

UNCLASSIFIED

PD-1111 019
181-56133

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PROJECT PAPER

INDONESIA

DEVELOPMENT STUDIES

497-0340

JUNE 1983

USAID/INDONESIA

UNCLASSIFIED

DEVELOPMENT STUDIES PROJECT PAPER

Table of Contents

	Page
I. Project Data Sheet	1
II. Project Rationale & Description	2
III. Cost Estimates and Financial Plan	8
IV. Implementation Procedures	11
V. Monitoring Plan	16
VI. Covenants	18
VII. Evaluation Plans	19
VIII. Annexes	
(I) PID Approval Message from AID/Washington	21
(II) Log Frame	23
(III) GOI Request for Assistance	24
(IV) Preliminary Request Form for Studies	25
(V) List of Preliminary Study Requests, with Tentative Budgets	27
(VI) Statutory Check List	28
(VII) Preliminary Set of Study Proposals	36

ACTION MEMORANDUM FOR THE DIRECTOR

THRU: The Deputy Director

FROM: PRO, Jonathan Sperling 

Action:

Your approval is requested for a grant of \$3 million from the FAA Section 106, Selected Development Activities, Appropriation to Indonesia for the Development Studies Project 497-0340. It is planned that a total of \$1,760,000 will be obligated in FY 83.

The project purpose is to strengthen the analysis of selected policy and program issues related to Indonesian development, and thereby to contribute to Indonesian policy formulation, program design and resource use.

Waivers:

Individual waivers may be required for funding travel for training and for specific technical assistance, and will be justified on a case by case basis.

Justification to the Congress: The Congressional Notification sent to Congress on this Project, expired on March 22, 1983.

Clearances Obtained: The Policy and Project Committee have approved this paper. The changes which were requested at the last executive meeting have been incorporated in this session.

Recommendation:

That you sign the attached Project Authorization.

Attachments:

1. Project Authorization
2. Project Paper

Clearance: RLA  Date: June 8, 1983
FIN  Date: 6/5/83
ECON  Date: 6/9/83
DD  Date: 6/5/83

PROJECT AUTHORIZATION

INDONESIA DEVELOPMENT STUDIES

PROJECT NO. 497-0340

1. Pursuant to Section 106 of the Foreign Assistance Act of 1961, as amended, and to the authority delegated to me by Delegation of Authority 133.1 as revised, I hereby authorize the Development Studies Project for Indonesia, involving planned obligations of not to exceed \$3,000,000 in grant funds over a three year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing the foreign exchange and local currency costs of the project. The planned life of the project is four years from the date of initial obligation.
2. The project consists of strengthening the analysis of selected policy and program issues related to Indonesian development, and thereby contributing to policy and program formulation and design. The project will finance short-term advisors, studies, and translation of analyses into specific recommendations when requested by the GOI. It will also support seminars, publications and study tours related to selected issues.
3. The Project Agreement, which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants, together with such other terms and conditions as A.I.D. may deem appropriate.
4. Source and Origin of Commodities, Nationality of Services. Commodities financed by A.I.D. under the project shall have their source and origin in Indonesia or the United States, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have Indonesia or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the

project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

Signature: William P. Fuller
William P. Fuller
Mission Director

Date : 8/1/83

Clearances: PRO: JSperling: [Signature]
FIN: RClark: [Signature]
ECON: JStepanek: [Signature]
Drafted: LA: ^{LC} LChiles: 06/02/83, ma

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

Indonesia

3. PROJECT NUMBER

497-0340

4. BUREAU/OFFICE

ASIA

04

5. PROJECT TITLE (maximum 60 characters)

Development Studies

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
 07 01 87

7. ESTIMATED DATE OF OBLIGATION

(Under "B" below, enter 1, 2, 3, or 4)

A. Initial FY 83 B. Quarter 2 C. Final FY 84

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY <u>83</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	1,050	700	1,760	1,800	1,200	3,000
(Grant)	(1,060)	(700)	(1,760)	(1,800)	(1,200)	(3,000)
(Loan)	()	()	()	()	()	()
Other U.S.	1.					
	2.					
Host Country		586	586		1,000	1,000
Other Donor(s)						
TOTALS	1,060	1,286	2,346	1,800	2,200	4,000

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) SD	701 B	980				3,000		3,000	
(2)									
(3)									
(4)									
TOTALS						3,000		3,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code RDEV RGEN
 B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen the analysis of selected policy and program issues related to Indonesian development, and thereby to strengthen Indonesian policy formulation, program design, and resource use.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY
 07 85 07 87

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000 941 Local Other (Specify) see page 14

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

17. APPROVED BY

Signature: William P. Fuller
 Title: Director
 USAID/Indonesia

Date Signed MM DD YY
 07 08 87

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

II. PROJECT RATIONALE AND DESCRIPTION

A. Project Purpose

The purpose of this project is to help strengthen the analysis of selected issues and problems related to Indonesian development policies and programs, and thereby to help improve policy and program formulation. The project is proposed at an important and timely juncture in Indonesia's development as discussed at length in the AID Mission's FY 85 Country Development Strategy Statement (CDSS). The economy has been in a downturn since 1981 and GOI authorities seek policy and program alternatives to present development challenges, as well as ideas for formulating longer term strategies. Also, preparations for the Fourth Five-Year Development Plan, to start in April 1984, are well under way.

The project will support those officials and others concerned with policy issues; who are engaged in implementing the Third Five-Year Development Plan; and who are now drafting the Fourth Five-Year Development Plan (FY 84/85 - FY 88/89). Support under this project will be provided for selected GOI organizations concerned with policy studies as well as Indonesian foundations and other private institutions which provide the GOI with studies and seminars, and thus indirectly support the government's decision making process.

The project will finance studies and thereby will facilitate the translation of analyses and options into specific policy recommendations. The project will also support seminars, small experiments, publications, translations and short term travel for training, study and conferences related to selected policy issues. Small experiments may be supported where they have a clear potential for influencing policies and program designs. (To avoid repetition, the word "study" is used to refer to all activities financed under this project.)

B. An AID Development Priority

The AID Mission, following AID/Washington's strong encouragement, seeks to be responsive to the Indonesian Government's requests to strengthen policy analysis and formulation in policy areas related to AID program responsibilities (see AID Mission No. 26-83 and supporting cables). Since macroeconomic policy concerns are currently well managed and are adequately supported in Indonesia, this project focuses primarily on middle level development problems. These concerns include, for example, employment generation strategies; the constraints to delivering basic health care services; and strategies to promote the development of the private sector. To help implement this project, the Mission has established a Policy Committee of AID staff members

to advise the Director on studies proposed for funding. Annex V lists initi.' studies for which the GOI seeks support under this project.

It is widely acknowledged that the GOI manages the overall economy well. Although many macroeconomic policy decisions are amenable to high level agreement and timely action within the GOI, most decisions within and between line ministries require more evolutionary, time consuming processes of attitude change and consensus building. This project is viewed as playing a role within that latter, longer run process. It takes time to develop required policies and procedures of sectoral and intersectoral (often vaguely stated) objectives. Non-government foundations and institutes also play a policy role here. Expectations are modest because most Indonesian decision processes, like public decisions anywhere, are time consuming, dependent on consensus, and are weighed carefully for political implications.

One purpose of this project will be to encourage informed discussions amongst selected actors in policy making, both public and private. In so doing, the project may widen the arena of public discussion about policy options as well as increase the quality of that debate. The project is intended to be responsive to Indonesian initiatives.

A second important purpose of this project will be to assist governmental and non-government groups in dealing with diverse development problems. Although there is a growing cadre of trained and experienced civil servants with an increasingly sophisticated expertise in their relevant fields, this layer of skilled leadership is thin. Indonesia still lacks the skilled manpower to produce the requisite quality analyses for development issues. This project will help fill this gap (even though it is not an institution building project as such). The strains on the decision-making process are likely to grow as the already strong demand for analysis out distances the available analytical capability. The Mission believes that better informed participants and increased responsiveness to Indonesian needs will facilitate the process of development.

C. Specific Problems Facing Policy Makers

The project will address a number of specific problems:

(1) The Need For Higher Quality and More Relevant Research: The GOI finances a good deal of research, some of which is of questionable quality and relevance for decision-making. Research capability is limited. The rewards for short-term consultancies in the private sector deflect researchers from careful study of longer-term issues; problems are not always clearly defined; and research that is carried out is often criticized for being too academic and too unconcerned with illuminating policy options. By providing high quality technical assistance from Indonesian, U.S. and other country sources, the project seeks to increase the GOI's ability to respond to selected information needs. Problems in this regard are further complicated by a lack of effective interaction between institutions and the lack of appropriate forums for discussion and communication.

(2) An Increasing Demand for Studies of Middle-Level Problems: Many donors offer support for development and commercial projects and limited support for macro issues, but the need remains for analyses of mid-level development, design and implementation problems. This project will help address these needs.

(3) Current AID Project Orientation: The Mission's relationships with Indonesian counterparts is greatly influenced by the Mission's project-focused portfolio. Inevitably and understandably, discussions of policy related topics often give way to more immediate and time consuming project implementation issues. The project will help link our field projects with the existing Jakarta-based public policy establishment, and may thereby encourage the strengthening of other projects with better quality analysis. In effect, the Mission will use this project to broaden its project perspective to include related policy issues.

D. Timely Opportunity for the GOI and AID

(1) Need for Increased Resource Efficiency: As a result of a slump in oil demand and an international economic recession, the GOI's resource prospects have turned rapidly downward. What was to have been a positive current account balance in FY 82/83 turned out to be a deficit of about \$7 billion. The real rate of growth in 1982 fell to an estimated 2% and may be lower in 1983. While the GOI has taken steps to address resource shortfalls and to improve domestic resource mobilization by raising energy and other prices, foreign exchange and rupiah deficits are forcing an examination of the

country's tax base, of major public investments and of alternative policy adjustments. Such adjustments benefit from careful analysis of options and discussions of the implications by the groups expected to support and implement them.

(2) The New Five-Year Plan: Program directions for the Fourth Plan are taking shape now that the State Guidelines have been approved by Parliament. The GOI's development programs of the 1970s have been successful, and some are reaching maturity. The economy is well managed and replication of past program successes, such as for rice and family planning, will undoubtedly receive greater emphasis in the future. The broad outlines of GOI policy emphasizing productivity and equity are widely acclaimed but still remain operationally difficult to implement. Specific studies should be of help for implementation of Fourth Five-Year Plan objectives.

(3) Intersectoral Issues: One of the project's objectives is to encourage opportunities for USAID to consult with officials in the GOI about policies which cut across several ministries. Both BAPPENAS and the Ministry of Finance play important roles by looking at patterns of development across-the-board, and over the longer term. These perspectives are complementary to the concerns of the line ministries such as Interior, Agriculture, Public Works, Health with whom we work on specific programs.

(4) The GOI's Desire to Expand and Improve Policy Analysis: Indonesian officials are interested in improving and expanding analyses under this project. The Ministries of Agriculture, Health, Environment, Finance, and BAPPENAS have expressed strong interest in AID support for studies that could produce information useful for policy decisions. Tentative activities planned include the decentralization of agricultural planning, primary school teacher incentives, and a research network for sustainable agriculture. (See tentative proposals attached as Annex V).

The project's broad goal thus is to support efforts to make more productive use of public, private, and donor resources. To contribute to this goal the purpose of the project is to help strengthen analysis of development problems and options, and discussions within and between Indonesian institutions, by responding to Indonesian requests for development studies.

E. Relationship to AID and Mission Strategy

Policy discussion is a centerpiece of the AID Mission's CDSS as directed by AID Washington (see State 82-220214, 82-241090 and 82-189715). The project will put into place an AID mechanism to respond to requests for research on policy and

program issues. The research and discussions supported by the AID Mission, its Policy Committee and this project will provide the GOI with clearer options based on more thorough examination of policy issues.

F. Expected Impact

We expect that the consultancies, seminars, studies and travel financed under this project will provide the material to:

- help policy makers improve the knowledge base on which decisions are made;
- broaden understanding of the implications of decisions taken;
- reduce the risk of making poor or untimely decisions; and
- increase sensitivity to the growth and equity effects of policies under consideration and policy decisions made.

