

PD-ADU 872  
33486

LGT-II COMPLETION REPORT

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I. PREFACE

As required by the AID Handbook No. 3, App. 14A, this document serves as an official report for the conclusion of the Local Government Training II (LGT-II) project, AID Project No. 497-0308, Loan No. 497-V-062. This report briefly describes the overall implementation of the project: status of the project outputs, purpose, achievements and lessons learned.

The LGT-II, as described in the Loan Agreement Amplified Description of the Project, had the objective of bringing about more effective performance of BAPPEDA (Regional Development Planning Board) at provincial as well as district (kabupaten) levels throughout Indonesia, in regional development planning and management. To achieve that objective, the project provided training courses which are relevant in the field of regional development planning and management. These courses were provided by the counterpart agency for the project: Badan Pendidikan dan Latihan (Badan Diklat = Agency for Education and Training), Ministry of Home Affairs, which is responsible for providing training courses to the government officials of the Ministry of Home Affairs.

LGT-II was designed as a 5 year project (1980 - 1985), and was incrementally funded, with the total amount of: \$8,500,000 consisting of: \$2,500,000 in Grant, Agreement # 497-0308 signed on August 29, 1980; and \$6,000,000 in Loan, (originally \$7,000,000) Agreement # 497-V-062 signed on August 30, 1980; and The Government of Indonesia's (GOI) contribution to the project amounted to \$6,740,000. Final expenditures under the project totalled \$ 7,225,148 out of the \$ 8,500,000 originally planned.

Amendment No. 2 to the LGT II Loan Agreement was signed on May 1983 to extend the PACD from August 31, 1985 to August 31, 1987. Amendment No. 3 dated September 27, 1985 moved the PACD forward to March 31, 1986.

## II. PROJECT IMPLEMENTATION & ACHIEVEMENTS

### I.1 Project Implementation

In 1977 the Ministry of Home Affairs requested USAID assistance to develop a project to develop a national training program on Regional Development Planning. Over 14 months Badan Diklat and USAID with assistance from Planning and Development Collaborative International (PADCO) developed the National Training Strategy which became the basis for design and implementation of the LGT-II project.

The implementation of the project can be divided into the following significant periods:

- 1) Early implementation of the project (1979-1982): the project was implemented by a unit in Badan Diklat, separated from the main organizational structure. This unit namely "Unit Proyek Latihan Perencanaan dan Tata Laksana Pembangunan Regional" (Unit of Training on Regional Development Planning and Management) served as the center of overall project management including setting the project strategy, planning, implementation, and evaluation. The National Training Strategy was implemented without significant modification and emphasis was given to achievements of quantitative outputs: numbers of trained officials and amount of funds expended. No annual program was set forth, no curriculum development or training materials improvements were done, only the training courses listed in the strategy document were implemented. The PADCO consultant team arrived in the project in early 1981. Soon after their arrival, Badan Diklat together with PADCO developed and introduced the initial 9 month course in Regional Development Planning and Management (PTPD = Perencanaan dan Tatalaksana Pembangunan Daerah).
- 2) An internal project evaluation was conducted in 1983 and the following recommendations were made by the evaluation team:
  - a) Functions of the LGT-II unit should be integrated into the Badan Diklat's main organizational structure to implement the LGT-II program. The integration was expected to enable Badan Diklat to strengthen its organization and role as a national training agency.
  - b) Emphasis should be given to developing training materials and curricula, more relevant training programs, more practical approaches, and on better selection of the target groups.
- 3) January - September 1984: during this period, efforts were directed to implement more specific goals set forth by Badan Diklat, PADCO and USAID as result of a January 1984 meeting:

- \* institutionalize Badan Diklat capacity to develop and manage Regional Development Planning courses.
  - \* curriculum development of the PTPD course to be more practical.
  - \* training of trainers, to provide Badan Diklat with adequate, competent trainers, particularly for conducting the Project Management System and PTPD courses.
  - \* institutionalize the Regional Training Centers,
  - \* Implement intensive courses for BAPPEDA such as the 9-month PTPD course, and extensive short courses such as PMS.
- 4) September 1984 - November 1985: In August 1984, a meeting was conducted in Yogyakarta, which resulted in revisions as follows:
- \* shortened the 9-month PTPD course to a 20-week-course, by eliminating some components: bottom-up planning, project analysis, and management information system. This reduction was needed to allow the participants (BAPPEDA officials) to attend the course, due to their limited time.
  - \* development of new training material on the Formulation of Yearly Regional Development Planning + Local Revenue and Budgeting (REPETADA + APBD).
  - \* speeded up implementation of all training courses.
  - \* increased utilization of other agencies (universities, NGOs) in implementing the specialized courses.
  - \* conducted monitoring and evaluation of courses.
  - \* established training material banks at Badan Diklat and 4 other RTCs. (Regional Training Centers)
  - \* speeded up implementation of new construction for the RTCs.
  - \* conducted overseas training for Badan Diklat staff and instructors.
- 5) November 1985 - PACD: March 1986: project close out phase. Demobilization of PADCO consultants in end of November 1985, finalization of training courses : construction, commodities, and overseas training program.

