

Indonesia

Youth Entrepreneurship and Employment Support Services Programme Supervision Report

Mission Dates: 13-24 July 2020

Document Date: 31/08/2020

Project No. 2000001202

Report No. 5496-ID

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

AAEHRD	Agency of Agricultural Extension and Human Resource Development
ABC	Agri-Business Capital Fund
ABDSI	Association of Business Development Service Indonesia
AIF	Agribusiness Impact Fund
APBN	<i>Anggaran Pendapatan dan Belanja Negara</i> Annual State Budget
APINDO	<i>Asosiasi Pengusaha Indonesia</i> Employers' Association of Indonesia
ASBANDA	<i>Asosiasi Bank Pembangunan Daerah</i> Association of Regional Development Banks
AWPB	Annual Work Plan and Budget
BAPPENAS	<i>Badan Perencanaan Pembangunan Nasional</i> National Development Planning Agency
BBPP	<i>Balai Besar Pelatihan Pertanian</i> Agriculture Training Centre (under the Ministry of Agriculture)
BDS	Business Development Services
BDSP	Business Development Service Provider
BLK	<i>Balai Latihan Kerja</i> Training Centre
BLKP	<i>Balai Latihan Kerja Pertanian</i> Agriculture Training Centre (under the Ministry of Manpower)
BMT	<i>Baitul Mal wa Tamwil</i> Islamic microfinance
BNP2TKI	<i>Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia</i> National Board for the Placement and Protection of Indonesia Overseas Workers
BPD	<i>Bank Pembangunan Daerah</i> Regional Development Bank
BPK	<i>Badan Pemeriksa Keuangan</i> Supreme Audit Agency
BPKP	<i>Badan Pemeriksa Keuangan dan Pembangunan</i> Financial and Development Audit Agency)
BRI	Bank Rakyat Indonesia
CCDP	Coastal Community Development Project
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
DAFEP	Decentralized Agriculture and Forestry Extension Project
DPIU	District Programme Implementation Unit
FFR	Financial Facility for Remittances
FM	Financial Management
FMA	Financial Management Assessment
GDP	Gross Development Product
GESI	Gender Equity and Social Inclusion
GICS	Government Internal Control System
IAAS	International Association of Students in Agricultural and Related Sciences

ICT	Information and Communication Technologies
IFAD	International Fund for Agricultural Development (IFAD)
IFC	International Finance Corporation
IPB	Institut Pertanian Bogor Bogor Institute of Agriculture (Agriculture University of Bogor)
IQF	Indonesian Qualifications Framework
IPDMIP	Integrated Participative Development and Management of Irrigation Programme
KADIN	<i>Kamar Dagang dan Industri Indonesia</i> Indonesian Chamber of Commerce and Industry
KM	Knowledge Management
KPA	<i>Kuasa Pengguna Anggaran</i> Proxy of Budget Holder/User
KPPN	<i>Kantor Pelayanan Perbendaharaan Negara</i> State Treasury Office
MoA	Ministry of Agriculture
MoCSME	Ministry of Cooperatives and Small and Medium Enterprises
MoEC	Ministry of Education and Culture
M&E	Monitoring and Evaluation
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MSP	Multi-Stakeholder Platform
MTEF	Medium-Term Expenditure Framework
NAEP	National Agricultural Extension Project
NGO	Non-Governmental Organisation
NPL	National Poverty Line
NPMU	National Programme Management Unit
OJK	<i>Otoritas Jasa Keuangan</i> Financial Services Authority
P4S	<i>Pusat Pelatihan Pertanian dan Perdesaan Swadaya</i> Farmer Agricultural Self-Help Training Centres
PBB	Performance Based Budgeting
PDR	Programme Design Report
PFM	Public Financial Management
PIM	Programme Implementation Manual
PLUT	<i>Pusat Layanan Usaha Terpadu</i> Centres for Integrated Business Services
PPK	<i>Pejabat Pembuat Komitmen</i> Commitment Maker Officer
PPIU	Province Programme Implementation Unit
PSC	Programme Steering Committee
PWMP	Young Agricultural Entrepreneur Development Programme
PY	Programme Year
READ	Rural Empowerment and Agriculture Development Programme
READSI	Rural Empowerment and Agricultural Development Scaling-up Initiative Programme
SA	Special Account

SACCO	Savings and Credit Cooperatives
SAIBA	<i>Sistem Akuntansi Instansi Berbasis Akrua</i> Institution Accrual Accounting System
SDG	Sustainable Development Goals
SLA	Subsidiary Loan Agreement
SME	Small and Micro Enterprises
SMK	<i>Sekolah Menengah Kejuruan</i> Senior Vocational High School
SMKP	<i>Sekolah Menengah Kejuruan Pertanian</i> Senior Vocational Agricultural High School
SMP	<i>Sekolah Tinggi Penyuluhan Pertanian</i> National College of Agriculture Extension
SOE	Statement of Expenditures
SPAN	<i>Sistem Perbendaharaan dan Anggaran Negara</i> Government Treasury and Budget System
STTP	<i>Sekolah Tinggi Penyuluhan Pertanian</i> National college of agriculture extension
ToR	Terms of Reference
ToT	Training of Trainers
TEVT	Technical Education and Vocational Training
TP	<i>Tugas Pembantuan</i> Transfer of tasks and budget from Ministry to district government
TSA	Treasury Single Account
UNDP	United Nations Development Programme
WA	Withdrawal Application
YESS	Youth Entrepreneurship and Employment Support Services Programme

