

Decentralization Support Facility



**Analytical Study on
District Planning and Budgeting
Processes**

Revised Inception Report



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1 March 2008**

Background and the Purpose of the Study

This study in particular aims at documenting “field level experience of the various parallel planning and budgeting processes that are presently being used by the government and/or by donor-sponsored programmes to see how these interact, if at all.”¹ In general it is aimed at contributing to the efforts of improving the quality of decentralization that has been implemented in Indonesia since 2001.

At least there are two main transformations going on in Indonesia since 1998 that are meant to improve the quality of governance in general and the quality of services to the people in particular. Decentralization is among others intended to put the public decision-making processes closer to the people that matter most (through empowering local governments), while democratization is a drive to allow more voices and participation not only in public decision making processes but also in governance in general (through empowering legislature and civil society).

One of main problems that may hinder the achievement of such a noble goal is the ineffectiveness of planning and budgeting at the local/district level, especially with regard to accommodating people’s needs and aspirations. Although local governments now have greater autonomy over budget allocations as well as in how local development should be planned and managed, and various participatory approaches in local planning have been experimented and introduced, the processes’ ability to transform resources and aspirations into the people’s welfare and sense of justice remains problematic or precarious.

As the TOR of this study has stated, “there have been some improvements in the national-level regulatory framework. Law No. 17/2003 introduced a new financial management system designed to increase the accountability of LG working units. In addition, the legislative branch of government is now involved earlier in the planning process and non-government agencies are more involved in technical agencies’ programming. LGs are now required to devolve local-level budgets to the community and several local governments have already initiated reforms in this area, which should be further supported both to deepen the reforms in these regions as well as to allow others to learn.”

“A number of issues in implementation need to be tackled. These are: (i) the lack of integration between (a) planning and budgeting processes, (b) sectoral and area-based planning, and (c) between the executive and legislative governments in relation to planning; (ii) the low quality of participation of non-government stakeholders in the planning process; (iii) the perceived complexity of the process which may discourage LGs from implementing reform and non-government stakeholders to participate; (iv) confusion brought about as a result of different donor sponsored programs using different approaches and mechanisms for planning and

¹ Terms of Reference, Analytical Study on District Planning and Budgeting, p. 2.

budgeting; (v) planning and budgeting processes are not yet optimized because they do not deal with specific challenges arising in conflict areas, or in regard to gender-sensitive and pro-poor budgeting; and (vi) whether the increase in participation by civil society is sustainable or constitutes a burden.”

“Recently studies have focused on the Musrenbang, the formal planning and budgeting process. These include the Musrenbang study done by the Local Governance Support Program (USAID) and the Planning and Budgeting Regulatory Review by the National Democratic Institute, Several Decentralization Support Facility sponsored concept notes (see FA 3b for example) are also relevant. These earlier studies do not focus in detail on the issues of concern here, but are useful to set the context.”

“The current study aims to document field level experience of the various parallel planning and budgeting processes that are presently being used by Government and/or by donor sponsored programmes to see how these interact, if at all. The impending implementation of PNPM (Program Nasional Pemberdayaan Masyarakat – National Community Empowerment Program), which encompasses planning and budgeting as well as poverty alleviation, makes this analysis very timely. It will shed light on how PNPM is likely to impact top-down and bottom-up planning processes as well as affects the short, medium and long term planning cycles needs to be better understood.”

With the above background, this study more specifically intends to perform the following tasks (as detailed in the TOR):

- a. assessing the extent of integration between planning and budgeting processes, as well as sectoral and area-based planning exercises in local governments;
- b. identifying the geographic coverage and depth of donor input into planning and budgeting processes and assessing the degree of alignment between different donor interventions;
- c. assessing the extent to which donors and local governments have engaged with the official Musrenbang process and establishing the implications of this for the effective targeting of future resources;
- d. exploring patterns of community participation in planning and budgeting processes and whether specific local challenges such as post-conflict recovery or pro-poor and gender budgeting are addressed;
- e. finding out whether in areas where more than one planning process is being undertaken different communities are being invited to participate or the same communities and whether this is leading to participation overload, whereby the communities feel burdened.
- f. assessing the extent to which parallel donor planning and budgeting support programs have affected the GOI’s nationwide planning and budgeting processes and the extent to which this has impacted on short/medium/long term planning processes, including the nationally sanctioned Musrenbang process.

Scope of the Study

With the above purposes or objectives of the study, it will cover the following areas of activities :

- 1) Preparing a map of planning and budgeting processes that will show the geographic extent, range and depth of planning processes. This will include donor support to the Government sanctioned Musrenbang process. Donor support has been provided through the Local Governance Support Program (LGSP), UNDP's Peace Through Development (PTD) and the parallel, project-based processes used by the World Bank in programs such as Kecamatan Development Project (KDP), Support for Poor and Disadvantaged Areas (SPADA) and the upcoming PNPM (*Program Nasional Pemberdayaan Masyarakat*), as well as other parallel donor supports.
- 2) Assessing the extent to which donor programs have either supported or worked outside of officially sanctioned planning processes.
- 3) Finding out the reasons why those particular donor programs work outside the officially sanctioned planning process.
- 4) Selecting, visiting and surveying five districts from the prepared planning and budgeting map where in each one there is (or will soon be) more than one planning process *in situ*.
- 5) Highlighting the impacts of the existence of more than one planning process and documenting key issues in areas where these planning processes exist side by side.
- 6) Reviewing (updated) national-level policies and regulations on district planning and budgeting.
- 7) Providing recommendations as to how donor interventions can be better integrated to provide more coherent support to local governments. Provide recommendations as to how the regulatory environment for local planning and budgeting processes can be improved. Provide recommendations as to how planning and budgeting processes can be better integrated, how bottom-up (area-based) planning and sectorbased planning can be better integrated, how specific local needs like post-crisis recovery can be addressed and how meaningful participation can be enhanced.
- 8) Presenting the results of the study to stakeholders, including Government and donors.

In addition, since DSF seeks to promote a coherent and balanced program providing supports to local governments, this study needs to closely communicate with a number of on-going DSF activities, namely: (i) the Harmonization of Financial Management Tools, (ii) the Analysis of Local Regulations, and (iii) the Comparative Review Programs for Capacity Development of Local Governments. Outside these three DSF activities, there are also other Focal Area-2 works that may be directly or indirectly related to this Analytical Study on District Planning and Budgeting Processes, namely: (iv) the Development of Service Provider Database, (v)

Performance Measurement of Local Governments, (vi) the Identification and Replication of Good Practices, (vii) the Subnational Investment Climate Reform.²

Proposed Focus of the Study

However, because the time allocated for this study is relatively limited for such a vast amount of inquiries that involve the concerns, interests and circumstances of local governments, national government and donors with regard to planning and budgeting, it is important for the study to set out the primary focus or priority at the outset. In this context, we propose that the focus will be the field and local-level assessment of how particular donor-supported programs on improving the quality of local planning and budgeting have been implemented *vis-a-vis* the nationally sanctioned local planning and budgeting system. Also included in this focus area is the implications of any gap between the mechanisms in the donor-supported initiatives and the officially sanctioned system.

As a consequence of such a priority, any other component of the study (such as the updated review of relevant national policies and regulations or the comprehensive mapping of related donor-supported initiatives), while certainly no less important, becomes secondary. As the proposed schedule of the study (in the later part of this Inception Report) indicates, the Study Team will still aspire to cover these secondary areas of the study. Only if and when the situation somehow changes due to unexpected and unavoidable circumstances, then the Study Team will focus on the afore-mentioned priority area.

Main Audience of The Study

The main audience of this study has been set out by DSF as follows:

1. Local governments, more especially but not exclusively those participating in the related donor-supported programs on planning and budgeting;
2. National government, more specifically but not exclusively those departments or agencies directly involved in establishing framework for local planning and budgeting such as the Bappenas, MoHA, MoF (and possibly those departments or agencies directly dealing with poverty alleviation);
3. Members of the donor community, more especially but not exclusively those working on the improvement of local planning and budgeting.

In addition to the civil society—whose members are also expected not only to participate but also “own” the local planning and budgeting processes—the above three groups of audience are basically the main stakeholders in improving the quality of local planning and budgeting in Indonesia. Therefore, representatives of these groups will be interviewed during this study in order to collect their inputs and insights.

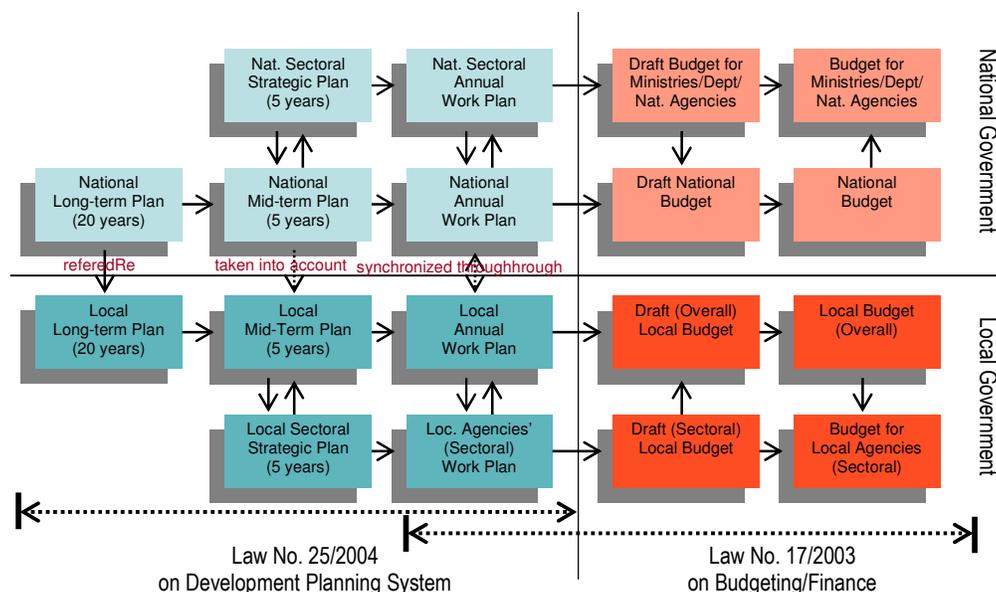
² The numbering of these parallel tasks within the DSF’s Focal Area-2 in this report does not follow the numbering in the TOR, primarily because in this report the other tasks are looked at from this study’s view point whereas the TOR sees them as a set of Focal Area-2’s works.

Preliminary Understanding of District Planning and Budgeting Issues

This section attempts to provide a preliminary understanding of the conditions, problems and challenges in district planning and budgeting. It starts with the overall legal framework, followed early identification of some critical issues in district planning as well as budgeting.

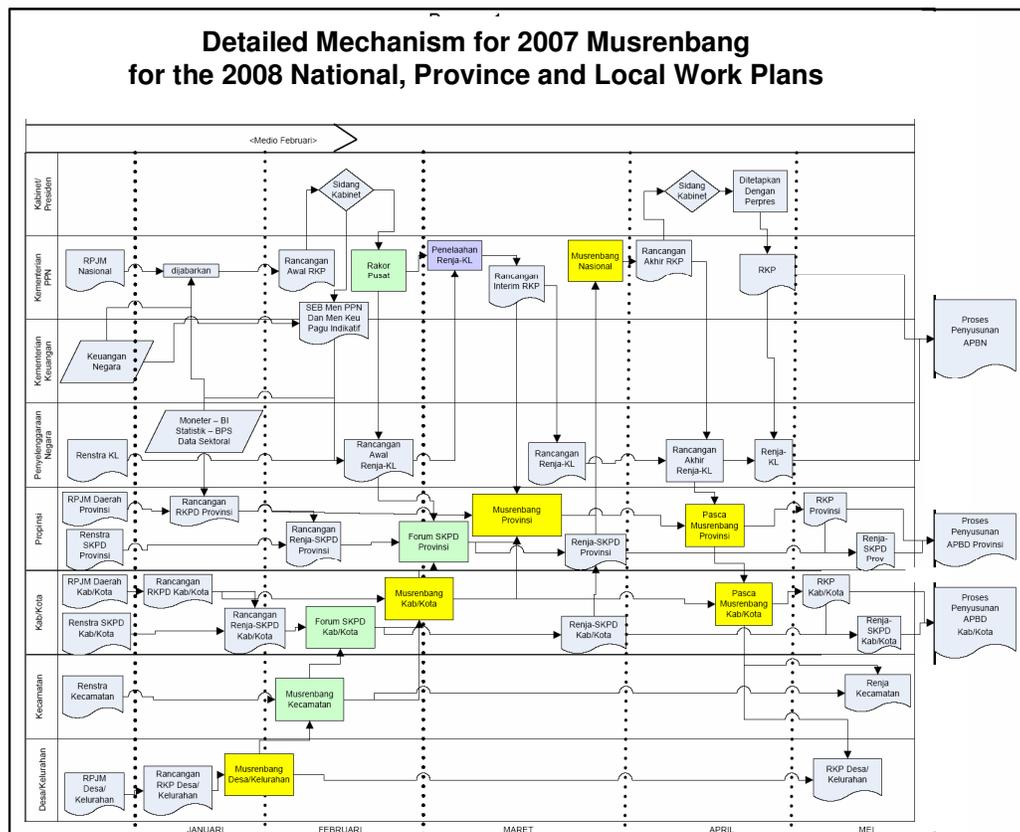
Overall Legal Framework in District Planning and Budgeting

As indicated in the introduction to this study, there have been a number of efforts to improve the quality of district planning and budgeting in Indonesia. Some of the most significant efforts in this regard have been in the development of legal frameworks. The most relevant among the new laws enacted in this regard are: the Law No. 25/2004 on National Development Planning System, and the Law No. 17/2003 on State Finance. In addition, there are two other laws that are important in the context of decentralization: Law No. 32/2004 on Regional/Local Governance and Law No. 33/2004 on the Fiscal Balance between National and Regional/Local Governments. Attempts have been made to “synchronize” these various reform-driven laws. While complication in such a “synchronizing” effort remains, especially in lower-level regulations (but also in the fundamental-ideological backgrounds), an integrated yet simple picture can be developed to connect the afore-mentioned laws, as shown by the following diagram.



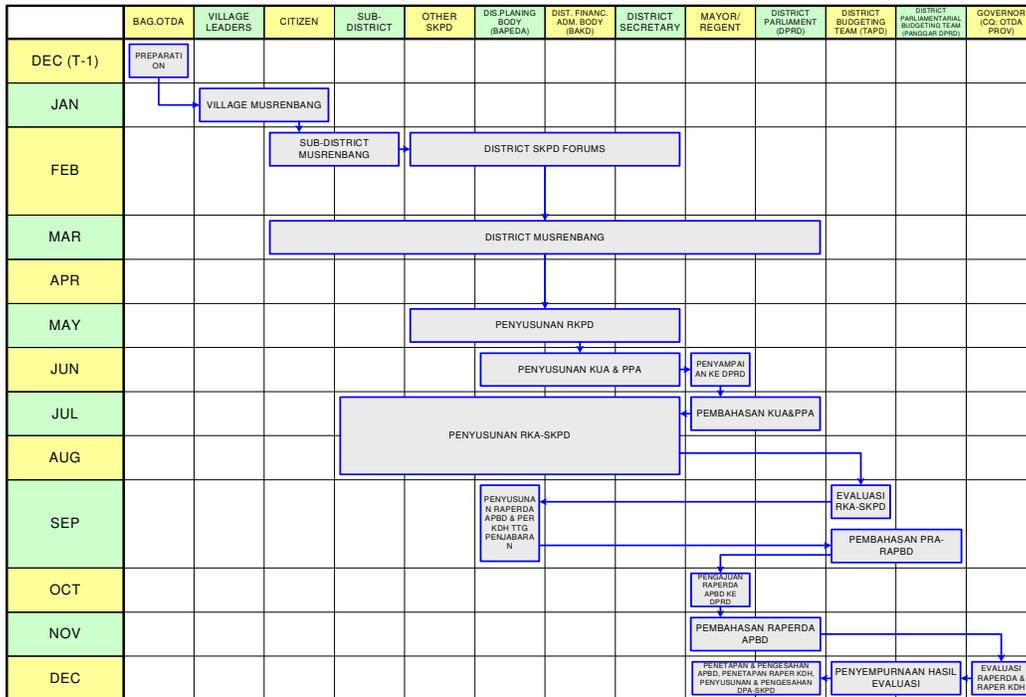
Source: Redrawn from various Bappenas presentations (and has appeared in a number of Wicaksono Sarosa's presentations and working papers).

- Government Regulation No.39/2006 on Monitoring and Evaluation Procedure of the Implementation of Development Plan (*Tata Cara Pengendalian dan Evaluasi Pelaksanaan Rencana Pembangunan*),
- Government Regulation No.40/2006 on the Procedures of Formulating National Development Plan (*Tata Cara Penyusunan Rencana Pembangunan Nasional*),
- Joint Ministerial Decree of BAPPENAS and MOHA No. 1354/M.PPN/03/2004 and 050/744/SJ on the Guidelines for Implementation of *Musrenbang* and Participatory Local Planning (*Pedoman Pelaksanaan Forum Musrenbang dan Perencanaan Partisipatif Daerah*),
- Ministerial Decree of MOHA No. 050/2020/SJ on the Directives for the Formulation of Local Long-term and Mid-term Development Plans (*Petunjuk Penyusunan Dokumen RPJP Daerah dan RPJM Daerah*),
- Ministerial Decree of MOHA No. 050/987/SJ on Guidelines for the Convening of Participatory Development Coordination Forums) (*Pedoman Penyelenggaraan Forum Koordinasi Pembangunan Partisipatif*),
- Joint Ministerial Decree of BAPPENAS and MOHA No.0008/M.PPN/01/2007 and 050/264A/SJ on the Technical Directives for the Convening of *Musrenbang* in 2007 (*Petunjuk Teknis Penyelenggaraan Musrenbang Tahun 2007*),
- Draft of Government Regulation on Steps, Planning, Monitoring and Evaluation Procedure of the Implementation of Development Plan (*Tahapan, Tata Cara Penyusunan, Pengendalian Dan Evaluasi Pelaksanaan Rencana Pembangunan Daerah*).



Source: Joint Ministerial Decree of BAPPENAS and MOHA No.0008/M.PPN/01/2007 and 050/264A/SJ on the Technical Directives for the Convening of *Musrenbang* in 2007

From the local perspective (and based on who should be involved in what actions and in what month of the year) these various laws, regulations and guidelines can be illustrated as follow:



Source: Developed by Ari Nurman based on various legal guidelines.

Meanwhile, with regard to local budgeting, there are a number of other relevant laws and regulations beside the afore-mentioned Law No. 17/2003 on State Finance and Law No. 33/2004 on the Fiscal Balance between National and Regional/Local Governments. They include:

- Law No. 1/2004 on the State Treasury (*Perbendaharaan Negara*).
- Law No. 15/2004 on the Inspection Administration and Responsibilities of State Finance (*Pemeriksaan Pengelolaan dan Tanggung Jawab Keuangan Negara*).
- Government Regulation No. 58/2005 on the Administration of Local Finance (*Pengelolaan Keuangan Daerah*).
- Ministerial Decree of MOHA No. 59/2007 on the Guidelines for Local Financial Administration (*Pedoman Pengelolaan Keuangan Daerah*), which is a revision of the Ministerial Decree of MOHA No. 13/2006 on the same matters.
- Ministerial Decree of MOHA No. 30/2007 on the Guidelines for Formulation of Local Budget for the 2008 Fiscal Year (*Pedoman Penyusunan APBD Tahun Anggaran 2008*).
- And many others, especially those from the Ministry of Finance

Looking at the list of regulations and the various diagrams illustrated on the preceding pages—which is by no means comprehensive—one cannot avoid thinking that the legal framework for participatory planning and budgeting at various levels, national or local, seems to have been more than adequately developed. However, the effectiveness of these laws and regulations as well as the helpfulness of the guidelines and directives are still unclear. An inquiry at the field level is therefore warranted.

Critical Issues in District Planning

In spite of³ the elaborated laws, regulations and guidelines with regard to local development planning that have attempted to open up the process for people's participation (and in addition to various efforts in strengthening the participatory processes), there are still a number of critical issues in district planning:

- The lack of clarity in the eyes of the local actors with regard to all of these laws and regulations, and the difficulty in comprehending the complexity can easily lead to confusion, ignorance or, worse, inaction. Lately, national government has to use incentives (and disincentives) for local governments to pay more attention to these web of laws and regulations in local planning.
- The *Musrenbang* process can easily turn into developing people's "wish list" instead of planning that always requires the clear rationale behind what was proposed and the considerations of existing resources and priorities. Many people's aspirations that were raised at the lowest level *Musrenbang* are gone as the process moves up. And some people do not know why. Such a situation can ultimately create frustration among the people whose aspirations are not accommodated but the eventual budget. In a number of cases, such a possibility of people's frustration has been anticipated and mitigation measure has been introduced by requiring the lower level *Musrenbang* to elect a number of representatives to participate in the higher level *Musrenbang* and requiring the representatives to report back to their "constituents" afterwards in order to provide the people with information about the "fate" of their aspirations.
- Not all local governments have been able to develop RPJP and RPJM since the enactment of Law No. 25/2004. There are also indications that some recently produced RPJP or RPJM documents have not been in an adequate quality (that was able to accommodate people's aspirations while at the same time also providing clear and realistic vision as well as guidance for the development in the districts). In such a situation, where the "path" for local development is not very clearly outlined, *Musrenbang* can also become only a forum to identify "what people wanted to have" rather than leading the districts to where they could potentially arrive in the future.
- Too mechanistic approaches to participatory planning (in addition to all the guidelines and directives from national governments), which were adopted by some of these well-intentioned guidelines can obscure the real spirits of participatory planning. Some local governments implement the participatory processes as a matter of obligation and therefore their emphasis becomes only

³ A more skeptical and *laissez-faire* perspective might have used the term "because of" instead of "in spite of" in this sentence.

fulfilling the requirements without actually adopting the essence of participation: that people do have the right to say and get involved in matters that affect them.

- In some places where there is a local development project that also requires its own participatory planning process (with its own approaches/methods and sometimes even by creating new local/community-level institutions) as part of the promised investment supports, the processes often became redundant and people who were asked to participate become tired of attending the forums (even more so when there was no clear indications that their voices indeed matter in the final outputs). Bappeda officials also often become overwhelmed.
- In some districts, participatory planning forums were attended by the same people from time to time (while a lot more people do not know or care to come). These members of the civil society may be genuinely concerned people but may also be self-interested people bringing in their own agenda. In such a situation, the degree of representation of the forums and the overall planning processes can become questionable.
- On the other hand, in planning processes where various segments within the community are participating (and they naturally come with different intentions, core values, knowledge, powers, relations, capacity and resource) potentials for conflicts and tensions are high. While this is a common characteristic in democratic processes, facilitators with the capacity to mediate such a situation are not yet aplenty, especially considering the large number of districts in Indonesia with its culturally as well as socio-economically diverse population.
- Self-interested political actors with access to influence the budget allocations sometime provide “brokerage service” for powerful entities. In the absence of strong and genuine civil society monitoring, such a situation can lead to the budget being allocated for some things that are actually not needed by the local people.
- And a number of other issues in district plannings.

Critical Issues in District Budgeting

From the view point of local finance, there are three main phases in district budgeting:

- 1) **District Budget (APBD) Formulation Phase**, which includes the making of the general budgeting policy (KUA: *Kebijakan Umum Anggaran*), setting up the priority and budget ceiling or upper limit (from the draft PPAS: *Prioritas dan Plafon Anggaran Sementara* to the final PPA: *Prioritas dan Plafon Anggaran*), preparation of the sectoral work-plan and budget (RKA-SKPD: *Rencana Kerja dan Anggaran – Satuan Kerja Pemerintah Daerah*), writing the draft budget note (*Nota Keuangan Rancangan APBD*) and finally the legislation process, which is to legalize RAPBD (*Rencana Anggaran Pendapatan dan Belanja Daerah*) to become the final APBD (*Anggaran Pendapatan dan Belanja Daerah*) that has a legal status of Local Regulation (*Peraturan Daerah* or popularly known as *perda*).

- 2) **District Budget (APBD) Implementation Phase**, which includes all processes after the legal approval of the local budget by the council (DPRD) up to the disbursement and implementation all funded activities, programs and projects.
- 3) **District Budget (APBD) Accountability Phase**, during which the head of the district (*mayor/walikota or bupati*) has to prepare and present the accountability report to the council.

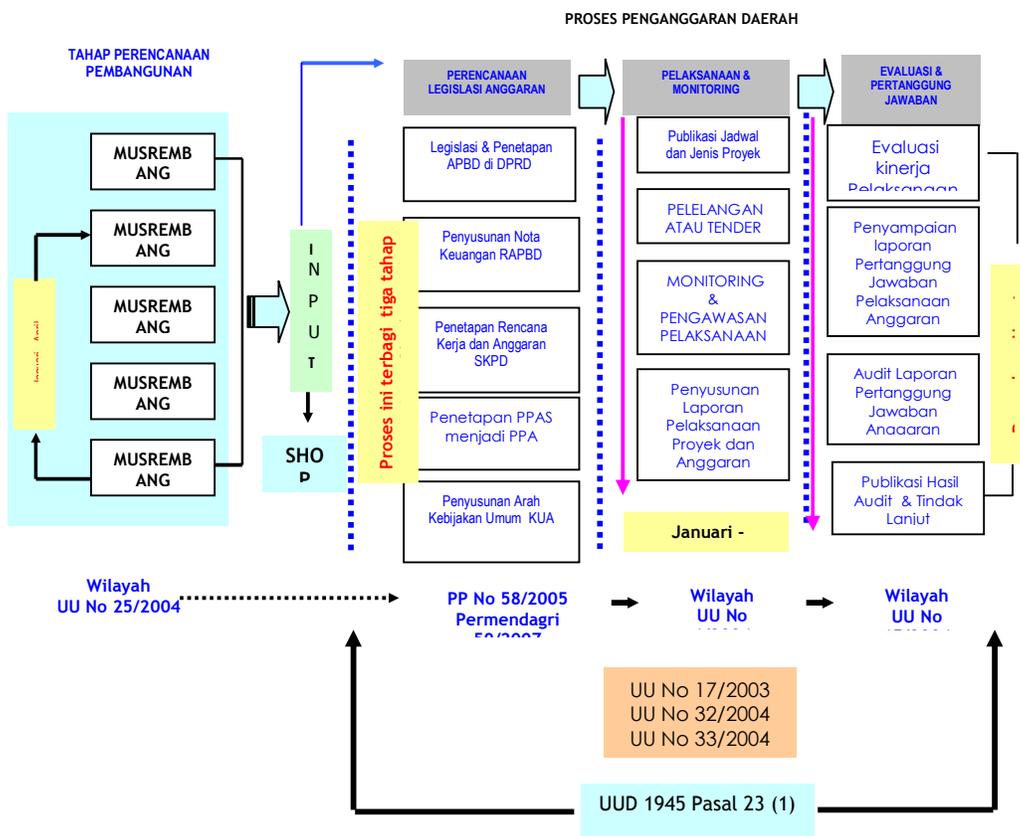
A more detailed and step-by-step stages of district budgeting process can be seen in the following table:

STAGE/PHASE	MONTH	ACTORS	OUTPUT
Drafting of General Budgeting Policy (KUA)	Early June	1. Head of District 2. TPAD (District Sec, Bappeda, Heads of SKPD)	Draft KUA
Deliberation and Approval of KUA	Late June – Early July	1. TAPD (Bappeda and SKPD) 2. DPRD Budget Committee	Memorandum of Agreement on KUA
Formulation and discussion on the draft priority and budget ceiling (PPAS)	End of July	1. TAPD (Bappeda and SKPD) 2. DPRD Budget Committee	Memorandum of Agreement on PPAS
Preparation and deliberation of sectoral work plan and budget (RKA-SKPD)	August	Each and every SKPD	RKA-SKPD Document(s)
Evaluation of RKA-SKPD	September	Heads of SKPDs and the District's Budget Committee	Evaluation Document of all RKA-SKPD
Submission of draft APBD (RAPBD) to the DPRD	October	Local Government and DPRD	Memorandum of Agreement on the Draft APBD
Discussion on RAPBD	November	DPRD and SKPD	Note of Approval of the RAPBD by DPRD
Examination of the final version of RAPBD	November	Governor and Minister of Home Affairs	Final Draft of APBD ready for legal approval and to become <i>perda</i>
Approval of APBD	December	1. Head of District 2. DPRD	<i>Perda</i> APBD
Itemization of APBD	One month after legal approval by DPRD, at the latest	1. Head of District 2. DPRD	Document detailing APBD and DPA SKPD
Disbursement and Implementation of APBD	January – December the following year	District/Local Government	Activities, Programs and Projects
Accountability report of APBD	March the following year	Head of District to the DPRD	Accountability Report

Some of the known criticisms to the current district budgeting process are:

- Civil society participation has been limited to to the public consultation in the process of finalizing APBD. Otherwise, public participation is mostly assumed to be represented by the DPRD. There is no strong legal basis in opening up the budgeting process to the broader public. As a result, the process has been dominated by both the executive and legislative branches of the local government with little control by the general public.
- Transparency of the processes as well as of the products is also problematical. It is generally difficult—though not impossible—for the public to access budgeting documents (although they are legally considered as public documents).

- It is well known that mark-ups, duplications (including with budget items in APBDs of the same district but of different years) as well as budget inefficiencies, for whatever reasons, are still widespread in most APBDs.
- Likewise, there are projects, programs and other budget implementation/ disbursement items that are not executed based on good governance principles, especially with regard to open bidding.
- Indirect expenditure is still disproportionately high relative to direct expenditure (with a general comparative ratio of 80% - 20%). Moreover, some of the direct expenditure items still contain indirect costs. Consequently, local investment for development tends to be far from adequate while at the same time working facilities for the local government officials (especially those of the higher ranks) tend to be relatively overgenerous.
- Overlapping and frequent changes in laws, regulations and guidelines (including terminologies) in local budgeting have resulted in confusion among local officials involved in budgeting processes. This is in addition to the lack of linkages between medium-term development plan (RPJM), annual work plan (RKPD), general budgeting policies (KUA), sectoral work plan and budget proposals (RKA-SKPD) and the final APBD.
- It is still easy to find some duplications in budget allocations for the same objectives/goals and diversion from the original objectives in the implementation. Similarly, there are still cases of “phantom” or fictitious budget items despite all of the regulations to avoid such cases.



Examples of Innovative Local Planning-Budgeting Practices

- Kabupaten **Sumedang** in West Java Province, has attempted to integrate planning and budgeting processes, among others by the introduction of “Forum Delegasi Musrenbang” which assigns representatives from lower level Musrenbang to the higher ones in order to “guard” citizens’ proposed projects from the proposal stage, inclusion in various stages of planning process up to the final planning document, the budgeting processes, the implementation of the projects and their evaluation. There have also been efforts to make Musrenbang in various level to be more efficient—without reducing the level of participation by the people—through better preparation (pre-Musrenbang activities which include attempts to reach out those who traditionally were not used to express their aspirations in open forums) as well as capacity building, especially by training local facilitators to improve their capacity to facilitate processes with a lot of different interests and limited resources. The results of the village level Musrenbang could then be divided into those activities that are to be funded by Dana Alokasi Khusus Desa (DADU), those to be self-funded by communities’ own contributions, and those activities that are to be funded by the APBD. While originally this Study planned to include Sumedang as one of the five districts to be directly surveyed, under suggestions of various contacts and primarily because there have been a number of recent and on-going studies or reports on planning – budgeting in Sumedang (such as by Iniatif, TIFA, BIGS, LPEM, etc.), this Study will instead study Sumedang through any available secondary source.
- Kabupaten **Bandung**, also in West Java Province, has introduced an approach to accommodate various interests among stakeholders in the planning-budgeting processes, by “dividing” the budget for the following year into three different allocation: (i) allocations for citizens’ proposals at the sub-district or village level to address particular or specific problems or needs; (ii) allocations for SKPDs to address their “routine” expenditures (such as building maintenance, etc.) as well as all other sectoral expenditures to meet their individual responsibilities as well as in carrying out some higher-level or national goals; (iii) allocations for elected officials (*Bupati, Wakil Bupati* and council members) to allow them to fulfill their “political promises” to the public or their respective constituents during their campaign for the position. With such an approach, it was expected—among others—that political promises would become more transparent and no longer be hidden behind some “regular” budget allocations.
- Despite being the poorest district in Bali Province, Kabupaten **Jembrana** has been widely reported as an example of what can happen if local authorities make the most of the decentralization policy for their people. It has introduced a wide array of local reforms and innovations to improve the quality of its people’s lives. The district has introduced various efficiency measures so that it has financial rooms to provide free education while at the same time also improve the schools’ and teaching’s qualities. Similar measures have also been taken in the health sector, particularly with its “*Jaminan Kesehatan Jembrana*” that ensure basic health coverage for all, but more especially for those who used to be unable to access decent health services. Another set of similar measures have also been taken to improve the economic conditions of the poorest members of Jembrana population (mostly fishermen’s families). Budget allocations were made available and financing schemes were developed in a way that enables the poor to access credits. While to some extent people do participate in these various measures, many of these reforms, however, were heavily driven by the local government,

more especially by the reform-minded and people-oriented Bupati. The strengthening of the roles of civil society in public realms in Jembrana has not been well reported. It also remains to be seen if there is also any particular innovation or reform with regard to planning and budgeting processes beyond the technocratic efficiency measures.

- Kabupaten **Jepara** in Central Java Province has also done some improvement measures in its planning and budgeting processes. Here, a multistakeholder Participatory Poverty Assessment is conducted prior to each village-level Musrenbang to improve the quality of inputs to the Musrenbang process as early as possible. Furthermore, SKPD-Forums are also held before the *kecamatan*-level Musrenbang⁴ in order to strengthen the outputs of the *kecamatan*-level Musrenbang. Facilitators for Musrenbangs are now selected from the local civil society and official speeches during Musrenbang have been reduced to minimum. The district also organizes a “Musyawarah Besar Rakyat Jepara,” which openly invites members of the local communities to participate in a series of thematic discussions such as on agriculture, fishery, education, health, village governance, small-scale productive economic activities/entities (UMKM), and the APBD. There have been various external assistance—such as from the Ford Foundation, the Asia Foundation, the LGSP and the like—to support parts of the reforms. Lakpesdam NU has also been involved.
- Working with Komunitas Peduli Perempuan dan Anak (KPPA), the city of **Palu** in Central Sulawesi Province has seriously attempted to develop a local budget that is pro-poor and gender-responsive. Among others, the city plans to gradually increase budget allocation for education up to 20% and for health sector up to 15%—not including salaries and operational costs in the two sectors—in the next five years (beginning this year). Special attention is given to women in the economic sector by empowering women-lead small business entities, setting up fair/equal salary standards (that do not differentiate women and men) and a number of other measures. Similar special attention is also given to increase the roles of women in the district’s planning and budgeting processes. These plans are put in a publicly announced “Nota Kesepahaman” (Memorandum of Understanding). It remains to be seen if and how the city government consistently implements these plans or pledges. But the local people have been given rooms and access to monitor.
- A large part of the kabupaten **Aceh Jaya** in Nanggroe Aceh Darussalam has been destroyed by the December 2004 tsunami. The district’s capital town, Calang, was practically wiped out. But the local government and the people—with various external assistance—try to “rise from the ashes” and rebuild a better Aceh Jaya. In the process, a series of elaborate, bottom-up and long-term as well as short-term planning exercises have been conducted by seriously involving traditional entities such as *mukims*. It remains to be seen whether these elaborate participatory exercises will translate into budget and development implementation that fit with the needs of the people.
- Kabupaten **Sleman** of the Yogyakarta Special Region is well-known as one of the pioneering districts in implementing principles of good local governance such as participation, transparency, accountability, efficiency and effectiveness. In the area of budget transparency, Sleman was among the first districts to publish its annual budget plan and implementation on local newspapers.

⁴ While the nationally and officially-sanctioned process regulates that SKPD-Forum is conducted after the *kecamatan*-level Musrenbang.

- There have actually been a number of other districts implementing various innovations to improve the quality of their planning and budgeting processes, especially with regard to participation, transparency and effectiveness of the processes. For example, in the early years after the introduction of decentralization, the **City of Mataram** in West Nusa Tenggara introduced the so-called “*Musyawah Pembangunan Bermitra Masyarakat*” (MPBM) which not only designated representatives to follow the “fate” of the people’s proposals from lower stages of participatory planning to the higher ones but also attempted to officially acknowledge those projects or activities that were funded by the communities, fully or in partnerships with the government. The final outcome of the MPBM process was three different agenda: (i) government agenda (funded by APBD), (ii) people’s agenda (funded by the people/groups of people/communities), and (iii) partnership agenda (a combination of APBD allocations and people’s contributions). The idea behind it was that local governments would never be able to fulfill the needs of the people while some people and communities actually have the capacity to contribute something. The initiative was at one point of time supported and promoted by UNDP’s BUILD program. The Study Team currently does not have any information about the current state of this innovative initiative. There have been conflicting reports about the “fate” of this initiative: some said it is no longer in action while others indicated that the idea is still there only needs improvement. An inquiry about what has happened with this innovation after more than five years is actually warranted. It is with this understanding that this Study includes the city of Mataram among the five districts to be thoroughly surveyed.

There are many other cases of innovative approaches to local planning and budgeting that this study will try to summarize and use for analysis as the study goes. Inputs and feedbacks from those who are knowledgeable of such cases are therefore expected and welcome.

Preliminary Overview of Existing Initiatives Supporting Improvement in District Planning and Budgeting

This chapter aims at summarizing some of the relevant donor-supported projects that the study will attempt to look further into and select some of the cases from among them for field survey. Considering that there is a vast array of projects in this area, this mapping of donor-supported projects in district planning and budgeting is far from being exhaustive and comprehensive. But we attempt to cover the major ones.

The current summaries (in this Inception Report) are based on the limited information on hand at the time of the writing. Moreover, some of these have been collected and contributed individually by members of the Study Team, and have not been exhaustively discussed in further detail within the Team. Therefore, the following summaries are still preliminary and subject for further corrections, confirmations, feedbacks and scrutiny. We welcome any input.

Initiatives for Local Governance Reform

According to some of its publication, the World Bank-funded Initiative for Local Governance Reform aims at supporting district governments in improving transparency, accountability and public participatory practices and in undertaking reforms in financial management and procurement. In the areas relevant to district planning and budgeting, the Project has the following main components: (1) local governance reform, (2) poverty-targeted investment, (3) implementation supports. Furthermore, the component of local governance reform is further divided into the following sub-components: (a) reform of the district planning and budgeting processes, (b) reform of the district budget implementation and financial management and reporting, (c) strengthening accountability mechanisms. Innovation of this project is particularly in providing platform for investment through institutionalizing governance reform (transparency, participatory and accountability) in local regulation (peraturan daerah).

Started its implementation in 2005 (and shall end in 2009), the project builds on lessons learned from on-going CDD initiatives, and the results from analytical work on decentralization. It was aimed to pilot mechanisms to reward reform-minded governments that are willing to develop local, participatory poverty alleviation initiatives based on citizen choice. The objective of the project is to pilot support to district (kabupaten) governments in improving transparency, accountability and public participatory practices and in undertaking reforms in financial management and procurement. By the end of the project it is expected that: (i) the role of local governments and stakeholder groups in planning and monitoring service delivery and

funds utilization increased, and (ii) local governments open their budgeting, planning and financial management practices to greater public scrutiny.

The Project Appraisal Document indicates some critical issues regarding the project. In short, this project tries to address poverty through several interventions: from institutionalization of good governance to investment in basic infrastructure. At the end, the WB provides some “menu” (“positive list”) of investment, which provides the basis for selection by the participating local governments participatory planning process. Some of the critical issues identified in the implementation of the project are:

- The positive list of investment provided by the Project is assumed to contain solutions for poverty; meanwhile participatory processes may result in project proposals that are not included in the positive list.
- There is a possibility that some of the participatory processes in the Project was not genuinely used to explore the needs of the poor and to find ways to address them. Instead, the participatory process may only be a means to legitimize the selection of the projects in positive list (particularly if the participating local governments are only concerned with attracting the offered investment, and not more than that).
- The participatory planning process in this project is separated from (parallel to) the formal local planning and budgeting processes, which officially also require participation. This situation may potentially result in over-burdening community members to participate in various planning and budgeting activities.
- The projects in the positive list of potential investments could also be financed by APBD (outside the matching budget). Thus, it is possibility that a project or activity in the participating district receives double funding (from APBD and the project), which differs from combined funding (as in the use of matching budget). Whether such a possibility has actually ever happened, the Consultant Team at this point does not have any information.

The information collected so far indicates that ILGR has been working in 15 districts (in 9 provinces) that include Solok and Tanah Datar (in West Sumatera Province), Lebak (in Banten), Bandung and Majalengka (in West Java), Kebumen and Megelang (in Central Java), Bantul (in DIY), Ngawi and Lamongan (in East Java), Bolaang Mongondow (North Sulawesi), Boalemo (Gorontalo), Gowa, Takalar and Bulukumba (in South Sulawesi).

Local Governance Support Program

Project publications states that “LGSP represents the United States Agency for International Development’s (USAID’s) commitment to support Indonesia’s own decentralization and democratization efforts. Indonesian government agencies at the central, provincial, and local levels are already taking initiatives to improve the quality of public services, implement participatory planning and performance budgeting, and introduce direct elections. LGSP will support these and other efforts by providing training, models, and information which can be replicated throughout Indonesia. LGSP will also help Indonesian local governments identify their own strengths and further develop local resources to improve the quality of public service delivery to citizens.”

As also stated in its publication, LGSP is based on a vision of good governance and sound financial management that uses strategic and participatory planning and

performance budgeting to facilitate citizen input into local government resource allocation decisions. LGSP will assist local governments to:

- Implement integrated planning, budgeting and reporting in local governments
- Develop performance budgets based on realistic resource allocations with measurable outcomes to achieve community priorities
- Incorporate indirect expenditures into departmental budgets
- Promote performance budgeting for municipal enterprises, and
- Develop revenue generation strategies and tactics.

Originally intended to work in over 100 local governments over a four-and-a-half year period (March 2005 to September 2009), LGSP have until this moment been working with least 60 participating local governments in the following provinces: South Sulawesi, East Java, Central Java, North Sumatera, NAD and West Papua. Activities in three other province: West Java (eight local governments), Banten (two local governments) and West Sumatera (six local governments) have been closed.

Pro-Poor Planning and Budgeting (P3B) Project

The Asian Development Bank and the Bappenas have been working on the Pro-Poor Planning and Budgeting Project. Working at both national level as well as local one, the project has three main components: (1) Pro-poor planning and budgeting by linking the processes to local poverty reduction action plans, (2) Capacity development, which includes training, seminars, workshops participated not only by local government officials but also representatives of the civil society in the participating districts, and (3) the Conditional Cash Transfer (CCT).

The technical assistance was “launched to contribute to the improvement of access of the poor to quality social services and infrastructure.” The expected outcomes include: “(a) local poverty reduction strategies that are operationalized and linked to participatory budgeting processes, (b) a nationwide CCT program that provides income support to the poor while building human capital.”⁵

Eleven (11) districts in three provinces have been participating in the project. They are: Ogan Komering Ilir, Ogan Ilir and Palembang (South Sumatera), Wonosobo, Banjarnegara, Purbalingga and Semarang (Central Java), West Sumba, East Sumba, Manggarai and Kupang (Nusa Tenggara Timur).

PNPM Mandiri

The National Community Empowerment Program or *Program Nasional Pemberdayaan Masyarakat* (PNPM) was introduced by the GOI in September 2006 as an expansion and strengthening of proven and long-standing community empowerment programs such as the PPK (*Program Pengembangan Kecamatan*), which furthermore will focus in rural areas, and P2KP (*Program Pengentasan Kemiskinan Perkotaan*), which has been focusing on urban communities. Currently, the PNPM-PPK works in 30 provinces covering 349 *kabupatens* and 1993 *kecamatan*s throughout Indonesia.⁶

⁵ Hickling, Mid-Term Progress Report, ADB-TA 4762 INO: The Pro-Poor Planning and Budgeting Project (P3B), Jakarta, June 30, 2007.

⁶ The number of participating *kecamatan*s may have changed because a few have dropped for various reasons.

Peace Through Development

Peace Through Development (PTD) is National Development Planning Agency (BAPPENAS) and UNDP's five-year programme that aims to enhance the capacity of government and civil society to formulate and implement policies and programmes on crisis-sensitive development. The PTD programme provides a framework for UNDP's continued support to development in areas that are still recovering from recent conflict. Its immediate objectives are: (i) strengthened governance capacity in conflict-sensitive planning to support long-term conflict prevention and peace building and (ii) improved livelihoods through peace building efforts, increased economic opportunities, and supported by an appropriate legal framework. PTD has been working in Maluku, Maluku Utara, Sulawesi Tengah. SBB, Malteng, Sula, Jailolo, Kota Palu, Kab. Poso

Others

There are a number of other donor-supported projects that are related to district planning and budgeting, and therefore deserve consideration in this study. Among them are the SPADA (Supports for Poor and Disadvantaged Areas) Project in Aceh and Nias, USDRP (Urban sector Development Reform Project, which may be seen as the "urban-counterpart" of ILGR and has been working in cities such as Blitar, Cimahi, Depok, Manokwari, Musi Banyuasin, Palopo, Palu, Pare-Pare, Parigi Moutong, Sleman and Yogyakarta), the recently concluded BRIDGE (Building and Reinventing Decentralized Governance) in five provinces (ten districts) in Sulawesi and many others.

Selection of Cases to be Studied

This part of the Inception Report outlines the selection process of the five districts to be visited for this Study. At the time of the Inception Report however, the Study Team will only propose tentative selection of districts subject to scrutiny and evaluation. Further inputs are expected from: (i) the presentation and discussion of the Inception Report with the DSF-Team and, perhaps, some representatives of the government, (ii) more in-depth interviews with individual project/donor officials, (iii) informal conversation within the permitted period before the final decision has to be made (which we propose approximately to be a week after the discussion on this Inception Report).

Criteria for Selection

The criteria for selection were developed on the basis of what is to be expected from the cases studied. The Study Team understands that the five districts to be visited have to be as varied as possible to somehow “represent” the diversity of districts in Indonesia. However, knowing that conditions of districts (kota and kabupaten) in Indonesia are very diverse (some are rich and financially capable, others are poor; some are well developed, others have seen limited development; some are densely populated, others are sparsely populated; some are old while a few others are newly established with their own peculiarities; some are in a mainland—on a big island—while others consist of small islands making communication among citizens very difficult and costly; and on and on). The variety of local cultures is even more difficult to be represented. So, any variety of local cultures in the selected five districts was only the result of other selection criteria.

With an understanding that any combination of five districts would never really represent the variety of districts in Indonesia, the Study Team then selected the following criteria:

- **Geographic variation:** the five districts have to come from the island of Java, the Western part of Indonesia and the Eastern part of the country. Because Java is densely populated and has a large number of districts, two representatives may be warranted.
- **Types of the districts:** the five districts have to represent *kabupatens*, small towns and big metropolitans, knowing that planning and budgeting situations in those types of districts may be different. Two or three *kabupatens* may be warranted considering the number of *kabupatens* is much bigger than the number of cities. However, since Indonesia is increasingly urbanizing (with more people are expected to live in urban areas than those live in rural ones by 2010), the variety of urban areas cannot be overlooked. Here we would like to have at least one representative of small town or mid-size city and another one of big cities.

- **Conflict or non-conflict situation:** Considering that horizontal social conflicts—or at least the potentials for such conflicts—are still prevalent in some parts of the country and that horizontal social conflicts tend to affect the ways people relate to each others (more distrusts), making participatory process difficult if not impossible, the Terms of Reference indicates that this study also looks into planning-budgeting conditions in conflict or post-conflict areas. Originally we would also like to add “disaster-prone” or “post-disaster” areas to be represented in the selected group of five districts. However, upon various considerations, this additional criterium may not be met in the final set of five districts to be surveyed.
- Existence of **donor-supported project(s)** in district planning and budgeting: Here we would like to see how the planning-budgeting mechanisms in the donor-supported projects differ from the officially-sanctioned mechanism, and what are the implications of such gaps. The TOR also requires that the Study looks into a multi-donor situation. In addition, we thought it is also useful if we could find a case of successful planning-budgeting innovation without any donor “intervention” or a case where donor-funded projects came only later after some initiations by the local stakeholders.

Selected Cases

With the above criteria, and after several internal discussions, the Study Team tentatively proposes the following districts to be visited. As mentioned earlier, at this point we are very much open to other suggestions.

District (Province)	Geographic Location	Type of District	Conflict/ Non-Conflict	Donor Supported Projects	Additional Notes
Kebumen , Central Java	Java Island	Kabupaten	Non-conflict	ILGR, LGSP, P2KP/PNPM Mandiri	Has been known for its governance reform and strong civil society
Pelembang , South Sumatera	Western Indonesia	Metropolitan City	Non-Conflict Area	P3B, P2KP/ PNPM	There are spots of extreme poverty in contrast with rapid urban development; Heterogeneous population
Poso* , Central Sulawesi	Eastern Indonesia	Kabupaten	Conflict/Post-Conflict Area	PTD, and perhaps others	
Mataram* , West Nusa Tenggara	Eastern Indonesia	Mid-size City	Non-Conflict Area	TAF, GTZ-GLG, AusAID	Its MPBM approach was hailed as pioneering reform five years ago.
Probolinggo* , East Java	Java Island	Kabupaten	Non-Conflict Area		Included in MOHA's synchronization of planning and budgeting

*) Tentative, to be decided upon returning from Palembang

Approach, Methodology and Tools of Analysis

With the the situations as summarized in the preceding sections/chapters of this report, the Study Team proposes the following approach, methods and tools of analysis/assessment to achieve the intended outputs as outlined in the introductory chapter. However, it is also important to note at this point that the Study Team considers it important to have flexibility in using the methods or tools to respond to any particular situation, especially when assessing processes in the five districts.

Approach

The Study Team approaches this study as primarily an inquiry to find out the extent of integration between district planning and budgeting as well as various planning exercises implemented in the five selected districts (including sectoral planning, spatial planning and planning approaches introduced through donor-supported projects). The emphasis will be on what really happens at the local level. Inquiries of the relevant legal and formal frameworks at the national level is conducted to provide the basis for analysis of what have been implemented at the local level. Similarly, inquiries of donor-supported projects' backgrounds, purposes, approaches, methods and implementations are only to provide supporting.

However, since this study is actually not meant to examine the problems and provide solutions specifically for the five selected districts but is precisely meant to provide broader understanding of the phenomenon and possible solution, some inductive generalization has to be taken at some point. The limited number of districts being closely reviewed can be moderated by studying similar inquiries (especially knowing that this is certainly far from being the first study on district planning and budgeting in Indonesia).

While the five districts are to be selected as such so that they will have as wide variety of districts as possible, the Study Team acknowledges that in no way these five districts could represent the variety of district planning-budgeting situations in Indonesia. Likewise, while this study will also look carefully at donor-funded planning-budgeting projects, in no way this study can be seen as an evaluation of the projects being examined. This study will also not be able to comprehensively and exhaustively map donor-supported projects in district planning and budgeting.

Methodology

The main means for the inquiry are at least three: (i) interviews with various stakeholders, (ii) review of documents (hard copy or digital) and (iii) group discussions (which can be expanded to become workshops, if necessary and if possible). In all of those inquires, the information to be found out is basically surrounded on three main questions:

[1] Questions related to participation: How participatory have planning and budgeting processes been implemented in the district surveyed? What have been the problems as well as good points of the participatory processes in planning and budgeting in the district [factors affecting the participatory processes]? Is there any particular pattern of participation? How sensitive have planning and budgeting processes in the district been in incorporating gender issues? How have horizontal social conflicts—if any—in Kebumen affected people's participation?

[2] Questions related to planning-budgeting integration: How integrated are the planning and budgeting processes in the district? What have been the problems as well as potentials for integration?

[3] Questions related to donor-supported projects' integration to formal processes: How have mechanisms or processes in district planning and budgeting introduced in donor-supported projects in the districts (such as ILGR, UPP, KDP, PNPM, PTD, P3B and the like) been different or apart from the officially/legally-sanctioned ones? Why has there been any difference or separation? What have been the implications of such differences?

The district-level investigations are to be complemented by inquiries at the national level through interviews with national government officials, donor/project's experts, and researchers in the area as well as study of legal/policy documents and other studies. It is possible that focus group discussions are to be conducted in this study.

In any in-depth interview to be held for the study, at least two persons (of the three members of the Study Team) have to be present. However, informal interviews or conversations—both by individual members of team or by the team as a group—can also be potentially useful sources of information. In such cases, verifications or cross examinations may be needed (either by inquiring other sources for the same information or by assessing consistencies from the same source of information).

Overview

It is understood that the time allocated for this analytical study of district planning and budgeting is not abundant, considering the amount of materials that need to be reviewed, the time needed to visit the five selected districts, the people to be consulted and the complexity of the problems, particularly with regard to identifying various gaps between what are stated in the laws, regulations or project guidelines and what have actually been implemented on the field. The overall duration of the study is expected to span over a period of 14 weeks, beginning in the mid of January 2008 (with contract officially starts on 21st of January 2008) and ending at the end of April 2008.

