

# Multi-donor Trust Fund Proposal

---

## Partnership for Knowledge-based Poverty Reduction

Prepared by the World Bank Office Jakarta

Submitted to the Australian Agency for International Development (AusAID)

April 2010



## A. Summary

<b>Program Title</b>	Partnership for Knowledge-based Poverty Reduction
<b>Timeframe</b>	June 2010 – December 2013
<b>Rationale</b>	<p>Poverty reduction is the highest development priority of the Government of Indonesia, which aims to lower the poverty rate to 8-10 percent by 2014. Reaching this target will require a new generation of poverty and social protection programs that are more coordinated, better targeted, and have been proven to work. Central and local government planning and coordinating agencies require sound policy advice, supported by empirical analysis, to develop poverty and social protection policies and programs.</p>
<b>Program Description</b>	<p>The overall development objective is to strengthen national efforts to reduce poverty and vulnerability by supporting the Government of Indonesia in making informed and evidence-based policy and program decisions. This will be achieved by: i) providing poverty analytics and building analytical capacity to inform poverty and social protection policies, programs and strategies; ii) supporting the government in the design, implementation and evaluation of key poverty and social protection programs; and, iii) improving the quality and accessibility of data required for poverty analysis and policymaking.</p> <p>Capacity building activities will be incorporated into program activities to build skills in coordinating and implementing government agencies, enhance the analytical and training capacity of local research institutes, and support the institutional reform of the national statistical agency.</p>
<b>Execution and Implementation</b>	<p>Activities will be both Bank- and recipient-executed. Grantees for recipient-executed activities will local universities and think tanks. Activities will be implemented in close cooperation with partners from the Executive Secretariat of the National Team for the Acceleration of Poverty Reduction (<i>Tim Nasional Percepatan Penggulangan Kemiskinan</i>, TNP2K), the National Development Planning Agency (Bappenas), and the Central Bureau of Statistics (BPS). Select activities will be contracted out to partner research institutions and service providers.</p>
<b>Governance</b>	<p>A government-led joint management committee (JMC) will oversee the design, implementation and review of all bilateral programs and multi-donor trust funds/facilities that support the poverty reduction framework of the Government of Indonesia. The JMC will be co-chaired by the TNP2K Executive Secretariat and Bappenas. The committee will be responsible for: reviewing overall trust fund strategies; identifying policy priorities; reviewing progress; and, clearing grants for recipient-execution. AusAID and the World Bank will</p>

be committee members.

<b>Funding Structure</b>	Financing will be channeled through a newly created trust fund. The trust fund will be established as a multi-donor trust fund to allow for the entry of other donors at a later stage. In terms of execution, the trust fund will be set-up as a hybrid allowing for both Bank- and recipient-execution. The trust fund will have flexibility to increase the share of funds allocated for recipient-executed projects.
<b>Estimated Budget</b>	AUD 7.5 million
<b>Task Team Leader</b>	Vivi Alatas

## B. Background

**Indonesia has made progress in reducing poverty but many people remain poor and vulnerable.** Sustained economic growth has helped more Indonesians escape poverty by creating more jobs and increasing public expenditures for health, education and infrastructure. Since the 2004 national elections, the poverty headcount has fallen from 16.7 percent to 14.2 percent (2009). Despite these gains, 32.5 million Indonesians currently live below the poverty line and approximately half of all households remain clustered around the national poverty line (IDR 200,262/month). The gap between the poor and non-poor is also widening. The Gini coefficient, a measure of consumption inequality, has increased from 0.32 percent in 1999 to approximately 0.35 percent in 2009. Regional disparities also persist; eastern Indonesia lags behind other parts of the country, notably Java.

**The current government is committed to accelerating the pace of poverty reduction.** President Susilo Bambang Yudhoyono has declared that poverty reduction is the highest development priority of his new administration. According to the medium-term development plan (*Rencana Pembangunan Jangka Menengah*, RPJM, 2010-2014), the government aims to lower the poverty rate to 8-10 percent by 2014. Sustained economic growth is essential to reaching this goal, as well as stronger job creation in the formal and non-agricultural sectors. In addition, the government will continue to implement its poverty reduction strategy that is articulated around three clusters: Cluster I focuses on assistance and services to individuals and households; Cluster II emphasizes interventions at the community level; and Cluster III seeks to support enterprises and (micro-) private sector entrepreneurs.

**National community grant programs are helping to reduce poverty by allowing the poor to help themselves.** The National Community Empowerment Program (Program Nasional Pemberdayaan Masyarakat Mandiri, or PNPM-Mandiri), falling under Cluster 2, is the main poverty reduction strategy of the government. They scaled-up the program between 2007 and 2009 to provide block grants to rural and urban sub-districts (*kecamatan*) that support community-level development projects. The approach successfully leverages local knowledge to identify obstacles to development while building capacity for coordinated action. PNPM-Mandiri has successfully accelerated the pace of poverty reduction and is especially effective in remote, rural areas that need labor-intensive and productive infrastructure, such as roads that connect villagers to markets and services.

**The government has launched some social assistance programs to protect vulnerable households from shocks and inter-generational poverty.** In 2005, it began shifting resources from regressive subsidies to a first generation of social assistance programs that targeted poor- and near-poor households. These programs form the core of Cluster I. Askeskin, re-named Jamkesmas (*Jaminan Kesehatan Masyarakat*), now covers around 76 million beneficiaries, making it the largest social assistance program in Indonesia. Raskin continues to distribute rice to millions of families across the country. BLT was temporarily re-launched in 2008-09 to mitigate the inflationary impact caused by an additional fuel price adjustment in mid-2008. The government is also piloting other types of social assistance programs that prevent families from resorting to negative coping strategies such as decreasing basic food- and health expenditures, or pulling children from school to join the workforce. These include *Program Keluarga Harapan* (PKH) and *PNPM-Generasi*, pilot programs that make grants to households and communities conditional on school attendance and the use of public health facilities.

**As more Indonesians escape poverty, a new generation of social insurance programs is needed.** The building blocks of a social insurance system are already in place, including *Askes*, a health insurance program, and the *Jamsostek* pension program for formal sector workers. Although the Social Security (SJSN) Law (No. 40/2004) outlines national aspirations to provide universal coverage, there is no clear plan for how to build a coherent and feasible national system. There are questions regarding program's efficacy and effectiveness, the level of benefits provided, the scope of coverage, and its affordability and fiscal sustainability. Without adequate preparation, Indonesia may find itself in the same position as other middle-income countries that offer generous social insurance benefits but are now struggling with large contingent liabilities.

