
From: Kevin A Tomlinson
Sent: Tuesday, August 04, 2015 9:02 AM
To: JMC
Cc: PSF Cluster; PSF Portfolio; Audrey Sacks
Subject: APPROVED: Generasi Impact Evaluation Proposal
Attachments: Generasi IE_JMC_Aug 4 2015.docx

Dear JMC Colleagues,

We received feedback from DFAT on the Generasi Impact Evaluation (IE) proposal. Specifically, DFAT suggested that the title of the study be amended, and that the objectives and description reflect the intention to make this study forward-looking and to inform both the Village Law and the Government's frontline service delivery programs.

The feedback was incorporated into the proposal. The title has been revised to "Long Term Generasi Impact Evaluation (IE): Findings and Lessons for Frontline Service Delivery and the Village Law", and the following objective was added "To contribute to evidence-based discussions around frontline service delivery and the Village Law including the lessons and potential benefits of integrating components of Generasi into the Village Law and Frontline Service Delivery" (pg 1). Additional paragraphs, describing how the study will inform both the Village Law and Frontline Service Delivery, were included on page 2.

DFAT also recommended including to the Government's IE Steering committee, representatives from the Ministry of Education and Culture and the Ministry of Health. The Director for Poverty Alleviation (Bappenas) and Assistant Deputy for Community Empowerment (Coordinating Ministry for Human Development and Culture), have agreed to co-chair the IE steering committee and ensure appropriate representation.

The proposal is approved, with thanks to Bappenas, Coordinating Ministry for Human Development and Culture, DFAT, and MCA-I for their valuable inputs.

Regards,
Kevin

From: Robert Wrobel
Sent: Tuesday, July 14, 2015 1:44 PM
To: JMC <jmc@worldbank.org>
Cc: PSF Portfolio <psf-portfolio@worldbank.org>; PSF Cluster <psf_cluster@worldbank.org>; PSF Generasi <psf_generasi_internal_use_only@worldbank.org>
Subject: PSF JMC Request for Approval: Generasi Impact Evaluation Proposal for Financing

Dear JMC Colleagues,

Please find attached, for JMC member approval, the proposal for financing to support the long-term impact evaluation of PNPM Generasi/baseline survey for government frontline service delivery initiatives.

The proposal has been revised to reflect comments and suggestions provided by the JMC TC through the TC virtual review process. A matrix of comments and responses is attached as well.

As per the PSF Operations Manual, approval of the proposal in lieu of any response by the voting member will be considered on a five business day no objection basis, which is close of business Jakarta time Wednesday, July 22 2015 (to account for the public holiday on July 17).

Kind regards,

Rob (Acting PSF Manager for Kevin Tomlinson)

**PNPM SUPPORT FACILITY (PSF)
PROJECT PROPOSAL – Long Term PNPM Generasi Impact Evaluation**

Project Title:	Long Term Generasi Impact Evaluation (IE): Findings and Lessons for Frontline Service Delivery and the Village Law
Objectives:	<ul style="list-style-type: none"> • To evaluate the long term impact of PNPM Generasi, specifically, whether it is improving health and education outcomes, the quality of service delivery and the management of health and education resources; • To contribute to evidence-based discussions around frontline service delivery and the Village Law including the lessons and potential benefits of integrating components of Generasi into the Village Law and Frontline Service Delivery.
Key Performance Indicators	<ul style="list-style-type: none"> • Evidence and recommendations concerning policies related to the Village Law, Frontline Service Delivery and the Scaling Up Nutrition (SUN) movement. • Number of consultation meetings with the Government of Indonesia (GoI) steering committee • IE report and policy reports produced • Number of dissemination events
Executing Agency:	World Bank-executed
Estimated Budget:	US\$2,028,194
Estimated Duration:	2.5 years (July 2015 – December 2017)
Geographic Coverage:	Generasi locations in five provinces: West Java, East Java, North Sulawesi, Gorontalo, and Nusa Tenggara Timur
Implementation Arrangements:	PSF will use specified funding from the PSF Trust Fund to issue contracts to a survey firm and/or consultants to carry out the IE. The MIT's Jameel Poverty Action Lab (J-PAL) J-PAL and KOMPAK are providing staff/consultant support.
PSF Secretariat Point of Contact:	Audrey Sacks, Social Development Specialist (asacks@worldbank.org) and Rob Wrobel, Senior Social Development Specialist (rwrobel@worldbank.org)
PSF JMC Approval Sought:	Approval from the JMC is sought to allocate US\$1,218,194 in funding from the PSF Trust Fund in order to proceed with the IE. The JMC has already approved US\$800,000 for the IE.