A. Project Overview

Region:	Asia and the Pacific Division	Project at Risk Status:	Potential problem
Country:	Indonesia	Environmental and Social Category:	B
Project Name:	Youth Entrepreneurship and Employment Support Services Programme	Climate Risk Classification:	2
Project ID:	2000001202	Executing Institution:	Ministry of Agriculture
Project Type:	Rural Development	Implementing Institutions:	Ministry of Agriculture - AAEHRD
CPM:	Ivan Cossio Cortez		
Project Director:	not available yet		
Project Area:	not available yet		

Approval Date:	14/12/2018	Last audit receipt:	11/06/2020
Signing Date:	20/02/2019	Date of Last SIS Mission:	24/07/2020
Entry into Force Date:	17/06/2019	Number of SIS Missions:	1
Available for Disbursement Date:	02/10/2019	Number of extensions:	0
First Disbursement Date:	08/10/2019	Effectiveness lag:	6 months
MTR Date:	not available yet		
Original Completion Date:	30/06/2025		
Current Completion Date:	30/06/2025		
Financial Closure:	not available yet		

Project total financing

IFAD Financing breakdown	Asia and the Pacific Division	\$2,000,000
	IFAD	\$55,300,000
Domestic Financing breakdown	Beneficiaries	\$3,212,000
	National Government	\$12,091,000
Co-financing breakdown,		
Project total financing:		\$72,708,000

Current Mission

Mission Dates:	13-24 July 2020
Days in the field:	Remote mission
Mission composition:	Ivan Cossio, Mission leader; Nicolas Syed, Team Leader; Thierry Mahieux, Rural Finance and Business Development Specialist; Harry Sudewa, Procurement Specialist; Muhammad Iskandar, Country Programme Analyst; Lilis Suharti, Financial Management Specialist.
Field sites visited:	Virtual meetings were held with all Provincial Project Implementation Units (PPIUs)

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		4	Assessment of the Overall Implementation Performance		4

Effectiveness and Developmental Focus	Ø	Rating	Project Management	Ø	Rating
Effectiveness		4	Quality of Project Management		4
Targeting and Outreach		3	Knowledge Management		4
Gender equality & women's participation		4	Value for Money		4
Agricultural Productivity			Coherence between AWPB and Implementation		4
Nutrition			Performance of M&E System		3
Adaptation to Climate Change		4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)		4

Sustainability and Scaling-up	Ø	Rating	Financial Management and Execution	Ø	Rating
Institutions and Policy Engagement		4	Acceptable Disbursement Rate		3
Partnership-building		4	Quality of Financial Management		3
Human and Social Capital and Empowerment		4	Quality and Timeliness of Audit		
Quality of Beneficiary Participation		4	Counterparts Funds		3
Responsiveness of Service Providers		4	Compliance with Loan Covenants		4
Environment and Natural Resource Management			Procurement		4
Exit Strategy					
Potential for Scaling-up					

Relevance		5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The Youth Entrepreneurship and Employment Support Services (YESS) Programme was approved at IFAD's Executive Board in December 2018. The total project financing is USD 72.70 million consisting of: (i) an IFAD loan (No.2000002604) of USD 55.30 million and an IFAD grant (No.2000002603) of USD 2.00 million; (ii) a contribution of the Government of Indonesia (GoI) of USD 12.09 million, and; (iii) expected beneficiary contributions of USD 3.21 million.

The IFAD Financing Agreement entered into force on 17 June 2019, while implementation started effectively in September 2019 due to the process of opening the project bank account. With an implementation period of 6 years, the project completion and closure dates are respectively the 30 June and 31 December 2025.

The goal of YESS is that young women and men contribute to rural transformation and inclusive rural growth, while its objective is that rural young women and men are engaged in the agri-based sector through employment and entrepreneurship. The project covers 15 districts in the 4 provinces of East Java, West Java, South Kalimantan and South Sulawesi.

YESS has four components: **Component 1 Rural Youth Transition to Work** and **Component 2 Rural Youth Entrepreneurship** focus on building the skills-sets of the rural youth and business development services, and creating employment opportunities; **Component 3 Investing for Rural Youth** links the youth to financial institutions and provides initial investments for young entrepreneurs; **Component 4 Enabling Environment for Rural Youth** aims to build a conducive policy environment where the young rural workers and entrepreneurs can thrive.

The main outcomes of these components are: (i) young people acquire skills that enable them to take advantage of employment and business opportunities; (ii) young small farmers, rural entrepreneurs and small and medium-sized enterprises (SMEs) access markets and services in the targeted value chains, and; (iii) young smallholder farmers, rural entrepreneurs, and migrants and their families have access to financial products and services to finance their businesses.

This joint GoI - IFAD Supervision Mission (SM)^[1] was undertaken from the 13 to the 24 July 2020. Due to the COVID-19 related travel restrictions, IFAD, Bappenas and Ministry of Agriculture (MoA) agreed to undertake a remote SM. The main objective of the supervision is to assess the progress of the implementation during this first year, and to agree with the MoA and the National Project Management Unit on an action plan to expedite the finalization of the preparatory work.

The specific objectives of the supervision are: (i) review the project's progress and performance towards achieving the agreed objectives and results; (ii) identify the project implementation issues and challenges; (iii) support the project in expediting implementation and improving effectiveness, including a thorough review of the procurement packages.