The PACD was previously extended from August 1985 to August 1987, then shortened to April 31, 1986. In 1983 the PACD was extended based upon considerations as follows:

- The PADCO consultants arrived in the project in early 1982 which is one year behind schedule, due to selection and recruitment delays. To allow the consultant team sufficient time to provide its technical assistance and the Badan Diklat to gain significant improvements in implementing the project, the project needed extension.
- To implement the revised project strategy upon arrival of the consultants.

However, in September 1985 it was decided to shorten the PACD about 16 months. This was based on the following considerations:

a. Managerial problems occurred in the project:

The results of the project evaluation conducted in March 1985, pointed several basic weaknesses of the project, such as: (i) inadequate management systems, including both administration of training programs and the development of training systems; (ii) the need for rescheduling of and planning for courses which should be based on needs analyses and on experiences, rather than solely based on the National Strategy for Training in Regional Development Planning and Management. The evaluation team then recommended the following:

- \* Reorganization of the Badan Diklat's structure is needed to accommodate the LGT-II project, which would be both be integrated into the Badan Diklat structure and maintain its own organizational identity.
- \* Institutional development: better personnel systems and personnel planning for all Badan Diklat staff, and rotational assignments between staff and operational functions.
- \* LGT activities to be guided by four basic concepts:
  - decentralization
  - skills training related to specific job performance
  - skills training related to "bottom-up" planning
  - focus on planning and management

However, Badan Diklat had not appropriately implemented the Evaluation Report's recommendations. Based on an assessment conducted by USAID in early 1985, several main reasons for moving forward the PACD are as follows:

- \* No established personnel planning, which resulted to ever-changing pattern of organization within Badan Diklat, accompanied by uncertain assignments of personnel.
  - \* Poor budgeting of the resources in staff and money available to their operation, which also lead to low rate of reimbursement by USAID, which was boosted more by Rupiah devaluation, and resulted deobligation of \$1,000,000 in loan funds in August 1985. Almost one year in IFY (Indonesian Fiscal Year) 84/85, fewer activities were conducted than planned, accompanied by inadequate administrative procedures by Badan Diklat and inadequate documentary submissions to USAID.
  - \* Poor management had led to indecisiveness and poor internal and external coordination. For instance, It took about one year to decide on how it wanted to use the "out-of-country training" funds of the project. After decision was made, lack of coordination and inadequacy of Badan Diklat's liaison with Bappenas and Department of Finance showed up in the matter of selection and clearances of the participants.
- b. Some Badan Diklat officials did not provide enough support to the project, which became "communication barriers" between consultants and the Badan Diklat project staff. This in return, created uncertainty of the consultants in seeking for policy guidance.
  - c. Badan Diklat had made poor use of the PADCO consultants, both at the Pusat (Jakarta office), as well as in the three Regional Training Centers.

## II.2 Project Status: Completion of Project Elements.

### Project Outputs vs. Achievements

The project had 7 expected project outputs. As of PACD, the status of the outputs are as follows:

1. A functioning central agency in Badan Diklat to implement the program. The LGT-II project was administered by the sub-directorate level (echelon 3) within the Badan Diklat organization, with involvement of other units in Badan Diklat. With this integration of the LGT-II project functions into overall Badan Diklat's organizational structure, and assistance provided by the PADCO team, Badan Diklat improved its management of the project. Performance improved in conducting training courses, developing training materials and curricula. A bank of training materials was established in Badan Diklat (complete set of the main materials on computer diskettes are also available in USAID).

