



Investment Design

Australia Indonesia Knowledge Partnership Platform

August 2022

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A. Context, Strategic Intent, and Rationale

A.1. The Indonesian development context

The Indonesian economy is the largest in Southeast Asia and the tenth largest in the world in terms of purchasing power parity. It is characterised by a strong services sector, a declining agriculture sector, and a growing industry and manufacturing sector. Over the past two decades since the shock of the Asian economic crisis, Indonesia has achieved steady economic growth of around five percent per annum. Social welfare has improved overall, with the poverty rate falling from 23.4 percent in 1999 to below 10 percent in 2021. Though the fall-out of the COVID-19 pandemic has meant the national Gross Domestic Product (GDP) contracted 2.7 percent in 2020 (and the country dropped from upper-middle back to middle income status), the economy went on to grow at an estimated 3.7 percent in 2021¹ and is forecasted to grow by 5.1 percent in 2022.²

Conversely the COVID-19 pandemic has in some ways accelerated, and influenced, Indonesia's desired economic transition. According to the World Bank, sectors related to the digital economy - many of which are compatible with remote-working arrangements more amenable to people with disability, with family care responsibilities, and/or in remote areas - are likely to grow even faster as a result of pandemic movement restrictions.³ The COVID-19 recovery context has also increased the appreciation and demand among Indonesian policymakers for evidence-informed policy and innovation, something that is expected to continue.

While Indonesia's national poverty rate has been declining along with economic growth, inequality has been rising, with the Gini coefficient at 0.37 in 2021, compared to 0.29 in 2001.⁴ Inequalities are found between households in the same location as well as between regions, with the eastern provinces generally benefiting less from economic growth than those located in the western part of the country. Significant gender inequalities also remain, particularly in terms of economic participation and opportunity, leadership, and political representation. For instance, female participation in the labour force is only 50 – 52 percent, while male more than 80%.

Indonesia's Vision 2045, launched by President Joko Widodo in May 2019, sets the goal for Indonesia to become a high income developed country⁵ by the centenary of its independence (2045), transitioning from an agriculture and resource-based developing country to an advanced industrial, service and technology-based developed nation. To achieve this, four pillars are prioritised: i) human development and the mastery of science and technology; ii) sustainable economic development; iii) equitable development; and iv) national resilience and governance. The second and third pillars of Vision 2045 are further detailed in the economic transformation strategy drafted by the National Development Planning Agency (BAPPENAS) in 2020 and comprising six agendas: competitive human resources through better health and education services, research and innovation; economic sector productivity through industrialisation, micro, small and medium-sized enterprise (MSME) productivity and agricultural modernisation; green economy through low-carbon development, the blue economy and energy transition; digital transformation through building digital infrastructure and digitisation of governance and the economy; domestic economic integration including infrastructure for connectivity, sea and air hubs and improving domestic value chains; and capital city relocation as a new source of growth and balancing regional economic growth. The economic

¹ World Bank (2021). *Climate Risk Profile: Indonesia*. Jakarta: The World Bank Group and Asian Development Bank.

² World Bank (2022a). *The World Bank in Indonesia, Overview* (webpage). Updated 5 April.

³ World Bank. (2020a). *Indonesia economic prospect: The long road to recovery*. Jakarta: World Bank.

⁴ World Bank. *World Development Indicators (online)*. Updated 15 April. The Gini coefficient measures inequality in household income. A value closer to one indicates greater inequality.

⁵ A high-income economy is defined by the World Bank as a nation with a gross national income per capita of US\$12,696 or more in 2020, calculated using the Atlas method.

transformation strategy builds on the targets of Indonesia's National Medium-Term Development Plan (RPJMN) for 2020-2024 that emphasises Indonesia's commitment to the Sustainable Development Goals and includes strategies to increase the 'knowledge and understanding of individuals, families, communities, community institutions, mass media, and private sectors', and to enhance 'networks and coordination' among various actors.

A.2. Indonesia's knowledge and innovation sector

As acknowledged by Gol, Indonesia's economic transformation requires an accelerated transition to a knowledge and innovation-based economy as a means of improving productivity and competitiveness. The Ministry of Finance identifies the limited technological sophistication of Indonesia's industries as a factor constraining Indonesia's economic performance, and references economic thinking that '*reaching the status of an advanced economy is possible only through innovation*'.⁶

Reflecting the national research masterplan (*Rencana Induk Riset Nasional 2017-2045*), Indonesia's Blueprint for the Knowledge and Innovation Ecosystem (*Cetak Biru Ekosistem Pengetahuan dan Inovasi – the Blueprint*) released in 2021 emphasises the potential contribution of research and technology to economic growth and presents a strategy to increase the contribution of science and technology to this objective. Elements of this include increased flexibility of funding to research and innovation activities, and addressing the weakness of non-state actors involvement in interpreting knowledge-based development and innovation.⁷ The Blueprint also highlights the importance of evidence-based policy making, and argues that knowledge and public policy have a mutual relationship - a strong knowledge ecosystem will generate evidence that is required for policy making, while sound public policy will strengthen the knowledge ecosystem. It encourages competitive research grants that involve national and international experts, and knowledge pool at the sub-national level that is supported by knowledge network at the local, national, and international level. Three of its resourcing targets promote international research collaboration and partnerships to enhance the capacity of supervisors and students.⁸ The Blueprint also emphasises the importance of prioritising efforts to address social inequality and research that is inclusive of vulnerable and marginalised groups. To support the implementation of the Blueprint priorities, Gol allocated about IDR 6 trillion (AUD 600 million) annually for research institutions during the 2021 and 2022 fiscal years. In 2021, the research budget was spent by five research institutions, while in 2022 the whole budget is executed by BRIN. In addition to this annual funding for research institutions, Gol has allocated IDR 8 trillion (AUD 800 million) in total during 2019-2021 for the research endowment fund. This research endowment fund, managed by the education fund management agency (LPDP), has spent about IDR 1.4 trillion (AUD 140 million) for funding 1,668 research projects until the end of 2021. The breakdown between research focused domestically versus international research partnerships is unclear.

The political economy of the Indonesia's knowledge and innovation sector is dynamic. Since mid-2019, the sector's institutional landscape has changed dramatically and swiftly, as established formally by the following:

- Law No. 11/ 2019 on the National System of Science and Technology (UU Sisnas Iptek) was passed in July 2019 with the intention to ensure the contribution of science and technology to national development and the fulfilment of the basic rights of Indonesia's citizens. This law mandated the creation of a ministerial level agency, the National Innovation and Research Agency (BRIN) to oversee all government research functions.

⁶ Indonesia Ministry of Finance and Asian Development Bank (2020) *Innovate Indonesia: The Critical Role of technological transformation in boosting Indonesia's economic development*. Manila: ADB.

⁷ Ristek BRIN, Bappenas, and Kementerian Pendayagunaan Aparatur Negara dan Reformasi Birokrasi (2021). *Cetak Biru Ekosistem Pengetahuan dan Inovasi*. Jakarta: Government of Indonesia

⁸ See targets # 3, 8 and 14 under section 4.2.4 - Development of dynamic resources (pp. 74-76)

- Presidential Regulation (Perpres) No. 78/ 2021 saw the disbandment of the Ministry of Research and Technology (MoRT) and its functions, along with higher education, integrated into the Ministry of Education, Culture (MoEC – now MoECRT).

As a result, the following two agencies now share oversight of Indonesia’s national research system and priorities:

- BRIN is responsible for implementing integrated research and innovation activities for all central government agencies. As of early 2022, BRIN had integrated six autonomous government research organisations and 33 research units that had previously operated under a specific ministry or agency. Its broad remit ranges from establishing and monitoring quality and professional standards, promoting evidence-based policy making, strengthening research and development and science and technology innovation; and granting permission for research and development activities by foreign entities and individuals.
- MoECRT is responsible for coordinating research activities undertaken by public and private universities - public universities as working units under the Directorate General of Higher Education, Research, and Technology, and private universities through the ministry’s regulatory framework. The latest institutional adjustment in 2021 formalised the ministry’s role in research and technology governance, providing more authority than before.

In parallel, BAPPENAS is responsible for developing GoI strategic plans such as the long-term, medium-term and annual development plans (RPJPN, RPJMN and RKP), and more recently the Indonesia Vision 2045 and the economic transformation agendas. The extent to which BAPPENAS bases its policies and plans on research and evidence provides an example that may influence other GoI agencies and sub-national governments.⁹

In addition to these agencies, non-government actors have specific roles in the knowledge and innovation sector. For instance, they contribute to knowledge and innovation production and application through research, education and advocacy activities. The Science and Technology Law recognises non-government actors as individuals and private groups, institutions, and universities. The Blueprint for the knowledge and innovation ecosystem acknowledges the importance of these actors in formulating and evaluating policies.

The KPP program team will need to monitor for any changes resulting from Indonesia’s presidential and parliamentary elections in 2024 that may impact on institutional arrangements, including the shared leadership of BRIN and MoECRT. The successor President and new administration may pursue a different approach and revise respective mandates post-election. The program will need to actively pursue new opportunities should they arise and ensure ongoing alignment with Indonesia’s evolving knowledge and innovation priorities.

A.3. Australia’s engagement in Indonesia’s knowledge and innovation sector

Australia’s and Indonesia’s knowledge and innovation sectors differ in size, capacity and strength, and their relationship can be characterised as asymmetrical. For instance, with 3,767 joint research publications between both countries, Australia is Indonesia’s third most important international collaborator for research publications produced up to February 2022,¹⁰ while Indonesia is Australia’s 35th international research collaborator for the same period.¹¹ The number of citations of research publications, which are often equated with research quality indicators, is also illustrative: Indonesia has 19 percent less citations than the global average, whereas Australia has 60 percent

⁹ Bappenas is responsible for reviewing sub-national development plans together with MoHA.

¹⁰ Source: DESE’s analysis of data from scival.com

¹¹ The top three areas of joint research between the two countries are: medicine, social sciences, and environmental sciences.

more citations than the global average.¹² Importantly, publications that are co-authored between Indonesia-Australia enjoy 140 percent more citations than the global average, indicating that international collaboration strengthens the quality and profile of research studies, for both parties.¹³ This asymmetry reflects in part the bureaucratic challenges and risks (e.g. securing approach permits for researchers) faced by Australian organisations wanting to get involved in research activities in Indonesia. Establishing an environment for genuine and sustainable knowledge partnerships between organisations of both countries can help address some of the existing asymmetry while benefiting the respective sectors and contributing to Indonesia's development.

Australia has a long history of engagement in Indonesia's knowledge and innovation sector.¹⁴ Multiple GoA agencies, such as the Commonwealth Science and Industrial Research Organisation (CSIRO) and The Australian Centre for International Agricultural Research (ACIAR), have and continue to be involved in the sector. DFAT has invested proactively for a decade in strengthening Indonesia's knowledge sector for better evidence-informed policy, most notably through the Knowledge Sector Initiative (KSI, 2012-2022).¹⁵ DFAT also supported the establishment of the Abdul Latif Jameel Poverty Action Lab Southeast Asia (J-PAL SEA), with the current phase of funding to conclude in 2022, and the United Nations Pulse Lab Jakarta (Pulse Lab) program that has DFAT funding committed until 2023. Long-standing relationships also exist between Australian and Indonesian universities and researchers. The Australian National University Indonesia Project (Indonesia Project) has operated since 1965 (with support from DFAT), producing and disseminating research on Indonesia's economy and society. ANU-IP has an ongoing relationship with Indonesia's SMERU Research Institute, and the next phase is expected to start in the second half of 2022. Monash University's Australia-Indonesia Centre (AIC) was established in 2014 with funding from the Australian government. The AIC Partnership for Australia-Indonesia Research (AIC-PAIR) is a DFAT-funded initiative (AUD 8 million, 2019-2022) that deepens the research linkages between 11 Australian and Indonesian universities.¹⁶ The Indonesia Project and AIC have built and expanded the academic and institutional linkages between Australia and Indonesia (including at the sub-national level) while producing and disseminating high-quality, multidisciplinary research. The extensive network of Indonesian alumni of Australian universities, many of whom have studied thanks to Australian Awards scholarships, is an asset to these initiatives.

The experience gained from these multiple investments has brought valuable lessons.¹⁷ A recent independent strategic review (ISR) of DFAT-funded KSI, JPAL SEA and Pulse Lab investments¹⁸ notes that these programs have produced some excellent results over the past decade and that the established relationships of trust among key government and non-government actors provides a strong foundation for future support. It further highlights the

¹² As measured through the Field Weighted Citation Impact (FWCI) which compares the total citations received by a researcher's publications to the weighted average number of citations received by all similar publications in that particular research area.

¹³ Source of FWCI data: DESE's analysis of data from scival.com (provided to the design team).

¹⁴ Other development partners' investments in Indonesia's knowledge sector concluded in 2021, including those of the World Bank, UK and USA. These included a World Bank loan of USD 95 million for the Research and Innovation in Science and Technology Project (RISET-Pro, 2013-2021), aiming to increase competitiveness in science and technology for economic development; approximately AUD 18.5 million British Council Newton Institutional Linkages research and innovation for research into local development needs and challenges such as extreme weather conditions, access to affordable health care, food and energy security (2014-2021); and research grants through the USA National Academies of Sciences, Engineering and Medicine (NASEM) Partnership for Enhanced Engagement in Research, predominantly focused on education and environment.

¹⁵ KSI has supported sixteen Indonesian policy research institutes (PRIs) to bring new issues and alternative viewpoints to the attention of policymakers and the public. More detail on KSI is available on <https://www.ksi-indonesia.org/en/>

¹⁶ DFAT's contribution to AIC-PAIR and ANU-IP is managed through the Indonesia Desk in Canberra.

¹⁷ Details on these lessons can be found in the ISR report, the KPP investment concept note (ICN), and progress reports and/or completion reports of AIC-PAIR, ANU-IP, ACIAR and CSIRO investments in Indonesia.

