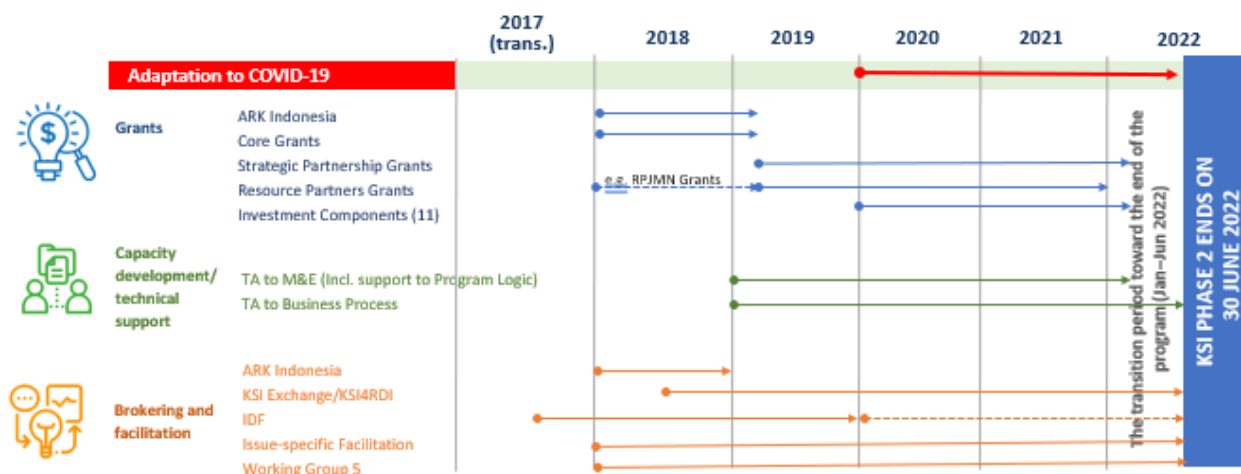
Achievements

In Phase 1, 16 PRIs strengthened their ability to plan and manage, and to deliver quality outputs and achieve their organisational objectives. The PRIs' self-assessments, facilitated by an independent M&E consultancy firm, indicate they have built capacity in a range of areas, including organisational management, performance management, communication, research strategy, quality assurance, funding diversity, credibility and network. All 16 PRIs have improved their engagement with policymakers and KSI identified over 50 different policy issues to which PRIs research and analysis contributed.[175]

The continued support in Phase 2 has resulted in notable achievements across the 4 objectives set under this EOPO.

1. Quality policy research. All supported PRIs produced quality research products as assessed against the agreed criteria:

   – With respect to quality. Since 2019, 16 PRIs have completed 76 research/reform projects and all studies met the target of compliance with at least 4 of 6 research quality criteria.[176]

   – With respect to GEDSI. Of a total of 73 studies that intentionally sought to influence policy to improve the status of GEDSI groups, 72 (99%) met the target for GEDSI-sensitive research. The 3

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[174] Hind, J. (2022). *Turning Quality Research into Effective Policy: A Good Practice Toolkit for Policy Research Institutes.* https://www.ksi-indonesia.org/en/pengetahuan/detail/2916-turning-quality-research-into-effective-policy-a-good-practice-toolkit-for-policy-research-institutes.

[175] See KSI Phase 1 achievements (pp. 24–25).

[176] Of the 76 projects, 72 met all 6 research quality criteria, 3 studies met 5 of the 6 criteria, and 1 study met 4 of the 6 criteria. The 6 research quality criteria are: (1) the research was informed by literature review; (2) there was peer review of the research design; (3) there was peer review of the research reports; (4) key users perceive the results as relevant, timely, useful; (5) the PRI is engaging with targeted stakeholders as planned and (6) there is evidence of uptake of research.

studies that are not intending to influence policy to improve the status of GEDSI groups did not meet any of the criteria, suggesting limits in their understanding of how GEDSI could be mainstreamed.[177]

The PRI evaluation found for research quality that by 2022, most PRIs met KSI's criteria for producing quality outputs for KSI funded work. At an organisational level, PRIs had a better understanding of how stakeholder involvement during research design could increase uptake and legitimacy and therefore research quality. PRIs overall improved their quality assurance (and research management) processes (including peer review). There appeared to be more dialogue among staff through, for instance, regular internal seminars, the establishment of technical working groups, about research proposals, designs and preliminary findings, which had driven up the research quality.

2. Developing strong and effective networks. Fifteen PRIs engaged targeted stakeholders as planned for all their supported research. One PRI was only able to engage some of the stakeholders as planned in one of the 2 pieces of research supported by KSI as it struggled to build stronger relationships with new stakeholders during the COVID-19 pandemic which restricted their ability engage offline. While some PRIs had more experience in stakeholder engagement and advocacy, KSI support in undertaking structured stakeholder analysis and developing engagement plans was recognised as a key contributor (Box 5).

Box 5:   Engaging stakeholders in practice, an example from PPH Atma Jaya Further engagement for MP3

In 2019, PPH Universitas Atma Jaya (PPH UAJ) formed a Technical Working Group represented by academics, the Ministry of Health, mental health advocates and Civil Society Organisations. The group supported PPH UAJ in conducting field research on the accessibility of health services at health centres in Jakarta and in producing a technical guideline for mental health services in general and pandemic situations. The participation of these stakeholders and the collaborative approach taken by PPH UAJ were relevant, timely and useful for policymaking processes. After being piloted in 5 *Puskesmas*, the guideline was finalised in November 2021 and made official through *Jakarta Health Office Head Decision No. 609/2021 on Technical Guideline of Mental Health Service Management*, to be utilised by Puskesmas in Jakarta in 2022. According to PPH UAJ, the stakeholders mapping exercise introduced by KSI was crucial in helping them to identify key stakeholders to be engaged in the process (PPH UAJ, Reflection Session, 1 February 2022). This engagement was able to build ownership of the research findings and strengthen the connection of PPH UAJ with policymakers (PPH UAJ final report, 2022).

On networks and profile, the PRI evaluation found that in 2015, PRIs generally considered themselves to be known and viewed positively among all stakeholders and considered at least some of their research products to be known and considered relevant and credible. Most PRIs said they tended to work/collaborate more frequently with CSOs and less so with policymaking institutions with which they did so in a limited or sporadic way. By 2022, all PRIs said their reputation among stakeholders had improved and their networks and relationships with various stakeholders had both deepened and expanded. This included government, including central level agencies as well as Bappenas, research and academic circles (especially among university-based PRIs), as well as CSOs, which were approaching PRIs for training in data and research management. PRIs seemed to have a better profile among and relationship with media outlets such as Kompas and *The Jakarta Post* – being approached for comment and opinion and featured in articles, with PRIs less reluctant to engage. In a few cases, PRIs benefited from being recognised in their own right in addition to by their (previously more

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[177] Of the 73 studies 34 met 3 of the 4 GEDSI-relevant criteria, and 38 studies met all 4 criteria. The 4 criteria of GEDSI-sensitive research are: (1) research seeks to provide recommendations to influence government policy towards improving the status of GEDSI groups (i.e. women, people with a disability and/or other disadvantaged groups); (2) GEDSI issues relevant to the project have been identified and clearly addressed in the research design, conduct and analysis; (3) peer review was conducted of the research design and report, and peer reviewer(s) considered whether GEDSI aspects were adequately addressed in the research and (4) the PRI involved GEDSI-sensitive approaches at every stage of research: design, conduct and analysis (or at however many stages were undertaken).

prominent) researchers or board members. Interestingly, some PRIs said that engagement with KSI had influenced a shift in their identity from a research organisation serving clients to one with the intention of influencing policy and practice.

3. Policy influence. All supported PRIs achieved some form of influence on the policy processes associated with each of their research activities.[178] Thirteen of 16 PRIs successfully contributed to at least one policy change, with a total of 33 policy changes influenced by KSI supported research. Box 6 provides a practical example, and a complete list of these policy changes can be found in Annex G.

Box 6:   PRI contributions to policy change in action

Education has been one of the sectors most affected by COVID-19. With school closures, teaching and learning activities have been conducted remotely, an activity referred to as 'home-based learning' (HBL). In practice, the implementation of HBL varies greatly depending on the capacity of teachers, schools and student conditions at home, either supporting and hindering the learning process. Differences in the application of HBL have exacerbated already unequal student learning outcomes. The SMERU Policy Research Institute conducted research on learning inequality during the COVID-19 pandemic and produced several recommendations to mitigate this situation. SMERU recommended more systematic efforts to improve the quality of learning from home and prepare teachers to take into account variations in student learning abilities in their classrooms, to help ensure that underachieving students do not fall further behind. These recommendations were later adopted by the Ministry of Education and Culture (MoEC) in the Guidelines for Implementing Curriculum in Education Units under Special Conditions (*Ministerial Regulation 719/P/2020*) as one of the measures to mitigate learning inequality during the COVID-19 pandemic.[179]

On engagement and influence, the PRI evaluation found that in 2015, some PRIs integrated engagement with external actors into their research process. However, half of the PRIs had only begun to turn their attention to policy engagement and influence. Most PRIs suggested they could use more appropriate formats in their engagement with stakeholders, which tended to be ad hoc – based on the initiative of specific individuals and not part of a plan unless funders made specific demands. Engagement was seen as consuming a lot of time and resources, which some PRIs felt they had little of. Both policymakers (national and sub-national) and civil society sometimes or frequently used parts of organisations' research results, but PRIs had few mechanisms to track research use.

By 2022, all PRIs said they took a more systematic and structured approach to engaging with their key stakeholders, including policymakers. This involved researchers having more formal discussions early on in a research project about what they wanted to achieve, who they wanted to influence and how they would do so. PRIs now had more options (in terms of e.g. communication outputs) to consider in engaging different stakeholders beyond traditional research reports, supported by specialist communication staff. Several PRIs said they were now able to track the impact of their policy engagement work to help account for resources and to improve their approach. All PRIs shared examples of changes in policy that they believed they had contributed to. Most examples referred to changes in government regulation that they had advocated for or actually drafted themselves. This included efforts among PRIs through a KSI working group and collaboration with the National Public Procurement Agency (LKPP) to enable the government to procure services (including research) from non-government, non-profit organisations.

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[178] Policy change may include changes to guidelines, manuals, programs, projects, policies, regulations; budget allocations, transfers, budget expenditures; and communications and information systems, M&E systems, assessment systems and practices, professional development systems, quality assurance systems etc. A policy change is deemed to have been 'influenced' by PRIs if there is a plausible link between PRI products and services and any of the changes above.

[179] For more on this story of policy influence, see the article 'SMERU Mitigates Learning Inequality during the COVID-19 Pandemic', https://bit.ly/SMERULearningInequalityC19

4. **Financial sustainability.** The 2022 final evaluation of financial sustainability support identified a number of key outcomes for the 11 PRIs participating in the investment component of KSI, including:

   – All 11 have experienced increase of skills in at least one of the 4 aspects of financial technical quality (Financial Practices, Fund Development, Strategic Planning and Innovation).[180]

   – All 11 showed positive Average Annual Growth Rates (AAGR), ranging from 3% to 159%. However, this finding was tempered by the observation that *'revenue growths are not always steady* as seen from some PRIs with declining trend lines' and in some cases, the AAGR measurement was 'boosted' by a revenue spike at some point, or growth was hampered more recently by the COVID-19 pandemic in 2020–2021.[181]

   – All 11 PRIs' non-DFAT revenue is increasing over the 2015–2021 period. No declining trend was shown, [which is] sufficient to conclude that most PRIs are becoming less dependent on DFAT's funding, although 5 out of 11 PRIs relied on DFAT for more than 50% of their funding in 2021.[182]

On financial sustainability, the PRI evaluation found that in 2015, the majority of PRIs were predominantly or exclusively funded by donor organisations, although most received funding from a variety of different donors. Some PRIs said they did not need to write research proposals to secure funding and relied on their reputation among and relationships with funders to do so. On financial and operational management, PRIs had finance and operations systems that covered finance, procurement, asset management and fraud prevention, which were (generally) applied consistently. Some PRIs said they had started to direct some of their funds into reserves or endowment funds, with one PRI saying they had invested this in government bonds.

Revenues of at least 10 PRIs between 2015 and 2021 grew, albeit a little unsteadily and hampered by COVID-19. Revenue growth was generally down to growth in domestic revenues. Non-DFAT revenue increased among the same PRIs suggesting reduced reliance on DFAT funding. Furthermore, more PRIs were setting aside reserves for unexpected situations. The evaluation found that PRIs were thinking more seriously about their financial sustainability and the need to diversify funding sources. Many PRIs took steps to improve this by e.g. mapping clients and donors and approaching non-traditional funders. Some PRIs undertook more marketing/branding activities, while others were exploring possibilities from businesses and government through the *Swakelola Tipe III* mechanism. Utilising their investment component grant, many PRIs that had not already done so developed business units to generate additional income. But revenues generated were not significant and, in some cases, detracted from PRI's core research work. Several PRIs that utilised their grant to improve their financial technical skills suggested they had better financial management practices leading to a better understanding of their income and expenditure, which some were able to use to better price their research proposals.

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[180] Migunani (2022). *Assessment of Financial Sustainability Support to PRIs Knowledge Sector Initiative.* Jakarta: Migunani
[181] *Ibid.*
[182] *Ibid.,* p. 3.

December 2019 – KSI annual meeting with PRIs

Sustainability: Assessing the sustainability of achievements under this workstream requires a number of different lenses that capture the different dimensions of change resulting from program investments.

- **Sustainability of immediate policy influence**. The 33 policy changes in education, health, economy, religious harmony, governance to human rights issues to which PRIs have contributed are a significant legacy of KSI's support to PRIs. These changes have been institutionalised through a variety of mechanisms, ranging from formal changes to laws, regulations and guidelines (Type 1), to influence of budgets and the adoption of new databases and indices (Type 2). At the time of completing this report, there had been one case identified in which there had been signs of backsliding on of the formal institutional changes to which PRIs had contributed.[183] While this is an unfortunate development, the remaining 31 reforms appear to be on a solid footing, giving cause for optimism regarding their sustainability in the near term.

- **Sustainability of improved organisational practices**. The legacy of investments made under this workstream also includes the impacts this work has had on the operations of PRIs themselves. This includes the benefits of accumulated experience and reputational gains made through the research activities supported by KSI, and also the changes in capacity and practice resulting from dedicated organisational support. While PRIs must in many respects adapt practices to suit the demands of funders, there is encouraging evidence of numerous cases in which improvements to research quality, GEDSI sensitivity and business practices show signs of more durable institutionalisation that will outlast KSI support. This includes cases in which new formal requirements have been put in place, such as Sajogyo Institute's KSI-supported development of Guidelines for Quality Research and Advocacy, which include new mandated peer review requirements for research proposals,[184] new practices embedded in SMERU[185] and Article 33 Indonesia's[186] work, adoption of a new framework, and PPIM UIN's hiring a gender expert[187] for exploring gender equality, disability and social inclusion outcomes of research activities, including those not funded by KSI. On the business side, examples include the development of several Standard Operating Procedures (SOPs) by CSIS, which will continue to be used and outlive personnel succession,[188] and PPH Atma Jaya's renewal of its Financial Standard Operating Procedures, which included new methods of calculating unit business costs and indirect costs.

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[183] PPIM UIN's research recommendations regarding tolerance were adopted in the Islamic Religious Education Learning Focus guideline by the National Education Standards Agency (BSNP) in February 2021. However, BSNP was dissolved in August 2021, following the release of *government regulation No. 57/2021* regarding national education standards.
[184] Sajogyo Institute Final Report, 2022
[185] SMERU Final Report, 2022 https://smeru.or.id/en/page/gedsi.
[186] 2019 Annual Report and interview with Agus Pratiwi, Senior Researcher Article 33 Indonesia, 24 February 2022
[187] PPIM UIN Final Report, 2022
[188] Medelina Hendytio, Deputy Director CSIS, Working Group meeting – 4 November 2021

- **Sustainability of collective influence on operating environment for PRIs**. PRIs were engaged collectively to influence policies on science and technology, research permits and GEDSI mainstreaming in research funding and at the end of the program showed stronger commitment in providing resources to participate in the process. In some cases, this mobilisation did not result in the formal institutional change for which PRIs advocated (see e.g. Section 4.1.2), but it does appear to be indicative of a more assertive coalitional approach by PRIs. Where there is an alignment of interests, existing incentives and the relationships built through KSI support appear to be supportive of sustaining such practices.

