



KIAT Monitoring and Evaluation Framework

Prepared for the Department of
Foreign Affairs and Trade (DFAT)

January 2019

Contact Information

Robert Anscombe, Contractor Representative

Cardno

International Financial Centre (IFC)

Tower 2, Level 18

Jl. Jendral Sudirman Kav. 22-23

Jakarta 12920 Indonesia

Phone: +62 21 8086 9800

Email: robert.anscombe@cardno.com

Document History

| Version | Effective Date | Description of Revision | Prepared by | Reviewed by |
|---------|-------------------|--|------------------|---------------|
| 1.0 | 28 August 2017 | Initial version based on M&E framework in KIAT Design document | Mark Fiorello | Paul Wright |
| 1.1 | 10 September 2017 | Minor revisions to theory of change incl. typology of KIAT products; indicator revisions | Paul Wright | Jan Edwards |
| 1.2 | 14 September 2017 | Minor revisions, including revision of ToC diagram; response to comments; addition of comments including re: activity archetypes | Mark Fiorello | Paul Wright |
| 1.3 | 16 October 2017 | Final revision for submission to DFAT | Paul Wright | Harry Roovers |
| 2.0 | 26 March 2018 | Revisions to accommodate DFAT comments, including consistency with PAF3.0 | Paul Wright | Harry Roovers |
| 2.1 | 10 August 2018 | Indicators revision: Deletion of PAF #5 and addition of KIAT Specific Indicators | Performance Team | Paul Wright |
| 3.0 | 18 January 2019 | Revision of 4.4. and Annex 2 sections to accommodate changes in PAF 3.1 version | Performance Unit | |

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Acronyms

| | |
|-------|---|
| AQC | Aid Quality Check |
| BAST | <i>Berita Acara Serah Terima</i> Asset Handover Note |
| DFAT | Department of Foreign Affairs and Trade |
| EOFO | End of Facility Outcome |
| ESS | Environmental and Social Safeguards |
| EQ | Evaluation Question |
| GESI | Gender Equality and Social Inclusion |
| GOA | Government of Australia |
| GOI | Government of Indonesia |
| IndII | Indonesia Infrastructure Initiative |
| KEQ | Key Evaluation Question |
| KIAT | <i>Kemitraan Indonesia-Australia untuk Infrastruktur</i> Indonesia-Australia Partnership for Infrastructure |
| M&E | Monitoring and Evaluation |
| MDB | Multilateral Development Bank |
| MIS | Management Information System |
| MQ | Monitoring Question |
| PAF | Performance Assessment Framework |

EXECUTIVE SUMMARY

About KIAT

KIAT is a partnership between the Governments of Australia and Indonesia to support sustainable and inclusive economic growth through improved access to infrastructure for all people. KIAT works with government and civil society, providing technical assistance to improve infrastructure policy, planning and delivery. KIAT also works with sub-national governments to improve the quality of infrastructure spending and planning.

Through its work with the central and sub-national governments, KIAT is working towards three clear End-of-Facility Outcomes (EOFOs):

1. Improved policies and regulations for infrastructure development
2. High quality projects prepared for financing by Gol, MDBs or the private sector
3. High quality infrastructure delivery, management and maintenance by Gol

About KIAT Monitoring and Evaluation Framework

This Monitoring and Evaluation (M&E) Framework defines the key aspects of what will constitute performance under the Kemitraan Indonesia Australia untuk Infrastruktur (KIAT) Facility. It describes the basic principles by which M&E activities will take place, outlines the types of information to be compiled, and charts a general approach to the implementation and management of KIAT M&E. The Framework will inform the development of an M&E Plan to be operationalised for the Facility by early-2018, and will be subject to periodic review over the life of KIAT.

The primary intended users of this document are the internal KIAT Performance and Communications Unit. This team will work with the broader KIAT team of Technical Deputy Directors headed by the Facility Director, as the main users of performance information to guide day-to-day activity management. The DFAT Infrastructure team will also be core users of information, using M&E outputs to guide resource allocations and provide strategic guidance to the KIAT Management Committee on the overall direction of the Facility.

The core of the M&E Framework consists of five components:

1. Sector monitoring: monitoring of developments in the general context of infrastructure in Indonesia, with a specific focus on elements of the infrastructure sector that are related to KIAT's work or considered potentially relevant for KIAT's future work.
2. Facility performance monitoring: compiling and providing information and feedback on key aspects of KIAT's day-to-day performance.
3. Facility evaluation: assessing the overall merit of the Facility and its work, for example in terms of KIAT's effectiveness in achieving targeted outcomes, in providing meaningful contributions, and in triggering (or helping to trigger) larger systemic changes.
4. Activity performance monitoring: compiling and providing information or feedback on agreed-upon aspects of the activity.
5. Activity evaluation (or activity assessment): assessing the merit of a particular activity, for example in terms of its effectiveness in contributing to achieving KIAT's intended outcomes.

To structure the approach to M&E each of these components has a series of seven Key Evaluation Questions and seven monitoring questions have been developed to guide data collection (both qualitative and quantitative).

The M&E Framework document concludes with some initial guidance for the implementation and ongoing management of the Framework, to be further elaborated through the assignment of roles and responsibilities to Facility staff.

1. Introduction

1.1 Background

The Kemitraan Indonesia-Australia untuk Infrastruktur (KIAT), is a partnership between Australia and Indonesia to support the infrastructure priorities of the Indonesian government. KIAT is funded by the Department of Foreign Affairs and Trade (DFAT), and will partner with national and sub-national Governments to help GOI improve the quality of its own infrastructure spending.

KIAT's technical assistance will target three End of Facility Outcomes (EOFOs):

- Improved policies and regulations for infrastructure development;
- High quality projects prepared for financing by GOI, Multilateral Development Banks (MDBs) or the private sector, and;
- High quality infrastructure delivery, management and maintenance by GOI.

KIAT will focus on working through GOI decision-making systems to secure commitment to infrastructure reform priorities; strengthen Indonesian counterpart capacity; target gender and social inclusion initiatives to ensure everyone benefits from improved infrastructure; encourage collaboration with the private sector to help unlock private sector financing for infrastructure; identify strategic physical investments that have the potential to provide a powerful demonstration effect for broader replication, and; link closely with the lending portfolios of the MDBs.

In addition to its contributions in achieving the above EOFOs, other key dimensions of KIAT performance include:

- The significance of KIAT's contributions to improve access to resilient infrastructure services that improve economic opportunities and the fulfilment of rights, especially for women and marginalised people (including people with disabilities and the poor).
- KIAT's ability to make strategic links to related GOI and GOA initiatives, and particularly to (a) demonstrate influence; and (b) leverage other funds¹.
- The ability of KIAT to make and demonstrate meaningful contributions to stronger Australia-Indonesia relations.

As a Facility, KIAT will be implemented through a flexible contracting mechanism, where activities will be planned, proposed and agreed over time. Therefore, KIAT can also be understood as a constantly changing portfolio of activities, some of which will inevitably be more successful than others in contributing to its overall performance in line with the dimensions described above. This implies that the Facility's performance can largely be understood in terms of:

- The overall allocation of the portfolio, including the concentration and diversification of risk.
- The individual performance of activities (especially larger or more visible activities).
- The ability to adjust to capitalise on new opportunities, to increase allocations to successful activities, and to minimise the impact of failure of underperforming activities in the overall portfolio.

¹ Building on the initial definitions used in the IndII Impact Assessment Team's second report (dated September 2014), in the context of KIAT, leverage is defined as the use of KIAT funds to synergistically augment and/or enhance the effectiveness of existing public or private expenditure and/or attract future public or private expenditure. Influence is defined as contributions that can be clearly and logically links to changes in policy, practice, or attitudes.

1.2 Purpose of Document and Target Audience

This document presents an overarching M&E Framework for KIAT, including by (1) identifying and defining key aspects of KIAT performance, (2) describing the types of information to be compiled, and (3) proposing a general approach to the implementation and management of M&E in KIAT². The approach to implementing the M&E Framework will be further developed into an operational M&E Plan at the beginning of 2018. The M&E Framework will be subject to regular reviews and revisions over the life of KIAT, to accommodate for changes in the Facility as the portfolio of activities consolidates, and the evolving needs for monitoring and evaluation.

The primary intended users of this document are as follows:

- **KIAT Performance and Communications Unit**, for whom it will serve as a general reference for the operationalisation, implementation, and ongoing refinement of the KIAT M&E system.
- **KIAT management** (Facility Director, Deputy Directors, and Managers) and the **DFAT Infrastructure team**, for whom it will serve as the basis of agreement about how information on KIAT's performance should be compiled, analysed, and used, as well as the basis for resource allocations related to the implementation of the KIAT M&E system.

As relevant, this document may also serve as a reference for representatives from GOI, the KIAT implementation team, and/or KIAT subcontractors and consultants.

1.3 Structure of this Document

Following this introductory section, Section 2 describes the overall scope and purpose of monitoring and evaluation in KIAT, including by introducing the main components of the KIAT M&E system and describing the various target users of information. Section 3 briefly describes the overall Facility logic for KIAT. The Facility logic serves as a general reference for the overall KIAT M&E Framework, which is presented in Section 4. Section 5 lays out the approach to the implementation of Facility-level M&E processes, while Section 6 presents a general approach to activity-level M&E. This is followed by general guidance on the management, communication and use of performance information in Section 7, and then management of the M&E system in Section 8. Three annexes provide (1) additional detail on the anticipated information needs of key stakeholders, (2) a list of all performance indicators, and (3) a list of risks to the successful implementation of the M&E Framework.

² This document does not describe M&E plans for specific KIAT activities, which will be developed as necessary over the life of the facility in line with this Framework and the M&E Plan.

2. Scope and Purpose of KIAT Monitoring and Evaluation

2.1 Scope

This section explains the different components of M&E in KIAT, both in terms of the 'level' of focus (whether at the activity level, Facility level, or around the larger context in which KIAT operates), and in terms of their purpose and frequency.

In the context of KIAT, monitoring is defined as an ongoing process to collect, analyse, and communicate data related to progress and performance. Monitoring is largely focused on describing 'what' is happening, and is oriented toward regularly providing information that can be used to make tactical or operational adjustments to continuously improve performance.