Although it would be unrealistic to expect immediate policy impact from each activity under this project, evaluations will strive to identify policy changes, modifications, and ministerial directives which may have been prompted or shaped by this project.

Project beneficiaries will be officials who participate in project supported policy analyses and discussions. Ultimately, policy and program decisions that may result from this project will benefit the government's development strategy, possibly the government's relationship to the private sector, and poorer groups in society. This project should have a positive impact on economic growth and on poor people because the policy environment within which all public programs are developed determines the productivity and distributive impact of individual development programs. An example drawn from Annex V is the tailoring of extension advice to regions which should help farmers increase yields and try more profitable crops and thereby increase incomes.

A longer term benefit of these studies may also be a clearer and possibly enlarged role for the private sector as the government seeks alternative sources of growth, revenue, expanded employment opportunities, and efficiencies in social services. More immediately, private Indonesian consultants would be eligible to conduct these studies.

Project emphasis is also on the process by which the studies are selected, designed and conducted. Attention to the way in which these studies are designed should improve their

relevance and strengthen the quality of research and policy discussion within the GOI, between the GOI and Indonesian institutes and universities. Project implementation procedures (described later) involve Indonesian counterparts from the outset of each specific activity to avoid the frequently encountered problem of studies being undertaken without first winning the constituency who will consider and implement the results.

While primarily helping the GOI, the USAID Mission will also benefit from a better understanding of policy and program issues, and from discussions with the GOI and private Indonesian institutions. The example from Annex V on research for sustainable agriculture would have direct relevance for AID's Secondary Crops Project.

III. COST ESTIMATES AND FINANCIAL PLAN

a) USAID plans to provide grant funds totaling \$3 million throughout the estimated four year life of project subject to the availability of funds and mutual agreement of the parties to proceed. At the beginning of the project in FY 83, USAID plans to commit an estimated \$1.76 million. Depending on actual disbursement performance, USAID plans to commit the remainder during FY 84 and FY 85. At the same time AID will reevaluate the expenditures over various components of the project budget and make adjustments in accordance to expenditures to date and study requests identified at that time for the second year of project activity. This will be apart of the regular evaluation and the project committee representative from the Office of Finance will take part in this exercise.

Attached is a tentative financial plan together with initial estimates of project disbursement. Estimated project costs are based on a proposed studies for the first year of the project and the historical cost experience of consultant expenses. This cost experience includes all salary and supporting costs for a short-term consultant in Indonesia.

Public and private Indonesian institutions together will provide a 25% counterpart contribution for the life of project. Some contribution is desirable for each study. To avoid delay caused by the GOI's annual budget cycle, it is expected that most public contributions will be in kind, in the form of office space, seminar rooms, use of vehicles, secretarial services, and travel. Some rupiah support may be made available from ministerial contingency resources. This will depend on the nature of the activity sponsored, the technical ministry or ministry participating and the magnitude and type of consulting assistance which will be required.

As an indication of interest from private institutions, they will also be required to make a contribution towards meeting the cost of an activity. While each public and/or private contribution to individual activities need not be 25% of the study cost, for the project as a whole, the Indonesian contributions must total 25% for the life of the project.

b) The project does not anticipate nor has it budgetted for any major commodity procurement. In those cases where limited support commodities may be required those will be reviewed by the RCMO on his periodic visits to the Mission.

ESTIMATED SUMMARY COST ESTIMATE AND FINANCIAL PLAN
(US\$000)

		<u>FX</u>	AID <u>LC</u>	<u>AID Total</u>	GOI <u>LC</u>	<u>TOTAL</u>
<u>Technical Assistance</u>						
U.S. Consultants	150 months @ \$8,000	1200	—	1200	—	1200
Indonesian Consultants	388 months @ \$3,000	—	1025	1025	140	1165
Sub-Total		<u>1200</u>	<u>1025</u>	<u>2225</u>	<u>140</u>	<u>2365</u>
<u>Seminars, Workshops, Translation, and Publications</u>						
		280	155	435	800	1235
<u>Short-term Foreign Travel</u> (for study tours, conferences and training)						
U.S.	20 months @ \$5,000	100	—	100	—	100
Non-U.S.	40 months @ \$3,000	40	20	60	60	120
Sub-Total		<u>140</u>	<u>20</u>	<u>160</u>	<u>60</u>	<u>220</u>
<u>Evaluation</u>						
		80	—	80	—	80
<u>Contingency</u>						
		<u>100</u>	<u>—</u>	<u>100</u>	<u>—</u>	<u>100</u>
<u>Total</u>						
		1800	1200	3000	1000	4000

**TENTATIVE ANNUAL COST ESTIMATE AND FINANCIAL PLAN
(US \$000)**

	Year 1		Year 2		Year 3		Year 4		<u>TOTAL</u>
	<u>AID</u>	<u>GOI</u>	<u>AID</u>	<u>GOI</u>	<u>AID</u>	<u>GOI</u>	<u>AID</u>	<u>GOI</u>	
<u>Technical Assistance</u>	400	50	650	100	700	150	-	-	2,600
<u>Seminars, Workshops, Translations and Publications</u>	50	150	260	200	200	200	-	-	1,000
<u>Short-term Foreign Travel</u>	20	10	50	20	65	20	-	-	220
Evaluation	10	-	10	-	10	-	50	-	80
Contingency	<u>20</u>	<u>-</u>	<u>30</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>25</u>		<u>100</u>
TOTAL	<u>500</u>	<u>210</u>	<u>1,010</u>	<u>320</u>	<u>1,000</u>	<u>370</u>	<u>495</u>	<u>5</u>	<u>4,000</u>

IV. IMPLEMENTATION PROCEDURES

A. Introduction

The implementation procedures of this project are designed to encourage attention to the substance and quality of individual studies and to simplify the procedures for supporting them. From an AID Mission point of view, this objective requires the use of grant funds, AID Mission participation (and not host country contracting), and a budgeting process tailored for speedy approval of individual studies.

A formal grant agreement will be signed between the Ministry of Finance and AID which identifies below and in the Amplified Project Description the procedures whereby studies will be identified, approved, and implemented with governmental and non-governmental agencies. Through establishment of a governmental Steering Committee composed of the DG of Domestic Monetary Affairs and the DG of International Monetary Affairs in the Ministry of Finance, SETKAB, and BAPPENAS, study approval and coordination will be achieved for proposals from public and private institutions. BAPPENAS shall chair the Steering Committee and an official of Domestic Monetary Affairs shall act as secretary.

The various Indonesian institutions requesting support for individual studies will be responsible, in consultation with AID, for initial topic selection, preliminary approval of scope and consultant selection, for implementation, and may be involved in evaluations. The Steering Committee is responsible for overall project coordination, formal approval of each study, and will oversee evaluations.

Because of the range of potential topics eligible for funding under this project as well as the number of sources both in the Government and in private institutions who might request topics for selection, precise and simultaneously flexible implementation procedures need to be followed. Procedures established should be clear and simple to achieve an end product of quality studies pertinent to Indonesian institutions. The implementation process described below does this by following Governmental and AID procedures.

B. Topic Identification and Approval Process

1. Topic Identification: GOI interest and initiative is critical for project success. GOI ministries and private organizations will be responsible for identifying those areas they believe warrant analysis. To help the GOI articulate their concerns in the type of format required by USAID, the Mission's project officers, under guidance of Technical Office chiefs, will be responsible for discussing possible topics

with counterparts. In addition, any AID staff, in consultation with an appropriate Indonesian counterpart, may convey a tentative proposal to the Policy Committee for consideration.

2. Topic Approval: Initial topic identification requires some detailed formulation and mutual interest. The AID technical office will meet with the Indonesian counterpart and will prepare the form attached as Annex IV which will explain the interest of the GOI in the problem to be addressed, etc.

Following completion of the tentative application, and Policy Committee review in consultation with the Technical Office (and such other offices as may be appropriate in each case) the Committee Chairman will make a recommendation for approval (or disapproval) to the AID Director, with information copies to Program and to the Technical Office involved. Technical Office approval of each study is required on each Preliminary Request Form. The Director may obtain comments from any office at his discretion.

Once AID approves a tentative request, the Technical Office shall ask the implementation agency to send a formal request to the Steering Committee with a copy to USAID. This action shall start the formal GOI review process of each study.

When formal GOI approval is obtained, the Technical Office in consultation with the Indonesian implementing agency, and with the assistance of the Policy Committee, will prepare a package that includes: 1) a draft terms of reference, 2) a list of persons/entities that can be identified to conduct the study, and 3) a waiver justification, if required. GOI approval for each study will also be obtained from the Steering Committee and implementing agency signature on all PILs and PIOs. Unless a non-competitive case can be made, no less than three sources for each study should be identified. Treating these steps as a package will insure full and prompt review as well as expedite processing.

3. Study Selection Criteria: Studies, workshops, small experiments seminars, travel etc. considered under this project will be reviewed by the Policy Committee for adherence to the following criteria:

- (a) Study, seminar, or small experiment, etc. is based on a GOI request, which may be informal;
- (b) Study is directly related to the social, employment and/or resource efficiency goals of the Third and Fourth Plans;
- (c) Topics will contribute to policy and program analysis and discussion, and will provide opportunity for addressing timely policy and program issues;
- (d) The study is consistent with the project goal and does not duplicate other efforts;

(e) Study shall include a final report, a seminar review, a trip report or other written document describing the problem(s) identified and analyses and recommendations concluded.

(f) Study includes funding for translations and a plan for the report's dissemination;

(g) Individual studies should be under 18 months duration and should not cost more than 300,000 US dollars. Priority shall be given to small studies.

C. Project Management:

Implementation of the Development Studies Project will be assigned to the Policy Committee Chairman (who will supervise a FSN Direct Hire employee). The Chairman, with the assistance of the Policy Committee, will encourage the use of this project by the Mission's Technical Offices, will make recommendations to the Director on all proposals submitted, and will be responsible for monitoring and evaluation.

D. Contracting:

Criteria for consultant selection will be: 1) appropriately qualified individuals and/or organizations and 2) ability to conduct a particular study promptly. The strongest candidates for each study may reside in Indonesia, in other countries and/or in the U.S. Because of our concern for finding the best possible candidate in each case, waivers may be required in some cases and informal evaluation of TA will be done to a great extent.

All terms of reference shall require submission of a final report before final payment is made.

Most procurement for technical assistance is expected to be on a non-formal but competitive basis. Many study requests will be under \$150,000 and involve only one or two individuals. Direct personal service contracting will be used for most studies to speed implementation. Individual waivers will be done for all specific technical assistance contracts, for travel and for nationality, where required. Waivers which justify sole source procurement where undertaken, will list alternatives sources considered and why the particular contractor has been chosen.

E. Disbursement Procedures:

Funds for all technical assistance activities will be earmarked with a PIO/T. It is anticipated that most technical assistance activities will be implemented by short-term personal service contractors, short-term PASA and RASA consultants or IOCS. (See State 068216 for some of the services available.)

Indonesian institutions will contribute a share of the total cost of each study through in-kind sources, i.e., office space, secretarial assistance, in-country travel arrangements,

etc. as well as by rupiah contributions. This contribution will be indicated on the Preliminary Request Form (attached as Annex IV). The life of project Indonesian contribution shall total 25%.

Short-term foreign travel requests will be mutually agreed to by the Ministry of Finance Steering Committee and USAID. PIO/Ps will be used for all U.S. and third country training. PILs will be used for training in Indonesia. In-country training will be used to the extent possible with the GOI providing training facilities and financing travel costs.

Seminars, workshops, translations and publications will be agreed to by both parties in a PIL or PIO/C which will identify the particular activity financed, source of financing, estimated cost, and time period.

Given the numbers of personnel who may request foreign travel and the problems of interministerial coordination, an overall waiver for the host country requirements for airfare expenses related to training will be required.