Interviews conducted with the PRIs as part of the final evaluation suggested a circular or mutually reinforcing relationship between all 4 outcome areas during Phase 2 (i.e. between improvements in engagement and influence, network and profile, research quality and financial sustainability). For instance, 1 PRI said its solution to improving financial sustainability was to continue to produce high-quality research, which in turn improved its profile and networks, and promoted influence. Also, being associated with KSI helped some PRIs to secure funding from other donors.[189]

Sigi District is one of the earliest Agrarian Reform models, in which the Sigi District Government and the Sajogyo Institute are directly involved, and are providing lessons such as the Agrarian Reform Guideline by the President's Staff Office.

Surya Tjandra
Deputy Minister of Agrarian and Spatial Planning/National Land Agency
13 October 2021, at a meeting in Sigi District

KSI has helped PPIM UIN become a better and more structured institution. With these improvements, we have the opportunity to get more donors. Moreover, KSI guidance in monitoring program implementation is very helpful for us to know the impact of our work in influencing policy.

Dita Kirana
Project Manager PPIM UIN
11 January 2022, at a PRI offline meeting

4.6 Cross-cutting initiative 1: GEDSI

Relevance. More inclusive public policy is critical if Indonesia is to achieve its poverty reduction targets and continue to grow economically. For this to happen, policymakers need access to quality evidence to understand the nature and extent of inequality and exclusion, and the different impacts that policies have on women, persons with disabilities and other socially excluded groups.

The relevance of these needs and their links to KSI's objectives was clear even in Phase 1 in the convening and knowledge exchange activities described in Section 4.2.2. KSI's work on GEDSI therefore aimed to improve the use of evidence on gender, disability and social inclusion issues in development policymaking. This section highlights the incorporation of GEDSI into different workstreams across the program and the significant achievements of KSI's support to the Australia-Indonesia Disability Research and Advocacy Network (AIDRAN).

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[189] Datta, A., Piper, E. & Yunita, R., 2022, A Review of the Indonesian Knowledge Sector Initiative's Support to 16 Policy Research Institutes

Implementation. The KSI GEDSI Strategy was informed by key lessons learned from Phase 1, in which the team observed the potential for KSI to:

- play an initiator role by generating new knowledge on issues of gender equality and social inclusion, as was the case when KSI commissioned the study on gender issues in research and higher education conducted by Sajogyo Institute[190] that went on to inform reform in the universities sector

- play a critical friend role by challenging its partners and government counterparts to incorporate GEDSI issues and perspectives, including PRI consideration of GEDSI in their research and Bappenas incorporation of GEDSI in the 2018 Indonesia Development Forum

- play an amplifier role for the efforts of GEDSI champions, including in Bappenas and the Ministry of Research, Technology, and Higher Education.

In building on this experience, KSI took a whole-of-team approach, establishing a GEDSI task force with members from each of the program teams as well as the operations team. The task force was responsible for coordinating implementation of KSI's GEDSI Strategy and monitoring and reporting on progress, but also acted as focal points within their teams, with oversight provided by the Team Leader and Deputy Team Leader. The result was a twin-track approach in which GEDSI issues were mainstreamed across all KSI initiatives and KSI operations, while the program also identified and developed specifically targeted interventions focused on supporting women researchers and researchers with disabilities in advocating GEDSI issues in research and disability inclusion to improve access and participation. Thus, several of the achievements listed below, such as the integration of GEDSI into PRI research, IDF and so forth were implemented as a core part of those initiatives and not described in great detail here.

"In the fifth generation of the National Action Plan for Human Rights (RANHAM), the government will focus on protecting, respecting and promoting human rights for vulnerable groups, which includes women, children, persons with disabilities and indigenous peoples. The fifth generation RANHAM has gone through a long process involving various parties from the government, the National Commission for Human Rights (Komnas HAM), the National Commission for Women (Komnas Perempuan), Indonesian Commision of Child Protection (Komisi Perlindungan Anak Indonesia), civil society (ELSAM) and academia.

Edward Omar Sharif Hiarie
Vice-Minister of Law and Human Rights
On 4 August 2021 on a media event, promoting the launch of the National Action Plan for Human Rights (RANHAM), 2021–2025 which was jointly held the next day with ELSAM supported by KSI

Achievements. Phase 1 achievements on gender equality and social inclusion fell into 3 areas.

- Work done on incorporating gender and social inclusion in research and policymaking. This contributed to *MoRT*'s revising its research grant schemes for universities to incorporate gender perspectives.

- KSI worked with Bappenas to include gender and social inclusion perspectives in the Policy Analysis Team's quick response policy briefings. Also, the strategic plan for the Centre for Policy Analysis/*Pusat Analis Kebijakan* (PAK) committed the centre to mainstreaming gender in all stages of the policy cycle: planning, budgeting, implementation and evaluation.

- PRIs also took initial steps to address gender and social inclusion issues. However, there remained a clear need for a greater focus on the different economic and political impacts of policy on women

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[190]https://www.ksi-indonesia.org/id/pengetahuan/detail/968-keadilan-gender-dan-inklusi-sosial-dalam-hibah-penelitian-kementerian-riset-teknologi-dan-pendidikan-tinggi-2013-2015

and socially excluded groups in partners' research, and greater integration of gender and social inclusion in partners' operations.

In Phase 2, there are 4 achievements noted for the work done on GEDSI as a cross-cutting initiative

- **Improved consideration of gender equality and social inclusion issues in policy research and analysis**. This includes KSI-supported PRIs successfully producing GEDSI-sensitive research, with 72 (94%) PRI research products meeting the agreed benchmark of at least 3 of 4 criteria for GEDSI-sensitive research and resulting in 17 policy changes with a clear GEDSI dimension (see Annex G). This work also provided much of the input on the GEDSI lessons learned publication, *Gender Equality, Disability and Social Inclusion in Practice*, which was produced through collaboration with PRIs and other research, and the DFAT project network. Other successes in this area include 2 of AIDRAN's online learning toolkits for university students with a disability adopted by MoECRT[191] and the knowledge-to-policy pilot at sub-national level in South Sulawesi, in which the silk value chain study included a gender equality perspective that revealed gender bias in the silk industry and recommended additional attention to ensuring a fair distribution of financial benefits (see Section 4.7).

- **Strengthened networks between research institutions working on gender equality and social inclusion issues**. AIDRAN held its first international disability conference in 2019,[192] which strengthened its networks and provided an opportunity for its members to interact and share knowledge with other stakeholders. AIDRAN and some of its members (Australian disability organisations) also hosted a special session on disability-inclusive employment at IDF 2019. Their participation there provided an opportunity for them to build new networks, sparking some early collaborations.[193] Over 2019-2022, AIDRAN built a membership of 572 members (344 female and 211 male), the majority located in Indonesia, with some members from Australia and other countries. Out of the total members, 203 have disabilities.

The participants and speakers during AIDRAN's International Disability Conference (2019)

- **More Government of Indonesia knowledge-sector-related policies are sensitive to gender equality and social inclusion**. Achievements of this type included the successful integration of GEDSI into the

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[191] Online Learning Guide for Students with Blind Disabilities and Online Learning Guide for Students with Physical Disabilities
[192] See KSI 2019 Annual Work Plan, Box 6: AIDRAN and Brawijaya University co-hosted a conference on disability in Malang.
[193] See KSI 2019 Annual Work Plan, Box 7: IDF successful in promoting GESI participation and networks.

XIII[194] edition of MoECRT research grant guidelines (see Section 4.2.2) and the incorporation of GEDSI elements in the Bappelitbangda South Sulawesi decree on Technical Guidelines on Collaborative Studies (see Section 4.7). The KSI-supported Policy Quality Index (PQI)/*Indeks Kualitas Kebijakan* (IKK) instruments and tools also mainstream the gender equality, disability, and social inclusion (GEDSI) perspectives, including specific questions on whether the policy problem is related to vulnerable groups and whether policy goals have been set for vulnerable groups. Policies and procedures to secure the participation of women and people with a disability are now in place and embedded in IDF,[195] including 5 recent 'Road to IDF' events that incorporated and implemented GEDSI approaches in their management (see Section 4.3.2). Lastly, AIDRAN's online learning toolkits[196] for university students with a disability were adopted by the Ministry of Education and Culture.[197]

- **Increased opportunities for women researchers and researchers with disabilities.** Achievements here were more partial. The Athena SWAN process did lead to MoRT developing gender indicators to apply to its national standard of research clusters to rate the ranking of universities annually, an effort supported by some champions as well as ASWGI. However, the effort did not receive sufficient support at the echelon 1 level and was not passed. (see Section 4.2.2).

KSIxChange with CWI on 'Women in Bureaucracy' (2019)

Sustainability. Sustainability of many of these achievements is discussed in greater detail in the relevant sections for each achievement. In brief, however, achievements related to GEDSI have been institutionalised in a number of guidelines and business process reforms (Type 2), including within GoI (e.g. MoECRT research grant guidelines, the Bappelitbangda South Sulawesi decree on Technical Guidelines on Collaborative Studies) and Non-Governmental Organisations (e.g. PRI processes and review requirements). On this point, it would seem important to be aware of the risks in ensuring GoI commitment to GEDSI mainstreaming in light of shifts in mandates and new champions.

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[194] https://repository.ung.ac.id/kategori/show/info_penelitian/26813/panduan-penelitian-dan-pengabdian-kepada-masyarakat-edisi-xiii-revisi-tahun-2021.html

[195] See KSI 2019 Annual Work Plan, Box 7: IDF successful in promoting GESI participation and networks.

[196] http://dikti.kemdikbud.go.id/pengumuman/panduan-pembelajaran-daring-bagi-mahasiswa-dengan-disabilitas-fisik-dan-disabilitas-netra/

[197] https://www.ksi-indonesia.org/id/wawasan/detail/1956-dorong-pendidikan-inklusif-aidran-dukung-kemendikbud-terbitkan-pedoman-pembelajaran-daring-bagi-mahasiswa-disabilitas

> *What I think is quite good is that the government has started to have a perspective to integrate issues of gender, social inclusion and community empowerment into their programs. 'Besides that, they become aware that— oh, it turned out like that— yes, we also have to calculate...— how about a woman who works at home, especially if she is the head of a single family; the source of income is from there.' They will finally understand that oh, this can be a source of income for women with low education.*

Lusia Palulungan
LSM Gender
Mentioned at the interview in March 2022

There are also positive signs of Type 3 sustainability of new norms of collaboration and advocacy.

In 2021, there was a new dynamism in the GEDSI network involving ALMI, BRIN, ASWGI, PSHK and AIDRAN as institutions and associations keen on advocating the implementation of research grant guidelines with a GEDSI perspective. The KSI GEDSI evaluation recommendations were adopted by the GEDSI Network and formalised in 5 policy briefs.[198] The network led meetings with several stakeholders including with champions in MoECRT, BRIN and the Ministry of Social Affairs to share their initial findings, and received positive feedback. AIDRAN, PRIs and GEDSI network partners have stated their intention to continue their work as inclusive policy actors, to encourage collective action and to use the shared learning in the process of implementing research and policy advocacy to be more GEDSI sensitive. However, as with the broader question of collective action (see e.g. KSI support to ARK Indonesia in the transition phase and subsequent brokering of collective action in Phase 1), it is likely that such collaboration will be issue-specific where incentives drive organisation to achieve clear objectives in the absence of a neutral facilitator like KSI.

4.7   Cross-cutting initiative 2: sub-national

Relevance. From the outset of Phase 2, it was clear the program needed to reconcile its programmatic approach and goal with the realities of the policymaking process in a heavily decentralised country like Indonesia where most public services and development policies are produced and implemented at the local level. KSI was not conceived as a sub-national program aiming to make local governments more effective and accountable (something central to KOMPAK within DFAT's Indonesia portfolio) – the knowledge ecosystem in Indonesia contains numerous subsystems in which information is produced and used (or not) in support of policymaking,[199] and even a national program needed to work not just in Jakarta, but with a broader geographical scope. The intention then was to ensure that KSI's sub-national work would support the overall development goal of improving the use of quality evidence in local policymaking and ensure that sub-national perspectives are incorporated into KSI's work overall.

Implementation. KSI's sub-national work was designed as a cross-cutting component, promoting sub-national perspectives across its portfolio. The program still aimed to support the overall development goal of improving the use of evidence in policymaking, and would leverage existing workstreams and relationships, while avoiding duplication with other DFAT programs. These integrated efforts are noted in the relevant sections of the report, including: promoting use of the *Swakelola Tipe III* procurement regulation at

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[198] The 5 policy briefs are *Perspektif GEDSI dalam Kebijakan Terkait Litbangjirap untuk Penguatan Pembangunan Berkelanjutan di Indonesia* by Wati Hermawati (BRIN) and Estu Dyah Arifianti (PSHK), *Pemeringkatan Perguruan Tinggi Menurut Penelitian dan Pengabdian Masyarakat Berbasis GEDSI* by Emy Susanti, Arianti Ina R. Hunga, Keppi Sukesi (ASWGI), *Penguatan GEDSI pada Penelitian dan Pengabdian Masyarakat dalam Mewujudkan Merdeka Belajar Kampus Merdeka* by Emy Susanti, Arianti Ina R. Hunga, Keppi Sukesi (ASWGI), *Pelembagaan Klirens Etik dan Integrasi Perspektif GEDSI dalam Klirens Etik di Indonesia* by Evi Eliyanah (ALMI/Universitas Negeri Malang) and Lely T. Wijayanti (Universitas Negeri Malang), *Penelitian sebagai Strategi Pemenuhan Hak Penyandang Disabilitas* by Dina Afriyanti and Slamet Thohari (AIDRAN).

[199] Harris et al., (forthcoming) book chapter on Knowledge Systems in International Perspective.

the sub-national level in South Sulawesi (see Section 4.1.1); engaging with policy analysts (see Section 4.3.1) at the sub-national as a part of the K2P pilot; supporting Road to IDF sessions in various regional cities (see Section 4.3.2); exploring how to link KRISNA with sub-national planning, including the *Kemendagri* system and DAK allocations (see Section 4.4.1); and supporting PRIs' work at the sub-national level.

As a complement to this approach, the program proposed a new initiative to bring together many of these elements in a single case that would demonstrate the full cycle of knowledge to policy (K2P) at the local level.[200] KSI collaborated with the Eastern Indonesia Knowledge Exchange Foundation/*Bursa Pengetahuan Kawasan Timur Indonesia* (BaKTI) to implement this initiative in South Sulawesi, helping local government to identify a policy priority, build relationships with and engage external research providers (using *Swakelola Tipe III* if possible) to conduct research in line with this agenda and use the findings to inform policy.

KSI approached the South Sulawesi Provincial Government through a courtesy call to the Governor of South Sulawesi in May 2019, followed by a participatory workshop, bringing together a wide range of government and non-government stakeholders[201] to identify 3 potential policy areas of focus.[202] BaKTI was engaged in November 2019 to implement the K2P pilot, beginning with some participatory meetings for agenda-setting. In early 2020, an agreement was reached for the pilot to focus on silk and taro value chains, 2 of South Sulawesi's leading commodities.

Two significant changes in the operating context in 2020 required the program to adopt a flexible approach to implementation. First, the provincial government needed to reallocate its budget for its frontline response to COVID-19, so it could not contribute funding for the pilot in 2020. While this setback resulted in a narrowing of focus to the silk value chain only, the program sought to reframe the work as critical to the economic recovery from the pandemic, helping to maintain interest and commitment from local government, with Bappelitbangda providing in-kind support to complement KSI research funding. Second, a corruption case against the governor caused a rearrangement of power in South Sulawesi, with the vice governor stepping into the role of acting governor. This initially delayed the implementation of some activities owing to the need to re-establish relationships, but alongside the economic recovery framing, the powerful longer-term political incentives driving government interest in the work[203] were not limited to the former governor as a single champion, and thus the collaboration was able to proceed.