¹⁸ Henderson S and Rakhmani I (2021). Draft final report Independent Strategic Review Knowledge to Policy (Knowledge Sector) Investments in Indonesia

positive and significant shift in the operating context - i.e. the 'knowledge sector' has become a better known concept, as has evidence-informed policy making. The ISR summarises success factors in the knowledge to policy pathway as: alignment with champions' priorities; being problem-oriented; focusing on the practical application of results (rather than simply on providing information); and being able to convene and facilitate coordinated action. Lessons learned from current and past DFAT investments in the knowledge and innovation sector and their implications for the KPP design are summarised below:

- There is a considerable room to grow university-level and industry partnerships in the fields of research, science, technology, and innovation, while aligning with shared priorities reflected in the Comprehensive Strategic Partnership between Australia and the Republic of Indonesia (CSP), Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) and the Indonesia COVID-19 Development Response Plan (CDRP).
- Most Australian funded programs include a 'knowledge to policy' approach to support Indonesia policy reform across a range of sectors. However, to tackle complex challenges or so-called 'wicked' socio-economic problems, a combination of policy and technological solutions may be required. The KPP will combine policy and scientific research to inform solutions to address complex socio-economic problems in a joint, complementary and synergistic manner. While scientific research and innovation for commercialisation have not been a key focus of DFAT's knowledge sector investments to date, some smaller scale K2I partnership schemes between CSIRO, ACIAR and various Indonesian counterparts provide interesting model for KPP to explore.
- A demand-driven agenda poses the risk of not including important but less visible or attractive areas of reform or those deemed too time consuming for the investment timeframes. Priorities for KPP-supported research agenda will be developed with flexibility (annually, through a planning process), inclusiveness (based on engagement with a broad range of stakeholders), and ownership (deliberated and agreed between both GoI and GoA at the appropriate program governance level). KPP will strike a balance between strategic priority setting and demand-driven research led by partnerships and their stakeholders, by focusing GoI-GoA decision making at the broad strategic theme level and allowing partnerships to work with stakeholders and beneficiaries to identify specific areas of research and to test ideas through applied research methods. Partnership grant proposals will require candidate grantees to outline how they will seek to respond to the chosen strategic themes and partnership principles as a means of managing this risk.
- The historical lack of an overarching framework for GoA knowledge sector investments and the different timing of the multiple investments presented a barrier to alignment and coherence. Though existing investments will continue to operate independently until their agreed end, KPP offers an opportunity to bring a single flexible platform for DFAT investments in the Indonesian knowledge sector, to evolve DFAT programming towards a more strategic portfolio approach, and to shift to a stronger Australia-Indonesia research partner model that balances public policy research with an increased focus on science, technology, and innovation. The extent to which KPP consolidates other investments over time will be discussed and agreed in due course by relevant parties.
- KPP is well placed to address system constraints in Indonesia's knowledge and innovation sector – no other GoA investment is tackling these issues and other programs stand to benefit. However, strengthening the entire Indonesian knowledge and innovation sector brings the unavoidable risks of becoming consumed by the complexity of the ecosystem, where priorities swiftly shift and results are slow to be achieved or unsustainable. KPP needs to be realistic about what can be achieved in a five-year window and be selective and strategic on aspects of systemic reform it pursues. As such, KPP could take a targeted problem-based, rather than system-wide, approach to support knowledge sector development. This targeted approach should be catalytic and

extend to GEDSI considerations in the sector, prioritising operational strategies over which KPP has more control as a way to raise the profile of a more diverse and inclusive environment.

- Working collaboratively with GoI champions, policy research institutions, private sector, civil society organisations (CSOs) and community stakeholders is important. The ISR identified the importance of KSI's efforts to convene actors and facilitate discussions and debates by bridging those with a mandate/interest in the issue and those with authority/power to influence the outcome. For instance, KSI has convened a wide range of stakeholders for public discussions, media engagement and social media interventions to discuss rapidly emerging development issues. J-PAL and UN Pulse Lab have brought internationally acclaimed expertise, including from Australian institutions, to strengthen the ability of a selection of Indonesian policy makers and researchers to apply rigorous scientific methods to prepare evidence-informed policy reform options. KPP should engage with a range of stakeholders active in relevant areas of knowledge, seek to work with reform champions, and build coalitions of stakeholders with similar interests. Both the Platform Hub and the Partnerships will have a role in coalition building.
- Whether targeting policy and/or innovation, knowledge products need to be sufficiently operational and pragmatic to be viable. DFAT's own innovation strategy states that '*early engagement with internal and external stakeholders who can take ideas to scale is key to delivering sustainable and scalable outcomes*'. Examples from previous knowledge sector investments include speed-dating style events to connect policy maker needs with knowledge providers implemented by J-PAL globally; and CSIRO's structured moon-shot – ideation – incubation – acceleration model involving potential knowledge product buyers and knowledge producers at each stage. KPP should engage with potential knowledge users from the research framing stage or as early as possible, to maximise the uptake of knowledge downstream.
- Applied research needs to be contextualised and requires specific skills and clear expectations from the outset. J-PAL SEA experience highlights the need to develop relevant and realistic questions and methods; KSI experience reinforces the need to offer specific gender equality and disability inclusion related technical support to integrate GEDSI in project intentions and methodologies; and AIC-PAIR's experience shows the need to support the generation and interpretation of operational research findings.¹⁹ The variable quality of Indonesia's research institutions remains a challenge and the need for capacity development is ongoing.²⁰ As suggested in the ISR report, active support for hands-on, on-the-job learning through mentoring and accompaniment techniques, while actively managing and addressing quality related risks, is an effective approach to organisational capacity development. KPP will provide technical assistance (in addition to funding) to selected knowledge production organisations to ensure their research project follows a knowledge-to-policy and/or knowledge-to-innovation pathway and integrate each of the GEDSI dimensions (gender equality, disability inclusion, social inclusion) appropriately. The KPP will provide technical assistance to selected knowledge production organisations and partnership lead organisations will also work together to build mutual capacity among members and with stakeholders/beneficiaries.
- Knowledge on complex socio-economic challenges can be hard to fund and sell. The financial sustainability of many knowledge partnerships and institutions that have received donor funding for many years - such as AIC and the Indonesia Project - remains uncertain. Similarly, even as quasi-international bodies, J-PAL and Pulse Lab are not financially independent. With this in mind, KPP will support knowledge partnerships and their member

¹⁹ See AIC PAI phase IV independent completion report.

²⁰ For instance, KSI has supported 16 policy research institutions (PRIs) with core funding and various forms of capacity development support. While the PRIs have developed considerably both institutionally and technically, there is still some distance to go to achieve competitiveness in international research and funding opportunities.

organisations to explore different funding sources and to become more competitive in accessing Indonesian, Australian and international research funding schemes, while encouraging and adopting realistic expectations on their financial sustainability.

A successful investment in the Indonesian knowledge and innovation sector will reflect the maturity of the Indonesia – Australia bilateral relationship and the desire to move towards a development approach that deepens and broadens cooperation across all facets of our partnership. It will contribute to Indonesia’s current economic transition from a resource-based to a knowledge-based economy through the support of social science and technology-focused research relevant to both countries, produced in a collaborative manner. It will support collaboration between civil society, private sector and government stakeholders, and provide an opportunity for meaningful dialogue on complex problems of mutual interest. Within the context of persisting systemic challenges, DFAT future investment will engage purposefully, catalytically and strategically, and take an informed and targeted approach to addressing systemic issues and enabling research partnerships that generate innovative policy and technology solutions for inclusive and sustainable development.

A.4. Strategic Intent: Alignment with DFAT’s policy objectives

Australia and Indonesia are close neighbours and friends, with a long history of supporting each other, and a commitment to working together to build a stable, prosperous and resilient region. Building on long-standing relationships across Gol, Australia aspires to be a strategic partner for Indonesia, supporting recovery from the COVID-19 pandemic and responding to social and economic development needs. Australia has a global reputation for excellence in science and research, and long-term strategic interests and investments in the Indonesian knowledge and innovation sector. As Indonesia maps its path out of the COVID-19 pandemic and towards economic transformation, collaboration on knowledge and innovation offers great potential for both countries. Capitalising on equality gains in education achieved in recent decades, such collaboration can support Indonesia’s economic transformation in a way that is inclusive and equitable, ensuring disadvantaged groups do not lose out in the new economy due to under-representation in relevant fields.

The Indonesia-Australia Comprehensive Strategic Partnership (CSP), agreed in 2018, elevates the bilateral relationship and provides a robust policy framework to deepen existing cooperation and support new initiatives.²¹ It aims to foster deeper and broader cooperation across five priority pillars, two of which are directly relevant to KPP intent: (i) Enhancing economic and development partnership; and (ii) Connecting people.²² The CSP action plan outlines areas for cooperation in the knowledge and innovation sector, including working together to use evidence-based policies to accelerate poverty reduction and tackle inequality in Indonesia; exploring cooperation in technology, digital economy and industry; strengthening research partnerships and promoting academic collaboration; and, encouraging joint research among scholars and academics at universities, research centres and the private sector.

The intent of KPP is also aligned with the Indonesia Australia Comprehensive Economic Partnership Agreement (IA-CEPA), signed in 2019, that signalled an important inflection in the bilateral relationship towards a more equal and mutual partnership for development and prosperity. It opens access to markets and opportunities for partnership between the two countries in many economic sectors, including research and education.

The DFAT Partnerships for Recovery Policy (2020) outlines Australia’s global objectives to address the impacts of the COVID-19 pandemic in health security, social stability and economic recovery, with a focus on vulnerable groups,

²¹ See <https://www.pm.gov.au/media/indonesia-australia-comprehensive-strategic-partnership>

²² The connecting people pillar promotes ‘academic exchanges and joint research to promote innovation and find solutions to shared challenges.’

including women and people with a disability. The policy indicates that support for joint research and knowledge exchange, and strengthening the enabling environment for research and innovation, can play a valuable role across these objectives. The Australia-Indonesia COVID-19 Development Response Plan 2020-2022 (CDRP, 2020), which outlines the Indonesia-specific response to the Partnerships for Recovery Policy, states that Australia will support Indonesia to generate evidence to inform policy and programming decisions, including through joint research and knowledge exchange and by strengthening the enabling environment for research and development, and innovation. The CDRP makes a particular mention of the need to understand the impacts on vulnerable groups through better research and data, and through investments in science and technology to help Indonesian and Australian institutions to share ideas and innovations aimed at improving the lives of vulnerable populations. While it is anticipated that the majority of program implementation will occur after the CDRP period of implementation, an ongoing focus on the Indonesia knowledge and innovation sector is likely to remain relevant to both Australia and Indonesia and the desire to further capitalise on established achievements in these fields. The KPP's flexible design provides great potential to contribute to new and emerging development priorities including ongoing recovery efforts, particularly economic recovery, and will maintain a focus on women, people with disabilities, and vulnerable groups.

A.5. Rationale for Australian engagement

Prevailing inequalities and exclusion, combined with pressing needs to move to a cleaner, greener economy while ensuring no one is left behind create an opportunity for Australia to continue investing in the Indonesia's knowledge and innovation sector. Previous experiences in the sector (such as KSI) have indeed enabled DFAT to develop valuable relationships with relevant Indonesian public, academic, and civil society policy research institutions. It has also enabled DFAT to develop an understanding of the enabling environment for evidence-informed public policy development, which provides a good base to explore future, more targeted support.

Building on previous experiences and existing expertise and relationships, KPP will be Australia's flagship knowledge program in Indonesia. It will support the development of knowledge that is relevant to both countries and that contributes to Indonesia's economic transition from a resource-based to a knowledge-based economy. It will support the development of partnerships between Australian and Indonesian organisations, and the potential to draw in other global actors, to carry out and disseminate high-quality, multidisciplinary applied research on complex socio-economic problems that reflect priorities of mutual interest. These partnerships will acknowledge the diverse and complementary strengths of the partners and operate in a collaborative manner to investigate the technical/policy/private sector/socio-cultural/geo-political and geo-strategic aspects of selected development issues. The research themes will be agreed jointly between Australia and Indonesia, taking into account mutual priorities, relevant cooperation agreements and the evolving bilateral relationship's context and needs. The research themes will reflect Indonesia's long- and medium-term development priorities such as those outlined in the GoI economic transformation agenda and the Blueprint for the knowledge and innovation ecosystem.²³ As described in section C, the Program Steering Committee will be responsible for the agenda setting, based on relevant analysis and suggestions from the KPP implementation team.²⁴

While 'sustainable' development is readily accepted and promoted by GoI stakeholders, the concept of inclusive and equitable development appears less consistently understood or conceptually applied. The tendency is to

²³ The eight grand challenges of the Bblueprint (low social mobility, massive urbanisation, tertiarization, climate change, food security, natural resource curse, energy sufficiency, and quality of public institutions) could be considered a starting point for consultation on research priorities for the first year.

²⁴ Negotiations between DFAT and the three GoI agencies likely to lead/govern KPP, including discussion on research theme prioritisation for the first year of KPP, have started and are currently underway at the time the IDD drafting.

consider inequality and exclusion in terms of regional poverty and resource profiles, rather than of people. Central to the investment value-add and reflecting its source of funding (from GoA development cooperation budget rather than a commercial enterprise), KPP will raise the profile of GEDSI- responsive knowledge and issues as critical and valuable to Indonesia's economic transformation, rather than as special interests on the side, and will fund the production of knowledge that respond to gaps in equality and inclusion. Similarly, the program will encourage diversity in research teams and topics and the inclusion of indigenous expertise and knowledge in its activities.²⁵

The knowledge produced will aim to generate relevant policy and technology solutions in a synergistic manner, and to complement and inform the support provided by other GoA-funded initiatives in Indonesia, that are by nature aligned with mutual interests and cooperation agreements. As such, the program will contribute to strengthen the coherence and impact of Australia's cooperation investments portfolio in Indonesia. It will also continue to support the development of the Indonesian knowledge and innovation sector by providing targeted and catalytic assistance to develop organisational capacities and address specific systemic constraints that hinder the development and success of research partnerships between Australia and Indonesia.

B. Proposed Outcomes and Investment Options

B.1. Program logic

The KPP program logic diagram is presented in Figure 1 and includes:

- A goal that contextualises KPP in the wider Indonesia - Australia bilateral cooperation policy framework
- A purpose that articulates KPP strategic aspiration vis-à-vis the goal
- Two end-of-investment outcomes (EOIOs) that translate the dual nature of KPP's objective
- Three intermediate outcomes (IOs) that describe pathways through which KPP contributes to the EOIOs
- Four service lines that offer a structure for grouping and organising program activities, and help to explain 'how' KPP works, and
- Five principles that suggest defining characteristics of KPP and guide for internal implementation and external messaging.