I. Background

As part of its response to addressing certain lags in health and education outcomes, in 2007, the Government of Indonesia (GoI) introduced PNPM Generasi to increase utilization of priority health services, particularly those related to maternal and child health. To the best of our knowledge, the *Generasi* program is the first health and education program worldwide that combines community block grants with explicit performance bonuses for communities.

To allow for a rigorous, randomized evaluation of Generasi, the GoI incorporated random assignment into the selection of Generasi locations for the pilot phase (2007-2009). A randomized evaluation of two different versions of the program (with and without performance bonuses) was conducted (Wave I before program implementation, Wave II 18 months after implementation, and Wave III 30 months after implementation). Based on the IE's findings, the performance bonuses were scaled up and the program was expanded beyond the pilot locations. Since the expansion took place almost entirely in new provinces, the original randomization has remained intact. We are now presented with a rare opportunity to measure the long-term impact of a CDD project.

This study also presents an opportunity to contribute to evidence-based discussions around several of the GoI's current policy priorities. Indonesia is trying to shift development funding and decision-making to the village level but where service providers and other government entities are managed at the district level. To address this issue, Bappenas' frontline approach is seeking to build better linkages between service providers at various levels of government and between service providers and village and district governments. A better understanding of whether Generasi, a community-based program with appropriate facilitation, can impact the quality of service delivery, local government decision-making and the interaction between community and health and education service providers is an important policy question for Bappenas' frontline service delivery program. As reflected in the discussion below, we are working with the Bappenas' frontline team to collect baseline data for a planned pilot that is meant to strengthen the kecamatan's and camat's role in coordinating service delivery.

The study also presents an opportunity to inform the Village Law including efforts to align village investments with investments made by other levels of government to address health and education challenges including through the introduction of positive performance incentives, community monitoring and facilitation. Providing the GoI with RCT findings will help to strengthen the rationale for integrating the following components of Generasi into the Village Law and future frontline service delivery programs: the facilitation structure, village performance bonuses, and community-based monitoring activities.

II. Rationale

Building on the previous Generasi IEs and studies, the proposed Generasi IE will contribute to GoI policy priorities, including: the Village Law as a major opportunity to improve basic service delivery; the GoI's Frontline Approach; and the Scaling Up Nutrition (SUN) movement.

The approval in early 2014 of the Village Law Undang-Undang 6 2014 Tentang Desa) marks the GoI's next phase in investing in community and village capacities. The law translates into a massive increase in the government's policy and financial commitments to rural villages, and will be a defining policy of the government for the next five years. The GoI has long recognized the strategic importance of village development, as well as the role of communities in development and poverty reduction efforts. At the same time, the massive amount of resources that will be transferred under the Village Law carries risks, including the possibility of poor-quality spending and of leakages and misuse of funds. The IE will inform the Village Law, including efforts to align village investments with investments made by other levels of government to address health and education challenges. If incorporated into the Law, elements of *Generasi*, including performance bonuses, a facilitation structure, community participation and monitoring, and coordination among local governments, service providers and communities can help to mitigate these risks. The IE will use quantitative and qualitative methods to attempt to isolate the impacts of PNPM *Generasi* implementation mechanisms (e.g. facilitation, incentivized block grants, coordination meetings with local services providers, types of sub-project investments, etc.), in order to inform government as to which aspects should be institutionalized through the Village Law.

Government is currently developing a new strategy on Improving Basic Services for the Poor and Vulnerable, as part of a comprehensive framework for reducing poverty and disparities that is outlined in the new Mid-Term National Development Plan 2015-2019. The strategy aims to improve access of the 40 percent poorest population to quality basic services, which include: i) legal identity; ii) health; iii) education; iv) social protection; and v) basic infrastructure, i.e. adequate housing, water and sanitation. The strategy will be implemented through a frontline approach, which focuses on enhancing accountabilities at the point of service, through increased responsiveness of government and service providers, as well as inclusive participation of communities and citizens.