By the end of 2021, the analysis had been completed, and published work included the silk value chain study report (published under the name of Bappelitbangda), 4 policy briefs, infographics, 2 feature stories and video documentation for advocacy, and articles published by local media. KSI and BaKTI supported sessions conducted to disseminate findings, including a session on gender equality and sustainable livelihoods with over 250 participants, a KSIxChange and 2 offline sessions at bupati offices to get feedback at the district level.

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[200] In practice, policy implementation and subsequent monitoring and evaluation will continue after the end of KSI Phase 2 and be led by the local government.

[201] Including, Bappenas, several PRIs, provincial government agencies (OPD), the Governor's Team for Accelerated Development/*Tim Gubernur untuk Percepatan Pembangunan* (TGUPP), academics, local CSOs, development partners and Bappeda.

[202] The 3 policy priority options were regional economic governance for improving commodities, regional planning and budgeting, and poverty and inequality.

[203] Development of silk and taro were a part of the governor's campaign promises and included as priority commodities in the South Sulawesi Medium-Term Regional Development Plan (RPJMD).

> *Development planning still has problems in integrating gender issues. If we look at previous studies, usually GESI aspects were missing. Therefore, this silk value chain study is very good, because it has incorporated gender equality and social inclusion issues, including elements of community empowerment in the study.*

Lusia Palulungan
Member of silk value chain study team
Mentioned in the BaKTI video

> *Bappelitbangda South Sulawesi appreciates KSI support to knowledge-based policymaking. We have developed a Technical Guideline as reference for conducting collaborative studies in the future. In 2022, the guideline will become a Governor Decree as the basis for knowledge-based policy development in the whole of South Sulawesi.*

Ir Andi Darmawan Bintang MDevPlg
Head of the Regional Research and Development Planning Agency/
Bappelitbangda of South Sulawesi
Mentioned at a meeting at the Bappelitbangda Office in Makassar on 24 Jan 2022

> *We see that there is a need for a policy based on evidence and data, a need for innovation and for coordination/collaboration, plus replication and sustainability. But sometimes ministries, public agencies, or individuals are confused; HOW to do it? Where to start? Now, this is actually a breakthrough, a pioneer; we now have an example of 'good practice' carried out by KSI in collaboration with BaKTI. So the HOW has been tried out in an activity that is real, more visible, and thus clearer. For example, in the RPJMN, the Medium-Term National Development Plan, the question is asked 'What is the percentage increase of innovation in each region?', as well as what the efforts to replicate are. But, how to do this, where is the example? This is where KSI takes the lead. So, 3 aspects: evidence, coordination/collaboration and innovation are considered in how to disseminate and replicate to other agencies or other interested parties.*

Mohammad Roudo
Act. Director for Regional II, Bappenas
Excerpt from interview 4 March 2022 for K2P pilot evaluation

Achievements. The achievements of the sub-national K2P initiative can be seen at 2 levels: that of the immediate influence of the K2P process on silk commodity policy, and that of its intended role as a pilot capable of generating learning to inform future practice and demonstrating the value of the approach, thereby prompting similar future investments.

With regard to the first objective of immediate policy influence, the knowledge-to-policy pilot was completed in December 2021, successfully showcasing an evidence-based policy process where a priority policy agenda to rebuild the silk industry was supported through an applied value-chain study as the basis for policy development, culminating in the issuing of *South Sulawesi Governor Regulation 47/2021 on Label Utilisation for Silk Cloth with Typical Patterns from South Sulawesi*. *Regulation 47/2021* directly adopted key recommendations from the K2P process and outputs including, for example, the recommendation to protect

producers and consumers of 100% silk products by developing a labelling scheme to distinguish between 100% silk products and those made with a proportion of synthetic materials. Implementation of that regulation will rely on action and budget plans for the 2022–2024 period, which also build on the findings of the analysis.

With regard to the second set of objectives, there are a number of positive steps already being taken that indicate important achievements of the demonstration and learning effects.

- Immediate replication. Bappelitbangda South Sulawesi has funded another value-chain study on satoimo taro commodity in 2021, applying the collaborative approach used in the silk commodity study and using the *Swakelola Tipe III* mechanism to contract the PINUS Foundation South Sulawesi. This study has been completed, with the final report to be published in 2022.

- Influence on future studies. Bappelitbangda South Sulawesi has released a decree on Technical Guidelines on Collaborative Studies based on the silk commodity value-chain study. Features of the study incorporated into the guidelines include the inclusion of GEDSI elements in the study; the use of multi-actor, multi-disciplinary approaches;[204] and stronger quality control mechanisms involving a wider variety of peer reviewers. With the governor's approval, this guideline will be applied not only in studies commissioned by the provincial Bappelitbangda, but also at district and municipality level. In consultation with Ministry of Home Affairs and Bappenas, KSI also provided inputs to potential revisions to *Permendagri No. 17/2016*, and the guidelines *Rakortekrenbang* (*Rapat Koordinasi Teknis Perencanaan Pembangunan*/Development Planning Technical Coordination Meeting) for the Government Annual Workplan (RKP). Institutional changes associated with BRIN mean it is unlikely that *Permendagri 17/2016* will be revised by MOHA, and it is too soon to determine uptake in the RKP process.

Sustainability. The results of the knowledge-to-policy (K2P) pilot in South Sulawesi have fostered conditions for sustainability; the approach received strong support from sub-national agencies that replicated the approach for other commodities and, as noted above, both the immediate policy influence and the K2P approach demonstrated have been formally institutionalised in relevant regulations and guidelines (Type 2). Additionally, Bappelitbangda South Sulawesi's hopes to replicate the multi-actor and multi-disciplinary approach used in the silk value chain study indicates a level of comfort and a perception of confidence in working with knowledge partners outside government that was not evident in previous behaviour (Type 3). The hope is that the local government will continue to share its positive experience with other stakeholders outside of South Sulawesi, something that is already taking place with Bappelitbangda (at the suggestion of BPP Kemendagri) including this policy and its experience with the K2P pilot in its application to Kemendagri's annual Innovative Government Award (IGA) 2021 (Type 3).

4.8   Cross-cutting initiative 3: media engagement and public discourse

Relevance. Among the findings of KSI's Phase 1 Completion Report was the recommendation that in a second phase 'KSI should work with a selected range of media organisations to stimulate public awareness of, and demand for, greater use of evidence in policymaking. This work should be guided by a developing understanding of the messages and channels that are most effective in influencing policymakers and the public'.[205] Indeed, the Phase 2 design and Program Implementation Strategy recognised that despite improvements in media freedoms over the last 2 decades, a shortage of high-quality, evidence-informed analysis on important public policy issues in the Indonesian media remained, diminishing the quality of public policy debate.[206]

[204] Previous work often involved government and academics, but not civil society researchers.
[205] KSI Phase 1 Completion Report, p. 42
[206] KSI PIS 2018

As a result, since the inception of KSI Phase 2, the program has implemented a cross-cutting workstream on media engagement that aims to promote more evidence-informed public policy issues and raise awareness of the challenges within Indonesia's knowledge sector, as well as stress the importance of evidence-informed approaches to policymaking. However, while media engagement and public discourse contribute to several of the formal institutional changes that KSI is supporting (i.e. changes to regulations, policies, etc.), changes in norms and paradigms are also, in themselves, of critical importance. In other words, the program believed that these informal aspects of the broader institutional context help to shape the space for evidence-informed policymaking and incentivise the use of evidence in policymaking. The presence (and reach/audience) of trusted evidence-based sources of information in the public sphere and public engagement with evidence-based debate have intrinsic value and (alongside many other factors) shape the public's expectation that policymakers and politicians should use evidence to support their arguments.[207]

Implementation. Public discourse is defined as dialogue or communication that has the ability to change the course of public attitudes, actions or opinions. KSI used several strategies to build public discourse on the issue of the use of evidence in policymaking, including Program Communication, Media Engagement and Social Media Interventions. Each of these played an important part in KSI's public discourse work during Phase 2 (see Figure 17) though the balance between them evolved over time.

Figure 17. Modalities of support to media engagement and public discourse – KSI Phase 2
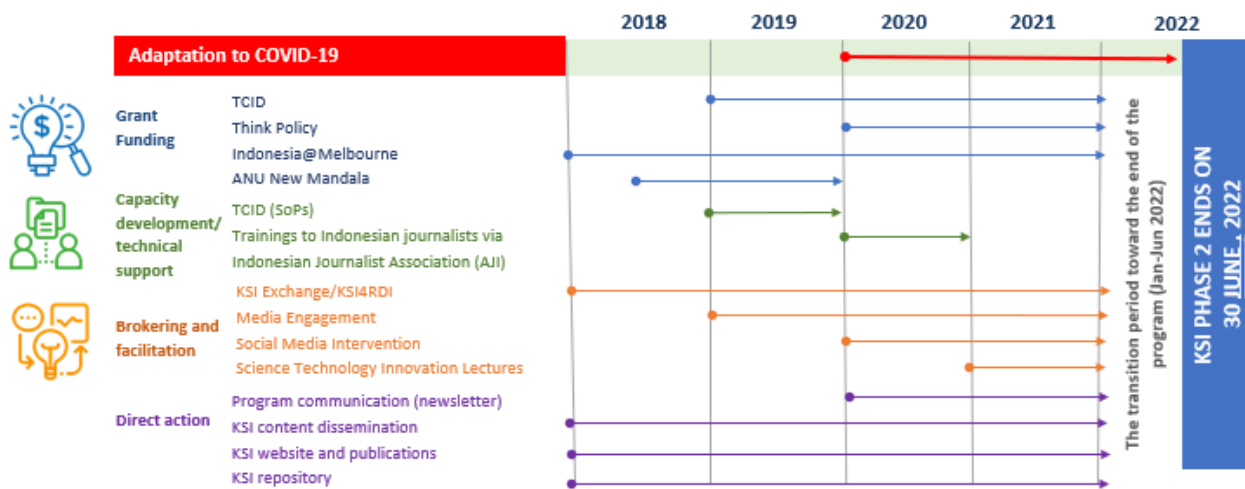
Like many programs, KSI used direct **Program Communication** as a means to communicate about activities and results, disseminate findings, and advocate on key knowledge sector issues. This initially included positioning the program website as a key resource for national and international audiences, and eventually included more targeted 'push' products, like the KSI newsletters published since April 2020, once the program had identified key stakeholders. There were also 25,735 visits to the KSI website and 20,815 views of the KSI repository, indicating that the available knowledge products are accessed by a large audience. To further communicate these knowledge products, KSI produced 35 newsletters, which have been shared with 409 people and viewed 6,381 times with 532 visits directed to PRI websites.[208]

As a complement, the program supported a range of **knowledge exchange** mechanisms that promoted interaction between researchers and policymakers as well as the general public. These efforts placed the program in a different role: that of a trusted neutral broker and facilitator, rather than knowledge provider or advocate, utilising 4 different platforms for knowledge exchange.

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[207] Datta et al. (2011) The political economy of policymaking in Indonesia: Opportunities for improving the demand and use of knowledge. https://www.dfat.gov.au/sites/default/files/indo-ks11-knowledge-policymaking.pdf
[208] Data monitoring of KSI newsletters

- High-level webinars involving prominent political figures[209]
- KSIxChange, which served as dialogue between policymakers (GoI) and knowledge producers (PRIs, KSI's strategic partners, etc.)[210]
- KSI4RDI (KSI for Research, Development and Innovation) as a platform for policy dialogue with curated speakers and participants[211]
- The Science, Technology and Innovation lecture series

KSI's **media engagement** focused on building selected media actors as intermediaries in the knowledge system to promote more evidence-informed public debate on key policy issues and raise awareness of the challenges within Indonesia's knowledge sector, as well as raise the importance of evidence-informed approaches to policymaking. Work with tier 1 media outlets like Kompas, Media Indonesia, Katadata, Asumsi and *Tempo*[212] leveraged the program's relationships to press for media coverage on issues related to knowledge collaboration, K2P process, knowledge systems and evidence-based policymaking. KSI also supported various key opinion leaders[213] to amplify the message, in the form of op-ed, news articles and news coverage of events, playing a critical friend role in refining content and messaging.

Where possible, the program opportunistically leveraged current events as entry points for public discourse. For example, in 2019, KSI undertook strategic efforts to build a public discourse on Building a Quality Research Ecosystem. The Communications Team identified an opportunity following a strong comment by President Joko Widodo on the state of Indonesia's research ecosystem (commenting on limited research funds, the lack of coordination and the overlapping of functions in Indonesia's research management and institutions).[214] With the 2019 general election on the horizon, KSI seized that opportunity to place the idea of building a better research ecosystem in Indonesia at the centre of public discussion. The goals were to raise the issue related to research in the presidential campaign and make it a specific question during presidential debates, both of which were successfully achieved.

The rapid development of communication and information technologies in the past decade has made the internet and social media widely available to ordinary Indonesian citizens, fundamentally changing communication practices and bringing new elements to the development of a public sphere in Indonesia. Beginning in 2020, KSI used **social media interventions** to complement its ongoing work with traditional media houses by engaging media and content creators, such as Tempo Institute, Asumsi.Co, Frames & Sentences, Dian Paramita, Dendy Raditya, etc., to develop discourse content featuring prominent figures[215] and promote KSI's work (including knowledge exchange events) in the form of tweets, YouTube videos, vlogs, blogs, podcasts, etc. These new mechanisms allowed KSI to amplify key public discourse messages on the Knowledge and Innovation Ecosystem and promote evidence-informed approaches to policymaking with

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[209] There were 9 high-level seminars and webinars held between 2019 and 2021, involving 4 Ministers, 3 Ambassadors, 2 Governors, 1 Mayor, 12 senior officials in echelons 1 and 2, 2 senior academics, 5 academics, 1 senior economist and 4 international actors (see infographic on high-level webinar).

[210] KSIxChange data shows consistently high participation from the Indonesian government, universities and NGOs, which indicates that KSI has reached its target audience (see Figure 19 in Annex D for more detail).

[211] There were 2 high-level seminars, 7 high-level webinars, 40 KSIxChange, 19 KSI4RDI, 10 webinars and 26 podcasts/videos/vlogs managed by partners, which attracted approximately 1,032 people (offline) and were attended by 13,118 people on Zoom and generated 123,754 views/plays.

[212] These partners were selected in part for their ability to reach diverse audiences through diverse means. For example, dissemination reach of Asumsi is strong through its YouTube channel, while *Tempo* and *The Conversation Indonesia* have a strong dissemination reach from the articles they published, rather than their social media channels (Annual Report 2020).

[213] Examples include Wahyu Susilo, Hatib Abdul Kadir, Irsan Pawennei, Fithra Faisal Hastiadi, Wawan Mas'udi, Yanuar Nugroho, Burhanuddin Muhtadi, Berry Juliandi, Fajri Siregar, Wili Toisuta, Veronica Taylor, Chairil Abdini, Lies Marcoes, Eko Prasodjo, Chatib Basri, Armida Alisjahbana, Dewi Fortuna Anwar, Arief Anshory Yusuf and Sudirman Said.

[214] This also resonates with the identification of 'respond[ing] to the president or those with a presidential mandate' as a factor motivating policymakers to use knowledge in the initial KSI diagnostics. See Datta et al., 2011, p. 54.

[215] The content features prominent figures such as Gita Putri Damayana, Berry Juliandi, Yanuar Nugroho, Tri Nuke Pudjiastuti, Phillip J. Vermonte, Chairil Abdini, Inaya Rakhmani, Marendra Sadikin and Rara Sekar.

wider audiences as they provided a unique virtual space for citizens to engage in free and open dialogues and helped build a public sphere where people can exchange ideas freely.