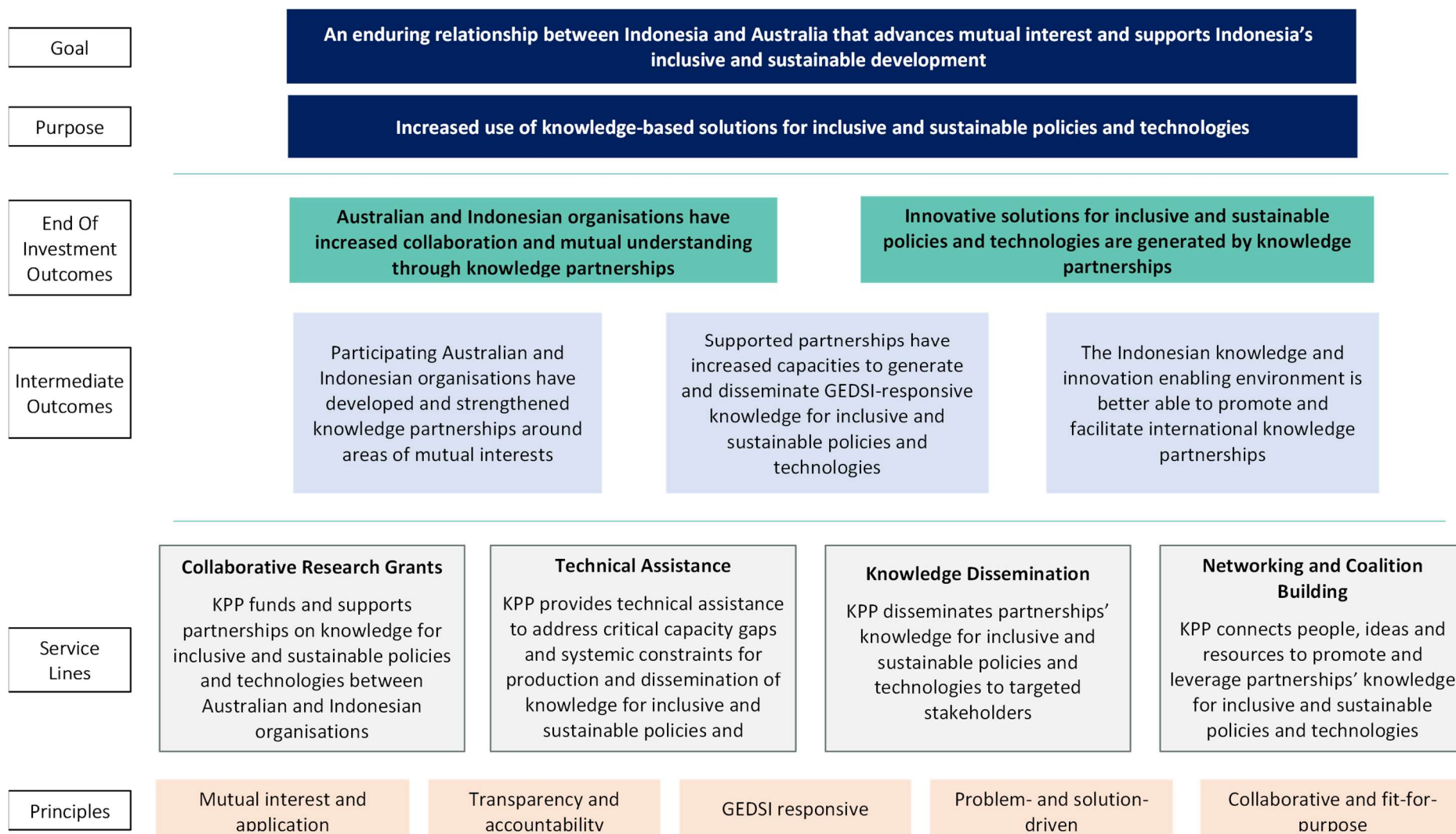
As per DFAT standards, both the goal and purpose represent the sphere of KPP's interest, the suggested EOIOs and IOs are within the sphere of KPP's influence and accountability, and the services lines are firmly within the sphere of KPP's control.²⁶

This program logic will be socialised and discussed with key Indonesian and Australian stakeholders in the early stage of program implementation (inception phase) to test key assumptions and ensure a shared understanding of KPP objectives among partners. It will then be reviewed at least mid-way through KPP and otherwise as needed, to ensure the structure remains fit for purpose and relevant to the bilateral cooperation interest. Any significant revisions will be approved by the Program Steering Committee.

²⁵ Universities Australia has offered to connect KPP to its network of indigenous researchers within Australian universities. More work will be required to uncover similar resources in Indonesia.

²⁶ The delineation of these spheres (interest, influence, control) is represented by the blue horizontal lines in the diagram.

Figure 1 Program logic



Goal and purpose

The overarching goal of KPP is: ‘An enduring relationship between Indonesia and Australia that advances mutual interest and supports Indonesia’s inclusive and sustainable development.’

This goal reflects the nature of KPP as an ODA-funded program that supports Indonesia’s development in areas of mutual interest while strengthening the Australia-Indonesia relationship. In line with strategic bilateral commitments and GoI vision, it defines the desired direction of Indonesia’s development as being more inclusive and sustainable and linked to the economic and social prosperity of the region.

The program purpose is: ‘Increased use of knowledge-based solutions for inclusive and sustainable policies and technologies’.

This purpose positions KPP as a vehicle to produce knowledge on complex socio-economic problems, where effective solutions are often beyond a unique sector or category of stakeholders. Knowledge produced through KPP will feed into current GoA supported initiatives in Indonesia and /or will reflect new emerging agendas / priorities that become relevant for the bilateral cooperation in the years to come. It will support both the knowledge to policy cycle (K2P) and the knowledge to innovation cycle (K2I), in a complementary and synergistic way. Innovation is defined as ‘*the application of a new approach that creates a positive impact that is significantly greater than can be realised through current practice*’, and technology is defined as the application of knowledge, whether scientific or related to techniques, skills, methods, or processes, to create a positive impact.²⁷

Outcomes

To contribute to the purpose, KPP includes two end of investment outcomes (EOIOs) that are expected to be achieved by the end of the five years of implementation.

EOIO 1 - Australian and Indonesian organisations have increased collaboration and mutual understanding through knowledge partnerships

This outcome reflects the program’s objective of strengthening ties between Australian and Indonesian research organisations in a way that allows both countries to tackle development challenges together. It is relevant to Australia as it seeks to collaborate with Indonesia bilaterally and as a counterpart in regional and global development. It suggests improvement in relationship through increased collaboration and understanding between organisations that either participated in KPP-funded partnerships or are associated with the production and dissemination of KPP supported knowledge. These organisations are likely to play a role in public debates and policy-making circles in Indonesia, and KPP supported partnerships will help increasing their visibility and voice.

EOIO 2 - Innovative solutions for inclusive and sustainable policies and technologies are generated by knowledge partnerships

This outcome sets the program’s focus and accountability on the generation of knowledge-based solutions for policies and technologies that contribute directly to more inclusive and sustainable development. It requires knowledge generated to be relevant and usable for developing policies and technologies, for instance through responding to Indonesia’s economic transformation agenda, feeding into other DFAT-funded programs processes and outcomes and/or linking in to private and public sector funding streams.

²⁷ DFAT (2018) Innovation Strategy, 2018 – 2021.

Importantly, these two EOIOs emphasise the role of knowledge partnerships in strengthening relationship between Indonesia and Australia and in generating policy and technology solutions to complex development problems. Knowledge partnerships in the context of KPP combine a minimum of two organisations (one Australian and one Indonesian) that demonstrate suitable interest and capacities to produce relevant knowledge-based solutions on agreed priorities. Section B2 provides more details about requirements and criteria of suitable knowledge partnerships.

KPP will contribute to the EOIOs through the achievement of three interconnected and mutually reinforcing intermediate outcomes (IOs), targeting respectively 1) the organisational partnerships, 2) the partners' capacities, and 3) the Indonesian knowledge and innovation ecosystem.

IO1 - Participating Australian and Indonesian organisations have developed and strengthened knowledge partnerships around areas of mutual interests.

This IO places the emphasis on the development and strengthening of organisational partnerships. This is arguably the defining core characteristic of KPP, and one that differentiates it from other GoA-funded investments in Indonesia. These partnerships will bring together suitable organisations from both countries to genuinely collaborate on knowledge production projects around pre-defined themes of mutual interest.

Outputs linked to this outcome are expected to include:

- Establishment of grants mechanisms and processes, including events to reach out to potential stakeholders and promote KPP grants (e.g. KPP launch, ideation conferences)
- Completion of grant rounds, including signing of grants agreements with selected partnerships
- Establishment of new and/or expansion of existing knowledge partnerships between Australian and Indonesian organisations
- Partnership agreements reflecting mutual interest and strengths and fostering end-user engagement and links to Organisations of People with a Disability (OPD) and gender / women's rights focused organisations
- Partnerships health checks
- Completion of research projects and production of usable knowledge products in a way that maximise uptake

IO2 - Supported partnerships have increased capacities to generate and disseminate GEDSI-responsive knowledge for inclusive and sustainable policies and technologies

This IO entails KPP providing support to develop technical and organisational capacities of partners participating in KPP supported partnerships. Capacities will be developed through learning by doing approach but also through workshops, training sessions, monitoring missions, and/or technical assistance provided by the Platform Hub that will be tailored to each partnership objectives and activities. Partnerships will be supported to analyse and respond to the three components of GEDSI - gender equality, disability inclusion, social inclusion separately, as well as intersectionally.

Outputs linked to this outcome are expected to include:

- Clinics, mentoring, or training on for instance proposal development, GEDSI, MEL, strategic planning, communication, financial management, risks and controls
- GEDSI technical review and recommendations for partnership products

- Knowledge dissemination events and products (online and in person), publication and social media posts, direct advocacy (formal and informal)
- Networking and coalition building events

IO3 - The Indonesian knowledge and innovation enabling environment is better able to promote and facilitate international knowledge partnerships

This IO involves KPP strengthening the Indonesian knowledge and innovation sector by supporting the resolution of eco-systemic constraints in a catalytic manner. KPP will provide targeted technical assistance and/or other forms of tailored support (e.g. training sessions, analytical studies, visits) to unblock specific issues that constraint the health and achievements of KPP supported partnerships (for example the access to suitable permits for foreign researchers in Indonesia).

Outputs linked to this outcome will depend on priorities and pressure points that are identified in the early stages of KPP (e.g. policy on foreign researchers, protocols related to GEDSI-sensitive research) and may include:

- Policy briefs, synthesis and analytical studies
- Advocacy activities
- Embedded technical assistance
- Linkages, visits and/or twinning arrangements with relevant GoA research institutions and schemes

Service lines

KPP will be operated from a Platform Hub that will offer a range of services that contribute in different ways to the outcomes described above. KPP service lines are categories of activities, not outputs. They are mutually reinforcing and will be most effective when used in combination. As KPP aspires to be more than a grant mechanism, the Platform Hub will endeavour to cross-fertilise partnerships and to complement individual partnerships' efforts to generate and disseminate their own knowledge. As illustrated in Figure 2, in addition to funding and managing grants, the Platform Hub may support partnerships to:

- Link potential partners in Australia and Indonesia
- Develop and strengthen partnership arrangements
- Refine methodologies and ensure adequate focus on GEDSI issues in proposals and during implementation, including identifying clear equality and inclusion strategies in both the topic and in relation to implementation.
- Facilitate engagement with relevant stakeholders and knowledge users such as Organisations of people with a disability (OPD), gender / women's rights focused organisations, GoA initiatives in Indonesia, and the private sector
- Increase partners' understanding of the political economy of their research and knowledge use
- Address strategic and/or pressing systemic roadblocks, and
- Strengthen knowledge dissemination and public communication.

Figure 2 Example Services to be provided by the Platform Hub

Services	Rationale	Beneficiaries	Examples of activities
Collaborative research grants	<ul style="list-style-type: none"> - Funding of selected knowledge partnerships 	<ul style="list-style-type: none"> - Partners 	<ul style="list-style-type: none"> - Partnership brokering - Grant scheme - Partnership health-checks
Technical assistance	<ul style="list-style-type: none"> - Supporting targeted reforms of the Indonesian knowledge and innovation sector - Developing capacities of selected partners and partnerships, including in GEDSI responsive knowledge and equality and inclusion strategies in knowledge development and dissemination 	<ul style="list-style-type: none"> - Partners (including prospective ones) - Indonesian knowledge sector stakeholders 	<ul style="list-style-type: none"> - Training workshops (GEDSI, MEL, proposal development, social media) - Analytical and case studies - Deployment of STA
Knowledge dissemination	<ul style="list-style-type: none"> - Ensuring knowledge generated across KPP is timely and effectively disseminated to potential knowledge users - Build demand for GEDSI responsive knowledge 	<ul style="list-style-type: none"> - Partners - DFAT programs - Policy makers - CSOs - Technology developers and implementers 	<ul style="list-style-type: none"> - Event organisation (workshop, conference, webinars, etc.) - Synthesis and Policy Briefs - Website development - Social media campaign - Media engagement
Networking and coalition building	<ul style="list-style-type: none"> - Promoting the services and solutions of KPP partners to external stakeholders who share similar interests 	<ul style="list-style-type: none"> - Partners - DFAT programs - Media - CSOs, including OPD and gender / women's rights focused organisations - Private sector organisations 	<ul style="list-style-type: none"> - Event organisation (workshop, conference, webinars, etc.) - Knowledge exchanges - Media engagement

Importantly, the services offered by the Platform Hub will be provided in addition to – and not instead of – partnerships' own activities and services. Partnerships supported by KPP are indeed expected to form and operate collaborative processes, conduct research to generate knowledge, disseminate research products and knowledge, and engage and liaise with relevant stakeholders and potential knowledge users throughout the research process (including at the start to ensure proposed solutions are calibrated to potential use).

Principles

In addition to its objectives and service offerings, KPP includes a set of principles that guide how it will operate, as well as what it seeks to project externally. These principles provide core, stable elements of identity that should remain valid irrespective of changes in objectives. They are a key part of communicating KPP's value to external stakeholders and intend to drive decisions and behaviours within the Platform Hub team, governance mechanisms and partnerships themselves. These principles will be reflected in the agenda setting and prioritisation of research themes, the partnerships proposals and selection processes, and the MEL processes and products.

The five proposed principles are:

1. *Mutual interest and application*: KPP funds activities that are of mutual interest to both countries and respond to Australia-Indonesia development cooperation partnership priorities.
2. *Transparency and accountability*: KPP attracts and selects partnerships that have the requisite capacity and potential to contribute to desired program outcomes. KPP ensures availability of relevant, credible, timely information as the basis for decisions regarding KPP strategy and implementation.
3. *GEDSI responsive*: KPP supports activities that explicitly identify and propose knowledge-based solutions to critical issues experienced by different genders, people with a disability and others who may traditionally experience discrimination or exclusion. KPP supports partnerships that include diverse leadership and participants.
4. *Problem- and solution- driven*: KPP supports partnerships that address complex development problems and find suitable K2P and K2I solutions for policies and technologies based on the research undertaken. KPP supports the resolution of targeted issues and problems within the Indonesian knowledge and innovation sector.
5. *Collaborative and fit-for-purpose*: KPP supports partnerships that build, strengthen, and maintain genuine and equitable collaboration between Australian and Indonesian organisations, that work with knowledge users and beneficiaries early on to help identify and refine the knowledge so that it is usable, and that demonstrates suitable expertise and experience to undertake the suggested research.

