

## **Management Response to the Mid-Term Review of Australia-Indonesia Partnership Towards an Inclusive Society (INKLUSI)**

The Department of Foreign Affairs and Trade (DFAT) commissioned a Mid-Term Review (MTR) of the Australia-Indonesia Partnership Towards an Inclusive Society (INKLUSI), which was conducted between May and October 2024.

The MTR aimed to assess the progress of INKLUSI toward supporting the work of civil society in advancing Gender Equality, Disability and Social Inclusion (GEDSI) for marginalised people in Indonesia, how to optimise the current phase and a possible three-year program extension of INKLUSI, and lessons emerging from INKLUSI for DFAT. The MTR consulted 300 informants from national and subnational Government of Indonesia (GoI) partners, DFAT, civil society, and communities in Banten, East Java, South-East Sulawesi, and South Sulawesi provinces through remote and face-to-face focus group discussions, field visits, and interviews.

### **Summary of Management Response**

While qualified in its assessment, overall, the MTR was positive about INKLUSI's relevance and performance. The MTR finds INKLUSI to be highly relevant and funding pathbreaking work in a diverse country. INKLUSI's approach is justified and broadly working. While pointing to several strategic, programmatic, and operational areas for improvement, it finds INKLUSI is on track to deliver its end of program outcomes.

DFAT agrees to all the MTR recommendations. The MTR offers valuable insights for the INKLUSI program and presents a set of actionable recommendations that will inform the future direction of INKLUSI, as well as broader lessons for Australia's work in supporting civil society to advance GEDSI outcomes in Indonesia. The following Management Response outlines how the MTR recommendations will be implemented over the remainder of the current program and throughout a possible three-year program extension of INKLUSI. The Recommendations and Management Response use the term 'Mitra' in places to refer to INKLUSI Civil Society Organisation (CSO) partners.

Recommendation	Response	Explanation	Action plan	Timeframe
<p>Recommendation 1</p> <p>It is recommended that the program adopts a clear strategy for the second phase. This has two elements. First, whether to continue the ‘broad and shallow’ approach, or switch to a ‘narrow but deep’ approach. Second, to adopt a clear and specific definition of just who is, and who isn’t, marginalised.</p>	Agree	DFAT recognises INKLUSI’s strong contribution to fostering partnerships between civil society organisations and the government to advance GEDSI in Indonesia’s development. While the program is broadly on track to achieve its End of Program Outcomes, we agree it is important to continually review the key strategic elements of the INKLUSI approach, including to ensure clarity on program scope and strategy and key definitions.	DFAT and the INKLUSI Secretariat will work together to review definitions and strategic elements of the program with GoI counterparts within the existing End of Program Outcomes.	2025
<p>Recommendation 2</p> <p>DFAT and the GoI to recognise that the program is going well but that achieving the EoPOs are likely to require a second phase. DFAT should think beyond the current phase of the program.</p>	Agree	DFAT notes the MTR findings that INKLUSI’s work is highly relevant for GEDSI issues in Indonesia and the broader Australia-Indonesia bilateral partnership. GoI also acknowledges the program has made strong contributions to its work to ensure no one is left behind in Indonesia’s development.	DFAT is entering a discussion with a view to extending INKLUSI in accordance with the option contained in the existing agreement.	2026-2029
<p>Recommendation 3</p> <p>The program should prepare a program wide Theory of Change – one that assesses the political feasibility of the program, and it should be reviewed and assessed at the six monthly INKLUSI internal reflection workshops.</p>	Agree	DFAT agrees the program would benefit from a unified Theory of Change. This will support the program to clearly articulate future changes required, the pathways to achieve change, and the ability to better understand program interventions.	DFAT and the INKLUSI Secretariat will work together to develop, and regularly review, a unified Theory of Change.	2025
<p>Recommendation 4</p> <p>DFAT to facilitate coordination and collaboration among DFAT programs. DFAT and the GoI should consider joining with</p>	Agree	DFAT notes several coordination and collaboration efforts are already underway among DFAT programs, including with the SKALA program. DFAT remains committed to ensuring	DFAT will facilitate ongoing coordination and collaboration between relevant programs, including through a potential trial INKLUSI-SKALA joint program.	2025