KSI also supported the **emergence of a number of new players in the media sphere**, like *The Conversation Indonesia*. The logic and thus the modalities of the intervention here were different, as these organisations already had an explicit commitment to evidence-based reporting, but did not have the established funding or reach of the traditional media partners noted above. Therefore, instead of lobbying for additional coverage, providing content and brokering support, the program provided financial resources and technical assistance that would enable these new players to develop as an organisation – building their profile, improving their capacity to be credible sources of analysis on public policy issues – and secure reliable sources of domestic funding (Box 7). Similar investments supported organisations like Think Policy[216] and Indonesia at Melbourne.[217]

> **Box 7:   Supporting the establishment of *The Conversation Indonesia* as a knowledge intermediary**
>
> *The Conversation Indonesia* was established in September 2017 and aims to be a credible and sustainable source of information and analysis on public policy issues and to improve the communication of policy research to the public. KSI provided support to TCID to carry out its mission to improve public debate by providing high-quality, evidence-based analysis on important public policy issues, as there is still a serious shortage of this in the Indonesian media. It is the first Asia-based edition of *The Conversation* (2019 AR).

Achievements. In total, these efforts have made an important mark on the media landscape, reaching more than 24 million people[218] raising awareness of knowledge sector issues, drawing attention to KSI key reforms, and raising expectations for policymakers' use of evidence. Achievements in this area include increased attention to evidence-based policy among traditional media, new media voices dedicated to EIPM and improvement in the quality of debate that leverages new technology and new voices to reach new audiences.

Increased attention to issues of evidence-based policy in the media. The media have shown more interest in covering issues related to the knowledge system. KSI introduced the concept of the knowledge innovation ecosystem in public discourse with the key message being the importance of strengthening knowledge-to-policy process through knowledge collaboration with multi-actor and multi-disciplinary approaches. Analysis of media tracking increase in news coverage over time from 2019 to 2021, even after some drops, is consistent with patterns of institutionalisation (Figure 18).[219]

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[216] Think Policy is led by a group of young professionals on a voluntarily basis and invests in peer support for young leaders across the knowledge sector. With KSI funding, Think Policy held 2 policy bootcamp courses, provide knowledge synthesis from the KSI COVID-19 Resource Centre microsite in the form of policy briefs, and held a Policy Festival presenting various discussions to raise awareness on Indonesia's public sectors.

[217] Through the collaboration with The Indonesia at Melbourne, researchers and academics who are interested in presenting evidence-informed perspectives on contemporary policy issues wrote blogs and participated in 'Policy in Focus' podcasts.

[218] The estimation is generated by Sysomos data analytics on the list of printed media articles.

[219] Lawrence et al. (2001) describes a typical pattern of events and relations in institutionalisation processes. (1) the initial phase of innovation involving few actors, (2) the phase of rapid diffusion, (3) the phase of saturation and complete legitimisation and (4) the de-institutionalisation phase. Institutionalisation occurs after attempts at de-institutionalisation, whereby the institution becomes stable and durable over time (Scott, 2014).

Figure 18.   KIE in digital media and social media, Q1 2019–Q4 2021
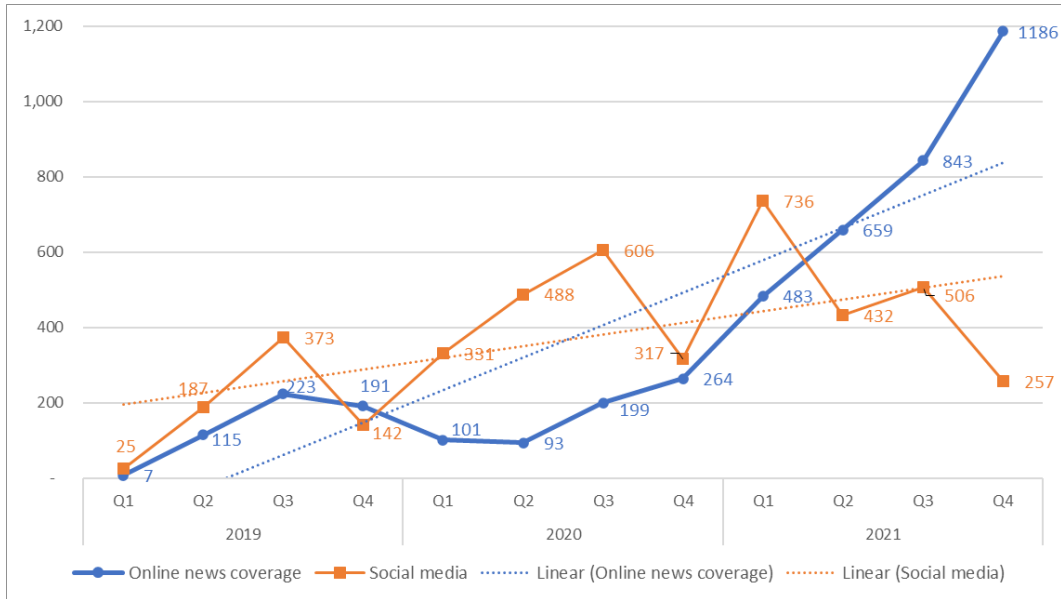
Empowering evidence-based voices in the media landscape: Having transformed itself from a start-up to an established outlet, *The Conversation Indonesia* is ready to take off and play a significant role as an intermediary in the knowledge sector. Since 2018, the number of TCID's monthly average users has increased by 305%, from 292,190 to 891,181, and its monthly average views have increased 292%, from 657,170 to 1,918,938 (see Figure 19).[220]

Figure 19.   *The Conversation Indonesia* audience data
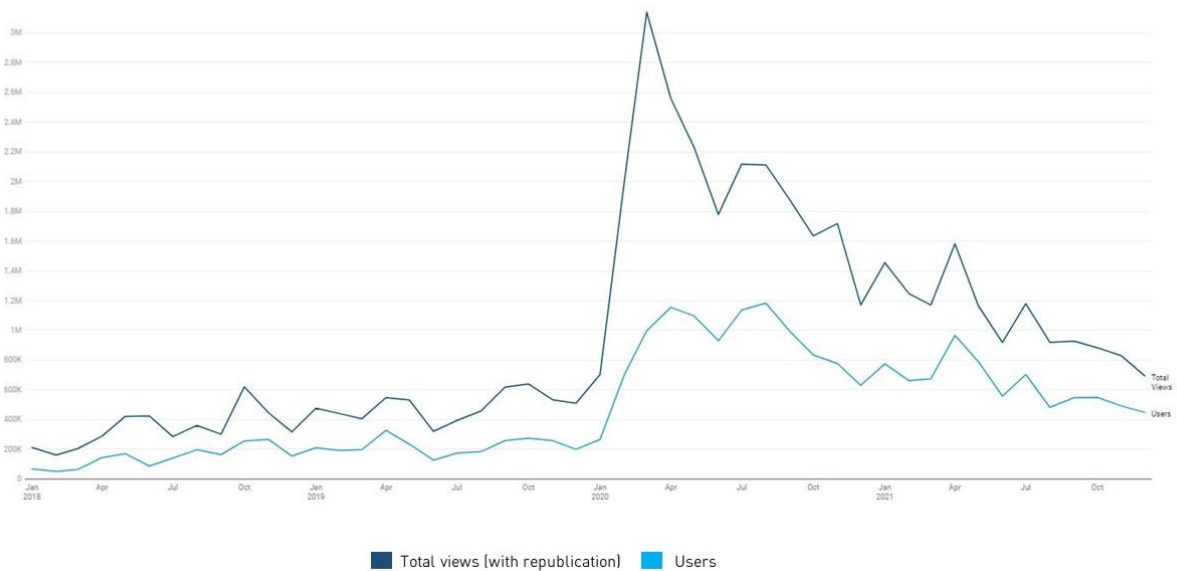
More importantly, KSI's support enabled TCID to carry out its mission to provide high-quality, evidence-based information to improve public debate. Having transformed itself from a start-up to an established outlet, TCID is ready to play a significant role as an intermediary in the knowledge sector. In 2021, KSI ceased its support, and has provided asset disposal to support TCID's future work.

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[220] The Conversation Indonesia (2022). Final Report to KSI

A new norm of robust public debate capable of informing policy. KSI's knowledge exchange events provide a range of different forms of dialogue and debate, helping to shape the policy agenda; build discursive commitments from prominent policymakers on key issues (Box 8); and make important contributions to policy changes (Box 9).[221]

Box 8: Discursive commitments

KSI's high-level seminar and webinars provided a mechanism to work with policymakers to develop key messages on knowledge sector policy issues. While in each case additional work was of course necessary to deliver formal policy change, public commitments from prominent policymakers helped to build the technical and political case for reform. On several occasions, in public speeches, ministers (such as the Minister of State Administration and Bureaucratic Reform) have referred to the 'Knowledge and Innovation Ecosystem' or the 'research and innovation ecosystem'. In KSI-organised webinars, high-level officials have made statements about being committed to advancing the KIE agenda.[222]

Box 9: KSI4RDI policy influence

In May 2020, KSI introduced KSI4RDI as a platform for policy dialogue between knowledge users and knowledge producers on COVID-19 and evidence-based policymaking, ultimately conducting 19 KSI4RDI events, which were mostly demand driven from the government (knowledge users) and thus, based on invitation for policy dialogues. During these events, KSI involved 8 (out of 16) PRIs, 2 KSI partners (AAKI, ALMI and AIDRAN), 7 government ministries/agencies, 6 DFAT programs, 8 universities and 8 development partners, mostly discussing policy issues related to COVID-19. The series resulted in the development of 26[223] policy briefs that were compiled with the Think Policy Society (TPS) and further communicated to the relevant policymakers. These policy briefs received policy uptake from Bappenas and the National COVID-19 Task Force. The policy uptake happened because of the collective action of involved PRIs and of the TPS in the formulation of policy briefs after a series of policy dialogues, using the KSI4RDI platform.

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[221] Two high-level seminars, 7 high-level webinars, 40 KSIxChanges, 19 KSI4RDIs, 10 webinars and 26 podcasts/videos/vlogs managed by partners, which attracted approximately 1,032 people (offline),were attended by 13,118 people on Zoom and generated 123,754 views/plays.

[222] See also Annex 6.5 'Key findings and recommendations from Stakeholder Perception Audit' in the KSI 2020 Annual Report.

[223] Nine policy briefs developed by Bappenas' policy analysts, 12 policy briefs developed by Think Policy Society and 5 policy briefs developed by GEDSI coalition.

> *What KSI has done (in public discourse) was the right strategy, and a very good one. It is not easy to intervene in Indonesian bureaucratic culture in the public sphere. They appreciate the discourse that is being built, but the culture doesn't change easily. What KSI has been doing continuously is necessary. To get to the stage of policy change requires several stages more. In terms of changing the discourse, KSI certainly has had a big influence on this. For policy changes, which KSI campaigned for, followed by actions targeting the selected issues. As a continuation of the public discourse, KSI systematically planned actions to influence policies. Such steps as: creating a team, involving stakeholders who will be affected, organising discussions on the influenced changes, these are very significant steps.*

Tri Nuke Pudjiastuti
Principal Researcher of the Political Research Centre at the National Research and Innovation Agency (BRIN)
Mentioned at an interview

Sustainability. The sustainability of KSI investments in media engagement and public discourse looks slightly different in different areas of the workstream.

- With respect to the sustainability of the reorientation of media coverage towards issues of evidence-based policy, the best measure is likely frequency of reporting on knowledge sector issues, including the level of adoption of 'the Knowledge and Innovation Ecosystem' concept, and the extent to which that reporting is now independent of KSI as a provider of content. Increased news coverage (Figure 18) and PR Values (Figure 19) show a consistent increase of visibility and improved recognition of knowledge sector issues by media over time. While much of the early use and content was prompted or supported directly by KSI, this is no longer the case, with coverage and use of key concepts by media and key opinion leaders, including prominent public figures, now much wider.

- With respect to KSI's investment in new voices in the media landscape, the best indicator of sustainability will be the capacity of these organisations to continue to identify sufficient resources to support quality reporting, and to expand their reach and influence on public debate. With Standard Operating Procedure (SOP) support from KSI, TCID was able to strengthen its management, and KSI's grants further strengthened TCID's capacity to carry out financial administration and human resource management. TCID's increased management capacity secured additional funding in 2019 and 2020 (from the David and Lucile Packard Foundation, the Ford Foundation, the TIFA Foundation, Splice Media, the OSF Program and Google's Journalism Relief Fund), suggesting the prospects for sustainability are strong.

- With regard to the knowledge exchange approach, the best indicator is whether these forums will be continued without KSI acting as organiser and neutral broker. In 2021, KSI undertook a process of knowledge transfer to the Centre of Policy Analysis and Performance in Bappenas. As a part of this process, KSI held 7 KSI4RDI sessions, brought together 14 JFAK and PRIs (ELSAM, SurveyMETER, Article 33, SMERU Research Institute and Seknas FITRA), as well as National Institute of Public Administration (LAN) discussing issues surrounding policy recommendations for alleviation of chronic poverty. With regard to institutionalising knowledge exchange approaches within BRIN, KSI supported the implementation of 6 STI (Science Technology Innovation) lecture series. This collaboration with BRIN allows KSI to transfer knowledge and approaches in conducting knowledge exchange.

Recommendations. The process of instilling ideas via media requires perseverance. KSI partners persevered in a closed-window situation, to work incrementally to influence relatively small changes to the policy process via public discourse by:

1. understanding the media agenda-setting, and determining which issues are relevant in promoting the importance of the knowledge and innovation ecosystem

2. articulating the aggregate interests of key opinion leaders and prominent policymakers

3. framing the emerging issues and matching them with proposed solutions (policy recommendations)

4. developing shared definitions regarding the knowledge and innovation ecosystem

5. influencing the policy directions of prominent policymakers and encouraging them to showcase their public commitment via high-level webinars.

Hence, the knowledge and innovation ecosystem concept has remained under discussion, with the growing amount of independent coverage of the knowledge sector featuring research and innovation ecosystem thinking, despite the many other issues competing for attention. Such communication strategies might be beneficial for DFAT if public discourse is intended for creating public awareness, broadening the policy horizon[224] and shaping the policy agenda.

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[224] 'Broadening the policy horizon' refers to introducing new ideas to the policy agenda (i.e. on knowledge and innovation ecosystem), ensuring the information comes to policymakers in a usable form and fostering dialogue between researchers and decision makers, as well as enhancing horizontal dialogue across the community of policymakers. These help to set the stage for changing policy regimes over time.

5.
Monitoring, evaluation, research, learning and adaptation

5.1   MERLA in KSI Phase 1

KSI Phase 1's first monitoring and evaluation (M&E) plan was finalised in February 2014.[225] It was developed at an early stage of program implementation, when work with the PRIs had only just begun and intermediary partners had not yet been formally identified and engaged. The data collection, analysis and reporting were organised around 5 key evaluation questions, and the M&E plan stipulated specific methods and tools to gather information to answer these key evaluation questions.

The M&E strategy was revised in 2015, following the first year of implementation, and after the mid-term review. The reasons for the revision were to address the issues raised on M&E in the mid-term review;[226] to take into account a revised theory of change, and more substantial program engagements with the demand, intermediary and enabling environment actors; and to adjust to the program's 40% budget reduction. The revised M&E strategy acknowledged that M&E for a program like KSI would be challenging:

> *M&E of the impact of research on policy is widely regarded to be difficult. M&E in KSI is doubly so because it is trying to assess the impact of program activity on organisations that are themselves trying to use research to inform better policy. Furthermore, while many other programs have sought to strengthen think tanks, policymaking processes or intermediary organisations, KSI's integrated approach of working simultaneously with knowledge suppliers, users, intermediaries and the enabling environment has never been tried before, certainly not at this scale. The policy context is also changing. Indonesia's new administration has new policy priorities and is actively seeking to reform policymaking and implementing structures, processes and incentives.[227]*

The PCR from Phase 1 details that M&E continued to be problematic in the following years.[228] The program's theory of change underwent several revisions, but the complexity of the program and the shifts in emphasis

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[225] KSI (2014). Monitoring and Evaluation Plan, Draft Version 2.3

[226] One of the findings of the mid-term review was that 'the program did not have a coherent vision for measuring and reporting results, with decisions about how to operationalise the ambitious M&E plan yet to be made'.