B.2. Partnership grants

As a signature offering, KPP grants scheme will support research partnerships that will undertake collaborative research projects. Competitive grants will be offered under three categories, each entailing different funding envelope, target beneficiaries and research types (see Figure 3):

- *Bertunas* (or seeding) grants will fund new and/or emerging partnerships between Australian and Indonesian knowledge organisations to conduct exploratory research and just-in-time studies.
- *Bertumbuh* (or growing) grants will fund existing and tested partnerships to develop proof of concepts (including recontextualization of existing concepts), prototypes and research that build on previous initiatives and findings.
- *Berbuah* (or flourishing) grants will fund well established and mature partnerships that demonstrate a commitment to high research standards and an interest and ability to produce knowledge that seeks to transform a sector or create technological advancement, and with potential for wide-spread application.

Figure 3 KPP grant categories

Grant types	<i>Bertunas</i> (seeding)	<i>Bertumbuh</i> (growing)	<i>Berbuah</i> (flourishing)
Purpose	Supporting new and emerging partnerships to form and develop appropriate organisational structure and research capacities (Introduction stage)	Supporting existing partnership to strengthen their collaborative processes and capacity to produce quality research on relevant topics (Commitment stage)	Supporting well established and mature partnerships to produce high-quality research on relevant topics and strengthen their capacities to liaise with knowledge users (Achievement stage)
Research types	Exploratory research, agenda setting, 'just-in-time' studies, early concept development May be commissioned to raise visibility of GEDSI in	Proof of concept, prototype, recontextualization of existing concepts, building on previous research findings or data	Transforming a sector or technological advancement, with potential for wide application and clear

Grant types	<i>Bertunas</i> (seeding)	<i>Bertumbuh</i> (growing)	<i>Berbuah</i> (flourishing)
	agenda setting or to inform potential areas of GEDSI responsive knowledge production		relevance to both Indonesia and Australia

These different types of grants provide KPP with a flexible mechanism to pursue and achieve different outcomes, and the partnerships each type will fund will have different support needs. *Bertunas* grants will target primarily the formation of partnerships rather than production of vast amount of knowledge, while *Berbuah* grants will be the opposite. All grants - whether funding government-to-government partnership, private-public partnerships, or involving any other combination of partners - will be awarded based on a competitive selection process.

To be eligible for the grants, interested partnerships will need to first demonstrate they meet the minimum requirements described in Figure 4, including with regards to partnership composition, due diligence criteria, diversity and inclusion, partnership track record, and co-funding responsibilities. The latter two are differentiated based on grant types. The eligibility requirements reflect KPP principles as well as DFAT’s fiduciary standards – they will be reviewed and updated as necessary during the program inception period. They are minimum requirements and that means any organisation which is eligible for a *Berbuah* or *Bertumbuh* grant can also apply and receive a *Bertunas* grant. As such, partnerships can apply for multiple grants.

A partnership must include at least one Australian and one Indonesian knowledge organisations as co-leads. Any type of organisation may be included in the partnership as member, however only the co-leads will be grant recipients. Sub-contracting – i.e. a co-lead grantee providing some of the grant funds on to a partner or sub-contractor - will be permitted and must be clear in proposals and follow DFAT due diligence standards. Organisations who are current recipient of Australian ODA funding (including KPP grants) will need to disclose it and demonstrate how the KPP grant they apply for does not duplicate previous Australian ODA funding. There is no prescriptive duration for the grants, other than the research projects need to be completed within the lifetime of KPP.

Figure 4 Grant eligibility requirements

Requirements for Bertunas (Seeding) Grants

Component	Requirements
Partnership composition	<ul style="list-style-type: none"> - At least 2 co-lead partner organisations (co-leads), including 1 Australian and 1 Indonesian registered in and originates from that country. - Any type of organisation may be included in the partnership as a member, however only the co-leads will be grant recipients. Co-lead organisations may include social enterprises, non- profit organisations, academic and/or research institutions. International organisations registered in either country may be involved as co-leads or members, if the abovementioned co-leadership criterion is met.
Due diligence	All funding recipients required to meet DFAT due diligence and integrity policy requirements, including ensuring that potential recipients: are not included on registers of ineligible firms and organisations, sanctions, or terrorist organisations; have appropriate financial controls and systems in place including to mitigate and manage the risk of fraud and corruption; have policies, procedures and practices to safeguard children that comply with DFAT’s Child Protection Policy; have policies and procedures which comply with DFATs prevention of sexual exploitation, abuse and harassment (PSEAH) policy; and meet any other necessary requirements of DFAT’s safeguarding policies that may be relevant to the grant focus.
Diversity and inclusion	Partnership demonstrates commitment to the principles of diversity and inclusion through: <ul style="list-style-type: none"> - Reference to D&I in partnership charter/agreement (when existing) - Diverse composition of lead partners’ board and senior management teams (including representation of women)
Partnership history between co-leads	Evidence of previous engagement between co-leads, for example, in a small project, as members of a larger consortium, or through alumni connections
Co-funding	N/A

Requirements for Bertumbuh (Growing) Grants

Component	Requirements
Partnership composition	<ul style="list-style-type: none"> - At least 2 co-lead partner organisations (co-leads), including 1 Australian and 1 Indonesian registered in and originates from that country. - Any type of organisation may be included in the partnership as a member, however only the co-leads will be grant recipients. Co-lead organisations may include social enterprises, non- profit organisations, academic and/or research institutions. - International organisations registered in either country may be involved as co-leads or members, if the abovementioned co-leadership criterion is met.
Due diligence	<p>All funding recipients required to meet DFAT due diligence and integrity policy requirements, including ensuring that potential recipients: are not included on registers of ineligible firms and organisations, sanctions, or terrorist organisations; have appropriate financial controls and systems in place including to mitigate and manage the risk of fraud and corruption; have policies, procedures and practices to safeguard children that comply with DFAT’s Child Protection Policy; have policies and procedures which comply with DFATs prevention of sexual exploitation, abuse and harassment (PSEAH) policy; and meet any other necessary requirements of DFAT’s safeguarding policies that may be relevant to the grant focus.</p>
Diversity and inclusion	<p>Partnership demonstrates commitment to the principles of diversity and inclusion through:</p> <ul style="list-style-type: none"> - Reference to D&I in partnership charter/agreement (when existing) - Diverse composition of lead partners’ board and senior management teams (including representation of women)
Partnership history between co-leads	<ul style="list-style-type: none"> - Partnership between co-leads exists prior to KPP (2022), formalised through an agreement (for example partnership charter or MoU) - Successful completion of at least 1 research project, demonstrating major involvement of two lead partners (even if part of a larger consortium) and managed by at least one of lead partners
Co-funding	<p>At least 10 percent of total project cost contributed by partnership</p>

Requirements for Berbuah (Flourishing) Grants

Component	Requirements
Partnership composition	<ul style="list-style-type: none"> - At least 2 co-lead partner organisations (co-leads), including 1 Australian and 1 Indonesian registered in and originates from that country. - Any type of organisation may be included in the partnership as a member, however only the co-leads will be grant recipients. Co-lead organisations may include social enterprises, non- profit organisations, academic and/or research institutions. - International organisations registered in either country may be involved as co-leads or members, if the abovementioned co-leadership criterion is met.
Due diligence	<p>All funding recipients required to meet DFAT due diligence and integrity policy requirements, including ensuring that potential recipients: are not included on registers of ineligible firms and organisations, sanctions, or terrorist organisations; have appropriate financial controls and systems in place including to mitigate and manage the risk of fraud and corruption; have policies, procedures and practices to safeguard children that comply with DFAT’s Child Protection Policy; have policies and procedures which comply with DFATs prevention of sexual exploitation, abuse and harassment (PSEAH) policy; and meet any other necessary requirements of DFAT’s safeguarding policies that may be relevant to the grant focus.</p>
Diversity and inclusion	<p>Partnership demonstrates commitment to the principles of diversity and inclusion through:</p> <ul style="list-style-type: none"> - Reference to D&I in partnership charter/agreement (when existing) - Diverse composition of lead partners’ board and senior management teams (including representation of women)
Partnership history between co-leads	<ul style="list-style-type: none"> - Partnership between co-leads exists prior to KPP (2022), formalised through an agreement (for example partnership charter or MoU). - Established partnership governance/ management systems. - Dedicated resources for partnership operations (administrative support, budget, personnel). - Identified shared agenda and/or research priorities that align with Indonesian and Australian mutual interests. - Successful completion of at least 3 research projects, with at least one of comparable size and scope, demonstrating major involvement of two lead partners and managed by at least one of lead partners.
Co-funding	<p>At least 25 percent of total project cost contributed by partnership (to be discussed through KPP governance mechanism)</p>

Based on the outcome of the eligibility assessment, the most suitable partnerships will be selected following a competitive selection process. All eligible partnerships that submit a proposal will be assessed against set and transparent selection criteria and the process and outcome of each selection round will be documented.²⁸ Indicative criteria are presented in Figure 5, structured around three categories that reflect 1) the nature of the partnership, 2) the suitability of the research topic, and 3) the strength of the methodology. The suggested criteria ensure selected proposals entail diverse partnerships who investigate pertinent topics with methodological rigour and who are able to perform and deliver results commensurate with the funding made available in each grant type. As outlined, partnerships have to demonstrate past research performance, management capacity, and commitment to KPP’s GEDSI agenda. These criteria will be reviewed and refined during the program inception period and a rubric that follows a proportionality approach will set expectations by grant type. Additional criteria (e.g. leveraging external funding sources or inclusion of indigenous knowledge and practice) might be added on ad-hoc basis for specific grant and/or research topic, as agreed by the Program Technical Committee.

Figure 5 Indicative grant selection criteria

Category	Criteria
Partnership (Who?)	<ul style="list-style-type: none"> - Appropriate level of experience (individual and collective) in K2P and/or K2I research, relevant to the grant category - Appropriate level of multidisciplinary research and management expertise, as required - Diversity in types of organisations, for example from CSOs, media, OPD, public and private sector - Diversity in leadership and research teams – in gender, disability, ethnic background, indigenous knowledge expertise, technical expertise, career stage (as relevant)
Research topic (What?)	<ul style="list-style-type: none"> - Relevance to both Indonesian and Australian partners - Clear partnership outcomes aligned with KPP outcomes, and an articulated nested program logic for <i>Bertumbuh</i> and <i>Berbuah</i> grants connecting to one or more KPP outcomes - Contribution to an important gap in knowledge or significant problem, with articulation of GEDSI dimensions - Clear understanding of context, relevant stakeholders and their interests - Potential for uptake and consideration of utilisation pathways
Methodology (How?)	<ul style="list-style-type: none"> - Appropriate and innovative use of research methods and tools - Clear application of GEDSI principles at each stage of the project (intent, methodology, implementation, use) - Clear and equitable share of responsibilities among partners and genuine collaborative approach - Fit-for-purpose processes in place to monitor, manage and communicate project’s progress and results, including appropriate reporting - Demonstrated consideration of and compliance with DFAT’s ethical research policy, as articulated in DFAT’s Ethical Research and Evaluation Guidance Note.

KPP will organise annual rounds of grants (at least until year 4 of implementation) to respond to evolving priorities and demands. It is suggested KPP grants be implemented in four stages:

- The *agenda setting* stage entails the identification of broad research themes by the Program Steering Committee through a process facilitated by the Platform Hub and based on relevant analysis and presentation of a discussion paper. The research themes have deliberately not been defined during the KPP design process.

²⁸ The details of the process, including the selection panel’s membership, will be developed and confirmed during the program’s inception period.

²⁹ Given the dynamic context, the agenda setting needs to remain flexible and will be facilitated by the KPP team in the early stage of program implementation through appropriate consultations and analysis upon which the PSC can reflect, discuss and decide. The priority themes will fulfil the following criteria:

1. Mutual interest to Australia and Indonesia
2. Alignment with GoA-Gol bilateral cooperation priorities
3. Alignment with Gol development policy priorities
4. Addressing complex and/or multi-sectoral development challenges with specific attention to the GEDSI dimensions of the challenge
5. Reflecting gap(s) in knowledge that can be filled by further multidisciplinary research³⁰
6. Potential to lead to policy and/or technology solutions

This will be followed by an annual ideation conference (at least the first two years) where research topics are discussed and connections between potential partners facilitated; the first year this conference can also be the program launch event. Based on the ideation conference, a list of research topics is prepared by the Platform Hub and approved by the Program Technical Committee.

- The *proposal development* stage enables KPP to select partnerships. Smaller-sized *Bertunas* grants will benefit from a streamlined process: proposals will be developed and selected in one phase. Given their size, *Bertumbuh* and *Berbuah* grants will be developed and selected in two phases:
 - First, interested partnerships are invited to submit an expression of interest (EOI) that demonstrates their eligibility and outlines their research project. Partners from shortlisted EOIs are invited to attend workshop(s) and GEDSI clinics that will help them prepare strong proposals.
 - Second, shortlisted partnerships are invited to submit their proposal that will be assessed against the selection criteria. Proposals will be pitched at partnership – and not individual activity – level and will identify how the knowledge produced reflects a need and/or a demand, and who the stakeholders and beneficiaries are to maximise the uptake. The Platform Hub and Program Technical Committee are involved in the selection of winning grant proposals.
- The *project implementation* stage sees partnerships implementing their collaborative research project and the Platform Hub monitoring the processes and products, while providing assistance in accordance with KPP service lines. Partnerships will consult with knowledge users from the beginning to ensure they are producing knowledge that is in demand. At the end of this stage (and before if appropriate), knowledge produced by the partnerships is disseminated to targeted users.
- The *completion and learning* stage requires partnerships to reflect on their experience, draw lessons and submit a completion report. The Platform Hub may further conduct an independent end of project review and investigate potential impact on relevant policy and/or technology.

²⁹ Preliminary suggestions provided during the KPP design process include the green economy, the blue economy and the digital economy. For instance, the theme of green economy could lead to research proposals that look at renewable energy development in Indonesia from a multidisciplinary perspective, such as what is scientifically feasible, what are the appropriate regulatory requirements, what is commercially viable, and how to ensure equitable and affordable access to marginalised individuals and communities. A partnership proposal to explore this theme could include organisations that bring technological expertise, policy expertise, finance and private sector engagement expertise, and social or community development expertise (such OPDs and gender / women’s rights focused organisations).

³⁰ Multidisciplinary refers to technical/policy/private sector/socio-cultural/geo-political and geo-strategic aspects of the development issues being addressed.

Figure 6 provides more details on the steps, activities and timing for each stage. These are indicative and will be reviewed and updated as necessary during the program inception phase.

