Poverty Reduction through Women's Leadership in Indonesia

Concept Note

23 September 2011

Poverty Reduction through Women's Leadership

Purpose and Overview

This concept note describes a program of support that would positively affect the lives of poor women across Indonesia. The proposed program will build leadership within government and civil society around a series of core thematic areas that have been identified through consultations and analysis as constituting key constraints to advancing the needs of poor women. The four program areas are (a) increasing access to jobs and removing workplace discrimination; (b) improving women's access to government programs for social protection; (c) improving conditions for women's overseas labor migration; and (d) strengthening women's leadership for better health and reproductive rights.

Action in all four areas is a high priority for both government and civil society. They are also areas of priority for the Australia-Indonesia partnership. By focusing on specific areas for action, the program will be building on the partnership's existing relationships and areas of comparative advantage.

Project design will flesh out the specific types of interventions in each of the four areas. However, each of them will build on analytical work that has identified their "big picture" gender issues where positive change can be made. Each area also benefits from an ongoing AusAID investment program that provides an operational entry point for this program. All ongoing AusAID programs already have gender action plans built into their designs. The value added from this program will be its investments in leadership, supply-side support for government and civil society reformers, and its focus on improving the broader regulatory reforms that constrain progress for poor women – the drivers that will move project specific gender action plans into the domain of sustainable social change. The program will also fund pilot interventions that have potential for future replication and scale-up. Pilots will be screened through a review procedure that assures good design and local ownership – and which includes an evaluation strategy to confirm the validity of results.

A number of issues raised during the pre-concept discussions have now been addressed. The program is about gender, not women. By supporting new leadership and building up the organizational basis for improving women's access to decision-making over resources, rules, and operational procedures in domains of key importance to the poor, the program will be contributing to the promotion of transformational changes to the nature of gender relationships. In several of its key areas, the private sector is a primary stakeholder in the program's mix of activities and will be essential players for achieving women's long-term economic empowerment. The program will support women (and men) leaders of organizations that operate in the national and international arenas that are relevant to the four themes of the program, but a separate program from this one will be needed that can concentrate explicitly on women parliamentarians and women in the political parties.

The program will be housed in the Vice-President's Commission for the Accelerated Reduction of Poverty (TNP2K), which has a mandate to oversee all cross-cutting poverty issues and is itself seeking for an effective way to address gender issues. Housing the program in a high level commission will allow the program components to work with line ministries and civil society without creating friction because of competing mandates.

The program will be supported by an independent advisory board of international and national specialists who have experience with leadership, gender, and poverty. The program will also include support for independent analysis, evaluations, and progress reviews for both the program as a whole and for the four areas of activity.

The program envisages no major risks. That is not to say that achieving results will be easy or that impacts are assured; in domains such as reforming Indonesia's systems for managing women's migrant labour, interests are deeply entrenched and are very powerful. Project design will need to spell out the appropriate blend between expectations, time-frames, and the types of interventions being proposed.

Three types of results are expected to be achieved through this program. First, the program is an investment in building a new generation of leadership and organizing capacities. Second, the program will produce concrete policy and regulatory reforms in each of its four areas of intervention. Third, outcomes from the investments in leadership and reform should translate into better working conditions and measured living standards for poor women. Design will need to flesh out the appropriate monitoring framework and indicators for the program, but the individual outcomes and overall results are highly compatible with AusAID's development objectives for Indonesia.

Women and Poverty Reduction in Indonesia

1. Indonesia has made significant progress in improving the welfare of its citizens. However many Indonesians remain vulnerable. In 2011, 12.5 per cent of the population lived below the national poverty line, and almost half were 'near poor,' with consumption levels below US$2 per day. High levels of vulnerability and poverty reflect gender inequalities, with women continuing to face considerable disadvantage. This is reflected in Indonesia's 2010 Gender Development Index performance rank of 108 out of 166 countries. This ranking reflects a combination of women's lower literacy rate and fewer years of schooling; a smaller share of earned income, one of the highest maternal mortality rates in the region; and political under-representation.

2. Indonesia is committed to reducing the number of people living in poverty and has moved poverty reduction to the centre of its development agenda. Despite current commitments, however, Indonesia still faces substantial implementing challenges in its efforts to reach and serve the poor, especially poor women. While women actively contribute to the national and household economy, they are excluded from many decision-making structures and processes at the family, local and national level. Women's lack of representation in decision-making positions is a critical barrier to the development of economic and social policies that take into account their specific social, political and economic perspectives and interests. Even when women are involved in decision-making positions, they are often kept at the margins or occupy low level positions.

3. **Government Strategy** -- While there are no recent assessments of the Government of Indonesia's efforts to fulfil its gender commitments, a number of *ad hoc* government and non-government studies have identified why issues that affect poor women are not systematically entering government planning and decision making.

   - The *Gender Analysis in Development* assessment of 18 ministries and institutions in seven provinces and seven districts which found that a lack of gender expertise and proper data-gathering capacities hindered gender mainstreaming efforts in most agencies, with limited use of disaggregated data to inform policy making and poor reporting (Bappenas, 2007).

   - A 2010 study of 41 districts/cities confirmed that district levels are still weak in applying principles of gender equality for development planning and budgeting. The same study revealed that only nine local governments provided facilitation for the implementation of the MoHA and BAPPENAS Joint Circular Letter on gender budgetng during preparation of *Musrenbang* [1].

   - Decentralization has seen a proliferation of local regulations with a worrying proportion serving to discriminate against women. Approximately 154 discriminatory regulations issued at provincial, municipal, and village levels from 1999 to 2009 were identified by the Commission on Violence Against Women, of which sixty three violate women's

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[1] 'Local Budget Index', Budget Information Indonesia, 2010. http://www.budget-info.com

rights concerning expression, protection and work[2]. In some cases coalitions have formed to contest discriminatory legislation at the district level. However women and other stakeholders often lack awareness of new regulations and how they will impact on their rights, which serves to restrict public challenges to them.