**There are many cracks in the current fragmented and uncoordinated approach to poverty reduction and social protection, through which vulnerable families can fall into poverty.** Poverty and social assistance programs are independently implemented by a broad range of central agencies. As such, they are too fragmented to comprehensively or effectively protect families from shocks or to help them effectively manage risk. Coordination is weak both across ministries at the national level and downstream with local governments and service providers. Much has been accomplished in consolidating community-driven development projects under the umbrella of PNPM-Mandiri. Coordination, however, remains a problem between the Clusters One, Two and Three, as well as with the supply-side of education and health services. At the same time, there is a need to improve the targeting of these programs so that they reach the communities and households that are most in need.

**Overall oversight and coordination of poverty and social protection programs has been elevated to the Office of the Vice-President.** A Presidential Regulation (No. 15/2010) established a National Team for the Acceleration of Poverty Reduction (*Tim Nasional Percepatan Penanggulangan Kemiskinan*, TNP2K) that will lead the coordination and oversight of all poverty reduction programs under all three clusters of the national poverty reduction strategy. Vice-President Boediono will chair the National Team, which will include all government agencies responsible for the planning, financing and implementation of poverty reduction programs. The regulation also mandated an Executive Secretariat, housed in the Office of the Vice-President, which is responsible for: drafting policies and programs, setting targets, developing a database, carrying out monitoring and evaluation, and conducting analyses and providing technical and administrative support for the National Team. It will also be responsible for establishing working groups that will act as "internal think tanks" overseeing coordination of poverty reduction clusters, a national targeting system, and a system for monitoring and evaluation. The TNP2K Executive Secretariat and its working groups will play a key role in defining policies for poverty reduction and

social protection, alongside Bappenas, which will lead a financing team that will be responsible for coordinating and planning financing for the implementation of poverty reduction programs.

## C. Rationale

**Indonesia plans to develop a new generation of poverty and social protection programs to help reach the 2014 target.** The Government of Indonesia has been increasingly investing resources in a range of poverty reduction and social protection programs. The effectiveness of these programs, however, has been dampened by weak coordination both across ministries at the national level and downstream with local governments and service providers. In addition, the currently fragmented approach to social assistance does not adequately target, or adequately cover, the most vulnerable families. A new generation of programs is needed to ensure that resources are effectively used to pull families out of poverty and protect others from falling into poverty. Developing this next generation will require improving the design of existing programs, introducing and scaling up new programs, and ensuring that programs work in synergy with each other.

**The government has requested the support of the World Bank to provide technical support as they reform and integrate poverty reduction programs.** The integration of social protection programs into a coherent and feasible system will place strain on existing and new institutions. The Secretariat of the National Team for the Acceleration of Poverty Reduction, formally established in March 2010, requested support from the World Bank and donor agencies to assist in setting-up of the new body, providing technical assistance and, and enhancing their capacity to carry out their mandate and reach set targets. Similarly, Bappenas and the DJSN have requested assistance from the World Bank to support the design, monitoring and evaluation of social assistance and insurance programs in Indonesia.

**This assistance will deliver empirical qualitative and quantitative analysis to inform policy makers responsible for carrying out the national poverty reduction strategy.** Policy makers in Bappenas, the Office of the Vice-President, the DJSN and local governments will increasingly need/demand high-quality assessments of their policy options. There is a high level of demand within the government for strengthening capacity for poverty analysis. There are few institutions in Indonesia, however, that can provide independent quantitative and qualitative reviews of key policy issues. These institutions are also over-subscribed and are not in a position to meet additional demand. There is a need to strengthen internal government capacity to provide reliable qualitative and quantitative analysis to meet the immediate needs of policy makers, and provide tools that give them access to current data. At the same time, there is a need to increase the analytical capacity of Indonesian think tanks and universities that can, over time, provide services for central and local policy makers who are responsible for development policy. Their growing involvement will contribute to a more informed and transparent public debate around policy issues.

**Solid analysis depends on high-quality and reliable poverty data, which requires the continued development of a modern statistics agency.** Poverty monitoring and analysis has been constrained by the accuracy, reliability and timeliness of poverty statistics. Improving the quality of data, however, depends on reforming the core systems and processes of the Central Bureau of Statistics (*Badan Pusat Statistik*, BPS). BPS has requested the assistance of the World Bank to support its institutional reform agenda to deliver improvements in quality of its statistical products and services. The reform program

aims to improve its priority product lines – including the national socio-economic and labor surveys – and modernizing methodologies, data production, storage and analysis of data. The reform program also addresses the institutional support areas of ICT and human resources, to ensure the sustainability of statistical improvements. There is also a need to improve data accessibility so that policy makers and research institutions can carry out their poverty analysis and research functions more effectively.

**Creating a new trust fund for poverty analytics will allow the Bank mobilize support for the TNP2K Secretariat in its early formative stages.** AusAID has committed to providing the Poverty Team with AUD\$ 7.5 million over the next four years to support the TNP2K Secretariat, while continuing on-going partnerships with Bappenas and BPS. Early discussions are underway to establish a Poverty Reduction Support Facility (PRSF) parent trust fund to support an integrated approach to poverty reduction spanning all clusters. Many questions remain, however, on how the government will integrate poverty reduction programs, roles and responsibilities of key agencies, and how donor financing mechanisms will be structured. Creating a stand-alone parent trust fund for poverty analytics is a pragmatic medium-term strategy to ensure that technical assistance can be provided on a timely basis. These arrangements will be reassessed in the future once government structures and overall financing mechanisms are settled.

## D. Lessons Learned

Sound analytics can be effective in supporting the Government of Indonesia to make policy decisions that are more pro-poor and can improve the design and implementation of poverty and social protection programs. The following are two examples of how the World Bank worked with the Government of Indonesia to apply sound analysis to inform key policy actions that contributed to reductions in poverty.

**Dismantling regressive subsidies.** In 2008, as international oil prices increased further the Government moved to reduce fuel subsidies. The World Bank provided toolkits for the Ministry of Finance and the Coordinating Ministry for Economic Affairs (*Menko Ekuin*) allowing an assessment of the impact of different possible fuel price increases. Using these toolkits allowed a better informed decision making around the impact of fuel price increases on the poor, as well as the size and duration of the unconditional cash transfer (*Bantuan Langsung Tunai*, BLT) needed to mitigate the effect of the policy shock on poor and near-poor households.

**Improving the design of safety nets.** Public criticism of the 2005 BLT program focused on poor socialization, weak delivery, and the inclusion of non-poor and the exclusion of some poor from receiving the transfer. The Bank, in collaboration with local think tanks including SEMRU, reviewed and assessed past performance in order to provide recommendations for the government for the improvement of the 2008 re-launch of the program. Adjustments were made and the second round of BLT was better received. The engagement provided the opportunity for the Bank to launch work with the government on improving targeting systems, to address concerns about inclusion and exclusion errors. This included improvements in the design of the household survey (*Pendataan Program Perlindungan Sosial*, PPLS) used to update the recipient list of households, which was based on improved methods to identify poor households.