F. Mission Project Implementation Schedule

	<u>Days</u>
1. Grant Agreement Signed (June 8, 1983)	0
(a) PIL no 1 \$ issued	+7
(b) Budget line items established in AID/FIN reporting system.	+7
(c) Project Officer assigned	+1
(d) Evidence CPs meet on implementation procedures (if required)	+30
(e) Waiver for international travel signed	+45
(f) Formal GOI request for first study activity	+45
(g) Study activities commence	+60
2. First Evaluation (Mission and GOI)	1 year
3. Interim Evaluation (Mission, AID/W, and GOI)	2 years
4. Second Mission Evaluation (Mission and GOI)	3 years
5. Final Evaluation	4 years
6. Project Assistance Completion Report	4 years, 2 months

V. MONITORING PLAN

A. Policy Committee Monitoring

The Policy Committee will routinely monitor each activity on the basis of selection criteria listed on page 13 and 14. In addition, Policy Committee review of each activity will minimize certain potential risks such as the risk that project activities will be overly concentrated in one sector or government ministry; that factors other than agreed upon criteria may unfairly bias selection of studies to be undertaken; and the risk that some concerns of the Technical Offices remain unaddressed.

In addition to the reviews that will take place at regular Committee meetings, quarterly project reviews will comprise an additional monitoring mechanism. The Chairman will brief the Committee on the status of proposed, ongoing, and completed reports and publications resulting from these activities. Of additional concern, for evaluations, will be the identification of policy discussions and possible changes fostered by each activity.

B. Mission Monitoring

Responsibility for project monitoring rests with the Chairman who will write quarterly Project Implementation Reports required by the Mission and monitor all study selections and budgeting throughout life of the Project. Earmarking and funding reservations will be done in conjunction with the Office of Finance. As part of the project officer's quarterly review of project status, he will analyze expenditures to date, pipeline and carry over/unexpended funds to determine increments to total life of project funding in subsequent years. Quarterly reports will identify ministerial usage. The Ministry of Finance Steering Committee, will be informed of expenditures through regular receipt of reports on project implementation and expenditure.

Twelve months from project's signing an in-house evaluation will be conducted. Besides topics described in the evaluation section of this project paper, the Chairman with O/FIN assistance will present a brief financial analysis of expenditures to date. This will include total expenses accrued and the remaining pipeline. This will help the Mission determine any additional funding requirements. This material, together with the overall evaluation and the Mission's regular Project Implementation Reports will constitute the major monitoring of the project.

C. Environmental Monitoring

The proposed project will support studies of selected development issues, facilitate dissemination of research results, and encourage decisions and actions based on the studies and research activities. No Initial Environmental Examination, Environmental Assessment, or Environmental Impact Assessment is required because the proposed project fulfills each of the three criteria for a Categorical Exemption to Section 216 analyses.

However, the project and its activities will be monitored by the Asia Bureau Environmental Officer (who presently sits on the Policy Committee that reviews proposals). If in the review of proposed activities, it is determined that the project, or an activity or component thereof, is subject to the control of AID and may have a significant effect on the environment, the procedures set forth in 216.3 shall be applied. [cf. 22 CFR Part 216 Environmental Procedures, 216.2(c)(3)].

Some activities under the project may specifically address questions of environment and natural resources management. The Mission also has confidence that high quality research and improved research input to Indonesian decision making processes under the proposed project will generally incorporate or be consistent with sound environmental management considerations. Thus, the project should have a generally positive environmental impact.

VI. COVENANTS

Special covenants in this project are designed to support a) timely implementation, b) satisfactory evaluation and c) follow through of study recommendations. They are:

1. The Government shall formally submit to AID a plan detailing the interministerial arrangements which have been made, the positions included in such arrangements, and the name(s), position(s), and sample signature(s) of officials authorized to sign documents on behalf of the Government.

2. The Government undertakes to provide a total life of project local currency contribution in cash and/or kind equivalent to US\$1,000,000 per the exchange rate at the time this project agreement is signed. Private sector contributions shall be countered towards this 25% share.

3. The Government agrees to work out mutually acceptable plans for two evaluations to assess the project's effectiveness in identifying developmental issues and in articulating recommended policy alternatives.

VII. EVALUATION PLANS

Because this project seeks to strengthen the analytical basis of policy and program discussions, and thereby support policy decisions and program designs through specific studies, evaluation is important. The project is also designed and implemented in such a way to foster Indonesian policy analysis, discussion and change, and this project purpose also merits evaluation.

The first evaluation, scheduled no later than 12 months after the project begins, will concentrate on the quality, quantity and timing of project inputs to date in relation to the utility and accomplishments of the overall project purpose and specific outputs. To facilitate evaluation, the project monitoring system is designed to examine proposed activities for their potential utility for policy influence. Potential changes which may follow from each activity will be used as a yardstick to evaluate the project's effectiveness.

While the deliberative style of Indonesian decision making makes immediate policy results unlikely, evaluations will identify and assess what changes have occurred.

Draft terms of reference for the first evaluation are as follows:

- a. Evaluate the appropriateness of the criteria and process for selecting activities both in terms of responsiveness to Indonesian needs and potential for identifying and articulating policy and program choices;
- b. Assess the degree to which each study activity has identified new implementable approaches to Indonesian development problems;
- c. Determine the effectiveness of each type of activity for facilitating decision making in participating Indonesian institutions;
- d. Assess the project's identification of specific policy and program topics benefiting growth, equity, and the role of the market;
- e. List and evaluate by use of cost benefit analysis where possible the results of any decisions taken as a consequence of the project's activities;
- f. Evaluate the impact of studies, seminars, small experiments etc. on the Mission's own program and strategy;
- g. Assess the managerial requirements of the project on Indonesian institutions and their implications for sustained policy research; and

h. Assess the degree to which the project has contributed to increased decision making and interplay among ministries and private organizations on developmental questions.

The first year evaluation team will include USAID and GOI representatives. A mid-term and final evaluation will be undertaken at the end of two years and four years respectively with terms of reference based on the above except per revisions resulting from the initial evaluation. All completed individual policy studies will be analyzed and evaluated as to the degree to which new or altered policies and programs are attributable to project activities. The evaluation will also list government policies and programs which may have resulted from or were shaped by project activities.

It is expected that a collaborative team of GOI and AID officials will be joined by AID/W representatives for the mid-term and final evaluation. Team members from the Indonesian private sector may also be included.

For the final evaluation outside assistance may be used. Accordingly, US\$80,000 has been budgeted for this assistance.

Annex I



PRIORITY COPY

F#VZCZCJA0992
PP RUEHJA
DE RUEHC #E217 2870140
ZNR UUUUU ZZR
P R 140051Z OCT 82
FM SECSTATE WASEDC
TC RUEHJA/AMEMEASSY JAKARTA PRIORITY 9917
INFO RUMTEK/AMEMPASSY BANGKOK 6668
BT
UNCIAS STATE 28E217

14 OCT 82
TOR: 0155
CN: 44612
CHARGE: AID 9
INFO: CEG ADCH ECON
CERON 13/GD

OFFICIAL FILE

AIDAC

E.O. 12356: N/A

TAGS:

SUBJECT: PID FOR INDONESIA DEVELOPMENT STUDIES (497-0340)

1. APAC MET ON OCTOBER 6, 1982, AND APPROVED SUBJECT PID WITH FOLLOWING GUIDANCE.

2. NEED FOR PROJECT: PP SHOULD CLEARLY DELINEATE ALL POLICY-RELATED STUDIES THAT CAN OR WILL BE FINANCED UNDER OTHER ON-GOING OR PLANNED USAID PROJECTS. THIS MIGHT BEST BE DONE BY UPDATING AND IMPROVING UPON INFORMATION PRESENTED AS ATTACHMENT B TO PID. STUDIES THAT CAN CLEARLY BE FUNDED, CONDUCTED AND FOLLOWED UP WITHIN SCOPE OF OTHER USAID PROJECTS SHOULD BE KEPT OUT OF PROPOSED NEW PROJECT. ALSO, MORE DETAIL ON CURRENT AND PLANNED POLICY STUDIES BY THE WORLD BANK AND OTHER DONORS SHOULD BE INCLUDED IN PP TO AVOID DUPLICATION AND INSURE COORDINATION.

2. FIRM PLANS: APAC RECOMMENDS THAT THE FIRST DOLS ONE MILLION (ONE-THIRD OF PROPOSED GRANT) BE SPECIFICALLY BUDGETED AGAINST DEFINITE PLANNED ACTIVITIES WITH REASONABLY FIRM WORKSCOPES AND COST ESTIMATES AT TIME PP IS FINALIZED AND PROJECT IS AUTHORIZED.

BALANCE WOULD REMAIN ONLY PRELIMINARILY DEFINED, LEAVING ROOM FOR FLEXIBLE RESPONSE TO NEEDED POLICY WORK THAT MEETS AGREED CRITERIA DURING LIFE OF PROJECT.

3. LENGTH OF PROJECT: THREE YEARS MAY BE TOO SHORT A TIME-FRAME TO CARRY OUT ALL STEPS REQUIRED IN PLANNING STUDIES, CONTRACTING EXPERTS, CONDUCTING STUDIES, AND DISSEMINATING RESULTS THROUGH SEMINARS, PUBLICATIONS, ETC. APAC RECOMMENDS USAID EXAMINE TIME-FRAMES CLOSELY AND PERHAPS ESTABLISH A FOUR-YEAR PACD

4. EVALUATION: THIS IS FIRST PROPOSED BILATERAL PROJECT IN THE ASIA BUREAU SINCE THE ISSUANCE OF RECENT AGENCY GUIDANCE ENCOURAGING MORE AGGRESSIVE APPROACHES TO POLICY DIALOGUE. AS SUCH, ITS EVALUATION BECOMES DOUBLY IMPORTANT, I.E. FOR THE PROJECT ITSELF AND FOR AGENCY DECISION-MAKERS. PID, P. 13, GIVES EXCELLENT SUMMARY OF PURPOSES OF EVALUATION. PAC STRESSED IMPORTANCE OF FOLLOW-UP DISCUSSIONS, DEBATE AND OTHER

Table with columns: USAID ROUTE, To, Act, Info. Rows include: GTR, G/D, PRO, LA, ECON, MGT, CM, FIN, FIN/B, FIN/FA, RD, POP, HM, EHR, EHR/T, SYE, DA, VHP, PTE, AGR, PSDO, INFOC, JAO/ADM, PER, CSO, C&R.

ACTION COPY
DATE DUE 10/15
ACTION TAKEN
DATE
BY:
RETURN TO C&R

ACTIONS AFTER STUDIES ARE COMPLETED TO INCREASE CHANCES OF IMPACT ON POLICY, AND EXPECTS THAT PP WILL IDENTIFY SPECIFIC PROGRESS INDICATORS TOWARD POLICY CHANGE FOR THE FIRST ONE MILLION DOLLARS OF ACTIVITIES. ONGOING MONITORING OF ALL ACTIVITIES IN PROJECT SHOULD BE ASSIGNED TO A USAID PROJECT MANAGER. EVALUATION AT 18-MONTH POINT SHOULD INCLUDE PARTICIPATION OF AID/W AND OUTSIDE CONSULTANTS TO ENSURE AN OBJECTIVE ASSESSMENT. APAC POINTED OUT THAT THERE MAY BE AS MANY UNINTENDED EFFECTS AS THERE ARE INTENDED ONES, BOTH OF WHICH SHOULD BE EXAMINED SO THAT LESSONS ARE LEARNED.

5. ADMINISTRATION: CHOICE AMONG THREE IMPLEMENTING ARRANGEMENTS LISTED P. 10 OF PID SHOULD BE MADE WITH EYE TO WHICH ARRANGEMENT WILL BEST ACHIEVE OBJECTIVE OF PROMOTING FURTHER DIRECT ACCESS BY USAID TO POLICY-MAKERS IN BAPPENAS AND MINISTRY OF FINANCE. APAC IMPRESSED BY RECENT USAID INITIATIVES AT THESE LEVELS AS REFLECTED IN TRANSMISSION OF PID. CHOICE OF ARRANGEMENT MAY ALSO AFFECT EASE WITH WHICH GRANT FUNDS AND GOI COUNTERPART CONTRIBUTIONS CAN BE COMPLETED, WHICH IS AN IMPORTANT IMPLEMENTATION CONCERN.