The kick-off (3July) and wrap-up (24 July) meetings were chaired by the Director of Food Security and Agriculture, Bappenas, and attended by the Director of Agricultural Education Centre and the YESS Project Director, as well as the NPMU and representatives from the Provincial Project Implementation Units (PPIU). During the course of the remote supervision, the IFAD team held various meetings with representatives from MoF, MoA and from the four PPIUs.

^[1] Mission composition: Mr Ivan Cossio, IFAD CD and mission leader; Mr Nicolas Syed, IFAD PO and team leader; Mr Thierry Mahieux, Rural Finance and business development specialist; Mr Harry Sudewa, Procurement Specialist; Mr Muhammad Iskandar, IFAD CPA; Ms Lilis Suharti, Financial Management Specialist

Key Mission Agreements and Conclusions

The IFAD supervision has assessed the progress of implementation over the course of the 12 months since the project was declared in June 2019 and the time of the supervision in July 2020. The progress is assessed against the combined 2019 and 2020 AWPBs, covering the period from September 2019, when implementation effectively started.

The IFAD supervision has found the implementation of YESS in this timeframe to be moderately satisfactory. In fact, on average the project has achieved 43% of the cumulative physical targets for 2019 and 2020, and have reached an expenditure of approximately USD 657,000, which represents 19% of the cumulative 2019 and 2020 AWPBs. The overall cumulative expenditure rate, however, is only 0.90% of the total project costs of USD 72.6 million.

The four main achievements to date can be summarised as follows:

All government staff at national and sub-national levels have been appointed and are able to dedicate between 70% to 100% of their time to the implementation of YESS. It is very important that the NPMU and PPIU staff continue allocating most of their time to YESS in order to ensure the full implementation of project activities. Some key consultants have also been recruited, particularly at provincial level; (ii) the baseline study and the assessment of the Penumbuhan Wirausahawan Muda Pertanian (PWMP - Young Agricultural Entrepreneur Development Programme) have both been launched. Both of these studies are expected to be completed in 2020 and will feed into the planning and sequencing of activities in 2021; (iii) the M&E teams at national and sub-national level with the support from district extension workers, have begun the process of identifying potential beneficiaries in the targeted districts; (iv) the NPMU and PPIUs have also launched the identification of the Business Development Service Providers (BDSPs).

While IFAD commends the NPMU for these achievements, the supervision has also identified 5 key areas that need immediate attention to improve and accelerate the implementation of project activities. These areas and their respective agreed actions are: (i) Improving coordination and planning between components; (ii) Filling the remaining staffing gaps; (iii) Drafting the relevant implementation Manuals (for Financial management, procurement and M&E) and subsequently training the relevant staff; (iv) drafting the M&E plan and setting-up the M&E system; (v) ensuring that sufficient budget is made available and ensuring adequate flow of funds at district level.

Implementation roadmaps

Apart from staffing, four key activities have begun. The baseline study and the assessment of the PWMP have both been launched. The PWMP assessment will be a key input to inform the NPMU and MoA on how to improve the PWMP program to improve the rate of absorption of Polbangtans and SMK-PP graduates in the labour force and increase the number of PWMP alumni who successfully set-up businesses. Both of these studies are expected to be completed in 2020.

The third key activity in progress, led by the M&E teams at national and sub-national level with the support from district extension workers, is the process of identification of potential beneficiaries. To date, the project has identified 11,338 potential beneficiaries, of which 9,395 (83%) men and 1,943 (17%) women. The exercise of identification and validation of data will continue on a regular basis with a view on reaching the project target of approximately 110,000 young rural Indonesians being directly supported by YESS to either find employment or start a business, with at least 50% of them being women. Finally the fourth key activity launched is the identification of the BDSPs. The NPMU and PPIUs are currently identified 84 BPPs and 30 P4S (Farmer owned Agricultural Training Centres) which fit the eligibility criteria to be designated as BDSPs under YESS.

The review of the draft 2021 AWPB has highlighted that the NPMU staff need to improve their understanding of how the various YESS components are linked and how the implementation of some activities in different components need to be sequenced in order for YESS to achieve its objective.

This absence of structured planning and organization of activities is illustrated by the delayed implementation of mapping studies (the terms of reference of the 4 mapping studies have not yet even drafted) although outcomes of these studies will feed the development of activities in the 3 components. In addition, the delayed recruitment of some specialists at both national and provincial levels such as the Youth Entrepreneur specialists will negatively impact the implementation of activities under their responsibilities and supervision and will also impact the implementation of activities under other components, as most activities under YESS 3 components are inter-related.

