

**PNPM Support Facility (PSF)**  
**Joint Management Committee (JMC) – Technical Committee (TC) Meeting**  
**Date: Monday, July 14, 2014 / Time: 13:00 - 15:30 WIB**  
**Venue: PNPM Support Facility, Jl. Diponegoro #72, Menteng, Jakarta, Indonesia**

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***Meeting minutes***

**Chair:** Dr. Rudy Soeprihadi Prawiradinata, MCRP, Ph.D., Director for Poverty Reduction, Bappenas

**Participants:** See attachment

The meeting aimed to discuss: (i) priority areas for Poverty Alleviation under the national medium-term development plan (RPJMN) 2015 - 2019 and (ii) PNPM transition plan towards the implementation of the Village Law. Three presentations were made by Bappenas, PMD and Kemenko Kesra.

**Presentation by Bappenas on the Draft National Medium-Term Development Plan 2015-2019**

Pak Rudy first covered the macro picture of poverty and inequality in Indonesia as a ‘strategic setting’ for poverty reduction policies as well as for the transition to the Village Law. The presentation highlighted RPJMN implementation plans, including the expansion of social protection and basic services for the poor and poor regions. The mechanism of delivery is still through empowerment and participatory planning, which has a strong linkage to PNPM.

In terms of the PNPM transition to the Village Law platform, Bappenas is concentrating on community empowerment, frontline services and sustainable livelihoods at the sub-district level. PNPM had quick wins with regards to improving basic service provision but its support to sustainable livelihoods requires further development. Regarding the existing components of PNPM, facilitation should continue although whether it will be at the sub-district level or at the village level is a topic for discussion. Revolving loan funds (RLFs) and block grants require an on-going discussion.

Pak Rudy concluded by reiterating that RPJMN serves as a baseline for preparing the implementation of the Village Law and also offers directions to development partners in the transition process, regarding the kinds and procedures of assistance that they can provide.

**Presentation by PMD on PNPM Transition Plan towards the Implementation of the Village Law**

Pak F. Gatot Yanriyanto, Director for Community Institutions and Training at the Directorate General of Community and Village Empowerment (PMD), identified two key issues for the transition of PNPM Rural, namely, facilitation and assets of PNPM. First, he noted that the nature of facilitation differs depending on whether or not the block grants will be sustained under the Village Law framework. If block grants are still available, facilitators will have two tasks of facilitating the block grant activities and the implementation of the Village Law. For the latter, it is necessary to reorient facilitation with the capacity building of sub-district facilitators in supporting the village government as a whole. PMD has identified

topic areas on which capacity building will be provided beginning in September 2014 and technical materials are being developed for a more comprehensive training in 2015 and beyond.

Second, Pak Gatot discussed the sustainability of the assets constructed by PNPM Rural. For physical assets, the hand-over process is critical for maintaining the outcome of physical activities under PNPM. For RLF assets, ideas have been proposed about the ways to channel RLFs to a “community empowerment trust fund” (*Dana Amanah Pemberdayaan Masyarakat*). Pak Gatot concluded by stating that block grants can help villages and fill the gap until the village fund comes into full effectiveness.

### **Presentation by Kemenko Kesra on PNPM – UU Desa (Village Law) Transition Policy and Work Plan for the Implementation**

Ibu Ir Pamuji Lestari, Assistant Deputy for Community Empowerment at Kemenko Kesra, presented the latest developments on the transition of PNPM and the Village Law regulations. Referring to the Vice Presidential meeting on July 7, 2014, she reiterated six policy components discussed at the meeting (see the attached presentation) and outlined the actions to be taken by relevant actors:

- Ministry of Home Affairs (MOHA): to prepare facilitation, village planning and governance
- Ministry of Finance (MOF): to provide the regulations for Dana Desa (village fund) financial management including the procedures of allocating funds and disbursement
- Bappenas: to review the policy of the Development Plan to be in line with the transition policy
- TNP2K: to provide technical and coordination support for Ministries in preparing the transition

The core question remains how the existing village institutions can be synchronized to support the implementation of the Village Law.