Work Tasks and Schedule

There are at least 10 groups of tasks for the Consultant Team to do in the period of 14 weeks as follow:

- Task 1. **Start and Preliminary Works:** which includes a kick-off meeting in DSF (on 16 January 2008), consolidation of the Consultant Team, further study and internal team discussion on the TOR, preliminary desk study (including internet search of relevant sites, primarily of some on-going donor-supported projects that support the improvement of district planning and budgeting. It may also includes some informal conversations with people knowledgeable of district planning-budgeting projects. This will take approximately a week (although the desk study/internet search will certainly continue throughout the period of the study).
- Task 2. **Inception Report:** Conducting the preparation, internal discussions and writing of the Inception Report. The TOR has stated that Inception Report is to be submitted two weeks after the official start of the study (which falls on 4th of February 2008). Upon the presentation of the Inception Report on the afore-mentioned date, revisions to accommodate inputs are undertaken. While it was earlier expected that the Consultant Team already came up with a fixed set of proposed five districts when submitting the Inception Report, it turns out that more thorough consultations with related donor-supported project management teams are needed. Therefore, this Inception Report only contains a tentative set of five districts to be visited for further discussions.
- Task 3. **Interviews with Donor Agencies and Donor-Supported Projects:** Upon getting feedbacks on the Inception Report, the Consultant Team then conducts meetings or interviews (structured or non-structured) with related donor-supported project management teams such as World Bank's ILGR and SPADA, USAID's LGSP, PTG, ADB's P3B, PNPM, GTZ's GLG and

others. The purposes of these interviews are: (i) to obtain insights about the district planning and budgeting mechanisms introduced in their individual projects, (ii) to discuss some challenges, problems and potentials with regard to district planning and budgeting based on their particular projects' experience, (iii) to solicit recommendations on which cases in their domain are worth visiting or studying more thoroughly (although at this point, the Consultant Team already has nominated the five districts to be visited—as stated in Chapter 5 of this Inception Report—and discussed them with the DSF Team). It is still possible at this point that there will be a change in some but not all of the five districts to be visited. Also falls within this category are the interviews with other DSF's Focal Area-2 study teams (as indicated in the scope of the study).

Task 4. Selection and Visitation of Districts: Upon studying a number of donor-supported projects, the Consultant Team then selects the final districts to be visited (subject to consultation and approval from the DSF-Team). Since the district field study is seen as the main priority of the study, a careful selection is necessary. Similarly important is the time allocated to visit the five districts. The Consultant Team proposes that the study allocates approximately one week for each district visit. This includes travel time and preparation. The actual duration of stay in each district probably around 3 days, allowing meetings with various government officials, members of the local councils, local project implementing units as well as civil society representatives. The Consultant Team proposes that the field visits are not conducted continuously but intermittently, with some tasks being done in Jakarta/Bandung/elsewhere⁷ in between.

Task 5. Interviews with National Government Departments/Agencies: A number of national government departments have some authorities with regard to district planning and budgeting, and therefore need to be consulted. Most particular among them are the Ministry of Home Affairs, Bappenas, Ministry of Finance. The main purposes of the interviews in this category are: (i) to obtain confirmation on the most current national policies and on what are considered to be the officially-sanctioned mechanisms for district planning and budgeting, (ii) to acquire understanding on some of the problems as seen from the national government perspectives, (iii) to gain insights as to what policy changes are in the horizon. A task team who are currently working on the revision of the Law No. 32/2004 on Regional Governments may also need to be consulted. Other national government's departments or agencies may also be consulted if they have projects related to district planning and budgeting and if time allows.

Task 6. Mid-Term Consultation with DSF: The Consultant Team sees it important to conduct a mid-term consultation with the DSF-Team overseeing this study. By then, according to the plan, the Consultant Team will have visited two (out of five) districts and conducted meetings/interviews with a set of donor-supported projects as well as national government departments related to district planning and budgeting. The main purpose of this consultation is to see whether the study is on the right track, what technical problems are being faced and whether some changes in the approach or

⁷ Within the overall duration of the study, Wicaksono Sarosa will be absent on 11/3 through 13/3 and 17/3 through 19/3 due to his previous commitments. Ari Nurman and Misbahul Hasan will also indicate when they are not available due to their previous commitments.

perhaps even the direction of the study are needed. Again, this may also include discussions/consultations with other DSF Focal Area-2 study teams.

- Task 7. **Interviews with Research Institutes, NGOs, National Associations of Local Governments/Councils:** Since the concerns regarding district planning and budgeting is shared by many other stakeholders and some of them have also conducted studies, developed guidelines, experimented innovations, facilitated the participatory processes and performed other actions related to planning and budgeting, it is important for the Study Team to also meet and discuss with some of the research institutes (perhaps SMERU, YIPD, URDI, BIGS, etc.), NGOs and national associations of local governments/councils (APEKSI, ADEKSI, BKCSI, ADKASI).
- Task 8. **Analysis of Information and Writing the Draft Final Report:** The amount of information gathered during this study—with its three or four main sources: donor/projects, national government, local field studies and other sources—is expected to be significant. It is therefore important for the Study Team to specifically allocate adequate time to analyze, discuss and synthesize the information and begin writing the final draft relatively in advance.
- Task 9. **Draft Final Report and Feedback:** Upon the submission of the Draft Final Report on the 30th of April, in the feedback period of two weeks, it is possible that a half-day discussion session is conducted for presentation and discussion of the final findings of the study.
- Task 10. **Final Report Submission:** The Study Team expects that the submission of final report will be two weeks after the 30th April submission of the draft final report.

The above 10 tasks are scheduled as follow:

No	Activities	W e e k													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Kick-off, Team Consolidation and Preliminary Desk Study	■													
2	Discuss, Write and Submit Inception Report		*												
3	Interviews w/ Donors / Programs / Projects			▨	▨	▨	▨	▨	▨	▨	▨	▨	▨	▨	▨
4	Select and Visit 5 Districts/ Project Locations				▨	▨	▨	A	B	▨	▨	C	D	E	▨
5	Interviews w/ Gov't (MOHA, Bappenas, MoF, etc)									▨	▨	▨	▨	▨	▨
6	Mid-Term Consultation w/ DSF-Team										▨				
7	Interviews w/ Research Institutes, NGOs, Assoc.								▨	▨	▨	▨	▨	▨	▨
8	Analyze Information and Write Final Report									▨	▨	▨	▨	▨	▨
9	Submit, Present, Obtain Inputs for Draft Final Report														*
10	Submit Final Report (2 weeks after Draft Final)														→

The Study Team consists of three persons with the main responsibilities as follows:

- (i) the **Team Leader/Senior Consultant**, Wicaksono Sarosa, who is chiefly responsible for the overall performance of the team, the overall quality of the study, analysis and overview of the fundamental/general issues of district planning and budgeting, writing of the overall reports, making sure that schedule is followed (and making decisions if and when there is any situation that significantly affects the schedule and the study in general), coordination within the Study Team, representing the team in main communications with DSF as well as with other relevant parties;
- (ii) **Consultant with a Specialization on Local/District Planning**, Ari Nurman, who is primarily responsible for the acquisition and analysis of information with regard to local/district planning (including legal frameworks, policies and what have been implemented in the fields, within and without any donor supported initiatives), writing of the relevant parts of the study on district planning, the planning parts of the mission reports, and representing the Team if and when the Team Leader is not available.
- (iii) **Consultant with Specialization on Local/District Budgeting**, Misbahul Hasan, who is primarily responsible for the acquisition and analysis of information with regard to local/district budgeting (including legal frameworks, policies and what have been implemented in the fields, within and without any donor supported initiatives), writing of the relevant parts of the study on district budgeting, the budgeting parts of the mission reports, and assisting the Local Planning Consultant in representing the Team if and when the Team Leader is not available.

The Study Team is also supported by a DSF administrative staff, Ms. Sarika Salmaria, for administrative works that may include official external communication letters (if needed), scheduling main meetings with DSF and external parties, logistics that include travel expenses arrangement as well as arrangements for transportation and accommodation for the field visits (if necessary).

While there is a division of labor within the Study Team as summarized above and in many cases each consultant can work individually, the three members of the Study Team in general perform the tasks in a teamwork.