- Studies by social scientists in Indonesia illustrate further how structural barrers and identity politics get used to marginalize gender equality: the prevalence of non-meritocratic promotion constrains number of women in government; women in parliaments need to stick to party lines even on cross-cutting issues of gender and development; government does not use gender data in decision-making; religion gets used to discredit progress against discrimination in areas such as women in public office, domestic violence, or even the right of women workers to travel freely to jobs.

Donor programs in support of women in leadership

4. Donors in Indonesia have historically supported a range of government and civil society initiatives to advance gender equality and women's leadership. Key donors in the field have included DFID, CIDA and the Nordic aid agencies. International foundations and NGOs such as Oxfam, Ford Foundation, TAF and HIVOS also engaged in this arena. Support has been provided to the Indonesian government for a range of areas such as technical assistance with rolling out the government's mainstreaming agenda, support for women in politics through support for gender sensitive legal drafting, gender training for parliamentarians and public servants and supporting their engagement with international gender forums. Electoral programs have supported women candidates to develop skills in forming campaigns, public speaking and networking skills. Most of this work has been done at the national level and has focussed on formal leadership. The State Ministry of Women's Empowerment has also received *ad hoc* support over the years. However, its weak status and perceived ineffectiveness within government has largely deterred donors from offering more comprehensive support.

5. Donor support to civil society has focused on strengthening selected gender-interested CSOs, women's activists, and the coalitions that have emerged around certain gender issues. While it is recognised that donor support contributed to the vibrant civil society that emerged in the aftermath of the transition to democracy, donor commitments to gender work have generally waned rather than increased in recent years, in line with the overall narrowing of donors interested in Indonesia. There is a general absence of readily available documentation on what has worked and what has not, although The Asia Foundation is an exception, with several publications produced on their work around women in politics.

6. What lessons have been learned from this long and diverse experience? The design document will include a synthetic review of the relevant literature, but for the purposes of this concept note a few key findings from Indonesian and global experiences can be highlighted;

   o A 2004 OECD review of over 80 development programs that had been specifically designed to promote gender equality found the strongest evidence of strategic and sustainable changes in gender relations came about by strengthening

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[2] In the Name of Regional Autonomy: Institutionalization of Discrimination in the State Structure of Indonesia, *Atas Nama Otonomi Daerah: Pelembagaan Diskriminasi dalam Tatanan Negara Bangsa Indonesia* Komnas Perempuan, 2010.

local womens' organisations. Effective strategies for change included support for women's networking, organisational capacity, and support for women's advocacy activities in local political and social institutions. It also found that local women's organisations frequently have limited capacity to influence development priorities, and need to be resourced to fulfil this role[3];

o   Research in the Middle East and South Africa on the effectiveness of women's organizations in bringing about change found that the most successful networks were those that were formed around specific issues, and those that managed to form linkages with a broad base of higher level stakeholders;

o   In India, Esther Duflo and her partners who studied the effects of India's reservation policies for women village heads in tribal areas found significant differences between public policy choices made by women versus men, with women leaders tilting towards more pro-poor investments in health, education, sanitation, and clean water. But most relevantly for this proposal, they found that once villagers had lived through a women village head, they were likely to continue to vote for good women leaders even without the reservation[4];

o   Some of the most successful programs have worked when women's organizations find sympathetic individuals within the formal institutions and use them to build collaborative programs. Examples include the women's police desks that are now present in most police offices, and the Religious Court's ongoing and rising support for helping female-headed households gain access to legal documents (See Box 3);

o   Providing CSOs with the resources to organize and facilitate multi-stakeholder forums is a useful way to engage local governments, who are themselves often frustrated by Indonesia's rigid budgeting procedures. However, care must be taken to ensure that any payments for honoraria and the like follow pre-agreed guidelines and that CSOs have access to a grievance procedure should there be problems.

7. Lessons have also been learned about the challenges that gender programs in Indonesia face. Five of these lessons will be particularly important for the present proposal:

a.   Overall, gender mainstreaming has not been a successful strategy. The Ministry of Women's Empowerment and the various gender units in ministries and provincial governments have not been able to formulate or execute a significant program of reform;

b.   Women's organizations and networks face the same problems of intermittent funding overly tied to individual short-term projects that mainstream CSOs do,

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[3] Review on Gender and Evaluation: Report to DAC Working Party on Evaluation. Prepared for the OECD DAC Network on Gender Equality 2004. http://www.oecd.org/dataoecd/20/16/44750309.pdf

[4] R. Chattophay and E. Duflo "Women as Policy Makers: Evidence from an India-Wide Randomized Policy Experiment" NBER working paper 8615; E. Duflo and P. Tepalova   "Unappreciated service: Performance, Perceptions, and Women Leaders in India." Unpublished draft.

which constrains the development of core capacities and long-term internal development programs;

    c.   Gender action programs need to have mechanisms that allow them to survive past the end of donor funding;

    d.   A key challenge for gender work in Indonesia has been to find the means to promote communications across vertical levels, between regions, and with global partners; and,

    e.   A general lack of rigorous evaluation has prevented cumulative learning.

8. Both the positive and negative lessons will inform the proposed design.

IV.   Conceptual framework for the Women in Leadership Program

9. Women's roles in Indonesia are a hotly contested subject. On the one hand, by several measures the country is among Asia's more progressive nations with respect to gender equity. Recurrent problems of girl's school enrolment are virtually non-existent in Indonesia, and in fact at the level of the university the gross enrolment level for women is actually higher than that of men. Indonesia already has had one woman president and at least two other women candidates are likely to be serious contenders in the next presidential election. Women make up an increasingly large share of Indonesia's formal sector workforce, which usually brings with it better pay, more autonomy, and upwardly mobile futures.

7. On the other hand, Indonesia's struggle for equal rights for women is hardly over. Women do not, in general, receive equal pay for equal work. New Order formal laws and policies cast women's roles as wives and mothers and much of this remains the dominant paradigm for social policy today. Traditional law ("adat") often places strict limits on what women can or cannot do. The ongoing discussion within Islamic movements often revolves around issues such as the suitability of women in public office, restrictions on women's dress and morality codes, or women and family law. The Indonesian state has been a particularly important arena for many of these contests, often with unanticipated outcomes for both sides of the discussion.

