

Indonesia – Evaluation as a Delivery Mechanism in Indonesia: Medium Term Development Plan 2015-2019

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INTRODUCTION

Responding to the paradigm shift in development from input-based to output- or result-based measurement, Indonesia, through its 2015-2019 Medium Term National Development Plan (RPJMN 2015-2019), has introduced evaluation as one of the delivery mechanisms. The evaluation framework, which is expected to provide the quality information required by performance-based planning and budgeting, also can provide lessons for future planning. This approach can increase the awareness of development stakeholders of the importance of evaluation and strengthen its role in the national development planning process.

According to Law 25/2004 on the National Development Planning System, the medium-term development plan also consists of a delivery mechanism in the form of a regulatory framework and a funding framework (indicative). These frameworks have been applied to Indonesia's national and local government plans, both annual and medium term. Due to the urgent need to ensure development, RPJMN 2015-2019 introduces two new frameworks, institutional and evaluation.

This delivery mechanism aims to increase the effectiveness and efficiency of development, as the application of these frameworks is expected to keep plan implementation on track. Furthermore, the delivery mechanism provides a legal mandate to line ministries to prepare the preconditions (funding, regulation and institutional) and conduct the evaluation of the plan and its implementation. These frameworks are also expected to reduce overlapping of the regulation, funding and institutions and increase coordination among stakeholders in the central and local government, thereby speeding up development.

The evaluation framework, in so far as it refers to international practices on institutionalizing evaluation in development, is potentially effective, as it will be tied to the five-year period. The planning process therefore will employ evaluation results as an input to improve the quality of the next plan. In addition, the evaluation framework will strengthen development and government accountability.

THE CONCEPT

According to Kusek and Rist (2004), setting the readiness assessment is the first step towards developing a better monitoring and evaluation (M&E) system. Hence, in the case of Indonesia, introducing the evaluation framework as a delivery mechanism is fundamental not only to obtaining better development results but also to developing a better M&E system. Evaluation also plays a role in ensuring that government intervention solves problems and achieves national targets, a key imperative considering that Indonesians today are very demanding of government action and of the quality of development results.

The delivery mechanism introduced in RPJMN 2015-2019 is a simple approach that uses the assumptions column in the logical framework table. Assumptions can be interpreted as factors that contribute to results or factors that need to be managed, such as risks. However, in this case, those assumptions are preconditions for achieving the national goals. In other words, the delivery mechanism can be interpreted as part of an action plan to achieve the medium-term goals.

FIGURE 1. DESIGN AND MONITORING APPROACH/LOGICAL FRAMEWORK

DESIGN SUMMARY	PERFORMANCE TARGET	DATA SOURCES/ REPORTING MECHANISM	ASSUMPTION RISK
Impact			
Outcome			
Outputs			
Activities with milestones			inputs

Delivery mechanism:

1. Funding framework
2. Regulation framework
3. Institutional framework
4. Evaluation framework (whole plan document)

Source: Guidelines Preparing DMF-ADB, edited.

Formally, the four frameworks aim to create a plan that is visible, that can be funded, is supported by regulations or does not overlap among regulations, can be implemented by good institutions and is evaluable (and measurable). It is hoped that this approach can also create awareness among development stakeholders about the plan's quality, implementation and results.

These four frameworks play a role more at the macro or national level, such as for funding frameworks that include central government expenditure policies, regional transfer policies and national funding policies in the medium-term expenditure framework (MTEF) 2015-2019. This delivery mechanism simply guides development stakeholders in preparing conditions before implementation of the plan.

The evaluation framework is not just a precondition for evaluability, as plans and their development indicators should be SMART (specific, measurable, assignable, realistic and time related). The RPJMN 2015-2019 evaluation framework describes procedures for conducting

the evaluation. Presidential decree No. 2/2015 on the establishment of RPJMN 2015-2019 gives the mandate to the National Development Planning Agency (BAPPENAS) to conduct M&E of the plan. BAPPENAS is preparing the evaluation guidance this year.

CURRENT M&E PRACTICES

In Indonesian Law No.25/2004, evaluation is stated as part of the stages of development. Government Regulation (GR) No. 39/2006 manages implementation of M&E for the plan. However, the focus lies more on the monitoring aspect, where only budget realization and progress are measured. On evaluation, the regulation only covered the procedures for conducting evaluation from various levels of government. However, it was not implemented smoothly, as, for example, line ministries have not evaluated their work plan and, consequently, there will be no inputs for the annual government work plan evaluation. Furthermore, if such impediments occur widely among line ministries, planning will suffer from qualitative erosion, impacting implementation and development results.

Regarding evaluation synergy, laws and regulations mandate several ministries to conduct M&E and request line ministries and local government to prepare reports. From the perspective of development results, this is very good, as many actors monitor (and evaluate) the development process. However, in terms of implementation, this would lead to confusion and duplication. The line ministries would have to submit many reports that contain similar information, while in substance they would not enhance the quality of reporting.