These interventions were possible because of the high-level of trust and established working relationships between key government policy makers and those who provided the analytics. The quality of the analytical inputs was high, contributing to greater confidence in the policy recommendations. Complicated information was then presented to government counterparts in simple, user-friendly tools and briefing notes to improve uptake. Flexibility in planning allowed for anticipating and embarking on new projects that contribute to developing next generation social protection programs and systems.

## **E. Development Objective & Guiding Principles**

The overall development objective is to strengthen national efforts to reduce poverty and vulnerability by supporting the Government of Indonesia in making informed and evidence-based policy and program decisions. This will be achieved by: i) providing poverty analytics and building analytical capacity to inform poverty and social protection policies, programs and strategies; ii) supporting the government in the design, implementation and evaluation of key poverty and social protection programs; and, iii) improving the quality and accessibility of data required for poverty analysis and policymaking.

The design of the program is intended to support the following core principles:

**Sustainability** Capacity building activities will be incorporated into program activities to build skills in coordinating and implementing government agencies, enhance the analytical and training capacity of local research institutes, and support the institutional reform of the national statistical agency. Capacity will be built through specific projects designed to provide tools and improve skills, as well as through collaborating and coaching partners in the implementation of project activities.

The program will also focus on informing medium-term development policies to promote pro-poor growth and support continuation of poverty reduction and social protection programs.

**Partnership** The proposed program is based on a history of continuous partnership between the Government of Indonesia, donor agencies and the World Bank. The Poverty Team will implement proposed in close cooperation with government partners from Bappenas, the TNP2K Executive Secretariat, BPS, the DJSN, and local governments. At the same time, the team will partner with local research institutions, government line agencies and program carriers. Joint implementation teams with partners will be created for specific projects.

**Client-driven** The program supports the policy priorities identified by the Government and Indonesia and outlined in the RPJM and annual Presidential Instructions (Inpres). The trust fund strategy will respond to the priorities identified by the National Team for the Acceleration of Poverty Reduction (TNP2K). The TNP2K Executive Secretariat and Bappenas will both be represented on the governance body that will oversee the use of funds and approves that general strategy. Activities supporting BPS will support the Change and Reform for the Development of Statistics (STATCAP-CERDAS) a five year program to modernize BPS, which is part of their overall strategic plan (*Restra*).

**Harmonization** This is a program will operate under the oversight of a joint management committee that includes government representatives, contributing donor agencies and the World Bank. This will help to ensure that strategies are in alignment with other donors and areas where greater cooperation among donors can strengthen individual efforts.

**Knowledge Building** The program will build on research and diagnostic work that has already carried out by the government, local think tanks and the World Bank. Knowledge-sharing activities will be integrated into program activities, including disseminating program findings and results across the government, civil society and academia and among donor agencies.

## F. Program Components & Strategies

### Component One: Poverty Analytics and Capacity Building

---

<b>Objective</b>	To provide poverty analytics and build analytical capacity to inform poverty and social protection policies, programs and strategies.
------------------	---

---

<b>Rationale</b>	Policy makers at both the central and local levels, and across clusters, are demanding a deeper understanding of poverty issues so that they are better equipped to meet their poverty reduction targets. A better understanding of vulnerability is also needed to help inform effective and comprehensive interventions, policies and programs that prevent families from falling into poverty.
------------------	---

The capacity of government agencies and research institutions to conduct qualitative and quantitative research on poverty and vulnerability issues, however, is limited. There is a need to generate high-quality research to meet the immediate needs of policy-makers while, at the same time, improve the capacity of government agencies and local research institutions to carry out this function in the medium- to long-term.

Policy-makers are also looking for ‘in-time’ inputs and data so that they can better track changes in poverty and vulnerability. The World Bank is currently working with Bappenas on developing a dashboard system for central government agencies so that they have access to reliable and up-to-date data. There are plans to expand the dashboard system to local levels of government.

---

<b>Strategy</b>	Interventions will generate high-quality poverty analytics by:
-----------------	--

- a. **Conducting original qualitative and quantitative poverty research.** The team will carry out original research to answer key questions posed by government partner agencies. Topics may include: understanding the changing nature and



---

causes of poverty (possibly including specific topics such as urban poverty) and vulnerability, identifying the binding constraints to poverty reduction in local economies, forecasting the impact of policy choices on poverty and vulnerability, gender, and other cross-cutting poverty issues. The team will assess targeting methodologies, through experiments and analysis that will support the development of a national targeting system and a unified database. Research projects will be designed to meet the analytical needs in designing programs and formulating policies related to Clusters One, Two (including PNPM-Mandiri) Three, and social insurance reform.

- b. **Providing ‘in-time’ policy advice.** The team will respond to ad hoc requests from the government on poverty-related issues. This responsiveness will provide government counterparts with empirical evidence – shared through policy memos and briefs – so that they can make informed policy decisions.
- c. **Building the capacity of government agencies and local research facilities to carry-out quantitative and qualitative analysis.** Providing government agencies with relevant research findings will increase the demand for quality research. The program, however, will also assist in raising the supply of local research and analytical capacity to carry out high-quality quantitative and qualitative poverty measurement and policy related analysis. The program will cooperate with AusAID’s knowledge sector initiatives to understand knowledge gaps and barriers building knowledge networks, focusing on the poverty and social protection sectors.

Capacity building activities will target identified government focal points, local think tanks and research institutions and enhance their ability to design, undertake and disseminate original poverty research. The team will use a range of methods to improve capacity including: providing trainings, facilitating secondments to the World Bank or credible research agencies, planning and jointly implementing research projects, and attending relevant seminars and workshops. At the same time, the team will develop user-friendly tools that can enable government agencies to monitor and track poverty and related socio-economic trends such as and gender equity.

---

**Partner Institutions**

The team will work closely with the TNP2K Executive Secretariat, and the Directorate of Poverty and the Directorate of Social Protection (Bappenas) to define the capacity building and research agenda. Research activities, where possible, will be co-implemented with local research institutions, which will also benefit from capacity-building activities. Some research components will be carried out in cooperation with local governments, as well as the introduction of tools for local-level poverty analysis. Work on targeting systems and shock and vulnerability monitoring systems will be closely coordinated with the TNP2K Executive Secretariat and BPS. Capacity building activities will include a quota of women to ensure that opportunities are shared equitably.

---

**Example  
Activities**

Activities will include, but are not limited to:

- Developing and piloting a mixed methods (quantitative and qualitative) research framework, highlighting gender, equity and distributional issues.
- Designing and carrying out original research poverty and vulnerability issues identified in coordination with government partner agencies.
- Conducting experiments on alternative targeting methodologies.
- Preparing and disseminating research reports and policy notes, based on empirical evidence, to inform public dialogue on poverty and vulnerability issues.
- Piloting and developing components and approaches to national systems supporting poverty programs (e.g. evaluating different targeting approaches).
- Developing user-friendly toolkits and dashboard systems to enable policy makers to better use existing poverty and program data to inform policy analysis and decisions. This toolkit includes an entire module on gender analysis, and each of the other modules includes sex-disaggregated variables to ensure that the analysis is gender sensitive.
- Training local governments how to use dashboard systems to analyze and interpret local poverty data to inform planning and policy making.
- Training and coaching activities that will enable policy makers and research institutions to design and implement original qualitative and quantitative research (e.g. ADePT, Stata training and mixed poverty research methods).