Figure 6 Indicative grant stages and activities – to be discussed with Gol

Stage 1. Agenda Setting

No	Steps	Activities	Timing
1	Themes identification	- PSC sets broad research themes based on analysis and suggestions from Platform Hub that reflect Gol and GoA mutual interest and priorities for collaboration	Q1
2	KPP launch / ideation conference	- Platform Hub organises an event (in person and online) that bring all potential KPP stakeholders together to: <ul style="list-style-type: none"> ▪ generate interest and raise KPP profile, and ▪ suggest and discuss potential research topics 	Q1
3	Definition of research topics	- Platform Hub prepares analysis of priorities and gaps, and suggests research topics - PTC reviews analysis and approves suggestions (including additional selection criteria if necessary) - Platform Hub advertise grant round and reach out to potential interested parties	Q1

Stage 2. Proposal Development

No	Steps	Activities	Timing
1	EOI development	- Partnerships submit EOI for <i>Berbuah</i> and <i>Bertumbuh</i> grants, outlining nested partnership logic and brief research concept in relation to identified themes, and responding to eligibility requirements	Q2
2	EOI shortlisting	- Platform Hub shortlists EOI for <i>Berbuah</i> and <i>Bertumbuh</i> grants and submits to PTC for approval	Q2
3	EOI Workshop	- Platform Hub organises (online/in-person) workshop with shortlisted partnerships for <i>Berbuah</i> and <i>Bertumbuh</i> grants to: <ul style="list-style-type: none"> ▪ provide clarity about proposals standards and expectations, including on nested partnership logics and GEDSI considerations, ▪ facilitate engagement with third party and potential knowledge users, and ▪ refine concepts and promote maximum applicability 	Q2
4	Proposal development	- Partnerships (all grants) develop and submit grant proposals	Q2-3
5	Proposal selection	- Platform Hub develops a selection and submits to PTC for approval	Q3
6	Contracting	- Platform Hub and partnerships co-leads negotiate and sign grant agreements	Q3

Stage 3. Project Implementation

No	Steps	Activities	Timing
1	Research implementation	<ul style="list-style-type: none"> - Partnerships implement research project according to their proposal and the terms of the grant agreement - Platform Hub provides support for admin, logistics, and networking if needed (these functions should be primarily covered by partnerships themselves) 	TBD
2	Research monitoring	<ul style="list-style-type: none"> - Partnerships submits progress reports on a periodic basis that outline progress and results, and track context and opportunities - Platform Hub organises periodic quality assurance, partnership health checks, and/or independent reviews, if necessary 	TBD
3	Knowledge dissemination	<ul style="list-style-type: none"> - Partnerships disseminate knowledge produced as per their proposal - Platform Hub supports knowledge dissemination through events, social media, forums, connection with other investments 	TBD

Stage 4. Completion and Learning

No	Steps	Activities	Timing
1	Completion report and learning	<ul style="list-style-type: none"> - Partnerships submit a completion report, outlining key achievement and lessons - Platform Hub organises an end-of-project review, if necessary 	TBD

C. Implementation Arrangements

C.1. Governance arrangements

KPP follows a flexible program approach that defines the broad scope of services up front and offers flexibility to plan and mobilise resources as needed. The program governance mechanisms play a critical role in oversight and decision-making. They are designed to remain focused on strategic programmatic issues and bilateral interests, and to avoid situations of conflict of interest for stakeholders who may also wish to bid for or benefit from partnership grant funding. To ensure adaptive and timely decisions, the proposed governance structure includes:

- a Program Steering Committee (PSC) that provides oversight and strategic guidance on KPP broad directions and risks, and
- a Program Technical Committee (PTC) that acts as an accountability, risk management and decision-making body for the program.

As outlined in Figure 7, the Steering Committee will meet annually to set research priorities, provide advice on strategic aspects of KPP, including relevant risks and policy matters, and ensure lessons are shared regularly, with a view to adapting and improving program implementation. The Technical Committee will meet six-monthly to review program risk arrangements and approve key documents, such as program annual work plans, budgets and progress reports prepared by the Platform Hub. Relevant stakeholders may be invited to specific PTC sessions as observer -

while they may provide inputs, decisions will be made by the co-chairs after considering inputs from other PTC members.³¹

Figure 7 KPP governance mechanisms

Mechanisms	Responsibilities	Membership	Meeting Frequency
Steering Committee	<ul style="list-style-type: none"> - Oversight of KPP strategic directions and risks - Approval of KPP research themes/priorities - Discussion of key policy and systemic issues - Strategic coordination between key GoI agencies involved in KPP 	<p>Co-chairs:</p> <ul style="list-style-type: none"> - DFAT (Minister Counsellor) - Echelon 1s from key GoI counterpart agencies (TBC – Bappenas, MoECRT or BRIN) <p>Members:</p> <ul style="list-style-type: none"> - Relevant DFAT counsellors - Senior officials from BAPPENAS, MoECRT, BRIN and other relevant Indonesian Ministries - KPP Team Leader <p>Secretariat: Platform Hub</p>	Annually
Technical Committee	<ul style="list-style-type: none"> - Approval of KPP annual work plans and budgets, including grant proposals - Approval of KPP annual & progress reports - Approval of partnership reviews, when relevant - Approval of strategic and ‘just in time’ research - Approval of KPP BAST (Handover Notes required by GoI on semester basis) - Discussion of risks and implementation issues relating to KPP activities, for example technical assistance to resolve systemic constraints and GEDSI ambitions 	<p>Co-chairs:</p> <ul style="list-style-type: none"> - DFAT (Counsellor) - Echelon 2s from key GoI counterpart agencies (TBC – Bappenas, MoECRT or BRIN) <p>Members:</p> <ul style="list-style-type: none"> - Senior officials from BAPPENAS, MoECRT, BRIN and other relevant Indonesian Ministries - KPP Team Leader <p>Observers (as required):</p> <ul style="list-style-type: none"> - Relevant DFAT counsellors - Research partners representatives - GoA agencies (e.g. DoE/ DCCEEW) - DFAT program team leaders - Peak private sector and COSs (e.g. DPOs and women’s groups) representatives <p>Secretariat: Platform Hub</p>	Six-monthly

The proposed governance arrangements will be further discussed with GoI and be ultimately detailed in the relevant Subsidiary Arrangement document and program implementation manual. Due to the dynamic nature of the Indonesian research and innovation sector, participation from a range of GoI agencies (for example, BAPPENAS, MoECRT and BRIN) in KPP governance mechanisms is warranted, in order to gain buy-in to the program’s objectives and ensure ongoing alignment with GoI priorities. Where possible, governance arrangements will ensure accountability to diversity and inclusion principles by including the voices of partners and knowledge users themselves to inform decision-making in these meetings. PTC meetings will include reviews of the GEDSI strategy

³¹ Noting that dialogue with some stakeholders will occur outside the program governance mechanisms and/or in some cases within the partnerships themselves through research advisory groups.

and action plan progress as a standing agenda item, and will provide reasonable accommodation, such as sign language interpreters and accessible transport for participants with disabilities.

The Platform Hub will report to DFAT and act as Secretariat to the PSC and PTC, providing services such as producing analysis and relevant discussion papers, facilitating the research themes identification process, developing meeting agenda, background documents and minutes, and coordinating contributions from co-chairs and members. In addition to formal meetings, the Platform Hub's team will meet bilaterally with PSC and PTC members on an *ad-hoc* basis to address specific implementation issues and inform decision-making.

C.2. Management arrangements

DFAT oversight and management

The Jakarta Post Knowledge to Policy (K2P) Unit will maintain oversight of KPP implementation to ensure quality, visibility and compliance with DFAT standards, while focusing on policy advocacy and dialogue around key issues linked to KPP operations. These issues and respective strategy will be identified and developed by Post, based on advice received from KPP implementing partner and in line with the directions and priorities of relevant DFAT cooperation strategies in Indonesia. The K2P unit will draw support from Jakarta Post's Development Strategy Unit (DSU) to direct the program in an adaptive manner, paying attention to the changing landscape of the Indonesian knowledge and innovation sector and the Australia-Indonesia bilateral partnership. Given the nature of the KPP partnerships, support from DFAT Desk in Canberra will be required to engage with in-Australia stakeholders.

To support with the strategic oversight of the program, Post will access the services of an independent Strategic Advisory Team (SAT) that comprises international and Indonesian senior advisers with combined expertise across a range of functions relevant to KPP. The purpose of the SAT is to ensure sufficient relevant and credible performance information informs program strategic and operational decisions to maximise the chance of achieving KPP goal and objectives. The SAT will be directly engaged by DFAT and will function as an ad-hoc 'help desk' for enquiries related to issues such as program governance mechanisms, strategic planning, MEL, resource allocation, stakeholders engagement, policy dialogue, and/or program image and public diplomacy.

Platform Hub

KPP activities will be coordinated and managed from a Jakarta-based Platform Hub that will be led by a team leader and staffed by a core team of professionals with appropriate management and technical expertise. Given the level of involvement of Australia-based organisations in the program, consideration will be given to the placement of a partnerships coordinator in Australia to support engagement with Australian-based stakeholders.

Intentional efforts will be made to mobilise a Platform Hub team that models inclusive practice and includes local advisers, women, and people with disability, especially in key roles. The Platform Hub team will support DFAT and relevant GoA agencies in their broader policy dialogue effort with Gol, and will engage in periodic meetings with DFAT K2P team at Post to discuss strategic and operational issues, including risks management. They will liaise regularly with a range of stakeholders in Indonesia and Australia, including PTC and PSC members, partners, other DFAT programs' teams, and broader stakeholders of the Indonesian knowledge and innovation sector. As such, the Hub's team will need to demonstrate an ability to understand DFAT priorities and to form, nurture and consolidate effective relationships with key KPP stakeholders. Figure 8 summarises the range of functions and resources envisaged for the Platform Hub. These will be confirmed during the Program's inception stage.

Figure 8 Indicative Platform Hub’s functions and human resources

Support	Functions
Management	<ul style="list-style-type: none"> - Administration & logistics - Finance - Human Resource (HR) - Grant management - Event management - Communication and outreach
Technical	<ul style="list-style-type: none"> - MEL - GEDSI - Partnership brokering and capacity development - Coalition building and private sector engagement - Grants selection - Knowledge dissemination - TA for targeted regulatory/sector reforms

The provision of the Platform Hub services, including partnership grants, will be planned on an annual basis and be consolidated in an annual work plan and budget discussed and approved by the PSC. Given the multi-year nature of certain grants (*Bertumbuh* and *Berbuah*), plans and budgets will need to include multi-year projections to provide transparency on commitments and budget availability. The timing and scheduling of grant rounds will require frequent discussions with the PSC members. For each round, the allocation of funding across different grant types will be first discussed between DFAT and Hub team and then agreed on with the PSC members. These allocations will be reviewed annually during the annual planning process, based on proposals received, previous commitments and budget allocation (see more details in Section F).

Coordination with other GoA-funded investments

KPP is designed as a vehicle to generate relevant knowledge that can be used to influence policies and technologies relevant to other GoA-funded investments in Indonesia. Given their engagement with policy improvement processes and their natural alignment on priorities of mutual interest, other DFAT programs in Indonesia (such as INKULSI, SKALA, PROSPERA, INOVASI, MAHKOTA, AIC PAIR, Indonesia Project), and OPD and gender / women’s rights focused organisations are important targeted users for KPP generated knowledge. Similarly, Australian agencies involved in the research and innovation sector in Indonesia, in particular the Department of Education (DoE) and the Department of Climate Change, Energy, the Environment and Water (DCCEEW), are potential users of KPP generated knowledge. Effective engagement and coordination with these stakeholders will underpin KPP impact.

Research themes under the KPP will be of relevance to other GoA funded initiatives and cross-program collaboration will be encouraged.³² This requires Post K2P and Platform Hub teams to liaise closely with relevant GoA programs’ management teams through formal and informal mechanisms and secure their involvement in the KPP grants agenda setting, knowledge dissemination and coalition-building activities. To ensure respective priorities are aligned and coordinated upstream, relevant DFAT counsellors will be invited to participate in PSC and PTC meetings, and team leaders from relevant DFAT programs and representatives from GoA agencies (DoE, DCCEEW, ACIAR) will be invited in PTC meetings as observers. DFAT representatives on KPP governance bodies will be able to

³² However, it is not envisaged that financial contributions will flow from other programs to KPP, nor that such programs be involved in ‘commissioning’ specific research under KPP.

feed policy priorities and interest of other Australian ODA-funded programs into the KPP research agenda and to encourage coalition-building around shared policy engagement and reform processes.

In addition, Post K2P team will seek synergies between KPP and other GoA-funded initiatives through its participation in the Embassy Education Roundtable - an existing whole-of-government coordination mechanism hosted by DOE and chaired by the DHOM. Improved coordination of strategies and approaches with those agencies at Post will clarify complementarities between KPP and other Australian initiatives, particularly those targeting research partnerships. Consideration will be given to periodic participation by key GoA agencies without representation at the Embassy, such as DCCEEW.

C.3. Sustainability

The sustainability of KPP outcomes is determined by the partnerships' legacy in terms of commitment and ongoing engagement of partners beyond KPP support, and the level of the uptake of KPP-supported knowledge in relevant policies and technologies. The program long term impact will also be reflected in potential changes to the knowledge and innovation ecosystem and how they incentivise or constrain research production and uptake. These legacies are beyond the sphere of control and influence of the program. However, they are within its sphere of interest and will be investigated as part of the program MEL efforts to learn about factors of partnership strength and knowledge use (see section D). The proposed approach encourages the sustainability of program outcomes in the following ways:

- Opportunities for KPP generated knowledge to be used and for the benefits of research and innovation to last will be maximised by ensuring themes of mutual interest are identified in an inclusive, informed and realistic manner, and by engaging early on with potential users and interested parties, such as during an ideation conference.
- The development and strengthening of collaborative partnerships will provide benefits for partners beyond the lifetime of the research project. These relationships will enable partners to observe and learn about each other's service provision methods and management practices, and will lead to sustained improvements in partners' capacity to identify problems and develop solutions.
- The potential for KPP to leverage existing financial and in-kind resource – for instance through the co-funding requirement for *Bertumbuh* and *Berbuah* grant types - will ensure partners have 'skin in the game'. The selection criteria will ensure partnerships include diverse partners and stakeholders including private sector organisations, that they demonstrate strength in the research process, and that partners understand, value and commit to the collaborative process. KPP will also collect data on changes in the composition of funding to partnerships and potentially to institutions to better quantify its financial leverage capacity.
- The Platform Hub's effort to support knowledge dissemination and networking activities will provide opportunities for partners to develop links with a range of stakeholders, before, during and after their research project.
- KPP support to specific reforms in the knowledge and innovation ecosystem will be targeted and delivered to ensure direct benefits for KPP activities but also to bring longer and wider impact on research collaboration and partnerships beyond KPP activities. The Platform Hub will periodically review the level and landscape of research financing schemes from Gol and GoA, both in terms of potential support for KPP partnerships and relevant changes in the enabling environment³³ for international research partnerships.