6. COUNTERPART CONTRIBUTIONS: APAC STRONGLY RECOMMENDS ACTUAL COST-SHARING IN BUDGET TERMS OF AS MANY POLICY STUDIES AS POSSIBLE. TANGIBLE BUDGET SUPPORT SHOULD REINFORCE GOI PARTICIPATION AND PREVENT TENDENCY TO LOOK UPON ACTIVITIES AS AID STUDIES. PID ESTIMATES AT LEAST ONE-THIRD OF PROJECT COSTS WITHIN THE DOLS THREE MILLION GRANT AS LOCAL RUPIAH COSTS. A PORTION OF

THESE MAY BE A MORE APPROPRIATE COUNTERPART CONTRIBUTION THAN THE CALCULATED DOLS 750,000 IN-KIND CONTRIBUTION (NOTE: THE TOTAL COUNTERPART SHOULD BE AT LEAST 25 PERCENT OF TOTAL PROJECT COSTS, NOT JUST THE AID PORTION OF COSTS).

7. OTHER COUNTRY EXPERIENCES: AS PP IS PREPARED, USAID SHOULD ASSESS EXPERIENCE OF OTHER MISSIONS WITH SIMILAR PROJECTS. IN PARTICULAR, USAID/THAILAND SHOULD BE CONSULTED REGARDING ITS EMERGING PROBLEMS IN DEVELOPMENT PROJECT. PLEASE ALSO NOTE THAT AN EMPLOYMENT AND ENTERPRISE POLICY DEVELOPMENT PROJECT IS BEING PREPARED BY THE S AND T BUREAU.

8. PRE REQUEST: PRE REPRESENTATIVE AT APAC REQUESTED THAT INFORMATION REGARDING POSSIBLE PRIVATE SECTOR STUDIES FUNDED UNDER PROJECT BE PROVIDED IN A MANNER SIMILAR TO THAT AGREED FOR THE PRIVATE SECTOR DEVELOPMENT PROJECT. SHULTZ

BT
#217

Narrative Summary

Goals:

To assist Indonesians in making more productive use of resources (public, private and donor).

Purpose:

1. To strengthen Indonesian policy formulation by improving the analysis of development issues, and consequently decision making and implementation by Indonesian institutions.
2. Through the involvement of Indonesians in studies, enhance the acceptability of analysis as an instrument of policy making.
3. To encourage greater involvement of private research institutions with public ones.

Outputs:

1. Completed studies on development topics.
2. Identification of new and implementable approaches to development problems.
3. Strengthened environment for continued Indonesian (and bilateral) policy discussions.

Inputs:

1. Studies, seminars, workshops, small experiments, translations, and publications.
2. Consultants, study tours
3. Funding, mission support.

(Definitional note: The term studies refers to the use of consultants, studies, seminars, small experiments, publications, and foreign travel for conferences, training and study tours.)

Objectively Verifiable Indicators

Goals:

Drafting of new (or altered) policies and programs.

Purpose:

1. Better and more frequent operational definition of development efforts.
2. Indonesian counterpart initiative improves acceptance of studies conclusions.

Outputs:

1. Completed seminars, studies, small experiments training are material in helping policy makers to strengthen development decisions.
2. Studies, experiments, publications completed; seminars and workshops held.
3. Indonesians undertake study tours.

Inputs:

T.A.	\$2,500,000
Seminars, workshops	\$ 200,000
Other costs	\$ 300,000
	<u>\$3,000,000</u>

Means of Verification

Goals:

Issuance of government plans, policies and programs.

Purpose:

1. Policy changes and programs undertaken in areas that studies focused on.

Outputs:

Evaluations

Inputs:

- USAID Budget
- Other costs

Assumptions

Goals:

1. Indonesian institutions willing to consider policy and program implications suggested by studies.

Purpose:

1. GOI amenable to USAID financing policy-related studies for GOI and other institutions.
2. Indonesians and USAID agree on problem areas to be studied.
3. Indonesians perceive that the quality of outputs is high, and are willing to make use of results.

Outputs:

1. Studies will provide realistic solutions to identified problems.
2. Problems can be discussed openly in seminar setting, maybe involving other donors.
3. Indonesian experts contribute to project.
4. Indonesians attend seminars.
5. Quality experts will be identified and hired.

Inputs:

1. AID/Mission will approve project and provide adequate funding.
2. Indonesians will identify problem areas to be studied and undertake studies.



SEKRETARIAT NEGARA
SEKRETARIAT KABINET RI

Jakarta, June 7, 1983

No. 3749/Set.Kab/IN/P/6/1983

Mr. Joseph F. Stepanek

USAID
American Embassy
JAKARTA.

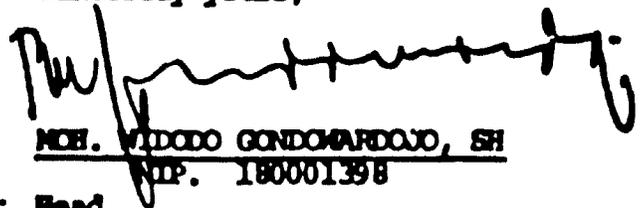
Dear Mr. Stepanek,

We would like to submit a technical assistance request for your Government assistance in the Development Studies Project.

For your authorities perusal we enclose the amplified project description.

Hoping to have your authorities favourable consideration, I remain,

Sincerely yours,



MOH. WIDODO GONDOWARDOJO, SH
NIP. 180001398

for Head
Bureau for Technical Cooperation.

ANNEX III →

Spending !!
7 ASD

Preliminary Request for Development Studies Project Funds

I. Project Description

- a) Title:
- b) Indonesian Implementing Agency(s):
- proposal authors:
- c) Problem Statement:
- d) Purpose of Project:
- e) Priority and Nature of Support by GOI:

II. Scope of Work

- a) Title:
- b) Statement of Work:
 - i) Scope:
 - ii) Schedule:
 - iii) Product and Dissemination:
- c) Budget (tentative):
 - GOI Contribution:
 - Private Contribution:
 - Other donors:
 - USAID:
 - Total:
- d) Names of Consultants/Participants (tentative):

III. USAID Backstopping (for internal use)

- a) Proposed USAID Counterpart:
 - i. Technical Office _____
 - ii. Policy Committee Member _____
- b) Estimated USAID Staff Requirement:
 - i. Technical Office backstopping _____ man months
 - ii. Project Officer backstopping _____ man months
- c) Proposed Funding Mechanism:
 - _____ PIL
 - _____ PIO/T
 - _____ PIO/P
 - _____ Other
- d) Are waivers required?
- which ones:
- e) Explanation of USAID Priority:
- f) Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?
- g) Submitted By:
Date:
- h) Next Action:

List of Preliminary Study Requests, with Tentative Budgets

Development Studies Under Consideration for FY 83 1/

<u>Category Officer</u>	<u>Study Number</u>	<u>Title</u>	<u>Indonesian Counterpart</u>	<u>AID Contribution</u>	<u>Total Budget</u>
Agriculture Gingerich	1	Analysis of Annual Agricultural Survey Data	Dr. Budiono Sri Mandoko Gadja Mada University	\$ 80,000	\$140,000
Agriculture Knowland	3	Sustainable Agriculture Research Network	Dr. Ibrahim Manwan, Ministry of Agriculture	\$ 56,000	\$ 93,000
Nutrition Klemant	4	Socio-Economic and Dietary Determinants of Malnutrition	Ig. Tarwotjo, Directorate Gizi, MOW	\$ 40,000	\$ 50,000
Education Seymour	5	Primary School Teacher Incentive System	Chairman, Biro Kepegawaian, Ministry of Education	\$ 26,000	\$ 35,000
Environment Burdus	6	Swamplands Settlements Research	Dr. Ibrahim Manwan, Ministry of Agriculture	\$147,000	\$196,000
Agriculture Knowland	7	Jambi Center for Transmigration Studies	Drs. Kemas Saleh, Rektor, Universitas Jambi	\$ 40,000	\$ 80,000
Rural Development Morfit	8	System of Regional Planning	Ministry of Home Affairs	\$ 30,000	\$ 75,000
Rural Development Morfit	9	Local Government Financial Resource Mobilization	Ministry of Home Affairs	\$ 8,000	\$ 10,000
Program	14	Equal Remuneration for Men and Women	Badan Litbang, Ministry of Labor	\$ 75,000	\$ 85,000
				\$502,000	\$764,000

Statutory Check List

Listed below are statutory criteria applicable generally to projects under the FAA and project criteria applicable to individual funding sources: Development Assistance (with a subcategory for criteria applicable only to loans); and Economic Support Funds.

A. GENERAL CRITERIA FOR PROJECT

1. FY 1982 Appropriation Act; Sec. 523 FAA Sec. 634A; Sec. 653 (b).

(a) Describe how authorizing and appropriations Committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that amount)?

The Committees on Appropriations of Senate and House were notified of this project through a Congressional Notification.

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

Cost estimate for typical individual consultancy/study under this project determined by average monthly rate of \$8,000 per month for U.S. consultants and \$3,000 per month for Indonesian consultants

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

No further legislative action is required.

4. FAA Sec. 611(b); FY 1982 N/A
Continuing Resolution
Sec. 501. If for water
or water-related land
resource
construction, has project
met the standards and
criteria as set forth in
the Principles and
Standards for Planning
Water and Related Land
Resources, dated
October 25, 1973?
5. FAA Sec. 611(e). If N/A
project is capital
assistance (e.g.,
construction), and all
U.S. assistance for it
will exceed \$1 million,
has Mission Director
certified and Regional
Assistant Administrator
taken into consideration
the country's capability
effectively to maintain
and utilize the project?
6. FAA Sec. 209. Is project No
susceptible of execution
as part of regional or
multilateral project? If
so why is project not so
executed? Information
and conclusion whether
assistance will encourage
regional development
programs.
7. FAA Sec. 601(a).
Information and
conclusions whether
project will encourage
efforts of the country
to: (a) increase the flow
of international trade;
(b) foster private
initiative and
competition; and (c)
encourage development and
use of cooperatives, and
credit unions, and
savings and loan
associations; (d) Since this is a study/research
activity, it will have no direct
effect on the factors listed in
Section 601(a). However, since
the project is designed to
influence development policies,
it will indirectly influence
the development of (b) the private
sector, and possibly
(c) cooperatives, financial
institutions and (f) free labor
unions. Through better resource
policies the project should
discourage (d) monopolistic
practices and (e) improve

- discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise.)
9. FAA Sec. 612(b), 636(h); FY 1982 Appropriation Act Sec 507. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?
11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?
- efficiency.
- The project will encourage U.S. involvement in Indonesia by (a) funding U.S. consultants, travel and training, and (b) by being open to studies designed to enhance the investment and trade environment.
- Normal project disbursement procedures assure this.
- No
- Yes

12. FY 1982 Appropriation Act Sec 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

N/A

13. FAA 118(c) and (d). Does the project take into account the impact on the environment and natural resources? If the project or program will significantly affect the global commons or the U.S. environment, has an environmental impact statement been prepared? If the project or program will significantly affect the environment of a foreign country, has an environmental assessment been prepared? Does the project or program take into consideration the problem of the destruction of tropical forests?

The project does not affect the environment. The project is essentially technical assistance, study and research.

14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency generated therefrom)?

N/A

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(b), 111, 113, 281 (a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

This is a research project. To the extent the development policies and programs which are influenced by this project affect the rural poor, this project will have a beneficial impact on them.

b. FAA Sec. 103, 103A, 104, 105, 106. Does the project fit the criteria for the type of funds (functional account) being used?

Yes

c. FAA Sec. 107. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

Though appropriate technology will not be used directly, project studies may result in policy and program designs for capital conserving, labor-using technologies and forms of organization.

d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

Yes

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"?

This project is incrementally funded.

f. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes

g. FAA Sec. 281 (b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

This project supports GOI policy makers concerned with policy issues and engaged in implementing the 3rd Five-Year Development Plan.

2. Development Assistance
Project Criteria (Loans
Only)

a. FAA Sec. 122(b). N/A
Information and capacity of
the country to repay the
loan, at a reasonable rate
of interest.

b. FAA Sec. 620(d). If N/A
assistance is for any
productive enterprise which
will compete with U.S.
enterprises, is there an
agreement by the
recipient country to
prevent export to the U.S.
of more than 20% of the
enterprise's annual
production during the life
of the loan?

c. ISDCA of 1981, Sec. N/A
724(c) and (d). If for
Nicaragua, does the loan
agreement require that the
funds be used to the
maximum extent possible for
the private sector? Does
the project provide for
monitoring under FAA Sec.
624(g)?

