

Case 4

Flexible Cooperation for Indonesia's Multi-dimensional Challenges for South-South Cooperation under a Shared Vision

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1. Introduction

Indonesia is currently taking a path towards becoming a robust partner for providing effective South-South and Triangular Cooperation (SSC/TrC). Current international and national trends have been strongly supporting their endeavours. By tracing Indonesia's efforts to develop and strengthen the capacity to implement need-oriented, effective SSC activities, this case presents the way in which the international community, with a particular focus on the Japan International Cooperation Agency (JICA), has been supporting them.

Since the late 2000s, line ministries of the Government of the Republic of Indonesia (GOI), particularly the National Development Planning Agency (BAPPENAS), the Ministry of Foreign Affairs (MOFA), the Ministry of Finance (MOF), and the State Secretariat (SEKNEG), have been cooperatively working for promoting effective SSC/TrC. Although it would be premature to make a decisive evaluation, significant balanced results have been emerging from the policy level to the practical level. The major advancement comprises the formation of drafts of the Grand Design and the Blue Print as a policy framework, progress in the development of human resources, and the application of the policy framework to actual pilot projects.

In so doing, the GOI has been sharing a vision for the future direction of Indonesia's SSC/TrC with a wide range of stakeholders from line ministries to international donors and NGOs. This shared vision fostered through face-to-face regular interactive dialogues among stakeholders is the most prominent means that has helped to harmonise various activities and support Indonesia's challenges for effective future SSC/TrC.

This paper first describes the background and process of this cooperation. Secondly, it presents the notable results of various activities and identifies several key factors that have led to achievements. Finally, this paper considers certain implications regarding future cooperation to support prospective providers of SSC/TrC activities.

2. Towards Harmonised Cooperation

2-1 International and National Momentum for South-South and Triangular Cooperation

(1) Brief history of Indonesia's South-South Cooperation

The history of South-South Cooperation (SSC) in Indonesia can be traced back to the Asia-Africa Conference held in Bandung, Indonesia, in 1955. This conference played an important role for enhancing mutual cooperation among developing countries, which was exemplified by the establishment of the Non-Aligned Movement in 1961 and the Group of 77 in 1964. One of the outcomes of their cooperation was establishment of the Non-Aligned Movement Centre for South-South Technical Cooperation (NAM-CSSTC) on the initiative of Indonesia and Brunei Darussalam in 1995, in order to accelerate development in the developing countries.¹

After 1978 when the Buenos Aires Plan of Action (BAPA) came to underpin the importance of technical cooperation among developing countries (TCDC) and support the promotion of SSC, the GOI started implementing various technical cooperation activities in 1981. It formed the Indonesian Technical Cooperation Program (ITCP) approved by a Presidential Decree, under which four institutions (known as the 'four legs') took charge of ITCP.² They were BAPPENAS, MOFA, MOF, and SEKNEG.³ ITCP aimed to share Indonesia's experience and knowledge of development through training programs and the exchanges of experts, with support from other countries and international donors.⁴ The Triangular Cooperation (TrC) of Indonesia and Japan, through JICA, also began in various sectors, when they provided supplemental training for Low-Cost Housing training in Japan in 1981. Particularly, since the 1990s, Japan's/JICA's role in Indonesia's

¹ NAM-CSSTC, n.d.

² JICA2010a, p.52.

³ It was known as the Cabinet Secretariat (SEKAB) at that time.

⁴ JICA2010a, pp.72-73.

SSC/TrC has been active.⁵ Until now, the GOI has provided training and apprenticeship programs, and scholarship grants to more than 4,000 participants from countries in Asia, the Pacific, Africa and Latin America and has dispatched experts.⁶

(2) Structure of South-South and Triangular Cooperation in Indonesia

The institutional and funding structures of SSC/TrC in Indonesia are complex due to the existence of many stakeholders. In 1982, with the support of the United Nations Development Programme (UNDP), the Coordinating Committee for International Technical Cooperation, whose members included the aforementioned four institutions, was established under a Presidential Decree in order to conduct the necessary technical and administrative coordination for SSC/TrC across more than ten governmental departments and institutions.⁷ However, the structure of ministries and government agencies has been changed over time. Currently, regarding technical cooperation, SEKNEG has responsibility for multilateral cooperation with developed countries and international donors, while MOFA is in charge of bilateral cooperation.⁸ Technical cooperation is also implemented by various ministries, government agencies, universities, and non-governmental organizations (NGOs). The Ministry of Education and universities are, for instance, in charge of educational cooperation. On the other hand, economic cooperation, namely the Economic Cooperation among Developing Countries (ECDC), is managed by the Ministry of Trade, the Ministry of Industry, and the Indonesian Chamber of Commerce.⁹

The funding of Indonesia's SSC/TrC comes from state budgets and aid from other countries and international donors spread into line ministries and implementing agencies. The state budget is, for instance, used for matching funds through SEKNEG and for full funding through MOFA.¹⁰ However, the GOI, which does not have a separated fund for SSC/TrC, relies heavily on funding from other countries and international donors.¹¹ Germany, through the Deutsche Gesellschaft für

⁵ JICA2010a, p. 81.