8. This concept note begins from a number of framing assumptions about the nature of gender in Indonesia and a conceptual framework for how AusAID can approach gender questions that should be made explicit.

a) The first framing assumption is that Indonesia's complex thinking about gender is part and parcel of the country's overall socioeconomic transformation. Women's deeply embedded role within the national economy provides a starting point that is significantly different from neighbouring regions such as South Asia, where women's economic roles are in general much more circumscribed. At the same time, the transformations entailed by contemporary changes such as rapid urbanization, global integration, the rise of a manufacturing and service based economy and so on, have thrown open the issues that surround gender relationships as the resources, opportunities, and expectations about the roles of men and women change.

b) The second framing assumption is that the key drivers will cut across all levels of Indonesian society and will not be confined to any one set of policy makers, activists, or social group. In operational terms, the design for this program must be sufficiently broad and flexible to allow for engagement across changing coalitions of stakeholders.

c) The third framing assumption is that discussions about gender take place at multiple levels. International debates about discrimination, violence against women, or migrant labour both affect and are informed by Indonesia's national and local debates. Typical polarizations of "top down" versus "bottom up" strategies are the wrong starting points. Discussions about gender will take place at all levels, even if the cast of players involved in them will differ. For AusAID's gender action plan, recognizing the inter-connectedness of levels will increase the scope for producing effective action.

d) The fourth framing assumption is that policies, laws, and norms set the stage for mapping out the landscape of gender and society, but to come alive they must be grounded in individuals, organizations and resources. Progress depends on the ability of national and local organizations to develop and execute strategies, enter into alliances, and to organize constituencies. Leadership may occasionally be defined as an attribute of an outstanding individual, but more often successful leadership is the result of strong individuals mobilizing organizations and resources to achieve objectives.

e) The final framing assumption is that international aid agencies such as AusAID have an important role to play within Indonesia's gender discussions, but it needs to be articulated with some care and clarity. The starting point for this concept note is that the most useful way for AusAID to engage constructively in these broader national debates about gender in Indonesia is to focus on how changes to policies and institutions can improve the lives of poor Indonesian women. The social transformation implied by a program on women's leadership cannot be reduced to single issues such as poverty, but by beginning with some definition of the arenas where women leaders can be constructively and effectively supported will provide focus to the program and provide an acceptable entry point for promoting long-term change.

Description of the Indonesia Women in Leadership Program

9. The "Women's Leadership for Poverty Reduction" program is meant to be the first in a series of AusAID programs intended to help Indonesia achieve its stated gender objectives. The high level goal of this program is to reduce poverty and improve opportunities for poor Indonesian women. It will approach this goal by building up the capacities of women leaders in both government and civil society to analyze and contest policies, organize constituents, identify and test innovative, multi-stakeholder solutions to constraints on poor women's development, and it will provide the mechanisms to evaluate programs and learn from results.

10. The operational design of this program will be built around four substantive themes that will link the leadership program to core issues of poverty, gender and development. They are:

    - Addressing the needs of women migrant workers
    - Increasing women's access to employment
    - Improving health services delivery to women
    - Increasing poor women's access to social protection and other poverty programs

11. These themes were selected on the basis of consultations with several national women's organizations, but they also meet analytical criteria of being amenable to policy reforms, operating both nationally and sub-nationally, tying in with AusAID's program interests, and being themes where reform could make tangible benefits to the lives of significant numbers of poor women. However, preparation will keep open the possibility of identifying other thematic areas that may prove to be more appropriate.

12. The program's engagement in each of these thematic areas has a common objective of supporting men and women to protect women's rights and promote gender equality, as does indeed the program as a whole. However the nature of the challenges and the current state of knowledge about how best to achieve reform varies across the themes varies, as described in Table 1:

Table 1: Summary of WILP thematic issues[5]

	Migrant labour	Access to jobs	Better health	Improving safety nets
Strong government support	H	L	M	H
Known binding constraints	H	M	M	M
Clear policy agenda	M	L	H	H
Capable Institutions	L	M	L	M
Civil society interlocutors	M	L	M	M
Need for pilots	H	M	H	M
Resistance to reform	H	M	L	L

H=High M=Medium L=Low

13. Program approaches will be tailored to each thematic area during project design, but the general strategy for design and implementation is fairly straightforward. The project has three driving ideas that will form the component architecture of the project:

- **Component 1: Strengthening women's leadership** - The objective of this component is to improve the capacity of national organizations and networks to engage with decision-makers, their internal constituencies and associated partners, and key civil society stakeholders such as the media, the private sector, and faith-based organizations. The component will include a broad menu of assistance that can cover technical assistance, training, materials, international and national internships, and reviews. It will also make long-term core cost and internal capacity development commitments to its participating members.

- **Component 2: Innovations for poverty reduction-** Activities in this component can take place at the national or the subnational level, although the majority of them are expected to take place in the kabupaten, as described in paragraphs 23-27. Their purpose is to identify local solutions for meeting poor women's needs, as identified by multi-stakeholder discussions, analysis, and reviews of what has worked previously. Items to be financed will include goods, works, services, and training.

- **Component 3: Analysis and learning-** This component includes diagnostics, evaluation, documentation, and a broad program of knowledge exchange. Institutionally it will cooperate closely with AusAID's knowledge sector development program as part of AusAID's effort to build closer knowledge to policy

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[5] Illustrative assessments, to be refined during design.

linkages. This component will also finance the costs of the program's international and national high level advisory and review board.