3. Project Criteria Solely for
Economic Support Fund

a. FAA Sec. 531(a). Will N/A
this assistance promote
economic or political
stability? To the extent
possible, does it reflect
the policy directions of
FAA Section 102?

b. FAA Sec. 531(c). Will N/A
assistance under this
chapter be used for
military, or paramilitary
activities?

c. FAA Sec. 534. Will ESF N/A
funds be used to finance
the construction of the

operation or maintenance of, or the supplying of fuel for a nuclear facility? If so, has the President certified that such use of funds is indispensable to nonproliferation objectives?

d. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made?

N/A

e. FAA Sec. 133. Notwithstanding any other provision of this joint resolution, none of the funds appropriated under section 101(b) of this joint resolution may be available for any country during any 3-month period beginning on or after October 1, 1982, immediately following the certification of the President to the Congress that such country is not taking adequate steps to cooperate with the United States to prevent narcotic drugs and other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse and Prevention Control Act of 1971 (21 U.S.C. 812) which are produced, processed, or transported in such country from entering the United States unlawfully.

N/A

Study Number: 1
Initial Date: 04/22/83
Revised Date: 05/17/83

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

An Analysis of the Annual Agricultural Survey Data With Regard to Food Crops. The study will focus on technology change in agricultural, productivity and employment.

b) Indonesian Implementing Agency(s):

Ministry of Agriculture - Office of the Secretary General.

proposal authors: Dr. Budiono Sri Handoko,
Dr. Gunawan Sumodiningrat
Faculty of Economics,
Gadja Mada University

c) Problem Statement:

Following a similar study undertaken by Boston University, Gadja Mada University and CBS for the period 1970-1977 this proposed research will up-date the analysis of this survey data for the period 1978 to 1981 or 82. The research will address the question of optimal resource allocation in rice and non-rice food crops with an emphasis on Java. These data may show the (possibly adverse) production and equity impact of the oil price down turn and the levelling off in the rate of growth for rice.

d) Purpose of Project:

To improve the knowledge base in the Ministry of Agriculture for making investment decisions in food crop agriculture through systematic analysis of technology, productivity and employment data already available in Indonesia.

e) Priority and Nature of Support by GOI:

The newly placed Secretary General and Director, Bureau of Planning, MOA, are very supportive of this form of bilateral assistance.

II. Scope of Work

a) Title:

An Analysis of the Annual Agricultural Survey Data

b) Statement of Work:

i) Scope:

The analysis of the last 5 years of available survey data will include estimation of production and cost structure coefficients for various staple food crops. Factors influencing productivity will be studied to indicate what areas for future investments may result in the highest returns. This analysis will include farm size to indicate differential benefits among various sized farm operations.

Employment and real wage analysis will measure trends in the distribution of factor shares, family vs. hired labor, factors influencing labor use, labor productivity and differences in labor use based on farm size, geographic area, type of crop plus difference in male/female_wage levels.

Findings from the above analysis will be summarized and related to agricultural sector policies.

Schedule:

Analysis: July - December, 1983
Reporting writing: January - May 1984
Seminars, publication,
translation: June, 1984

Product and Dissemination:

Seminar hosted by MOA, and Report. People who would want this Report include:

Dr. Sjarifuddin Baharajah, Secretary General

Dr. Faisal Kasryno and Staff, Center for
Agro-Economic Research, AARD

Dr. Soetatwo Hadiwigeno, Director, Bureau of
Planning, MOA

Research Economists, BULOG

Ir. Suhaedi and Planning Directorate, DG Food
Crops

Dr. Rukasah Adiratna - BAPPENAS

Fakultas Ekonomi - UGM

Fakultas Sossec - IPB

LPEM - UI

c) Budget (tentative):

GOI Contribution: Data preparation, computer time, office space, staff.	\$50,000
Private Contribution: (university)	\$10,000
Other donors:	
USAID:	<u>\$80,000</u>
Personnel Costs, Expatriate Consultant, Publication, Workshops, Travel.	
Total:	\$140,000

d) Names of Consultants (tentative):

Professors Budiono, Gunawan, and Papanek

III. USAID Backstopping (for internal use)

- a) **Proposed USAID Counterpart:**
i. **Technical Office:** AGR
ii. **Policy Committee Member:** James Gingerich
- b) **Estimated USAID Staff Requirement:**
i. **Technical Office backstopping** 1/2 man months
ii. **Project Officer backstopping** 1/2 man months

c) **Proposed Funding Mechanism:**

<u> </u>	PIL
<u> x </u>	PIO/T
<u> </u>	PIO/P
<u> </u>	Other

- d) **Are waivers required?**
- which ones: Non Competitive Procurement for TA
- e) **Explanation of USAID Priority:**

An analysis of recent agricultural wage and employment data are needed for policy makers. The data provide an excellent opportunity to support an Indonesian initiative to improve policy analysis in Agriculture following earlier AID funding for a U.S. university dominated effort. If AID does not support this work it probably will not be done.

Prof. Papanek helped to disseminate the earlier report, to Ali Wardhana and General Arifin for example, and the fifty copies we bound have been sold out.

- f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?** No
- g) **Submitted By:** James Gingerich
Date: April 21, 1983
- h) **Next Action:** Review by Policy Committee

IV. Recommendations (for internal use):

a) **Technical Office Chief: Approve**

Date: :

Disapprove

Comments (priority of office; perceived issues):

b) **Policy Committee Recommendation: Approve**

Date:

Disapprove

Comments:

c) **Director: Approve**

Date:

Disapprove

cc

Technical Office

Program Office

**With copy of approval memo to the Director from
Policy Committee**

Number : 2
Initial Date: 04/27/83
Revised : 05/25/83

Preliminary Request for Development Studies Project Funds

1. Project Description

- a) **Title:**
Strengthening of the Secretariat and Bureau of Planning within the Ministry of Agriculture to improve the MOA's capability to perform agricultural alternative policy options analysis.
- b) **Indonesian Implementing Agency(s):**
Ministry of Agricultural
- Proposal authors: Dr. Sjarifudin Baharsjah
- c) **Problem Statement:**
With Ministerial changes recently taking place, new high level MOA officials are beginning to analyze how various offices within the Secretariat and Bureau of Planning could be restructured to improve productivity and enhance the MOA's institutional capability to perform policy analysis, planning and the administration of project implementation. The Secretary General has approached USAID for possible funding support for technical assistance to support this effort.
- d) **Purpose of Project:**
To improve institutional and bureaucratic linkages within the Ministry for performing administrative and planning functions.
- e) **Priority and Nature of Support by GOI**
Ministry currently giving high priority to this effort.

II. Scope of Work

a) **Title:**
Strengthening Institutional Framework of Ministry of Agriculture.

b) **Statement of Work:**

i) **Scope:**

Consultants (Indonesian and American) will analyze 5 Bureaus within the Secretariat in terms of task analysis, professional manpower base and interrelationships between bureaus and with other related offices within the MOA, e.g. DG Offices. From this analysis, a study report and recommendation will be made to the Minister (thru the Secretary General) regarding office reorganization, training requirements and necessary facilities.

ii) **Schedule:**

Analysis: Preliminary report
August - December 1983
Interpretation of Response from
Authorities - Final Report by July 1984

iii) **Product and Dissemination:**

Report outlining recommendations presented to small group determined by MOA Secretary General

c) **Budget (tentative):**

GOI Contribution:	\$10,000
Private Contribution:	--
Other donors:	--
USAID:	\$30,000
Total:	\$40,000

d) **Names of Consultants (tentative):**

III. USAID Backstopping

- a) Proposed USAID Counterpart:
i. Technical Office: AGR
ii. Policy Committee Member: James Gingerich
- b) Estimated USAID Staff Requirement:
i. Technical Office backstopping 1/2 man months
ii. Project Officer backstopping 1/2 man months
- c) Proposed Funding Mechanism:
 PIL
 X PIO/T
 PIO/P
 Other
- d) Are waivers required?
- which ones: Yes, if we decide on
non-competitive procurement for consultants.
- e) Explanation of USAID Priority:

If the MOA requests assistance, it may
provide an opportunity to improve MOA efficiency.
- f) Does the activity fall within funding availabilities
of on-going Mission projects or uses of PDS funds?
No.
- g) Submitted By: James Gingerich
Date: 04/27/83
- h) Next Action: Hold until further contact with MOA

Number : 3
Initial Date: 04/27/83
Revised : 05/23/83

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Support to the Working Group on Sustainable Agriculture Research, for selected policy topics related to agricultural development.

b) Indonesian Implementing Agency(s):

Ministry of Agriculture, the Centre for Agricultural Research Programming, through the Working Group for Sustainable Agricultural Research.

- proposal authors: Dr. Ibrahim Manwan

c) Problem Statement:

Indonesia has achieved great success in rice productivity. But this success has socioeconomic and biologic costs, which in turn become important constraints to further agricultural progress. A multidisciplinary (agricultural sciences, environmental sciences, social sciences, and public administrators) research network has recently been established to provide a coordinated approach to providing research for key agricultural policy questions related to these topics.

d) Purpose of Project:

1) to highlight for policymakers the state of knowledge for sustainable intensification of production in major Indonesian agro-ecosystems: critical uplands, tidal swamplands, along-alang grasslands, as well as in irrigated ricelands; 2) to facilitate communication on research needs between agricultural and social scientists, on the one hand, and policymakers and public administrators on the other, regarding research priorities and procedures; and 3) to assist researchers in organizing research projects and obtaining funding on topics of national priority while simultaneously assisting donors in identifying research proposals.

e) Priority and Nature of Support by GCI

As rice sufficiency has been approached, the need to sustain high rice productivity and to diversify and sustain intensified agricultural production into uplands, swamplands, grasslands, and other marginal agricultural areas has become a significant concern to the GOI. This concern is shared by field researchers, particularly social scientists and ecologists, who have anecdotal evidence from the field of severe "second generation" agricultural development problems. The project has the full backing of the Center for Agricultural Research Programming, which views the network both as a means of developing broader research perspective, and for identifying mainstream research issues of the future.

II. Scope of Work

a) Title:

Sustainable Agriculture Research Network

b) Statement of Works:

i) Scope:

The project would provide support to the Indonesian Working Group on Sustainable Agriculture. The Working Group's formal core, known as the Executive Committee is comprised of a dozen top agriculturalists, ecologists, and social scientists. The informal Working Group network is comprised of approximately sixty researchers and public administrators who have participated in the Working Group's two previous seminars. The informal network is open to all interested researchers. The Executive Committee is responsible for; a) sponsoring major seminars and smaller working sessions on selected topics, b) working as an intermediary between researchers and potential donors, and c) increasing dialog between public-administrators and researchers.

ii) Schedules:

The Project would provide core funding support to the Working Group for one year. This would cover a fulltime administrative assistant for the Working Group, and finance at least two seminars and several smaller working sessions, as well as the publications outlined below.

iii) Product and Disseminations:

In addition to summary reports from the Working Group's seminars, there would be a regular Newsletter on Sustainable Agricultural Research that would go to all members of the network and to relevant policymakers. In addition, there would be special state-of-information research reviews and annotated bibliographies, and particular research papers, either produced from research sponsored by the working group or from research otherwise meriting wider circulation to policymakers.