⁶ Coordination Team 2011a.

⁷ JICA2010a, pp. 72-73.

⁸ JICA2011a, p. 6.

⁹ JICA2010a, pp. 77-78.

¹⁰ JICA 2010a, p. 81. Scattered budgets were also embedded into the state budget of line ministries.

¹¹ JICA2010a, p. XIII.

Internationale Zusammenarbeit (GIZ), has provided scholarships to those from Timor-Leste who participate in a program in Indonesia.¹² Like UNDP, which has been actively assisting Indonesia's South-South and Triangular Cooperation, there are also many international donors who have provided financial support for Indonesia's SSC/TrC in their specialised sectors.¹³ For instance, the United Nations Population Fund (UNFPA) and the Food and Agriculture Organization (FAO) have been providing assistance for the GOI's technical cooperation in the sectors of family planning and agriculture respectively, which were flagship programs in the 1990s.¹⁴ The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) has supported disaster training programs.

(3) International and national initiatives for SSC/TrC

Recently, a new momentum for Indonesia's SSC/TrC has been brought by their emergence as a global economic and political player in the world. In reflection of their quick economic recovery after the Asian Financial Crisis in 1997, Indonesia became a member of Group 20, the sole Southeast Asian member, in 2009.¹⁵ G20 membership brought Indonesia a larger global economic and political responsibility. Indonesia also became the chair country for the Association of Southeast Asian Nations (ASEAN) in 2011.

The endorsement of international initiatives, such as the Paris Declaration on Aid Effectiveness in 2005 and the Accra Agenda for Action in 2008, highlighted Indonesia's global responsibility. These initiatives have come to shed light on SSC/TrC as a means of assisting the enhancement of aid effectiveness for the purpose of achieving economic and human development among developing countries.

Under these circumstances, in 2009, the GOI signed the Jakarta Commitment adopted by 26 development partners. Its roadmap to 2014

¹² JICA2010a, p. 81.

¹³ JICA2010a, pp. 81-82.

¹⁴ In 2009, Indonesia and the FAO signed a Letter of Intent on the programmes and technical cooperation in agriculture, which focuses on South-South Cooperation as a follow-up to the discussions between the FAO and Indonesia during the High-level Conference on World Food Security in 2008. Through this cooperation, the former provides the latter experts and technicians, as well as tools and equipment, to improve the productivity of small-scale farmers in developing countries (FAO n.d.).

¹⁵ G20, a forum of finance ministers and central bank governors from major economies, was set up to discuss important issues related to the international financial system.

and beyond is structured to implement the agenda for the international aid effectiveness based upon the Paris Declaration and the Accra Agenda for Action, by effectively utilising external assistance in line with its national development priorities. As one of the commitments, it clearly declares strengthening 'regional processes and institutions facilitating South-South cooperation' for financial and technical assistance.¹⁶ As a means to execute the Jakarta Commitment, the GOI formally established the Aid for Development Effectiveness Secretariat (A4DES) with the intention of taking full ownership and leading aid coordination and management processes.¹⁷ International donor support for the A4DES includes the Australian Agency For International Development (AusAID) and the United States Agency for International Development (USAID) for the establishment of the Secretariat; the Canadian International Development Agency (CIDA) and UNDP for the survey on Aid Effectiveness in 2008, preparation of the Jakarta Commitment, and training on Aid Effectiveness; and UNDP for the facilitation of establishing a multi-donor Aid for Development Effectiveness Programme for the capacity development of Indonesia in order to strengthen its country systems.¹⁸ The six working groups under A4DES were joined by various international donors, such as AusAID, USAID, and The Federal Ministry for Economic Cooperation and Development (BMZ).¹⁹ JICA is active in all six working groups, including the Capacity Building and Knowledge Management Working Group in charge of SSC.

The GOI, in cooperation with JICA, the World Bank (WB), and UNDP, also organised a High-Level Meeting, 'Towards Country-Led Knowledge Hubs', held in Bali in July 2012, in order to discuss the importance of establishing knowledge hubs (core countries and institutions for knowledge exchanges) and networking these for the future development of SSC/TrC.



The high-level meeting in Bali

¹⁶ *Jakarta Commitment*, pp. 4-5.

¹⁷ A4DES 2011, and Coordination Team n.d., p. 12.

¹⁸ UNDP n.d.a and UNDP n.d.b.

¹⁹ A4DES 2009, p. 3.

