

INDONESIA SOUTH-SOUTH AND TRIANGULAR COOPERATION

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INDONESIA'S FOREIGN POLICY

The Principles:

Independent and Active

The primary objectives of Indonesia's foreign policy are:

- To support national development with priority on economic development, as set out in the Five-Year Development Plans;
- To preserve internal and regional stability conducive to national development;
- To protect the territorial integrity of Indonesia and safeguard the peoples place of abode.

Background INDONESIA'S TRANSFORMATION TO MIDDLE INCOME COUNTRY





- *Mid income country* since 2008
- Member of G-20
- Jakarta Commitment 2009
- Busan Outcome Document 2011

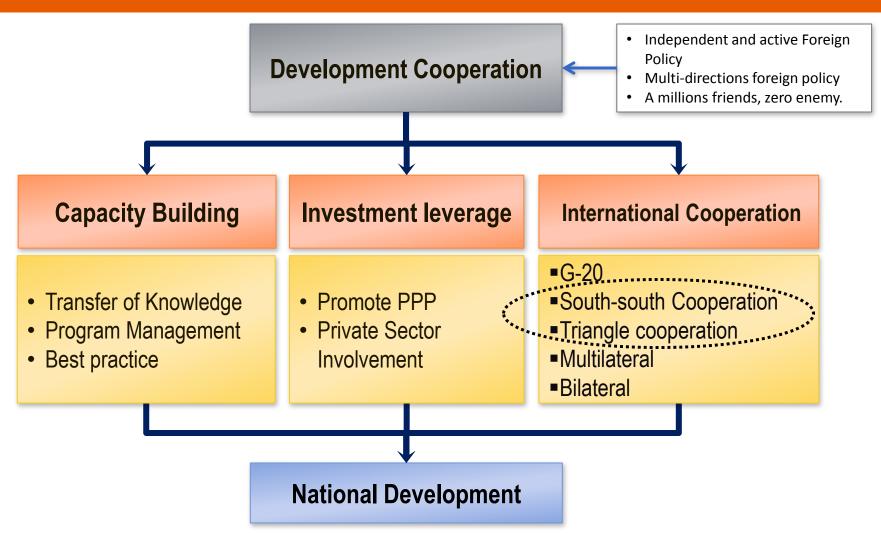


Development Cooperation and Global Partnership



Traditional Cooperation

DEVELOPMENT COOPERATION POLICY FRAMEWORK



Government's Vision for National Development

Indonesia's Vision 2014

"To ACHIEVE Indonesia That is Prosperous, Democratic and Just", as explained below:

People's Prosperity:

Improved prosperity, through economic development which rests on the country's competitive advantage, abundant natural resources, human resources and culture. This chief objective is to be achieved by improving the mastery of science and technology.

Democracy

A society, nation, and state that is democratic, civilized, and dignified, and honors the responsibility in freedom and human rights.

Justice

Realization of fair, equally distributed development which is actively supported by the people throughout the nation that will benefit from it.

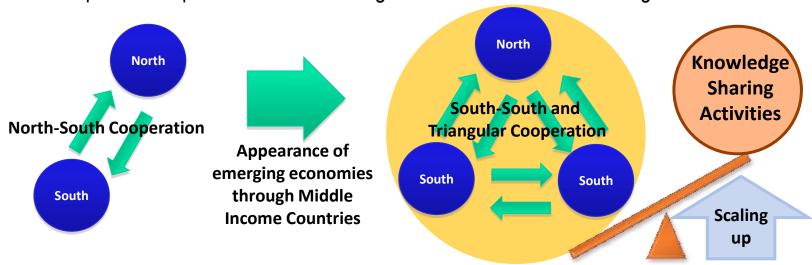
The National Medium Term Development Plan 2010-2014 provide further guidelines for ministries/institutions in developing their own Strategic Plan and be considered by the local governments while developing/adjusting their own local development plan in order to achieve the national development goals.