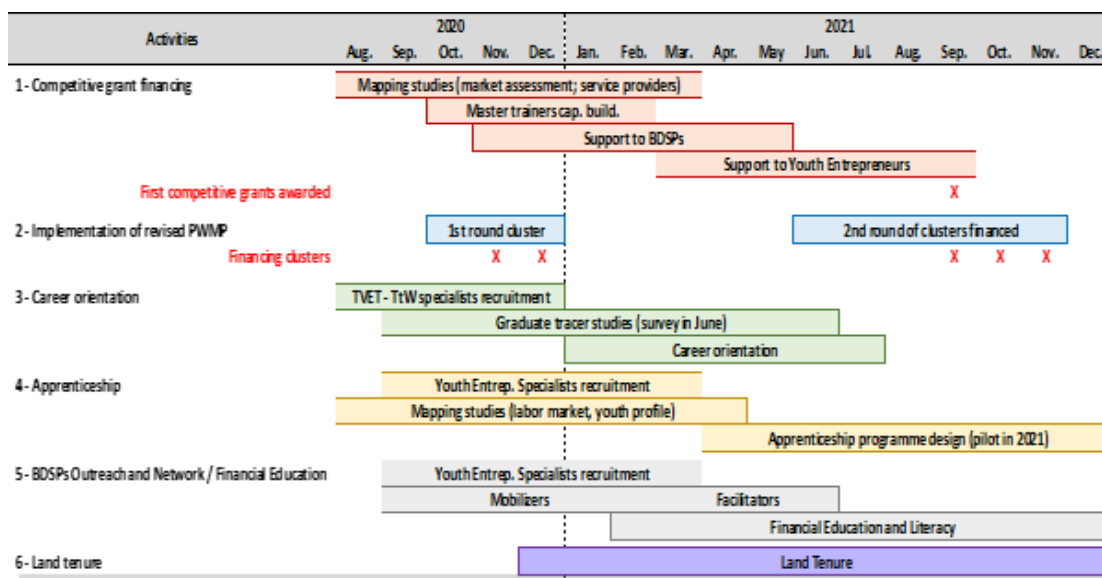
Consequently, the supervision mission in close collaboration with YESS staff and consultants has elaborated 7 roadmaps for the main activities to be implemented in late 2020 and 2021. The implementation of these activities requires a logical sequencing for the implementation of sub-activities from different components, thus requiring each component coordinator to perfectly understand the activities under his/her supervision as well as the forward and backward linkages with other activities from different components. Failure to do so will inevitably lead to a problematic and delayed implementation of activities. The 7 roadmaps include: (i) disbursement of competitive grants; (ii) implementation of revised PWMP; (iii) graduate tracer studies and career orientation; (iv) apprenticeship; (v) financial literacy and education for youth entrepreneurs; (vi) land tenure, and (vii) digital inspiration. Sequenced planning of implementation of the 7 roadmaps are detailed in the following sections.

Summarized roadmaps for 2020 and 2021

The following chart illustrates the roadmaps for the main activities that the project should implement during 2020 and 2021. Other minor activities that have no backward and forward linkages have not been included in this diagram (for example the procurement of goods for partners).

The purpose of this summarized roadmap and the related timelines is threefold: (i) ensure a coordinated and adequately sequenced implementation of YESS activities taking into consideration the backward and forward linkages of each activity as well as the targets to be achieved under the project; (ii) identify possible bottlenecks or inadequate planning, and (iii) minimize the risks of delayed activities jeopardizing the implementation of other activities and the achievement of project annual targets.

Summarized diagram of YESS activities implementation for 2020 and 2021



Activities for which the implementation will start in 2022 include: (i) contract farming partnerships, and (ii) SMEs readiness for investment (implementation will depend on key stakeholders like IFAD SIF and the UNDP - Angin Social Impact Development Fund being implemented and operating). However, some preparatory activities for these 3 activities might be implemented during the second semester of 2021 (terms of reference, service provider's selection process and contract) to enable the start of these activities during the first semester of 2022.

The above diagram shows that most of the effective development work related to activities will be carried out during the first semester of

2021, while all the preparatory activities will be finalized for the end of 2020 or March 2021 at the latest. Some activities like apprenticeship for example will start producing their full impact only in 2022 (contracts for apprentices will start in January 2022).

Roadmap 1 - Disbursement of competitive grants to youth entrepreneurs

The disbursement of competitive grants to youth entrepreneurs is the end-station of several inter-related activities from all project components. Rolling backward, to disburse competitive grants to youth entrepreneurs, it is necessary to ensure that these entrepreneurs have the financial and managerial capacity to implement and develop their activities (training), prior to that you need to review the business proposals these youth entrepreneurs will submit (capacity building of service providers), prior to that you need to identify potential service providers, identify market opportunities and assist financial institutions to fine-tune their products and services to meet the requirements and constraints of youth entrepreneurs (mapping studies and support to financial institutions), and finally, prior to that you need human resources at both national and provincial levels to support and the different stakeholders (staff and consultant recruitment). In the costab as well as in the Project Resign Report (PDR) and Project Implementation Manual (PIM), these activities are in different components and do not appear related to each other.

The sequenced planning of this activity is detailed in roadmap 1.

Main issues. The following points constitute main issues that will need to be addressed by the project team for a smooth implementation of all sub-activities: (i) mapping studies, and (ii) competitive grants.

Mapping studies. 5 mapping studies should have been carried out at project's onset with the outcomes from two of them directly feeding the development of activities related to the disbursement of competitive grants: (i) market assessment and value chain analysis, and (ii) mapping of available financial and non-financial services. To date, these two studies have not yet been carried out. Based on the time schedule in annex 1, conclusions of both studies would be made available only in March 2021 while these should have been made available before the implementation of related activities (business models, capacity building of BDSPs, capacity building of youth entrepreneurs). The scope of these mapping studies should be reformatted by the project team to ensure that their outcomes are relevant and pertinent to project activities and can be used immediately. The mission recommends these mapping to be dynamic ones with the first one carried out in 2020/2021, the second one around mid-term review and the last one at project completion. Such dynamic mapping studies would enable the project to analyze the trends and changes over time and modify its activities accordingly.