Meanwhile, to realise Indonesia's role in the international community became one of the national development missions stated in Law No. 17/2007 on the National Long-Term Development Plan (RPJPN) 2005-2025.²⁰ SSC was also included in the National Medium Term Development Plan (RPJMN) 2010-2014.²¹

Thus, the recent international and national trend of promoting SSC/TrC has brought about external and internal expectations and pressures to the GOI, which have further accelerated the process of Indonesia's becoming a pivotal country.

2-2 Balanced Approach for SSC/TrC towards Effective Development

(1) Beginning of harmonised cooperation

With the strong push and pull factors mentioned above, it became imperative tasks for the GOI to formulate policy frameworks and restructure its complex implementing mechanism towards the implementation of more effective SSC. Many international donors have been moving faster to provide support for the GOI's endeavours of effective SSC/TrC. For instance, UNDP has supported BAPPENAS through the Enhancing Capacity for Better Aid Management project (ECBAM-UNDP), as a continuation of which it is currently planning a new project, so-called the Strengthening Innovative Partnership for Development Cooperation. WB has facilitated south-south knowledge exchange through the Global Distance Learning Network (GDLN) more than ten years in many countries, including Indonesia, and more recently through The South-South Experience Exchange Facility.²² GIZ supported the formation of the Aid Information Management System (AIMS).²³ GIZ and the Asian Development Bank (ADB), together with the GOI, organised the workshop "Triangular Cooperation: Towards Horizontal Partnership, But How?" among practitioners and policy-makers of the Asian region in 2011, as part of the preparation for the 4th High Level Forum on Aid Effectiveness (HLF-4) held in Busan in 2011.

In relation to Japan, the Japan-Indonesia Partnership Program (JIPP) set up a political framework for SSC/TrC in 2003, under which annual

²⁰ JICA2010a, p. ix and BAPPENAS2010, p. I-23.

²¹ JICA2010a, p. ix and Coordination Team n.d., p. 12.

²² WB n.d. and WBI n.d..

²³ BAPPENAS n.d..

meetings have been held.²⁴ In the Southeast Asian region, JICA has been making efforts to facilitate SSC/TrC among Southeast Asian countries through the Japan-Southeast Asian Meeting on South-South Cooperation (J-SEAM), which evolved from a mechanism known as the JICA-ASEAN Regional Cooperation Meeting (JARCOM).²⁵

As part of these trends, a workshop on South-South Technical Cooperation was organised in March 2009. In cooperation with MOFA, SEKNEG, NAM-CSSTC, and JICA, this workshop resulted in revealing key issues for Indonesia's SSC/TrC. Almost 200 participants were invited from various key organisations, such as the line ministries, international donors, embassies, universities, and NGOs. They discussed the future direction of Indonesia's South-South technical cooperation by examining technical cooperation activities Indonesia has implemented. Overall, the workshop helped to identify the areas Indonesia would need to tackle for effective SSC. Later, the areas were categorised into three pillars directing their activities: 1) mainstreaming SSC in the National Policy, 2) enhancing human resources for international cooperation, and 3) improving the quality of SSC.



The Workshop on South-South Technical Cooperation

Figure 1: The three Pillars for the Development of Indonesia's SSC²⁶



²⁴ Germany also has partner countries, namely Anchor countries, such as China, India, Indonesia, Pakistan, Thailand, Egypt, Iran, Saudi Arabia, Nigeria, South Africa, Argentina, Brazil, Mexico, Russia, and Turkey (Hoven & Kanera 2004, P. 4).

²⁵ JARCOM aimed to formulate and implement well-prepared, needs-oriented south-south technical cooperation and to improve the quality of SSC among the member countries, including Indonesia.

²⁶ JICA 2011a, p. 9.

(2) Focusing on the process of various activities under the three pillars

Activities to support Indonesia's challenges for effective SSC/TrC were not being conducted in a systematic manner at the very beginning. In the case of JICA, related activities were rather flexibly conducted on an ad-hoc basis, responding to requests and needs from the GOI. They had been gradually converged and shaped into a broad structure of support for strengthening Indonesia's SSC/TrC coherently under the three pillars shown in Figure 2.

Figure 2: JICA's Activities under the Three Pillars



First pillar: SSC in national policy

Two important studies were requested by BAPPENAS: 'Policy Direction on Indonesia's South-South Cooperation' (hereafter referred to as 'Policy Study') and 'Basic Study for South-South Cooperation (Draft Grand Design and Blue Print)' (hereafter referred to as 'Basic Study'). The Policy Study provided useful suggestions for future directions of Indonesia's SSC, which were derived from five concerns: 1) legal basis, 2) institutional framework, 3) funding mechanism, 4) the involvement of wider stakeholders, including NGOs and private sector, and 5) comprehensive monitoring and evaluation mechanism.²⁷

Before the Basic Study was conducted, there was considerable motivation in the GOI to establish an independent institution responsible for coordinating and implementing SSC,²⁸ which the Policy

²⁷ JICA2010a, pp. VII-XV.