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Sinergi dan Kolaborasi untuk Akselerasi Layanan Dasar (SKALA) and trial an INKLUSI-SKALA program in a province where both are now working. DFAT could also advise in 'ways of working'.		cohesion across programs and optimising the effectiveness of collective program efforts.		
<p>Recommendation 5</p> <p>INKLUSI should document its strategies including promoting social inclusion; models of empowerment; changing gender norms; and strategies to influence change.</p>	Agree	<p>INKLUSI's approach and modality are a strength of the program, and continued documentation of good practice and lesson learned is essential. This also aligns with recommendations of the Program Steering Committee.</p> <p>DFAT currently produces case studies to capture and disseminate program results and lessons learned and is engaged in several initiatives to demonstrate results, including a study on INKLUSI's model for empowerment and a longer-term impact evaluation in partnership with Bappenas.</p>	DFAT and the INKLUSI Secretariat will continue to identify and document INKLUSI's strategies, strategic contributions and transformation journeys through structured knowledge management and learning platforms.	2025
<p>Recommendation 6</p> <p>INKLUSI Secretariat to continue reporting to DFAT on the changing country context as Indonesia continues its developmental trajectory.</p>	Agree	DFAT agrees strategic updates on Indonesia's country context are important to informing INKLUSI's work on GEDSI and civil society strengthening.	DFAT and the INKLUSI Secretariat will develop a structured mechanism for updates on country context.	End of 2024

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<p>Recommendation 7</p> <p>The Secretariat should prepare both Sustainability and Exit Strategies in simple and accessible language to guide Phase 2 operations and programming. The Secretariat should consider options for CSO sustainability including using the Endowment Fund initiative.</p>	Agree	<p>Initial Sustainability and Exit Strategies have been developed, focusing on both program sustainability and the sustainability of Mitra. The sustainability strategy considers the Endowment Fund.</p>	<p>DFAT and the INKLUSI Secretariat will work together to strengthen current sustainability and exit strategies.</p>	2025
<p>Recommendation 8</p> <p>Secretariat to prepare a Guidance Note on how to operationalise inclusion at the village and sub-district levels.</p>	Agree	<p>INKLUSI's approach and modality are a strength of the program, and continued documentation of operations is essential.</p>	<p>DFAT and the INKLUSI Secretariat will develop a Guidance Note on how to operationalise inclusion at the local level.</p>	2025
<p>Recommendation 9</p> <p>The Secretariat should adopt its preferred organisational model against which partners can self-assess.</p>	Agree	<p>INKLUSI's current capacity development initiatives use a self-assessment model for Mitra.</p>	<p>DFAT and the INKLUSI Secretariat will continue to develop and refine its self-assessment model for partners.</p>	2025
<p>Recommendation 10</p> <p>The Secretariat should review the MEL plan. This will include:</p> <p>Future INKLUSI annual reports to expand on what 'providing support' means</p> <p>Adding a sixth question interrogating efficiency – what it costs to deliver one unit of 'services' under EoPO1</p>	Agree	<p>DFAT agrees that INKLUSI MEL frameworks and reporting could be streamlined (where possible) and strengthened to better identify strategic results and impacts and to address the assessment of 'efficiency'.</p> <p>DFAT also notes the continued work of the INKLUSI Secretariat to improve reporting and showcase results.</p>	<p>DFAT and the INKLUSI Secretariat will work together to review, streamline, and improve the MEL plan.</p>	2025

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<p>To reduce the number of MEL activities</p> <p>The Secretariat to consider if it is possible to integrate the three monthly Bappenas and six monthly DFAT reporting requirements?</p> <p>DFAT should assure themselves that INKLUSI’s Monitoring and Learning Plan will deliver appropriate Tier 2 indicators for the DFAT-wide three tier Performance Assessment Framework.</p>		<p>DFAT will ensure the INKLUSI program can contribute to DFAT's Tier 2 framework and Performance Assessment Framework.</p>		
<p>Recommendations 11 and 12</p> <p>Annual budget allocations for INKLUSI Mitra should be decided on both the forward work plan proposed and Mitra performance in the previous year.</p> <p>The Secretariat provide national Mitra with a realistic budget ceiling mid-year, providing certainty. This may also require DFAT to be more advanced in its financial planning.</p>	<p>Agree</p>	<p>The INKLUSI Secretariat currently assesses INKLUSI Mitra performance to inform budget allocations, and DFAT acknowledges that this process could be strengthened. As part of our ongoing commitment to transparency, any changes including on budget allocations and program management-related requirements are communicated in an appropriate and timely manner.</p>	<p>DFAT and the INKLUSI Secretariat will work together to strengthen the overall approach to performance-based programming and budgeting, including to ensure that program and operations-based indicators inform the process.</p>	<p>2025</p>
<p>Recommendation 13</p>	<p>Agree</p>	<p>DFAT agrees formal learning is a critical component of good program management.</p>	<p>DFAT and the INKLUSI Secretariat will develop a formal learning program to inform future phases of the INKLUSI program.</p>	<p>2025</p>

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<p>INKLUSI to adopt a formal learning program to inform phase 2 and beyond. DFAT should make appropriate funding available.</p>				
<p>Recommendation 14 Secretariat to consider portfolio wide collaboration: consolidation of messaging, program coordination and information sharing, and cross-program learning.</p>	Agree	DFAT agrees better portfolio wide collaboration, including coordination of messaging, information sharing, and cross-program learning will enhance the INKLUSI program.	DFAT and the INKLUSI Secretariat will actively consider methods to improve portfolio wide collaboration.	End of 2024
<p>Recommendation 15 Secretariat to give further thought to how it can be assured that the program’s research agenda more fully aligns with the work of CSO Mitra – in terms of both what they do and how they work together.</p>	Agree	DFAT notes the current INKLUSI research activities were requested by both GoI and CSOs partners.	DFAT and the INKLUSI Secretariate will consider how to better integrate research priorities with program activities. This will include developing a new strategy for research initiatives.	2025
<p>Recommendation 16 DFAT and the Secretariat consider ways to further integrate climate change into the program.</p>	Agree	Climate resilient communities is one of the key objectives of the Australia-Indonesia Development Partnership Plan. DFAT agrees INKLUSI has a key role to play in supporting vulnerable communities experiencing the impacts of climate change.	DFAT and the INKLUSI Secretariat will work together to develop an implementation plan for climate change integration for the possible three-year program extension.	2025
<p>Recommendation 17 The Secretariat to produce a shorter, more accessible, guide to GESDI.</p>	Agree	As noted above, DFAT agrees documentation of INKLUSI’s good practice will enhance program management and understanding of GESDI issues.	DFAT and the INKLUSI Secretariat will develop a more accessible GESDI guide.	2025

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<p>Recommendation 18</p> <p>The Secretariat, and national and local Mitra, to attempt to capture or describe in some way ‘transformation journeys’ of individuals, groups, or communities, to which they are witness.</p>	Agree	As noted above, DFAT notes the continued work of the INKLUSI Secretariat to improve reporting and showcase results.	As noted above, DFAT and the INKLUSI Secretariat will continue to identify and document INKLUSI’s strategies, strategic contributions and transformation journeys through structured knowledge management and learning platforms.	2025
<p>Recommendation 19</p> <p>Refer to local Mitra not sub-partners or sub-Mitra.</p>	Agree	N/A	DFAT and the INKLUSI Secretariat will ensure all activities and documents address all stakeholders in a respectful manner.	ASAP
<p>Recommendation 20</p> <p>Secretariat to develop an annual calendar that flags key events in the annual program management cycle to give Mitra more advanced notice regarding upcoming events.</p>	Agree	DFAT notes an annual calendar of events exists and agrees to continue to strengthen ways of communication and documentation across all elements of INKLUSI implementation.	DFAT and the INKLUSI Secretariat will implement a management information system to improve effective communication and information sharing throughout program implementation.	ASAP
<p>Recommendation 21</p> <p>Secretariat to ensure trainings and capacity support reflects the realities of local Mitra circumstances.</p>	Agree	DFAT is committed to ensuring INKLUSI implementation, including training and capacity support activities, continues to respect the local context, including the diverse capacities of program stakeholders.	DFAT and the INKLUSI Secretariat will ensure program implementation addresses the unique challenges faced by our partners, enhancing their effectiveness, and optimising their impact. This includes reviewing the capacity development program for CSO partners and stakeholders.	2025

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<p>Recommendation 22</p> <p>Secretariat take care not to overburden national and local Mitra, administratively or financially.</p>	<p>Agree</p>	<p>DFAT acknowledges the unique challenges faced by INKLUSI Mitra including in relation to administrative and financial management.</p>	<p>DFAT and the INKLUSI Secretariat will maintain close collaboration to ensure effective budget planning and operations and program management, to ensure it does not overly burden INKLUSI Mitra, while also adhering to accountability and compliance requirements.</p>	<p>2025</p>