



Fw: PSF Transition Technical Working Group: recommendations for virtual JMC review and approval

Kevin A Tomlinson to: jmc@worldbank.org
62-21-314-8175 EASID
Cc: PSF Portfolio

03/07/2014 11:33 AM

Dear JMC Colleagues,

Please be advised that the recommendations of the PSF Transition Technical Working Group were approved on March 5, 2014 on a no objection basis. The recommendations will be posted on the PSF website.

Regards,
Kevin

----- Forwarded by Kevin A Tomlinson/Person/World Bank on 03/07/2014 11:19 AM -----

From: Kevin A Tomlinson/Person/World Bank
To: JMC
Cc: PSF Portfolio
Date: 02/27/2014 08:21 AM
Subject: PSF Transition Technical Working Group: recommendations for virtual JMC review and approval
62-21-314-8175 EASID

Dear Government and Donor Members to the JMC,

The PSF working group, Chaired by Bappenas and attended by representatives from Menko Kesra, DFAT and the World Bank (Bank), met on Thursday, January 30 to conclude its discussion on the mapping of PSF functions and agree on final recommendations to be presented to the JMC for approval. At its November 6, 2013 meeting, the JMC asked that the working group consider which functions should: (a) stay within the PSF MDTF portfolio managed by Bank staff, (b) move to a Bank hired firm or firms, or (c) move to a DFAT hired Managing Contractor (MC). The Chair confirmed that all the functions, regardless whether they move or not, would remain under the PSF umbrella and that all the activities, whether managed/implemented by the Bank, MC or others, are all part of one support facility under the direction of the JMC. The working group's recommendations below are being sent for JMC virtual review and approval.

Recommendations

- The Bank continues (a) managing the PSF Secretariat to provide coordination support to the Government of Indonesia and (b) providing fiduciary oversight and implementation support to the PNPM Rural, PNPM Urban, and PNPM Generasi projects.
- The Bank provide policy advice on strategic engagement areas, such as frontline services, local government, analytics, and livelihoods. The Bank will prepare indicative work plans that includes the scope of the types of services that would be provided under such engagement areas. Additionally, the PSF will present a strategy by September 2014 on how to foster greater engagement with Indonesian universities and knowledge institutions.
- No functions move, at this time, to a Bank hired firm.
- The DFAT MC take over (a) technical assistance to Bappenas and Pokja Pengendali, (b) new grant funded operations or ongoing grants that require top ups with the exception of PNPM Urban in Aceh; and (c) the PSF communications portfolio.
- DFAT manage the portfolios for PNPM Peduli and Disabled Peoples Organizations through their

existing engagements with The Asia Foundation. The working group also recommended that DFAT manage the PNPM Justice Services and Legal Aid and Community Legal Empowerment project through their existing Australia Indonesia Partnership for Justice Program. DFAT agreed that as with the portfolios managed through the PSF MDTF and DFAT MC, funding levels, project design, and reporting would be coordinated through the PSF's Joint Management Committee.

- The relationship between the Bank manager in the PSF Secretariat and DFAT MC manager will be based on partnership and coordination, similar to the relationships currently being maintained between the Bank and other PSF development partners. There will be no formal or informal reporting lines between the Bank staff or consultants and DFAT MC staff or consultants.

If these recommendations are approved then the functions, with the following exceptions, would be taken on by the MC. These exceptions are the functions of: the PSF Secretariat; fiduciary and implementation support for the PNPM Rural, PNPM Urban, and PNPM Generasi projects; and policy advice on strategic engagement areas and activities to support such advice.

A simplified, draft PSF organizational chart of the PSF and portfolio mapping representing the working group's recommendations are attached. The Chair asked the Bank and DFAT to work through the accountability structures and explain the impact these will have on the business processes and functioning of the PSF. It was agreed that the PSF Operations manual would then be revised and sent for JMC approval.

As with most JMC virtual reviews, approval of the recommendations in lieu of any response by the voting member will be considered on a five day no-objection basis, that is be close of business Jakarta time March 5, 2014.

Regards,
Kevin



PSF Basic Governance and Management Structure.docx PSF Portfolio Mapping Recommendations.xlsx

To: Jmc@Worldbank.Org <Jmc@Worldbank.Org>
cc: Psf Portfolio

PSF Portfolio Mapping

| | Engagement Area/Activity | Working Group Recommendations |
|---|---|---|
| 1 | PSF Secretariat | WB maintains. |
| 2 | Loan and Grant - Imp. Support, Fiduciary, Governance | WB retains core fiduciary functions for all WB loans and grants, e.g., Generasi. |
| 3 | Enhanced Implementation Support (including TA staffing to Bappenas and Pokja Pengendali) | DFAT MC hires staff and delivers services. |
| 4 | Analytics and tech assistance for PSF strategic engagements (e.g., local governance/accountability (village law); economic and social exclusion (inc. livelihoods); Frontline Services, etc...) | WB retains capacity for delivering analytics and advisory services for strategic engagements and impact evaluation. |
| 5 | Grant financed activities excluding Generasi and Urban in Aceh (e.g., creative communities, village law, facilitator development program) | WB continue project implementation and prepare transfer to DFAT MC. |
| 6 | Communications | WB to continue activities through 2014 and start transfer to DFAT MC. |
| 7 | Peduli and DPO | Moves to DFAT which will hire The Asia Foundation directly as Managing Partner. |
| 8 | Justice Services and Legal Empowerment | Transfer to DFAT (AIPJ) during 2014. |

PSF Basic Governance and Management Structure