²⁸ Hearing from the JICA Indonesia Office.

Study also identified.²⁹ However, the discussion between the GOI and JICA resulted in highlighting the importance of clarifying visions and missions of Indonesia's SSC/TrC prior to the establishment of such an institution. Thus, the Basic Study was designed to facilitate the GOI's formulation of a Grand Design and a Blue Print as their policy frameworks of SSC. Several meetings and workshops under the framework of the Basic Study were organised with ECBAM-UNDP. Other international donors, such as GIZ and the Asian Development Bank Institute (ADBI) also participated in these.³⁰

After drafting the Grand Design and the Blue Print, a series of follow-up studies and projects were conducted. 'A Comparative Study on The Management of South-South Cooperation in Indonesia, Brazil, Thailand and Japan Cases' was also accomplished in 2011-2012 for the better management of SSC. In March 2012, the technical project 'Project on Knowledge Management for South-South Cooperation (KM-SSC)' started in support of developing Indonesia's capacity to promote SSC through identification of the comparative advantage of Indonesia for SSC, using knowledge management skills based upon the SECI Model.³¹

Second pillar: HRD and quality improvement

Concurrently, the GOI has been making efforts to develop human resources among stakeholders and to improve the quality of SSC/TrC. For instance, Indonesian government officials participated in the JICA training course (in Japan) 'Strengthening for Implementation Capability of Development Training under South-South Cooperation' from 2010.³² This training for persons in charge of the planning, implementation, and evaluation of training programs under SSC in their countries was aimed to develop capacities for improving training quality. Lecturers were invited from JICA and also from InWEnt (currently GIZ), UNDP, and

²⁹ JICA2010a, pp. IX-XIII.

³⁰ JICA2011b, p. S-2.

³¹ The SECI Model consists of four steps: 1) Socialisation, 2) Externalisation, 3) Combination, and 4) Internalisation, which guide the process of interactions between tacit and explicit knowledge (Nonaka et al 2008, pp. 18-19). Through this process, new knowledge will be created.

³² This training was planned based on discussions in the High Level Retreat on the Effectiveness of International Development Training organised by the World Bank Institute (WBI) and the Capacity Building International, Germany (InWEnt: Internationale Weiterbildung und Entwicklung) on 4-5 June, Berlin, which had confirmed the importance of enhancing the effectiveness of training implemented in developed countries, as well in developing countries.

the International Training Centre of the International Labour Organization (ITC-ILO).

Prior to the training, each participant was requested to prepare an action plan in order to improve the international training programs in their respective countries.³³ This consequently led the GOI that felt the necessity of evaluating their training programs in the process of preparing an action plan, to develop an evaluation guideline for better implementation of their SSC/TrC. With the support of the JICA Indonesia Office, the GOI conducted three follow-up activities in order to realise their action plan: 1) to deepen understanding of the evaluation mechanism, 2) to form a guideline for the evaluation mechanism, and 3) to promote the enhancement of understanding of the guideline among stakeholders and educate (future) evaluators.

Third pillar: Application to projects

Running parallel with activities under the first and second pillars, actual development projects have been undertaken and will continue to be implemented, providing assistance for the development of beneficiary countries in Asia, South Pacific, Middle East, and Africa, based on specific country needs in the forms of training, despatching experts, and conducting workshops. In doing so, the GOI would be able to utilise knowledge and skills brought about by the studies, workshops, and seminars supported by JICA and other donors.

2-3 Consequence of Harmonisation

Indonesia's challenges are still on-going and concrete outcomes remain to be seen. The main progress of a series of activities under each pillar is described below.

Under the first pillar – formation of a policy framework

The outcomes of the Policy Study were shared among a wide range of stakeholders, from line ministries and international donors (e.g. JICA, UNDP, and GTZ) to NGOs in the National Seminar in July 2010, which was funded by JICA and ECBAM-UNDP.³⁴ The notable result of the

³³ The submission of an action plan has become one of common activities in JICA training after the reformation of training programs in the mid-2000s. The actual implementation is not mandated.

³⁴ JICA 2010a, p. Attach-1. The GOI, JICA, and ECBAM-UNDP had been working jointly since the start of the Policy Research. As of 2012, the ECBAM project completed its activities (hearing from the JICA Indonesia Office).