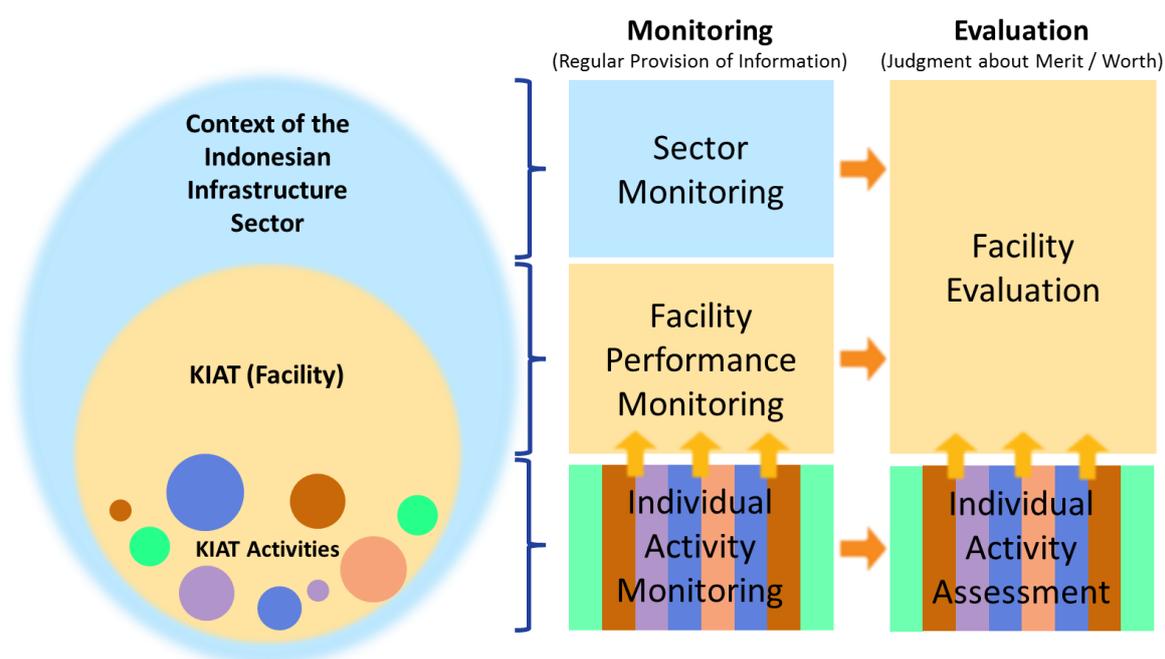
Evaluation is distinct from monitoring in that it involves judgment about merit or worth ('evaluative judgment'), and generally occurs at particular points in time rather than on an ongoing basis. In the case of KIAT, evaluation is considered to cover both internal evaluative judgment as well as the conduct of specific evaluation studies. Different from monitoring, evaluation focuses on answering the question 'so what?'. This information, when combined with an appropriate understanding of the dynamic context in which KIAT operates, can be used to inform the overall strategic direction of the Facility and the selection of activities with the greatest potential for high impact.

Following on from the distinctions above, the five components of KIAT M&E are presented below:

1. **Sector monitoring:** monitoring of developments in the general context of infrastructure in Indonesia, with a specific focus on elements of the infrastructure sector that are related to KIAT's work or considered potentially relevant for KIAT's future work.
2. **Facility performance monitoring:** compiling and providing information and feedback on key aspects of KIAT's day-to-day performance.
3. **Facility evaluation:** assessing the overall merit of the Facility and its work, for example in terms of KIAT's effectiveness in achieving targeted outcomes, in providing meaningful contributions, and in triggering (or helping to trigger) larger systemic changes.
4. **Activity performance monitoring:** compiling and providing information or feedback on agreed-upon aspects of the activity.
5. **Activity evaluation (or activity assessment):** assessing the merit of a particular activity, for example in terms of its effectiveness in contributing to achieving KIAT's intended outcomes.

The components are interrelated, in that monitoring information should inform evaluative judgements, and evaluation builds upon monitoring processes to inform strategic decision-making. The components are also nested, in that activity-level information should be able to be aggregated up to the Facility level. The five components described above are expressed graphically in Figure 1 below.

Figure 1: Components of KIAT Monitoring and Evaluation



At present, the KIAT M&E Framework is not considered to include:

- M&E for initiatives not funded from the KIAT budget (e.g. GOI evaluations of projects funded by GOI budget); or
- M&E capacity building not related to the implementation of the KIAT M&E Framework.

2.2 Purpose

M&E in KIAT will be conducted for three purposes:

- First, to inform decision-making regarding KIAT implementation at both the strategic and operational levels (by KIAT management, the KIAT Management Committee, and DFAT);
- Second, as a basis for accountability reporting to DFAT and GOI; and
- Third, to generate information that forms part of a broader knowledge base for wider audiences and/or future reference.

Of these three purposes, the primary focus of KIAT M&E efforts should be to inform effective decision-making. Accountability reporting and the generation of information relevant to broader audiences – while important – should both be considered secondary.

The main purposes of KIAT M&E can be seen more clearly when defining the various information needs of key KIAT stakeholders. These information needs – which must be met through the KIAT M&E Framework – are presented briefly below, and in more detail in Annex 1.

1. **KIAT Management** needs:
 - a. Facility-level information about progress against targeted KIAT outcomes and particularly successful or problematic activities, for the purposes of decision-making; structured and exception reporting to DFAT and the KIAT Management Committee; and as a basis for strategic reflection and ongoing learning.

- b. Activity-level information about the status and main results of individual activities, for the purposes of decision-making about new and ongoing activities, ongoing learning about what works and what does not, and to respond to requests for information from DFAT.
2. **KIAT Management Committee** needs: information about (a) high level progress against KIAT outcomes, (b) allocations across the KIAT portfolio of 'activity streams', and (c) key issues related to the Facility's performance that require the Management Committee's attention. Such information is needed as a basis for the provision of strategic guidance to KIAT management and as the basis for informing approval of KIAT plans and resource allocations.
3. **DFAT Infrastructure Team, KIAT Management, the KIAT Management Committee, and key GOI Counterparts** needs: information about high-risk activities or activities which otherwise require management attention, for the purposes of taking informed action as necessary (e.g. to address risks, remove bottlenecks, or follow up on previous commitments with other parties).
4. **DFAT infrastructure team** needs:
 - a. Information about KIAT achievements related to the DFAT Indonesia Performance Assessment Framework (PAF) indicators, to enable completion of PAF reporting.
 - b. Information about KIAT's relevance, effectiveness, efficiency, M&E processes, sustainability, efforts to promote gender equality, risk management and safeguards, and efforts to encourage innovation and private sector development, for the purposes of DFAT annual Aid Quality Check (AQC) reporting.
 - c. Information about KIAT's results, successes, and challenges for the purposes of preparing annual project reports and public diplomacy efforts.
5. **KIAT finance team and GOI partner agencies** needs: information about activity completion and key products provided to GOI for the purposes of asset handover (BAST) reporting.

3. KIAT Facility Logic

Given that KIAT is a Facility that is intended to be demand driven and responsive, and pursue opportunities and engage with GOI priorities on a progressive basis, KIAT does not have a structured and formally defined 'program logic' in the same sense as other programs, where activities and intermediate outcomes are set out in advance. Instead, the overarching 'Facility Logic' is defined more loosely, in terms of (1) three broad EOFOs to which KIAT is expected to contribute, and (2) 'potential activities' associated with each EOFO, which describe the main forms of technical assistance that KIAT is expected to provide. To help organise potential activities a series of nine activity streams have been developed.

3.1 End of Facility Outcomes

As illustrated in Figure 2 below³, KIAT has three main EOFOs:

- **EOFO #1: An improved policy and regulatory framework** for infrastructure provision, especially related to priority issues around financing, funding, product identification/ prioritisation/selection, project preparation, project delivery, and the effective consideration of gender and social inclusion issues in all of the above. The 'policy and regulatory framework' is considered to extend beyond the development of formal policies and regulations, to include issues around the quality of regulations, coherence between policies, coordination between institutions on policy issues, and clarity around authority, roles and responsibilities in policy-making.
- **EOFO #2: High quality projects are prepared and financed** which effectively means that projects selected as targets for KIAT support move into the delivery phase. This outcome is also considered to potentially include decisions about which projects should not go forward, for example if certain projects are deemed unfeasible and unrealistic for delivery and therefore should be reconsidered.
- **EOFO #3: GOI delivers, manages, and maintains high quality infrastructure** which is interpreted to cover both the effects of systemic changes in institutional capacity and incentives, as well as the adoption of specific improved mechanisms for delivery, management, and maintenance. At least initially, this outcome area will likely focus on water, sanitation, transport, and roads investments.

3.2 KIAT Activity Streams

To provide structure to the overall portfolio of KIAT activities, a series of nine KIAT Activity Streams have been developed in the initial stages of Facility roll-out. Activity Streams provide an initial organising construct for different groups of KIAT activities. It is envisaged that future iterations of the KIAT M&E Framework will integrate this structure, with associated stream objectives and definitions around the scope of each.

The nine KIAT Activity Streams are as follows:

1. Urban Water Supply
2. Urban Sanitation
3. Urban Solid Waste Management
4. Road Network Development
5. Road Network Management

³ Also described in more detail in section 3.3 of the Facility Design Document.

6. Urban Mobility
7. Infrastructure Financing and Funding
8. Gender and Social Inclusion
9. Immediate and Emerging Issues

Activity Streams are logical collections of existing and new activities. In some cases (such as Urban Mobility and Solid Waste Management) no activities currently exist and work programs are being scoped. Additional Activity Streams may be developed (notably in the Renewable Energy sector).

Individual KIAT activities (consisting primarily of structured technical assistance inputs) will work with counterparts to produce various types of outputs that contribute to the achievement of one or more EOFO. Table 1 below describes likely activities against each EOFO and lists associated outputs. Reinforcing each of these activities is cross-cutting KIAT support for increased engagement by civil society, to help influence and hold decision-makers to account for improving infrastructure policies and regulations, as well as ensure that project preparation and project management includes the views of all stakeholders impacted by an investment.