14. The remainder of this section discusses how these starting points can produce an operational design. Diagram 1 summarizes the basic project cycle of what will be supported through this program:

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**Box 1: Women's Leadership and Learning on the Global Stage**

During the New Order years, Indonesians were not encouraged to be active players in global forums and discussions. This pattern is slowly changing. Through its scholarship and exchange programs, AusAID has been a key supporter that is helping a new generation of younger Indonesians overcome the barriers to a greater engagement on the global stage. As part of its efforts to strengthen the ability of women's organizations to act in global and national arenas, this program will support international engagements that can stimulate new awareness and innovations for building effective organizations, identifying shared issues, using global dialogue and new media, and making connections across borders. Design will advance thinking on the practical ways to organize these engagements and exchanges, but some examples of the type of program that can be considered will include:

Short and medium term internships in other country's most effective gender groups;

- Expanding Indonesian participation in regional and global forums and learning networks;
- Extended in-country seminars to host international partners;
- Engagement with G-20 and ASEAN programs on gender equity;
- Indonesian participation in international reviews of gender and aid effectiveness.

Part of the program's performance measurements should include assessments of how effective global encounters of this sort are in promoting the entry of new ideas into Indonesia – and in helping Indonesia to share its unheralded innovations and achievements with other developing and developed countries.

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Diagram 1
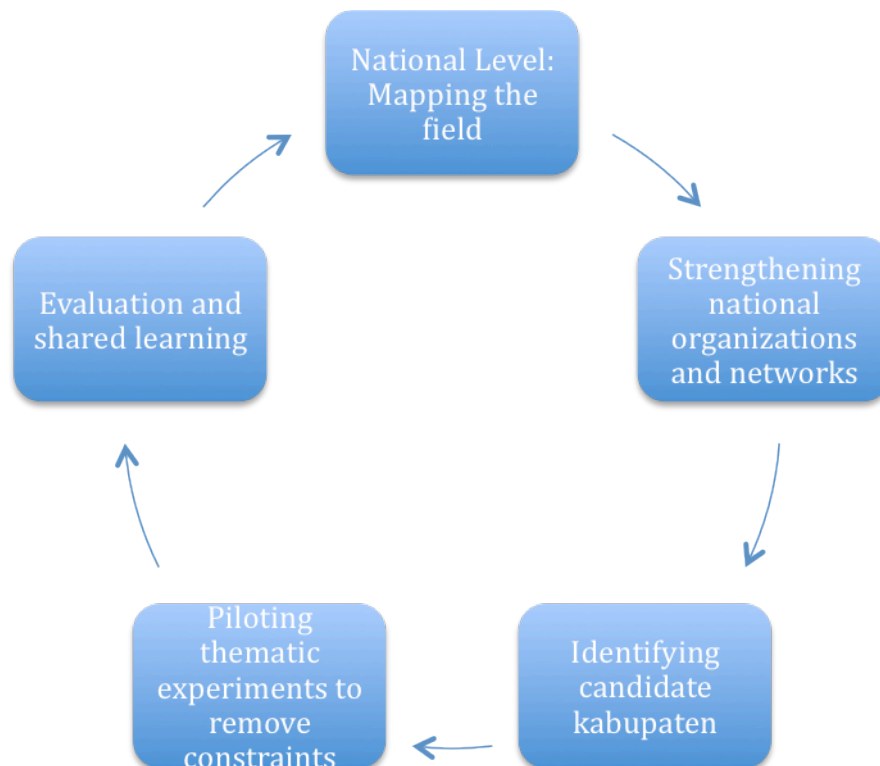
15. **National Level: Mapping the Field** -- Each thematic issue will begin with a mapping of the key stakeholders and a first definition of the main constraints that affect women in each area. Their results and proposals for the next steps will be reviewed and confirmed through a series of national and regional workshops. This first phase will also map the political economy of the institutional landscape to identify openings for launching or expanding a policy dialogue in the four thematic areas.

16. **Strengthening national organizations and leadership** -- Organizational leadership development can be for both individuals and for organizations. It is expected that the key drivers for this program will be women's civil society organizations and networks, who will be best placed to mobilize and manage multi-stakeholder dialogues. Therefore, much of the project's investments in this area will be directed towards strengthening civil society skills in leadership, organizing, and facilitation. However, while civil society will be the axis that drives the program, government and private sector reformers will be involved and in some cases will even take a dominant role.

17. Design work will identify the appropriate mechanisms for allocating development resources among the various proponents. They are likely to include both expert identification of promising groups, and self-selection by the multi-stakeholder forums. Design will also identify the criteria for selecting which national organizations and networks will be eligible. At a minimum, basic criteria will include items such as:

   o A significant subnational presence through partner organizations or local chapters;
   o Interest, commitment, and relevant to at least one of the four themes;
   o A minimum standard of demonstrated fiduciary capacities;
   o Interest and commitment to working across organizational boundaries.

Box 2: What type of national organizations are eligible?

This program is built around developing leadership and organizational capacities for national organizations that can meet eligibility criteria of reach, capacity, and commitment. Eligibility is not restricted to women's groups only, but commitment to gender issues will be an important qualifying variable. An indicative list of the types of organizations that can be considered during design would include:

   o Fatayat – the women's branch of the Nadlatul Ulama, a nationwide, largely rural based Islamic organization with more than 40 million members;
   o Komnas Perempuan – the National Commission on Violence Against Women, which has more than 750 partner civil society organizations across the country;
   o IWAPI – a national association of women small entrepreneurs;
   o PEKKA – a mass-based organization for female-headed households that operates in 17 provinces;
   o Bakti – A Makassar-based NGO that coordinates the eastern Indonesia women's caucus, Research Network and the eastern Indonesian Head of BAPPEDA;
   o Migrant Care – a national NGO that works on the rights of women migrant workers

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18. The national organizations will spearhead national-level policy dialogue. Leaders will need to develop their capacities to use research and analysis; build innovative coalitions such as with private sector trade associations or political party policy units; and to maintain engagement in high-level decision-making forums. At the same time, a main objective of the program is to ensure that information flows between national and local organizations improves. Leaders will need to identify new governance and communication mechanisms that can tighten the links and broaden the reach of discussions.

