

KILAS A4DES

COMMUNICATION FOR DEVELOPMENT EFFECTIVENESS



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INFID COORDINATED CSO MEETING IN RESPOND TO THE JAKARTA COMMITMENT

A4DES dialogue with civil society organizations (CSOs) that was conducted in September 2009 was responded positively by the CSOs which came with a recommendation to hold further and more frequent discussion. During the event, it was agreed that INFID will organize the next dialogue with A4DES.

On 8 October 2009, INFID host the continuation of dialogue with A4DES with particular topic about the Jakarta Commitment. The meeting was held in INFID office. *Don K. Marut* of INFID and *Piet Soeprijadi* of Partnership guided the discussion. Participants including KONTRAS, Transparency International, TIFA, PATTIRO, and representative from other CSOs. *Kurniawan Ariadi* & *Dodi Miharjana* representing A4DES in the discussion.

In the opening, *Don* (INFID) and *Piet* (PARTNERSHIP) provided information and review of various loans

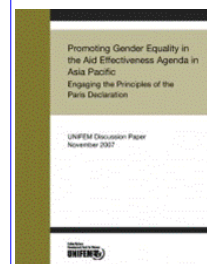


Kurniawan Ariadi, one of the PIC Secretariat A4DE talking about Jakarta's commitment in the Office of INFID, October 8, 2009.

and foreign grants from the perspective of CSOs. Marut stated that in the beginning INFID was very skeptical about the Jakarta Commitment, but after reviewing the document and having discussions with key government staff, it is seen as a shift of paradigm in the management of official development assistance. Therefore, INFID is now responded positively although it will maintain its critical stance to the implementation of the Jakarta Commitment.

It was then followed by a brief presentation on the Jakarta Commitment and A4DES. The discussion was focusing on the role of CSO in the implementation of the Jakarta Commitment Action Plan. Other issues raised were gender and human rights element in the Jakarta Commitment. While the role of CSOs remain to be discussed, the participants agreed to support and monitor the implementation of Jakarta's Commitment. Next dialogue session with CSOs is expected to be held before the end of 2009.

Promoting Gender Equality in Aid Effectiveness Agenda in Asia Pacific: Engaging the Principles of the Paris Declaration



In the attempt to meet the Millennium Development Goals (MDGs) by 2015, developed and developing countries agreed to intensify

partnerships and supporting new modalities. These are designed to align aid based national development priorities, channeling aid directly into the national budget and ensure stability and predictability of aid flows.

Paris Declaration on Aid Effectiveness (2005) outlines five guiding principles for greater aid effectiveness: ownership, alignment, harmonization, managing for results, and mutual accountability. In that sense, in August 2007, UNIFEM and the Government of Indonesia conducted a meeting that brought representatives of government and civil society from 11 countries in the Asia and Pacific region to Jakarta. The purpose of this regional consultation is to examine each of the five principles, and the extent to which they have been given the opportunity to promote gender equality and development agenda in the region.

Jakarta Commitment is the effort to improve independency in utilizing foreign aid not replacement and not donor forum like IGGI or CGI

EXPLORING THE GAP OF PROCUREMENT GUIDELINE IN MATARAM

The Working Group on Procurement held a workshop to compare GOI Procurement Guidelines (Keppres 80/2003) with development partners procurement guidelines.

This workshop was part of series of activities to harmonize GOI and Development Partners' procurement guidelines. Harmonization of procurement system is one of the key issues under the Paris Declaration as well as in the Jakarta Commitment.

The workshop took place in Mataram, Lombok on 9 to 11 October 2009. The event attended by 34 participants from WG Procurement of A4DES, the National Procurement Policy Agency (LKPP), BAPPENAS, ADB, World Bank and AusAID.

The workshop opened by *Agus Raharjo*, Secretary of LKPP. Following presentation on the draft revision of Keppres 80/2003 and development partners procurement guidelines, the participants discussed remaining gaps. There are 16 issues identified and need to be addressed in the harmonization process. These will be resolved in stages and will be tabled for the next working group meeting.

The workshop was concluded by *Dr. Lukita Dinarsyah Tuwo*, Chairman of A4DES Steering Committee.



Working Group Procurement Team taking pictures to release stress after the workshop in Mataram, 9-11 Oktober 2009.