The Frontline Service Delivery Team is in the process of designing a pilot that will be initiated in 10 districts in 2016. The pilot will test policy options at the *kecamatan* (sub-district) level, where the sub-district government has a critical role in facilitating horizontal coordination between sectors, and vertical coordination between district government and villages. The objective is to strengthen sub-district government's (*camats*) role in coordinating service delivery among village governments, district governments and service providers in the health, education and legal identity sectors. Ultimately, the overall objective is to improve outcomes (better health and education and greater access to legal identity) in these three sectors.

The proposed IE will inform the design of GoI's frontline service delivery programs, including the "Gerakan Desa" and "Rumah Desa Sehat" initiatives. A better understanding of *Generasi*'s impact on service delivery outcomes and the interaction between community and health and education service providers will directly inform the design of the frontline *kecamatan*-level intervention. Identifying whether community-based programs with appropriate facilitation can impact the quality of service delivery and local government decision-making is a critical policy question.

As a commitment to reduce childhood stunting as a key issue affecting human capital and constraining economic productivity and growth in Indonesia, GoI joined the SUN movement in 2011. SUN is a United Nations-led multi-sectoral partnership for global action and investment to improve maternal and child nutrition through activities focused on the first 1,000 days

between a woman's pregnancy and her child's second birthday. Demonstrating a multi-stakeholder commitment to scaling up nutrition, Indonesia's 'First 1,000 Days of Life Movement' (Gerakan 1000 HPK) was launched by four government ministers. The objectives of the 'First 1,000 Days of Life Movement' includes five global nutrition targets that were endorsed at the 2012 World Health Assembly. Conditional cash transfer programs like PNPM Generasi have been cited as important nutrition-sensitive interventions and effective delivery platform for scaling up nutrition programs. PNPM Generasi is currently the largest nutrition sensitive interventions in Indonesia. PNPM Generasi's innovative approach that combines increasing community demand for maternal and child health services with a series of supply-side interventions to improve services delivery is an important delivery model for the operationalization of "First 1,000 Days of Life Movement" in Indonesia.

The long term Generasi IE will also contribute to the global knowledge base of CDD programs. Long-run evaluations of CDD programs are rare because in many cases, after an evaluation period of several years, the control group typically is given the program. However, in Indonesia, the government chose to expand the program in new provinces, rather than to control areas in existing provinces. This creates a virtually unprecedented opportunity for long-run follow-up. The eight year evaluation of Generasi provides a unique opportunity to examine the impact over time, and the health and education focus of the program provides a setting – interactions between community and health/education service providers – to look for these impacts. PNPM Generasi is likely to address supply constraints by allowing a sufficient time period for communities to engage with service providers to try and improve the quality of service provision and for service providers and local governments (village and district) to respond to better-identified community needs.

III. Objectives

The five objectives of the IE are to:

1. **Estimate the impact of community block grants on health and education for newly born children:** Using data from direct observation and interviews with health providers and households, we will examine how the community block grants and performance incentives improve use of prenatal care, childbirths assisted by trained personnel, postnatal care, immunizations, and participation in growth monitoring for newly-born cohorts. We will also examine the prevalence of childhood diseases, nutritional status, and infant mortality rates. Further, we will look at the extent to which Generasi has improved enrollment and attendance in primary and junior secondary school.
2. **Examine the medium-term impacts of the program on overall health and education for existing cohorts.** Using household interviews, the collection of anthropometric data and educational assessments of students, we will examine how cohorts who have been exposed to the program for most of their lives are faring now in terms of overall health, enrollment and performance in early primary school years.
3. **Estimate the impacts of community block grants on maternal and child health services and education.** Using data from interviews with health providers and educators, household interviews, facility interviews, direct observations, and *Generasi* budgets, we will examine how the block grants and performance incentives change communities' budget

priorities, providers' time allocations, prices for services, waiting times, school facilities and personnel, enrollment and attendance rates, and how these effects have changed with eight years of experience with the program.