19. **Identifying candidate kabupaten** -- Site selection for this project will be open, but it will have a strong preference towards working in areas where other AusAID projects already have a field presence. AIPD program sites will be a particular priority. The concept review should discuss the possible role of Papua (which would also align with the AIPD demand side strategy for the region).

20. There are a number of good ways to select project sites. The method recommended by this concept note is to leave site selection to the national organizations, who can identify where they have strong local chapters or branches that would be interested in working on the issue. But another option is to keep entry open to any local organization with a good idea and limit review to pre-defined eligibility criteria.

21. **Piloting thematic experiments** – All four thematic areas are in need of new, tested, ideas that can be scaled up and replicated. A central feature of this program will be its support for experimentation. However, while in all four areas there are national and sectoral policy reforms that will need to be addressed through this and the linked sectoral programs, within any one area there are many solutions to the challenge of improving women's access and livelihoods. Without local ownership, top-down reforms all too quickly become sidetracked or undermined.

22. For each thematic area, the CSOs will facilitate kabupaten level multistakeholder forums whose purpose will be to identify what they collectively perceive to be the binding constraints that block better development practice. Project financing will then cover the costs of the experiment itself, the joint learning exercise, and a participatory evaluation of its results and relevance for replication elsewhere. Project design will identify screening procedures for assessing and supporting local stakeholder proposals for experimentation. At a minimum, however, criteria must include:

    o A compelling explanation of what constraint the proposal will address;
    o An approximate assessment of the number of potential beneficiaries
    o A plan for assessing its impacts;
    o A convincing argument for how its benefits will be sustained

23. Design will need to specify whether any additional criteria are needed, including any necessary documentation that would confirm kabupaten support. Design will also need to propose budgetary thresholds for the pilots and any necessary mechanisms for technical screening and oversight.

Box 3: Illustrations of Kabupaten Experiments

This proposal to support local experiments to perceived constraints on women's development builds on a rich mix of Indonesian experiences of finding local solutions to problems. Some examples will illustrate the point:

- o Building on member surveys carried out in 2008, PEKKA, a national organization for women household heads reported that a principal reason why so many poor village women could not benefit from government safety net programs was because they lacked the required documentation. Aided by a small seed fund from AusAID, PEKKA facilitated multi-stakeholder forums that brough together judges, police, local government, and NGOs to improve the responsiveness of justice service providers. Following this successful pilot, the Ministry of Religion and the Chief Justice of the Supreme Court have now scaled this up into a national program covering 373 district courts, and committed $3.5 million of government funds to its support. Over 100,000 poor women are expected to benefit from this program in 2011.

- o More than 400,000 Indonesian women leave for overseas employment each year. With UNIFEM's (now UN Women) support, a law on the Protection of Migrant Women was developed and adopted in the district of Blitar. The law and complementing decrees mandate a protection fund to cover legal costs of discrimination and abuse cases faced by migrant women, and a provision to assign female doctors for medical check-ups to prevent sexual harassment. This law is being replicated in other districts of Indonesia.

- o A hypothetical example of what *might* be developed comes from discussions in Gresik, East Java. The kabupaten is increasingly benefitting from the large number of decentralized factories that are locating in the area. While many of the poor women from the area have the right skills, they lack the transportation and childcare that they would need to apply for jobs in the factories. A pilot experiment under this program developed through dialogue with the employer's associations and the kabupaten government could subsidize the start-up of a kecamatan bus service as well as pay for daycare. As women found jobs, the start-up subsidies would be replaced by normal user fees.

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24. **Evaluation and shared learning** – This program will need to build in a strong program of evaluation and learning at three distinct levels. First, the local level experiments themselves must have a reasonable degree of rigor in their design so that mixed methods evaluations can produce a compelling story about their performance and analytically informed discussions about their replicability. Second, since a main purpose of doing the experiments is to let Indonesia's diversity inform the national policy and programming dialogue, evaluations and learning must have the means to feed results back into the national organizations and into TNP2K, which will be hosting the program. Design must pay close attention to ensuring that these feedback loops are well thought through and are properly resourced. And third, while the program is organized around thematic areas, there is a presumption that much is to be gained by sharing experiences across the themes. Design must find the mechanisms needed to ensure that there are sufficient cross-cutting regional and national events to overcome natural tendencies for each organization to stay locked into its own silo.

25. This program's evaluation and learning activities will also be critical for many of AusAID's sectoral programs. It is closely linked to the newly approved knowledge sector program and draws on many of the same knowledge-to-policy principles, albeit with a more activist overlay. The program will also provide important and useful contributions to each of the main sectoral programs funded by AusAID and GOI, such as improving health systems services, targeting poverty, or reforming international labour markets. Achieving those goals requires sufficient rigor to allow for compelling advice that can sway a policy audience.

Box 3: Uses of analysis to improve women's access to jobs

Improving the quality and availability of gender analysis will be a central activity for this project. Examples of the types of analysis to be used for the thematic area concerned with improving women's access to jobs might include:

- o Cooperation between BPS and ABS to improve job and firm tracking surveys;
- o Surveys of women job seekers' and employer's perceptions of hiring criteria
- o Assessments of barriers facing women who want to start small businesses;
- o On-demand surveys by labour organizations

Part of this program's cooperation with the knowledge sector will include joint activities to develop the methodological tools and human resource capacities to carry out gender-focused labor market assessments.

How Will the Program be Managed?

26. **Governance and Management:** Detailed governance arrangements will be developed during design, but some general guidelines can be summarized here. The program is anchored in TNP2K and will report to the Deputy Minister, who has delegated authority from the Vice-President. The program will be guided by a Steering Committee consisting of representatives from the Government of Indonesia, women's community service organisations, academia and research organisations. The committee will be responsible for setting the strategic direction, approving the annual workplan and ensuring coherence across the program. TNP2K will co-chair the Steering Committee and facilitate the subsidiary agreement.

27. An AusAID Program Director (who can be Indonesian) will be directly responsible for the strategic management of the program on behalf of AusAID. As this is a new program area for AusAID, the emphasis will be on flexible programming with development of each theme over time in order that approaches are informed by an evolving understanding of the way in which thematic efforts are contributing to the program objectives and goal. The program director will sit in TNP2K.