To avoid any unnecessary delays in the implementation of activities, the mission recommends to (a) expedite the contracting of the service provider who will be in charge of these studies: it could be one service provider with necessary experience in both aspects of the studies, two different service providers or a consortium of two services providers, one sub-contracted by the other one responsible for both studies; (b) start the activities related to capacity building of Master Trainers from TVET institutions (service provider contracting as a first step and elaboration of training modules), and (c) revise the scope and terms of reference of the mapping studies. A first draft should be elaborated by the Project Management specialist with the assistance of the component coordinators and the M&E specialist before the October technical workshop to be finalized during the workshop.

Competitive grants. The project has defined as a selection criteria that young promoters should have at least 4 month experience to be eligible for the project grant financing. This selection criteria is questionable since promoters with at least 6-month experience might access financial institutions' loans and will not enable young graduate to finance their start-up activity. The mission recommends a revision of the competitive grant allocation process along the following lines:

- Competitive grants to be accessible by promoters with no experience (including graduate from university and schools) and promoters with limited experience, resulting in the possibility for the project to finance start-ups as well as existing businesses;
- The maximum amount of the competitive grants should be different whether it is allocated to a start-up or an existing business;
- The percentage of the business plan financed through competitive grants should vary whether the beneficiary is a start-up or an existing business;
- Selection criteria for awarding a competitive grant should also be different for the two types of businesses.

The change in the type of financial instruments to be used by the project to finance entrepreneurs (from a loan revolving fund to a grant financing fund) drastically impacts the targeted number of beneficiaries accessing financial services. On the one hand, the project targets 46,350 loan beneficiaries and 13,900 self-financing entrepreneurs to be trained (financial literacy component 3.1) and 60,250 beneficiaries to receive the start-up training package (component 2.2), while on another hand, the project targets the provision of competitive grants to only 600 youth entrepreneurs (1% of the trainees). The mission recommends a complete revision of the competitive grant allocation process (target beneficiaries, procedures, amounts, percentage of financing) to be finalized during the October-planned technical workshop with the PIM and guidelines fine-tuned.

Considering that financial institutions require capacity building for their staff in order to correctly assess loan applications emanating from farmers and agri-businesses (training on agriculture financing either through direct loans or through value chain financial instruments), assessment of training needs should be carried out by the project (through an external consultant) prior to loan applications being submitted by farmers and agri-businesses.

Considering the time needed by financial institutions to adjust and fine-tune their existing products and services to the needs and constraints of the agricultural sector, the mission recommends that in 2021 the project should focus mainly on start-up projects (the business plan will be financed by entrepreneur's contribution and project competitive grant) while including support to existing business where feasible. In 2022, the project can then

development projects from existing businesses will start being financing during 2022 when financial institutions will have effectively fine-tuned their products and services and their staff has been trained (these projects will be financed by a mix of entrepreneur's contribution, grant and loan, the portion of the grant should not exceed 50% of the total investment project).

An important aspect of the relationship between the project and the financial institutions to ensure that the latter will effectively finance project target entrepreneurs is the fine-tuning of existing products and services offered by financial institutions as well as the design of new products and services, especially for value chain financing. The mission recommends YESS to approach IFAD-funded IPDMIP that

is already working with national banks and BPDs in the areas of agriculture financing training, fine-tuning and/or designing financial products to meet farmers demand, needs and constraints (training modules have already been developed and could be easily used by YESS for its target population with some adding for agribusinesses). Together with OJK, both IPDMIP and YESS could work together under the leadership of the YESS Rural Finance technical advisor to fine-tune/develop financial products and services for both primary agriculture activity (crop production) and agri-businesses (processing activities).

Roadmap 2 - Revised PWMP

The implementation of this stand-alone activity has already started in 2020 (evaluation of the current PWMP programme). The evaluation and revised guidelines for an improved version are to be completed by September/October 2020. Four institutions are associated with the project for this activity (3 polytechnics and 1 SMK-PP). In each one of these institutions, teachers already working under PWMP will be trained on the revised version and its guidelines while new teachers/guidance counsellors will be identified in 2021 to further facilitate the promotion of the revised PWMP.

The financing of clusters composed of three students will take place during the 4th quarter of 2020 as well as during the 4th quarter of 2021. In that respect proposals should be submitted by October/November 2020 as well as by September/October 2021 by students and financed by the project the month following their submission (as described in the PIM, a specific approval committee will be implemented for that purpose). An awareness campaign will take place at the end of the university year (June 2021) to advertise for the improved PWMP financing facility. Finally, the service provider contracted for the evaluation of the current PWMP as well as for the drafting of guidelines for the improved PWMP will also be contracted for the development of M&E modules (in close collaboration with the NPMU/PPIU M&E team).

The sequenced planning for activities related to an improved-PWMP is detailed in roadmap 2.

Roadmap 3 - Linking Education and Training to Jobs

Four main activities will be implemented during the second semester of 2020 and 2021: (i) recruitment of the national and provincial TVET and Education to Work specialists (that activity should be completed before October 2020 for the national specialist and November 2020 for the provincial specialists at the latest - one provincial specialist has already been recruited in West Java, for all the others the process is on-going); (ii) graduate tracer studies; (iii) career orientation, and (iv) agriculture job fairs.

Graduate tracer studies and career orientation are both stand-alone activities with no backward and forward linkages to other activities under YESS (with the exception of the recruitment of the specialists at both national and provincial levels). The implementation of the graduate tracer studies will spread over 2020 and 2021 (September 2020 to June 2021 with the terms of reference for the service provider to be ready by end of August 2020). The first alumni survey will be carried out in October 2021 for June 2021 graduates and previous years' alumni. The implementation of the career orientation activity will spread from March to July 2021 with the terms of reference for the service provider finalized by January 2021.