### **Discussions**

Ibu Rachael Moore from the Australian Department of Foreign Affairs and Trade (DFAT) noted that the transition from PNPM to the Village Law is a great opportunity for Indonesia, and an opportunity to apply lessons learned from more than ten years of experience with PNPM. She underlined that DFAT is ready to listen and support the Indonesian Government in the areas that require assistance. Specifically, DFAT’s support through the PSF will continue with the hiring of a Managing Contractor (MC) that will coordinate with the World Bank and other development partners in supporting the JMC.

Ibu Susanne Holste, Acting Manager for the PSF, thanked the presenters, noting that this opportunity to hear the priorities of the Government is important and timely, as the PSF needs these inputs for preparing and supporting the PNPM transition and the implementation of the Village Law. She also outlined the process by which the PSF will provide its support: after the PSF proposal for future support is formally discussed with the Country Management Unit (CMU) at the World Bank, the transition plan will be presented to the TC and to the JMC.

Pak Benni from PMD asked if an official letter about the sustainability of PNPM can be issued as such confirmation can ensure that PMD staff focuses all their energy on the implementation of the program. He also asked for clarity on the amount of the loan that is available until 2015. Pak Rudy replied that at a meeting between the Vice President and the PNPM Secretariat (at Bappenas) all options were explored.

Other discussions covered: the need for preparing technical guidelines to assist villages to prepare fund allocation for ADD (Ibu Tari); the need for mitigating risks involved in RLFs and enhancing collaboration among stakeholders on RLFs (Ibu Susanne); the role of the Village Law implementation and supervision teams (*Tim Pelaksanaan UU Desa, Tim Pengendalian UU Desa*) (Pak Hans Antlov); and the implication of the Village Law for PNPM Urban, which also covers 'desa' (Pak Arief from the Ministry of Public Works).

In addition, Pak Rudy confirmed that PNPM Generasi as it is will be a basis for frontline services and there will be no significant changes for the program. He concluded the meeting by stating that these issues can be discussed within the government at a more technical level and the transition to the Village Law Implementation is certainly an ongoing process.

**List of Participants**  
**JMC Technical Committee Meeting**

**July 14, 2014 (13.30 – 15.30)**

**PSF Office, Jakarta**

<b>No</b>	<b>Name</b>	<b>Institution</b>
1	Rudy Soeprihadi Prawiradinata	Bappenas
2	F. Gatot Yanriyanto	Ministry of Home Affairs
3	Pamuji Lestari	Kemenko Kesra
4	Wijanarko S	Kemenko Kesra
5	Riza Hamzah	Bappenas
6	Woro Srihastuti S	Bappenas
7	Husnul Hayyah	Bappenas
8	Benni Irawan	Ministry of Home Affairs
9	Katiman	Kemenko Kesra
10	Partono	Ministry of Public Works
11	Muhamad Irfan	Ministry of Public Works
12	Arief R	Ministry of Public Works
13	Rachael Moore	DFAT – Australia
14	Kate Shanahan	DFAT – Australia
15	Arief Sugito	DFAT – Australia
16	Iwan Sriwidiyanto	DFAT – Australia
17	Vanya Abuthan	DFAT – Australia
18	Nur Isravivani	EU Delegation
19	Devina Fitrika	Embassy of Denmark
20	Minarto	MCA-Indonesia
21	Deborah Isser	World Bank
22	Susanne Holste	PSF
23	Sentot Surya Satria	PSF
24	Hans Antlov	PSF
25	Sri Kuntari	PSF
26	Sonya Woo	PSF
27	Samuel Clark	PSF
28	Caroline Mary Sage	PSF
29	Bambang Soetono	PSF
30	Alexander Setiadji	PSF
31	Muslahuddin Daud	PSF
32	Sadwanto Purnomo	PSF
33	Melissa Yasmin Kapitan	PSF

<b>No</b>	<b>Name</b>	<b>Institution</b>
34	Citra Indah Lestari	PSF
35	Zulfi Novriandi	PSF
36	Anita Kendrick	PSF
37	Amy Sim	PSF
38	Fajar Pane	PSF
39	Jackie Pomeroy	PSF
40	Abishek Gupta	PSF
41	Narae Choi	PSF
42	Niruban Balachandran	PSF
43	Manoj Nath	PSF
44	Chatarina A Widiarti	PSF
45	Novi Susanto	PNPM Secretariat – Bappenas
46	Sidik Permana	PNPM Secretariat – Bappenas
47	Taufik Rinaldi	PNPM Secretariat – Kesra (Pokja)