Table 1: Indicative KIAT Activities and Outputs

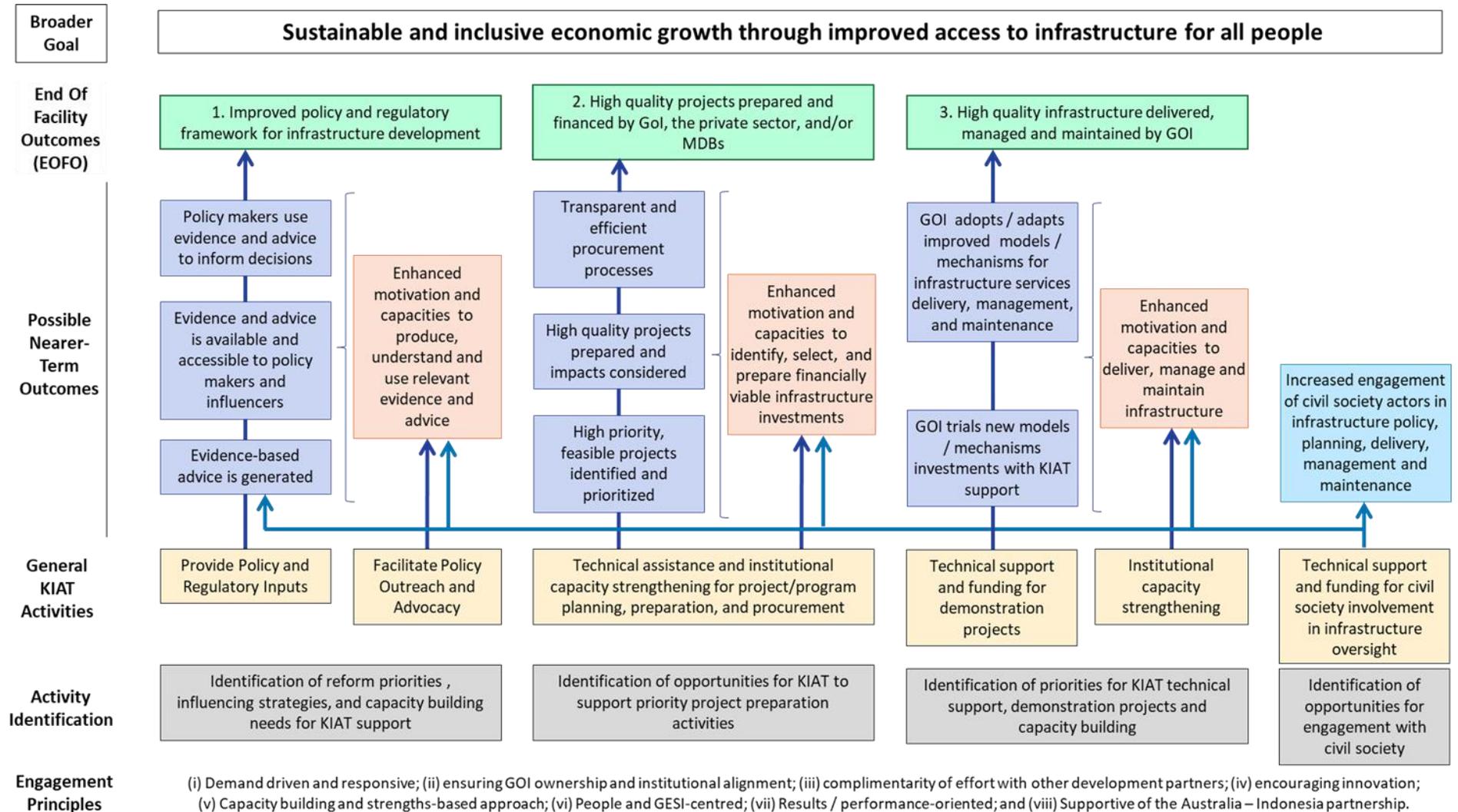
| Activity | Outputs |
|--|--|
| <p>EOFO #1: Policy and Regulatory Analytics</p> <p>Activities make a direct contribution to improving GOI policies and regulations for infrastructure development. Outputs are focussed on research, analysis and the weighing up of options against different courses of action. Activities help inform considerations by policy-makers and influencers.</p> | <ol style="list-style-type: none"> 1. Analytical Studies of constraints and opportunities 2. Regulatory and Legislative Reviews 3. Options Analyses 4. Cost-Benefit Analyses |
| <p>EOFO #2: Project Preparation Work</p> <p>Activities help to bring a project to a point where it is ready for investment by government, the MDBs and/or the private sector. This work includes processes of project identification; engaging key stakeholders that stand to benefit or lose from a potential project to firm up their relative interests and obtain necessary commitments; and, procuring services to design the project.</p> | <ol style="list-style-type: none"> 1. Master Plans 2. Pre-Feasibility studies 3. Feasibility Studies 4. Outline Business Cases 5. Environmental and Social Safeguards (ESS) <ol style="list-style-type: none"> a. Environmental Impact Studies/Plans b. Land Acquisition and Resettlement Plans 6. Detailed Engineering Designs 7. Design Reviews of GOI Designs |
| <p>EOFO #3: Project Management Support</p> <p>Activities focus on ensuring that high-quality project preparation translates into a high-quality constructed, managed and maintained infrastructure asset.</p> | <ol style="list-style-type: none"> 1. Capability Gap Analyses 2. Training Needs Analyses 3. Supervision Reports 4. Technical and Financial Audit Reports 5. ESS Compliance Reports |

KIAT has identified a series of possible nearer-term outcomes which describe the pathways through which the Facility may contribute to the achievement of the EOFOs. KIAT's ability to contribute to the desired changes also depends on several broad assumptions holding true, including:

- Continued GOI commitment to policy and regulatory reform in relation to improving the quantity and quality of inclusive infrastructure delivery;
- Increasing capacity, and improving policy, systems and procedures will lead to behavioural change within key institutions and among individuals;
- KIAT can attract and retain high-quality management and TA that meets stakeholder needs;
- DFAT provides adequate and timely funding for KIAT, is adequately resourced to lead the GOA / GOI high level policy dialogue on infrastructure development issues, and appropriately allocates risk; and
- GOA and GOI remain committed to bilateral cooperation.

This 'Facility logic' forms the general basis for the overall M&E Framework described in Section 4, with Facility-level evaluation largely pitched at the EOFO level, and Facility-level performance monitoring pitched at the level of activities and nearer-term outcomes.

Figure 2: KIAT Facility Logic



4. Overall KIAT Monitoring and Evaluation Framework

This section describes the overall M&E Framework for KIAT. Questions to guide Facility-level performance monitoring and the general approach to performance monitoring and assessment of individual activities are presented after the evaluation questions and in Annexes 3 and 4.

4.1 Principles for M&E in KIAT

The design and implementation of M&E for KIAT should reflect the following six overarching principles:

1. M&E for KIAT should be focused on producing relevant, useful, accessible, and timely information that meets the needs of intended users. The success of KIAT M&E should be seen in terms of its ability to provide the information described in the Purpose section above (or in response to other emerging high-priority needs in line with the overall agreed-upon scope of KIAT M&E) at the appropriate times and in accessible formats, to maximise the uptake and use of such information. Mechanism must be in place to facilitate active interaction and two-way communication between M&E and the intended users, including at the strategic level.
2. M&E for KIAT must be sufficiently flexible to be able to accommodate (a) changes in strategy and direction for the Facility and (b) emerging needs for performance-related information. M&E should not be excessively rigid, should have built-in check points to enable it to adapt over time, and should be reviewed regularly both within the M&E team⁴ and with KIAT management.
3. M&E design and implementation should be realistic, in the sense that it acknowledges (a) the potentially limited capacity and incentives of KIAT staff, subcontractors and external stakeholders to engage with performance monitoring, evaluation, and / or the results of these activities, and (b) that KIAT's influence over subcontractors and especially over external stakeholders can be limited. In light of these considerations, it is important to ensure that the approach to KIAT M&E is sufficiently operational.
4. M&E should be considered a key element of a larger culture of performance management and learning within KIAT with the KIAT M&E team positioned accordingly in a supporting and facilitating role. The implementation and usefulness of M&E for management decision-making is heavily dependent on the larger organisational culture, which should be actively cultivated (especially by KIAT management) to focus on performance, learning and continuous improvement.
5. Where appropriate and feasible, KIAT M&E will incorporate multiple lines and forms of evidence about KIAT performance, including from information sources outside of KIAT. Where feasible KIAT will work directly with partner systems of monitoring and evaluation to strengthen these systems and increase sustainability.
6. M&E for KIAT should ensure ethical M&E practice. The implementation of KIAT M&E should respect the rights, privacy, dignity and entitlements of all stakeholders and of those affected by and contributing to the M&E.

⁴ Note the M&E team sit with the KIAT Performance and Communications Unit.

4.2 Facility-Level Key Evaluation Questions

A total of seven key evaluation questions are proposed at the Facility level. These questions broadly fall into four categories: (i) relevance, (ii) effectiveness, (iii) sustainability, and (iv) appropriateness.

The first key question is around the relevance of KIAT's support, especially in terms of the Facility's ability to provide support that is both strategic and responsive.

KEQ1: How strategic is KIAT's support, in consideration of (a) emerging priorities and opportunities and (b) prevailing political and institutional realities in the Indonesian infrastructure sector?

Secondly, there is a set of questions around the effectiveness of KIAT's support, specifically in terms of achieving its desired results. Effectiveness is a function of KIAT's ability to provide important contributions to the achievement of desired outcomes and/or to provide support that has met the needs of the Facility's partners and/or target beneficiaries.

KEQ2: (Outcome Area 1): How effectively has KIAT contributed to an improved policy and regulatory framework conducive to infrastructure development?

KEQ3: (Outcome Area 2): How effectively has KIAT support to project preparation met the needs of the GOI, the private sector, and/or MDBs?

KEQ4: (Outcome Area 3): How effectively has KIAT contributed to higher quality project delivery, management and maintenance by GOI?

KEQ5: (Women's economic empowerment): How effectively has KIAT contributed to improvements in the infrastructure sector that can be tangibly or logically linked to improvements in access to infrastructure services for women and marginalised groups?

The next key question addresses the sustainability of change to which KIAT has contributed.

KEQ6: How likely is it that key benefits from KIAT support will continue to be felt after the conclusion of KIAT investment?

Finally, there is a broad evaluation question that is more process-oriented, and specifically focused on the appropriateness of KIAT's ways of working. This question is more internal in nature, because it is largely targeted at continuous improvement over the life of the project and as such is intended primarily for internal consumption and as a basis for reflection. It is also meant as a mechanism through which DFAT and the KIAT Management Committee can conduct high-level oversight.

KEQ7: How well has KIAT learned and adapted over the course of implementation?

The scope and coverage of this evaluation question will need to be reviewed and refined over the life of KIAT. In particular, it will be guided by KIAT's ways of working agreements with individual GOI partners. Indicatively it will cover features explicitly mentioned in the KIAT design including (i) measures of effective collaboration between the Facility and government counterparts, (ii) demonstrations of how Gender Equality and Social Inclusion (GESI) and Civil Society Engagement (CSE) are integrated into designs and influencing activity implementation, (iii) how KIAT is learning from its performance, and (iv) how KIAT is proactively strengthening Indonesia-Australia relationships that support the Australian economic diplomacy agenda.

4.3 Facility-Level Monitoring Questions

To provide information to be used as the basis for answering the key evaluation questions above, KIAT will routinely collect and report various types of information, both at the activity and facility level. Facility-level monitoring will also incorporate a question-oriented approach and will accommodate a set of pre-defined performance indicators (see

Section 4.4 below and Annex 2 for more information). In addition to these indicators, monitoring will also leave open room to include various other relevant performance information generated by activities. A question-oriented approach helps ensure that monitoring produces relevant and useful information, since the meaning and implication of indicators and other performance data frequently becomes clearer when such data is collected and used to answer one or more questions.

A series of KIAT monitoring questions are provided at Annex 3 and are supported by a set of indicative rubrics to help assess each Facility Key Evaluation Question at Annex 4. Rubrics enable a broad assessment of whether the Facility is meeting, aligning or falling short of expectations. Monitoring questions are linked to the Key Evaluation Questions in that they cover (a) the relevance and strategic nature of KIAT's support (KEQ #1), and (b) general immediate and intermediate outcomes which are plausibly linked to KIAT's targeted higher-level outcomes and sustainability (KEQs #2-6). Monitoring questions and rubrics will be refined over time to ensure they provide sufficient guidance.

4.4 Facility-Level Performance Indicators

In addition to the open-ended monitoring questions above, KIAT will also collect data and report on a limited number of Facility-level performance indicators, as presented in further detail in Annex 2⁵.