5. Contract provisions:
 - Are alternative bids allowed?
 - Is there provision for repeat orders?
6. Domestic preference: Is there consistency in the margin of preference applied in favor of domestic goods and contractors?
 - Is there any other form of preference?
7. Pre-qualification and Post-qualification issues:
 - Pre-qualification compulsory for contractors?
 - Pre-qualification for consulting services?
 - Criteria strictly related to capability required?
 - Post-qualification used only to test capability of lowest evaluated bidder?
 - Post-qualification for consultants?
 - Is there a limit on the number of pre-qualified consulting firms?
8. Procurement Committees ULPs and Procurement Agents:
 - Are there consistent provisions for Procurement Committees/ULPs and use of Procurement Agents?
9. Price Adjustment
 - Are provisions for price adjustment consistent?
10. Price negotiation:
 - Goods works and other services
 - Consulting services
11. Bid Evaluation :
 - Are there consistent practices for goods works and other services?
 - Are there consistent practices for consulting services
12. Bid Protest:
 - Is there consistent provision for complaint/protest?
13. Owner's Estimate:
 - Is there a common view of releasing an Owner's Estimate (HPS) with the bid documents and using it in tender evaluation?

Additional Issue

The additional issues cover:

1. Consider increasing the NCB revising the threshold under the World Bank's finance projects.
2. The procurement management and the monitoring evaluation on the procurement.
3. Procurement audit.
4. Contract management including planning and monitoring (by ISP3).
5. Complaint and protest handling.
6. Sanction Handling
7. Certification
8. Evaluation of the qualification of the supplier of goods.
9. Missing items on arithmetic correction.
10. Public Private Partnership (PPP).
11. Rules for community participation procurement.
12. Advance procurement.
13. Collaborative/consolidate procurement.
14. Improving Framework agreement's definition.
15. Surety bond is also for performance bond?
16. Bid security declaration.

Substance of Comparison

Summary Comparison of Donor Positions with D r a f t Procurement Kepres 80/2003.

The discussion covering 13 issues which cover:

1. Principles: Are the procurement principles of the draft Perpres and donors aligned?
2. Procurement Policies: Is there alignment on the General Policies in the draft Perpres?
3. Types of Procurement: Do classifications used in the Perpres and by donors coincide?
4. ICB document Issues:
 - Do bidding documents have to be in English?
 - Is the language of the contract an official Bank language?
 - Does English prevail in case of inconsistency?

ACTIVITIES



Participants of the Management Committee Meeting in serious discussion at Sultan Hotel, 21 October 2009.

A4DES MANAGEMENT COMMITTEE MEETING

A4DES Management Committee conducted a meeting to discuss the implementation of Jakarta Commitment Action Plan.

The meeting, which was the first formally conducted, began with the opening by *Kennedy Simanjuntak* as the Chairman of Management Committee of A4DES. It followed with the presentation and brief discussion on the progress of the secretariat activities. The presentation continued with the WG secretaries assigned to the respective WG presenting the work plan of each WG.

The discussion session went very dynamic with fundamental questions about ongoing activities and future plans from the participants and answered fairly straightforward and well-targeted, along with jokes and humors.

The discussion concluded that A4DES priority achievement target would be the followings:

- To formulate the dialogue framework;
- Establishing the Aid Information Management System (AIMS);
- Setting up the Transitional Multi Donor Fund (TMDF) as a mean to establish nationally managed Trust Fund;
- Improve the regulation and mechanism for aid registration into the state budget (APBN);
- Revision of GOI Procurement Procedure (Keppres No. 80/2003)

It was agreed that each WG would follow this up in accordance to their respective priorities.

WG CBKM Meeting with Development Partners on South-South Cooperation



After conducting several meetings related the work plan of the Working Group on Capacity Development and Knowledge Management (CBKM) held a meeting with Development Partners on Wednesday, 21 October 2009.

The meeting was attended by related government agencies (State Secretariat, Ministry of Foreign Affairs, etc) and development partners such as AusAID, JICA, CIDA, UNDP, GTZ, the Norwegian Embassy and the Dutch Embassy.

Lukita Dinarsyah Tuwo, Chairman of the Steering Committee of A4DES, welcome the participants and lead the discussion. *Lukita* said that CBKM is the second WG in A4DES that conducted meeting with Development Partners. The opening was followed with a presentation by *R.M. Dewo Broto* as Chairman of WG CBKM, on the progress of WG CBKM and several things that need to be followed up.