Direction of Indonesia Foreign Policy

- 1. To take on a more significant role and leadership in ASEAN and in the establishment of ASEAN Community 2015
- 2. To take on a more significant role in preserving national security and creating world peace
- 3. To improve the performance of border diplomacy
- 4. To improve the quality of services for and protection of Indonesian citizens and Indonesian legal entities overseas
- 5. To create a more positive image of Indonesia through advancement of democracy and human rights, and protection of culture heritage
- 6. To strengthen strategic partnerships in the regions of Asia Pacific and America-Europe
- 7. To improve the quality of economic diplomacy in multilateral forums through: Indonesia's active participation in multilateral forums such as WTO, APEC, G-20, and G-33 to further promote the interest of Indonesian and other developing countries.
- 8. To increase the South-South cooperation

GLOBAL SITUATION

Development Cooperation model has aligned with the world economic growth



- South-South and Triangular Cooperation become a complementary of existing North-South Cooperation
- South-South Cooperation has made Middle Income Countries to play important roles in the development of new architecture of aid for development effectiveness perspective
- Scaling up knowledge sharing activities through North-South, South-South and Triangular Cooperation in accordance with G-20 Working Group of Development Meeting



GRAND DESIGN AND BLUE PRINT OF INDONESIA SOUTH-SOUTH AND TRIANGULAR COOPERATION

South-South and Triangular Cooperation (SSTC) works best for the cause of development?

Three reasons:

- 1. SSTC serves as a model for genuine global partnership for development.
- 2. SSTC can bring about more transparency and accountability.
- 3. SSTC can be precisely tailored to the needs of each developing country.

GRAND DESIGN AND BLUE PRINT OF INDONESIA SSTC

VISION of SSTC INDONESIA "Better Partnership for Prosperity"

Institution
Development &
Empowerment

Strengthen the SSTC coordination team

toward establishment of

the National Focal Point

Program Development and Funding

- Strengthen programming through flagship and tailor made program.
- Implement SSTC in a flexible manner.
- Increase the potential funding of SSTC, derived from the state budget, complemetary of Bilateral and Multilateral Cooperation, Trust Fund, as well as banking and private sector

Money and Knowledge Management

- Strengthen monitoring and evaluation of SSTC implementation
- Develop monev, information system and database as the foundation of knowledge sharing and support SSTC business process

PRINCIPLE, BASIC CAPITAL AND CHARACTERISTIC OF INDONESIA SSTC

CONSTITUTION '45, LTDP (RPJPN), MTDP (RPJMN), FOREIGN POLITICAL POLICY OF INDONESIA

BASIC PRINCIPLES FOR TRIANGULAR COOPERATION

ALIGNMENT

 The program should align with Government Policies and Priorities stipulated in the Grand Design and Blue Print of Indonesia SSTC

ONE GATE POLICY

- All cooperation should be coordinated by Coordination Team on SSTC
- Coordination Team on SSTC will give endorsement/ approval for the proposed programs
- This is aimed to integrate SSTC programs which are previously scattered in line ministries

BASED ON EQUALITY, MUTUAL RESPECT, MUTUAL BENEFIT AND OPPORTUNITY

The cooperation is implemented with win-win outcomes in mind

PROMOTE KNOWLEDGE SHARING

FLAGSHIP PROGRAM (2011 – 2014)

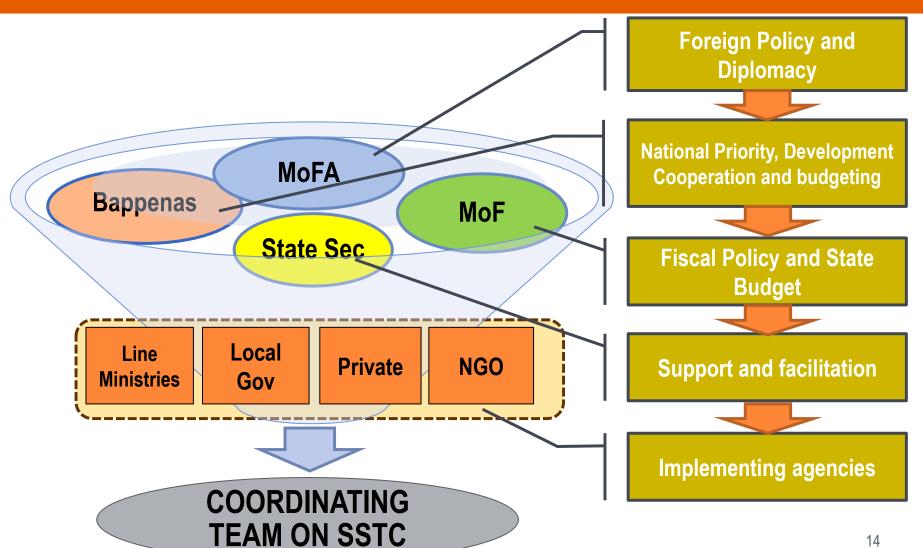
FEATURED PROPOSED PROGRAMS (PILOT) 2011-2014:

- Agriculture, Food Security, and Social Protection
 - Poverty Alliviation Program Through PNPM;
 - Capacity building related to insemination
 - Revitalization of FATRC (Pilot: Tanzania)
 - Cross-Sectoral cooperation program with Palestina;
- Disaster Risk Management
 - Mitigation of natural disaster program (TDMRC);
- Democracy and Governance
 - Program on Democratization
- Trade and Industri
 - Capacity building on Indonesia's export;
- Infrastructure
 - Training program on infrastucture (pilot: Timor Leste)
- Human Development (Health, Education, Population, Gender)
 - Capacity building program for Family Planning KB and reproduction health;
 - Scholarship program for student from developing countries;
- Other programs in accordance with the criteria (*Tailor-Made Program*)

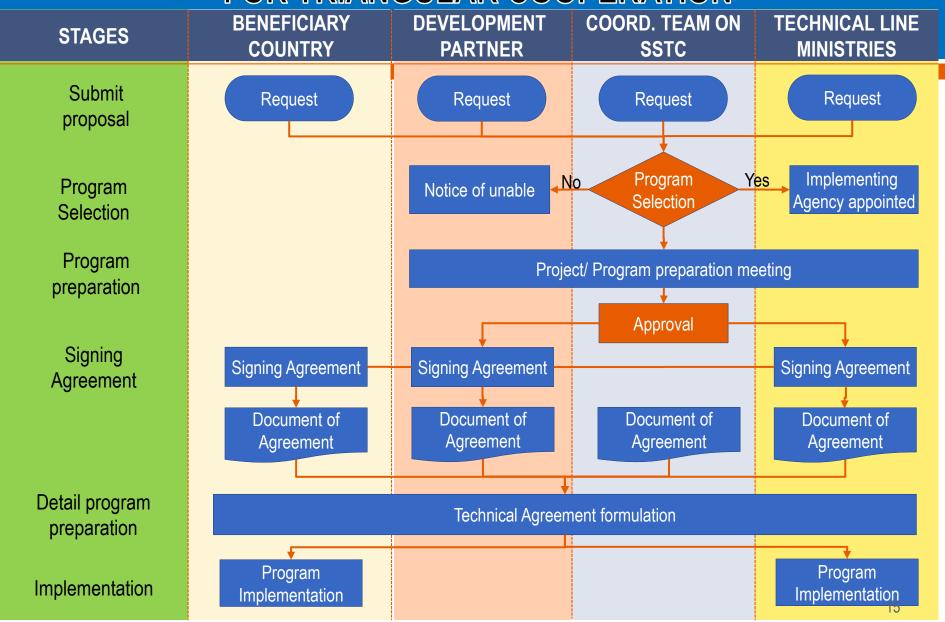
INDONESIA STANDS READY:

- During the opening ceremony, of the High Level Meeting, "Toward Country-Led Knowledge Hubs" 10-12 July 2012 the Vice President has reaffirm Indonesia's commitment to further contribute to the global development
- Indonesia announced its readiness in 3 areas where Indonesia has comparative advantages, namely:
 - Development issues: poverty alleviation, disaster management and climate change, and human development
 - Good Governance and Peace Building: Democracy, Law Enforcement and Peace Keeping
 - **Economic issues**: Macro economic management, public finance and micro finance