28. This is a cross-cutting program that will collaborate with other AusAID projects and sectoral programs. To assist with internal coordination, the gender focal points for each relevant sector will join project preparation and will in principle represent their sector in periodic reviews. Internal consultations during the design process will flesh out how best to ensure effective internal coordination.

29. **Implementation Timeframe:** The program will be implemented over 7 years. A schematic of the program's timeframe once procurement has been completed is as follows:

   - o Year 1: Consultations, analysis, and institutional strengthening
   - o Year 2: Development of kabupaten pilots
   - o Years 3&4: Execution of pilots
   - o Year 5: Evaluations, mid-term review, and start of sustainable financing mechanisms;
   - o Year 6: Continued decline of AusAID pilot financing
   - o Year 7: Evaluation

30. **Budget envelope** – Preparation will need to nail down budget numbers but a rough estimate would place the operating budget for the 7 year program in the $35-45 million range. This is a conservative budget but it will keep the focus on quality of implementation rather than on speed of disbursements. A mid-term review will assess whether additional funds should be added.

31. **Defining Success:** Success will be defined in terms of the changes achieved in each of the four thematic areas. Its "bottom line" will be that end of program tracking surveys should be able to detect significant welfare changes that can be credibly attributed to the project's interventions. All four themes lend themselves to quantitative impact assessments and the program as a whole should be able to produce quantitative assessments of what this program produced. Measurement and indicators will need to be tailored to reflect both process and outcome, with long-term assessments tracking poverty and welfare changes among the beneficiary populations. A second, linked measure of success will be the extent to which women leaders, coalitions and networks increase their ability to provide political input, dialogue and advocacy. Effective organizing will enable poor women to play a more equal role in shaping the decisions, rules and structures that affect their daily life, particularly as they relate to the government's poverty reduction agenda. A third success measure for the program is whether the increased participation will contribute to more public resources being allocated towards addressing poor women's needs and priorities.

32. A commitment to ensuring the project's success should not become an excuse for avoiding all risk. Part of the design work will include defining upper and lower bounds for "allowable failures." Risky but innovative pilots that succeed should be rewarded through prizes, showcasing, and replication.

33. **Partners:** The program will have a diverse mix of local government and non-government partners and each will contribute to the program goal and objectives in different ways. Non-government partners will include but not be limited to religious organisations, mass-based women's and gender interested community service organisations and networks, media, private sector associations, research institutes and academia.

34. Design will include a review of donor partner programs that could achieve the goals of this program if AusAID provides them with additional financing. There are some that at first glance have high potential, such as the new Dutch sponsored StuNed program for tailored, joint group learning for Indonesian organizations, AusAID's own program for women's Pacific leadership, and an ongoing Nippon Foundation program to encourage women leaders to step back and write up their organizing strategies and experiences.

35. **Sustainability** – Sustaining civil society organization in Indonesia is an important but difficult challenge. Domestic philanthropy is in its infancy and still confined largely to religious charities. Nevertheless, sustainability is a core concern of this program in two particular ways. As noted in the discussion of the kabupaten pilot programs, AusAID support for experiments is contingent on their provision of a sustainability plan, either through some version of cost-recovery, cost-sharing, or policy reforms that, once made, no longer require AusAID support. Design will also identify how best to provide assistance so that national organizations can develop new forms of fundraising and financial planning. Promising mechanisms to be pursued through this project will include reaching the fiduciary and reporting standards needed to become attractive for Indonesia's corporate social responsibility commitments; collaboration with religious charities and private foundations; and more systematic, accurate charging systems for donor and government partnerships.

Design, Implementation and Resourcing

36. **Timeframe:** The program will be designed over a 6 month period. The design process will run from September 2011 to February 2012.

37. **Resources*:* The design will be managed in-house. The Director, Decentralisation, Poverty Reduction and Rural Development Section will guide the overall design. The Women in Leadership Unit Manager will lead the design and will be responsible for the production of the design document. In-house and consultant expertise will be drawn in as needed. Where required, Indonesian experts will be contracted to prepare and manage consultations.

38. The budget for the design process has already been allocated under the original FMA9 &10. The FMA provides $400,000 for the development of the concept note and the design process. The design will be managed well within this budget and no additional funds will be required.

39. **Design Outputs*:* The final output will be the design document. It will include a Monitoring and Evaluation Framework, TOR for al major positions and the managing contractor, and a draft operating manual. The design process will also commission or carry out its own studies on:

   ➢ Lessons Learned: comparative analysis of donor-assisted women in leadership programs to identify what works and what doesn't
   ➢ Stakeholder Mapping –political analysis identifying existing local leadership networks and coalitions
   ➢ Linkages with AusAID programs – outline of operational level opportunities to work with other AusAID programs in Indonesia and more broadly.

42.

43. **Relationship to other AusAID programs:** Gender is a cross-cutting issue and this program is expected to be relevant to a range of AusAID projects. However, because of its thematic focus, the project will be working especially closely with the following group of active AusAID projects:

Box 4: Closely Affiliated AusAID programs

Name	AUS$ Million
Support for Poverty Reduction	57.0
Maternal and Neo-natal health	67.4
AIPD	70.0
ACCESS	26.7
AIPJ	50.0
Knowledge Sector	100.0

40. **Risks*:*** Overall fiduciary risks for this project are low, though not non-existent, and project design will need to specify a clear framework for managing risks. The more serious concern lies in the experimental nature of the project and the fact that gender equity issues are often marginalized in national policy debates. A summary of the key risks would include:

- <u>Program loses focus</u>: Generally, capacity and leadership programs have had mixed success in Indonesia. This is particularly true for programs that seek to increase government capacity without acknowledging structural issues such as poor incentives and high staff turnover as well as poor quality delivery.

    o The program can mitigate this risk through its partnership approach with activities to be executed through proven organisations that understand the needs of poor women as well as the specific political and cultural context. Executing the program through civil society organizations and a managing contractor provides a means to engage and involve government officials without incurring the risks and blockages that use of government systems does. However, the key to successfully mitigating the risk of a thousand trees but no forest lies in the parts of the program that document, evaluate, and link the local level findings to the higher level policy dialogues being undertaken by the national organizations and their partners in government and the private sector. Program design will specify a mix of evaluations, reviews, and learning events designed to lubricate communications between national dialogues and local experiments.