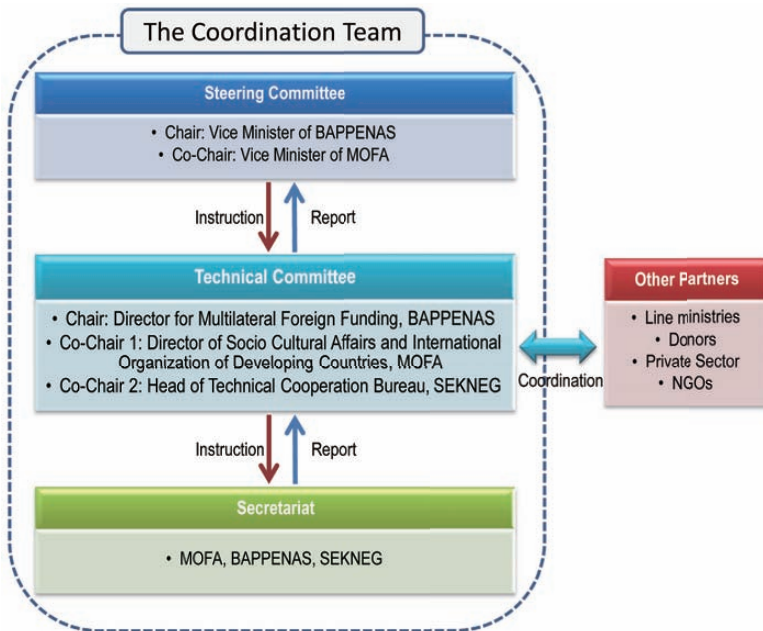
National Seminar was establishment of the Coordination Team on South-South and Triangular Cooperation that was expected to be responsible for promoting and developing Indonesia's strategic SSC working in coordination with other line ministries.³⁵ Its core members were BAPPENAS, MOFA, SEKNEG, and MOF.



The National Seminar

The Coordination Team, officially approved by a ministerial decree of BAPPENAS,³⁶ is currently the only institutional framework coordinating among the stakeholders of Indonesia's SSC, since the A4DES virtually completed its missions after the Busan HLF-4.

Figure 3: Structure of Coordination Team³⁷



³⁵ JICA2011b, p. Chap. 1-1.

³⁶ With the support of JICA, the Coordination Team later published the directory, 'Indonesia's Capacities on Technical Cooperation', as an attempt at analysing the areas where Indonesia's implementing agencies demonstrated their strength.

³⁷ Coordination Team 2011b (modified by the authors). As of August 2012, the chair of the Steering Committee was the Minister of BAPPENAS.

The Basic Study produced the drafts of the Grand Design 2011-2025 and the Blue Print 2011-2014.³⁸ In accordance with the period of the RPJPN 2005-2025, the targets and time frame of the Grand Design were divided into three periods: 1) Period I 2011-2014 for consolidation of Indonesia's SSC through, for instance, the formation of the legal framework and the strengthening of the institutional coordination; 2) Period II 2015-2019 for the strengthening and expansion of SSC by enhancing the involvement of all stakeholders, including the private sector, NGOs, and universities; 3) Period III 2020-2025 for the further strengthening and expansion of SSC.³⁹ The Blue Print aimed to realise the targets of Period I. These two drafts have been submitted in 2011 and are currently in the process of being officially approved as a presidential regulation.⁴⁰ Other international donors also have assisted (and will assist) the formation of the policy framework: WB has provided their comments on the drafts and UNDP is considering support for the preparation of related regulations.⁴¹ If the Grand Design and the Blue Print become legitimised, Indonesian stakeholders will obtain a legal basis for the implementation of SSC. The establishment of the Coordination Team and the formation of the political frameworks will reshape the coordinating mechanism of Indonesia's SSC.

Meanwhile, the obtained knowledge (e.g. other countries experiences) and skills (e.g. knowledge management) through the Comparative Study and the KM-SSC technical cooperation project are expected to strengthen Indonesia's capacities for more effective managing and promoting their SSC over time. The KM-SSC has in fact just started and will continue until May 2013. Furthermore, the Coordination Team is now discussing with JICA Indonesia a new technical cooperation project, the Capacity Development Project for South-South and Triangular Cooperation (CADEP), in order to strengthen Indonesia's institutional capacity and human resource capacity for better management of SSC through the implementation of flagship projects. These two projects are designed to develop the capacity of Indonesia for conducting activities under all three pillars.

³⁸ The three periods of Blue Print: 1) 2010-2014 Strengthening coordination within the improved institutional framework, 2) 2015-2019 taking the role as an emerging partner in innovative South-South development cooperation, and 3) 2020-2025 stronger partnership in SSC (Coordination Team n.d., p. 12).

³⁹ JICA2011b, Attachment I, pp. 25-28.

⁴⁰ Peraturan Presiden (PERPRES).

⁴¹ Hearing from the JICA Indonesia Office.