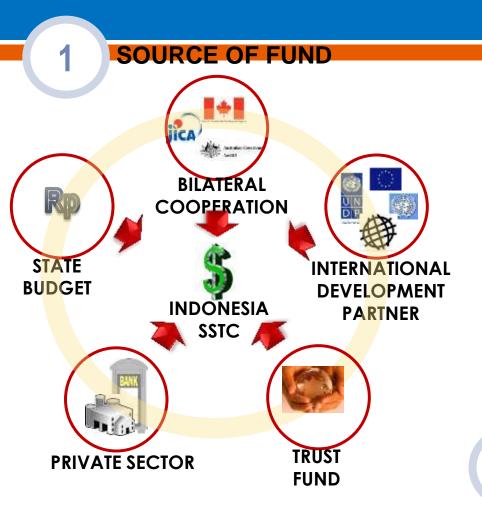
ROLE AND FUNCTION OF LINE MINISTRIES



STANDARD OPERATING PROCEDURE FOR TRIANGULAR COOPERATION



FUNDING



2 FUNDING SUPPORT

INTERNAL

EXTERNAL

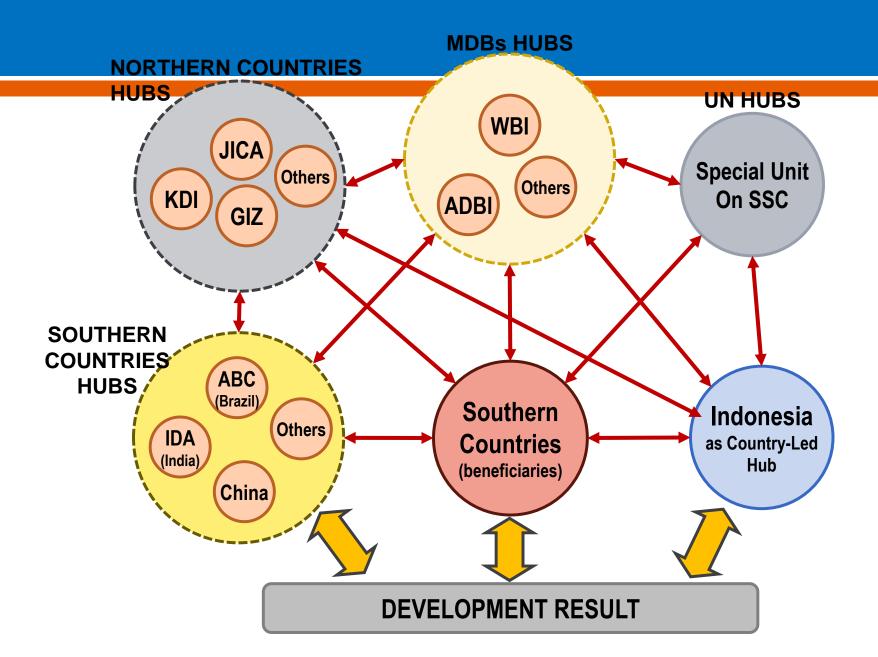
- Institutional and Regulatory
- Framework
- Program
 Development
 - Monev, Knowledge
- Management,
 Promotion and
 Publication

- Flagship program implementation
 - Tailor Made program
- implementation

FUNDING MECHANISM

- Triangular Cooperation
- Bilateral (Co Sharing)
- State Budget

PARTNERSHIP



IMPLEMENTATION OF INDONESIA SSTC

- Indonesia has actively involved in SSTC since the Asia-Africa Conference in 1955.
- Indonesia's role and contribution to SSTC can be seen from various technical cooperation implemented since 1981.

Budget allocated for SSTC since 2000

Year	Budget Allocated
2000 - 2010	> USD 42 million
2011 - 2013	USD 7,8 million
TOTAL	> USD 49,8 million

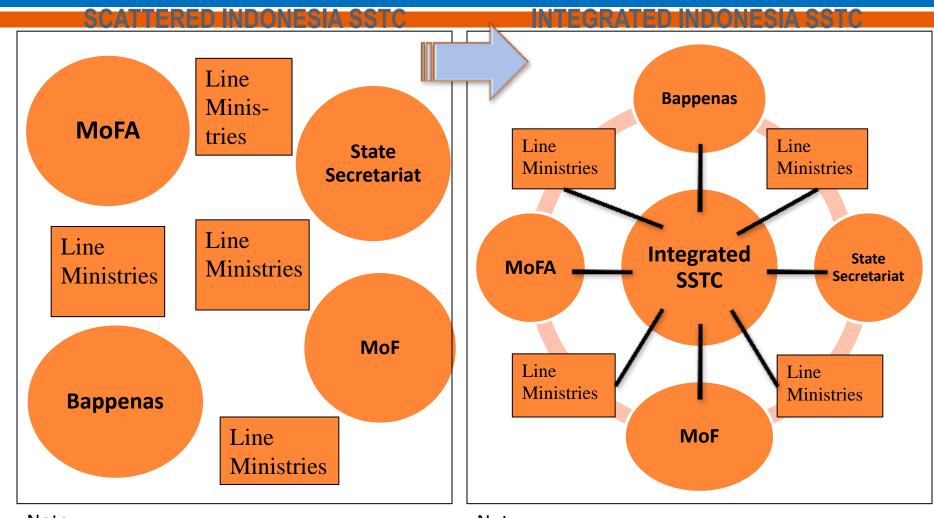
Line Ministries which actively involved in SSTC as follows:

