

PSF Secretariat

Quarterly Progress Report: April to June 2016

Summary Information	
Status	Active
Activity Number	P110058 (TF091590) and P124779 (TF010256)
Task Team Leader(s)	Sonya Woo (swoo@worldbank.org)
Executing Agency	PNPM Support Facility (PSF) ¹
Start date to Closing Date	January 31, 2008 to March 31, 2018 (122 months)
Geographic Coverage	National
Approved Budget	US\$16,977,935
Disbursements during the Quarter	US\$235,331
Cumulative Disbursements	US\$9,745,840

Progress

Project Overview

The PSF Secretariat provides operational and administrative services to the PSF to sustain an effective framework for the implementation of PNPM Mandiri and the transition to the Village Law. In addition to supporting the management of the PSF and coordinating the Joint Management Committee (JMC), the Secretariat provides fiduciary oversight and reporting on the progress for all PSF programs. Key activities undertaken by the Secretariat include: (i) administering grant agreements issued through the PSF Trust Fund; (ii) coordinating program supervision missions and appraisals; (iii) providing operational and technical assistance to agencies managing PNPM Mandiri programs at the national, provincial and district levels; (iv) preparing financial reports and quarterly and annual progress reports; and (v) documenting and disseminating minutes of JMC meetings.

Overall progress towards development objective

The Secretariat has supported the continuous evolution of the PSF portfolio, which has increased in size from US\$37 million in 2008 to US\$422 million to date (including Poverty Reduction Efforts approved proposal), as well as managing a range of activities and engaging with a large number of agencies. In 2013, the Secretariat facilitated the inclusion of the Millennium Challenge Account-Indonesia (MCA-I) into the PSF and as a member of the JMC. MCA-I with its pledge of US\$89 million in cash contributes a significant proportion to the total donor contributions, which now reaches a total of US\$438 million (after deducted by transfer to the PAMSIMAS Trust Fund). In 2014, the Secretariat facilitated: (i) the amendment of the PSF MDTF (Multi-Donor Trust Fund) Administration Agreement (AA) between the World Bank and the Government of Australia (GoA), reflecting a new contribution of US\$16.4 million; and (ii) the extension of the USAID support to the PSF until June 15, 2017. Roughly 78 percent of PSF resources are implemented by Indonesian Government agencies and civil society organizations.

The Secretariat is also responding to increasing demands for the PSF's operational and technical

¹ Starting in 2015, the Government decided to re-assign the key functions of village development and community empowerment from the Ministry of Home Affairs to the new Ministry of Villages, Disadvantaged Areas, and Transmigration.

services, particularly in the context of the closure of existing projects, the initiation of new projects, the dialogue around the transition to the Village Law, and changes in the new Government administration's structure and priorities. While facilitating discussions with the Government, donors, and other stakeholders on the Village Law implementation, the Secretariat has focused on quality assurance for the PSF's deliverables and assistance to the project teams, as well as maintaining the team's communications functions.

Key developments during the quarter

Operational support and quality assurance services that the Secretariat provided during this quarter include:

- Supported the processing and on-time submission of the Note on a Cancelled Operation (NCO) to report on the completion of the Village Training Project;
- Completed the processing and portfolio cleaning of the PSF's Advisory Services and Analytics for Rural Implementation Support, Generasi, M&E and Special Studies, and Peduli; and
- Supported the cleaning and on-time submission of two Implementation Status Reports (ISRs) for Generasi and Rural Implementation Support.

The Secretariat is in the process of planning capacity-building and knowledge-exchange efforts, including the upcoming study tour by multi-stakeholder delegations from India. In addition, the team is making plans to provide enhanced operational and program management support to current and new projects.

Critical challenges

A critical challenge for this quarter is repositioning the Secretariat's role in the PSF to support project teams in a way that does not take over the roles and responsibilities of the project teams.

Activities planned during the next quarter

With the advent of several new projects, including KIAT Guru and the Village Law Programmatic ASA, the Secretariat will focus on providing enhanced operational support to new and ongoing programs. As such, during the next quarter, the team will identify and begin implementing an upgraded operational support capacity for the project teams.

In addition, the team will facilitate the new FY17 planning process across projects through the use of program management tools, including the FY17 work plans, weekly dashboard, and the deliverables tracker. These tools will be kept current and used to support program monitoring and implementation throughout the remainder of the fiscal year.

Finally, the team will continue to support capacity-building and knowledge-exchange efforts, and provide input into the finalization of the team's new strategy and priorities. An upcoming study tour by multi-stakeholder delegations from India is slated to occur in September, and the team will begin planning additional knowledge-exchange events for F17.

Key Performance Indicators								
Indicator	Baseline (2012)	Cumulative Target (2017)	Cumulative Achievements (at end of Dec 2015)	VAR	Target for 2016	Achieved in 2016	VAR	Remarks
Project Development Objective: To provide operational and administrative services to the PSF to sustain an effective framework for the implementation of PNPM Mandiri								
# of JMC meetings held within the year	2 (2010)	6/year	3 (2015 only)	-3	6	2	-4	2 virtual JMC Meetings on February and May
Contributions (US\$)	90m (2010) 132m (2008-10)	n/a	405 million	n/a	n/a	7 million	n/a	Total contribution received is \$412 million (\$10.4 million or AUD 14.5 million transferred to PAMSIMAS)
Approved commitments (US\$)	50m (2010) 90m (2008-10)	n/a	414 million	n/a	n/a	9	n/a	Two commitments were approved by the JMC in 2016 (KIAT Guru and the Poverty Reduction Efforts)
Disbursements (US\$)	28m (2010) 36m (2008-10)	370 million	336 million	-34 million	34 million	18 million	-16 million	
Disbursement ratio	20% (2009)	70% (each year)	74% (2015)	4%	70% (each year)	53% (until Q2/2016)	-17%	
% of funding executed by Government	53% (2010)	75%	72%	-3%	75%	72%	-3%	
% of funding executed by NGOs	7% (2010)	10%	6%	-4%	10%	6%	-4%	
# of active projects	15 (2010)	n/a	11	n/a	n/a	10	n/a	
# types of reports to the JMC	1 AR, 3 QU, 2 GR ¹	1 AR, 3 QU, 2 GR (each year)	1 AR, 1 QU, 0 GR	-2 QU, -2 GR	1 AR, 3 QU, 2 GR	1 AR, 1 QU, 0 GR	-2 QU, -2 GR	

¹ AR = Annual Report; QU = Quarterly Updates; GR = Governance Report (Note: last Quarterly Update of the year replaced by Annual Report)