³³ This analysis will be included as part of the KPP analytical agenda (see section D1).

- KPP ability to remain agile and resilient in an evolving context is a critical element of the program’s sustainability. The program includes mechanisms that provide flexibility to absorb shocks and learn lessons, such as an annual cycle of agenda setting and research topics’ definition, a flexible activity budget that can offer different grant types tailored to needs and resources, a MEL system that includes a flexible analytical agenda, and the plan for a mid-term review in 2025.

The Platform Hub will develop and submit a sustainability plan at the mid-point of the program (2025) to ensure these (and other) measures are put in place and are effective.

D. Monitoring and Evaluation

D.1. MEL approach

Objectives

KPP’s monitoring, evaluation, and learning (MEL) approach will be user-driven and focused on delivering on-time information for decision makers (DFAT, PST and PTC members) and knowledge users. It will serve three main objectives:

- Enable strategic decision-making: high level monitoring of the program’s context, political economy, and policy and innovation opportunities will enable PSC and PTC members to determine priorities for grant windows and themes and ensure engagement with potential knowledge users.
- Understand and learn from results: much of KPP’s MEL efforts, including at partnerships level, will focus on assessing the achievement of outcomes. While KPP accountability is to the level of knowledge production, tracking and learning from examples of knowledge uptake will be important to inform continuous improvement.
- Ensure efficient management: KPP’s MEL function will provide information on inputs, activities, and outputs as required for to fulfil resource accountability requirements, ensure value for money, manage risk, and prepare annual plans and budgets.

Methodology

KPP’s MEL function will be detailed in a MEL framework and plan, produced during the program’s inception period. The framework will describe the overall methodology to assess progress at each level of the program logic, common tools, and expected processes. It will include a list of deliverables, including periodic reports for DFAT and the PSC. The plan will outline MEL activities, resources and budget to be undertaken each year, including a schedule of learning and information sharing events, and any analytical studies that can be identified in advance. It is expected that some analytical work will be mobilised quickly outside of the planning cycle to respond to policy windows and information needs. The plan will be updated each year as part of the annual planning process. The agreed MEL framework will be shared with the PTC during the first year of implementation, while the MEL progress report will be submitted to PTC prior to each meeting, every six months.

The MEL framework will include key performance questions to guide the analysis and synthesis of performance information across KPP activities. These will provide a structure for the program’s annual report, and any learning or reflection events. The preliminary questions suggested in Figure 9 reflect the six Organisation for Economic Co-

operation and Development Assistance Committee (OECD DAC) Network on Development Evaluation criteria and the five KPP principles. They will be refined and agreed during the development of the MEL framework.

Figure 9 Key performance questions

Key Performance Question	Performance criteria	Mutual interest and application	Transparency and accountability	GEDSI responsive	Problem and solution driven	Collaborative and fit for purpose
1. How well is KPP tracking and responding to mutually relevant knowledge priorities and opportunities in Indonesia's development context?	Relevance	√			√	
2. Is KPP providing the right resources and services at the right time and in the right way to achieve the intended outcomes?	Efficiency		√			√
3. How well is KPP achieving its intermediate and end of investment outcomes? ³⁴	Effectiveness	√				√
4. To what extent is KPP identifying and addressing gaps in and opportunities for promoting gender equality, disability, and social inclusion?	GEDSI			√	√	
5. How well is KPP coordinating and integrating with other relevant DFAT and WOG initiatives?	Coherence	√			√	√
6. What evidence is there that partnerships and knowledge supported by KPP will last beyond the KPP timeframe?	Sustainability	√			√	√
7. What examples are there of uptake of KPP supported knowledge in policy and innovation? What factors have brought this about?	Impact ³⁵	√	√		√	√

To answer these questions, monitoring data will be routinely collected against a small set of key performance indicators compiled in a results framework. Some of these will be common across individual partnerships to enable aggregation. All data and analyses will be disaggregated as relevant. It is recommended to incorporate appropriate data disaggregation (by gender, disability, geographic and other relevant characteristics) as a requirement for all partnership reporting, linked to a payment approval process.

To host all this information, the Platform Hub will design and maintain a management information system that enables efficient tracking and real-time visualisation of resources, activities, outputs, and general progresses against the different levels of the program logic. Ideally this will enable direct online submission of partnership reports and data against common indicators.

³⁴ This includes assessing the nature, strength and capacity of KPP-funded knowledge partnerships.

³⁵ At this stage, the program's impact is defined as the uptake of KPP supported knowledge. According to the program logic, knowledge uptake sits at the purpose level - within the sphere of program's interest but outside of the program's scope of accountability. Hence, this will be tracked as a learning question.

The MEL framework will include processes to assess GEDSI and programmatic performance at two levels: 1) the Platform Hub, and 2) the individual partnership level.

- **MEL of Platform Hub services**

At the Platform Hub level, the MEL framework will include activities to assess and report the performance of Platform Hub services, as illustrated in Figure 10. It will track completion of outputs and progress towards outcomes against the program’s workplan, and with attention to unexpected outcomes or off-plan activities that respond to opportunities not foreseen. The framework will include reflective, learning based methods to be used by the Platform Hub, such as regular (at least six-monthly) team workshops to compile, analyse, and discuss available data against the end of investment and intermediate outcomes. Representatives of OPD will be invited to participate in key events that provide an opportunity to reflect on how well KPP has upheld the ‘nothing about us without us’ principle.³⁶

In addition, the MEL framework will include an analytical agenda with dedicated resources, to be agreed as part of the annual planning process and reflecting KPP principles. This agenda will provide the Platform Hub with a capacity to investigate specific issues or topics of interest and carry out contextual and political economy analysis to identify appropriate research themes and/or maximise the chance of knowledge uptake. It will also enable additional rapid response or ‘just-in-time’ studies to be mobilised outside of the planning cycle to respond to ad-hoc opportunities or need.

Figure 10 MEL of Platform Hub services

Platform services	Suggested MEL activities
Collaborative Research Grants	<ul style="list-style-type: none"> - Analysis of composition of partnerships and roles of different members - Tracking of number, size and duration of grants - Establishment and monitoring of internal partnership principles and ways of working, including mutual accountabilities, roles, and management of power dynamics
Technical Assistance	<ul style="list-style-type: none"> - Tracking of support provided to partnerships (# of person days STA / sectoral or capacity areas, training or mentoring events and participation) - Tracking of support provided to Indonesian knowledge and innovation sector (# of person days STA / sectoral or capacity areas, training or mentoring events and participation) - Case studies on systemic issues supported - Capacity assessment and monitoring as relevant to the type of support provided
Knowledge Dissemination	<ul style="list-style-type: none"> - KPP / partnership dissemination activities – participation in meetings / seminars / events; social / traditional media dissemination; # / type / quantity of publications or other information materials distributed / website data - Assessment of compliance with accessibility guidelines
Networking and Coalition Building	<ul style="list-style-type: none"> - Network analysis data requirements integrated into partnership reporting - Event monitoring and analysis - Tracking of media and communications reporting and messaging - Attention to outreach and engagement with OPD, women / gender / other marginalised groups focused CSOs, academia, or activists

³⁶ Representatives of organisations of people with disabilities will participate in KPP mainstream MEL activities and will specifically be requested to ensure KPP also learns to work effectively and equitably with people with disabilities.

- **MEL of partnerships**

At partnerships level, the KPP MEL framework will provide guidance on minimum MEL standards and expectations for grant recipients. The grants MEL requirements will reflect KPP's collaborative and fit-for-purpose principle and differ by types of grants (that is, stronger requirements for larger grants). Common requirements will include: reporting against key activities and outputs; contribution to partnership-specific and KPP outcomes; a reflection on the collaboration strengths and value add; networking and relationships (to provide data for a KPP network analysis); tracking of GEDSI responsiveness; lessons; and risks. Larger *Berbuah* and *Bertumbuh* grants will also include clear nested partnership logic, attention to sustainability and end-user engagement, including stakeholder acknowledgement of and/or reference to knowledge products in communications, meetings or seminars, public statements, or strategic and policy documents.

KPP will facilitate a quality assurance process for key partnerships outputs that will incorporate KPP principles. This will be conducted in at least two points:

- The knowledge proposal – assessment of the foundational problem analysis and link to proposed solution; clarity of nested partnership logic; appropriateness of the methods; experience and diversity of the team; GEDSI responsiveness using a purpose specific GEDSI rubric as described above; and the user engagement strategy.
- The knowledge product – robustness of evidence; fulfilment of GEDSI intentions in proposal; credibility and clarity of findings; attention to accessibility in dissemination; distribution achieved or planned.

Monitoring media referencing, citation and technology patents or copyrights will be used to track the dissemination and early signs of uptake of KPP supported knowledge development. The Platform Hub will work with individual partnerships to periodically collate reference to KPP supported knowledge in communications and public statements. This will be important for understanding public engagement with the areas of knowledge and potential knowledge use outside of the K2P and K2I pathways.

The Platform Hub will conduct periodic health checks for the *Bertumbuh* (recommended) and *Berbuah* (required) grants. These will likely be facilitated by external short-term consultants and focus on the alignment of partnerships' actual ways of working with agreed principles and expectations and perceptions of the diversity and focus on gender equality, disability and social inclusion within partnership. They will assess the nature, strength and maturity of the partnerships (for example a genuine peer partnership and the balance of operational or capacity development oriented functions); the grant's contribution to changes in partners' capacity, including technical skills and networks; partnerships' access to resources (including in-kind) and additional funding (percentage of KPP funding versus other sources); risks to the achievement and use of the planned knowledge; and the potential for the partnership to be self-sustaining without KPP or ODA support.

In addition, the Platform Hub will commission case studies at the completion of each of the *Berbuah* grants and of a sample of the *Bertumbuh* and *Bertunas* grants. Case studies will respond to the analytical agenda and/or specific learning needs, including lessons on features of effective international partnerships, good practices in GEDSI responsive knowledge development, and facilitation of knowledge uptake for policy and technology.

- **MEL of GEDSI**

KPP's central commitment to GEDSI will require specific monitoring, evaluation, and learning activities. It also provides an opportunity for contributing to a wider knowledge base about effective strategies for elevating GEDSI attention in mainstream development agendas, and about GEDSI responsive or transformative solutions to development challenges. This will be explored as per key performance question #4 above, drawing on (i) data from

the grants management and Platform Hub monitoring systems and (ii) the results of a KPP GEDSI assessment that will be developed as part of the MEL framework and plan:

- (i) The *grants management system* will collate data against core indicators relevant to the partnership composition, including: inclusion of people with disabilities and a balance of women and men in partnership teams and in leadership roles; partnerships that include or otherwise draw on gender and disability inclusion expertise (target = all); and the number and proportion of partnerships that include OPD and / or gender/women focused CSOs (target = 30% of *Bertumbuh* grants and 50% of *Berbuah* grants). *Platform Hub monitoring* will include attention to the GEDSI dimensions of all services provided, and the participation in KPP supported events as audience members, keynote speakers, panel members, and moderators.
- (ii) The KPP GEDSI assessment will be completed using a purpose specific rubric applied to proposals and knowledge products and their dissemination, that identifies the level of attention to each component of GEDSI from discriminatory / blind, through neutral, sensitive, responsive, and ultimately GEDSI transformative. The target is that no discriminatory / blind proposals will receive KPP grant funding; GEDSI neutral or sensitive proposals will only be funded in exceptional circumstances (such as that they are expected to open doors for more progressive work); and that almost all (90% or more) of grants will be allocated to proposals with a responsive or transformative intent in relation to gender equality and / or disability inclusion.

GEDSI will also be required to be a feature of capacity assessment processes and tools, and all case studies or more detailed evaluation or reviews commissioned by KPP and within partnerships. Guiding questions for this will be developed as part of relevant terms of reference (TOR).

- **MEL of knowledge use**

While KPP's accountability is set at the EOIO level, the MEL system will track the process and achievement of knowledge use (purpose level). As part of their nested program logic, *Bertumbuh* and *Bertunas* grants will identify expected pathways towards knowledge uptake in policy and/or innovation. Case studies at the completion of these grants (see MEL of partnerships above) can explore any evidence of contribution to changes in policy³⁷ or technology. These case studies may include a significant (policy or other) change analytical approach and/or episode studies approach that can draw attention to the steps taken and assist to distil success factors. Exploration of uptake from smaller grants will be on an opportunistic basis.

D.2. Resourcing

To fulfil the MEL function, all Platform Hub's team members will be involved in MEL activities and tasks. In addition, the team will include dedicated staff members with specific MEL expertise to lead and oversee the MEL efforts. It is expected that at least one full time-equivalent MEL manager will be based in the Platform Hub to coordinate the regular MEL functions, and a senior STA specialist (preferably with continuity) will oversee the design of the MEL system, provide strategic advice and input for key MEL products including the analytical and learning agenda, and support partnership MEL as required. In addition, as outlined in section F, a dedicated MEL budget will cover the cost of the Hub's MEL activities such as analytical and case studies and specialist technical inputs for partnership monitoring as required.

³⁷ KPP may contribute to policy changes in two key areas (i) changes to the policy enabling environment for international research partnerships, and (ii) policy changes in thematic research areas. On the latter, it is likely that KPP and its partnerships' contribution to any significant policy change would be in collaboration with other programs and initiatives, as has been the case under DFAT's existing knowledge sector programs.

Individual partnerships will be required to cost and resource MEL activities from within their grant, with guidance of about five percent of the grant budget, including designated staff time.

Post K2P team will conduct periodic monitoring missions (TBD) to ensure the Platform Hub and contracted partners are meeting their contractual obligations and risk of fiduciary and fraud is mitigated. These may involve reviewing relevant documentation and visiting Platform Hub's and partners' office premises and/or research sites.

In addition, the SAT will play an important role in framing and interrogating KPP performance independently from the Platform Hub's team. It will provide DFAT with advice and feedback on issues which may significantly influence the program direction and performance. The SAT will, at the discretion of DFAT, review and validate the KPP MEL framework, plans, and progress reports and ensure sufficient evidence and analysis is presented. It will suggest discussion papers to be developed for the PSC and PTC and will review agenda, analysis and minutes of relevant program committees' meetings. Informed by an ongoing engagement with the program and its stakeholders, it will suggest studies to be included in the analytical agenda and advise on plans and reports for partnerships' reviews and case studies. It will also contribute to the framing and implementation of program independent reviews, as required. The SAT will consist of a minimum of two permanent members, one with significant Indonesian knowledge sector experience and one with a broad based, long term and high-level consultancy track record with DFAT, including on MEL and performance management. Both will demonstrate strong personal commitment to GEDSI principles and the ability to effectively support the implementation of the program GEDSI requirements. These members will provide in-country and remote inputs periodically and on a needs basis, through tasking requests. From time to time, at the direction of DFAT, specific expertise may be added to the SAT for discrete tasks.

D.3. Independent reviews

Independent program reviews will be commissioned and managed by DFAT at two key points of the program lifecycle:

- A mid-term review (MTR) will take place in 2025 to analyse contextual changes following the 2024 Indonesian election, check in on the ongoing relevance of the KPP program logic, and assess whether KPP is on track to achieving its intended outcomes. Specific terms of references with additional review questions will be developed in due course.
- An end-of-program review (EPR) will be commissioned by DFAT in the last year of KPP implementation to document the evolution of the program's objectives, assess their achievements, and more broadly investigate the extent to which the program has contributed to Australia's relationship with Indonesia. The review will also synthesise lessons learned from KPP to feed into a future phase of investment and/or other relevant programs.

E. Cross Cutting Issues

E.1. Gender equality, disability, and social inclusion

The Indonesia-Australia Comprehensive Strategic Partnership (2020-2024) jointly prioritises 'initiatives to promote women's leadership and empowerment in the field of economic and social development' and disability-inclusive development. This is furthered in Indonesia's COVID-19 Development Response Plan, which prioritises 'economic empowerment of women, people with disabilities and marginalised groups' and commits to challenging gender norms that constrain women's economic participation and contribution. The KPP design responds to DFAT's leadership on GEDSI-responsive development in various ways: attention to gender, disability and social inclusion

underpins the program logic (see section B), is a key part of the grants program (see section F) and is central to the MEL framework (see section D); GEDSI related staffing resources and recommendations for governance and coordination mechanisms are also included in section C, and risks in section H.

GEDSI strategy

The Platform Hub will develop a KPP GEDSI strategy during the inception period. As advocated in DFAT's gender and disability strategies, KPP's GEDSI strategy will follow a twin-track approach, meaning that: 1) it will ensure all program activities consider and respond to the needs, interests, choices, and opportunities for different genders, and for people with disabilities (mainstreaming track), and 2) it will support interventions that address specific dimensions of gender equality and disability and social inclusion (targeted track). The emphasis will be on the mainstreaming track, making sure that there is genuine and substantial attention³⁸ to equality and inclusion, evidenced by specific targets, activities, and resources. cursory attention to disaggregated data or pushing consideration of equality and inclusion into later stages of the investment will not be sufficient. Targeted activities may be used to identify and test possible solutions or to raise the prominence of inequality and exclusion on mainstream agendas, including, if required through specific windows in entry level grants (Bertunas). This emphasis on mainstreaming aligns with KPP's overall approach to consider GEDSI responsiveness as always relevant when research topics and/or the policies and technologies they seek to influence intersect with people.

The KPP design does not recommend a focus on any pre-identified marginalised groups where there are very specific and narrow determinants of exclusion, such as extreme poverty or marginalisation on the basis of gender identity, sexuality, or cultural or religious beliefs. Rather, KPP will emphasise a do no harm approach, which still requires some analysis and monitoring. KPP can also engage with or refer to specialist initiatives such as the Australia-Indonesia Partnership Towards an Inclusive Society (INKLUSI) and specialist CSOs as required. If deemed appropriate, focusing on regional outreach as an inclusion strategy will need to be coordinated with DFAT's SKALA (regional disparities) program, due to commence in 2022. The grants program will encourage attention to inclusion of regional organisations, and to agendas with regional relevance.

A possible structure for the GEDSI strategy, aligned to the following domains:

- What? *The type of knowledge generated:* GEDSI considerations will be a key part of setting the agendas of KPP's grants and other activities. Themes and topics that speak directly to issues of inequality and exclusion will be favoured, as it is more effective to promote equality and inclusion when these are central to the activity rationale rather than forced in. It is important that research that may impact employment practices (through technological advances or otherwise) have a strong GEDSI analysis as they may also lead to a loss of employment for women and some of the most vulnerable members of society. Women and people with disabilities are also active users of technology, and will have different views on what is important along with appropriate design.
- How? *The ways and methods through which knowledge is produced and disseminated:* Attention to GEDSI will need to be demonstrated in research proposals' methodology, and in networking and coalitions building activities. For instance, this will entail ensuring accessibility requirements are met for events, products, and general ways of working, and attention to barriers to engagement of women and people with disabilities in research teams and as research leaders. KPP funded activities, including partnerships grants, will align with Post's commitments to strive for gender-balanced panels, gender-balanced invitation lists, and to amplify

³⁸ Mainstreaming has garnered much criticism since being promoted at the Beijing Fourth World Conference on Women (1995) as an ineffective strategy for gender mainstreaming. This stems largely from the fact that it is often inadequately implemented, with insufficient leadership attention, resourcing, and monitoring.

women's voices through events, speakers' series or policy dialogues. Diverse knowledge perspectives and systems (such as indigenous knowledge systems) will be encouraged in grant proposals.

- *Who? The partners who lead and implement the research projects:* Partnerships will necessarily be diverse, at both organisational (especially for larger, multi-actor partnerships) and individual levels, maximising opportunities for women, people with disabilities, indigenous researchers and others who may be traditionally excluded from these roles. Larger partnerships will be expected to include or specifically engage with gender / women's rights focused organisations and/or OPD. This domain will aim to raise the profile and ensure access of diverse researchers to KPP supported opportunities, not just in GEDSI related research.

In developing the GEDSI strategy, it is important to consider each of gender equality, disability inclusion, and social inclusion themes as separate issues with different implications for KPP's agenda setting, partnerships, and implementation. It is equally important to consider the interplay between different determinants of exclusion and inequality (the basis of the concept of intersectionality). This requires KPP to proactively integrate gender equality and disability and social inclusion in all initiatives, aiming for a minimum of a responsive approach. The following paragraphs provide some initial considerations for the KPP GEDSI strategy.

- **Gender equality**

The OECD/DAC gender policy marker for this investment is significant,³⁹ meaning that gender equality is an important and deliberate objective, but not the principal reason for KPP. KPP meets the minimum criteria for this marker in full.⁴⁰ There is potential for individual grant projects to be assessed as having a principal focus on gender equality.⁴¹

The participation of women in STEM, manufacturing and construction education is about a third of that of men, and women and people with disabilities are under-represented in Indonesian academic and non-academic research teams. Barriers to more concrete attention to GEDSI in mainstream research include the perceived gender neutrality of research practices and a lack of appropriate understanding of GEDSI issues, particularly (but not exclusively) outside of GEDSI-focused research. Should the digital economy be a focus for KPP grants, there are also important GEDSI considerations – both as an enabling and risk factor of exclusion.⁴² For instance, ILO research suggests that approximately 56 percent of all employment in the five biggest ASEAN nations, including Indonesia, is at high risk of displacement over the next 10-20 years due to technological advancements, and that women are 20 percent more likely than men to lose their job as a consequence of automation.⁴³

KPP responds directly to the first two pillars of DFAT's Gender Equality and Women's Empowerment Strategy (DFAT, 2016). Relevant to pillar 1 (enhancing women's voice in decision-making and leadership), KPP will require representation of women in senior roles in the lead partner organisations and their inclusion in research teams and activities that increase the demand and use of knowledge. In relation to pillar 2 (promoting women's economic

³⁹ See OECD-DAC (2016). Network on Gender Equality (GENDERNET). Handbook on the DAC gender equality policy marker. See <https://www.oecd.org/dac/gender-development/dac-gender-equality-marker.htm>

⁴⁰ These are: a gender analysis has been conducted; findings from this analysis have informed the design, and KPP adopts a 'do no harm' approach; there is at least one explicit gender equality objective and at least one gender-specific indicator (and direction to further this in the full MEF to be developed early in implementation); data and indicators are required to be disaggregated by sex/gender where applicable; and there is a requirement to monitor and report on KPP's gender equality results, including in periodic evaluations.

⁴¹ This means that in addition to the requirements for an assessment of significant, the main reason for undertaking the activity to promote gender equality and the activity would not take place without this focus.

⁴² For example, while women have typically had less access to digital technology than men, women entrepreneurs in micro-businesses have had a higher uptake of such technologies in response to COVID-19. See Pulse Lab Jakarta and UN Women (2022).

⁴³ ILO (2020) Opportunity or Challenge? Promoting greater participation of Indonesian women in STEM.

empowerment), KPP will prioritise knowledge agendas that respond to gender gaps in economic opportunity as this is a significant area of inequality in Indonesia. KPP will take a do no harm approach to pillar 3 (eliminating violence against women and girls) and ensure appropriate protocols are in place to assess and minimise risks.

- **Disability inclusion**

The disability policy marker for this investment is significant,⁴⁴ in that there is a deliberate objective to ensure that people with disabilities are included and are able to share the benefits, on an equal basis to people without disabilities. There is potential for KPP grant projects to have a principal marker (as per the above gender equality discussion).

Barriers to disability inclusion need to be considered at multiple levels of the grant lifecycle, and indicative programmatic responses include:

- *In research agendas:* KPP will ensure agenda setting includes foundational attention to disability inclusion, particularly on issues where people with disabilities may be less visible. Organisations of people with disabilities may be supported through the grants mechanism to raise the profile of disability issues and inclusion opportunities.
- *In partnerships:* KPP will encourage participation of OPD in partnerships and assist to broker, as necessary, partnerships' engagement with OPD, based on mutual interests and acknowledgement of the strengths of each partner. KPP may also support identification of relevant shared agendas and complementary expertise. This assistance may be extended to broader coalitions of change.
- *In research implementation:* KPP will actively seek and facilitate engagement of people with disabilities across the program, and not just for disability inclusion work⁴⁵, and encourage selected partnerships to build the leadership and capacity of team members to foster more equitable and productive engagement with people with disabilities. KPP budget includes a dedicated line for additional accessibility costs (see section F) and the program will develop tools and processes to ensure meaningful inclusion of people with different disabilities in all Platform Hub's activities.⁴⁶

Existing alongside these barriers are strong entry points for disability inclusion in agenda setting. Disability knowledge and policy is a comparative advantage for Australia and Indonesian and Australian organisations, and particularly people with disabilities, have strong knowledge and relationships with the potential to grow further. For example, research proposals have the potential to provide solutions to promote broad inclusions in relevant policies that can leapfrog some barriers to inclusion through improving assistive devices and technologies (including digital and online technologies) and changes to physical infrastructure.

⁴⁴ OECD-DAC (2020) Policy marker on the inclusion and empowerment of persons with disabilities: Handbook for data reporters and users. Paris: OECD.

⁴⁵ People with disabilities' engagement can wrongly be limited to narrow roles on the assumption that their expertise only focuses on disability inclusion and/or that it requires additional logistic support that is too hard.

⁴⁶ This budget complements other GEDSI budget line and is dedicated to maximising the accessibility of Platform Hub's activities (e.g. sign language interpreting, accessible technology and online tools).

E.2. Other cross cutting issues

Climate change

Indonesia is highly vulnerable to climate change impacts. It is classified as a high-risk country in the World Risk Index⁴⁷, particularly due to its exposure to natural hazards and extreme weather events that affect areas of high population density. Climate change impacts across multiple sectors, particularly those that are natural resource based.⁴⁸ The poor, coastal communities, and those engaged in agriculture (often women) are all most vulnerable. GoI is committed to reducing greenhouse gas emissions, which predominantly stem from land use change, particularly conversion of peatlands into agricultural plantations, and the energy sector.⁴⁹ Strengthening the environment and improving resilience against natural disasters and climate change is a focus of Indonesia's Medium-Term Development Plan 2020-2024, and a key part of both Vision 2045 and the economic transformation agenda. Mitigating and adapting to climate change is a mutual area of concern that is gaining emphasis and political interest in both Indonesia and Australia. It is an agenda well-positioned for exploration through KPP partnerships.

Besides the direct inclusion of climate change in KPP's research agenda, the program will also contribute to decelerating and mitigating against climate change through supporting research that promote cleaner industrial and/or manufacturing technologies and more broadly supporting the development of a knowledge-based economy to replace Indonesia's heavy carbon-emitting resource-based economy.

Operationally, the scope and focus of the grants windows will be set periodically by the PSC, and grants applications will require an environmental statement as part of the detailed proposal. New ways of working promoted during the COVID-19 pandemic, including reduced travel, increased digital communications, and greater familiarity with online work, will also continue to be encouraged to moderate the Platform Hub's own environmental footprint. Face-to-face events will be valuable for developing relationships needed for knowledge producers' and users' collective action, but these can be selectively implemented.

Private sector

The intention of the program is to support partnerships that look across the private and public sectors to find integrated, multi-stakeholder and sustainable development solutions. Engagement with the private sector is integral to KPP in the following ways:

- Private sector organisations may be involved in KPP supported partnerships, as co-leads, members or stakeholders. This will contribute to the potential uptake of KPP supported knowledge, ensuring its application downstream and promoting the likelihood of commercialisation, particularly for knowledge to innovation research.
- Private sector organisations such as privately funded think tanks or philanthropic foundations may be involved in co-financing KPP partnerships activities (for *Bertumbuh* and *Berbuah* grants) and supporting their sustainability beyond KPP.
- Private sector organisations are potential users and/or beneficiaries of KPP supported knowledge. For instance, micro, small, and medium private sector enterprises make up an important part of Indonesia's economy, where women are concentrated often in precarious situations. KPP partnerships may produce knowledge aiming to

⁴⁷ This is a composite index based on an assessment of exposure, vulnerability, susceptibility, lack of coping capacities, and lack of adaptive capacities.

⁴⁸ See World Bank. *Climate Risk Profile: Indonesia (2021)*: The World Bank Group and Asian Development Bank.

⁴⁹ See Government of Indonesia (2017). *Third National Communication under the United Nations Framework Convention on Climate Change*. Jakarta: Government of Indonesia, 2018.

improve the regulatory and policy framework and/or increase productivity and access to support services for this segment of the economy.⁵⁰

- Private sector and industry organisations may be targeted by KPP networking, dissemination and advocacy activities that draws on KPP generated knowledge. This will promote and ensure diversity and inclusion.

The Platform Hub will reach out to and actively engage with private sector organisations during the agenda setting, partnership formation, and proposal development process to set demand-responsive research agendas and broker new or expanded partnerships. Key strategies for private sector engagement are:

- Encourage participation of private sector organisations in KPP supported partnerships particularly in the larger grants by extending the matchmaking and partnership / coalition brokering services provided by the Platform Hub.
- Encourage and support partnerships' outreach to private sector organisations, as beneficiaries, users and/or supporters of KPP-generated knowledge.
- Continue to develop links, networks and coalitions that include private sector organisations, particularly with those organisations involved in DFAT-funded investments, including Pulse Lab Jakarta, CSIRO, ACIAR, and KSI.
- Promote and represent KPP activities and knowledge at industry networking events and on social media, in coordination with Austrade activities at Post.