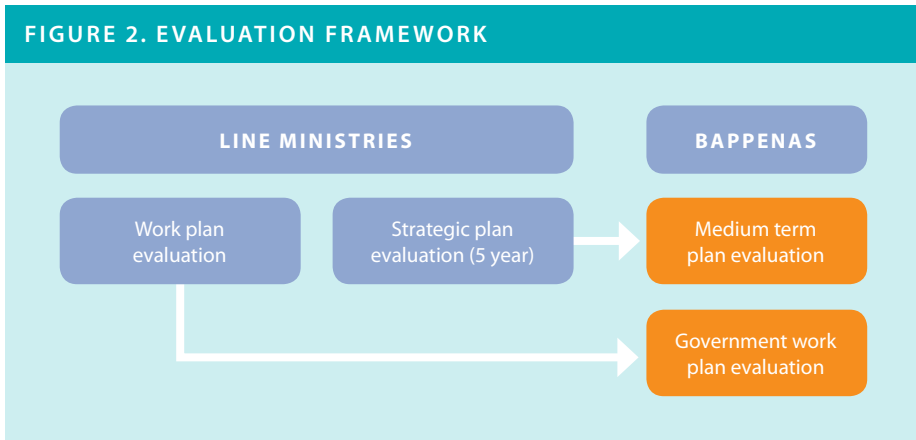
Regarding the tiered M&E, the problem concerns the quality of data, as GR No. 39/2006 only provides a procedure for evaluation among line ministries and local government. Differences in evaluation criteria, such as effectiveness and efficiency, may lead to a less-appropriate rating. This also constrains some ministries from conducting evaluations or may lead them to do so in a different way. For BAPPENAS, which is mandated to evaluate the RPJMN as a whole, the various types and quality of report may lead to inaccurate assessment. BAPPENAS may espouse other methods to collect and assess data from line ministries. Indonesia, therefore, would need other approaches to improve its evaluation practices.

These situations pose a challenge for the Government, because the quality of evaluation is important to improve the quality of the plan. A whole assessment of government intervention through programmes and activities is needed more than just routine monitoring of budget realization and percentage of progress. Contribution measurement from activities to output, outcome and impact may give a clearer description of development results.

EVALUATION FRAMEWORK IN 2015-2019 MEDIUM TERM DEVELOPMENT PLAN

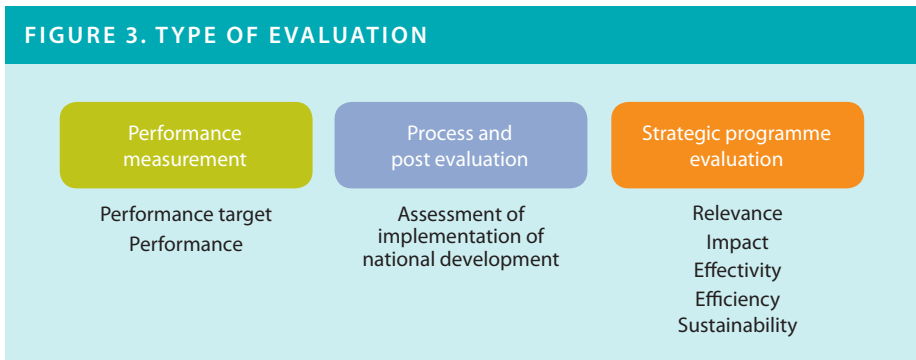
As is clearly stated in the medium term plan, evaluation is conducted to assess achievements and problems relating to policies, programmes and activities. Therefore, evaluation results, findings and recommendations should be able to provide data and information about the efficiency, effectiveness, needs, benefits and impact of the programme or activity so that the information can be used as an input in planning and budgeting for the next period. The

evaluation framework then would ensure effective planning and implementation and help improve the next plan.



Source: RPJMN 2015-2019

GR No. 39/2006 emphasizes the need of evaluation of RPJMN 2015-2019 in order to strengthen and ensure its effective implementation. The evaluation will be tiered, conducted from line ministries to BAPPENAS, both for annual and medium term plans. Furthermore, the evaluation framework provides a more detailed explanation on the timing, source of data, type of evaluation, mechanism, the evaluator, and use of the result for the next plan.



Source: RPJMN 2015-2019

Three types of evaluation were introduced in RPJMN, which can be used in accordance with the required performance information. They can be employed in their entirety or only partially, depending on evaluation needs. This is not a new approach in evaluation practice. However, in the framework of institutionalized evaluation in Indonesia, it may be the best possible way to evaluate RPJMN 2015-2019 and also develop an evaluation culture among line ministries. Besides, the evaluation framework is also a simple way to introduce the use of a logical framework widely in Indonesia for planning in general.

The evaluation framework will also see the linkages of programme and activities between the annual work plan and the medium-term plan to assess ways appropriately aligning implementation of programmes and activities. In other words, the framework also can assess the achievement of President Jokowi's 'Nawacita' agenda from the perspective of the Government's work plan annually.

The evaluation framework also assesses whether the output and outcome from programme and activities would contribute to the achievement of national goals. In other words, the evaluation will assess whether a technical activity is in line with a national macro plan. This is necessary as sometimes the translation of a national plan to a technical one in each line ministries is not well synchronized. The information gained from the evaluation will be useful to improve the next planning, fix the implementation process and provide valuable lessons for the whole development practices in Indonesia.

CONCLUSION

Indonesia has recognized the strategic development area to improve the implementation of evaluation. Although there have been improvements in some areas, such as the evaluation framework, support from line ministries is still needed, particularly in using evaluation results for planning and in enhancing the quality of evaluation practitioners. This is essential because evaluation should be able to internalize and institutionalize itself in order to contribute more to development.

Furthermore, evaluation knowledge and culture should be owned by planners and evaluators, both in the planning agency and in line ministries, to base programmes and activities on results and findings. Indonesia needs to improve the working system and procedures in planning and evaluation. Externally, the country needs to broaden networking to share knowledge and experience.

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