A modest fund (\$10,000 from AID, \$30,000 from the Ford Foundation) would be available for small research grants administered by the Executive Committee itself. The Executive Committee would also review and assist in development of research proposals for consideration by donors.

c) Budget (tentative):

GOI Contribution:	\$13,000
(in kind)	
Private Contribution:	--
Other donors: Ford Foundation	\$30,000
USAID:	<u>\$56,000</u>
Total:	\$99,000

d) Names of Consultants (tentative):

III. USAID Backstopping

- a) **Proposed USAID Counterpart:**
i. **Technical Office: AGR**
ii. **Policy Committee Member: Hurdus Gingerich**
- b) **Estimated USAID Staff Requirement:**
i. **Technical Office backstopping 1 man months**
ii. **Project Officer backstopping 1/2 man months**
- c) **Proposed Funding Mechanism:**
 PIL
 r **PIO/T**
 x **PIO/P**
 Other
- d) **Are waivers required? Yes**
- **which ones:**
- e) **Explanation of USAID Priority:**
- f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds? No**
- g) **Submitted By: Will Knowland**
Date: 04/27/83
- h) **Next Action: Further discussion**

Number : 4
Initial Date: 04/27/83
Revised : 05/23/83

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Analysis of Socio-Economic Determinants and Correlates of Malnutrition and Xerophthalmia in Indonesia.

b) Indonesian Implementing Agency(s):

Ministry of Health, Nutrition Directorate

- proposal authors: Ig. Tarwotjo, Director
(assisted by Robert Tilden, Helen Keller
International/Jakarta)

c) Problem Statement:

The etiology of malnutrition in Indonesia has not been well-studied. The additional analysis of data from the 24 province Helen Keller International survey will provide information on xerophthalmia, nutritional status and associated socio-economic parameters and dietary parameters. Not only is this information valuable for AID work in the various provinces (monitoring - baseline data from late 70's), but also for GOI planning purposes.

d) Purpose of Project:

To continue analysis of the 1977-78 HKI 24 province nutrition survey data focussing on socio-economic determinants of malnutrition in Indonesia.

e) Priority and Nature of Support by GOI:

The GOI places a high priority on the continued collection and analysis of data on malnutrition.

II. Scope of Work

a) Title:

Analysis of Socio-Economic Determinants and Correlates of Malnutrition and Xerophthalmia in Indonesia.

b) Statement of Works:

- i) Scope: Analysis will be carried out by University of Michigan computer specialist at University of Michigan Ann Arbor campus.
- ii) Schedule: 3 months; July - September 1983
- iii) Product and Dissemination: Analyzed data will be made available for immediate use by Direktorat Gizi for planning IV Replita nutrition programs. Data will be released for analysis in U.S.A.

c) Budget (tentative):

GOI Contribution:	\$10,000
(including 3 months staff time and computer time)	
Private Contribution:	--
Other donors:	--
USAID:	<u>\$40,000</u>
Total:	<u>\$50,000</u>

d) Names of Consultants (tentative):

To be selected based on availability at University of Michigan, assisted by Robert Tilden

III. USAID Backstopping

- a) **Proposed USAID Counterpart:**
i. **Technical Office:** O/HN, Julie Klement
ii. **Policy Committee Member:** Rebecca Cohn
- b) **Estimated USAID Staff Requirement:**
i. **Technical Office backstopping** 0.2 man months
ii. **Project Officer backstopping** 0.2 man months
- c) **Proposed Funding Mechanism:**
PIL
 X PIO/T
PIO/P
Other
- d) **Are waivers required?**
- which ones:
- e) **Explanation of USAID Priority:**
Based on current CDSS, Mission gives high priority for collection and analysis of data on various determinants of malnutrition (province-specific) in Indonesia.
- f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?** No
- g) **Submitted By:** Julie Klement, HN
Date: 04/27/83
- h) **Next Action:** Further discussions with counterparts

Study Number: 5
Initial Date: 04/27/83
Revised Date: 05/23/83

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Primary School Teacher Incentive System.

b) Indonesian Implementing Agency(s):

Ministry of Education, Badan Administrasi Keuangan Negara.

- proposal authors: Chairman Biro Kepegawaian
(Ministry of Education).
Dr. Budiono - Pusat
Informatique/BP3K

c) Problem Statement: _

Primary school instruction is of low quality. major reason is that the incentive system is inadequate: it attracts weaker career candidates into the teaching ranks and fails to motivate sufficiently those teachers already in service.

d) Purpose of Project:

To identify those variables associated with the incentive system for primary school teachers which influence recruitment and teacher performance.

e) Priority and Nature of Support by GOI:

Problem is of substantial importance to the Government, having been flagged by the World Bank 1978 Education Sector Study and the National Assessment Study as well as other reports as requiring remedial action. GOI will assist in data gathering and analysis and will host a one-day meeting at which major findings of the study will be presented.

II. Scope of Work

a) Title:

Primary School Teacher Incentive System

b) Statement of Works:

i) Scope:

An examination of salary and other incentives used with primary school teachers, with attention to variables of: a) school location (region, urban-rural); b) sponsorship of school (private and public); c) sex of teacher; d) age and length of service; e) entry credentials; f) conflicting policies of Ministry of Education, Ministry of Religion and Ministry of Home Affairs; g) pupil achievement; and others.

ii) Schedule: 3-4 months

iii) Product and Dissemination:

A report of analysis of data with recommendations for policy makers. A day-long meeting will present main findings to the Ministry of Education and other GOI officials.

c) Budget (tentative):

GOI Contribution:	\$ 9,000
Private Contribution:	--
Other donors:	--
USAID:	\$26,000
Total:	<u>\$35,000</u>

d) Names of Consultants (tentative): Ruth Daroesman

III. USAID Backstopping

- a) **Proposed USAID Counterpart:**
i. **Technical Office:** EHR
ii. **Policy Committee Member:** C. Bonner
- b) **Estimated USAID Staff Requirement:**
i. **Technical Office backstopping** 1 man months
ii. **Project Officer backstopping** 1 man months
- c) **Proposed Funding Mechanism:**
 PIL
 X PIO/T
 PIO/P
 Other
- d) **Are waivers required?** No
- e) **Explanation of USAID Priority:**
Support for educational policy analysis is a CDSS priority.
- f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?** No
- g) **Submitted By:** M. Seymour
Date: 04/27/83
- h) **Next Action:**
EHR discussions with BP3K
Activity cannot be undertaken before
1 October 1983 due to lack of staff.

Study Number: 6
Initial Date: 04/27/83
Revised Date: 05/23/83

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

**Research for Land Development and Agricultural Policies for Tidal Swamplands Settlements.
(Swamplands Settlements Research)**

b) Indonesian Implementing Agency(s):

Ministry of Agriculture, through the Centre for Agricultural Research Programming, the Banjarmasin Research Institute for Food Crops, and the Lambung Mangkurat University. Additional guidance would be provided through the Working Group on Sustainable Agricultural Intensification.

**- proposal authors: Dr. Ibrahim Manwan
Dr. William Collier**

c) Problem Statement:

Indonesia's 40 million hectares of coastal swamplands provide key sites for transmigration and agricultural development. Land development and agricultural policies for these areas, however, depend on the determination of productive and sustainable exploitation strategies. Much research exists, yet much more needs to be done. Through a special year-long training effort, existing knowledge can be expanded while training a new generation of wetlands scientists, providing opportunities for interdisciplinary research collaboration, and sharing the results and process with policy makers.

d) Purpose of Project:

1) to highlight for policymakers the state of knowledge for sustainable agricultural exploitation of tidal swamplands through preparation of a series of policy-oriented research summaries and through direct exposure to tidal swampland development issues through in-the-field seminars; 2) to provide opportunities for multidisciplinary field research by a team of approximately twenty promising junior swamplands researchers from various disciplines, and to give them exposure to the research methodologies and guidance of senior researchers in the field.

e) Priority and Nature of Support by GOI:

The project is of considerable interest to agricultural research planning officials because of the rice-growing potential of tidal swamplands and because of the rapidly increasing utilization of tidal swampland areas by transmigrants -- Government, spontaneous, and local migrants. The Banjarmasin Research Institute for Food Crops would allocate staff and facilities to the project. These would be supplemented with staff and facilities support of the Center for Agricultural Research Programming.

II. Scope of Work

a) Title:

Swamplands Settlements Research

b) Statement of Work:

i) Scope:

A) The project would: 1) bring together existing information; 2) provide in-the-field training on research, monitoring, and analysis of relevant information, and 3) involve policymakers in field-based reviews of the research results and process.

B) There would be approximately twenty participating junior researchers, selected from government agricultural research institutes and from academic institutions. Social scientists as well as agriculturalists and ecologists would be selected. Approximately six senior Indonesian researchers supplemented by approximately four foreign specialist consultants, would work with the junior researchers in field-based research workshops and report preparation.

ii) Schedule: Implementation would begin in July, 1983, following a Ford Foundation sponsored meeting of the Working Group on Sustainable Agricultural Intensification at Banjarmasin. Most of the participants in the proposed study project should be present at this meeting, at which tidal swampland development issues will be reviewed.

The study project would run for twelve to thirteen months, to allow for a complete year of agricultural seasons. During the year there would be two two-week field research workshops for the twenty junior researchers, accompanied by at least six senior Indonesian researchers and approximately four foreign specialist consultants. There would be some additional periods of field research by some smaller teams of the researchers and foreign consultants. Policy research papers would be prepared throughout the project period. Near the end of the project year there would be a symposium in Banjarmasin to bring together approximately forty Indonesian policymakers and participating researchers to discuss findings and results.

iii) **Product and Disseminations:** It is expected that in addition to the research reports based on this field research, there would also be several synthesizing papers prepared that analyze current knowledge, relate it to government policy, and provide recommendations and guidelines for future tidal swampland exploitation. These papers would be published and circulated to a wide audience of Indonesian policymakers and researchers. Approximately forty policymakers and project participants would be brought together to a Symposium at Banjarmasin to discuss the project's findings and their application.

a) development of researchers from diverse disciplines who have been exposed to each other's work through multidiscipline field research collaborations; b) a series of reports and publications focussing on policy implications; c) a series of meetings between provincial and national policymakers and coastal wetlands researchers.

c) **Budget (tentative):**

GOI Contribution:	\$49,000
(in kind)	
Private Contribution:	--
Other donors:	--
USAID:	<u>\$147,000</u>
Total:	\$196,000

d) **Names of Consultants (tentative):**

- Center for Environmental Technology, Imperial College, London
- Center for Natural Resources Management, Dalhousie University, Halifax
- East-West Center Environment and Policy Institute, Honolulu

III. USAID Backstopping

- a) **Proposed USAID Counterpart:**
i. **Technical Office: AGR - Hurdus**
ii. **Policy Committee Member: James Gingerich**
- b) **Estimated USAID Staff Requirement:**
i. **Technical Office backstopping 1 man months**
ii. **Project Officer backstopping 1 man months**
- c) **Proposed Funding Mechanism:**
 PIL
 X **PIO/T**
 PIO/P
 Other
- d) **Are waivers required? Yes**
- **which ones:**
- e) **Explanation of USAID Priority:**

Supports the Mission's primary program areas in food production and resource management, and supports common themes of manpower development and strengthening of research capacity.

- f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds? No**
- g) **Submitted By: Knowland**
Date: 04/27/83
- h) **Next Action:**

Further counterpart discussion on scope, schedule, and consultants, then review by Policy Committee

Number : 7
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Seminar on the founding of a University of Jambi
Center for Transmigration Studies

b) Indonesian Implementing Agency(s):

University of Jambi
Ministry of Transmigration

- proposal authors: Drs. Kemas Mohamad Saleh,
Rektor, Universitas Jambi
Drs. Marzuki Usman,
Director, Ministry of
Finance

c) Problem Statement:

Few analyses are available to guide the development of transmigration settlements once they are founded. Most work has focused on housing settlements, the introduction of rice, basic infrastructure and project implementation problems.

Work is needed on the impact of the Javanese on local populations and areas, types of additional infrastructure; natural resources management, regional investments and job opportunities; and value added opportunities among raw material industries. Information and sound analyses of these and related topics are needed for on-going management decisions. In the absence of this type of work, the outer islands may not be able to support the large numbers of people who are beginning to settle new areas.

d) Purpose of Project:

A seminar would provide the basis on which the UOI could decide whether and for what purpose to found a center, and if so, whether to place it in Jambi.

e) **Priority and Nature of Support by GOI:**

The GOI places a high priority on transmigration and has encouraged provincial universities to established specialized study centers. These centers have a special governmental mandate as regional research institutions responsible both to national and provincial development priorities.