- <u>Lack of ownership, interest or continuity by GoI</u>: The chosen GoI partner in each area may not be fully committed to the objectives of the program and see it as a burden.
    o Government interest in gender issues waxes and wanes in unpredictable ways. For this project the key risk mitigation mechanism is the program's close link to poverty reduction. AusAID and other donors will then be able to provide material incentives as the reform dialogue in each substantive area progresses through their mainstream programs for poverty reduction.
    o Government ownership will be assured through its involvement in the national Steering Committee. Participating organizations will already have their government counterparts and supported who can be brought into the dialogue. At the local level, the project's design of allowing kabupaten stakeholders a full year to identify shared priorities is intended to mitigate this risk of insufficient ownership. Monitoring ownership can be included in the responsibilities of the managing contractor.

o TNP2K is supportive of the work but TNP2K's mandate extends only until 2014. Provisions will be made to transfer ownership to whatever organization succeeds TNP2K, but since there is a chance that a new administration will simply let TNP2K expire, beginning in 2013 the program will need to be assessing possible future homes within government.

- Sensitivity of gender work: Undertaking gender work in host countries is commonly a sensitive endeavour and risks accusations that international actors are driving a western-inspired gender agenda. This has the potential to set back local efforts in advancing gender equality.
   o AusAID will work through local partners so that all program activities are locally conceived and locally driven. The program's approach seeks to build on and add value to the existing national and sub-national efforts, including by bringing together local champions, rather than introduce new approaches or agendas. The program will be underpinned therefore by a strength-based approach to working with partners.

- Kabupaten experimentation identifies the wrong variables – The argument of the kabupaten innovations component is that local stakeholders can identify the binding constraints that block progress in the thematic areas. However, it is also possible that private interests capture the forums, or that local groups identify investments that meet the screening criteria but in the end do not produce significant impacts.
   o The problem of elite capture will be addressed through the work by the national and local chapters of the women's organizations, who will be encouraged to report such event through the program's internal monitoring and to other stakeholders. The problem of identifying the wrong or suboptimal constraints can be mitigated by improving the quality and availability of relevant information, and by providing sufficient time for stakeholder to argue through their proposals.

- Information is generated but not used – This program's field innovations will generate large amounts of new, interesting information. How to share, analyse, and replicate findings across regions, sectors, or even internationally will be no small challenge.
   o The program's "analysis and learning" component is designed to capture lessons. However, high quality monitoring and evaluation will have to be built into early designs for findings to be considered replicable and sufficiently generalizeable to justify drawing policy findings from the kabupaten level programs. Appraisal will assess in detail the arrangements for documentation and analysis, and annual and mid-term reviews will also focus on adjusting the program's pace to its ability to assimilate information from the field. Close cooperation with the knowledge sector program will provide the institutional means to build a community of knowledge about gender in development.

- Political landscape: Working in Indonesia occurs within a highly politicised landscape, with political flare-ups and internal schisms often arising within stakeholder groups. The program will rely on advice from partners and other AusAID programs to navigate the working environment as issues arise. Comprehensive political analysis identifying existing local leadership networks and coalitions will help reduce this risk and increase the viability of leadership work.

42. **Next steps –** The main steps along the critical path for appraising this program are:
    a. Concept approval
    b. TNP2K written endorsement
    c. Execution of the consultation strategy (Annex 3)
    d. Technical design document, including RFP for contractor
    e. National stakeholder review workshop (TNP2K)
    f. AusAID review.

43. A preliminary assessment of the studies and design documents that must be commissioned for this project include:

    a. Global survey of knowledge on women's leadership and poverty reduction (Canberra)
    b. Indonesia survey of what is known about successful gender interventions (consultant)
    c. Sectoral issue briefs (consultant)
    d. M&E approach paper (consultant)
    e. Lessons from NGO capacity development initiatives (consultant/workshops)
    f. TOR for Managing Consultant
    g. Cost estimates and implementation plan.

Summary of Thematic Area Proposals

1. The Women's Leadership for Poverty Reduction proposal outlines four thematic areas that can focus and guide the operational activities of the program. This annex provides some illustrations of the issues associated with each of the four themes:

2. **Women and International Labour Migration** --   Ever since the 1998 East Asian economic crisis, overseas migration by poor Indonesian women has risen exponentially, with an estimated 1.5 million women working both legally and illegally in Saudi Arabia and Malaysia alone each year. In many countries, including Indonesia, international labor movements have been key to the survival of the rural economy, largely through remittances but also because labor migration can act as a cushion when weather or economic crises push the rural poor beneath the level of production that they need to survive[6].

3. At the same time, Indonesia's systems for labor migration and the protection of the rights of worker's functions very poorly. High levels of abuse make the headlines, but the system itself is permeated with bad practices that range from lack of affordable credit and, especially, savings accounts; lack of contracts; lack of financial literacy; poor training; poor in-country support; and so on. The government has made some initial efforts to improve the workings of the labor migration corridor, but the vested interests that profit from current poor practices have thus far prevented any significant changes to this abusive system.

4. The Women's Leadership will work across the range of players to improve Indonesia's management of labor migration. While its key counterparts will be the government entities and activist groups most immediately concerned with labor migration, the program will also engage interested parliamentarians, district heads, industry and company reformers, banks, ASEAN, and international specialists who can help make the system work.

5. **Targeting Social Assistance --** Despite Indonesia's sustained growth, absolute levels of poverty and the vulnerability of Indonesian families that are slightly above the poverty line remain a major source of concern. Approximately 30 million Indonesians fall below the official poverty line, and another 90 million people hover just above the poverty line but earn USD$2.0/day.[7] Some 16% of total households in Indonesia are headed by women, of which a large share is likely to fall into the poor and near-poor categories.