Finally, provincial agriculture job fairs are planned to take place every year in June (the first one will be organized in June 2021).

The sequenced timeline for activities aiming at linking Education and Training to Jobs is detailed in roadmap 3.

Roadmap 4 - Apprenticeship

The implementation of this activity will spread over 2 years (2021 and 2022) with the apprenticeship period starting from January 2022 (5-month average apprenticeship contracts).

Preliminary activities include: (i) mapping studies (essentially market assessment and labour market assessment), and (ii) recruitment of Youth Entrepreneur specialists at both national and provincial levels. The development of certified apprenticeship programmes will start when the preliminaries activities have been completed and outcomes identified, while the implementation of selected pilot apprenticeship programmes will start in late 2021 resulting in apprenticeship period starting in early 2022.

As for the other studies, the scope of the labour market studies should be reformatted by the project to ensure that outcomes are relevant and pertinent for the project activities. They should also as in the case of the other studies become dynamic studies with trends and changes in the labour market identified through 3 studies carried out in 2020/2021, at mid-term and at project completion.

The recruitment of Youth Entrepreneur specialists has not yet started neither have the terms of reference being drafted. The mission recommends the Project Management specialist to expedite the drafting of the terms of reference and the project to expedite the recruitment of these specialists (one at national level and four at provincial level - one per province. It is advisable also that the national specialist takes part in the recruitment process of the provincial ones).

Since outcomes from the labour market assessment will be made available at the end of the first quarter of 2021, effective start of the development of activities related to apprenticeship will take place in April 2021 (in the meantime, the terms of reference and selection of the service provider to conduct the design of apprenticeship programmes with the Youth Entrepreneur specialists will be completed). The design and certification of 15 apprenticeship programmes should be carried out during the second and third quarters of 2021, with the piloting of 5 programmes starting late 2021 (fourth quarter) with the identification of hosts, the signature of apprenticeship contracts as well as an awareness campaign for apprentices. As previously indicated, the apprenticeship will start in 2022.

The sequenced timeline for activities related to apprenticeship is detailed in roadmap 4.

Roadmap 5 - District/BDSPs Outreach and Mobilization Network

This activity aims at recruiting youth mobilizers (4 per district) and youth facilitators (27 per district) to ensure that young people, especially from poor households, have access to information about project services, are capacitated to participate in planning, decision-making and project activities and are able to voice their needs. To this effect and to increase the outreach of PLUT at grass-root level, the project will organize a gender-balanced Outreach and Mobilization Network in every district to ensure inclusive access to business

development services for different profiles and interests of young people, including poorer and less skilled ones, as well as migrants' households and returnees.

Youth facilitators will also participate in the provision of Financial Literacy and Education training to youth entrepreneurs.

Prior to these two activities, the recruitment of Youth Entrepreneur specialists at national and provincial levels should be completed (see section Apprenticeship above).

Awareness campaigns, identification and contracting of both Youth mobilizers and facilitators will take place during the first semester of 2021 and should be achieved by June 2021. The project plans to identify 405 youth facilitators i.e. 27 per district. However, there are 304 sub-districts in the 15 districts that compose the project area. The mission recommends to analyze the pertinence of contracting 405 facilitators for 304 sub/districts and justify the identification/contracting of facilitators in access of 304 people.

As far as Financial Literacy and Education training is concerned, similarly as for the support to financial institutions aiming at assisting them to fine-tune their offer of products for YESS target groups, the mission recommends YESS project to approach IPDMIP project which has already developed e-training modules (including booklets and video tutorials) on financial products including KUR-subsidy mechanism and crop insurance as well on planning, budgeting and financing for households) and on crop production financing for farmers) in close collaboration with OJK and MercyCorps. YESS could piggy bag on IPDMIP-designed training modules and adapt them to its target population by adding modules on agri-businesses financing. The fine-tuning of Financial Literacy and Education training modules will take place during the first quarter of 2021, the provision of training of Master Trainers (15 social mobilizers, 90 facilitators and 15 representatives of migrant associations) by OJK-certified trainers will take place during the second quarter of 2021, and the provision of Financial Literacy and Education training to Youth entrepreneurs (both basic and advanced levels) could start in September 2021.

The sequenced timeline for activities related to the District/BDSPs Outreach and Mobilization Network as well as to Financial Literacy and Education is detailed in roadmap 5.

Roadmap 6 - Digital Inspiration

Although a stand-alone activity, the Digital Inspiration sub-component is dependent on the recruitment of Youth Entrepreneur specialists and well as the contracting of Youth mobilizers and Youth facilitators. Their recruitment as well as the implementation of activities related to the building up of their capacity should be completed by June 2021 (see above).

Digital inspiration sub-component includes two main activities: (i) Youth Ambassadors who will promote the agriculture-based sector to youth, and (ii) digital rural youth the related activities of which aim at providing a positive and modern image of the agriculture-based sector and contribute to reinforce the actions of Youth Ambassadors.

Identification of Youth Ambassadors will be completed during the third quarter of 2021 while a specific service provider will be contracted by the project to elaborate guidelines for the an Annual Youth Mobilization Plan and define related actions, training, awareness campaigns. The Annual Youth Mobilization Plan should be finalized and adopted in late 2021 for actions starting in 2022.

A specific IT service provider will be contracted to develop a rural youth online platform, a website on youth and agriculture, mobile applications, brand and visual identity, and e-learning training material for youth in agriculture. The development of these features will mainly be carried out during the second semester of 2021 with a gradual implementation of the different instruments before the end of 2021. Activities related to the updating of platform and websites content will take place in 2022 and following years.