II. Scope of Work

a) Title:

Seminar on the Founding of a University of Jambi
Transmigration Center

b) Statement of Work:

- i) Scope: The Rektor will hold a preliminary meeting late this year to plan a seminar for early to mid 1984. The seminar would entail invited papers and participation from the community of experts which has grown up with the program.
- ii) Schedule:
Planning meeting: September, 1983
Seminar : March, 1984
- iii) Product and Dissemination:
Report, followed by possible GOI decision on the establishment of a center.

c) Budget (tentative):

GOI Contribution:	\$ 5,000
Halls, room and board, some travel	\$ 5,000
Private Contribution:	\$20,000
Other donors (World Bank):	\$40,000
USAID:	\$80,000
Total:	

d) Names of Consultants (tentative) from:

- i) University of Jambi
- ii) Jambi Chamber of Commerce
- iii) University of Palembang
- iv) Jakarta based private consultants
- v) IPB, Bogor
- vi) Institute of Development Studies, Jakarta
- vii) Ministry of Transmigration

III. USAID Backstopping (for internal use):

- a) Proposed USAID Counterpart:
i. Technical Office: AGR/RD
ii. Policy Committee Member: Knowland
- b) Estimated USAID Staff Requirement:
i. Technical Office backstopping 1/2 man months
ii. Project Officer backstopping 1/2 man months

c) Proposed Funding Mechanism:

<u> </u>	PIL
<u> X </u>	PIO/T
<u> </u>	PIO/P
<u> </u>	Other

- d) Are waivers required?
- which ones:
- e) Explanation of USAID Priority:

AID supports the idea of a seminar as a low cost way of helping the University and the GOI determine whether and in what way a center would be useful. The initiative by the University Rektor provides an opportunity for inclusion of private Indonesian consultants, other donors, and business interests in Jambi. AID involvement at this early stage may help direct attention to a problem solving approach, to the need for regional investment opportunities.

Among other issues to be discussed is the importance of a Center for Transmigration Studies to Sumatra. (There is already one at the University of North Sulawesi). The Environmental Center already in Jambi should also be involved.

- f) Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?

No

- g) Submitted By: Joseph Stepanek
Date: May 23, 1983

h) Next Action:

Follow up by William Knowland and Terry Myers, but only after preparatory discussions and correspondence with Jambi and Marzuki Usman.

Number : 8
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Systems of Regional Planning

b) Indonesian Implementing Agencies:

Ministry of Home Affairs, Directorate-General of
Regional Development
Selected provincial planning boards (BAPPEDA Tk. I)

- proposal authors:

c) Problem statement:

While the GOI has in principle accepted the idea that greater authority should be given to provincial agencies for the development of regional plans and coordination of all development activities within a given province, the manner in which this has been implemented thus far is unsystematic and confusing. Each sectoral ministry appears to have its own planning system with its own requirements and calendar. Even within the Department of Home Affairs, several different planning systems appear to be applied to different projects at various levels of government, and there is no single coherent approach which constitutes an established and generally accepted system of regional planning. The involvement of foreign donor agencies, with their diverse requirements and interests, further confuses the situation and (in some cases) seems actively to inhibited the trend toward greater devolution of authority to lower levels of government.

d) Purpose of Project:

The purpose of this effort is to provide an opportunity for provincial planning boards and other concerned agencies to examine systematically the various systems now in operation and the problems and benefits of their implementation. The objective is to enable GOI agencies, especially at the provincial level, to reflect upon their own experiences and to start to guide and develop systems appropriate to their needs rather than respond to systems devised at the national level.

e) Priority and Nature of Support by GOI:

II. Scope of Work

a) Title:

Systems of Regional Planning: A Workshop

b) Statement of Work:

i) Scope: In conjunction with assistance from the World Bank (see below), a small team will visit selected provincial planning boards to assist with the development of papers analyzing their experience with regard to various systems of regional planning. These will be presented at a workshop which emphasizes the benefits and drawbacks of these various systems as they have been demonstrated through actual implementation. That is, the workshop will stress experience rather than theory. Following the workshop, the same small team will be charged with drawing up a final report, incorporating lessons learned and presenting recommendations to the relevant GOI agencies.

ii) Schedule:

iii) Product and Dissemination: The final report is expected to assist the GOI in standardizing regional planning systems and requirements, and also to develop the necessary training courses to ensure that the system can be implemented.

c) Budget (tentative):

GOI Contribution:	\$ 15,000
Private Contribution:	--
Other donors:	\$ 30,000
USAID:	\$ 30,000
Total:	\$ 75,000

d) Names of consultants/participants (tentative):

Dr. H. Benjamin Fisher, World Bank planning advisor
(provided through the World Bank)

III. USAID Backstopping (for internal use)

- a) **Proposed USAID Counterpart:**
i) **Technical Office:** RD (Tinsler, Hawley)
ii) **Policy Committee Member:** Morfit
- b) **Estimated USAID Staff Requirements:**
i) **Technical Office backstopping:** 1 man month
ii) **Project Officer backstopping:** 1 man month

c) **Proposed Funding Mechanism:**

_____	PIU
<u> X </u>	PIO/T
_____	PIO/P
_____	Other

d) **Are waivers required?** No

e) **Explanation of USAID Priority:**

Both PDP and LGT II are concerned with the development of regional planning capacities within provincial and kabupaten BAPPEDA. This in part has grown out of USAID support for the North Sumatra Regional Planning Project. In addition, the forthcoming Ag Planning II PP will stress decentralized planning at the provincial level. These are all major USAID efforts in Indonesia which will benefit from support to the GOI to enable it to consider the most appropriate approach to regional planning and to develop a better coordinated and more thoughtful strategy to ensure that planning is effectively decentralized.

f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?** No

g) **Submitted by:** D. Tinsler
Date: 19 May, 1983

h) **Next Action:**

**Follow up with counterparts in Home
Affair/World Bank**

Number : 9
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Local Government Financial Resource Mobilization

b) Indonesian Implementing Agencies:

Ministry of Finance
Ministry of Home Affairs, Directorate-General for
Regional Development
BAPPENAS

proposal authors:

c) Problem Statement:

Continued devolution of authority over government programs to lower levels of government depends in part upon the capacity of local government agencies to mobilize financial resources which can then be used to support locally planned and implemented development programs. The GOI has recognized the importance of this issue, and for the past several years has been working with a team from Birmingham University to examine the nature of local-central government financial relations. This effort has led (amongst other things) to the formulation of a draft law which will for the first time establish the principle that local government agencies have a claim to a fixed percentage of national government revenues. Despite these systematic and fruitful efforts, however, more needs to be done to support the search for a new pattern of financial relations between national and local agencies. This is particularly challenging in Indonesia where the domination of the central government has been an established fact since the inception of the New Order.

d) Purpose of Project:

BAPPENAS has specifically requested AID assistance to enable a GOI team to examine the experiences of other ASEAN countries with regard to revenue sharing programs. This would enable the GOI to examine their draft law in light of the experiences of neighboring nations, and to supplement the advice they have received from the Birmingham University team with an understanding of specific examples.

e) Priority and Nature of Support by GOI:

The GOI has already invested considerable time in a long-term and systematic effort to re-examine local-central government financial relations, and to formulate a draft law. It is expected that the draft law will be submitted to the DPR in the relatively near future, and therefore support for a study tour at this time would be particularly appropriate.

II. Scope of Work

a) Title:

Local Government Financial Resource Mobilization:
Study Tour to Selected ASEAN Countries

b) Statement of Work:

i) Scope: Study tour of selected ASEAN nations (Philippines, Thailand, Malaysia) to examine legal arrangements, financial implications and implementation experiences regarding revenue sharing and local-central government financial relationships. This is to be undertaken in the context of active preparations for the submission of a draft law to the DPR.

ii) Schedule:

Visit: September, 1983
Report submission: October, 1983

iii) Product and Dissemination:

c) Budget (tentative): -

GOI Contribution:	\$ 2,000
Private Contribution:	--
Other donors:	--
USAID:	\$ 8,000
Total:	\$ 10,000

d) Names of consultants/participants (tentative):

III. USAID Backstopping (for internal use)

- a) **Proposed USIAD Counterpart:**
i) **Technical Office:** RD (Tinsler, Hawley, Morfit)
ii) **Policy Committee Member:** Morfit

- b) **Estimated USAID Staff Requirement:**
i) **Technical Office backstopping:** 1/2 month
ii) **Project Officer backstopping:** n/a

- c) **Proposed Funding Mechanism:**

_____	PIL
_____ X _____	PIO/T
_____	PIO/P
_____	Other

- d) **Are waivers required?** No

- e) **Explanation of USAID Priority:**

Local government resource mobilization was cited as a key issue in the APAC review of the PDP II extension, as well as in the PP amendment itself. Both USAID and GOI counterparts agree that this is an important facet of the issue of increased decentralization and enhanced popular participation in development planning and implementation, both of which were central themes of the CDSS.

- f) **Does the activity fall within funding availabilities of on-going Mission projects of uses of PDS funds?**
No.

- g) **Submitted by:** Tinsler
Date: 19 May, 1983

- h) **Next Action:**

Number : 10
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Land Use Classification Systems

b) Indonesian Implementing Agencies

**Department of Public Works
Department of Home Affairs
BAPPENAS
Department of Agriculture**

- proposal authors:

c) Problem Statement:

As population pressure on the inner islands of Java, Madura, Bali and Lombok increase, both national and provincial government agencies are faced with the need to develop environmentally sound and economically feasible plans for land use. In the outer islands, competing alternative uses of land for transmigration sites, estate crops and forestry concessions also require decisions at both the national and provincial level. A major constraint in making intelligent choices amongst competing alternatives is the lack of systematic data both about present and potential land uses. Many of the agencies most directly involved in long-term planning do not have adequate data on how land is presently being used, how that pattern is changing over time, and what might be the optimal use of land. Consequently they are not able to embark upon area development programs based on sound empirical analysis.

The GOI, in conjunction with A/D/C and the Ford Foundation, has supported the establishment of a Center for Remote Sensing Data at Universitas Gajah Mada in Yogyakarta. In addition, BAKOSURTANAL, the government land mapping agency, has been working with satellite imagery to assess changes in land uses, particularly in the outer islands. These initial efforts, however, have not been linked with those government agencies (such as provincial planning boards and technical implementing agencies) responsible for either planning regional development or implementing specific projects. One need, therefore, is to find appropriate ways of linking this highly developed and sophisticated scientific work with the more practical and day-to-day needs of implementing agencies.

A second need is to find less elaborate technologies within the competence of planning bodies and other relevant agencies and which can be used with a minimum of expensive and sophisticated equipment and training. Such a technique is said to have been developed already and applied with success in Korea and Taiwan. This technology should be tested in Indonesia, and if found to be suitable, it should be demonstrated to relevant agencies and core materials for training courses developed.

d) Purpose of Project:

With the two distinct but complementary approaches described above, Indonesian agencies at both the national and provincial level are expected to be able more efficiently and effectively to classify present land uses, and assess potential uses. This, in turn, will enable them to develop more realistic and feasible plans for area development.

e) Priority and Nature of Support by GOI:

II. Scope of Work

a) Title:

Land Use Classification Systems

b) Statement of Work

i) Scope:

- i) Increased utilization of remote sensing data
- ii) Simplified techniques for land useage classification

For the first activity cited above, consultants and workshops will be utilized to find appropriate means of linking on-going work at Universitas Gadjah Mada and BAKOSURTANAL with potential consumers in technical agencies and planning board.

For the second activity cited above, consultants will be utilized to test the technology for classifying potential land uses. If found to be appropriate, this will be applied in one province, working closely with the BAPPEDA Tk. I and other technical agencies, especially from Public Works and Agriculture. Finally, a core set of materials from training will be developed and plans for training relevant officials in the use of this technique would be formulated.

ii) Schedule:

iii) Product and Dissemination:

For the first activity, the product will be greater utilization of satellite imagery and other remote sensing data in the formulation of area development plans.