[227] KSI Monitoring and Evaluation Strategy 2015–2017, p. 12

[228] KSI (2017). Phase 1 Completion Report, April 2013–June 2017, pp. 36-38.

and activities continued to present challenges.[229] That complexity was compounded by more practical challenges, including the turnover of M&E advisors and staff during the first part of the program, an overly ambitious M&E plan, delays in the development of baselines and competing approaches to M&E.

The M&E system produced rich qualitative information on a range of different activities and workstreams, but it was difficult to aggregate this information and present it to stakeholders in a way that clearly and succinctly communicated the impact the program was achieving. The Phase 1 PCR therefore concluded that '[i]n Phase 2, a stronger system [would] need to be put in place to facilitate feedback loops between learning and implementation, in part through a rethinking of the tools the program uses for monitoring and evaluation and how information collected by the system flows within the program teams and externally to stakeholders'.

5.2   MERLA in KSI Phase 2

From the outset, KSI recognised it would be operating in a complex, unpredictable and rapidly changing environment. It also needed to work towards solutions that would not only be technically sound (itself a challenge given limited evidence globally on how to effect change in a knowledge sector), but also tailored to context and thus politically feasible. This difficulty in predicting how change will happen and the fact that from the outset different parts of the program were at different stages of development meant achieving change in the knowledge sector would be an incremental and long-term endeavour, and it might be difficult to show development results early on. The program therefore needed an approach to monitoring and evaluation that would provide the information on the external context, political economy and progress towards outcomes it needed to manage implementation, while still allowing the program to be accountable to DFAT and GoI.

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[229] KSI's complexity meant that it was handling multiple interventions; multiple stakeholders with different perspectives; multiple, simultaneous paths to change; and a goal of systemic change over the long-term, but a need to demonstrate short-term results.

5.2.1 The approach in overview

The approach adopted in Phase 2 is depicted in Figure 20, with additional detail on key features provided in the next paragraph. [230]

Figure 20.   KSI MERLA approach as designed
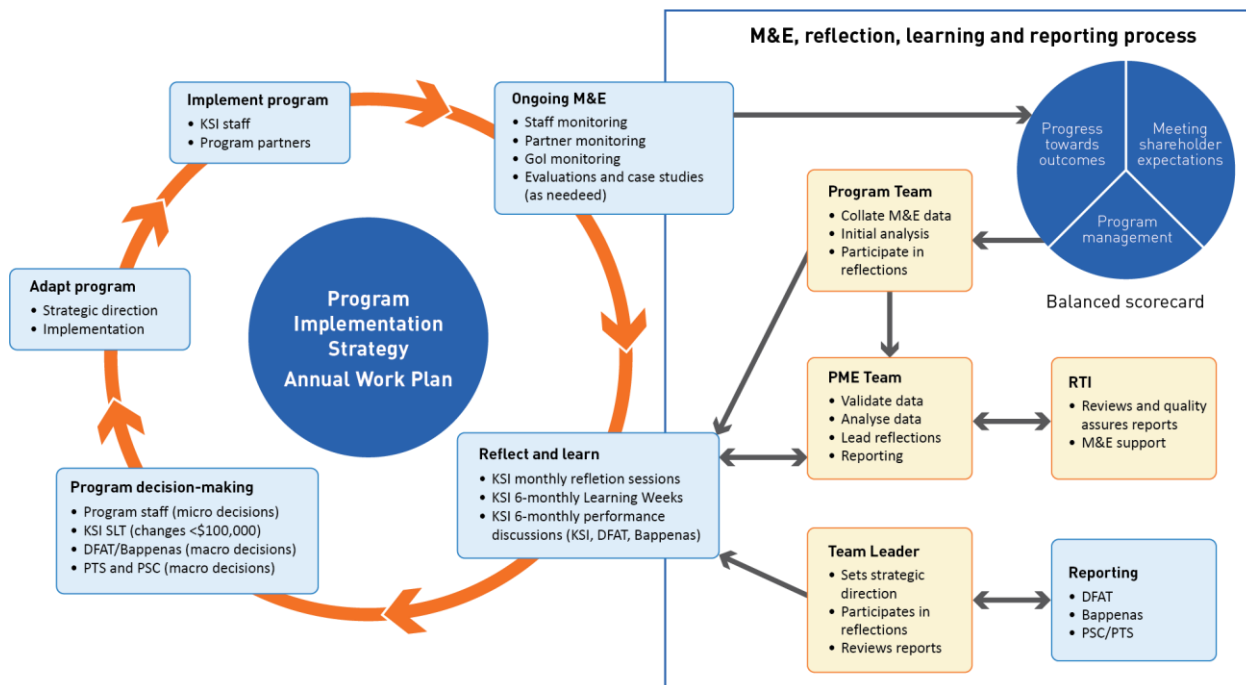
The large circle depicts the program cycle, which centres around implementing, monitoring and evaluating, reflecting upon and adapting the Program Implementation Strategy and Annual Work Plan. It shows how M&E would feed into reflection and learning processes and decision-making processes to adapt the program. The sources of information – as indicated in the 'Ongoing M&E' box – were staff monitoring, partner reporting, GoI monitoring, and evaluations and case studies. Data collection came with its own range of challenges, and even if data was available, differences in concepts or units for data collection, or the lack of baseline data made it difficult to make before and after comparisons.

The large box unpacks the M&E, reflection, learning and reporting processes. In particular, the diagram illustrates how data would be collected to measure the balanced scorecard perspectives (see below), and how this data was analysed by KSI's program teams and Performance Monitoring and Evaluation (PME) team and then considered by the KSI team and leadership in regular reflection and learning sessions. Necessary program adaptations were to be identified during these sessions and feed into decision making and implementation. At the same time, findings from the reflection sessions feed into periodic program reporting.

The complexity and dynamism of knowledge sector reform processes meant that it would not be wise to lock in intermediate outcomes and long lists of indicators that would limit the ability of the program to learn and adapt. Instead, KSI intended to adopt a more holistic view of performance by using a balanced scorecard approach to measure progress against 3 different perspectives: progress towards outcomes, program management and meeting shareholder expectations (see Table 6).

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[230] KSI (2018). Monitoring Evaluation Research Learning and Adaptation (MERLA) Plan, Knowledge Sector Initiative Phase 2

Table 6.   The 3 perspectives of the balanced scorecard

Progress towards outcomes	Program management	Meeting shareholder expectations
• EOPO and cross cutting indicators • Annual outcomes • Prospects for success	• Efficient and responsive systems • Effective knowledge management • Regular reflection and learning • Accountable decision making • Program adaptations informed by evidence	• Regular updates • Communications • Collaboration with DFAT programs • Integrating gender equality

In practice, there were at times challenges to maintaining the balance of the balanced scorecard. When time pressures arose in the 6-monthly tripartite meeting between KSI, DFAT and GoI, there was a tendency to prioritise the discussion of progress towards outcomes, occasionally at the expense of discussion of the other 2 components on program management and meeting shareholder expectations. It was important to ensure the team was also able to get feedback from DFAT and Bappenas on these points and key issues were often subsequently raised in bilateral conversations between KSI and DFAT or KSI and Bappenas, but this nevertheless reflected a shift from the initial intention that program accountability would place these components on a 'balanced' footing, and that those tripartite meetings would be a forum for open and honest conversations.

5.2.2   Sources of evidence

The MERLA approach relied on a variety of quantitative and qualitative sources of evidence. In some cases, it would undertake formal evaluations intended to provide independent high-quality evidence on change processes.[231] However, for the program to understand and respond to changes in context, as well as questions and assumptions in the theory of change of different workstreams, it required ongoing monitoring that could feed into decision making on a more rapid cycle than that offered by formal evaluations or commissioned studies. Key methods used for ongoing monitoring of progress towards outcomes included staff reflection logs and meeting reports, partner progress reports and additional monitoring and verification by the Performance Monitoring and Evaluation (PME) unit as required. Media monitoring and stakeholder mapping helped monitor the evolving context and political economy. Where these sources were internal to the program or derived from partners funded by the program, it was vital that KSI triangulate its assessments where possible. In practice, the working group meetings came to play a significant role in this triangulation process, allowing the team to test findings from its Learning Week sessions with a range of knowledgeable stakeholders before taking proposals to the governance structures.

Finding the measures that matter

One of the principal challenges in adaptive programming is defining appropriate indicators of progress that strike an effective balance between meeting reporting expectations and generating insights for improved program management.[232] In 2019, KSI, prompted by DFAT and led by the PME team, undertook a significant effort to refine the approach to M&E including a clearer articulation of what success looks like. This update had implications for the adaptive management approach, including the use of agreed definition/targets for each intermediate and final outcome discussed in the KSI Learning Week sessions. However, there was at times a question as to whether the indicators used for the purpose of reporting are always the most helpful indicators for program teams seeking to understand whether they are on track and whether the current strategy ought to be continued. In some cases, the indicators seem to serve both purposes. For example, under EOPO 5, efforts to track the percentage of PRIs meeting all quality indicators relevant for each piece

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[231] A full list of Phase 2 formal evaluations is included in Annex H. These evaluations were conducted by independent, non-KSI staff, giving a higher level of objectivity to their findings.

[232] Faustino, J. & Booth, D. (2014). *Development entrepreneurship: how donors and leaders can foster institutional change*. San Francisco/London: The Asia Foundation and ODI.

of research served not only as a way of reporting on the outcome, but also as a proxy for assessing the process and whether a given PRI is convinced by KSI's approach.[233]

In other cases, the alignment was less clear, particularly when exploring aspects of KSI's work on institutional reform. For example, KSI had specific objectives in relation to the integration of key principles into emerging components of the institutional structure governing research funding (e.g. implementing regulations of research endowment fund). The definitions and targets established for this workstream were extremely helpful for articulating precisely what it is that KSI hopes to achieve in this area. However, while the indicators for the research funding stream *did* provide a clear and useful way of defining and reporting on the outcome, they appear to be less able to capture what the team knows about the process,[234] namely judgments regarding the positions taken by a variety of stakeholders and regarding whose views matter most for that decision, given the power they hold (both formally and informally) (i.e. KSI's PEA of reform). Stakeholder mapping used by the team on some reforms was likely the best resource to explicitly test beliefs and track changes over time, and therefore to document whatever effect KSI was having or to indicate to KSI that the strategy being pursued was not likely to generate the outcome expressed in the target. This type of analysis was not always easily translated into simple, easy to understand indicators, or easily distilled into the succinct messages preferred for reporting across the wide range of work in the KSI portfolio.

Sources of evidence for systemic change

KSI's work on procurement reform provides an interesting insight into the challenges associated with M&E of the types of systemic changes the program aimed to support. As noted elsewhere, the program's vision of itself as a catalyst recognised the fact that the greatest potential impact – particularly in a country like Indonesia in which even the largest aid program is dwarfed by partner country resources – lay in transformational institutional changes that would leverage local resources (whether GoI, PRI, private sector or otherwise) and not transactional changes in which a fixed program expenditure brought about a fixed, one-off benefit. However, this created challenges when thinking about what sources of evidence the program could rely upon in understanding and documenting its achievements (Box 10).

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[233] In fact, subsequent discussion in the SPM critical friend session highlighted the fact that these indicators are likely more helpful than focusing on an indicator like absorption rate, which indicates whether implementation is taking place as planned, but not whether the grants being implemented are generating the desired outcomes.

[234] It may be that the difference between the 2 is that the PRI work is something that is achieved incrementally and can thus be tracked by a single indicator over time, whereas the funding work is achieved in a single codified reform and therefore requires a different type of intermediate indicator to allow the team to assess progress along the way.

5.3   Adaptive management

KSI entered its second 5-year phase with a clear intention of making adaptive management a defining feature of its operations. With 5 years of Phase 1 experience, the program had grappled with the challenges of complexity in institutional reform processes, and the path to progress in some of its most promising achievements, such as support to procurement reform,[236] reinforced key messages emerging in the literature on adaptive management. The *Phase 2 Program Implementation Strategy* stated this explicitly, laying out an implementation strategy that would integrate monitoring, evaluation and learning; use flexibility in program structures and processes to enable adaptation; retain a flexible emerging priorities fund and prioritise relationship management. Many of these original intentions proved to be as important as anticipated, while other complementary lessons emerged in implementation.

5.3.1   KSI understanding of adaptation

Early in the action research that accompanied and supported KSI's adaptive management processes, the team identified different types of adaptation that might be observed (Figure 21). The intent of introducing this typology was to develop a better understanding of what different forms of adaptation require and how KSI operates with respect to each. They are not mutually exclusive, nor is there an implied judgment as to which is preferable or to be considered 'best practice'.

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[236] https://www.ksi-indonesia.org/id/pengetahuan/detail/204-working-paper-commissioning-knowledge-for-policy-reforms-in-the-procurement-of-research-in-indonesia

Figure 21.   Types of adaptation

Type of adaptation	A: Regular, periodic adjustment linked to program systems	B: Irregular, periodic adjustment	C: Evolutionary 'micro-adaptation'
Blue lines – direction of program strategy **Orange lines** – timing of reflection sessions			
Relationship between reflection sessions and changes in program strategy	Periodic reflections undertaken on a regular 6-monthly basis, which trigger changes in program strategy	Changes in program strategy in response to events as they happen, with periodic reflections used to capture these changes in retrospect	Small changes in program strategy occur on an ongoing basis, resulting in a cumulative shift. Reflection sessions may have difficulty identifying a specific point of inflection or 'the decision' to change tack
Implications for staff capacity	Possible '2 hats' staff model: Implement → reflect → implement → etc., or space for strategic management and standard implementing staff	Requires staff to be continually monitoring context and prepared to change strategy at any point	May require greater levels of discretion across a broader range of program staff
Implications for traditional budget and work plan cycles	Uses flexibility that exists in traditional cycles of work-planning and budgeting	Requires work-planning and budgeting systems to be flexible outside of traditional cycles	Requires work-planning and budgeting systems to be flexible outside of traditional cycles

While the initial MERLA plan had envisioned a formal process of adaptation tied to the program cycle, it was clear by the middle of Phase 2 that all 3 types were relevant in practice. Examples of Type A adaptation include decisions made and executed through 6-monthly and annual processes such as exits to the program's work on KRISNA and policy analysts. Type B adaptations include a series of adjustments made in response to the emergence of COVID-19 in the early months of 2020, shortly after the 2020 workplan had been agreed upon, and before any subsequent formal review in June of that year (Box 11). Type C changes, typically tactical changes undertaken within initiatives during adaptive delivery, were fairly widespread, but were well noted in the work on formal institutional reform to knowledge governance and financing.

Box 11:   Adaptive approaches responding to the COVID-19 pandemic

From an adaptive management perspective, COVID-19 raised several important questions for KSI. There were implications of remote working for the Learning Week processes, as well as challenges posed by the prioritisation required by budget changes associated with the wider reallocation of the Australian aid budget. Perhaps the most significant issue outside of the budget is the question of how 'COVID-relevance' is interpreted. The DFAT Partnerships for Recovery aid policy[237] was issued at the end of May 2020, following the Learning Week sessions, but prior to the Progress Review. The program, responding to strong messaging from DFAT counterparts at *The Jakarta Post* made a significant effort at the review to demonstrate the relevance of different parts of the program to COVID-19. In the ensuing discussion, DFAT 'strongly agreed' that the program was more relevant than ever given the need for evidence-informed decision making and policymaking to guide GoI response to COVID-19,[238] but did push for a more detailed assessment of whether different parts of the program ought to be dropped or new activities put in place.

In addition to adaptation at the level of the program portfolio, COVID-19 prompted a number of changes to program strategy and tactics within key initiatives. For example, with COVID-19 occupying policymakers and shifting everything else to the back burner, KSI partners in its sub-national K2P pilot in South Sulawesi encountered a lack of responsiveness despite having undertaken an extensive consultation process to build consensus around a research

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[237] https://www.dfat.gov.au/sites/default/files/partnerships-for-recovery-australias-covid-19-development-response.pdf

[238] International experience would certainly seem to confirm the importance of evidenced-informed policy in shaping the effectiveness of the response to COVID-19, but it does not necessarily suggest that evidence alone can produce a purely 'correct' policy response. For example, even as governments have access to better knowledge regarding the disease, its impacts and the relative effectiveness of different policy responses, policy choices will still reflect judgments about the weight that should be given to economic impacts as opposed to health risks.

agenda that could inform local government action on its policy priorities. Reframing the work as a way to inform the post-COVID economic recovery and deliver on campaign promises despite the pandemic helped to rebuild interest but required the team to understand how the changing context had shifted the interests and incentives of local counterparts. KSI's objectives with regard to learning how to improve evidence-informed policymaking had not changed, but COVID-19 changed the way the team needed to engage to find traction.