Under the second pillar – preparation for the improvement of SSC activities

The formation of the Evaluation Guideline, which started as follow-up activities of an action plan after the JICA training course in Japan, is progressing. For the first follow-up, SEKNEG in cooperation with MOFA held a workshop in 2010 in order to enhance understanding of the evaluation mechanism among stakeholders. In the workshop, InWent/ GIZ and JICA shared the monitoring and evaluation systems of projects, such as the Programme-integrated Monitoring and Evaluation (PriME) System and Project Cycle Management (PCM) respectively, while implementing agencies also presented their experiences of executing training activities.⁴² For the second follow-up in 2011, the GOI developed the first draft of a national evaluation guideline for international training programs, which was further improved through case studies of ex-post evaluation in Vietnam and Fiji and feedback from line ministries and implementing agencies.⁴³ A completed draft of the evaluation guideline is now in the process of being approved as a formal regulation and is expected to be a national guideline.⁴⁴ At the end of 2012, the third follow-up activity will be implemented to introduce the evaluation guideline and its usage and to develop prospective evaluators among line ministries and implementing agencies. These activities are expected to continue in the CADEP.

Under the third pillar – implementation of actual projects

Acquired knowledge and the outcomes derived from activities under the first and second pillars are immediately being utilised in Indonesia's SSC/TrC activities. For instance, the GOI supports Timor-Leste in the road sector; Palestine in the three areas of agriculture, SME development, and health; and Afghanistan in the area of community development. The support takes the forms of international training and the despatch of experts in collaboration with JICA. Additionally, new flagship projects are expected to be formed in accordance with the specific needs of beneficiary countries and the development of Indonesia's capacities for SSC/TrC.

Thus, Indonesia's multidimensional challenges for the implementation of effective SSC/TrC continue under the broad framework of the three pillars.

⁴² JICA2012b, p. 18.

⁴³ Universitas Indonesia 2011, pp. 1-3.

⁴⁴ JICA2012b, p. 8.

A Good Partnership: Case of Timor-Leste⁴⁵

The road network in Timor-Leste is a major means of connecting the entire country and an essential infrastructure for socio-economic development. This roadway lifeline is heavily damaged by sediment during rainy seasons. This became a heavy burden for Timor-Leste to develop and to maintain their roads. In turn, the road sector was one of the areas in which Indonesia has competitive strengths developed through long financial and technical support from international donors. The road sector was also a high-priority area of JICA's development cooperation for Timor-Leste.

The implementation of triangular cooperation among Timor-Leste, Indonesia, and Japan, formed in a high-level meeting in 2009, was not an easy business for some of the stakeholders due to the sensitive relationships between Indonesia and Timor-Leste, the



latter having gained independence from the former in 1999.⁴⁶ However, in 2010, a series of meetings among the three countries was held: a SSC meeting on the road sector in Bali, which was attended by road-sector experts from the three countries, and an annual meeting of the J-SEAM in Manila, during which the focal points of the three countries' SSC/TrC discussed the agenda. The in-depth discussions during the meetings resulted in highlighting the strong needs of Timor-Leste and drew the strong willingness of Indonesia to seek a solution. After a joint fact-finding mission by the GOI and JICA to Timor-Leste, Indonesian experts from the Ministry of Public Works (PU), Indonesia, took the initiative to prepare a project plan to strengthen the technical capacity of the National Directorate of Roads, Bridges and Flood Control, Ministry of Infrastructure of Timor-Leste.

The project was designed with careful concern for regular work schedules of the participants. At the time, twelve Timorese engineers were trained in PU-related institutions in the two fields

⁴⁵ JICA2012b, p. 10.

⁴⁶ JICA2012b, p. 10.



A joint mission to Timor-Leste

related to roads and bridges – ‘reconstruction and rehabilitation’ and ‘construction and maintenance’.⁴⁷ Meanwhile, three follow-up missions of Indonesian experts were dispatched to Timor-Leste. In November 2012, a wrap-up seminar was held in Timor-Leste.

In March of 2012, JICA had decided to provide a yen loan of 5.3 billion (USD65 million), the first ODA loan, to Timor-Leste for its national road project.⁴⁸ The engineers in Timor-Leste have been gaining knowledge shared by the Indonesian partners, which is expected to be actively utilised during implementation of the ODA loan project.

This cooperation has contributed to strengthen the ties between Timorese and Indonesian engineers and to foster trust among them. The GOI is now planning to continue to support Timor-Leste in the road sector (e.g. despatching short-term experts) in response to the latter's request.

Future tasks

Indonesia's efforts have been supported by internal and external factors. Taking advantage of and expanding this momentum is a precondition for its accomplishment. The Coordination Team has to continue encouraging communications among the members and other stakeholders in order to maintain the current harmonisation.

Indonesia will need some time to see actual outcomes from their efforts, since most of the activities have only recently been completed and others are still on-going. For instance, in a seminar of the on-going KM-SSC project, a significant number of participants had difficulty understanding the theoretical concept and methods of knowledge management and the provided materials. In the same vein, it is not an easy task in practice to absorb and apply the necessary knowledge and skills to actually implement SSC/TrC activities.