- Ministry of Agriculture
- Ministry of Education and Cultural Affairs
- Ministry of Foreign Affairs
- State Secretariat
- Ministry of Public Works
- National Population and Family Planning Board (BKKBN)

However, the implementation of Indonesia SSTC is still:

- Fragmented
- Considered not giving optimal benefit
- Not sustain

INTEGRATED INDONESIA SSTC



Note: **Intangible** and **not sustainable** result

Note: Integration planning process More **tangible** and **sustainable** result

DEVELOPMENT STAGES

STAGE 1 2011-2014

STAGE 2 2015-2019 STAGE 3 2020-2025

Stronger Coordination Within Revitalized Institutional Framework

- 1. Strengthen Coordination Framework.
- 2. Program development and funding
- 3. Develop Information system and Knowledge Management
- 4. Develop promotion and publication strategy
- 5. Develop monitoring and evaluation system

New Emerging Partner in Innovative South-South Cooperation for Development

- Strengthen Indonesia SSTC as new emerging partner in innovative development cooperation
- 2. Develop new program aligned with the RPJM 2015-2019
- 3. Strengthen stakeholder involvement
- 4. Evaluation of the first period

Stronger Partnership within Innovative and Inclusive South-South Cooperation

- 1. Improvement and broadening of cooperation
- 2. Develop new program aligned with RPJM 2020-2025
- 3. Improve non-government institutions involvement
- 4. Evaluation of the second period
- 5. Evaluation of Grand Design

HIGH LEVEL MEETING: TOWARDS COUNTRY LED KNOWLEDGE HUBS COMMUNIQUÉ OF CO-ORGANIZERS

- Communiqué emphasis on the importance of Knowledge exchange in South-South Cooperation agenda, and placed knowledge exchange as an complementary and effective development instrument;
- In order to respond to the increased demand for knowledge exchange,
 emerging countries are taking a lead in setting up knowledge hubs;
- Knowledge hubs facilitate mutual learning about helpful and innovative approaches that may be adapted and scaled up elsewhere;
- Political leadership, sound coordination and sustainable funding arrangements are needed to develop and maintain Knowledge Hubs;
- The Government of Indonesia, JICA, World Bank and UNDP as coorganizers are committed to support this learning process going forward to be sustain over the coming years and propose to establish a community of practice.
- The co-organizers encourage countries to express their interest to host next HLM within next two years

COORDINATION TEAM OF INDONESIA SSTC

Minister of State for Development Planning Act no 101/ 2011

Steering Committee

Co Chair: Minister of National Dev. Planning,

Co Chair: Minister of Foreign Affairs

Vice Chairperson I: Vice Minister of Planning,

Vice Chairperson II: Vice Minister of Foreign Affairs

Members: Echelon 1 Line Ministries, and private sector representatives

Technical Committee

Chair: Director for Multilateral Foreign Funding, Bappenas

Co Chair 1: Director for Socio Culture and International Organization Developing

Countries MoFA,

Co Chair 2: Head of Technical Cooperation, State Secretariat Members: Echelon 2 Line Ministries, including private sector

WG 1	WG 2	WG 3
Institutional Framework	Program and Funding	Monev, Publication, Knowledge Management,
Co-Chair: Director for Political Affairs and Communication, Bappenas, Head of Regional and Bilateral Policy, MoF	Co-Chair: Director for Multilateral Foreign Funding, Bappenas Director for Technical Cooperation, MoFA Members: Echelon 2	Co-Chair: Head of Technical Cooperation Bureau, State Secretariat, Director of SosBud OINB, MoFA Members: Echelon 2

SECRETARIAT



THANK YOU

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