5.3.2   Key MERLA systems and processes

The operationalisation of the KSI MERLA approach (Figure 20) relied on some key systems and processes. The most important 3 are explained below.

Reflection logs. One key challenge is to ensure periodic systems for reflection and adaptation capture the team's thinking along the way, avoiding the temptation to project current knowledge backwards and overlook learning when it comes time for periodic review. KSI developed reflection logs in which members of the implementing team could record their thinking on an ongoing basis using simple online templates.[239] These reflections were then reviewed by the PME team and used alongside other sources of evidence to pre-populate Learning Week templates, improving the quality of information available and prompting discussion in the session.[240]

Learning Weeks. Organised and facilitated by the PME team, the Learning Week sessions provided a semiannual structured forum for open and unguarded internal reflection by the implementing team for each workstream. The process and templates asked the team to assess **progress** since the last Learning Week and **prospects** for achieving its intended outcomes, and to reflect upon what those assessments mean for its current strategy and any changes that might be necessary. The discussions built on evidence gathered through the team's reflection logs, formal evaluations (where available), ongoing monitoring by the implementing team (e.g. stakeholder analysis) and additional insights brought out by the facilitator. While the sessions aimed to set the strategic direction for the next 6 months, they were not intended to be a forum for detailed work planning.

Box 12:   Use of traffic light ratings

In each Learning Week session, teams used a simple 4-level traffic light rating system to assess each workstream against 2 dimensions: progress towards outcomes and prospects for reform.

- **Progress** asked the team to assess where efforts stand with regard to what is expected at this stage of implementation. The 4 levels are green/on track, yellow/mostly on track, orange/mostly off track, and red/off track.

- **Prospects** prompted the team to consider political feasibility, stakeholder ownership and legal feasibility. The 4 levels are green/very good, yellow/good and on track, orange/moderate, and red/poor.

In KSI's approach, these ratings had several uses, including in reporting to the donor and government partners in the Progress Review and annual and semiannual documentation, but in the Learning Week the purpose of the tool is primarily to prompt discussion.

Progress Review. From the outset, the Learning Weeks were linked to a tripartite Progress Review, involving implementer (KSI), donor (DFAT) and partner government (GoI) representatives. This forum was intended to serve as an opportunity to jointly take stock of the 3-part BSC, providing a means by which the program could

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[239] Between January 2017 and February 2022, a total of 1,158 Reflection and Action Logs, 743 Reflection and Adaptation Logs have been submitted.
[240] The practice of monthly reflections between PME and the other units was kept up until early 2020. When program operations switched to a 'work from home' mode because of the COVID-19 pandemic, the practice was discontinued.

be held accountable for learning and adaptation alongside, though not in place of, its progress towards outcomes. Some decisions could be made in this forum, though others required the approval of separate program governance mechanisms (see Section 3.4 on governance arrangements).

> **Box 13:   Evolution of learning tools**
>
> While some version of these core systems for reflection, learning and collective review persisted throughout implementation, other approaches did not have the desired effect and were dropped along the way. Early in Phase 2, KSI experimented with Adaptive Management Worksheets that had been developed as a means to capture examples of adaptation for communication, meta-analysis, and decision making. However, experience with the worksheets suggested they were cumbersome and saw the team bogged down in documenting smaller tactical changes, and the decision was made to focus on the reflection logs instead and add features related to decision making.

5.3.3   The soft side of adaptive management

Systems like those laid out above, which support regular reflection and provide a forum for decision making, together with the freedom to adjust outputs and intermediate outcomes *do* provide the flexibility to make changes in light of practical reality. And yet, these are not purely technical spaces, and managing a portfolio, whether through a period of consolidation, expansion or stasis, is not simply a technical process. These spaces are personal, in the sense that they are occupied and operated by real people with personalities and emotions. They are also political, in the sense that they require ideas, and choices about the allocation of resources are contested. Each party brings their own interests, incentives and timelines to the process, and suddenly what an implementer may see as a straightforward choice to move out of the activities A and C while doubling down on activity B, becomes much harder when counterparts have other ideas or simply aren't yet ready to make that move.

Making adaptation work in practice required managing a suite of what we might call 'soft' issues, 4 of which are highlighted here.[241]

- **Managing external expectations**. KSI's wide range of relationships, which contributed greatly to the program's ability to function effectively across a wide-ranging portfolio, can also generate 'stickiness' in adaptive processes. Managing expectations of all parties from the outset about the need to make changes or abandon non-productive strategies helps avoid that stickiness, as does the application of structured decision-making criteria to build confidence in the robustness of the process.

- **Balancing opportunity and fear**. Adaptation is in many ways an exciting process, with staff creating and seizing emerging opportunities. And yet, it is also a process that can seem harsh if changing direction can be construed as somehow having failed, possibly raising difficult human resource questions and at the very least generating disappointment with not being able to continue where so much time and effort have already been committed. In practice, this requires an intentional approach to human resource management, a culture of testing that creates the expectation of change, and building collective ownership of ideas, which can help depersonalise the process of adaptation.[242]

- **Managing time**. Systems and processes for adaptive management take time. Recognising the significant demands placed on real people with lots of responsibility and limited bandwidth, there is a real risk of reporting fatigue. Certainly, there are ways to be more efficient, including by avoiding duplication of processes or documentation, having good monitoring systems that accurately track a limited number of truly meaningful indicators and identifying staff who find it natural to analyse

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[241] Note, these points are further elaborated on in the program's learning briefs on adaptive management.

[242] Cole, W., Ladner, D., Koenig, M., & Tyrrel, L. (2016). *Reflections on Implementing Politically Informed, Searching Programs: Lessons for Aid Practitioners and Policy Makers*. San Francisco: The Asia Foundation. https://asiafoundation.org/wp-content/uploads/2016/04/Reflections-on-Implementing-Politically-Informed-Searching-Programs.pdf

progress towards outcomes rather than workplan implementation. More light-touch approaches are also possible, but these can come with trade-offs in depth, quality and the documentation often requested by partners.

- **Leadership of adaptive programs**. Managing adaptation at the program level required different skills and approaches to leadership. In practice, this often involved striking a balance between 2 elements that are seemingly in tension – generating enough discomfort to nudge people to ask difficult questions, but not so much as to lead to personal or organisational 'meltdown', or bringing enough emotional awareness to manage the real people who work with and within the program, while still maintaining poise, analytical rigor and professionalism. Leaders of adaptive programs must consistently monitor and adjust, turning the temperature up or down as necessary, listening as much as acting.

6.
Operations, finance and administration

6.1 Value for money

Achieving value for money (VfM) was a critical consideration in accomplishing KSI objectives, and therefore closely linked to the strategic approach laid out in Chapter 3. In practice, this resulted in an approach in which VfM considerations (including the relevance of DFAT's 8 VfM principles, and related concepts of economy, efficiency and effectiveness) helped to guide decision making throughout the program.

In many important respects, VfM considerations were a feature of the KSI operational approach. For example, **cost-consciousness** required KSI to seek reasonable opportunities to reduce costs at every level of operations by reviewing programming costs throughout the investment life cycle to ensure the most cost-effective[243] options were pursued. In many cases, this was achieved by **encouraging competition**, with the program not only comparing possible partners for a given procurement, but also adopting a culture of contestability of ideas and alternative solutions and selecting the combination of method and partner that offers the optimal mix of costs and benefits. KSI prioritised competitive procurements over the life of the project to seek the best value (not necessarily the lowest cost) in the marketplace. Procurement policy in the Operational Manual set the minimum value of AUD50,000 for KSI to have a competitive market for the services supporting program implementation, which has been applied to various aspects of the program, including an outsourced company to hire project support staff, a public relations company for media engagement, an implementing partner to support MP3 implementation, an event organiser for IDF 2018 and an evaluation company for IDF 2019, with a total value of AUD1.9 million. KSI requires DFAT clearance for contract value over AUD100,000. Additional justification is needed for sole-sourced procurements due to the specialised nature of the work, such as the work on PRI review and policy work on KIE Blueprint development. When a scarcity of service or skill set existed in the market, a non-competitive justification process was used to ensure that the outcomes met or exceeded the expected standard, but where competitive procurements were used, policies and procedures defined in the Program Operations Manual helped to maintain efficiency and avoid undue investment of time and labour.

Similarly, KSI developed business processes, policies and systems designed with a clear understanding of transaction costs, measured against potential benefits. This **proportionality** allowed KSI to conduct value for money assessments that were appropriate to the scope of the investment being evaluated, considering the total value of the activity, the size and complexity of the approach, the potential political sensitivities and the

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[243] KSI was fully conscious that economy should not be pursued without consideration of the impact on effectiveness or efficiency. Cost is one critical aspect of the value for money equation, but value for money does not always mean choosing the lowest cost option. It requires consideration of the priority of the task, alternative ways of achieving it and the costs and benefits of different approaches.

potential risk involved. The same concept was applied in matching operational support with program priorities. As initiatives ended, the number of staff, working space and office utilities were reduced proportionately from a full team of 45 staff in the mid-program implementation down to 22 staff at the end of the program (more than 50% gradual reduction) to ensure efficiency in utilisation of KSI resources to support the ongoing initiatives. Proportionality did not, however, require concessions with regard to **accountability and transparency**. KSI provided timely financial reporting to DFAT and conducted audits for all grantees to ensure that accountability and transparency principles are addressed. The final audit commissioned by DFAT with zero finding confirmed KSI's clear procurement and financial management system following the international audit standard and DFAT policies.

In other respects, the program approach to value for money was tied not only to program operations, but also to the approach to program management as a whole and particularly its emphasis on adaptation. For example, in considering the relevance of **evidence-based decision making**, KSI was able to learn from its own experience as well as that of others and avoid adopting methods and approaches that had not been successful in the past. This approach was relevant at the level of individual contracting decisions, for which the program gathered and collated evidence (including partner capability statements, evidence from past work and referee checks) to inform contract and program management decisions. KSI worked intensively with reputable partners such as Katadata, *Tempo* and *Kompas* on high level webinars as these partners have proven their service quality, particularly on outreach supporting the public discourse agenda on evidence-based policymaking that KSI is promoting.
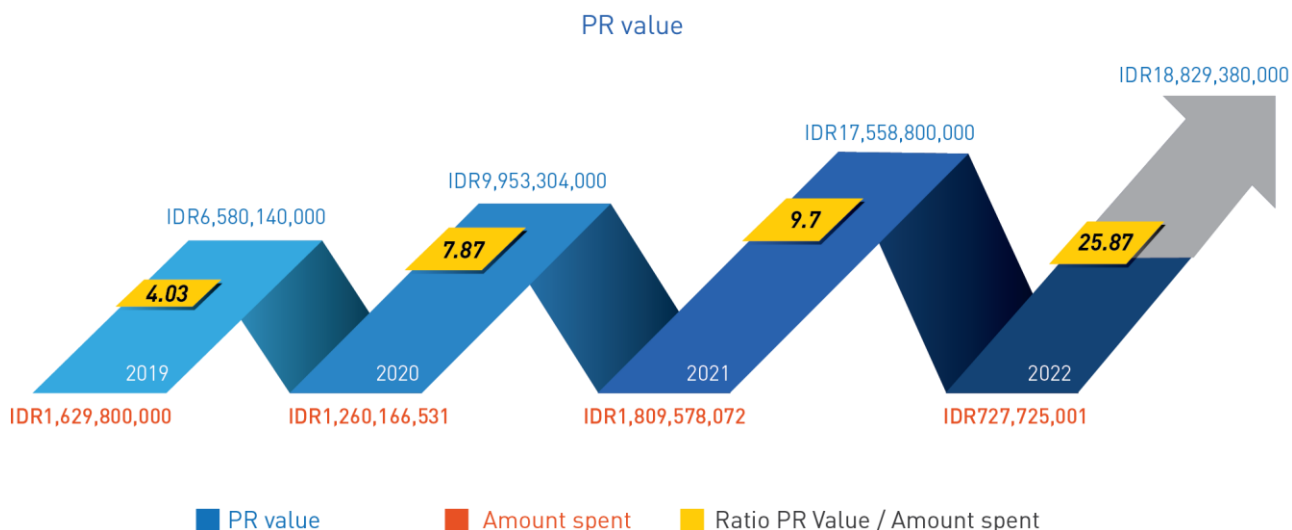
However, this principle was also central to the effectiveness of the program's adaptive management approach, which relied upon evidence from implementation and analysis of both progress and prospects as the basis for stop-go and pivot program decisions. In a sense, while certain aspects of the program's work were explicitly noted as pilots, nearly every workstream involved elements of **experimentation and innovation**. The ongoing value of each workstream was then judged based on the available evidence, with KSI making decisions to phase out support in less promising areas on several occasions in Phase 2. Examples of this include programmatic decisions to phase out support for work on non-government policy analysts, private sector matchmaking with PRIs and most recently a pivot away from direct engagement with BRIN while it was occupied with its establishment as an agency. As stated in Chapter 3, the question facing program leadership when considering the shape of the KSI portfolio was not simply 'Are we making progress?', but 'Are we making enough progress, towards something of sufficient importance, that we are better off continuing to invest here given the alternatives available?' 'Exit' choices such as these allowed the redeployment of scarce program resources to other areas of program work.

The program approach to maximising efficiency of its investments also reflected a blend of operational and strategic management considerations. On the operational side, principles of **performance and risk management** helped to shape a range of approaches to risk management. These are laid out in greater detail in Section 6.4 but, in brief, comprehensive integrity risk systems were seen as particularly important to prevent fraud and corruption and ensure resource allocations reached the intended targets. DFAT required a quarterly update to the program risk matrix which was a good time to revisit 'formal' risks and mitigation strategies and to regularly inform DFAT about new developments. However, KSI evaluated programmatic and operational risks on a more frequent basis through Senior Leadership Team meetings, program coordination meetings, individual team meetings (ops and finance, PID, SPM, etc.) and in reflections on meetings with counterparts. Decision making related to these risks was escalated based on the level of risk and who was needed to conduct risk mitigation. As might be expected based on the experimentation inherent in an adaptive approach, consideration of risk was coupled with risk appetite, recognising that effective investments require decision makers to engage with risk to maximise results.

Just as important in ensuring efficient use of program resources, however, was the fact that KSI's understanding of its strategic role as a catalyst influenced the way in which the program thought about **results and impact**. In a number of workstreams, the program was able to leverage additional resources from within Indonesia. For example, KSI investment in media engagement and knowledge exchanges generated 25 opinion editorial articles and 1,019 news articles, with an accumulated PR Value of IDR52,921,624,000

(AUD5,292,162) over the 2019 to April 2022 period, a value more than 8.7 times greater than the program investment of IDR5,474,269,604 (AUD547,427) in the same period (see Figure 22).[244] The high PR Value is coherent with the reach of public discourse, which is estimated to reach 3,768,378 people through online platforms, while articles in print media are estimated to reach more than 24 million people.[245] This shows major traction in terms of building public awareness, embedding the knowledge and innovation ecosystem and facilitating policy dialogue.

Figure 22. **Increasing PR Values generated from public discourse activities 2019–2022**

PR value

IDR18,829,380,000

IDR17,558,800,000

IDR9,953,304,000

IDR6,580,140,000

4.03   7.87   9.7   25.87

2019   2020   2021   2022

IDR1,629,800,000   IDR1,260,166,531   IDR1,809,578,072   IDR727,725,001

■ PR value   ■ Amount spent   ■ Ratio PR Value / Amount spent

Other major achievements of this type included the program's investment in *Swakelola Tipe III* reforms. With program investment of AUD459,350.50, including Phase 2 and pre-2018 spending, contributing to planned GoI budget allocations under the new mechanism totalling AUD353,522,972.65.[246] This journey required a long-term series of investments by KSI, covering the early development of the procurement policy, its institutionalisation into a regulation and eventually its increased utilisation.