Tracking of private sector participation in KPP events, partnerships, and as potential knowledge users is included in the indicative MEL framework.

Innovation

At a strategic intent level, KPP's approach to foster knowledge partnerships based on mutual interests and complementary capacities is somewhat innovative and different to previous knowledge sector investments supported by DFAT. This reflects Indonesia's stage of development, the maturing of the Australia – Indonesia bilateral relationship, and the need to shift to a more equitable recognition of complementary contributions, rather than Australia as the provider of expertise and Indonesia as the recipient. Over time, it is expected that KPP will convene interactive events that harness different views, developed shared objectives, and build new coalitions or areas of collective action.

At an operational level, KPP has a joint focus on knowledge to innovation along with knowledge to policy. It is expected that knowledge produced will aim to stimulate innovation according to themes prioritised by the Program Steering Committee, expected to be linked to Gol's economic transformation priorities. Depending on the selected themes, knowledge produced through KPP-funded partnerships may contribute to Indonesia innovation sector by advancing science and technology, promoting commercialisation and/or developing expertise in big data and artificial intelligence.

⁵⁰ Noting in this case the potential complementarity with and linkages to the DFAT-funded Investing in Women and its upcoming successor Women in Inclusive Sustainable Economic Recovery investments.

F. Budget and Resources

F.1. Program budget

The initial KPP budget is AUD 50 million over five years of implementation. Annual budgets will be developed by the Platform Hub as part of the annual planning process, in consultation with DFAT and key stakeholders, and will be endorsed by the PSC.

The level of annual disbursement fluctuates, with higher disbursement in the middle years (years 2-4), reflecting the focus on setting up the program's processes and systems in the first year, and the limited funding of new grants in KPP's final year.

F.2. Number of grants

The number of grants awarded annually will be suggested and budgeted by the Platform Hub as part of the annual planning process, and approved by DFAT and the PSC and PTC.

G. Procurement and Partnering

G.1. Delivery mechanism

KPP will be implemented thanks to the services of a managing contractor who will deliver, coordinate and manage the Platform Hub's activities. The use of a managing contractor as implementing partner is a proven delivery mechanism for DFAT investments in Indonesia. It is the preferred model for KPP delivery given the size of the investment, the required independence to operate a large research grants scheme, the complexity of the engagement and relationships with a range of Australian and Indonesian stakeholders, and the administrative workload required to manage the investment in line with DFAT fiduciary and service delivery standards. Other delivery mechanisms (such as a CSIRO-managed program, the (previous) DISER Cooperative Research Centre model, or a facility approach) have been considered during the Investment Concept Note stage, but were deemed less favourable.⁵¹

The procurement of the managing contractor services will follow an open and competitive process. DFAT Contracting and Aid Management Division has endorsed the use of a two-step procurement process and DFAT has approached the market in late April 2022 for expressions of interest,⁵² with the intent to identify a shortlist of qualified tenderers by June 2022. Following the approval of the design document, shortlisted organisations will be invited to participate in a succinct collaborative tender process. It is expected that the contract for KPP implementation will be signed in late 2022, and the mobilisation of the Platform Hub's team in early 2023, ideally once an appropriate Subsidiary Agreement (SA) has been signed between GoA and Gol.

⁵¹ See DFAT Investment Concept of Australia Indonesia Knowledge Partnerships Platform (2021), p.7-8

⁵² AusTender Approach to Market ID: REOI DFAT-351, issued on 26 April 2022.

Figure 11 Indicative procurement process for the KPP contractor

Tasks	Timing
Step 1 – Expression of Interest (EOI)	
DFAT issues request for expressions of interest (REOI) on AusTender	26 April 2022
Closing date for submission of EOI via AusTender	23 May 2022
Conformity Checks DVB	23 and 24 May 2022
Evaluation of EOI	Week starting 6 June 2022
Notification of outcome	15 June 2022
Step 2 – Tender	
Collaborative space with shortlisted respondents only	Late-June 2022
DFAT issues request for tender (RFT) on AusTender to shortlisted respondents only	July 2022
Closing date for submission of tenders via AusTender	August 2022
Evaluation of RFT	August 2022 (Dates TBC)
Notification of outcome	September/October 2022
Contract negotiations	November/December 2022
Start of services	January 2023

Inception Phase

The implementation of KPP will commence early 2023, and the Platform Hub’s team will ideally be mobilised in Jakarta at that time. Should the signing of the SA be delayed, the KPP implementation team could mobilise and start their work in Australia, then relocate to Jakarta as soon as the SA has been signed. Once mobilised, the team will rapidly develop and submit an inception plan that covers the first six months of KPP operations (i.e. the inception period) and ensure all administrative and operational processes are put in place. The inception plan will:

- outline relevant strategic planning process and reporting mechanisms;
- set out KPP governance mechanisms and clarify the role played by the Platform Hub as a secretariat;
- detail the strategies and plans that will be produced during the first six months;
- set out a detailed implementation schedule and budget for the first six months;
- specify the organisational and staffing structure of the Platform Hub;
- set out an on-going risk management plan; and
- establish routine communications, including the website and communication tools for internal and external stakeholders.

Once the inception plan is approved, the Platform Hub’s team will start implementing it. Some key deliverables are expected to be developed and delivered within the program’s inception period.

Figure 12 Suggested deliverables for the inception period

Deliverables	Description	Timing of submission
Inception Plan	Covers all KPP activities for the first six months, including strategic planning process and reporting mechanism; implementation schedule and budget; organisational and staffing structure; and communications processes.	Within one month of mobilisation
Operations Manual	Includes program standards and processes to fulfil the contractor's roles and responsibilities, and be consistent with the obligations that Post has to protect the Commonwealth's interest. These will cover the following programmatic functions: financial management; HR management; IT and data management; communication protocols; fraud prevention and reporting; risk identification and management; complaints management; procurement processes; security; climate change mitigation; and workplace health and safety.	Within three months of mobilisation
Localisation Plan	Presents the Platform Hub's structure, processes and mechanisms to maximise use of local knowledge and resources and the agency of local actors (including partner governments) in KPP decision and activities. This includes KPP vision, governance, resourcing, subcontracting and granting mechanisms, and indicators and methods for measuring progress against the plan.	Within three months of mobilisation
Communications and Public Diplomacy Strategy	Includes processes, resources and protocols to ensure KPP is appropriately branded and promoted in Indonesia and Australia, including via a website and social media presence.	Within three months of mobilisation
MEL Framework and Plan	Includes a nested program logic from input / activity to KPP outcome level, MEL objectives, methods, tasks, timing, responsibilities, budget and deliverables.	Within six months of mobilisation
GEDSI Strategy	Includes a more detailed GEDSI analysis or potential agendas or themes, refinement of the GEDSI dimension of the initial analytical agenda, tasks, timing, responsibilities, budget and deliverables.	Within six months of mobilisation
Annual Plan and Budget 2023-24	Covers all KPP activities for the period July 2023 - June 2024, including implementation schedule, budget, staffing, risks management, communications processes, and deliverables.	Within six months of mobilisation

H. Risk Management and Safeguards

H.1. Risk management plan

The most recent version of the DFAT Risks Screening Tool and Risks Register template has been filled in as part of the design process, and is attached as a separate file. The overall inherent risk profile for this investment is medium and the residual risk rating is medium. This inherent risk level has been mitigated by the increased understanding of the context, particularly stakeholder interests, relationships, capacity, and experience, gained through Post's long experience with knowledge sector programs delivery in Indonesia and the KPP design phase, and the fact that KPP

will be delivered through an experienced managing contractor with strong oversight from the DFAT investment manager.

Key risk areas

Primary and secondary risk categories are detailed in the draft risk register. KPP main primary risks are summarised below.⁵³

The dominant primary risk category is **stakeholder risks**. These relate to different categories of stakeholders as follows:

- *Government of Indonesia:* multiple GoI institutions will be involved in KPP, including counterparts such as BAPPENAS, BRIN, and MoECRT, and agencies involved in knowledge use for policy and technology. Working effectively with the different counterparts will bring strength to KPP, but it will require careful coordination, facilitation and flexibility through the PSC. BRIN in particular is in an establishment phase, and as such its mandate, processes and operations might evolve in the months and years to come.
- *Organisational partners:* KPP's program logic assumes that Australian and Indonesian organisations will want and be able to partner around research topics of mutual interest and complementary strengths, and be able to overcome power imbalances to operate effectively in a collaborative manner. Given the history of collaboration between Australian and Indonesian research institutions and universities, and the incentive of KPP grants and technical assistance, the assumption appears safe. KPP will take an informed approach to set research agenda maximising opportunities for consultations and delineation of mutual interests. While the context may be different, there are global shared interests between Australia and Indonesia including post-COVID-19 recovery, economic transformation, climate change adaptation and mitigation, the green, digital, and blue economy, and addressing inequality and exclusion.
- *GoA investments in Indonesia:* The broad Australian Aid program in Indonesia means KPP will likely fund research with common agendas and sometimes common partners to other GoA investments in Indonesia. Active dialogue and coordination with these investments will be important to ensure efficient use of resources, maximise synergies and coherence, and avoid confusion and tensions that can come from the perception of competing agendas and different approaches.

Programming risks primarily to KPP's focus on gender equality, disability, and social inclusion, which will be stronger than the general GEDSI positioning in mainstream agendas, including GoI economic transformation agenda. KPP, with DFAT support, will advocate this focus through the Program Steering and Technical Committees, and at operational level with partners. It may be that the focus on mutual interests will require more DFAT and KPP Hub support to secure the desired level or prioritisation.

There are inherent **social risks** related to child protection or sexual exploitation, abuse, harassment (SEAH) incidents involving KPP and/or partnership personnel, or research subjects being negatively impacted by the research process. Controls for these risks require the Platform Hub and downstream partners to have appropriate systems in place to meet relevant DFAT safeguard standards⁵⁴ at each stage of KPP activities and the grant cycle. This will include child protection and SEAH risk assessment as part of the grants and other activities planning process; safe recruitment procedures; training for all KPP personnel and at least partnerships leadership; and ensuring risk management, reporting, and response procedures are in place and known about at all levels of the partnerships and KPP support (see following section).

⁵³ The appropriateness of the assessments in the risk register will be reviewed during the inception phase to confirm the accuracy of the overall rating.

⁵⁴ See <https://www.dfat.gov.au/about-us/publications/Pages/environmental-social-safeguard-policy>

Resource risks are primarily associated with the grant component of KPP and include sub-optimal co-financing for larger grants, the occurrence of fraud, and/or the inefficient use of resource by grantees. These will be managed through attention at partner selection and costing stage, and through ensuring appropriate fiduciary controls are in place and regularly monitored. Under the Commonwealth Fraud Control Framework, entities such as the Platform Hub and its grantees must have appropriate mechanisms for preventing fraud, including ensuring the risk of fraud is considered in planning and conducting the activity/research.

Political risks relate to a potential deterioration of the bilateral relationship, a change of government following national elections in both countries and subsequent reprioritisation of the bilateral cooperation, and the sensitivity of knowledge produced for either government. These risks will be managed by ongoing engagement with PSC members, particularly around agenda setting, clear and transparent communication with other GoI stakeholders, and targeted dissemination strategies for research findings that may be sensitive.

Risk monitoring and management

As per DFAT guidance, DFAT owns the risk for KPP. The draft risk register will be reviewed and updated in the inception period (and included in KPP Operations Manual), and then every three months. The DFAT risk owner is currently identified as the Investment Manager; this may change in due course.⁵⁵

In most cases risk management will be a shared responsibility between the Platform Hub's under the Team Leader's leadership and DFAT K2P teams under the leadership of the DFAT investment manager, and/or between the Platform Hub and the partnerships co-leads. Responsibility for risk management will be explicitly included in the duties of the DFAT investment manager and the Platform Hub's Team Leader. Clear responsibility will also be included as a specific requirement within the terms of the grant agreements for supported partnerships. Ongoing communication and consultation will ensure the risk registers remains current and risk treatments are practical and implemented.

Risk management will be a regular agenda item for discussion at PSC and PTC meetings and at periodic meetings between the Platform Hub team leader and DFAT investment manager. The PTC will be the forum for reviewing the risk registers and discussing risk management arrangements prepared by the Platform Hub and relevant partnerships. These discussions will ensure Platform Hub's processes and assessment are sufficient to ensure that grantees are meeting their contractual obligations and risks of fiduciary and fraud are mitigated. Individual partnerships will be required to develop risk categorisation and management processes that are aligned with DFAT's risk categories and framework to facilitate a seamless exchange of information and review process, and ease the aggregation of information at program level. Risks assessment and management will be integrated in partnerships' reporting. The Platform Hub will closely monitor fiduciary and fraud risks of partnerships, carrying out random spot checks and audits when necessary, and apply will a zero tolerance policy to fraud as per DFAT standards⁵⁶.

H.2. Environmental and social safeguards

Social risks, including those related to child protection and to sexual exploitation, abuse, and harassment, are not considered particularly elevated in KPP. Contact with children will be indirect, if any and subsequently the child protection risk is assessed as low. The risk of sexual harassment, exploitation and abuse associated with KPP overall is assessed as medium. This may be higher for certain individual grants and research projects, such as those that

⁵⁵ Noting that in the new DFAT template risk owner is necessarily an individual DFAT staff member, usually the investment manager but it could also be anyone who is actively involved in managing the risk (e.g. if it involved a strategic relationship through a high-level steering committee it could be a counsellor or minister-counsellor)

⁵⁶ Fiduciary and fraud monitoring procedures for partnerships will be reviewed and further developed during the program inception period and spelled out in the Platform Hub Operations Manual.

engage directly with vulnerable people or with large teams operating in remote areas with limited supervision. These risks will be managed through compliance with DFAT’s integrity policies and monitoring of adherence to research ethics. Each grant project will be required to undertake a full risk assessment and ensure the minimum standards for the risk rating are met.

There is no displacement or resettlement associated with KPP’s areas of support. Health and safety risks, including those related to the lingering effects of COVID-19 and the implications of transmission through travel will be monitored and managed by the KPP leadership and within partnerships.

There are no environmental protection risks identified at design stage, however it is possible, even likely, that the green economy and blue economy themes will be priority agendas for knowledge production as per Indonesian development priorities. The program is therefore expected to contribute to positive environmental impacts, but risks will be identified, managed, and monitored as such agendas come online.

KPP’s GEDSI focus means that there will be a focus on vulnerable and disadvantaged groups. Partnerships’ proposals will be required to address strategies for engagement with these groups, including attention to the do-no-harm principle. Downstream impacts of knowledge use (noting KPP’s accountability is to the point of knowledge production) will be forecasted as part of the proposal, and potential harmful impacts identified and managed. These requirements and expectations will be reflected in calls for proposals, grant agreements, and partnership management and reporting.

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