1. PAF Indicator #1: Amount of additional financing (AUD) co-invested in infrastructure delivery, management, or maintenance
2. PAF Indicator #2: Number of districts with improved practices and policies for infrastructure planning, delivery, management, and maintenance
3. Number of instances of substantive collaboration between KIAT and other DFAT programs
4. Number of instances of substantive collaboration between KIAT and the World Bank or ADB
5. Number of instances of substantive collaboration between Australian and Indonesian institutions facilitated by KIAT
6. Number of kilometres road maintained and/or rehabilitated
7. Number of feasibility studies and/or Detailed Engineering Designs that contribute to project preparation for financial support (include reviews of existing feasibility studies and/or DEDs)
8. Number of studies that contribute to evidence for improved policy and regulatory framework for infrastructure development

5. Implementing Facility-Level Monitoring and Evaluation

This section lays out the general approach for implementing the KIAT M&E Framework at the Facility level. This is generally presented as a list of indicative processes related to sector monitoring, Facility-level performance monitoring, and Facility evaluation; the approach for individual activities will be developed as part of each activity design, as described in section 6 below.

⁵ For all PAF indicators, targets will be set on an annual basis as part of a formal DFAT-led annual PAF reporting and target setting process. These targets will be agreed between KIAT management, the KIAT Management Committee, and DFAT. Other indicators may not have explicitly set targets but are instead used for aggregate reporting and as a basis for discussions of KIAT performance and strategy.

5.1 Sector Monitoring – Key Processes

Sector monitoring will focus on compiling information related to the following:

- Political developments, including significant shifts in personnel, discourse, and prevailing opinions within the government;
- Policy developments, especially the proposal or passage of new policies/regulations or the modification or revocation of existing policies/regulations;
- Resourcing developments, both related to government allocations of funding as well as announcements of new or modified investment by the private sector, MDBs, or other funders; and
- Developments among MDBs (specifically ADB and World Bank), especially related to their plans and ongoing activities.

Where relevant (depending on the nature of the KIAT portfolio), sector monitoring may be expanded to cover:

- Developments in the quality of infrastructure provision, especially related to KIAT's priority sectors (e.g. water and sanitation and/or transport)⁶;
- Developments in relationships between key actors within the infrastructure sector; and
- Developments in the institutional capacity of key KIAT partner organisations.

Key processes for sector monitoring include:

- Regular (weekly or bi-weekly) media monitoring, building on the process applied under IndII;
- The compilation of information on key sector developments (by activity stream) from KIAT lead advisors;
- The compilation of information on key sector developments from meeting summaries prepared by KIAT management and lead advisors; and
- Additional targeted studies/data collection efforts as considered necessary.

5.2 Facility-Level Performance Monitoring – Key Process

5.2.1 Open-ended Question-based Facility Performance Monitoring

As described in Section 4 above, KIAT will need to use a more open-ended approach to monitoring, which will enable the compilation of various types of information about KIAT's performance. Much of this information will come from activity-level performance monitoring and activity assessments; however, KIAT will also need to implement several Facility-level processes to compile additional information and to analyse and synthesise performance monitoring information.

These Facility-level processes should include:

- An 'impact log' that can be used to compile general or unsolicited feedback from KIAT stakeholders and other users on an ongoing basis.
- 6-monthly reviews with each of the KIAT directorates, structured around KIAT Activity Streams. KIAT management and implementation teams are both a key source and a key user of KIAT M&E. The KIAT M&E team should facilitate review sessions (between ½ and 1 day) with each directorate. These reviews should generally focus around the Monitoring Questions and should also facilitate the identification of key lessons and how the answers to the monitoring questions and key lessons can be incorporated into implementation

⁶ In this sense, the Water and Sanitation Service Index (WSSI) developed under IndII could be considered part of 'sector monitoring'.

for the next 6-month period. 6-monthly reviews will provide information to inform regular review points with Government counterparts.

- The compilation of structured, periodic feedback from key KIAT stakeholders (ideally integrated into the abovementioned 6-monthly review processes). In addition to activity-level feedback, KIAT should request general Facility-level feedback from GOI officials and individuals or groups identified as important stakeholders for KIAT. This feedback should cover:
 - o The quality of KIAT support and KIAT outputs;
 - o Indications of the use of KIAT outputs;
 - o Any changes in interactions with other stakeholders;
 - o Key developments in the context (linked to sector monitoring);
 - o Other emerging outcome-level changes (including unanticipated changes); and
 - o Suggestions for improvement to KIAT management or implementation processes.

Suggested frequency: at least 6-monthly (as an input for sense-making and reporting)

- The implementation of episode studies or other case studies. In key instances of significant policy change (a key PAF indicator to which KIAT is expected to contribute), KIAT should conduct or commission an episode study⁷, which is a specific form of case study that starts from a clear policy change, and works backward to understand the confluence of processes and factors that led to the change (both related to KIAT and external to KIAT). For other cases of interest (not related to policy change), KIAT should conduct or commission a case study. Considerations for the commissioning of case studies include: instances of significant influence over attitudes or practice; indications of significant leverage; indications of interesting gender- or social-inclusion related outcomes; opportunities for demonstration effects or significant learning.

Suggested frequency: episode studies and case studies should be conducted on an ad-hoc basis, with a general target of 4 per year.

- Annual reflection sessions with the KIAT team (potentially including other KIAT stakeholders as well, e.g. DFAT). These sessions are intended to enable the participative discussion and collaborative analysis of various sector monitoring and performance monitoring data (including at the activity level). Facilitated by the M&E team, these sessions should: (a) validate and reflect on performance indicator achievements and the emergent answers to the Facility-level monitoring questions, (b) 'make sense' of the indicator achievements and emergent answers by identifying key factors (including implicit assumptions) that have contributed to KIAT performance (and under-performance), and (c) identifying the implications of performance information for the KIAT logic and for future implementation.

⁷ Detailed guidance and a template for documenting Significant Policy Changes (SPC) is provided in PAF 3.0 technical notes.

5.3 Facility-Level Evaluation – Indicative Process

The seven KIAT Key Evaluation Questions will be answered by synthesising information produced through the other components of the KIAT M&E Framework and supplementing such information with additional data collection and analysis as necessary.

Targets against which Facility performance can be judged will be developed annually as part of the PAF process. For each of the PAF indicators listed in section 4.4, targets will be set for the current and future 3 years.

Indicatively, the three main processes envisioned for Facility-level evaluation are described below.

5.3.1 Brief Facility Reviews by External Experts

KIAT should develop and maintain relationships with several advisers who are familiar with the Facility and who can conduct objective assessments that provide succinct answers to one or more key evaluation questions as well as provide realistic, actionable recommendations on how KIAT performance can be improved⁸. In general, reviews should be brief (15-25 person days), and should be based on desk reviews and discussions with both KIAT management / staff and key stakeholders.

At least in the initial period of KIAT implementation, the focus of these brief reviews should be on KEQ7 (how well KIAT is learning and adapting over the course of Facility implementation). However, the focus of reviews should over time also look at other key evaluation questions (or other elements of Facility performance) as considered relevant by KIAT Management and / or DFAT.

Reviews should be conducted annually and be timed to feed into KIAT annual internal reviews (discussed below) and / or Management Committee meetings. So as not to produce an overwhelming amount of information, only a small number of reviews should be conducted each year. Reviews could be conducted on a staggered basis, for example:

Even years (starting in 2018) – 3 reviews related to:

- KIAT’s approach to working collaboratively with GOI at the strategic & operational levels;
- KIAT’s focus on women’s empowerment, gender equity and social inclusion; and
- KIAT’s efforts to understand, communicate, and learn from its performance.

Odd years (starting in 2019) – 3 reviews related to:

- The ways KIAT is working to strengthen the involvement of civil society organizations in infrastructure delivery and oversight;
- The ways KIAT is working to strengthen Indonesia-Australia relationships and the Australian economic diplomacy agenda; and
- Value for Money principles.

The KIAT M&E team and KIAT management will need to identify the focus and requirements for each review and prepare Terms of Reference accordingly. This should be done with collaborative input from DFAT.

5.3.2 Annual Internal Facility Assessments

A second mechanism for answering the KIAT Key Evaluation Questions is an annual internal assessment, which should be considered an extension of the annual reflection sessions that are described in the approach to Facility performance monitoring at section 5.2.1. Whereas the reflection sessions are focused on validation, reflection, and

⁸ As relevant and needed, advisory panel members could potentially be contracted to provide follow-on support related to the implementation of key recommendations.

synthesis, the internal review should go a step further to provide a high-level assessment about the overall 'merit' of KIAT (framed in terms of indicative answers to the key evaluation questions against the rubric system provided at Annex 4). The assessment should be based on all of the various evidence related to KIAT performance compiled over the course of the year, and to identify any gaps in either performance or evidence. These assessments should be timed to feed into annual reporting cycles and / or KIAT Management Committee meetings.

The focus of the annual internal review should be on KEQs 2, 3, 4, and 5 (the degree to which KIAT is contributing to achieved outcomes). While management and implementation processes are still being established and institutionalised during the initial phase of KIAT, an additional focus on KEQ1 (strategic nature of support) and/or KEQ7 (learning and adaptation) may be warranted. In later years of the Facility, a focus on KEQ6 (sustainability) may be appropriate.

Where an additional level of credibility is desired, the results of the internal Facility assessments can be reviewed or verified by external parties.

5.3.3 Outcome Harvesting (every three years)

Outcome harvesting is a method that has proven useful in complex situations where interventions and expected results are not clearly defined from the outset, where the focus is evaluating outcomes rather than activities, and where there is a desire to learn about change processes and the contribution of various outcomes/interventions to larger change⁹. The overall approach to KIAT M&E described in the M&E Framework follows an outcome harvesting type-approach, in that indications of outcomes to which KIAT has contributed are compiled from various sources, and then emerging outcomes are substantiated and validated (for example through activity assessments, case studies, feedback sessions with stakeholders, or regular reflection sessions) and fed back for further discussed with users.

However, KIAT should also undertake a more formal outcome harvesting process, which externally validates and supplements the various forms of internally generated performance information, and produces targeted answers to KIAT's key evaluation questions. This process should be focused on answering KEQs 2, 3, 4, and 5 (generally, the degree to which KIAT has been effective contributing to desired outcomes). However, by prioritising a focus on strategic outcomes and those that have the potential to yield sustained benefits, the outcome harvesting exercise can also be oriented toward providing answers to KEQ 1 (How strategic is KIAT's support) and KEQ 6 (How likely is it that key benefits from KIAT support will continue to be felt after the conclusion of KIAT investment). Where necessary, an additional evaluator can be included in the harvester team to focus specifically on one or both of these questions.

To enable time for outcomes to emerge, but also to feed key information back to KIAT management, DFAT and the KIAT Management Committee for strategic direction, the formal outcome harvesting exercise is proposed to be conducted tri-annually after third, sixth, and ninth year of implementation (starting in 2020).

⁹ For more information, see for example: http://betterevaluation.org/en/plan/approach/outcome_harvesting

5.3.4 Evaluation Schedule

Table 2: KIAT Facility-Level Evaluation Processes below illustrates the projected schedule of Facility-level evaluation activities over the 10-year life of KIAT compared to the seven Key Evaluation Questions:

Table 2: KIAT Facility-Level Evaluation Processes

| KEQ | Y1 | Y2 | Y3 | Y4 | Y5 | Y6 | Y7 | Y8 | Y9 | Y10 |
|--|--------|--------|--------|--------|--------|----|----|----|----|-----|
| 1: How strategic is KIAT's support, in consideration of (a) emerging priorities and opportunities and (b) prevailing political and institutional realities in the Indonesian infrastructure sector? | ▲ | ▲ | ▲ | ◆ | ▲ | | ◆ | | | ◆ |
| 2: How effectively has KIAT contributed to an improved policy and regulatory framework conducive to infrastructure development? | | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ |
| 3: How effectively has KIAT support to project preparation met the needs of the GOI, the private sector, and/or MDBs? | | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ |
| 4: How effectively has KIAT contributed to higher quality project delivery, management and maintenance by the GOI? | | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ |
| 5: How effectively has KIAT contributed to improvements in the infrastructure sector which can tangibly or logically linked to improved access to infrastructure services for women and marginalised groups? | | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ | ▲ | ▲ | ◆ |
| 6: How likely is it that key benefits from KIAT support will continue to be felt after the conclusion of KIAT investment? | | | | ◆ | | ▲ | ◆ | ▲ | ▲ | ◆ |
| 7: How well has KIAT learned and adapted over the course of implementation? | ● ▲ | ● ▲ | ● ▲ | ● ▲ | ● ▲ | ● | ● | ● | ● | |

KEY: ● Brief External Reviews; ▲ Internal Facility Assessments; ◆ Outcome Harvesting

6. Activity-Level Performance Monitoring and Assessment

As described above, KIAT M&E is 'nested': activity-level performance monitoring and assessment will provide key information to be incorporated into Facility-level performance monitoring, and assessments of individual activities should feed into Facility-level evaluation.

6.1 Modalities

There are two main 'modalities' for conducting activity-level performance monitoring and assessment:

- Internal modality in other words to be conducted by the party responsible for implementing the activity (with support from the KIAT M&E team or other parties as relevant). The internal modality will be predominantly used for performance monitoring, with a primary focus on the progress and outputs/immediate results of the activity. However, where relevant, activities may also be subject to a self-assessment from the implementer upon completion or at key points during the implementation process.
- External modality to be conducted by the KIAT M&E team and/or an external third party. The external modality will be predominantly used for assessment, and especially to focus on of the quality of key activity outputs and the effectiveness of the activity in achieving its targeted outcomes.

6.2 Process

The activity-level M&E covers four main steps:

6.2.1 Step 1: Quality at Entry

'Quality at Entry' should be understood as quality assurance for the selection and design of activities funded by KIAT, which is important both to ensure that activity concepts and designs meet minimum standards, as well as to ensure that activity-level performance monitoring and assessment can feed into Facility-level performance M&E. In implementing Quality at Entry, the M&E team will support KIAT management to conduct a structured assessment of activity concepts and/or activity proposals. Key elements of quality at entry include:

1. An assessment of the relevance and strategic nature of the activity, in terms of the expected opportunities for the activity to:
 - a. Contribute to stated GOI priorities;
 - b. Contribute to KIAT EOFOs;
 - c. Leverage existing or future funds;
 - d. Influence policy;
 - e. Contribute to the achievement of DFAT PAF indicators;
 - f. Engage with the private sector;
 - g. Collaborate with DFAT programs or MDBs; and
 - h. Facilitate collaboration between Australian and Indonesian institutions.
2. A review of the quality and completeness of the activity design, including:
 - a. A review of the basic 'logic' of each, including to ensure that program interventions, expected results (both immediate results and medium-term outcomes), and key assumptions and risks are described with sufficient clarity and completeness and are logically sound;

- b. An assessment of whether the activity appropriately considers gender and social inclusion issues, and whether gender or social inclusion issues are considered a primary focus of the activity;
- c. A review of expected performance monitoring and assessment requirements, and the budget (and, where relevant, performance incentives) related to those requirements; and
- d. A review of whether the activity appropriately incorporates lessons learned from previous implementation experience.

6.2.2 Step 2: Design and Agreement of Activity-level Performance Monitoring and Assessment

The KIAT M&E team will support the relevant implementation unit and/or subcontractors in preparing activity designs for performance monitoring and assessment at the activity level, including by identifying key questions and / or indicators (including DFAT PAF indicators as relevant), sources of information, methods for data collection and analysis, and reporting, as well as by ensuring that approaches sufficiently incorporate GESI considerations.

For standard activities, the design will be based on a 'mix-and-match' toolkit for internal activity-level performance monitoring and assessment, which will include simple approaches for:

- Milestone and / or output indicator reporting;
- Advisor logs;
- Structured feedback from target users (focused on the relevance/usefulness of immediate outcomes);
- After action reviews;
- Self-assessment at completion; and
- PAF indicator reporting.

For 'major' activities (indicatively defined as activities with a total investment amount over AUD\$3 million, or which are considered to have high strategic or demonstration value), activity designs should include an external component (predominantly for assessment) to enable more robust methods and more credible information, including (indicatively):

- Peer reviews of key products;
- External or joint reviews / assessments (including baseline and endline data collection where relevant); and
- Impact evaluation (where considered a priority, especially for demonstration projects).

6.2.3 Step 3: Activity Performance Monitoring & Assessment over the Course of Activity Implementation

The implementation of activity-level performance monitoring and assessment during the life of activity implementation will follow the agreed-upon design, and must at a minimum include the documentation of all key outputs/immediate results as well as reporting on relevant performance indicators. The M&E team will provide quality assurance and – where necessary – capacity building support for activity-level M&E.

6.2.4 Step 4: Activity Completion and Assessment

At or after the completion of the activity, the M&E team will facilitate a process that will include (as relevant) the completion of any external assessments, the compilation of feedback from key users, a reflective review of implementation, and the documentation of key lessons learned for future implementation.

7. Management, Communication & Use of Performance Information

More detailed arrangements for information management, reporting, and the use of performance information will be developed during Year 1 of operation. Key parameters for these processes are presented below.

7.1 Management of Performance Information

Facility- and activity-level performance information and other documents related to the KIAT M&E Framework will be consolidated and stored in a cloud-based shared drive and be accessible through the KIAT Management Information System (MIS). This system should be developed iteratively over the life of KIAT, where possible building upon existing systems. At a minimum, this system should provide user-friendly access to (a) information about the current status of KIAT activities and technical deliverables, (b) activity design documents, key activity deliverables, and activity assessments, (c) final versions of all documents produced through the KIAT monitoring and evaluation system, and (d) performance indicator data, including a dashboard summarising performance indicator achievements. The MIS should also include an 'outcome database' to manage information for outcome harvesting processes.

7.2 Reporting and External Communications

The KIAT M&E Framework will be oriented to produce information for inclusion in 6-monthly Facility monitoring reports¹⁰. The primary audiences for these reports are DFAT and the KIAT Management Committee. Reports will be relatively brief (no more than 25 pages) and be clearly structured by Activity Streams, with an executive summary (no more than 3 pages). As necessary, additional relevant information will be included in annexes or via links to documents stored on line.

In addition to 6-monthly progress reports, KIAT will produce two additional types of information required for DFAT's internal management processes. KIAT will report against the specific DFAT PAF indicators identified in the M&E Framework. During activity design and selection, activity designers will indicate which PAF indicators each activity is expected to contribute to (if any) and what is the target. KIAT will develop and maintain mechanisms for activity- and Facility-level indicator reporting (for use by program implementers and KIAT staff, respectively). The KIAT M&E team will review & compile interim PAF indicator data in December for submission to DFAT in the 6-monthly Progress Report, with complete PAF indicator data to be compiled and reviewed in June for formal submission in July. Concurrently with the compilation and review process in June, the KIAT M&E team will facilitate a target setting process for the coming year. KIAT will also produce a draft response to the annual DFAT AQC, incorporating data from the M&E Framework to address the various AQC Criteria.

Key performance information should also be presented to the KIAT Management Committee (and, potentially, to independent experts), either in a dedicated session at formal meetings, or as part of pre-meeting briefings.

In addition to 6-monthly reports, the KIAT MIS will enable the regular generation of a series of simple reports using data already stored within the MIS. The content and format of these reports will be agreed with KIAT management (and, where relevant, DFAT or other users).

The key deliverables from KIAT M&E at the Facility level are listed below in Table 3: Key KIAT M&E Deliverables (Facility-Level).

¹⁰ Reporting will roll together 6-monthly progress reporting and Annual (12 month) forward planning.

Table 3: Key KIAT M&E Deliverables (Facility-Level)

| Deliverable | Timing / Frequency | Responsible Party |
|---|--|-----------------------|
| 6-monthly Bi-annual Performance and Planning Report | January & July | Perf. & Comms Manager |
| PAF Indicator Reporting | May (Interim: December) | M&E Manager |
| Draft AQC Report | February | Perf. & Comms Manager |
| Key program outputs, performance indicators, automatically generated reports | Ongoing (via KIAT MIS) | Perf. & Comms Manager |
| Presentation to KIAT Management Committee | At Management Committee Meetings, and additionally as needed | Perf. & Comms Manager |
| Results of review of M&E implementation and proposed revisions to M&E Framework | January | Perf. & Comms Manager |

7.3 Use of Performance Information

The overall design of the M&E Framework – but especially the quality at entry process, 6-monthly reviews, annual reflection sessions, and annual internal reviews – is intended to ensure that it is integrated with KIAT management and implementation processes, rather than as a separate add-on activity. A key determinant of the effectiveness of this approach in encouraging the use of KIAT performance information is the ability of the KIAT M&E team to play a positive and constructive role, and to effectively engage with and support KIAT management, staff, and implementing partners.

Recruitment for all M&E-related positions should take into consideration not only technical skillsets, but also the soft skills that will enable staff and consultants to act as facilitators and critical friends as necessary.

A second strategy for encouraging the use of performance information is to require KIAT management (specifically Deputy Directors) to provide management responses to key recommendations generated from external assessments of individual activities and Facility-level external reviews.

A third strategy for encouraging the use of performance information is to link Facility-level performance monitoring to performance payments to the KIAT Managing Contractor and/or to KIAT implementing agencies, for example by agreeing a series of targets that represent minimum results that must be achieved ('hurdle targets') or more difficult targets, of which a certain proportion should be achieved ('stretch targets'). Facility-level performance targets will be agreed through the annual target setting required under the PAF system, and corresponding incentives should be agreed upon between DFAT, the KIAT Contractor Representative, and KIAT management. Activity-level performance targets and corresponding incentives should be agreed between KIAT management and the GOI implementing agency.

8. Management of Monitoring and Evaluation

As with the previous section, more detailed arrangements for the management of M&E will be included in the M&E Plan to be developed by early 2018. Key considerations are presented below.

8.1 Organisational Structure and Staffing

KIAT M&E will be managed through a Performance and Communications Unit that reports directly to the KIAT Facility Director and is responsible for coordinating the implementation of all Facility-level M&E processes (sector monitoring, Facility performance monitoring, and Facility evaluation). The KIAT implementation teams (under management of the KIAT technical directors) will be responsible for all activity-level performance monitoring and assessment, with technical support and quality assurance from the Performance and Communications Unit as required.

The Performance and Communications Unit will be staffed at a minimum with:

- an international-level manager who is responsible for the overall management and performance of the unit;
- a coordinator who supports the manager and is also responsible for supporting the implementation teams on activity-level performance monitoring and assessment, and;
- one or more officers who are responsible for the compilation and management of all performance-related data.

Additional technical support for the Performance and Communications Unit (for evaluation design, analysis, facilitation, quantitative data collection, and capacity building) will be provided on an as-needed basis through standing offers and/or draw down contracts with qualified consultants or organisations.

8.2 Flexibility and Iterative Improvement

A key component of the success of M&E in KIAT will be the flexibility for the overall approach to adapt over time and as needs change.

This M&E Framework (and the corresponding M&E Plan) should therefore be subjected to a structured annual review, which is based on both reflections from the Performance and Communications Unit as well as feedback from key users of performance information (at least: KIAT Management and DFAT). This review should also guide adjustments in staffing and resourcing.

Given that the overall approach to M&E may evolve significantly and is also likely to fluctuate from year to year, it is important to maintain a structure and budget that allows for sufficient flexibility for amendments over time and as needs change. Staffing arrangements and budgets for technical support and the implementation of M&E processes should be reviewed on an annual basis, with flexible contracting mechanisms that enable the scale up or scale back of support as relevant.

To facilitate continuous improvement on ways of working and generate reflections for use in the annual review, the Performance and Communications Unit will conduct a 6-monthly reflection on the unit's own performance. Similar to the 6-monthly reviews with KIAT's directorates, this review should identify key lessons and how those lessons can be incorporated into the implementation of the M&E Framework in the future.

8.3 Quality Control

Key approaches to ensuring the quality of KIAT M&E processes and products are described briefly below.

At the Activity-level, the process for activity design and selection will include specific decision criteria related to the existence and appropriateness of the performance monitoring and assessment approach for each activity. The KIAT

M&E team (with support from external advisors as relevant) will provide guidance and quality control on both the performance monitoring and assessment design and implementation. The KIAT M&E team will also be responsible for reviewing activity-level M&E deliverables produced by both implementers and external consultants.

At the Facility level, the KIAT M&E Framework will be subjected to peer review by both DFAT and one or more external advisors. Main outputs from the Performance and Communications Unit (including progress reports, Facility reviews by external assessors, and outcome harvest results) will likewise be peer reviewed by one or more external advisors.

To aid in the quality control process and as a mechanism for clarifying expectations, the KIAT Performance & Communications Team will develop and maintain a simple set of standards for (1) activity-level M&E design; (2) activity-level progress reports, (3) independent assessment reports, (4) Facility-level progress reports, and (5) terms of reference for M&E personnel. These standards will refer to the DFAT M&E standards but will be simplified and tailored to the specific context of KIAT.

Annex 1 – Information Needs of Key Stakeholders

| Who | Level | Needs information about: | For purposes of: | When |
|--|---------------------|--|---|---|
| DFAT Infrastructure Team | Facility | <ul style="list-style-type: none"> PAF achievements: Funds leveraged, Policies improved, KM of roads, WatSan connections | <ul style="list-style-type: none"> Completing PAF reporting | June-July |
| DFAT Infrastructure Team | Facility | <ul style="list-style-type: none"> Supporting information related to AQC areas: Relevance, Effectiveness, Efficiency, M&E, Sustainability, Gender Equality, Risk management & safeguards, Innovation & Private Sector | <ul style="list-style-type: none"> Completing AQC's | January-February |
| DFAT Infrastructure Team | Facility | <ul style="list-style-type: none"> KIAT results, successes, & challenges | <ul style="list-style-type: none"> Preparing annual project reports | January |
| KIAT Board | Facility | <ul style="list-style-type: none"> High level progress against KIAT outcomes / objectives Allocation across KIAT 'portfolio' Key questions to be addressed by board | <ul style="list-style-type: none"> As a basis for approval of KIAT plans and resource allocations As considerations to provide strategic guidance | Prior to board meetings |
| KIAT Management Team | Facility / Activity | <ul style="list-style-type: none"> Progress against KIAT outcomes / objectives Particularly successful / problematic activities | <ul style="list-style-type: none"> Decision-making Structured and ad-hoc communication to DFAT and board As a basis for strategic reflection and ongoing learning | Ongoing, and as part of 6-monthly reporting processes |
| DFAT Infrastructure Team, KIAT Management, Board, GOI Counterparts | Activity | <ul style="list-style-type: none"> High-risk activities or activities which otherwise require management attention | <ul style="list-style-type: none"> To take informed action as necessary (to address risks or de-bottleneck) | As relevant |
| KIAT Management Team | Activity | <ul style="list-style-type: none"> The status and main results of individual activities | <ul style="list-style-type: none"> Decision-making about new and ongoing activities Ongoing learning about what works and what doesn't To respond to ad hoc requests for information from DFAT | Ongoing |
| KIAT finance team & GOI (partner agencies) | Activity | <ul style="list-style-type: none"> Activity completion and key products provided | <ul style="list-style-type: none"> BAST reporting | As activities are completed |

Annex 2 – KIAT Performance Indicator

| # | Indicator Name | ALIGNMENT | | Disaggregated By | Definitions / Notes |
|---|---|------------------|---------------|---|---|
| | | DFAT PAF | KIAT-SPECIFIC | | |
| 1 | Amount of additional financing co-invested in infrastructure planning, delivery, management, and maintenance | PAF Indicator #1 | | Source of funding (GOI / MDB / private) Status of funding (committed / projected) | Additional funding is the total amount (AUD) of additional (non DFAT) funds for infrastructure and economic development initiatives that were partly or wholly assisted by Australian Aid. |
| 2 | Number of districts with improved service delivery practices and policies for infrastructure planning, delivery management and maintenance. | PAF Indicator #2 | | Districts | Improved service includes policies or practice changes made at the district or sub-district level that have implications for improved front line service delivery such as Puskesmas, PAUD/SD/SMP/SMA, legal identity, agriculture, water and sanitation, transport as well as village governance. |
| 3 | Number of instances of substantive collaboration between KIAT and other DFAT programs. | KIAT #1 | ✓ | Status (ongoing / complete) Program | Other DFAT programs refers to programs funded by DFAT and of direct relevance for KIAT include AIPEG on economic governance issues, KSI on potential infrastructure sector knowledge, and KOMPAK on sub-national infrastructure budgeting and expenditure. It does not include the Trust Funds with the MDBs which is covered under a separate indicator below. |
| 4 | Number of instances of substantive collaboration between KIAT and the World Bank and ADB. | KIAT #2 | ✓ | Status (ongoing / complete) Institution (World Bank / ADB) | Collaboration with the World Bank and ADB will include collaboration on activities directly funded by DFAT through existing Trust Funds as well as new activities that either the World Bank or ADB identify together with GOI as representing a mutually beneficial opportunity for collaboration with KIAT. |
| 5 | Number of instances of substantive collaboration between Australian and Indonesian institutions facilitated by KIAT | KIAT #3 | ✓ | Status (ongoing / complete) | Collaboration between Australian and Indonesian institutions refers to institutions that share common interests in both countries, these may be academic, business or peak bodies. |
| 6 | Number of kilometres road maintained and/or rehabilitated | KIAT #15 | ✓ | Province, District and Types of works (Routine Maintenance, BMW, Periodic Maintenance, Rehab) | Clear enough |
| 7 | Number of feasibility studies and/or Detailed Engineering Designs that contribute to project preparation for financial support | KIAT #16 | ✓ | Studies and Activity Stream | Studies that include reviews of existing feasibility studies, scoping study that provides lessons learned and/or recommendations for further activity development |

| # | Indicator Name | ALIGNMENT | | Disaggregated By | Definitions / Notes |
|---|--|-----------|---------------|-----------------------------|--|
| | | DFAT PAF | KIAT-SPECIFIC | | |
| 8 | Number of studies that contribute to evidence for policy improvement/development | KIAT 17 | ✓ | Studies and Activity Stream | Studies that include feasibility study, review of existing policy/ regulation, background study, and other relevant studies that provide evidence for infrastructure policy improvement/ development |

Annex 3 – KIAT Facility-Level Monitoring Questions

KIAT's monitoring questions are linked to the KIAT Key Evaluation Questions, in that they cover (a) the relevance and strategic nature of KIAT's support (KEQ #1), and (b) general immediate and intermediate outcomes which are plausibly linked to KIAT's targeted higher-level outcomes and sustainability (KEQs #2-6). General monitoring questions for the KIAT Facility are as follows:

Related to KEQ #1, the relevance and strategic nature of KIAT's support:

MQ1: What significant developments in the Indonesian infrastructure sector have occurred related to KIAT's areas of focus or potential focus?

MQ2: How has KIAT responded to these significant developments and the new opportunities they present?

These questions are intended to encourage and enable a broader view of KIAT as a Facility within the dynamic context (including the political nature of that context) of the infrastructure sector in Indonesia. It is vital for KIAT to understand, describe and be able to communicate significant developments in the context, and also to demonstrate the influence those developments have been incorporated into KIAT's strategies and ways of working.

For the purpose of this question, "significant" developments are those that require KIAT to: (i) rethink its overall strategy or its strategy for contributing to the achievement of one or more EOFO, and/or (ii) re-focus, re-schedule, or terminate any current or planned activities.

Related to KEQ#2-6, the effectiveness and potential sustainability of KIAT's support:

MQ3: Immediate Results: To what extent has KIAT produced its targeted immediate results?

KIAT's immediate results are considered to cover both KIAT outputs (i.e. technical deliverables) as well as a broad range of other less tangible results of KIAT activities, including advice, new knowledge and skills provided through capacity building, and facilitated interactions. Since immediate results are predominantly under the control of the project, understanding their status (and quality – see below) is crucial for internal management and learning, including as a basis to encourage the achievement of higher level targets, and is also highly relevant for overall accountability.

MQ4: Quality of Immediate Results: What are the indications that KIAT's support and immediate results have been well-received by their targeted users?

The quality of KIAT's immediate results will be a key factor in whether or not the Facility is likely to make significant contributions to its expected outcomes. This question focuses on understanding the quality of KIAT's immediate results, especially (to the degree possible) from the perspective of key stakeholders and target users. Although the definition of quality will vary depending on the immediate result in question, it should generally include both relevance and clarity from the user's perspective.

MQ5: Use of Immediate Results: What are indications that KIAT's immediate results are being used by key stakeholders and target users?