**Component Two: Program and Systems Support**

---

**Objective**

To support the government in the design, implementation and evaluation of key poverty and social protection programs.

---

**Rationale**

The Government of Indonesia has invested in a range of poverty and social protection programs including community-driven development programs under PNPM and an array of programs targeting households such as unconditional and conditional cash transfer programs. Much remains to be learned about what works, what does not work, and how to improve these programs. In addition, the government has begun considering adding new programs to fill existing gaps. This includes the creation of a standing shock and vulnerability monitoring and response system that can be quickly deployed to buffer communities and households from shocks.

The government is also grappling with how to best identify and reach the poor. The targeting of poverty programs has been fragmented and has significant room for improvement. Having committed itself to developing a national registry and targeting system, the government has requested assistance from the World Bank to examine alternative methods to track the poor and use this knowledge to establish the system.

---

As the government moves towards performance-based budgeting, it will require more information on how well poverty and social protection programs are working. The government has made commitments to institutionalizing program assessments. Most programs, however, have not been systematically monitored or evaluated, limiting the ability of policy makers to make informed decisions concerning the allocation of resources.

Finally, as more Indonesians escape poverty, a new generation of social insurance programs is needed. The Social Security (SJSN) Law (No. 40/2004) outlines national aspirations to provide universal coverage. Without adequate preparation, however, Indonesia may find itself in the same position as other middle-income countries that offer generous social insurance benefits but are now struggling with large contingent liabilities.

---

## Strategy

Interventions will improve program quality by:

- a. **Promoting the continuous improvement of existing poverty and social protection programs.** Support will aim to address implementation problems by sharpening targeting methodologies and generating beneficiary lists, improve public awareness and complaint mechanisms. Assistance will also encompass designing and implementing impact assessments, conducting program spot checks, developing and testing management information systems, and strengthening monitoring and evaluation activities, these will all include gender sensitive indicators for incidence and coverage both at household and individual levels. Finally, the team will support forward planning by assisting the preparation of white papers, expansion policies, and program reform roadmaps.
- b. **Supporting the development of national household targeting system.** The Team will support the government in designing and implementing a strategy to create a national targeting system, which will underpin the delivery of social assistance to poor and vulnerable households. A key feature of the system will be a unified database from which programs can draw their beneficiary lists.
- c. **Introducing design innovations and piloting new programs.** The team will work with planning and implementing agencies to consider introducing and testing innovations in the design of existing programs to improve their effectiveness. New programs, however, may need to be introduced to improve the coverage of poor and vulnerable households from the risks they face. The program will support the development of a shock and vulnerability monitoring and response system, based on the global financial crisis prototype, to help the government to detect shocks, pinpoint vulnerable communities and households, understand how they are affected, and respond. Program design inputs will include strategies to promote the participation of women and ensure equitable receipt of benefits (e.g., assessing how job type determines the level of women's participation in public works projects).

- 
- d. **Strengthening the integration of poverty and social protection programs.** The program will provide technical support and expert advice to units responsible for integrating individual programs into a sector-wide approach and harmonizing strategies across programs. This includes advice and best-practice prescriptions on common structures for delivery, socialization, grievance resolution, and monitoring and evaluation for all programs in the sector, with emphasis on coherence and feasibility across the country. Additional advice and technical analysis will support the development of institutions (and related human resources) forming the backbone of integrated social assistance and insurance sectors.

**Capacity Building.** Activities under this platform will be designed to strengthen the capacity of relevant partner institutions. The team will employ a range of methods to build the capacity of counterparts in government agencies responsible for planning, coordination and implementation. These methods will include: conducting trainings, facilitating secondments to the World Bank or other government agencies with functional similarities, embedding experts in working teams, jointly planning and implementing activities, and facilitating participation in relevant conferences, seminars and workshops.

---

**Partner  
Institutions**

The team will work closely with the TNP2K Executive Secretariat, and the Directorate of Poverty and the Directorate of Social Protection (Bappenas). The team will also work with line ministries that are responsible for the implementation of poverty and social programs including the Ministry for Social Affairs (Depsos), Ministry of Health (Depkes) and the Ministry of National Education (MoNE).

The team will also work with local research institutes that will execute a grant to monitor and assess key poverty reduction programs. This is based on the current partnership model with local universities monitoring the implementation of the PKH program.

The team will also work with the DJSN in formulating policies related to the National Social Security System (*Sistem Jaminan Sosial Nasional, SJSN*), and possibly with SJSN program carriers.

---

**Example  
Activities**

Activities will include, but are not limited to:

- Assisting in the preparation of program or sector white papers.
- Preparing 'in-time' policy notes and presentations on poverty and social protection program design and implementation.
- Offering guidance on program design drawing from international best practices.
- Providing assistance on piloting social awareness and complaint mechanisms

---

using communication technologies.

- Providing technical assistance in establishing MIS frameworks, performing spot checks and conducting verification missions.
- Conducting assessments and impact evaluations of key programs, which will include gender analysis of benefit incidence and coverage and gender sensitive impact assessments that look at changes in maternal mortality, increases in maternal health care access and outcomes, etc
- Preparing a public expenditure and comprehensive program review of the social assistance sector.
- Piloting and testing innovations in poverty and social protection programming.
- Organizing trainings in program design, implementation, and preparedness for impact assessments, which will include gender analysis of benefit incidence and coverage.
- Preparing and disseminating evaluation reports with recommendations for programmatic improvements.

### **Component Three: Data Quality**

---

**Objective Three** To improve the quality – in terms of accuracy, relevance, timeliness and accessibility – of data required for poverty analysis and policymaking.

---

**Rationale** The recent shocks of the financial, food and fuel crisis last year demonstrated the need of the government for ‘real-time’ data to quickly plan and support programs to mitigate the impact on the poor. Weak data quality, lack of data availability on time, and data methodological issues hamper the government’s ability to assess policy priority needs and evaluate major poverty and social protection programs. At the same time, there is increasing public demand for transparency and accountability of official statistics.

BPS has committed to improve its data quality, data availability, and data processing and management through its institutional reform program (Change and Reform for the Development of Statistics Program, CERDAS), which will be implemented during 2010-2014. Some of the program’s key priorities include improving the major social statistics surveys, i.e. the National Socio-economic Survey (Susenas) and the National Labor Force Survey (Sakernas), and implementing the latest international standards for National Accounts to produce high quality GDP data. The program will also address needed improvements in technology and human capacities to support the statistical improvements.

The World Bank has been assisting BPS to facilitate the process of leading a reform agenda that will allow the agency to improve its current business processes, data management and data processing activities and gain access to statistical experts to improve the methodological issues in collecting and compiling the data.

---

**Strategy** Interventions will improve data quality and support the on-going development of a

---

---

modern statistics agency by:

- a. **Support the review and improvement of the methods used to collect, process and manage poverty-related data.** In cooperation with statistical experts and other national statistics agencies, the programs will assist BPS in reviewing its current methodology, survey operations, data processing and data management to improve the accuracy and reliability of its poverty data. BPS staff will receive training and support to implement the new business process, technology and governance around the improved data collection and management systems.
- b. **Building the institutional capacity of BPS to undertake continuous improvements and sustain statistical reform.** Support will be given to the development of institutional systems, processes and procedures, including ICT architecture and human resource management to ensure the success and sustainability of technical statistical improvements. This will include support to change management, development of corporate governance and management systems, ICT architecture development, and improvements in human resources management, including development of institutionalized training programs.
- c. **Building the capacity of BPS to better engage data users, media and local research facilities about key data such as poverty data.** This will include building the capacity of BPS to make available better documentation of methodologies, and provide better publications of its key data that are tailored to different user segment needs.

---

**Partner Institutions**

The team will work closely with the Central Statistics Agency (BPS), the TNP2K Executive Secretariat, the Directorate of Poverty and the Directorate of Macro-Economic Planning (Bappenas), and other National Statistics Offices such as Australian Bureau of Statistics (ABS).

---

**Example Activities**

Activities will include, but are not limited to:

- Reviewing and improving survey designs and methodologies of Susenas and Sakernas to improve quality of major social statistics.
- Conducting piloting and field testing improved questionnaires and field survey operations.
- Conducting analyses of impacts of methodological changes.
- Preparing and publishing better documentation of methodologies.
- Improving BPS website and publications for social statistics.
- Providing advisory services on change management to implement changes under reform program.
- Reviewing and improving business processes to improve efficiency and timeliness from data collection to dissemination.

- 
- Developing better quality assurance framework and supervision schemes to improve statistical quality and staff performance.
  - Providing advisory services on human resources development to improve staff training programs.
  - Training of field staff on improved survey questionnaires and operations.
  - Training of Trainers on survey and statistical methodologies.
  - Training of ICT staff on development of data collection, processing and management systems to support survey operations and statistical production.

## **G. Execution and Implementation**

The proposed trust fund will be both Bank- and recipient-executed. The Bank will execute projects under all components. Capacity for poverty analytics will be strengthened by providing grants for recipient-executed projects supporting the first and second components (poverty analytics and program and systems support, respectively). Recipients will include local universities and think tanks that have been identified through World Bank selection processes, and cleared by a Joint Management Committee. Grants will be accompanied by capacity building support from World Bank focusing on quantitative and qualitative research methods, gender analysis, and communication strategies to disseminate knowledge and facilitate uptake of policy recommendations.

The trust fund will retain flexibility in adjusting the share of funds allocated for recipient-executed projects, to expand the possibilities for execution through local partners over the program duration.

Activities will be implemented in close cooperation with partners from the TNP2K Executive Secretariat, the National Development Planning Agency (Bappenas), and the Central Bureau of Statistics (BPS). Select activities will be contracted out to government partners, partner research institutions and service providers.

The planning and implementation of activities will also be closely coordinated with the PNPM Support Facility (PSF) and the Poverty Reduction Support Facility (PRSF) to ensure that poverty analytics inform the design of poverty reduction programs across all clusters. Where possible, the Poverty Team will implement analytical projects (using both quantitative and qualitative methods) jointly with the PSF and PRSF teams.

The World Bank will also be responsible for overall management and administration of the trust fund. The Bank will also be responsible for the supervision of recipient- and Bank-executed activities and ensure quality control.

## **H. Planning, Monitoring & Evaluation and Reporting**

### **Planning**

The World Bank will prepare annual workplans for Bank-executed activities. The workplan will consist of a series of digests that include descriptions of major projects and expected outputs for the following 12 months. Draft workplans will be distributed to AusAID, government counterparts, and relevant stakeholders (including key research institutes, academics and specialists) for a two-week consultation period. During this period, feedback will be collected through written comments, individual meetings, and an annual roundtable meeting. Inputs will be taken into account as the World Bank finalizes the workplan. Final versions of the workplan will be shared with AusAID and other members of the Joint Management Committee. The first annual workplan will be prepared within three months following activation of the trust fund.

## **Monitoring & Evaluation**

Overall program outcomes and indicators are detailed in the result-based framework for the program (Annex I). A baseline report will be prepared, collecting information on development objective and outcome indicators at the outset of the program. Data will be based on analysis of government data (including the national socio-economic survey, Sakernas), government documents, and staff reports. Changes to the results-based framework will be presented and discussed during annual roundtable meetings and submitted to the JMC for approval if the changes reflect a change in overall strategy.

The World Bank will monitor the implementation of Bank- and recipient-executed projects, and will monitor progress against the results-based framework. Donor representatives may join supervision missions of recipient-executed trust fund grants (as members of the mission based on pre-agreed terms of references) or may be present in the field during Bank supervision. Activity implementation will also be monitored through desk reviews and regular reports that will be submitted by implementing agencies. These reports would include financial management reports and procurement reviews.

AusAID will conduct mid-term and final reviews to assess overall performance against the proposal and the results-based framework. The reviews will be conducted by an independent review team.

## **Reporting**

Reporting will be through semi-annual narrative and financial reports that will be submitted to the JMC, and distributed to contributing donors. The report will details on key outputs to date, implementation progress against the annual workplan and budget, progress towards achievement of outcomes, projected activities and disbursements for the next period, and flagged issues for resolution.

The timing of the report will be aligned with AusAID's internal Quality at Implementation reporting deadlines.

The team will also prepare a presentation for the annual program review by the JMC highlighting achievements, lessons learned, and upcoming plans. Other donors and government agencies may be invited to join these reviews depending on mutual concerns, shared issues for discussion and interest in contributing to the Trust Fund.

## **I. Sustainability & Capacity Building**



Through this program, the World Bank aims to improve Indonesia’s “knowledge sector” so that government and non-government partners are increasingly capable of commissioning and carrying out analytical activities. This approach is intended to progressively reduce reliance on the analytic services provided directly by the Bank, and improve the local supply of high-quality inputs (both quantitative and qualitative) for policy makers. There are three primary targets of capacity building activities:

- a. Office of the Vice-President: Capacity building will focus on supporting newly established divisions to provide cross-cutting sectoral integration functions (focusing on targeting and M&E), and assist them in developing communication strategies to make their engagement with the National Team more effective. Support will also be provided to working groups that will be responsible for drafting evidence-based policies for the consideration of the National Team for the Acceleration of Poverty Reduction.
- b. Research institutes in local universities: The program will also focus on building the capacity of local think tanks to monitor and assess the performance of national poverty reduction programs and conduct poverty analysis using both quantitative and qualitative methods to inform national policies. Support will also be provided to develop communication strategies to disseminate research findings and facilitate uptake by government policy makers. This support will increase the range of agencies interacting with the government on policies related to poverty and pro-poor growth, reducing reliance on the World Bank for high-quality analysis.
- c. Central Bureau of Statistics (BPS): The program will focus on improving the institution’s ability to accurately measure poverty, and to support improvement in the timeliness, frequency and accessibility of data that is required for policy researchers and analysts in Indonesia.

### **Capacity Building Strategies**

The World Bank will work together with target partner institutions to identify their capacity constraints and areas where further skills development is requested. The team will then work with partner agencies to identify areas to focus on for capacity development. This will focus largely on analytical capacity (using both quantitative and qualitative methods) and communication strategies to effectively communicate findings and policy recommendations. The Bank and partners will then develop individualized learning plans with clear inputs and milestones to monitor progress towards building capacity in agreed areas.

To achieve stated learning goals, the program will apply tailored strategies to engage counterparts in activities that are real and relevant so learning and knowledge can be transferred while “on-the-job” techniques can be applied directly. Collaborative teamwork and coaching will be available to support applied learning. Each project will incorporate one or more of the following strategies to transfer knowledge and capacity to the partner agencies so that they are in a better position to deliver results towards their own institutional and business plans.

1. **Partnering and supporting teamwork.** Government-led units will embed a technical expert into the team to provide specific sets of skills needed to deliver a time-bound project. The expert will work as a member of the team, working together to achieve a common purpose. Joint workplans and regular team meetings will undergird the teamwork approach.
2. **Coaching and facilitating learning.** When skills are needed for the regular business and on-going work of a unit, the program will provide technical assistance that provides “hand-in-hand”

coaching to carry out shared objectives. The program will also help facilitate learning by offering training and linking units to alternative sources of knowledge (e.g., linking to worldwide experts and research through the World Bank's international knowledge network). This approach will be used across all components.

3. **Offering targeted advisory assistance.** Where institutional and individual capacity is already high, the above two strategies may not be appropriate. In these cases, institutions may only require on-call support or assistance in reviewing and providing inputs. Government agencies will identify technical gaps and propose appropriate assistance from the program.
4. **Enabling institutions by providing tools and mechanisms.** Projects will also focus on creating appropriate tools and mechanisms (e.g., dashboard systems and poverty assessment tools) that can be used by national and local government agencies in the future. Tools will be tailored to their level of capacity and can be modified to fit their particular institutional needs. All tools will incorporate gender analysis functions, which enable the user to analyze a wide range of indicators from a gender perspective (poverty, employment, education, health, social protection, etc.).
5. **Taking an institutional rather than individual approach to partnership, engagement and capacity building.** Initiatives to build capacity must move away from depending on and investing in a small group of individuals and progress towards taking a broader approach to engagement which takes into consideration institutional structures and processes that help and hinder capacity development. For example, capacity building support for BPS will be integrated with its institutional reform program (Change and Reform for the Development of Statistics Program, CERDAS).

## J. Gender

The overall aim of this proposal is to support the Government of Indonesia in making informed and evidence-based policy and program decisions. Ensuring that the interests of women are taken into account when formulating policies and programs requires analysis that clearly and explicitly examines gender equity. Gender analysis will be incorporated into analytical activities to understand more about women's access to poverty reduction programs and whether program participation benefits them.

Analytical projects will be internally reviewed at conceptual, draft, and final product stages. The World Bank's Gender Advisor (in recruitment) will be part of the internal review process to ensure that gender issues are addressed at all stages.

Quantitative analysis will disaggregate data by sex to detect gender gaps, which will be follow-up with qualitative research to understand binding constraints to gender equity. Toolkits are all gender sensitive (where data is sex disaggregated data is available the tables can all be run with gendered variables) and will also include an entire module on gender that produces tables related to poverty, education, employment and labor, access to services. Technical assistance focusing on program design and implementation will examine programs through a gender lens so that reforms improve women's participation in government interventions and the equitable allocation of benefits.

## K. Risk & Mitigation Measures

Risks	Risk Mitigation
<p>The Executive Secretariat of the National Team for the Acceleration of Poverty Reduction (TNP2K) is a new agency that was legally established by a Presidential Regulation. The role of the secretariat vis-à-vis the central development planning agency is not yet clear, which could lead to confusion in planning and coordination.</p>	<p>The Bank will encourage the government to clarify the roles and responsibilities of the Executive Secretariat and the internal working groups that fall under the TNP2K. The VP Office will also be encouraged to hold meetings with the National Development Planning Agency (Bappenas) and other key stakeholders to clarify institutional arrangements and working relationships.</p>
<p><i>Risk level: Significant</i></p>	
<p>Implementation of TNP2K policies will be reinforced by a financial committee that is expected to make national budget funding allocation decisions. Line-ministries will likely oppose performance-based budgeting and attempt to circumvent the financial committee.</p>	<p>The Bank will monitor the functioning of the financial committee and its ability to implement a performance-based approach to budgeting. Follow-up discussions with Bappenas, the agency that will chair the proposed body, will determine if this is an area where additional assistance and support can be provided.</p>
<p><i>Risk level: Significant</i></p>	
<p>Desired impact may not be achieved if improvements in overall program and policy design are not accompanied by improvements in program delivery.</p>	<p>The teams working on analysis and policy formulation will share findings and working closely with program-specific working groups and implementation task forces to support improved program delivery.</p>
<p><i>Risk level: Significant</i></p>	
<p>Change in executive and Project Management Unit (PMU) leadership could disrupt BPS' reform process. Also, failure to establish the PMU as a structural unit in the agency would undermine the sustainability of the reform process.</p>	<p>The PMU for CERDAS Program has already been established as a full-time unit. However, commitment from BPS leadership will be sought to maintain stability of PMU structure and membership to oversee the reform program. One of the actions needed from BPS will be to formally establish the PMU as a structural unit for statistical reform and development through the Ministry of Bureaucracy Reform (MenPAN).</p>
<p><i>Risk level: Moderate</i></p>	
<p>There is a risk that cross-cutting trust funded activities, such poverty analytics, will not be integrated into cluster-specific poverty reduction programs supported by other multi-donor trust fund and support facility.</p>	<p>The government is establishing cluster-specific working groups to draft policies that will be channeled to the TNP2K through the Secretariat. The Bank will participate in the cluster-specific working groups as necessary to ensure that analytics are considered in the policy formulation process. Also, these groups will be consulted when preparing the research agenda to ensure that products meet the needs of the working groups.</p>
<p><i>Risk level: Moderate</i></p>	
<p>There is a risk that WB staff will be used to perform civil servant activities, which would make the Gol dependent on such services. This risk is more acute for the newly established National Team Executive</p>	<p>The Bank will encourage the government to allocate sufficient budget (APBN) for the newly created Executive Secretariat and allow for flexibility in hiring civil servants. Assistance will also be provided in the</p>

<b>Risks</b>	<b>Risk Mitigation</b>
Secretariat.	preparation of long-term workplan with staffing plan so that the Secretariat can better anticipate human resource needs.
<i>Risk level: Moderate</i>	

## **L. Financing & Governance Arrangements**

Support for this program will be channeled through the creation of a newly established trust fund. It will be set-up as a multi-donor trust fund to allow for the entry of other donors at a later stage. The World Bank will manage and administer the trust fund.

A government-led Joint Management Committee (JMC) will be established to oversee the design, implementation and review of the trust fund, as well as other multi-donor trust funds/facilities that support the poverty reduction framework of the Government of Indonesia.

The JMC will be co-chaired by a representative from Bappenas and the Executive Secretariat of the National Team for the Acceleration of Poverty Reduction (TNP2K). The Coordinating Ministry for People's Welfare (Menko Kesra) will be a committee member. The World Bank and AusAID will be committee members, alongside other donors who contribute above a specified threshold. The JMC will be responsible for: a) reviewing overall trust fund strategies; b) identifying policy priorities; c) reviewing progress of trust funded programs; and, d) clearing grants for recipient-execution.<sup>1</sup>

The World Bank is the trustee of the trust fund. In this capacity, the Bank will be responsible for: a) approving Bank-executed projects and activity plans; b) approving recipient-executed projects, including project objectives, activities, and budgets, and all changes to recipient-executed projects.

Additional donor funds can be used to broaden the scope of activities (e.g., adding new crossing-cutting activities, and/or piloting new innovations), increase the number of grant recipients, or deepen capacity building activities. The addition of funds will be discussed in joint consultations with contributing donors, and with the JMC. Ultimately, the JMC will be responsible for decisions regarding the allocation of donor fund to individual trust funds based on comparative advantages.

## **M. Resources**

The estimated budget for the program is AUD 7.5m. Since the trust fund is multi-donor the holding currency will be US\$. All indicative budgets are likewise expressed in US\$, based on the current Bank exchange rate (AUD 0.90565/US\$).

An indicative breakdown of program budget by component is detailed in Table 1(a) below. Overall, 79.9 percent is allocated for Bank-executed activities, 11 percent for recipient-executed activities, and 9.1 percent for supervision, management and administration, and the central administration fee.

<sup>1</sup> The Government of Indonesia has yet to finalize the structure, role and responsibilities of the Joint Management Committee. Once clarified, planning documents will be revised accordingly.

The trust fund will retain flexibility to allow in adjusting the share of funds allocated for recipient-executed projects. The indicative budget for recipient-executed components may be increased as partnerships are developed with non-government agencies that can execute analytical projects.

**Table 1 Indicative Budget by Component**

No.	Component	Executing Agency	Amount (US\$)	Percent
1.	Poverty analysis and capacity building	Bank-executed	2,543,427	37.4
2.	Program and systems support	Bank-executed	2,080,987	30.6
		Recipient-executed	750,000	11.0
3.	Improving data quality	Bank-executed	800,000	11.8
4.	Supervision and quality control	Bank-executed	241,207	3.6
5.	Trust fund management	Bank-executed	191,247	2.8
6.	Trust Fund administration	Bank-executed	49,659	0.7
7.	Central Administration Fee		135,848	2.0
	<b>Grand Total</b>		<b>6,792,375</b>	<b>100.0</b>

**Table 2 Indicative Budget by Expenditure Type**

No.	Allowable Restriction Group	Amount (US\$)	Percent
1.	Bank Execution		
a.	Short Term Consultant Fees	326,142	4.8
b.	Contractual Services	854,500	12.6
c.	Extended Term Consultants	1,323,925	19.5
d.	Temporary Staff Costs	436,748	6.4
e.	Staff Costs	2,639,733	38.9
f.	Travel Expenses	159,480	2.3
g.	Equipment Costs Purchase	30,000	0.4
h.	Media & Workshop Costs	106,000	1.6
i.	Associated Overheads	30,000	0.4
	Sub-total	5,906,527	87.0
2.	Recipient Execution		
a.	Allowed restriction groups: goods, consultant services, training and workshops, incremental operating costs <sup>2</sup> , management fee <sup>3</sup>	750,000	11.0
	Sub-total	750,000	11.0
3.	Central Administration Fee	135,848	2.0
	<b>Grand Total</b>	<b>6,792,375</b>	<b>100.0</b>

<sup>2</sup> IOC is defined as the increases of operating costs directly attributable to the proposed project, including i) staff costs directly contributing to project activities and ii) others), and sub-grants.

<sup>3</sup> Grant recipients will be allowed to charge a management fee for indirect costs. The fee, however, will not be allowed to exceed 5 percent of the total grant value. The management fee will be allocated from the grant amount, and will be paid to the non-government recipient for the use of their existing resources that indirectly support the project.

**Table 3 Disbursement Schedule**

The first disbursement will be triggered upon signing of the administrative agreement of the trust fund. Following disbursements will be conditional receipt of submitted reports.

<b>Disbursement</b>	<b>Date</b>	<b>Amount (AUD)</b>
First	7 June 2010	1.5 million
Second	3 January 2011	2.0 million
Third	1 September 2011	2.0 million
Fourth	1 August 2012	2.0 million
<b>Grand Total</b>		<b>7.5 million</b>

### **Human and Bank Resources**

The Poverty Team will consist of members with strong technical capacities in a range of areas including: microeconomics, statistics, public policy, capacity development, gender analysis, and social protection. A Senior Qualitative Researcher will be recruited during the first year to lead research efforts using qualitative methods and build capacities for qualitative research among local partner organizations and institutions. Team members will be both national and international.

The staffing plan will be annually reviewed by the World Bank and, if necessary, adjusted to ensure adequate human resources are in place to deliver the annual approved workplans.

The Task Team Leader and the Lead Economist of the Poverty Reduction and Economic Management (PREM) unit will provide day-to-day management and technical support to the team. The Bank will also provide additional resources needed for team operations, including: office space, operating equipment and supplies, administrative assistance, and accounting services. In addition the team will have access to technical support from various PREM teams when needed cross support from other units, such as poverty and social protection, and gender specialists.



## Annex I Results Framework for the Partnership for Knowledge-Based Poverty Reduction

	Intervention Logic	Indicators	Data Sources	Risks
<b>Development Objective</b>	National efforts to reduce poverty and vulnerability are strengthened by supporting the Government of Indonesia in making informed and evidence-based policy and program decisions.	Increased benefits coverage for the poor.  Improvements in resource allocation towards programs that have been proven to be more effective.	National socio-economic survey (Susenas)  National budget (APBN) documents, minutes from national body responsible for poverty reduction APBN allocations	Progress towards poverty reduction is undermined by low economic growth, weak job creation.
<b>Outcomes</b>	1. Government uses poverty analytics to inform poverty and social protection policies, programs and strategies.	Government policy makers have identified barriers to poverty reduction, gaps in current program and policy, and make decisions to fill gaps.	Meeting minutes, research reports, other government documents	Political factors determine policy choices rather than empirical evidence.
	2. Government improves the design and implementation of poverty and social protection programs and supporting coordination systems.	Decreased inclusion and exclusion errors in key national poverty and social assistance programs.  Increase in the number of poor households receiving benefits.  Increase in poor households' share of total benefits.  Government and key stakeholders systematically monitor and assess key poverty and social protection programs. Gender analysis is mainstreamed in the M&E methodology.  Recommendations generated from program assessments and complaint resolution mechanisms inform the design and implementation of subsequent program cycles.	Susenas, other household surveys  Susenas  Susenas  Evaluation reports   Programming planning documents, minutes decision meetings, summary of complaints.	Institutional rivalries undermine the integration and coordination of poverty reduction programs.
	3. Government improves the quality of data required for poverty analysis and policymaking.	Adoption and application of revised poverty measurement methodology.  Increased frequency and timeliness of socio-economic and labor data availability.	BPS publications, website  BPS publications, website	BPS resource constraints to increase the frequency of data availability.



		Improved data accessibility.	BPS publications, website	
--	--	------------------------------	---------------------------	--

Component	Results	Indicators	Data Sources	Risks
<b>Component 1 Analytics</b>	1.1 Enhanced capacity among government agencies and research institutions to design and conduct qualitative and quantitative policy research and analysis.	<p>Partners (key individuals in central government, local research institutions) demonstrate application of acquired skills by independently producing research outputs.</p> <p>Partners have and can use forecasting tools to generate accurate projections of impact on poverty.</p> <p>Partners (central and local government, local research institutions) have and can use dashboard systems, and/or output tables, which are all gender sensitive.</p> <p>Local research institutes undertake program spot checks, program assessments and research projects in collaboration with government agencies.</p> <p>Creation of a core team of national poverty analysis and Adept trainers building capacity across regions at the central and local level. Core team and training program will include gender analysis skills.</p>	<p>Learning plans, reports against learning plans, research outputs</p> <p>Team reports</p> <p>Team reports, usage data</p> <p>TORs, assessment and research reports</p> <p>List of trainers and training programs</p>	Capacity is built among individuals who are subsequently not able to apply new skills due to changes in placement, work priorities, or responsibilities.
	1.2 Production and dissemination of original gender sensitive qualitative and quantitative poverty research	<p>Government partners commission assessments of major government poverty and social protection programs.</p> <p>Research products delivered, including policy recommendations related to Clusters One, Two and Three, and social insurance reform.</p>	<p>RFP, TORs</p> <p>Research reports</p>	

		Regular production and dissemination of a poverty report analyzing key indicators and trends, using the most recently available survey data.	Poverty update documents	
	1.3 Regular forums to discuss policy questions and supporting research and evidence.	<p>Policy memos and briefs produced in response to requests from the government on poverty and vulnerability-related issues.</p> <p>At least 3-4 seminars, conferences and/or workshops are held per year with government agencies and research partners on key poverty and SP policy questions.</p>	<p>Policy documents</p> <p>Meeting minutes and reports</p>	
<b>Component 2 Programs &amp; Systems</b>	2.1 Provision of inputs that support continuous improvements in the design and implementation of poverty and social protection programs.	<p>Drafts and background papers prepared and delivered as inputs for white papers of major poverty and social protection programs, and governing regulations.</p> <p>Key poverty and social protection programs are rigorously assessed at least once over the four-year period.</p> <p>Summary report is delivered assessing feedback from complaint resolution mechanisms, with recommendations for changes in program design and implementation.</p>	<p>Final documents, academic drafts of government regulations</p> <p>Evaluation reports</p> <p>Grievance summary reports</p>	
	2.2 Technical support provided for the establishment of a national targeting system.	<p>Single, unified database identifying poor households is created for use by government departments and agencies implementing poverty reduction programs.</p> <p>Program specific beneficiary lists created with recommended targeting methodologies.</p> <p>Implementation agencies use individual program beneficiary lists based on the national registry and recommended targeting methodologies.</p>	<p>Team reports, Implementation Status and Results Report (ISR) for DPL</p> <p>Team reports</p> <p>Team reports</p>	Line ministries resist/ignore generated beneficiary lists. Amendment of lists at local levels.

	2.3 Improved government capacity to integrate and coordinate programs across the social protection sector.	<p>Policy notes prepared and delivered on cross-sectoral integration and coordination strategies.</p> <p>Sector-wide monitoring and evaluation system with assigned and trained team members being developed.</p> <p>Comprehensive social awareness and complaint resolution mechanism piloted.</p>	<p>Final documents</p> <p>Team reports, TORs</p> <p>Team reports</p>	National Team faces challenges in enforcing policies across relevant ministries. Insufficient APBN allocation for central coordination and integration functions.
	2.4 Program innovations are introduced and piloted.	<p>Piloting and testing innovations in the design of existing programs to improve their effectiveness.</p> <p>National shock and vulnerability monitoring and response system is planned, piloted and tested.</p>	<p>Planning documents, team reports</p> <p>Planning documents, team reports</p>	
<b>Component 3</b> <b>Data Quality</b>	3.1 Delivery of technical assistance to improve methods used to collect, process and manage poverty-related data.	<p>Report based on a review of current methodology, improved dissemination and documentation of methodology, improvement of survey operations, data processing and data management is prepared and disseminated.</p> <p>BPS staff trained and supported to implement the new business process, technology and governance around the improved data collection and management systems.</p>	<p>Team reports</p> <p>List of trainers and training programs</p>	If methodological changes are not transparent and well disseminated, BPS and the government may be accused of manipulating poverty data.
	3.2 Sustained statistical reform through building capacity for continuous improvements in institutional systems, processes and procedures, to support technical improvements at BPS.	<p>Strategic change management plan (corporate governance and management systems, ICT architecture plan)</p> <p>Improvements in human resources management institutionalized training programs.</p>	<p>Strategic planning documents</p> <p>Strategic planning documents</p>	Existing civil service regulations and systems will constrain some changes (organizational alignment and HR practices).
	3.3 Improved BPS engagement with data users, media and research	Increased use and access of BPS data, documentation and publications.	BPS publications, website	

	facilities about key data such as poverty data.	Improved dissemination tailored to different user segment needs, including improved documentation on methodologies, databases, and publications of key statistics, including sex disaggregated statistics.	BPS publications, website	
--	---	--	---------------------------	--