⁴⁷ JICA2011a, p. 14.

⁴⁸ JICA2012b, p. 10.

3. Significance of the Case

3-1 Turning Points

(1) Strong ownership

Historically, the GOI has a strong ownership for promoting SSC/TrC, which they consolidate under the current national and international circumstances. The GOI have been taking primary initiatives and/or making the decisions in the activities explained above. For instance, BAPPENAS initially requested JICA to support conducting a Policy Study and Basic Study. The GOI established the Coordination Team. Also, it was the GOI's desire to prepare the evaluation guideline. Indonesian experts and staff members of PU actively exchanged views with Timor-Leste partners in the process of preparing a training design.

In the High-Level Meeting in Bali in July 2012, the GOI demonstrated strong leadership organising the event. In the opening remarks, the Indonesian vice president Boediono declared that Indonesia was ready to play the role of a knowledge hub⁴⁹ in the areas of 'energy and food security and community-driven disaster mitigation; governance and peace building; and macro-economic management'.⁵⁰

(2) Change drivers

Recent national and international circumstances

For Indonesia, SSC has been a long-running national policy since the Asia-Africa Conference of 1955. There are also other push factors: the steady economic recovery, signing of the Jakarta Commitment, establishment of A4DES, and inclusion of SSC into RPJMN 2010-2014. In addition, the recent international initiatives highlighting SSC as a means of assisting the enhancement of development effectiveness, as well as G20 membership, have been working as a strong pull factor. These national and international trends strongly motivated the GOI to endeavour to become a major player in SSC/TrC.

Involvement of core ministries

The establishment of the Coordination Team is a significant factor in Indonesia's steps towards the promotion of SSC/TrC. The Coordination Team is now functioning, in particular, to coordinate the core

⁴⁹'A knowledge Hub is an organization or a network, dedicated to share and exchange development experiences and models with partners from other countries' (*Bali Communique* 2012).

⁵⁰*Jakarta Post*, 2012.

institutions, BAPPENAS, MOFA, MOF, and SEKNEG towards smooth, effective implementation of Indonesia's SSC/TrC.

Assets from past cooperation and experiences

Indonesia has competitive strengths in several areas supporting its becoming a pivotal country. These take the form of knowledge and experiences among line ministries, implementing agencies, and NGOs through their SSC/TrC activities over the last few decades. There are several centres of excellence which have been supported by international donors. Some of the centres assisted by JICA, such as the Indonesia University of Education (UOI), the Electronics Engineering Polytechnic Institute of Surabaya (EEPIS-ITS), and NAM-CSSTC, have implemented international training and dispatched experts to other developing countries. These assets within the country, together with its development experiences, position Indonesia to respond to the international trend of highlighting SSC/TrC.

Timely arrangements

At the time when JICA organised the Workshop on South-South Technical Cooperation in 2009, it was extremely important for the GOI to form the policy and restructure mechanism of its SSC. This workshop became support revealing the necessary tasks and directions towards the strategic development of Indonesia's SSC/TrC. Subsequent activities under the three pillars also have been implemented in a timely manner and in response to Indonesia's specific needs.

(3) Learning in the process

Through activities under the three pillars which cover components extending from upstream (policy) to downstream (actual projects), the learning process among stakeholders as individuals and groups is progressing. In particular, through studies, workshops, and site visits, the



A site visit in Brazil

core members of the Coordination Team are obtaining first-hand information on the experiences and perspectives of various stakeholders, from implementing agencies to recipient countries. For instance, in the site visits of the Comparative Study supported by JICA, Indonesian participants gained insight into new attempts and challenges in Brazil, the role of the private sector in Japan, and the importance of

national level coordination in Thailand.⁵¹ Through visits to Vietnam and Fiji for the preparation of the evaluation guideline, participants from BAPPENAS, MOFA, and SEKNEG could gain an understanding of the expectations of beneficiary countries and the efficiency of knowledge and skills acquired during training in Indonesia. These have been reflected in the Grand Design, the Blue Print, and the evaluation guideline and will contribute to form future customised SSC/TrC projects for a beneficiary country. Indonesian stakeholders are currently creating knowledge 'through practice',⁵² which is developing their capacities as a whole.

3-2 Donor Collaboration for Supporting Indonesia's Challenges

The role of the individual international donor can be considered a catalyst among Indonesian stakeholders and between Indonesia as a pivotal country and beneficiary countries. As an example, JICA's provision of technical and financial support and complementing arrangement were both timely and respectful of the GOI's ownership. Paying attention to and flexibly responding to the GOI's decisions and directions for the development their SSC/TrC, JICA has been supporting for Indonesia's multi-dimensional challenges under the three pillars in a balanced way.