2. A functioning central Training-of-Trainers (TOT) program and facility. Badan Diklat in cooperation with universities and PADCO consultants conducted 4 TOTs during which 61 instructors were trained. Some of these trainers are currently still maintaining the LGT training materials, and conduct trainings upon requests.
3. Four staffed and operating RTCs. The four RTCs: Medan, Yogyakarta, Ujung Pandang, and Bukittinggi, are functional. Three are staffed, and Bukittinggi is supported by instructors from Medan. Various training courses are conducted at those four RTCs. New facilities at 3 RTCs were constructed by the project. In Yogyakarta an auditorium was completed with training equipment and facilities; in Ujung Pandang a two-story class room and library, 1 office space, and 1 two-story dormitory for the training participants were built; and in Bukittinggi office space, two-story dormitory, and a multi-purpose meeting room were built.
4. Involvement of selected universities and institutions of higher learning in training. Specialized courses were conducted by various universities for BAPPEDA Tk. I officials: Land use Planning by the Bogor Agriculture Institute (IPB), Spatial Planning by the Bandung Technology Institute (ITB), Administrative Planning and Economic Planning Courses by Gajah Mada University, Post Graduate programs by ITB and Hasanuddin University.
5. Orientation to regional development planning for local policy makers. Panel Discussions in Regional Development Planning were conducted for provincial, district and urban policy makers, such as Bupatis (district head) Walikota (city mayors), and BAPPEDA chairmen.
6. Leaders and technicians of the provincial and kabupaten (district, technical agencies oriented in regional development planning/management. Several groups of courses including Orientation Course in Regional Development Planning was specially designed to identify the needs for training in regional planning programs, and provide information on training programs conducted by the LGT-II project to the provincial and kabupaten key officials.
7. Trained provincial and kabupaten BAPPEDA officials and technicians in regional development planning. By end of the project, 4,123 officials had been trained in various courses in regional development planning. (See table 3)

Project Elements:

According to the Loan Agreement and Amendments, the project funding consisted of the following elements:

<u>Project Elements</u>	<u>LOAN FUNDS</u> (In US\$000)				
	<u>Loan Agr.</u> (Original)	<u>PIL</u> No. 11	<u>Amendment</u> No. 3	<u>PIL</u> No. 22	<u>Actual</u> <u>Expenditure</u>
1. Techn. Assistance	0	1,800.00	1,800.00	1,881.55	1,881.55
2. Construction	856.00	1,000.00	719.76	)	
3. Trg. Equipment	224.00	80.00	49.00	) 863.45	562.83
4. In-country Trg.	5,572.00	3,000.00	2,605.29	2,620.00	1,698.15
5. Overseas Trg.	348.00	348.00	655.00	635.00	635.00
6. Contingency	0	772.00	179.95	0	0
TOTAL :	<u>7,000.00</u> =====	<u>7,000.00</u> =====	<u>6,000.00</u> =====	<u>6,000.00</u> =====	<u>4,777.53</u> =====

<u>Project Elements</u> (Original)	<u>GRANT FUNDS</u> (US\$)		
	<u>Grant Agreement</u>	<u>As of PACD</u>	<u>Actual</u> <u>Expenditure</u>
1. Technical Assistance	2,500,000	2,418,915	2,418,915
2. Trg. Equipment	-	-	-
3. Commodities *)	-	65,200	60,122
4. Contingency	-	15,885	3,316
T O T A L	<u>2,500,000</u> =====	<u>2,500,000</u> =====	<u>2,482,353</u> =====

As of the PACD, the status of the above project elements are as follows:

1. Technical Assistance:

The following consultants provided technical assistance to the Badan Diklat:

- a) PADCO (Planning and Development Collaborative International) team arrived in the project in 1981, and completed their tasks in November 1985. The consultants level of effort is 535 professional person months provided by 4 regional planners, 6 training specialists, 1 information specialist, 2 curriculum

development specialists, 3 graphic specialists, 1 research specialist, and 1 economist, and some short term consultants. Total costs for the technical assistance was \$4,046,848, consisting of \$2,361,248 from grant and \$ 1,685,600 from Loan. A final report was completed and submitted to Badan Diklat and USAID in December 1985.

- b) PASA contract with Dr. Robert Zimmerman from USDA to conduct management development training programs, totalling \$179,950 of loan funds.
- c) Contract amounting \$9,000 with Dr. Daniel Moulton from the University of Massachusetts, to conduct a training needs assessment within Badan Diklat for overseas training purposes.