The sequenced timeline for activities related to Digital Inspiration are detailed in roadmap 7. The sequenced timeline for activities related to land tenure is detailed in roadmap 6.

Roadmap 7 - Land Tenure

This activity is also a stand-alone activity that can be implemented without any forward and backward linkage with other components. This activity will be implemented in 2021: (a) the terms of reference and contracting of a specific service provider to conduct 4 provincial and 15 district land tenure assessments will be achieved by March 2021; (b) the 19 land tenure assessments will be complemented with a validation workshop held in July/August 2021, and (c) the guidelines and land tenure access kits will be elaborated during the third quarter of 2021 with provincial validation workshops organized during the fourth quarter of 2021. The land tenure guidelines and access kits will be made available for youth entrepreneurs at the very end of 2021/very beginning of 2022. The same service provider should be responsible for the assessments as well as for the elaboration of the guidelines and access kits.

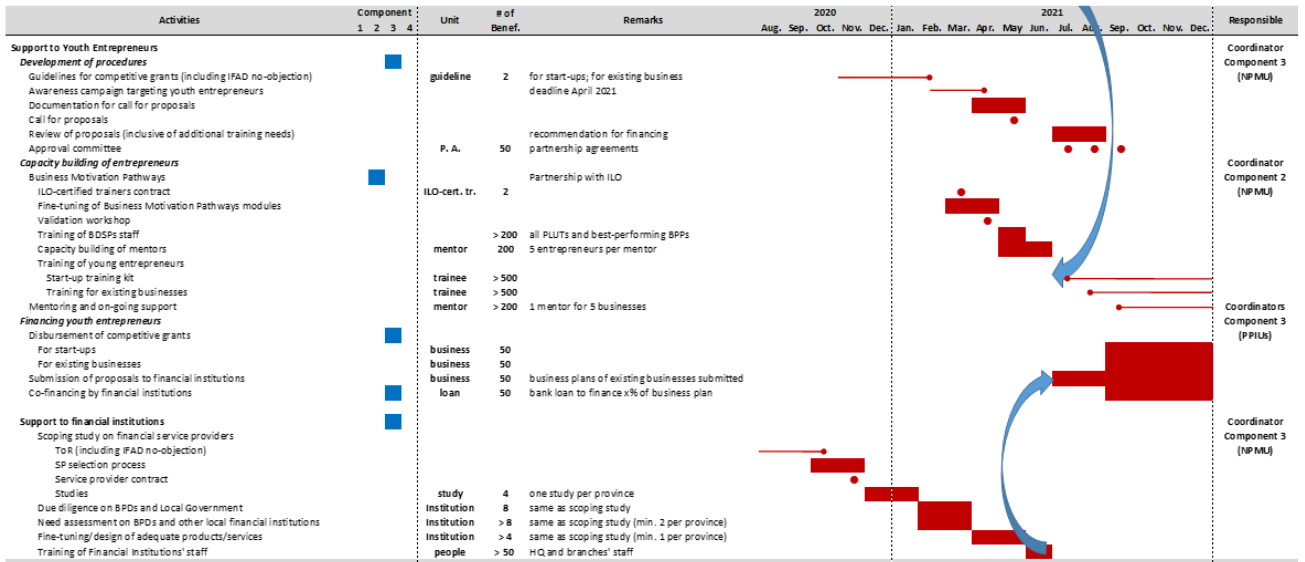
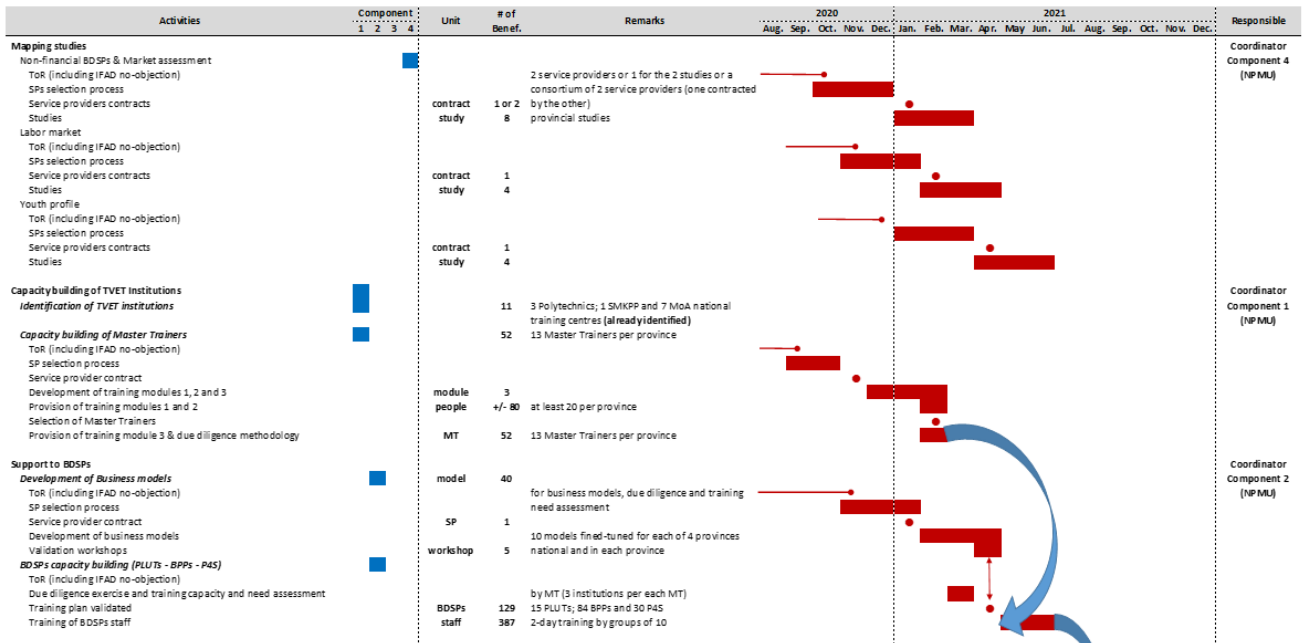
Summary of Recommendations