The program cannot and does not claim sole responsibility for these end results, acknowledging inputs by a wide range of partners within and outside of government. This recognition of contribution rather than attribution complicates attempts at simplistic VfM calculations, as any attempt to assign a precise proportion of the end value to the program and each of the other contributing partners would be arbitrary. However, it is clear that the core program strategy of supporting where possible institutional changes that in turn change the flow of much larger volumes of resources contributed to the overall program VfM.

6.2   Financial management [247]

6.2.1   DFAT fiscal year vs program calendar year

Financial management for KSI, particularly for budget allocation to be converted to annual workplan, was not a straightforward process. KSI programming needed to operate according to the calendar year (January to December) following the Indonesian government fiscal year, while from a budget allocation perspective, KSI operated based on the DFAT Financial Year (July–June), creating a 6-month offset between 2 critical timelines. KSI addressed this gap by developing the annual workplan based on the key priorities for the year with approval from PSC with a mid-year checkpoint process. For the first semester (January–June) initiatives

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[244] PR Value is calculated by Indonesia Indicator, which focuses on analysing big data and provides media monitoring services.

[245] The estimation is analysed in Sysomos media analytics. from the list of total online and printed media articles.

[246] Figures from KSI accounting and SiRUP as cited in Section 4.1.1., with all the considerations that apply to the latter still relevant here.

[247] Detailed financial figures and analysis of flows over time are reported in Annex A.

and activities were designed in a more concrete way with clear funding allocation as the funding had been secured from DFAT in the previous July to June allocation. The second semester (July–December) activity priorities originally proposed in the Annual Work Plan submission were revisited and adjusted through the mid-year checkpoints with clear guidance from PSC as the highest-level governance body. As a DFAT-funded program, KSI activities were dependent on funding availability from DFAT financial year allocation, which was subject to fluctuations, with significant realignments made in response to COVID-19 in 2020 and again in the final year of the program. Therefore, the activities and funding allocation attached to them were considered indicative. In addressing the potential gap between original planning and funding availability, KSI had intensive discussions and consultation with partners, working on potential scenarios to ensure that initiatives and activities could still be implemented with adjustable scale to achieve its objectives subject to funding availability.

6.2.2   Forecasting and control mechanisms

KSI's financial management system was designed to match its initiative and activity categories. Financial records and a monthly financial dashboard monitoring system tracked budget against expenditure to ensure that KSI hit 100% of the financial target for annual allocation and did not exceed the total KSI budget allocation determined by DFAT. KSI put in place comprehensive performance management mechanisms, including weekly Senior Leadership Team (SLT) meetings, regular Program Coordination Meetings (PCM) and each unit's regular internal meetings to check progress and discuss performance and proposed actions. Regular high-level and managerial-level operational catch-ups were also held to facilitate sharing updates on progress from the project with DFAT. Vendors and sub-contractors were assessed regularly to ensure their deliverables met program requirements. Programmatically, regular Learning Weeks were conducted to reflect on and evaluate progress, challenges and lessons learned, with particular relevance here in identifying where work being on track or off track might have implications for budget forecasting. Robust approaches to risk management were also implemented, with a program risk matrix evaluated and updated every 3 months in collaboration with DFAT. This helped ensure that potential risks were anticipated and managed appropriately.

6.2.3 Budget categories and their evolution

Although references in KSI contracts only mentioned major components like Program Cost, Personnel Cost, Operational Cost and Management Fees, DFAT required KSI to develop and track expenditure in accordance with the needs of DFAT program reporting. While the budget categories were essentially split into 2 main categories – Program Cost and fixed operational cost – KSI developed different configurations of budget categories responding to DFAT needs. The Program Cost was initially broken down to **4 focus areas** covering the quality of policy research and how it is communicated to policymakers, funding for policy research, management, and accessibility of development program data to be integrated into development planning and budgeting. Responding to DFAT's request, the budget was then broken down into **8 key initiatives**, **before finally** evolving to follow the 5 **End-of-Program Outcomes (EOPO)**. Program Management Support, including communication and MERLA, was an essential part of budget allocation and documented in its own category throughout this evolution.

6.3 Staffing and human resources

This section outlines the dynamics of the KSI staffing structure created during Phase 2 and the process for recruiting new or replacement staff. During the initial transition period, KSI made significant changes to the staffing configuration to align with the objectives and enhanced program approach, and based on the lessons from Phase 1. The new team for KSI Phase 2 was organised into 4 main units: Performance Monitoring and Evaluation, Policy Innovation and Development, Strategic Partnership Management and Knowledge Exchange and Learning, all supported by the operations team. Leadership of these units was provided by a Senior Leadership Team (SLT) consisting of a team leader; a deputy team leader; a performance, monitoring and evaluation lead; program leads for each of the abovementioned units; an operations manager; a finance manager and the RTI-designated program coordinator. The latest organisational chart, outlining program and operations personnel, is provided in Annex B.

To manage staff changes associated with the transition to this new structure, KSI contracted a change management advisor to develop strategy and provide ongoing advice to senior management. This included identifying the competencies needed to implement Phase 2 effectively, developing appropriate organisational structures to manage the program, aligning existing staff competencies with program needs and identifying gaps where new staff recruitment was required. A change management team consisting of staff and senior management representatives was formed to help manage the process and support staff during the transition.

As KSI moved into Phase 2, the project shifted from a component-based approach to a working-group-based approach, recruiting new staff to fill remaining team positions and replace staff who had left, as well as reshaping its relationships with partners and use of long-term contractors. In recruiting new project team members, the program therefore intentionally placed a clear emphasis on overcoming some of the tendencies towards siloed working observed in Phase 1 and aimed for 'talented generalists' in its core staff by hiring for skills in network building, facilitating collaborative processes, and managing and working with consultants rather than simply focusing on expected technical needs. This typically allowed program staff to work flexibly in roles across initiatives while using contractors (including long-term contractors and outsourcing arrangements) for specific technical inputs and focused assistance to full-time project staff and partner organisations.

Following the phasing out of activities reflected in the KSI Strategic Pathways, 19% of staff reductions began in December 2020. This is to ensure the effectiveness of the input provided by staff to these activities. In the assessment process, KSI's senior management considered the potential to reallocate resources and redistribute ongoing priorities. The gradual staff reduction continued throughout 2021 and 2022 based on the need for staff input on project/activity implementation. The Human Resources Manager managed the transition process, working closely with their staff and direct supervisors to ensure that the handover process was effective.

The Senior Leadership Team, including team leader, deputy team leader, program leader, operations manager and project coordinator was retained until 30 June 2022. The majority of operations staff were retained to support the program closure process, however there was no additional procurement after April 2022. Program staff were phased out as activities were completed, with core numbers retained to support key close-out events, the development of the Project Completion Report and collaboration with DFAT to provide information required for the Final Implementation Monitoring Report (FIMR), as well as any other necessary follow-up to close the project.

6.4   Risk management

Throughout the program, KSI maintained a comprehensive list of program-level risks in a register. The risk register identified and assessed internal program risks and risks arising from the context of program operations. Risks were identified throughout the implementation of the initiatives/activities with mitigation actions detailed, actioned as needed and communicated to DFAT on a quarterly basis. In accordance with the DFAT–KSI partnership agreement, risks were considered common, and the risk register was reviewed and updated in collaboration with DFAT. The management response to identified risks was generated through internal discussion within the KSI team, using regular team meetings or through the Learning Week process, and with external relevant partners through ongoing consultation. Types of risks identified during Phase 2 included the following:

Fiduciary and Fraud. Misuse and misallocation of program funds were an ongoing risk for KSI to manage, particularly given the fact that grants were a major component of KSI's budget allocation. An early warning system for potential fiduciary risks and fraud was put in place as a mitigation strategy. This included the operations team undertaking strict due diligence on potential partners' financial management systems prior to engaging them, and in operations workflow (procurement and financial). KSI provided training in financial accountability, effective financial management and preventing fraud to partners, with the SPM team providing a series of inputs in reviewing PRI financial reports and their supporting documents related to these issues. In addition, RTI has a series of online training courses on code of conduct, anti-corruption, etc. that KSI staff were required to complete annually. Audit requirements were also included as part of all grant agreements as a preventive measure and, as noted above, the final audit commissioned by DFAT concluded with zero adverse findings, confirming KSI's clear procurement and financial management system following the international audit standard and DFAT policies, including DFAT fraud requirements and reporting guidelines.

Safeguarding. KSI worked closely to ensure that the program and its partners were in compliance with the DFAT policy on Child Protection and Prevention of Sexual Exploitation and Harassment by providing training and training refreshment as well as providing all partners access to the anonymous whistleblower line managed directly by RTI in order to report potential incidents.

Operating Environment. Risks in this category include the risk of potential disruption to program operation due to changes in the context/environment beyond KSI's control. Examples include:

- changes to government policy and/or regulation that are not specific to the program (e.g. changes regarding visas for foreigners, which created challenges in getting international advisers to provide inputs in country)

- changes in the physical working environment (e.g. the shift from staff working in the office to working from home due to COVID-19).

While in each case the source of the risk was not something that KSI could control, the program was able to manage these risks effectively by working closely with relevant government partners to understand the changes and determine how KSI could respond to the new operating requirement. KSI also worked with other relevant counterparts (i.e. Ministry of Foreign Affairs and State Secretariat) to identify solutions to international advisers' in-country working arrangements. The transition to working from home in responding

to changes due to COVID-19 was successful with RTI's investment in a reliable IT system which allowed staff to work remotely.

Partner Capacity and Relations. This risk category was crucial to KSI's advocacy strategy and to the effective implementation of its adaptive management approach (see Chapter 5 for more detail on the relevance of relationship management for adaptation). The program invested significant effort to build trusting relationships with partners while working closely with them in developing their capacity to actively engage and contribute to the program. One risk of this type was different interpretations and level of commitment to KSI's cross-cutting GEDSI approach among different partners. In managing this risk, KSI engaged partners from the beginning and when introducing the GEDSI approach engaged them in conversation to develop full ownership of the strategy. This would not have worked without established trusting relationships. Another risk was changes in key champions within government and leadership of KSI partners. With frequent rotation of government officials and changes in executive directors of KSI partners, there was a potential risk of loss of institutional memory, understanding of reform efforts to date and commitment to advocate for further changes. KSI addressed this by ensuring institutional engagement with a range of different actors within the institution. Therefore, if rotations or changes occurred the engagement with the institution could continue (i.e. LKPP on procurement reform). In addition, KSI maintained relationships with K2P champions who often transferred to new institutions (for example, KSI champions within LIPI who transferred to BRIN) and identified and leveraged new champions on a rolling basis (i.e. new deputies within BRIN).

Political. Institutional reform is an intensely political process, requiring program approaches to be politically smart. In practice, successful efforts tend to be not only informed about political dynamics, but also politically astute in their own actions.[248] Thus, while regular team meetings and formal reflection and learning processes described in Chapter 5 would include discussion of political dynamics, it was just as important that the program be able to make decisions and act in ways that reflected that analysis as it emerged, including where that might entail a departure from the workplan.[249] One example of this approach can be seen in KSI's facilitation of government counterparts and non-government partners, including representatives from the private sector and PRIs, in developing the Knowledge and Innovation Ecosystem Blueprint. The blueprint was endorsed by 3 ministries and a lead ministry had been identified for implementation. However, due to new presidential regulations, there were new institutions responsible for many of the issues covered in the blueprint who were not involved in the drafting process, shifting the interests, incentives and influence of those involved. As a result, KSI responded by dialling down the short-term emphasis on the formalisation of the blueprint document and instead continuing to advocate for key parts of the blueprint content – including priority reforms for research and innovation, government business processes and evidence-based public policy – and make linkages to relevant strategies and policies (i.e. the Bappenas Economic Transformation strategy and the National Long-Term Development Plan 2025–2045, see Section 4.1.4 for details)

Resource Management and Planning. This risk category dominates the risk identification in the regular risk matrix. The typical risks identified included issues related to project financial management including clarity of funding availability to manage the activity, the restructuring of plans to deliver activities with reduced allocation, potential low burn rates, as well as implication on exchange rate. Being adaptive and responsive, KSI risk on this category also relates to the reconfiguration of activities due to emerging priorities or changes in the dynamics of the environment where KSI operates. KSI managed the challenge of funding availability by developing different scenarios that fit the program objectives at different scales. Risk on potential low burning rates due to shift of activity priorities was managed through weekly budget tracking with flexibility built in to allow re-allocation to different activities. The risk of fluctuating exchange rates was managed by

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[248] Booth, D. & Unsworth, S. (2014). *Politically Smart, Locally Led Development*. Discussion Paper. London: ODI

[249] Given the dynamic nature of key reform processes, as well as the significant and ongoing changes to the operational context, most of the program's political economy analysis took place as a part of regular program discussions, rather than in the form of commissioned studies. Such efforts align with practices like that advocated in Yanguas, P. (2015) *Making political analysis useful: Adjusting and scaling*. ESID Briefing Paper 12. Manchester: Effective States and Inclusive Development Research Centre, and Marquette, H., Hudson, D. & Waldock, S. (2016) *Everyday Political Analysis*. Birmingham: Developmental Leadership Programme.

using a lower exchange rate than the current rate to anticipate loss of potential IDR and create some flexibility within the budget for reallocation as needed. Disruption of activities due to staff changes was also identified as a risk, which KSI has managed through various staff retention strategies including provision of incentives for key achievements, mentoring and collaborative opportunities for junior staff to contribute to strategic inputs, and clearly tracking and communicating about changes to severance benefits.

7.
Reflections, lessons learned and recommendations

As reviewed in this completion report, KSI Phase 2 worked for almost 5 years with partners in government, PRIs and throughout the policymaking community on a broad range of activities aimed at strengthening the use of knowledge in the policymaking process. As a part of this effort, the program produced a significant body of work exploring and detailing lessons learned through its experiences (see Annex C). This knowledge will continue to be available via the KSI website for 3 years after program closure and has also been transferred to KSI partners in GoI as a part of the program's sustainability plan.

This chapter presents a selection of 13 key lessons from this body of knowledge and provides some recommendations. The focus here is not on the specifics of any individual workstream or reform process, but on distilling a set of higher-level lessons across 2 broad categories.

- **What KSI worked on**, including the focus of KSI's activities, its understanding of knowledge systems, the pace of reform, centrality of incentives vs capacity and awareness

- **How KSI worked**, including the approaches and systems used by the program (e.g. adaptive management lessons, working as a catalyst, MERLA, etc.).

KSI's closing Peak Event also gave an opportunity to reflect on the program's achievements. The event was held on 21 April 2022 with the theme 'A Decade of Collaboration: Collective Actions Encourage Evidence-Based Policy', celebrating a decade of joint Government of Indonesia and the Government of Australia support for better policymaking through data and research/evidence-based policy. The event, which brought together 32 speakers, including the Ambassador of Australia to Indonesia and 4 echelon I officials from the Government of Indonesia, was attended in person by approximately 70 persons, with another 1,283 joining online. During the event, all stakeholders involved discussed KSI's achievements, the collective actions built during the 10-year partnership, and the commitment to continue reforms in the knowledge sector after the KSI program finishes.

7.1   Reflections, lessons learned and recommendations on what KSI worked on

This first section gives 5 reflections that focus on the subject of KSI's activities.

1. **Knowledge-to-policy processes, and reform efforts to improve those processes, are best understood through a systems perspective**. 'A knowledge system, sometimes referred to as a knowledge sector, is a holistic conceptualisation that specifies, for a given country, a set of knowledge institutions and actors and delineates the interconnections among them'.[250] Understanding this collection of institutions and actors as a system is important because it requires us to acknowledge that system outcomes emerge from dynamic interactions among the system components and can therefore only be imperfectly identified or predicted in advance. This in turn means 'detailed planning and design are unlikely to yield anticipated results. Rather than the traditional project management model of predict-implement-control, knowledge-to-policy models apply adaptive management principles that emphasise iterative

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[250] Hertz, J. C., Brinkerhoff, D. W., Bush, R., & Karetji, P. (2020). *Knowledge Systems: Evidence to Policy Concepts in Practice*. RTI Press Publication No. PB-0024-2006. Research Triangle Park, NC: RTI Press. https://doi.org/10.3768/rtipress.2020.pb.0024.2006

trial-and-error approaches. Integrating a systems perspective leads practitioners to focus not simply on the capacities, interests and roles of the actors in the knowledge system but on the linkages and interactions among them'.[251] This interconnectedness in turn means that in order for evidence-informed policy processes to work there needs to be engagement from a variety of stakeholders.