On the South-to-south Cooperation issue, participants highlighted the need for a common understanding about the scope of work on the capacity building and development of South-to-south Cooperation. Through the assistance provided, basically every donor has delivered the capacity development program although under different perception. It is expected WG CBKM can build a common perception on the capacity development program to be implemented.

Representatives from the State Secretariat and the Ministry of Foreign Affairs emphasized the need to increase coordination between agencies related to South-to-south Cooperation. This is seen as the main obstacle in the development of South to South cooperation program. This resulted in a poor monitoring of such activity. Then again, the WG is expected to facilitate a better coordination by taking example of success stories from other country.

BERANDA

LEARNING ON DIALOGUE

In order to improve efficiency and effectiveness on the utilization of foreign financing to support the national development priorities, since 2006, National Development Planning Agency (BAPPENAS) has intensified the implementation of the bilateral meeting with the creditors or donors.

Government Regulation No. 2/2006 on Procedures for Foreign Loan and Grants and its implementing regulation, Minister/Head of Bappenas Regulation No. 005/2006 on Planning and Proposal Procedures and Assessment of Activities Financed by Loans and/or Foreign Grants. These provisions are references for the government in conducting dialogue and negotiation with the bilateral and multilateral donors or creditors. Dialogue and negotiations are also conducted in order to revamp foreign funded activities that experiencing problems during implementation stage, resulting in the need to have special treatment, reallocation, or even cancellation of some or the entire remaining fund.

The dialogue between the government and development partners entered a new phase under the spirit of Paris Declaration and with the signing of the Jakarta Commitment that bring the Paris Declaration into the Indonesian context. Consequently, Indonesia and its development partners are now in search of a new dialogue framework.

The new dialogue framework should carry the spirit of 'ownership' & 'leadership' in achieving the objectives of the Jakarta Commitment. Such framework should also be able to balance the interests of Indonesia and development partners, while set the country as the owner and leader in the implementation of foreign funded programs.

OPINI

Comparing the Revised Draft Keppres No. 80/2003 with Development Partner's Procurement Guideline is a way to better understands the background and philosophical thought that later gave way for the understanding on GOI procurement rules and regulations. It is also can be used as a kind of quality assessment on GOI procurement system. The result can provide way to improve the procurement system and rules, to be in line with international standards and best practices.

In that sense, GOI chooses to put procurement in the reformation agenda. The procurement reform should recognize and consider the international demand. The particular objective of government procurement reform is to increase the impact and effectiveness of foreign assistances.

Strong commitment and openness are among the most important issues and key success to analyze the gap between the national systems with Development Partners system. Therefore, the procurement gap analysis exercise not only represents the aspiration of certain institutions but more as aspiration of a community who wish to create better process, rules and procurement systems.

Roestam Sjarief - Chairman of the National Procurement Policy Office (LKPP) - spoke at the opening of the workshop "Gap Analysis COMPARISON OF KEPPRES NO. 80/2003 WITH DONORS' GUIDELINES"

PROFILE

Sarah Sadiqa, SH, MSc, is the Chairman of Working Group on Procurement, A4DES. She is also the Director of Business Climate and International Cooperation in the National Public Procurement Agency (LKPP).



Procurement is among the main issues to be sorted out under the aid effectiveness exercise. Consequently, WG Procurement is under a considerable pressure to address various problems hindering procurement process. To make things worse, the agency is in charged for the development of procurement policy and regulations, LKPP, has just been formed early this year.

Being appointed for two critical assignments is not an easy job. However, She can play it quiet well. While she is busy with her mounting regular duties in LKPP, WG Procurement seems to be well progressing. In fact, this working group is ahead in term of conducting various activities.

She realizes that exercise in the procurement area may take a longer time than other to deliver result. For that reason, she and the other members in the WG wasting no time and work in a dynamic pace in carrying out the Jakarta Commitment Action Plan. Even so, She keeps the WG under the spirit of "coolness" in performing their tasks.

AGENDA

- November 2009
 - Formulation of Dialogue Framework
 - Workshop on Aid Registration Mechanism & Inclusion into APBN
 - FGD on Trust Fund Establishment & Operation
- December 2009
 - Procurement Diagnostic Work (II)
 - Policy on South to South Cooperation
 - Dialogue with CSO (III) & other stakeholders
 - Capacity Building Program

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