## 2. Construction:

Loan funded construction of new facilities for three RTCs was completed:

- a. Ujung Pandang:  
An amount of Rp 342,508,317 was used to construct 1 office building, 1 two-story dormitory, and 1 two-story library and class room. The existing Regional Training Center (RTC) construction funded by AID is located about 14 kms from Ujung Pandang city, and about 2 kms off the mainroad. The location was granted by the Governor, provided with access road and electricity, and a deep well. Furniture for the facilities was provided by the GOI.
- b. Bukittinggi:  
USAID provided Rp 251,594,000 or \$ 153,410 to partly cover expenses (out of about Rp 1 billion) for office space, a two-story dormitory, and a multi-purpose meeting room. Furniture for the three buildings was provided by USAID totalling Rp 43,818,150 or \$ 26,718. The land was provided by the GOI, located in Kecamatan Baso, about 13 kms from Bukittinggi. This, in the future, is planned for a center of education and training comprising of: Akademi Pemerintahan Dalam Negeri (APDN = Academy for Government Administration), Pusdikprop (Provincial Training Center), and Pusat Pendidikan Wilayah (RTC).
- c. Yogyakarta:  
An amount of Rp 78,203,927 or about \$ 47,685 was provided by USAID to build an auditorium within the existing complex of the Pusdikwil Yogyakarta. The building was designed to hold national as well as international meetings, conferences, and seminars. Furniture and other facilities were provided by USAID amounting to Rp 47,225,050 (US\$ 41,811).

### 3. Training Equipment and facilities:

Training equipment for Badan Diklat and the three RTCs was provided by USAID grant funds. Equipment was purchased in Indonesia, costing approximately Rp 43,391,946, or about US\$26,458. The project purchased 2 cars for consultants in amount of \$15,200, 4 CJ7 jeeps using loan funds amounting to \$50,000, and 6 minibuses purchased under the loan amounting \$ 46,750 for use in the RTCs. Currently, the consultant jeeps are in official use by the RTCs and Badan Diklat Jakarta.

### 4. In-Country Training:

Materials for two major training programs, Project Management System (PMS) and Regional Development Planning and Management (PTPD), were developed and used to train BAPPEDA officials throughout Indonesia. Officials from various institutions have received various training courses under the LGT-II project, as summarized below:

Table 3: Numbers of Trained Officials By Agency

Course Title	Provincial BAPPEDA	District BAPPEDA	Techn. Agency Pro/Di	Bupati Walikota	Instructors	Others	Total
PTPD	37	415	643	-	-	-	1,095
PMS	76	231	537	-	-	97	941
TOT for PTPD	-	-	-	-	61	-	61
KOPD	-	59	451	-	-	-	510
Specialized Course	112	1,090	-	-	-	-	1,202
Panel Discussion	2	78	-	234	-	-	314
TOTAL	227	1,873	1,631	234	61	97	4,123

Dr. Robert Zimmerman from USDA, together with Badan Diklat, developed training materials for Badan Diklat staff on regular career development courses. He also conducted several management training courses such as: Management Skills Development, Personnel Management, and other Management Courses, to many GOI training officials from various institutions.

### 5. Out-of-Country Training

An arrangement with the University Massachusetts (UMass) was made to provide officials from Badan Diklat and other entities of the Ministry of Home Affairs with training management courses. A total of 47 officials divided into three groups was sent to UMass to participate in a series of 3 week courses. As part of preparations for the third group which consisted of instructors from RTCs, a training management

specialist from UMass was recruited to conduct a training needs assessment in Badan Diklat to enable UMass to develop a more suitable and applicable training course.

Over the course of the project, one instructor went to Washington D.C to participate in a 5 week course on Management and the Role of Women in Development which was conducted by the USDA. Two Badan Diklat officials attended a 3 week in course on Initiating and Managing Integrated Rural Development conducted by the USDA.

### II.3 Project Budgeting and Financial Status

Two major budgeting systems were employed in the project loan expenditures:

- a. GOI Budgeting System: Subproject activities were planned and implemented through the GOI budgeting system, by means of the DUP (Daftar Usulan Proyek = Project Proposal List) and the DIP (Daftar Isian Proyek = List of Approved Project and Approved Budget). The GOI prefinanced these activities using their own funds. After completion of the subproject activities, USAID then reimbursed the approved expenses incurred in the subproject. A total of Rp 3,013,098,646.- or US\$ 2,167,129.50 has been reimbursed by USAID through this system.
- b. Direct Payment System: USAID provided funds for certain activities, such as: purchase of vehicles, overseas and some in-country training programs, technical assistance, training equipment, and construction. An amount of \$ 2,661,739 was spent using this system.