6. Global and national analyses highlight the urgency of developing effective safety nets that can protect poor and vulnerable men, women, and children from both the negative effects of chronic poverty and the short-term but damaging effects of social and economic shocks. The government is introducing or planning to pilot a broad menu of safety net and transfer programs that can cushion protect the poor by smoothing out incomes and supplementing their incomes with easier access to poverty services.

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[6] 2008 estimates are that overseas migrant workers (men and women) remitted $6.0 billion. See "Enhancing Access to Finance for Indonesian Overseas Migrant Workers," (World Bank, 2010) part of a large AusAID-World Bank sector study on Indonesian overseas migration.

[7] At 2011 purchasing power prices

7. Key to the overall social protection program is a single database that will be used to target all social assistance programs. Unified targeting will end the problem of different ministries using competing systems that have varying degrees of accuracy. A unified targeting system will not be free of targeting errors, but each year the list can be improved to reduce the number of deserving people who have been accidentally excluded.

8. Once the government prepares its unified targeting system, two steps will prove to be critical for ensuring that poor women benefit from the new system. First, agreement needs to be reached on how the system registers women, particularly though not only female-headed households, who are often registered as dependents of a related male. However, in even the best unified targeting systems, rates of exclusion error (i.e. not including poor people who are actually eligible) will remain high, with a 30% exclusion error rate considered to be a significant improvement over current systems of targeting. However, a 30% exclusion error rate of 120 million eligible people still leaves at least 35 million people uncovered, and past experience suggests that a disproportionate share of those will be women. Therefore, a second critical entry point will be for women who were excluded from the initial identification participate in the verification process.

9. The Women's Leadership program can help at each level of this system. Initial design of the targeting system should reflect global best practices and be discussed with national women's groups. Documentation – marriage certificates, divorce notices, citizens cards -- has proven to be a major barrier for women and providing alternative means and/or better procedures can be a major focus of the program. Women's groups should monitor performance and identify recurrent errors. Providing information to local government's, BPS offices and to women's organizations to share with villagers about the verification process will also be key. And building up women's advocacy capacities to lobby for improvements will close the loop between village and policy-maker.

10. **Promoting Women's Access to Jobs** -- Without a doubt the most transformative effect on women's role in society will come from increasing women's access to formal sector jobs. However, Indonesian women still face a range of access barriers. Indonesia's 1974 Marriage Law builds in legal requirements for husband's to approve a broad range of decisions by their wives. Costly, inadequate or unacceptable transportation; child and elderly care obligations; and domestic violence are commonly cited factors. Furthermore, even when they gain access, women face various forms of discrimination. Equal pay for equal work is not the norm. Legislation requiring consideration of reproductive rights is often skirted or ignored. Promotion barriers and cultural beliefs that in economic downturns women should be the first to be made redundant similarly reflect the need for activist leadership to protect the rights of women workers.

11. Design work for the Women's Leadership Program will identify entry points and priorities. It will include diagnostics on entry barriers, dialogue with associations of factory workers and progressive individual factory owners, cooperation with the ILO and Indonesia's unions; and a mapping of the civil society organizations concerned with women and labor issues.

12. As with the other sectors covered by this program, the focus of the women and jobs work will be to develop women's leadership on both sides of the table. This part of the program will help women leaders and their colleagues in government and industry develop industrial codes of conduct, improving complaints mechanisms, and providing better monitoring that labor legislation is enforced. The program will also work with labor activists to develop their organizing and negotiating skills through international

exchanges and study visits; scholarships for women leaders to learn from non-traditional host organizations such as labor unions or other developing country NGOs; or building up links with research organizations to broaden understandings of women and the changing economy.

13. **Women, Health, and Reproductive Services** Health outcomes have significantly improved in Indonesia with good progress on many key indicators. However, Indonesia's maternal mortality rate is 228 per 100,000, amongst the highest in the region. Other indicators tied to reproductive health are equally alarming. Variance in maternal health statistics is extremely high across Indonesia, with rates two or three times the national average in parts of eastern Indonesia and Papua.

14. Addressing maternal mortality requires additional focus if Indonesia is to meet its MDG target of 105 by 2015. Local health centres are understaffed. Insufficient and absentee doctors limit the coverage of effective care. Many remote rural areas do not have sufficient midwives. Constrained by multiple funding channels with different reporting requirements, a slow budget approval process, and by the centralised control over human worker regulations and placements, few districts have developed the capacity to plan and manage their health budgets, to identify local health needs or to set targets and monitor progress.

15. Work by Ford Foundation and other donors suggests that civil society organizations have diverse, critical roles to play in pressuring local governments to allocate resources to health and to monitor their implementation; to encourage more use of private and CSO health providers for reproductive health; and to report constraints to improved performance to national level agencies and independent monitors. Other assessments concur that without outside pressure, internal health system reforms will not make sufficient progress in remedying Indonesia's unsatisfactory health performance, particularly in the poorest parts of the country.

16. Australia has a particular interest in improving reproductive health in the areas of highest mortality - Eastern Indonesia, including Papua. Australia, through partners such as Oxfam Australia, also has a long history of supporting local organizations such as the Eastern Islands reproductive health network. The Women's Leadership for Poverty Reduction program can build on this historical base. The program will work through local organisations to identify barriers and appropriate areas and activities to address high rates of maternal mortality and related health issues.

17. The program will support eligible families' access government health programs where they face difficulty in completing the application process. Support will be provided to community representatives to engage the district government as they develop their plans on safe motherhood. The program will also work with community service organisations to lobby local parliamentarians and other local authorities (Bupati/Mayor) to increase financial support on safe motherhood initiatives. The program will support the monitoring and evaluation of new and existing initiatives around safe motherhood to assess their impact on maternal mortality rates. This program will work closely with AusAID's Maternal and Neo-Natal Health program and it will inform the designs of the new MNH and Health Systems Strengthening programs.