This is a general, open-ended question that is intended to enable the capture of various forms of anecdotal evidence about the (possible) use of KIAT's immediate results. These anecdotal forms of evidence are important as indications of the achievement of higher-level outcomes, which can then be further verified and validated and – where relevant – investigated further.

MQ6: External Commitments: To what extent are KIAT partners taking actions that were either assumed or explicitly agreed upon as a basis for KIAT support?

Given KIAT's nature as a flexible Facility that is responsive to GOI needs and is also intended to leverage MDB and private funding, a key determinant of KIAT's ability to achieve its desired outcomes and promote sustainable change is the extent to which KIAT's partners uphold their implicit commitments or stated agreements. This question is intended as a mechanism to understand and communicate the status of such commitments and agreements, especially for purposes of removing bottlenecks.

MQ7: Institutionalization of change: To what extent has KIAT support led to durable institutional change?

This question is intended to capture whether policy, regulatory or management changes within GOI institutions that are a direct result of KIAT support have been sustained beyond that period of support. Evidence may include readily verifiable information such as ongoing annual budget allocations in budget papers, or judgements on whether a change has set in such that the likelihood of it being reversed is increasingly unlikely.

The relationship between the key evaluation questions and the more descriptive monitoring questions is displayed in Table 4 below.

Table 4: Relationship between Facility-Level Monitoring Questions & Key Evaluation Questions

| | MQ1 (key develop- ments) | MQ2 (response to key develop- ments) | MQ3 (immediat e results) | MQ4 (quality of immediat e results) | MQ5 (use of immediat e results) | MQ6 (external commit- ments) | MQ7 (durable changes) |
|--|--------------------------------|---|--------------------------------|--|--|---------------------------------------|-----------------------------|
| KEQ1 (strategic nature of support) | ✓ | ✓ | | | | | |
| KEQ2 (effectiveness: outcome area 1) | | | ✓ | ✓ | ✓ | ✓ | ✓ |
| KEQ3 (effectiveness: outcome area 2) | | | ✓ | ✓ | ✓ | ✓ | |
| KEQ4 (effectiveness: outcome area 3) | | | ✓ | ✓ | ✓ | ✓ | |
| KEQ5 (effectiveness: women's economic | | | ✓ | ✓ | ✓ | ✓ | |

| | MQ1 (key developments) | MQ2 (response to key developments) | MQ3 (immediate results) | MQ4 (quality of immediate results) | MQ5 (use of immediate results) | MQ6 (external commitments) | MQ7 (durable changes) |
|-----------------------------------|---|---------------------------------------|----------------------------|---------------------------------------|-----------------------------------|-------------------------------|--------------------------|
| empowerment) | | | | | | | |
| KEQ6 (sustained benefits) | | | | | ✓ | ✓ | ✓ |
| KEQ7 (learning and adaptation) | <i>To be to be reviewed and refined over the life of KIAT, and be guided by KIAT's ways of working agreements with individual GOI partners.</i> | | | | | | |

Annex 4 – Indicative Rubrics for KIAT Performance

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| <p>KEQ1: How strategic is KIAT’s support, in consideration of (a) emerging priorities and opportunities and (b) prevailing political and institutional realities in the Indonesian infrastructure sector?</p> | |
| <p>Highly Strategic (Exceeds Expectations)</p> | <p>Key govt counterparts feel that KIAT is providing highly strategic support, with only minor room for improvement.</p> <p>KIAT can demonstrate several instances each year where it has both (1) anticipated potential government priorities and proactively taken action to address those issues and (2) responded to strategic government requests.</p> <p>All or almost all KIAT activities are linked to government priorities as expressed in the medium-term development plan (RPJMN) or other strategic documents; for the few activities that are not explicitly linked to strategic documents, there is a strong strategic justification for such activities.</p> |
| <p>Strategic (In line with Expectations)</p> | <p>Key govt counterparts feel that KIAT is generally strategic, with some opportunities for being more strategic.</p> <p>KIAT can demonstrate at least one instance each year where it has anticipated a potential government priority and proactively taken action to address that issue, AND KIAT can demonstrate several instances where it has responded to strategic government requests.</p> <p>The majority of KIAT activities (with only a few exceptions) are linked to government priorities as expressed in the medium-term development plan or other strategic documents or have a strong strategic justification for such activities.</p> |
| <p>Insufficiently Strategic (Below Expectations)</p> | <p>Key government counterparts feel that a significant number of KIAT activities are not in line with current government priorities, and/or question the strategic nature of KIAT support.</p> |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • How do key govt counterparts feel about the strategic nature of KIAT support? In their opinion, how large is the room for improvement? • What are instances where KIAT has: <ul style="list-style-type: none"> ○ Anticipated potential govt priorities and taken proactive action ○ Responded to strategic govt requests • To what extent are KIAT activities explicitly linked to government priorities as described either in the medium-term development plan or other strategic documents? • For activities not explicitly linked to government priorities, how strong is the strategic justification for these activities? <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Government Documents: RPJMN/D, RKP, Renstra, Policy, Regulations • Government Correspondence: Letters | |

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| KEQ2: How effectively has KIAT contributed to an improved policy and regulatory framework conducive to infrastructure development? | |
| Highly Effective (Exceeds Expectations) | <p>For any year, KIAT can demonstrate several significant policy changes where KIAT has made a meaningful contribution.</p> <p>There is strong evidence that GOI policy makers value evidence and advice from KIAT, and are referring to such evidence and advice to inform decisions.</p> <p>Significant changes have occurred in the internal systems / processes of more than one KIAT partner agency related to the production and use of policy-relevant evidence and advice, including related to how civil society is engaged in infrastructure policy making.</p> |
| Effective (In line with Expectations) | <p>For any year, KIAT can demonstrate at least one significant policy change where KIAT has made a meaningful contribution.</p> <p>There is strong evidence that GOI policy makers value evidence and advice from KIAT, and some evidence that GOI policy makers are referring to evidence and advice from KIAT to inform decisions on at least a few priority issues. Where KIAT evidence and advice is clearly not being used, KIAT has made additional effort to promote uptake and use.</p> <p>At least one KIAT partner agency has made changes in internal systems/process related to the production and use of policy-relevant evidence and advice.</p> <p>KIAT can demonstrate meaningful contribution to positive changes in civil society's motivation and/or capacity to engage with government on infrastructure policy.</p> |
| Insufficiently Effective (Below Expectations) | <p>For the majority of KIAT's policy work, there is little evidence that GOI policy makers are referring to evidence or advice from KIAT. In cases where KIAT evidence and advice is clearly not being used, KIAT has made little additional effort to promote uptake or use.</p> |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • What are instances of significant policy changes that KIAT has contributed to? What has been KIAT's contribution? • What evidence exists to demonstrate that GOI policymakers value (or do not value) the evidence and advice from KIAT? • What evidence exists to demonstrate that GOI policy makers are referring to evidence and advice from KIAT? • Where KIAT evidence and advice is clearly not being used, what additional effort has KIAT undertaken to promote uptake and use? • What changes have KIAT partner agencies made to internal systems related to the production and use of policy-relevant evidence and advice? • What are KIAT's contributions to changes in civil society engagement related to infrastructure policy? <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Government Documents: RPJMN/D, RKP, Policy, Regulations (Law, Decree, Manual) • Government Correspondence: Letters | |

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| KEQ3: How effectively has KIAT support to project preparation met the needs of the GOI, the private sector, and/or MDBs? | |
| Highly Effective (Exceeds Expectations) | <p>KIAT can demonstrate several projects in the delivery stage where KIAT has made a meaningful contribution to project preparation.</p> <p>KIAT can demonstrate meaningful contribution to significant changes to GOI systems / processes for identifying, selecting, preparing, and procuring projects, including related to how civil society is engaged in project preparation.</p> |
| Effective (In line with Expectations) | <p>KIAT can demonstrate at least one project in the delivery stage where KIAT has made a meaningful contribution to project preparation. KIAT has made meaningful contributions on at least two other projects which are still in development, but which are likely to go into the delivery stage.</p> <p>KIAT can demonstrate meaningful contribution to positive changes in government counterparts' motivation and/or capacity to identify, select, prepare, and procure projects.</p> <p>KIAT can demonstrate meaningful contribution to positive changes in civil society's motivation and/or capacity to engage with government on the identification, selection, preparation, and procurement of projects.</p> |
| Insufficiently Effective (Below Expectations) | <p>KIAT cannot demonstrate any projects in the delivery stage where KIAT has made a meaningful contribution to project preparation.</p> <p>OR</p> <p>KIAT cannot demonstrate any meaningful contribution to systems / processes / approaches for identifying, selecting, preparing, and procuring projects.</p> |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • What are projects in the delivery stage that KIAT has contributed to? What has been KIAT's contribution? • What are KIAT's contributions to changes to GOI systems / processes for identifying, selecting, preparing and procuring projects? • What are KIAT's contributions to changes in government counterparts' motivation and/or capacity for identifying, selecting, preparing and procuring projects? • What are KIAT's contributions to changes in civil society engagement related to project preparation? <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Government Documents: RPJMN/D, Manual (Project Management Manual, P/KRMS), Guideline (Procurement Procedure) • Government Letters: Circular Letter, Letters • Government: P/KRMS | |

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| KEQ4: How effectively has KIAT contributed to higher quality project delivery, management and maintenance by GOI? | |
| Highly Effective (Exceeds Expectations) | <p>Several of the new models / mechanisms trialled with KIAT support have been adopted or adapted by GOI.</p> <p>The adoption/adaption of KIAT supported models have led to significant changes to GOI systems / processes related to infrastructure delivery, management, or maintenance, including related to how civil society is engaged with such systems/processes.</p> |
| Effective (In line with Expectations) | <p>Based on the results of the new models / mechanisms trialled with KIAT support, at least one KIAT partner agency has made changes in internal systems/process related to project delivery, management, and maintenance.</p> <p>With only few exceptions, KIAT can demonstrate how the new models / mechanisms trialled with KIAT support have contributed to positive changes in government counterparts' motivation and/or capacity to deliver, manage, and maintain infrastructure.</p> <p>KIAT can demonstrate meaningful contribution to positive changes in civil society's motivation and/or capacity to engage with government on project delivery, management, and maintenance.</p> |
| Insufficiently Effective (Below Expectations) | <p>KIAT cannot demonstrate any instances of the adoption/adaption of new models/mechanisms trialled with KIAT support.</p> <p>OR</p> <p>For the majority of KIAT's demonstration projects, there is little evidence that GOI policy makers are aware of the projects or consider them of interest.</p> |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • To what extent have the new models / mechanisms trialled with KIAT support been adopted or adapted by GOI? • To what extent has the adoption/adapted of KIAT supported models led to significant changes to GOI systems/processes related to infrastructure delivery, management, or maintenance? • What changes have occurred related to civil society engagement with government on project deliver, management, and maintenance? • To what extent have the models / mechanisms trialled with KIAT support contributed to changes in government counterparts' motivation and/or capacity for for delivering, managing, and maintaining infrastructure? <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Government Documents: RPJMN/D, Manual (Project Management Manual, P/KRMS, RAMS), Guideline (Procurement Procedure) • Government Letters: Circular Letter, Letters • Government System: P/KRMS, RAMS | |