As of the PACD, the project financial status is as follows:

#### GRANT:

Total obligation	\$ 2,500,000.00
Total expenditures as of PACD	<u>2,482,353.12</u>
Total unexpended funds	\$ 17,646.88

#### LOAN:

Total obligation *	\$ 6,000,000.00
Total expenditures as of PACD	4,777,533.00
Expenses through DIP	\$ 2,115,794.00
Direct payment	\$ 2,661,739.00
Total unexpended loan funds	<u>\$ 1,222,467.00</u>
Total unexpended funds (grant + loan)	\$ 1,240,113.88
	=====

\*) This excludes \$1,000,000 deobligated in August 1985.

### III. LESSONS LEARNED DURING PROJECT IMPLEMENTATION

#### 1. Project Strategy

The initial years of project implementation experienced difficulties. The separate LGT-II project unit was not sufficiently supported by the main organization of Badan Diklat. This was primarily due to lack of an established mechanism to serve this purpose. Secondly, Badan Diklat did not have appropriate managerial skills to manage foreign assistance. The LGT-II was the first foreign donor cooperative project for Badan Diklat, yet it was managed as a 'regular' GOI project.

The integration of the project functions into Badan Diklat's main organization was a significant improvement in many respects. It has shown that: the Badan Diklat was willing to introspect, identify its own organizational problems and analyse means to resolve them: secondly the awareness developed within Badan Diklat that the project provided invaluable improvements of its (Badan Diklat) capacity to be responsible for and perform as an established national training agency.

While Badan Diklat has gradually improved during the project implementation, several obstacles were not overcome. Badan Diklat did not sufficiently delegate responsibilities to the RTCs, which were mainly performing as implementers of the program. This increased the work load on Badan Diklat's insufficient staff for centralized planning, implementation, and evaluation issues, and procurement for training facilities.

#### 2 Badan Diklat Organization

Through implementing the LGT-II project, Badan Diklat learned to identify its organizational problems, develop better implementation strategy, work with a foreign donor assistance project, become familiar with the donor's policies, and manage foreign consultants. Badan Diklat encountered problems in staffing. In Badan Diklat Pusat (Jakarta), most of the project staff were also responsible for other assignments. Therefore, they did not fully devote their time in the LGT II project, which led to insufficient time and lack of concentration when they had to focus on the project planning process, curriculum development, preparation of course implementation, etc. The consultants frequently had difficulties working together with the Badan Diklat staff because of their non-LGT II responsibilities.

Most of the instructors were bright and capable trainers. However, the instructors' positions in the RTCs did not have legal support in the organization, meaning that they were temporarily recruited without any permanent positions. Therefore the levels of motivation and dedication of the instructors in conducting training programs was less than optimal.

### 3. Training materials developed under the project

The LGT-II project has developed several invaluable training materials, such as the PTPD, PMS, REPETADA, and others. The project also had brought innovation in training methods, as well as in training substance. Such as in the PTPD course, it had both fieldwork and on-the-job training methods, and innovative steps in planning substance, such as the use of 66 critical factors to identify critical development problems and identify potential sectors.

Badan Diklat also developed specialized courses (such as Landuse Planning, Administrative Planning, Socio-economic Planning) together with universities. However, based on experiences, the project found out that training materials developed by the universities were too theoretical, trained in conventional lecturing methods, less applicable to the participants' jobs. Experiences showed that although Terms of Reference (TORs) have been established for the courses preparation conducted/contracted by the universities, but most likely that the training curricula were not in accordance with the TORs. Furthermore, Badan Diklat never had enough time and staff to review the training curricula before the course implementation. Field works (if exist) were not properly guided by the trainers.

### 4. Role of Consultants

The PADCO consultants' role in the project was not always clear. Badan Diklat, being inexperienced with managing foreign consultants had difficulty in identifying appropriate goals and giving guidance to their consultants on what was expected. The consultants' time were sometimes also used for some officials individual interests, such as preparing for speeches, seminar papers, etc., rather than providing technical assistance in their areas of expertise. This often led to misunderstandings and communications problems between Badan Diklat and the PADCO consultants.

### 5. USAID Project Officers

During the 6 year life of the project, USAID had 4 Project Officers and 1 Acting Project Officer. The frequent changes influenced implementation, in terms of personal approach and communication between USAID, Badan Diklat and PADCO consultants; disruption of momentum built up by previous project officer; the time-consuming process of familiarizing new project officers with the project.

A USAID Project Officer should act as a guide to the program, a catalyst for communication between Badan Diklat and consultants to obtain optimum utilization of the technical assistance. In the LGT-II Project, these roles were minimal due to the rapid changes of the project officer.