For the second activity, the product will be a province-wide plan for potential land utilization which had been developed by the BAPPEDA.

c) Budget (tentative):

GOI Contribution:	\$ 20,000
Private Contributions:	--
Other donors:	--
USAID:	\$ 50,000
Total:	\$ 70,000

d) Names of consultants/participants (tentative):

III. USAID Backstopping (for internal use)

- a) Proposed USAID Counterpart:
i) Technical Office: RD, D. Tinsler
ii) Policy Committee Member: Morfit, Gingerich
- b) Estimated USAID Staff Requirement:
i) Technical Office backstopping: _____ man months
ii) Project Officer backstopping: _____ man months
- c) Proposed Funding Mechanism:

- PIL
PIO/T
PIO/P
Other
- d) Are waivers required? If so, which ones?
- e) Explanation of USAID Priority:
- f) Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?
- g) Submitted by: Douglas Tinsler
Date: 20 May, 1983
- h) Next Action:

Number : 11
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Water Resources Policy Formulation

b) Indonesian Implementing Agencies:

Department of Public Works
Department of Agriculture

- proposal authors:

c) Problem Statement:

To date, the management and use of water resources in Indonesia has been dealt with in a segmented and uncoordinated fashion. Different agencies, with their own priorities and procedures, have dealt with the management and use of water from the perspective of flood control, agricultural needs, human consumption and industrial uses. There has been no institutional mechanism for coordinating these diverse perspectives, and developing a coherent set of policies for the management and use of water resources. This is further complicated by the fact that the legal basis for determining rights and duties with respect to water useage is often confused and contradictory, resulting from the diverse legal traditions of Dutch colonial law, Islamic law, customary law and positive law of the independent republic. The GOI has recognized the dimensions of this problem, and in conversations with USAID has indicated its interest in seeking ways to overcome the institutional and legal constraints in order to formulate an appropriate set of policies. Institutional divisions, however, have prevented any single agency from taking the lead in this effort. For this reason, an initiative by USAID could serve as a much-needed catalyst in bringing together the diverse agencies concerned and encouraging the first steps toward policy formulation.

d) Purpose of Project

The purpose of this project is to enable the GOI to formulate a coherent and integrated policy for the management and uses of water resources.

e) Priority and Nature of Support by GOI:

II. Scope of Work

a) Title:

**Water Resources Policy Formulation: A
Seminar/Workshop**

b) Statement of Work:

- i) Scope:
- ii) Schedule:
- iii) Product and Dissemination:

c) Budget (tentative):

GOI Contribution:	\$ 6,000
Private Contribution:	--
Other donors:	--
USAID:	\$ <u>12,000</u>
Total:	\$ 18,000

d) Names of Consultants/Participants (tentative):

III. USAID Backstopping (for internal use)

- a) **Proposed USAID Counterpart**
i. **Technical Office:** RD (Tinsler, Tunavick)
ii. **Policy Committee Member:** Morfit, Gingerich

- b) **Estimated SAID Staff Requirement:**
i. **Technical Office backstopping:** _____ man months
ii. **Project Officer backstopping:** _____ man months

- c) **Proposed Funding Mechanism:**

- | |
|-------|
| PIL |
| PJO/T |
| PIO/P |
| Other |

- d) **Are waivers required? If so, which ones?**

- e) **Explanation of USAID Priority:**

The CDSS has cited watershed management as a major area of USAID involvement over the next 5-10 years, in addition to continuing USAID concern with irrigation water management particularly in small-scale systems. These efforts, however, are part of the larger problem of the overall management of Indonesia's water resources. Without the institutional and technical capacity to formulate a coherent and practical water resources management policy, these USAID efforts may be severely undermined.

- f) **Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds? No**

- g) **Submitted by:** D. Tinsler
Date: 19 May, 1983

- h) **Next Action:**

Number : 12
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Establishment of Wage Series for Urban and Rural Unskilled Laborers

b) Indonesian Implementing Agency(s):

proposal authors:

Following internal, ILO, and World Bank discussion, we may want to talk informally with Dr. Rashjid of CBS who is responsible for basic needs data and analysis.

c) Problem Statement:

There are no wage data available on a formal, systematic basis for unskilled workers in Indonesia. While data are collected for plantation, INPRES and sawah laborers (people who are in a sense formally employed) there are no data, except from one time surveys, of urban or rural laborers.

It is widely known that poor households depend on many sources of income on and off the farm, over the year. In Jakarta, for example, women earn as little as Rp 200 a day, which is pooled towards family expenses. Little is systematically known of these income sources or levels.

With the provision of such data, policy makers would know with greater confidence how the poorest workers were faring in real terms with respect to inflation, by region, by type of activity, and by regional development impact. By having such data, policy makers and program designers would be better able to take account of this large group of people estimated to be as large as one quarter to a third of all households.

d) Purpose of Project:

To establish a formal wage series for laborers in non-formal jobs. To do this representatives of Universities, LEKNES-LIFI, BAPPENAS, YTKI, Ministry of Manpower, CBS, IBSI, Women's Organization, ILO, World Bank should be convened informally to discuss planning action for collecting data and preparing wage series. Problem will be to avoid political pressure to skew data (CBS has succumbed to these on the past). Ideal approach would be an ad hoc committee formed from the participants which could use the facilities of a non-operational but political strong entity such as BAPPENAS.

e) Priority and Nature of Support by GOI:

President Soeharto has directed CBS to develop and use basic human needs data by province so as to strengthen program design and guide resource allocations by province. To date, however, there has been no discussion of the desirability for this type of needs data, probably because: a) CBS has been overwhelmed by the aftermath of the census; b) is struggling to improve its CPI techniques; and c) human needs data collection is politically hot.

II. Scope of Work

a) Title:

Establishment of Wage Series for Urban and Rural
Unskilled Laborers: A Methodological Workshop

b) Statement of Work:

i) Scope: (see preceding page)

ii) Schedule:

iii) Product and Dissemination (tentative):

c) Budget (tentative):

GOI Contribution:	\$10,000
(workshop site, room and board)	
Private Contribution:	\$ 5,000
(University)	
Other donors:	\$ 5,000
(World Bank, Japanese)	
USAID:	<u>\$20,000</u>
Total:	<u>\$40,000</u>

d) Names of Consultants (tentative):

Number : 13
Initial Date: 05/23/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

**Socio-cultural Determinants of Protein-energy
Malnutrition in Indonesia.
(Implications for Menu Diversification)**

b) Indonesian Implementing Agency(s):

**Center for Research and Development in Nutrition
(CRDN) - Bogor**

**proposal authors: Dr. Darwin Karyadi (CRDN)
Dr. Diva Sanjur (Cornell
University, New York)**

c) Problem Statement:

**In 1969, Mely Tan and co-workers conducted an
indepth study concerning food habits from a social
and cultural perspective. In view of the major
social, economic and technological changes that have
taken place in Indonesia since the completion of this
study there is an urgent need for re-assessment of
the sociocultural determinants of food patterns in
rural Indonesia.**

d) Purpose of Project:

**The study will gather expirical information on
the sociocultural factors which influence
contemporary food consumption behavior (primarily as
it effects childhood nutrition). In addition, this
information will be used to develop effective methods
for implementing the GOI "menu diversification"
program in rural Indonesia.**

e) Priority and Nature of Support by GOI:

The GOI places a high priority on the continued collection and analysis of data on the determinants of malnutrition for programmatic application.

II. Scope of Work

a) Title:

Sociocultural Determinants of Protein-energy
Malnutrition in Indonesia
(Implications for Menu Diversification)

b) Statement of Work:

- i) Scope: Studies will be carried out in 7 provinces (repeating the 1969 Mely Ian research done in 5 provinces: West, Central and East Java, Bali, South Sumatra in addition to 2 new provinces: South Sulawesi and South Kalimantan)
- ii) Schedule: 18 months; beginning August September 1983
- iii) Product and Dissemination: Results of the studies will be made available for immediate use by Direktorat Gizi, DepKes and USAID provincial projects. A workshop will be held to present study results and develop recommendations for policy and programmatic applications.

c) Budget (tentative):

GOI Contribution:	\$ 40,000
Administration, facilities, personnel, study sites	
Private Contribution:	--
Other donors:	
USAID:	\$110,000
Total:	\$150,000

d) Names of Consultants (tentative):

Dr. Diva Sanjur (Cornell University, New York)
Dr. Caldwell (Cornell University, New York)

III. USAID Backstopping (for internal use)

a) Proposed USAID Counterpart:

- i. Technical Office: O/HN, Julie Klement
- ii. Policy Committee Member: Rebecca Cohn

b) Estimated USAID Staff Requirements:

- i. Technical Office backstopping 1.0 man months
- ii. Project Officer backstopping 0.5 man months

c) Proposed Funding Mechanism:

<u> X </u>	PIL
<u> </u>	PIO/T
<u> </u>	PIO/P
<u> </u>	Other

d) Are waivers required?

- which ones:

e) Explanation of USAID Priority:

Based on current CDSS, Mission gives high priority to collection and analysis of data on determinants of malnutrition (focussing on sociocultural determinants) and direct program applications.

f) Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?

No

g) Submitted By: Julie Klement, HN

Date: 05/05/83

h) Next Action:

Preliminary technical review of study has been completed by the Mission's nutrition advisor; Policy Committee review to be scheduled.

Number : 14
Initial Date: 05/28/83
Revised :

Preliminary Request for Development Studies Project Funds

I. Project Description

a) Title:

Survey of the Implementation of the ILO
Convention No. 100 concerning equal remuneration for
men and women.

b) Indonesian Implementing Agency(s):

Badan Litbang - Ministry of Labor

- proposal authors: Drs. Mawarti
Directorate General of Bina
Guna, Ministry of Labor

c) Problem Statement:

Female workers in Indonesia are very often victims of severe wage discrimination as compared to men. They most often suffer unequal treatment in regard to working conditions, hours of work, and benefits such as access to training.

Indonesia as a member of ILO has ratified the ILO Convention No. 100 concerning equal remuneration for men and women, and has Act No. 80/1957. However, detailed information/data are not available about the implementation of mentioned Act, neither at the Civil Administration Offices (Ministry of Labor) or at other instances. It is known that the Research Department of the All Indonesian Trade Union Federation (FBSI), the Indonesia Manpower Foundation (YTKI), the Central Bureau of Statistics, the Institute for Legal Consultation and Assistance for Women and Families as well as the Indonesian Institute of Sciences (LEKNAS-LIPI) have people working actively on wages and wage studies. However, these efforts are not linked to each other, sometimes work takes place in isolation and does not come together in coordinated action to assess if Indonesia is indeed implementing the ILO Convention and its own Act No. 80/1957.

d) Purpose of Project:

- Collect information and data on wages of female workers in connection with Act No. 80 FY 1957 "no discrimination between male and female workers for work of equal value"

- Analyze these data to assess the implementation of Act No. 80/1957 - bringing the analysis to the attention of concerned ministries to improve the implementation of "equal pay for equal work of equal value"

e) Priority and Nature of Support by GOI:

Ministry of Labor, Directorate of Bina Guna and the Badan Litbang of the same Ministry will support this study by making available 1-2 high ranking officials.

II. Scope of Work

a) Title:

Survey on Female Laborers Wages

b) Statement of Work:

i) Scope:

Survey on female workers in one region of DKI Jakarta, concentrating on factories which absorbs many female workers like textiles, electronics and food beverage factories.

ii) Schedule:

6 months preparation and proposal writing
1 month survey
3 months analysis, report writing and recommendations

iii) Product and Dissemination:

Product of the survey will be the analysis of the study which will be disseminated to Ministries and agencies concerned to start discussions on higher level to improve the implementation of Act No. 80/1957.

c) Budget (tentative):

GOI Contribution:	\$ 10,000
Private Contribution:	--
Other donors:	--
USAID:	\$ <u>75,000</u>
Total:	\$ 85,000

d) Names of Consultants (tentative):

Ir. Mintaria Sianipar and staff members of the Women's Study Center, Faculty of Social Sciences, University of Indonesia.

III. USAID Backstopping (for internal use)

- a) Proposed USAID Counterpart:
i. Technical Office: Program Office
ii. Policy Committee Member: Ada Wenas
- b) Estimated USAID Staff Requirement:
i. Technical Office backstopping 3 man months
ii. Project Officer backstopping 4 man months
- c) Proposed Funding Mechanism:
 PIL
 X PIO/T
 PIO/P
 Other
- d) Are waivers required?
- which ones: local contractors/consultants
- e) Explanation of USAID Priority:

A survey like this is badly needed to improve the quality of life of thousands of female factory workers.
- f) Does the activity fall within funding availabilities of on-going Mission projects or uses of PDS funds?

No
- g) Submitted By: Ada Wenas
Date: May 25, 1983
- h) Next Action: