



Republik Indonesia

PNPM SUPPORT FACILITY (PSF) PORTFOLIO



**NATIONAL DEVELOPMENT PLANNING AGENCY
JAKARTA, MARCH 2008**

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I. BACKGROUND

The Government of Indonesia is committed to reduce poverty in all possible ways. Various policies and programs which have been implemented to accelerate the poverty reduction mainly can be categorized into two approaches. First, poverty reduction programs that aim to improve poor communities and neighborhood targetted at poor, or region improvement to enable poor communities use the improved facilities for their welfare enhancement. Second, policies and programs that fulfill the basic needs of poor individual or household for example rise subsidy, health insurance, and education support. While the second approach help the poor directly to meet minimum basic needs sufficiency, the first approach help the poor to be proactive and participate in the development process as well as to increase their own welfare sustainably.

With regard to this, since 1998 the Government of Indonesia has implemented different kind of community empowerment programs. Two of them, namely the Urban Poverty Program (UPP) and the Kecamatan Development Program (KDP), are considered as good model for community empowerment both in urban and rural areas. In addition, there are several other community-based programs that are related to sector targets or priorities and being executed by 19 technical ministries. To reduce overlapping of locations, target groups, community institutions/ organizations, as well as mechanisms, procedures, and activities, the National Community Empowerment Program or Program Nasional Pemberdayaan Masyarakat (PNPM) Mandiri is intended to be an umbrella policy integrating all of these community based programs. It is hoped that this integration will lead to the efficiency and effectiveness of the poverty reduction programs, particularly which using community-driven development (CDD) approach.

The integration of CDD programs into PNPM Mandiri is also intended to improve key elements of the programs such as the quality of community empowerment, local government capacity, projects sustainability, financial management, training, performance and impact indicators, as well as data base and management information system. During the year of 1998-2007, the number of sub-districts intervended reached to 2.363 sub-districts. In 2008 the coverage will be 4,000 sub-districts and in 2009 will cover all subdistricts.

Components of PNPM Mandiri consist of: (i) Community development, which mainly providing community facilitators and consultants; (ii) Community block grant, which is used based on community decisions; (iii) Multi-stakeholder and local government empowerment, which provide poverty-related units within provincial and local governments as well as other local actors with training, workshops, and facilitation to create collaborative environment and responsiveness in fighting poverty; and (iv) Program management support, which provide resources to improve monitoring and evaluation capacities, execute thematic studies for medium and long-term impact, and maintain quality of work in all cycles of empowerment activities.

Through PNPM Mandiri several key elements will be resulted, such as the strengthening of community institutions, spirit of cooperation and collaboration among the community, and community's capacity in formulating poverty reduction plan. With these characteristics, the PNPM Mandiri will result a proactive community which can be an important social asset for participatory development process. Considering the key features and objectives of the PNPM Mandiri, the government seriously determine some challenges, which among others consist of: (i) standardization process of the PNPM-Core activities which need some adjustments within individual programs; (ii) harmonization on administrative process of PNPM-Core and PNPM-Support programs (funding timing and mechanism, unit cost, performance indicators etc); (iii) establishment of an integrated and open Management Information System as well as Monitoring and Evaluation framework; (iv) recruiting and training community facilitators and consultants; and (v) capacity building of local governments in pro-poor policy and programs as well as ensuring the sustainability of community empowerment process.

Realizing the above challenges, the government of Indonesia with the support of several international colleagues establish PNPM Support Facility. This facility is expected to support and facilitate harmonization and decentralization of the PNPM Mandiri. The Steering Committee of the PSF and the basic guidelines described in the PSF Operational Manual have just finalized. The operational manual provides basis of managing grant support for PNPM. This PSF portfolio provides an outline of PSF agenda that facilitate an integration and harmonization processes needed in PNPM Mandiri. Both PSF operation manual and portfolio help the contributing donors ensure that the grants will be effectively and efficiently contributing to increase the quality and progress of the PNPM Mandiri.

II. THE PSF AGENDA

The general schedule of the PSF for PNPM Mandiri Harmonization in the next five year 2008-2013/4 is provided in Attachment 1. Short descriptions for each of the 4 windows are in the Attachment 2. Attachment 3 shows tentative and indicative activities on each Windows and their estimated cost.

Attachment 4 elaborates several examples of the PSF Management/PNPM Oversight Body's activities (Windows 2) and its tentative schedule. Attachment 5 describes Term of References of the immediate activities will be conducted through Window 2 by the PSF Management/PNPM Oversight Body.

**GENERAL SCHEDULE FOR
THE PNPM MANDIRI HARMONIZATION**

Windows	2008	2009	2010	2011	2012	2013	2014	2015
I								
II	Phasing out							
III								
IV								

Brief Description

PSF Window 1 – Direct Support/ Co-Financing

1	Purpose	To provide Direct Support and Co-Financing for the PNPM Support Facility (PSF)
2	Scope	Support through this window will be executed through a grant agreement to the Ministry of Finance, which then transfer the money through the normal DIPA process. Example of direct co-financing would be: <ul style="list-style-type: none"> a. Co-finance for the PNPM Mandiri-Core: contribution for an open menu block grant and/or provision of facilitator for TA b. Direct support/block grant to the community: PNPM Mandiri Penguatan: Green KDP, PNPM Generasi, etc.
3	Prospecting Executing agency	Technical ministries and/or local government.
4	Estimated cost	USD 37 million for 4 years.

PSF Window 2 – PNPM Coordination and Supervision

1	Purpose	To support the role of PNPM Oversight Body and its member in order to strengthen their coordination functions, in harmonizing various activities under the PNPM Mandiri.
2	Scope	Support through this window will be granted and executed by Menko Kesra, Bappenas, BPS and Ministry of Finance to strengthen their role in PNPM Oversight Body. Example of activities under Window 2 among others are: <ul style="list-style-type: none"> a. Dissemination/socialization of the PNPM Mandiri in the national level, between national level and the local level and relevant coordination supports. b. Support the development of the MIS system, which now under designed phase by the PNPM Oversight Body. c. Comparative review and policy workshop for smooth harmonization of the PNPM Mandiri d. Co-finance for the PNPM Mandiri-Core: contribution for an open menu block grant and/or provision of facilitator for TA e. Strengthen the Monitoring and Evaluation system for the PNPM Mandiri.
3	Prospecting Executing agency	Technical Ministries members of PNPM Oversight Body.
4	Estimated cost	Approximately USD 53 million for 4 years.

PSF Window 3 – PNPM and Civil Society

1	Purpose	To support the effectiveness PNPM Mandiri specifically and poverty alleviation in general, by: a. Involving the intermediary NGOs and philanthropies to appraise and monitor grantees b. To support the intermediary NGOs that provide special services to poor or highly vulnerable communities.
2	Scope	Support through this window will be granted and executed by civil society, which also collaborate in harmonizing the PNPM Mandiri with the GOI and also directly implement PNPM Mandiri activities in the field level. Example of activities under Window 3 among others are: a. Financing the CSO who also execute community based poverty alleviation program and related field activities, and/or support to specialized groups (marginalized community, orphan etc). b. Financing the CSO in improving the management of PNPM Mandiri and also other poverty alleviation program, e.g. monitoring the PNPM Mandiri program, poverty budget tracking, pro-poor report cards, community/civil society monitoring system.
3	Prospecting Executing agency	CSOs/NGOs
4	Estimated cost	Approximately USD 31 million for 4 years.

P PSF Window 4 – Technical Assistance for PNPM

1	Purpose	To provide special expertise needed to support the implementation and harmonization of PNPM Mandiri and/or poverty alleviation program.
2	Scope	Support through this window will be in the scope of provision of monitoring and evaluations, special studies and TA for technical ministries or local government and other relevant program agreed by the Steering Committee. Example of activities under Window 3 among others are: Financing universities or other think tank o provide specialized services, such as policy studies, technical assistance to the local government in improving PNPM Mandiri at the local level and/or poverty alleviation program in the local area, and also other supporting activities to improve the implementation and further decentralization of the PNPM Mandiri.
3	Prospecting Executing agency	CSOs/NGOs, national/domestic universities.
4	Estimated cost	Approximately USD 29 million for 4 years.

**PNPM Support Facility
Estimated Costs**

In Million USD

Window	Activity	2008	2009	2010	2011	2012	Total
Window 1: Co-Financing	Green KDP	6	7	4.5	2.5		20
	Papua (Facilitator Training)	2	2	2	2		8
	Strengthening audits	1	1	1	1		4
	MOH: health and PNPM	0.5	1	0.5	0.5		2.5
	MOE: education and PNPM	0.5	1	0.5	0.5		2.5
	Sub Total	10	12	8.5	6.5		37
Window 2: Macro-Coordination	MIS/Info Management	1	0.5	0.2	0.2		1.9
	Socialization/Dissemination	2	1	1	1.35		5.35
	Scale-up Preparation (Facilitators Recruitment & Training)	2	1	1			4
	Training Local Government	1	2	2	2		7
	Evaluations	1	1	2	2		6
	Comparative Studies	1	2	2	1.5		6.5
	Micro Finance Development	0.75	0.5	2	1		4.25
	Comparative Reviews	1	1	1	1		4
	Policy Workshops	0.75	0.75	0.75	0.75		3
	Coordination Support	1.5	1.5	1.5	1.5		6
	Sub Total	12	11.25	13.45	11.3		48
Windows 3: PNPM and Civil Society	Capacity for Philanthropy	1	2	2	2		7
	Poverty Programs for Highly Vulnerable	2	3	4	5		14
	CSR	0.5	0.5	0.5	0.5		2
	Monitoring PNPM's Poverty Effectiveness	1	1	1	1		4
	Gender within PNPM	0.5	0.5	0.5	0.5		2
	Pro poor Report Cards	0.5	0.5	0.5	0.5		2
Sub Total	5.5	7.5	8.5	9.5		31	
Window 4: Donor TA	UNICEF Related Poverty Services	2	3	3	3		11
	Technical Assistances (MDGs, Justice, etc)	2	2	2	2		8
	PNPM Evaluation	4	3	0	0		7
	Ops. Cost	2	2	2	2		8
	Sub Total	10	10	7	7		34
Grant Total	37.5	40.75	37.45	34.3		150	

Workplan of Tim Pengendali - PSF for Macro Coordination (Window 2) year 2008

No	Activity	2008												Output
		Feb	Mar	Apr	Mei	Jun	Jul	Aug	Sept	Oct	Nov	Dec		
1	MIS/ Information Management													
	a. Finalization draft of PNPM MIS	■	■											MIS Guidance
	b. Agency Coordination related to PNPM Core	■	■											Technical Meeting
	c. Agency Coordination related to PNPM Support			■	■									Technical Meeting
	d. MIS Development (Including Complaint Handling)		■	■	■	■	■	■	■	■	■	■	■	MIS PNPM
2	Socialization/ Dissemination													
	a. Regional Consultation Meetings		■											Coordination Meeting & Guidance
	b. CDD Congress			■										Meeting
	c. Technical Coordination Meetings/ Workshops			■	■	■	■							Meeting
	d. Campaign	■	■	■	■	■	■	■	■	■	■	■	■	Advertisement
3	Facilitator Training and Database													
	a. Needs Assessment	■												Meeting of Tim Pengendali
	b. Concept and Module Development		■	■										Module and Workplan
	c. Training of Trainer					■	■							
	d. Facilitator Training							■	■	■	■	■	■	
	d. Facilitator Database		■	■	■	■	■	■	■	■	■	■	■	Database
4	Local Government Capacity Building													
	a. Guidance Development	■	■	■										Guidance
	b. Trainings/workshops					■	■	■	■	■	■	■	■	Trainings & workshops
5	Evaluation													
	a. Presentation of Baseline Result of PNPM		■											Report
	b. Thematic Evaluation			■	■	■	■	■	■	■	■	■	■	Report
6	Program Development & Implementation Coordination for PNPM													
	a. Arrangement of PSF Structure & Development Manuals for PSF	■	■											Document of Ops. Manual and Workplan
	b. Donor Coordination		■											Meeting
	c. PNPM Core Coordination			■	■									Meeting
	d. PNPM Support Coordination	■	■	■	■	■	■	■	■	■	■	■	■	Meeting
8	Comparative reviews (To be scheduled as needed)													Comparative Studies International Seminar

PROJECT DIGEST

1. Project Title : PNPM Communication Strategy
2. Executing Agency : PNPM Oversight Committee, Coordinating Ministry for Social Welfare
3. Implementing Agency : Department of Communication and Information
4. Duration : 1 (one) year
5. Location : All provinces in Indonesia
6. Objective : To develop the communication strategy of PNPM so that the communities will actively participate and getting involved in the programs of PNPM.

7. Scope of Project :
 - Formulations of communication materials
 - Development of communication strategy.
 - Implementation of Communication strategy: direct and through mass media; nationally and locally (in the region).

8. Activities :
 - Coordination Meeting in National, Regional and Local level to formulate communication strategy through meeting and key expert discussion.
 - Formulations of Communication material through: Personal and/or group communication through community discussion, focus group discussion and visiting the community leader.
 - Developing formulations of guidance book, leaflet and booklet of communication strategy
 - To conduct socialization of PNPM using both printed (posters, etc) and electronic media such as newspaper, magazine, radio station and television, including community radio station and traditional-art show such as Wayang and other local traditions.
 - Media visits.

9. Estimated Budget :

No	Items	USD
1	Formulation of Socialisation Material	95,200
2	Socialization through mass media	1,311,820
3	Direct Socialization	579,500
4	Monitoring and Evaluation	13,500
	Total	2,000,000

Note : 1 USD = IDR 9,300.00

PROJECT DIGEST

1. Project Title : PNPM Management Information System
2. Executing Agency : PNPM Oversight Committee, Coordinating Ministry for Social Welfare
3. Implementing Agency : Data and Information Center, Bappenas
4. Duration : 1 (one) year, 2008
5. Location : Jakarta
6. Objective : To develop and implement a Management Information System (MIS) of PNPM Mandiri which will be a comprehensive system contained of all poverty reduction programs in Indonesia
7. Scope of Activities :
 - Development of MIS systems
 - Development of MIS content
 - Data consolidations into a comprehensive integrated Management Information System of PNPM Mandiri as the development of the existing poverty reduction program databases
8. Activities :
 - Coordination among parties involved in the previous and will be carried out poverty reduction programs
 - To develop the structure of database as agreed by all parties
 - Data collecting from previous poverty reduction programs
 - To consolidate collected data in the agreed structure
 - To identify the requirements of the integration step
 - To develop the MIS of PNPM Mandiri
 - To entry collected data into the new PNPM Mandiri Management Information System
 - Regular Data updating.
9. Estimated Budget :

No	Items	USD
1	Experts & Supporting Staffs	420,000
2	Non Personal Direct Cost	450,000
3	Data-Information Development and Maintenance	130,000
	Total	1,000,000

Note : 1 USD = IDR 9,300.00

PROJECT DIGEST

1. Project Title : PNP Community Facilitator Development System
2. Executing Agency : PNP Oversight Committee, Coordinating Ministry for Social Welfare
3. Implementing Agency : MOHA, MOPW and State Ministry for Less Developed Region
4. Duration : 8 Months
5. Location : 10 Cities in Indonesia i.e. Jakarta, Salatiga, Medan, Pekanbaru, Palembang, Makassar, Mataram, Manado, Sorong, Balikpapan
6. Objective : To improve and prepare the community-based facilitators to be ready to drive empowerment program in community level.
7. Scope of Project :
 - Provision of experts
 - Training: preparation and training implementation.
 - Network and system information.
8. Activities :
 - Coordination Meeting in National, Regional and Local level.
 - Formulation of training materials and manuals through meeting and key expert discussion
 - Establishment of community-based facilitators database
 - Training: Management Training and Training of Trainers
 - Evaluation and Reporting
9. Estimated Budget :

No	Items	USD
1	Expert & Support Staff Fee	320,000
2	Non Personal Direct Cost (training)	1,500,000
3	Operational Cost	180,000
	Total	2,000,000

Note : 1 USD = IDR 9,300.00

PROJECT DIGEST

1. Project Title : PNPM Monitoring and Evaluation, Special Studies
2. Executing Agency : Bappenas, The World Bank, Research Organizations, Survey Firms
3. Implementing Agency: Same
4. Duration : 2008 - 2009
5. Location : National
6. Objective : (i) to provide PNPM stakeholders with empirical data regarding the results and impact of PNPM;
(ii) to research in greater depth special topics of concern to PNPM;
(iii) to build the capacity of Indonesian social science research organizations for M&E and special studies.

7. Scope of Project :
 - Program evaluations: PNPM impact evaluation, , 100 sentinel study, employment generation and poverty impact studies.
 - Special thematic studies: studies on: vulnerability and marginalized groups; gender; conflict resolution; facilitation; governance; government program evaluations; information effectiveness.
 - Building M&E capacity for Indonesian social science research organizations, training

8. Activities :
 - Provision of M&E experts, consultants
 - Training on M&E
 - Writing TORs
 - Contracting out to consultants, research organizations and survey firms to conduct evaluations and studies
 - Presentation of findings to Tim Pengendali and development community
 - Final papers
 - Recommendations for improvement of the PNPM

9. Estimated Budget :

No	Items	USD
1	Specialized Technical Assistance	900,000
2	Surveys and studies conducted through NGOs, research organizations and survey firms	4,100,000
	Total	5,000,000

Note : 1 USD = IDR 9,300.00

PROJECT DIGEST

1. Project Title : **Green KDP**
2. Executing Agency : Ministry of Home Affairs
3. Implementing Agency : Department of Community Development (PMD)
4. Duration : 4 years
5. Location : Northern Sumatra
6. Objective : To provide incentives for improved natural resource management in poor communities living in fragile hillside areas.

7. Scope of Project
 - a. Block grants, technical assistance, environmental awareness campaigns (PMD)
 - b. Specialized technical assistance, M&E (WB)

8. Donor Information:

DANIDA has contributed full funding for this proposal, with prior agreement to concentrate on 4 provinces of Northern Sumatra. AusAid is proposing to add AUS\$2 million for the same program in South Sulawesi. The Netherlands is also requesting a non-binding review of a proposed \$15 million addition to extend the renewable energy program to Central Java, DIY, Aceh, and Papua. All donors would use the same manual, procedures, and technical specifications developed through the PNPM technical working group on energy and executed through PMD.

9. Activities :
 - Block grants for improve natural resource management
 - Block grants for renewable energy development
 - Capacity development for local government
 - Technical assistance
 - Randomized evaluations

10. Estimated Budget :

No	Items	USD	Execution
1	Block grants for natural resource management	7,000,000	PMD
2	Rural electrification through renewable energy	7,200,000	PMD
3	Improved catchments area management	800,000	PMD
4	Improved Local Government Capacity for NRM	1,000,000	PMD
	GOI subtotal	16,000,000	
4	Int'l T.A. in renewable energy	600,000	WB
5	M&E	1,650,000	WB
6.	WB Total	2,250,000	
	Unallocated	750,000	
	Total	19,000,000*	

*An additional \$17.0 million is being proposed for consideration

** Updated Concept Note for Green KDP forthcoming

PROJECT DIGEST

1. Project Title : **PNPM Operations Support**
2. Executing Agency : World Bank
3. Implementing Agency : Social Development
4. Duration : 3 years
5. Location : Jakarta
6. Objective : To provide administrative services supporting the
PNPM SF
7. Scope of Project:
 - Office rental, maintenance and equipment
 - Staff and consultant fees for administrative services
 - Staff and consultant fees for procurement services
 - On-demand response to specialized requests from Tim Pengendali
 - Publications, seminars and other knowledge activities
8. Activities :
 - Developing and managing a Multi-donor/GOI management center for PNPM
 - Providing fiduciary oversight and reporting for all PNPM SF programs
 - Supporting the PNPM Technical Secretariat
 - Procuring consultancies
 - Organizing learning events
9. Estimated Budget:

No	Items	USD	Execution
1	Office rental for 3 years	350,000	WB
2	Operating Costs including publications, seminars and other knowledge activities	900,000	WB
3	Maintenance, Equipment and IT Networks	500,000	WB
4	Admin staff and consultant services including training and travel	2,250,000	WB
	Total	4,000,000	

PROJECT DIGEST

1. Project Title : **PNPM Supervision and Monitoring**
2. Executing Agency : World Bank
3. Implementing Agency : Social Development
4. Duration : 3 years
5. Location : Jakarta
6. Objective : To ensure full supervisory coverage of all core PNPM-Mandiri programs
7. Scope of Project : To provide additional supervision and reporting for all Core PNPM programs: PNPM-Urban, PNPM-Rural, Respek, IFAD and local government matching funds.
8. Activities
 - Contracting approximately 15 dedicated staff and consultants
 - Training in financial management and procurement for government agencies
 - Technical assistance for PNPM Papua and KTI
 - Production of PNPM training materials
 - Production and technical assistance of PNPM socialization materials related to various pilots
 - Multidonor review missions and operational seminars
 - Production of donor reports.
9. Estimated Budget :

No	Items	USD	Execution
1	Staff and consultants	2,100,000	WB
2	Travel	1,200,000	WB
3	Training events	300,000	WB
4	Reports and printing	400,000	WB
	Total	4,000,000	

PROJECT DIGEST

1. Project Title : TA for PNPM-Generasi (Community CCT Program) Pilot Program
 2. Executing Agency : Ministry of Home Affairs
 3. Implementing Agency : Research Organizations, Communications Firm, TA
 4. Duration : 2008 - 2009
 5. Location : 5 provinces: West Java, East Java, North Sulawesi, Gorontalo, NTT
 6. Objective : To support this pilot program through technical assistance, operational research, and communications outreach.
7. Scope of Project : PNPM Generasi is an innovative pilot program launched by the Government of Indonesia in July 2007, designed to accelerate achievement of three Millennium Development Goals: universal basic education; reduction in child mortality; and improvement in maternal health. Villages participating in PNPM Generasi commit to improving 12 basic health and education indicators related to antenatal and maternal care, immunizations, nutrition, and primary and junior secondary enrolment and attendance.
8. Activities:
- International and national TA support
 - Communication/socialization work
 - Operational research to inform program operations and impacts
 - Impact evaluations and survey for 2008 (planned 2009 round survey is not yet included here)
 - Presentation of findings to Tim Pengendali and development community
9. Estimated Budget:

No	Items	USD
1	Specialized Technical Assistance, CCT expertise	400,000
2	Communications and socialization work	600,000
3	2008 Impact Survey	1,000,000
	Total	2,000,000

Note : 1 USD = IDR 9,300.00

The following note provides background to the Community CCT program.