It is notable that international donors have been loosely collaborating, with roles divided intentionally and unintentionally. An example was seen in the process of supporting the formation of the Grand Design and the Blue Print, with JICA assisting the GOI to conduct the Basic Study and prepare the drafts. In coordination with JICA, UNDP Indonesia is expected to support the legitimisation of the drafts of the Grand Design and the Blue Print, since they have hitherto assisted Indonesia's SSC in the area of policy and setting up of institutions, while JICA has focused more on technical assistance for the development of human resources in practice.⁵³ In contrast, WB Indonesia provided comments on the drafts of the Grand Design and the Blue Print when requested by the GOI.

Collaboration with other international donors also can be observed in the evaluation workshop held in 2010. JICA invited InWent as

⁵¹ JICA2012b, p.8.

⁵² Nonaka et. al. 2008, pp. 13-14.

⁵³ It was in 2008 when JICA merged with part of the Japan Bank for International Cooperation, who was in charge of loan projects.

a presenter, since, together with UNDP and other donors, they had been lecturers in JICA's training course in Japan. The training course aimed to strengthen the capacity of developing international training, which includes the building of monitoring and evaluation skills. It is a challenging task even for traditional donors, including JICA, to provide such training.⁵⁴ Through these activities, JICA and other donors jointly shared their experiences and knowledge, even though some aspects of these might not be fully mature, with participants from prospective pivotal countries. By so doing, they consequently shorten the period needed by Indonesia as an emerging donor to catch up.

4. Implications

This case study provides some implications for future cooperation to support prospective providers of SSC/TrC.

The importance of momentum

In order to support a country's endeavours to becoming a donor, some preconditions seem to be required: specific socio-economic circumstances and sufficient experiences and knowledge in areas that meet the beneficiary countries' needs. The recent socio-economic-political circumstances of Indonesia are reaching a certain maturity for their challenges. Particularly, the adaptation of the Jakarta Commitment, which declared promotion of SSC, was a notable turning point and became a powerful driving force in the development of capacity to implement SSC. These have created the right momentum for international donors to support the GOI. The case of Indonesia suggests the importance of finding the right momentum for providing support.

Sharing a common vision

It is vital to foster and share a common vision. In the case of Indonesia, such a common vision was shared in the process of forming the Grand Design and the Blue Print towards Indonesia's future SSC/TrC at an early stage of the cooperation for Indonesia's challenges. The policy framework provides a basic foundation for Indonesia's SSC/TrC and supports related activities among Indonesian stakeholders and the international community.

⁵⁴ As in a final wrap-up session in the 2009 training, a staff member of InWEnt stated that they had just started its monitoring and evaluation and understood that there were various ways (JICA2010b).

Enhancement of face-to-face dialogues

A series of studies, workshops, and seminars have been providing some space for various stakeholders, including development partners, to discuss common issues officially and unofficially. Participants were often overlapped, which seemingly has supported enhancement of a mutual understanding and the achievement of a sharing of visions for the future directions of Indonesia's SSC/TrC by way of the face-to-face interactions. The enhancement of fact-to-face dialogues makes future collaboration and cooperation smoother.

The creation of the feedback process

Through the actual implementation of projects, stakeholders, particularly policy makers, are able to gain immediate feedback from beneficiary countries. They gain knowledge of the influence and effectiveness of their endeavour through this trial and error, which in turn provides enriched experience for the further improvement of their SSC.

Mutual learning between traditional and emerging donors and between traditional donors

In the process of receiving support from traditional donors, the GOI is gaining insight into the former's advanced know-how and perspectives, such as the importance of considering beneficiary countries' needs and introducing monitoring/evaluation into a project design in the early stage of becoming a donor. In contrast, JICA—and probably other international donors, as well—is learning from Indonesia by way of its different experiences, knowledge, and expertise, which might have better application to beneficiary countries, like the case of Timor-Leste. Indonesia, being familiar with Timor-Leste's circumstances and problems, is becoming a good development partner for JICA, each optimizing and minimising the other's strengths and weakness.

During the course of supporting Indonesia's challenges, traditional donors also had an opportunity to observe the different strengths and know-how of fellow donors in areas such as the preparation of the Grand Design and the Blue Print and the formation of the evaluation workshop.

The importance of close and regular communication

A long and seamless commitment on the part of donors is indispensable for supporting the relatively long process of becoming a donor. JICA has,

for instance, maintained a presence in Indonesia that dates back to the establishment of the Indonesia Office over four decades ago, so the office has a long history of working closely with Indonesian stakeholders. There are also senior staff members who have been closely communicating with stakeholders. This kind of close and regular consultations with stakeholders helps to build trust and make it possible to provide assistance and advice in a timely manner.

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