4. **Estimate the impacts of community block grants on the management of health and education resources.** The *Generasi* program is designed to improve health and education services through decentralization – it allows communities to take advantage of local information to allocate funds where needs are greatest, and incentivizes them to focus resources where they will most improve health and education indicators. We will formally examine the impact of decentralization by using control sub-districts to estimate district-specific indicators of need, and examine whether treatment communities change block grant allocations (measured through official budgets) based on changing local shocks.

Additionally, program impacts may be larger in the long run. Communities may have a local understanding of ways to improve service delivery at a fundamental level that cannot be realized over a short period of time, but may be affected over eight years. Furthermore, *Generasi* facilitates links between service providers and community stakeholders that may strengthen over time, leading to more effective resource management. We will examine these links by collecting data on the activities of school committees, coordination between midwives and *posyandu* volunteers, midwife outreach to the community, and agreement on priorities between households, local leaders, and service providers.. These measures will be collected through interviews with households, health service providers, village heads, and school officials.

5. **Collect baseline data for the planned GoI frontline service delivery intervention.** GoI's Frontline Service Delivery Team is in the process of designing a *kecamatan*-level intervention. Towards this end, we are working with the Bappenas and other GoI teams to include new modules in the *Generasi* IE survey instruments, as well as new survey informants (*camats*, *puskesmas* oversight committees, and school committees), that they can then utilize as baseline data for their subsequent intervention.

IV. Partners'/Others' Activities

Recently, the Millennium Challenge Corporation (MCC) and Millennium Challenge Account-Indonesia (MCA-I) commissioned an independent IE by Mathematica Policy Research (MPR) of a package of *Generasi* and supply-side interventions, in new *Generasi* provinces that fall outside of the *Generasi* IE control and treatment locations. The baseline data collection was recently completed and the team is in the process of analyzing the data and writing the baseline report, which will be circulated soon. MPR is planning to collect the end-line evaluation data in another two to three years. Over the short evaluation period and using cross-sectional data, the MPR-IE is assessing the effectiveness of *Generasi* combined with the supply-side interventions in reducing stunting. As a complement to the MPR-IE, the proposed Long Term *Generasi* IE is assessing whether a CDD intervention can improve long term health and education outcomes if given a sufficient period of time to operate. Together, both evaluations will inform the Village Law, the SUN movement and GoI's frontline service delivery agenda.

V. Oversight and Dissemination

The Director for Poverty Alleviation (Bappenas) and Assistant Deputy for Community Empowerment (Coordinating Ministry for Human Development and Culture), have agreed to co-chair an IE steering committee, which will include representatives from the Coordinating Ministry for Human Development and Culture, Ministry of Home Affairs (MoHA), Bappenas, the Ministry of Villages, Disadvantaged Areas and Transmigration (MoV), and other government agencies and donors. The steering committee will help ensure that the questions they wanted answered are included in the evaluation, and that there is sufficient GoI ownership of the results. We plan to disseminate the IE results through the steering committee and to others using various media including presentations, report publications, and policy briefs (including in the J-PAL series). Dissemination events will include seminars and workshops with various government, CSO and academic stakeholders within and outside of Indonesia (including academic presentations at major conferences locally and abroad).

VI. Budget (July 2015 to December 2017)

Survey Firm	US\$1,432,054.17
Staff Cost	US\$374,750.00
Travel & Dissemination Cost	US\$211,390.00
TOTAL BUDGET	US\$2,018,194.17

VII. Timeline

2013-2014	Generasi IE feasibility study (joint DfAT and PSF)
June to July 2015	Qualitative field work
July 2015	Questionnaire development, pre-analysis plan and procurement
Sept. to Nov. 2015	Field work ¹
January 2016	Data cleaning
April 2016	Data analysis
June 2016	Dialogue with government on which mechanisms to prioritize for Village Law
January to April. 2017	Publication of final report
April to Dec. 2017	Dissemination of findings

¹ The transition of PNPM Generasi implementation responsibilities from MoHA to MoV in 2015 has disrupted project implementation in ways that may be detrimental to survey implementation. As a result, survey implementation may need to be delayed until September to November 2016.