PROJECT DIGEST

1. Project Title : PNPM – Technical Assistance for Remote Regions, Supervision and Local Government Support
2. Executing Agency : Bappenas, The World Bank, Research and/or Capacity Building Organizations
3. Implementing Agency : Same
4. Duration : 2008 - 2010
5. Location : eastern Indonesia (12 provinces)
6. Objective :
 - (i) To provide specific context sensitive support to remote regions
 - (ii) To increase access of information to communities in remote regions and information flows from such areas to support planning processes
 - (iii) To provide awareness and capacity building activities for local governments to better support remote communities
 - (iv) To provide supervision support and evaluation input for remote regions as well as support to districts with complaints and issues unresolved by local facilitators
7. Scope of Project :
 - To provide input and support to facilitators working in remote regions and to build recognition of and awareness of local indigenous capacities;
 - To collate information on remote communities and to build awareness of past and ongoing support provided to such communities if existing to ensure greater effectiveness of PNPM through the combining of resources and collaboration;
 - To provide relevant information and data on rural technology and applications for optimizing indigenous capacities and resources;
 - To provide training, workshops, seminars and other forms of TA to local government and institutions in order to increase the quality of services to remote communities;
 - Development of a network of government and civil society able to provide supervision and evaluation support as well as local through to national pressure in resolving issues/cases
8. Activities :
 - Facilitator aids and support kits specifically for remote regions (combining with private sector CSR programs)
 - Mapping and of indigenous communities and local issues/constraints (i.e. access to info., finance etc.)
 - Mapping of local community support capacity (i.e. civil society organizations including religious).
 - Development of information kits and rural technology directories etc.
 - Training, workshops and seminars
 - Technical assistance and networking support and maintenance
 - Travel for supervision support and Issues handling
9. Estimated Budget:

No	Items	USD
1	Supervision and complaint handling	500,000
2	Facilitator aids and information kits	1,000,000
3	indigenous capacity and local support mapping	500,000
4	Local Govt. and CSO Training/Workshops/Seminars	500,000
5.	Other Technical Assistance	500,000
	Total	3,000,000

Note : 1 USD = IDR 9,300.00

PROJECT DIGEST

10. Project Title : PNPM-Delivering poverty services to poor communities
11. Executing Agency : The World Bank, Bappenas
12. Implementing Agency : Local Universities and NGOs, the World Bank
13. Duration : 2008
14. Location : Central Government, Provinces of Gorontalo and Papua
15. Objective : To prepare and undertake initial activities to improve quality of public service delivery and financial management through:
- (i) Piloting a performance-based incentive system for Local Governments to improve their ability to deliver poverty services
 - (ii) Operationalizing local government M&E systems
16. Overall purpose: Making poverty reduction in PNPM communities requires significantly improved coordination with local government service providers. This activity will review incentives in local governments across two provinces where their governors strongly support reform. Results and tools from this program can be replicated in other PNPM locations and will be important contributions to the longer-term PNPM policy agenda.
17. Scope of Project :
- Provision of M&E expert to the Central Government
 - Provision of Facilitation and Technical Assistance to local governments
 - Provision of Technical Assistance to develop baseline data and to review related regulatory framework
18. Activities :
- Assistance to Bappenas to operationalize M&E framework
 - Conducting baseline survey in service delivery and assessments of local government financial management
 - Assistance to LGs to develop action plan for improving service delivery and financial management
 - Field trips, workshops, training and meetings
19. Estimated Budget :

No	Items	USD
1	Assistance to Bappenas to operationalize M&E framework	56,550
2	Baseline survey in service delivery and assessment in financial management	475,000
3	Assistance to LGs to develop action plan on improving service delivery and financial management	310,000
4	Reviewing relevant regulatory frameworks in Papua	48,750
5	Field trips, workshops, training and meetings	53,600
	Total	943,900

Note : 1 USD = 1.06 AUD