2. **In knowledge systems, as in education systems, health systems or any other sphere of policy and practice, incentives matter**. This means good ideas do not necessarily succeed based on their intrinsic value. There is a temptation to look back at such efforts and say 'we should have known better', but while it is critical to consider the incentives that underpin a given theory of change, it is sometimes only through interventions that key assumptions can be tested and dominant incentives revealed. For example, KSI Phase 2 experience with attempts to stimulate private sector engagement in support of evidence-informed policymaking and to support the certification of non-government policy analysts generated important insights into the interests and incentives that prevented the type of response and uptake for which the program had hoped, and ultimately led to KSI's decision to exit support in these areas. Two corollary lessons also apply.

   - **Systems reform efforts cannot assume that a lack of capacity is the binding constraint to more effective K2P processes**. In some of the areas in which KSI worked, lack of capacity was a significant barrier to the advancement of the knowledge sector and technical assistance and capacity-building efforts can prove effective modalities, as was the case in the effective gradual transfer of responsibility for IDF from KSI to Bappenas. However, assuming capacity constraints can result in overlooking other significant barriers arising from a lack of incentives to use existing capacity, leading to investment in workshops and training that create an appearance of action and workplan delivery, but do not generate transformational change.

   - **Systems reform efforts cannot assume that a lack of 'socialisation' is the binding constraint to more effective K2P processes**. When a policy or guideline does not have the intended effects, or where initial socialisation efforts do not trigger higher uptake, compliance or adherence, there is a temptation to default to a position of 'more socialisation is needed'. Essentially, this position argues that a lack of awareness or understanding is preventing stakeholders from taking up the opportunity or acting in accordance with the intentions of the policy. However, when this occurs, it is important to understand whether this is indeed the case, or whether some of the fundamental assumptions underpinning the theory of change might need to be reconsidered. This was the case in institutionalising *Swakelola Tipe III* when the team recognised that understanding the mechanism would be insufficient if the trust issues and practical constraints on reporting and audits were not addressed. This might be the case with regard to the GEDSI grant guidelines if future rounds confirm the incentive mechanism of the guidelines is insufficient. In many cases, this is a matter of reassessing what is known about interests and incentives in a given institutional context.

3. **Knowledge systems are forums for contestation in which the different actors pursue various objectives and debate policy, taking into consideration values, traditions and political calculations**.[252] In practice, this can be important for understanding how specific knowledge-to-policy objectives relate to other objectives in the knowledge ecosystem. KSI's interests were in better use of research for policy, however this pursuit ended up a part of the complex interplay of broader knowledge ecosystem reforms that also (or, at times, only) aimed at strengthening research for innovation and commercialisation to drive economic growth. For reformers this requires delicate judgment regarding the potential to bundle one's own priorities with others, and the pros and cons of trying to bundle interests by identifying stakeholders who share an interest in your reform (traditional convening and aligning) versus bundling policy objectives by linking your policy to other objectives and gaining support by piggybacking on other popular

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[251] *Ibid*.

[252] Hertz et al., 2020, p. 1.

policies or in some kind of quid pro quo arrangement.[253] Whether either approach is useful, and if so which one, will depend on the particular political dynamics of a given reform and reform context.

4. **The institutions that shape incentives for and against evidence-based policymaking are both formal and informal, and programs that hope to influence incentives need to explore both types**. As early as the pre-Phase 1 diagnostic studies, it was evident that informal practices and pressures were often as important as formal structures in determining the way in which different types of knowledge were (or were not) used in policymaking.[254] Indonesia is hardly an exception in this respect. KSI's efforts to support reforms that contribute to evidence-based policymaking have had to engage with both types of institutions. For example, progress on utilisation of *Swakelola Tipe III* was limited until comfort could be built among potential users in government and PRIs, while the effectiveness of policy analysts in acting as effective knowledge intermediaries is a function not only of the formal designation of their positions, but of the highly variable workplace norms across ministries, departments and agencies. This dualism was reflected in KSI's sustainability approach, which recognised the importance of establishing norms on an equal footing with establishing policies (despite the fact that the latter is much harder to evidence). This has enabled the program to recognise that the variety of mechanisms by which PRIs have institutionalised new practices includes not only new SOPs and Sajogyo Institute's new mandated peer review requirements for research proposals, but also new expectations in Article 33 Indonesia that facilitate use of a new framework for exploring gender equality outcomes in research activities despite there being no formal requirement for this.

It is thus recommended that a program that operates in the knowledge sector be conscious of both formal and informal structures, so that it can adjust its working modality to what seems to hold the best promise for success in achieving the intended outcome.

5. **Despite the more immediate pressures of annual planning, implementation and reporting processes, support to transformative institutional reforms requires patience and a long-term perspective**. In many respects the original 15-year vision for KSI, and the 10-years of implementation to date constitute a significant departure from the methodology of many development projects involved in knowledge production. Rather than providing knowledge products directly to policymakers in various sectors, focusing on the development of a country's knowledge system 'requires the slow, often painstaking work of building the systems (structures, regulations, budgets, and policies) to deliver these analytics without reliance on donors or foreign expertise. (…) It is not a quick fix, nor does it always provide immediate policy impact. It requires patience, visionary leadership and commitment from key stakeholders within the political apparatus'.[255] This longer-term perspective proved valuable across the KSI portfolio, whether in the more strategic engagement of PRIs supported by multi-year financing and program logic; the substantial returns to KSI's long-term investment in developing, passing and implementing the procurement reforms that included the *Swakelola Tipe III* mechanism or recognising the importance of the incremental progress achieved in shaping public discourse and expectations regarding knowledge and evidence use in policymaking. The literature on evidence-based policymaking is clear that it may take 10 years or more before decision makers respond to the accumulation of consistent evidence. In the meantime, new information and ideas enter people's consciousness and alter the way issues are perceived and framed – a form of knowledge creep, therefore, describes a slow trickle that produces gradual results.[256]

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[253] Harrison, T. & Kostka, G. (2012). *Manoeuvres for a Low Carbon State: The Local Politics of Climate Change in China and India*. DLP Research Paper 22. Developmental Leadership Program: Birmingham.

[254] Datta et al., 2011.

[255] Hertz et al., 2020. p. 6.

[256] Weiss, C. H. (1993). Where politics and evaluation research meet. *Evaluation practice*, *14*(1), 93–106.

7.2. Reflections, lessons learned and recommendations on how KSI worked

This second section gives 9 reflections that focus on the manner in which KSI operated.

1. **Catalysing institutional changes that leverage local resources can lead to larger-scale transformations than what could be achieved transactionally using own-program resources**. Indonesia is the fourth most populated country in the world and the 14th largest. The spread and impact of any donor initiative on its own will thus be dwarfed by what can be achieved by linking up with government initiatives. As demonstrated by the returns to institutional transformation highlighted in the value for money discussion in Chapter 6, many of the areas in which KSI will leave its most significant impacts are where the program was able to shape the flow of human and financial resources, whether in government, media or research institutions. While this came with challenges in measuring outcomes and determining contribution (see Chapter 5), KSI's experience resonates strongly with arguments in the development community for more realistic theories of change in which development programs 'facilitate' rather than 'do'. That said, facilitation, of course, can take different forms and indeed rarely did KSI find itself playing a single role. Often, where KSI was convening and brokering new relationships, it was also providing technical assistance or playing a critical friend role – a dynamic that should warn against an oversimplification of 'facilitative' theories of change.

   It is recommended that a program be attentive to opportunities for a possible leveraging of program activities or approaches on a broader scale, especially if the upscaling involves government agencies. This may require some adjustments on the program side (e.g. modifying the approach to achieve a better match with established practices; going slower at the start to achieve a stronger buy-in of the counterpart), but it may result in a larger pay-off in the long run.

2. **In a catalytic model, programs need to prioritise effective partnerships. Good communication and coordination, and collaboration with local partners are crucial for successful implementation, addressing emerging challenges and being able to effectively pivot away if support is not achieving its objectives.** Indeed, in some circumstances, the politics of reform dictated that working indirectly through intermediaries was the only viable strategy for reform. For KSI, this may have been clearest in its **sub-national activities** where Yayasan BaKTI was physically based in South Sulawesi where the pilot took place, while the KSI team was Jakarta based. BaKTI – which is familiar with the local socio-political dynamics in South Sulawesi and knows many relevant local actors well – undertook the catalytic role and functioned also as an intermediary actor facilitating relationships between local actors, while KSI still actively engaged with national actors. This arrangement helped a great deal in developing effective partnerships and pushed the pilot forward. Success in the pilot, and indeed KSI's ability to contribute effectively to that success, depended enormously on a communication model that allowed for sharing of information on changes in the local context (e.g. in relation to COVID-19 or the political situation in South Sulawesi). However, the lesson applies more widely. The program's successes were often those areas of work in which relationships with partners were characterised by candid exchanges that not only helped the program provide responsive support to pro-reform stakeholders in ways that built on the initiative and ownership of local leaders, but also gave the program insight into the often-complex political dynamics associated with reform, as was the case with KSI support to knowledge management in Bappenas.

3. **Implementation approaches, including operations support, need to be flexible to respond to changes in context**. Phase 2 included numerous changes in program focus or approach to respond to partner requests, or more broadly to changes in context. In this sense, the program was flexible in important ways (e.g. introducing new workstreams, amending budgets and outputs, etc.) that allowed it to pursue emerging opportunities, demonstrate responsiveness and build relationships that helped to **create space for more effective collaboration later on**. For example, KSI's public discourse work was most effective when it responded quickly to leverage emerging political developments and frame its messages to link with those. This included KSI's media engagement on knowledge ecosystem issues, which were timed and linked to the vice-presidential debate, and Bukalapak's tweet on research funding, which helped continue and broaden media coverage and amplify KSI's key messages.

4. **Indirect support or work through intermediaries can be effective if the common approaches of interacting with counterparts cannot be pursued**. The transitions in MoECRT and BRIN brought challenges for KSI, PRIs and the GEDSI Network in advocating for MoECRT's GEDSI-sensitive research guideline, and for research permit and clearance ethics. The targeted policymakers in both ministry and agency were in acting positions, but KSI was able to work around this and engage with university advisers and technical officials who had well-established contact with the targeted policymakers. For GEDSI advocacy, KSI and the GEDSI Network engaged with university professors who were part of MoECRT's research guideline revision team and who are respected by MoECRT policymakers. This resulted in the latest guideline (Edition XIII) still being followed and used by MoECRT in its call for proposals for university research grants in December 2021.

5. **It is, however, important not to confuse flexibility with adaptation**. Responsiveness to changing circumstances is 'not the same thing as the purposeful experimentation and course correction that is required because of complexity. A limitation of what might be called the flexible blueprint approach… is that [programs] may "flex" in response to changes in external circumstances, but they do not learn. They do not change course in a decisive way when it becomes clear their initial strategies are not working' (Booth et al., 2018, p. 9).[257] This distinction was not simply an academic exercise in defining whether a change in the program was prompted by an 'external' change in context or a reflection on whether existing theories of change and corresponding strategy are being borne out in practice. It also helped to trigger a reflection on the posture of the program, asking whether a program could do more than simply react to changes in the external environment, also proactively seeking to interrogate its own practice and progress. A proactive program posture brings immediate benefits of stronger adaptive systems by leveraging monitoring and evaluation data the program collected alongside horizon scanning and context analysis. Perhaps just as importantly for the overall prospects for adaptive management, it can be an important factor in shaping the relationship between donors and implementers. A proactive adaptive posture is not always easy to maintain in the face of performance targets, organisational branding and reputational pressures, but it is the sign of a confident program, which shapes perceptions on the donor side and builds trust. The credibility of claims that things are progressing is bolstered by a willingness to identify also where things are not progressing.

6. **The pace of activity implementation needs to be responsive to the counterparts' needs and absorptive capacity. This may mean that sometimes implementation needs to be sped up, and that sometimes it needs to slow down**. KSI's work with the National Institute of Public Administration (or LAN) is an illustration of this. LAN as KSI's main stakeholder is strongly committed to continuing the initiative on policy analyst development. KSI's support for the policy analyst role led to its institutionalisation as a knowledge intermediary in the knowledge ecosystem within the Indonesian bureaucracy. Due to bureaucracy simplification in 2019–2020, there was a quick transition and large numbers of bureaucrats moved into policy analyst positions without completing the standard competency training and selection process. KSI supported LAN to address this risk by developing an institutional guideline for policy analyst utilisation.

In 2021, KSI started an evaluation of its support to LAN for policy analysts. LAN saw this as an important learning opportunity and requested to be closely involved in the planning and implementation of the evaluation. While this slowed the implementation, KSI considered it important to opt for this participatory approach, as it gave better assurances for acceptance and follow-up of the evaluation findings by LAN post KSI, thereby enhancing the sustainability of the initiative.

The recommendation of this and previous lessons is that a program must be flexible and adaptive. Flexible, to respond to changes in context or specific requests from counterparts for support; adaptive, to opt for implementation approaches that help to make progress and achieve End-of-Program

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[257] Booth, D. Balfe, K., Gallagher, R., Kilcullen, G., O'Boyle, S., & Tiernan, A. (2018). *Learning to make a difference: Christian Aid Ireland's adaptive programme management in governance, gender, peace building and human rights*. London: ODI. https://www.odi.org/publications/11191-learning-make-difference-christian-aid-ireland-s-adaptive-programme-management-governance-gender

Outcomes. This also means that the program must have a financing arrangement that makes such 'quick response' changes possible.

7. **The space for adaptation changes over the program lifecycle, and thus the expectations of adaptive processes must also change.** The early stages of a program are primed for partners of all sorts to make requests and for a program to both pursue those that may seem like good opportunities and even make small investments in the name of developing relationships. Optimism is high and the end-of-program seems very far away indeed. In other words, the early years of an adaptive program can seem almost boundless in the opportunities they offer and which might have a plausible link to the desired End-of-Program Outcomes. In contrast, as the end of a program approaches, more doors may be closing than opening. The pressure to demonstrate results ratchets up and the time for investments in relationships to bear fruit in terms of End-of-Program Outcomes shrinks. New tensions can arise. For example, programs tend to have strong incentives built into M&E systems and indicators to maximise the number and scope of policy changes they can report having contributed to. As implementation wraps up, there is potential to pursue (or push a partner to pursue) a second-best alternative when more significant changes might be possible with a longer time horizon. In a situation like this, the program could be confronted with a choice between more immediate returns and laying the groundwork for future changes.

8. **Continuity of support to PRIs is important, but ideally some funding should remain untied to allow the PRI to support overall organisational development**. The PRI evaluation found that PRIs praised the continuity of support in Phase 2 along with the more collaborative approach of KSI in taking equal partner and critical friend roles (as opposed to mentor-student relationship). The shift from core funding supporting capacity building to more targeted strategic partnership grants supporting policy influence and financial sustainability helped to consolidate the foundation built in the first phase and to further strengthen core functions of PRIs in the second phase. Nevertheless, core funding that is not directly tied to any research project is still crucial for PRIs to support their overall organisational development such as general capacity building and to continuously improve their management tools.

9. **The approach used by a PRI in bringing their evidence to policymakers depends on the specific context and circumstances of the research and policymaking process**. Flexible but targeted funding allowed PRIs to expand their research topics, engage stakeholders to advocate their research findings, and adapt quickly to align with policy momentum such as when PRIs needed to fill the knowledge gap on COVID-19 issues. In addition, support for strategic business processes (such as program logic, stakeholder mapping, and monitoring and evaluation techniques) was helpful for PRIs to achieve their policy research goals.