| KEQ5: How effectively has KIAT contributed to improvements in the infrastructure sector that can be tangibly or logically linked to improvements in access to infrastructure services for women and marginalised groups? | |
|---|---|
| Highly Effective (Exceeds Expectations) | KIAT can demonstrate a number of meaningful GESI-related contributions under all three KIAT End-of-Facility Outcomes. |
| Effective (In line with Expectations) | KIAT can demonstrate a number of meaningful GESI-related contributions under at least two of the three KIAT End-of-Facility Outcomes. |
| Somewhat Effective (Meets minimal expectations) | KIAT can demonstrate meaningful GESI-related contributions under at least one of the three KIAT End-of-Facility Outcomes. |
| Insufficiently Effective (Below Expectations) | KIAT cannot demonstrate any meaningful GESI-related contributions under any of the three KIAT End-of-Facility Outcomes. |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • To what extent can KIAT demonstrate contributions to GESI-related outcomes in infrastructure policy? • To what extent can KIAT demonstrate contributions to changes in internal GOI systems related to the production and use of GESI-related policy-relevant evidence and advice? • To what extent can KIAT demonstrate contributions to more GESI-appropriate project preparation for specific projects? • To what extent can KIAT demonstrate contributions to GOI systems/processes for identifying, selecting, preparing, and procuring projects in a more GESI-appropriate way? • To what extent have the new models/mechanisms for infrastructure delivery, management and maintenance trialled with KIAT support produced improvements in access to infrastructure services for women and marginalised groups? <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Government Documents: RPJMN/D, APBN/D, RKP that integrated Gender Responsive Budget and Gender Budget Statement (https://goo.gl/6rDYnj - page V) | |

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| KEQ6: How likely is it that key benefits from KIAT support will continue to be felt after the conclusion of KIAT investment? | |
| Highly Likely | <p>KIAT has made multiple contributions to policies/programs that are already being implemented by GOI or are highly likely to be implemented in the future.</p> <p>The required preconditions (e.g. political commitment, policy frameworks, human resources, and financial resources) are all in place to ensure that changes in GOI systems/processes are highly likely to continue in the future.</p> |
| Somewhat Likely | <p>KIAT has made contributions to policies/programs that are considered likely to be implemented in the future.</p> <p>Some of the preconditions (e.g. political commitment, policy frameworks, human resources, and financial resources) for the continuation of changes in systems/processes are in place, and gaps/weaknesses related to other systems are or can be managed.</p> |
| Unlikely | <p>KIAT's contributions to policies/programs are not yet being implemented, or are unlikely to be implemented in the future.</p> <p>One or more of the preconditions (e.g. political commitment, policy frameworks, human resources, and financial resources) for the continuation of changes in systems/processes are missing, and this is likely to inhibit the continuation of the changes in systems/processes in the future.</p> |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • To what extent has KIAT contributed to policies/programs that are already being implemented or are likely to be implemented? • What changes have KIAT partner agencies made to internal systems related to the production and use of policy-relevant evidence and advice? • What are KIAT's contributions to changes to GOI systems / processes for identifying, selecting, preparing and procuring projects? • To what extent has the adoption/adapted of KIAT supported models led to significant changes to GOI systems/processes related to infrastructure delivery, management, or maintenance? • To what extent are the preconditions for the continuation of changes in systems/processes in place, e.g.: <ul style="list-style-type: none"> ○ Political commitment ○ Policy framework ○ Human resources ○ Financial resources <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Government Documents: RPJMN/D, APBN/D, RKP • Government Letter: Circular Letter, Letters • Government System: P/KRMS, RAMS | |

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|--|---|
| KEQ7: How well has KIAT learned and adapted over the course of implementation? <i>(To be re-assessed for relevance following agreement on KIAT ways of working)</i> | |
| Very Well | Performance is clearly exemplary in relation to the key principle / dimension. Very few or no gaps or weaknesses in performance. Any gaps or weaknesses in performance have no significant impact and are managed effectively. |
| Well | Performance is generally strong in relation to the key principle / dimension. Few gaps or weaknesses in performance. Gaps or weaknesses in performance have some impact but are mostly managed effectively. |
| Adequately | Performance is inconsistent in relation to expectations for the key principle / dimension, although as far as can be determined minimum expectations/ requirements are being met. Some gaps or weaknesses in performance have impact, and are not managed effectively. |
| Poorly | Performance is unacceptably weak in relation to expectations for the key principle / dimension: minimum expectations/requirements are not being met. Significant gaps or weaknesses in performance are not managed effectively. |
| <p>Basis for Judgements:</p> <ul style="list-style-type: none"> • How strong is performance in relation to expectations for the key principle / dimension? • What gaps or weaknesses exist in performance? How significant is the impact of those gaps or weaknesses? • How have existing gaps or weaknesses been managed? <p>Typical Data Sources:</p> <ul style="list-style-type: none"> • Evaluation/Review Results: 6-monthly review, Annual Facility Review, Peer Review, Outcome Harvesting, Mid-term Evaluation | |

Annex 5 – Risks to KIAT M&E

In line with the overall KIAT risk management approach, key risks for the KIAT Monitoring & Evaluation as well as strategies to mitigate and manage those risks are identified in this risk matrix.

| | | | | Consequences | | | | |
|----------------|--|--|---|--|--|--|--|--|
| | | | | Limited | Minor | Moderate | Major | Severe |
| | | | | Performance Short term delays in providing services or achieving objectives | Performance Marked delays in providing services or achieving objectives | Performance Reduced ability to provide services or achieve objectives | Performance Restricted ability to provide services or achieve objectives | Performance Critical failure to provide services or achieve objectives |
| | | | | Compliance Non-compliance with public sector accountability requirements | Compliance Breach of DFAT policy | Compliance Breach of Australian/partner government legislation | Compliance Major breach of Australian/partner government legislation | Compliance Critical breach of legislation |
| | | | | Reputation Limited impacts on DFAT's reputation | Reputation Minor impact to relations with stakeholders | Reputation Significant damage to relations with stakeholders and media criticism. | Reputation Major damage to relations with stakeholders and strong media criticism. | Reputation Total loss of confidence in DFAT and severe media criticism. |
| | | | | Safety Limited injury requiring first aid | Safety Minor injury requiring medical care | Safety Serious injury or multiple minor injuries | Safety Life threatening injury/multiple serious injuries | Safety Death/multiple life-threatening injuries |
| | | | | Security Limited or short-term damage to national interests | Security Minor damage to national interests | Security Significant damage to national interests | Security Major damage to national interests | Security Exceptionally grave damage to national interests |
| | | | | Assets Limited damage to property or financial assets | Assets Minor damage to property or financial assets | Assets Significant damage to property or financial assets | Assets Major damage to property or financial assets affecting business continuity | Assets Extensive and widespread damage to property or financial assets affecting business continuity |
| | | | | Information Disclosure of a small amount of UNCLASSIFIED (including DLM) data. | Information Disclosure of a large amount of UNCLASSIFIED (including DLM) data or any PROTECTED data. | Information Disclosure of a large amount of PROTECTED data or any CONFIDENTIAL and/or SECRET data. | Information Disclosure of a large amount of CONFIDENTIAL and/or SECRET data. | Information Disclosure of any TOP SECRET data. |
| Likelihood | Probability | Controls | Historical | | | | | |
| Almost Certain | Expected in most circumstances 90% or greater probable Circumstances in train will cause it to happen. | Difficult to control All of the controls associated with the risk are extremely weak and/or non-existent. | Has occurred on an annual basis in DFAT or other similar agencies | Medium | Medium | High | Very High | Very High |

| | | | | | | | | |
|----------|--|--|---|--------|--------|--------|--------|-----------|
| Likely | Will probably occur in most circumstances 50% to less than 90% probable Circumstances have happened that will cause it to happen in the next few years | The majority of the controls associated with the risk are weak. Without control improvement it is more likely than not that the risk will eventuate. | Has occurred in the last few years in DFAT or similar agencies | Medium | Medium | High | High | Very High |
| Possible | Might occur at some time 20% to less than 50% probable | There are some controls that need improvement. | Has occurred at least once in the history of DFAT | Low | Medium | Medium | High | High |
| Unlikely | Not expected to occur 5% to less than 20% probable | The majority of controls are strong with few control gaps. | Has never occurred in DFAT but has occurred in similar agencies | Low | Low | Medium | Medium | High |
| Rare | May occur only in exceptional circumstances – Less than 5% probability | All controls are highly effective with no control gaps | Is possible but has never occurred to date | Low | Low | Low | Medium | High |

| Risk | Potential Impact | Probability | Impact on KIAT M&E | Initial Risk Rating | Actions to Mitigate Risk | Residual Risk Rating |
|--|--|--------------|--------------------|---------------------|---|----------------------|
| KIAT is unable to attract M&E staff & consultants with the necessary skills and experience | <ul style="list-style-type: none"> • KIAT M&E processes delayed or not delivered in line with expectations of quality | Possible (3) | Major (4) | High | <ul style="list-style-type: none"> • Proactive recruitment of qualified staff & panel members • M&E Capacity Building for KIAT staff | Moderate |
| KIAT program staff unwilling or unable to engage with M&E processes as necessary | <ul style="list-style-type: none"> • M&E processes delayed or not implemented • M&E team overburdened • Less potential for learning and continuous improvement | Possible (3) | Major (4) | High | <ul style="list-style-type: none"> • Ongoing clarification of expectations and endorsement by KIAT senior management • M&E team in a facilitation role • M&E responsibilities considered during recruitment processes • M&E expectations included in performance indicators | Moderate |
| KIAT implementing partners lack knowledge and skills to meet expectations for internal initiative-level M&E | <ul style="list-style-type: none"> • Initiative-level M&E is delayed or does not produce the required information • Additional budget required to supplement • Key initiative-level information is not reflected in Facility-level performance indicators (e.g. PAF indicators) | Likely (4) | Moderate (3) | High | <ul style="list-style-type: none"> • Standardized toolkit for • KIAT MERL Panel available to support initiative-level M&E • M&E Capacity Strengthening for KIAT implementing partners | Moderate |
| DFAT & GOI expectations about KIAT M&E differ or change; e.g. there are frequent DFAT and GOI requests for information that is not in line with the KIAT M&E Framework | <ul style="list-style-type: none"> • M&E team overburdened • KIAT loses credibility among DFAT and GOI | Possible (3) | Moderate (3) | High | <ul style="list-style-type: none"> • M&E Framework collaboratively reviewed & discussed with DFAT and GOI • Annual M&E Review • Mechanism to anticipate upcoming requests • Flexibility to accommodate requests as KIAT activities | Low |



International Financial Centre (IFC) Tower 2,
Level 18, Jl. Jenderal Sudirman Kav. 22-23,
Jakarta 12920, Indonesia

+62 21 8086 9800
www.kiat.or.id

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