## 6. Project Administration

In the early implementation of the project, no sufficient guidance was provided by USAID in the project administration, including: annual project planning, project financial review and reimbursement processes, project monitoring procedures, and project documentation. The Loan Agreement Amplified description provided general guidance in the project administration. However, a detailed guidance in project financial procedures should be established in early project start up. Such guidance was developed and established about 2 years later, which in turn created administrative problems especially in monitoring and reimbursement.

#### IV. RECOMMENDATIONS

The following recommendations are based on the Project Officer's personal knowledge of LGT II and 5 years of experience working with Badan Diklat during implementation of LGT II.

##### 1. Local Government Training Program:

Training programs, particularly in regional development planning are in great demand by the Government of Indonesia, as these kinds of programs support the government's effort towards decentralization of development. The GOI is beginning to recognize certain benefits of using a regional development approach compared to the more traditional sectoral approach. In the past 7 years, the GOI has initiated an increasing number of regional development programs such as Provincial Area Development Program (PDP) in cooperation with USAID as well as similar projects with German, Dutch, Canadian and World Bank assistance. There is also the Proyek Pengembangan Wilayah Kecamatan (Area Development Project - Kecamatan) in Central Java, which is not donor assisted.

Training programs developed in LGT-II provide practical tools to better identify and analyze critical and potential sectors; identify project beneficiaries within the development area; and set priorities of potential sectors and target groups. These training programs are in line with GOI policies, based on GOI guidance and are very useful and important. It is recommended that training programs such as Perencanaan dan Tatalaksana Pembangunan Daerah (PTPD = Regional Development Planning and Management Training) & Penyusunan REPETADA (Formulation of the Local Annual Development Planning) be continued in the near future.

##### 2. Training materials:

Training materials which were developed in the project, such as: KPS (Kerangka Pembangunan Strategis = Strategic Development Framework), Project Management System, and REPETADA, should be maintained and consistently updated in accordance with current development progress. It is recommended that USAID, in the future, allocate sufficient funds (possibly in grant) and together with Badan Diklat conduct discussions, seminars, or workshops attended by training curriculum development specialists, regional planning specialists, university personnel and other relevant training institutions, to improve the training materials.

It is also recommended that the training materials be further developed and trained in projects similar to LGT, such as PDP. These two projects have similar goals of improving capabilities of the BAPPEDA in regional planning. For example, PDP could introduce the KPS system to identify the potential and critical sectors and target groups, and utilize the results as basis for formulating the PDP Multi Year Planning (RJM=Rencana Jangka Menengah).

### 3. Role of consultants:

In foreign assistance projects, the role and utilization of consultants is very important, both from technical as well as political aspects. It is suggested that to maximize the proper utilization of the available experts:

- establish detailed job descriptions for the individual consultants, approved by the three parties (GOI as the user, Consultants as the implementers, and Donor/USAID as the contracting agency), which should be in accordance with the project directions.
- establish an agreement between the three parties in setting mechanism and procedures of the use of individual consultant.
- the three parties should annually review and discuss the consultants' workplans.
- better selection of consultants that are really familiar with Indonesian cultural background.
- Increase the use of qualified Indonesian consultants.

### 4. USAID Project Officer

During the project implementation, the rapid changes of the USAID Project Officers had in some respects hampered the role of the Project Officer as the program guider. Times were needed for the Project Officers to familiarize themselves with the project, understand existing project problems and weaknesses, getting familiar with the 'managerial style' of the implementing agency, etc. It is recommended that, if possible, a four or five year project be managed by one or at maximum two Project Officers during their tours of duty.

### 5. Project Administration

It is recommended that the project administration be established in the early project start up. This includes: project planning joint review between GOI, USAID, and consultants; project monitoring system; reimbursement procedures; project financial review and voucher verification; detailed documentation submission procedures; etc.

It also is recommended that every single project document, such as Loan Agreement and its amendments, important PILs (budget revisions, mutual agreements on project implementation strategy, etc.), technical assistance detailed scope of works, and other important agreements, be translated to Indonesian language. This is necessary for the counterparting agency to better understand, and avoid misunderstandings.

Clearance:

ARD/RRM:MBrown (draft)

ARD/RRM:WDouglass (draft)

ARD/RRM:RCobb (draft)

FIN:RMcClure (draft)

DD:JMAnderson (draft)

Prepared by: T. Agus Widiyanto

LGT-II Acting Project Officer

Doc. 4859P/07/08/87

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