The following table summarizes the mission's different recommendations.

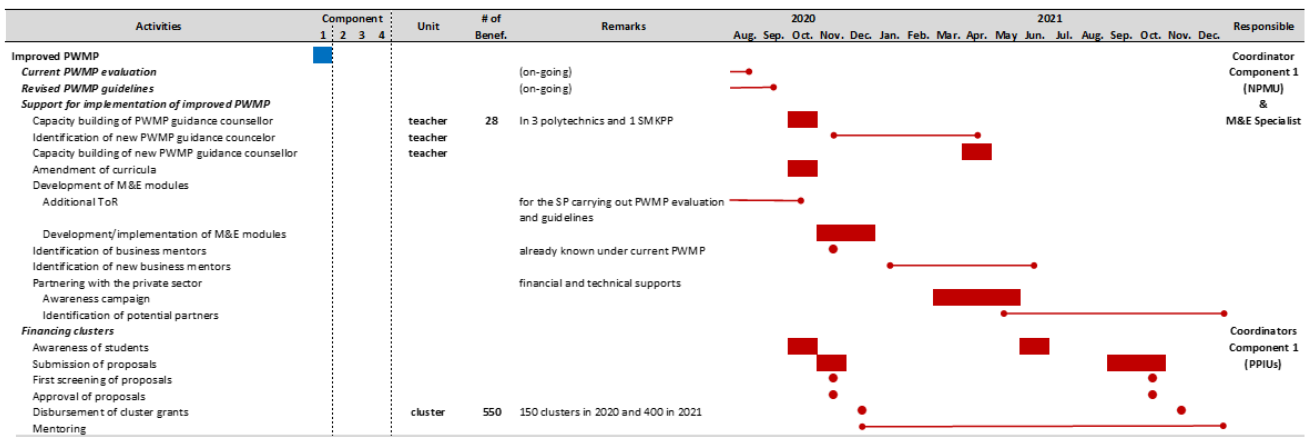
Actions	Responsibility	Deadline	Status
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<p>Reformatting of mapping studies</p> <p>Review of the scope and terms of reference of the market assessment, labor market assessment and youth profiling studies to ensure pertinence of the outcomes.</p> <p>Review these studies to make them dynamic over YESS implementation period</p>	Project Management specialist & component coordinators	Oct. 2020	
<p>Expedite contracting Service Providers</p> <p>Responsible for the studies</p>	NPMU	Dec. 2020	
<p>Expedite contract of national/provincial specialists</p> <p>It concerns: Youth Entrepreneur specialists and TVET and Transition to Work specialists</p>	NPMU	Nov. 2020 (national) Jan. 2021 (provincial)	
<p>Expedite contract of Service Provider</p> <p>to elaborate training modules for Master Trainers</p>	NPMU	Oct. 2020	
<p>Revise the competitive grant allocation process, terms and conditions</p> <p>Start-ups to be financed, percentage of grant for existing businesses, maximum grant amount,</p>	Project Management specialist & component 3 coordinator	Feb. 2021	
<p>Finance only start-ups in 2021</p> <p>In consideration of the time needed by financial institutions to fine-tune their products/services</p>	Component 3 coordinator & NPMU	Sept. 2021	
<p>Revise the number of training beneficiaries</p> <p>In light of the changes in the competitive grant allocation process, terms and conditions</p>	NPMU & components 2 - 3 coordinators	Feb. 2021	
<p>Link with IPDMIP Rural Finance team</p> <p>With regard to Financial Literacy and Education training modules and support to financial institutions</p>	NPMU & component 3 coordinator	June 2021	
<p>Review the number of Youth facilitators to contract</p> <p>In light of the number of sub-districts</p>	NPMU & component 2 coordinator	May 2021	

Roadmap 1 - Competitive Grants to Youth Entrepreneurs



Roadmap 2 - Revised PMWP



Roadmap 3 - Linking Education and Training to Jobs

Activities	Component: 1 2 3 4	Unit	# of Benef.	Remarks	2020					2021					Responsible								
					Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
Linking Education and Training to Jobs																						Deputy Manager (NPMU)	
TVET and Education to Work specialist																							
Recruitment of national specialist		person	1																				
Recruitment process																							
Specialist contracted																							
Recruitment process of provincial specialists		person	4	on-going process - West Java already recruited																			
Recruitment process																							
Specialist contracted																							
Graduate tracer studies																							Coordinator Component 1 (NPMU)
ToR (including IFAD no-objection)																							
SP selection process																							
Service provider contract																							
Graduate tracer study and drafting related survey		TVET	21	every year (done by TVETs from PY2)																			
Surveying alumni																							
Training TVET staff																							
Career orientation																							Coordinator Component 1 (NPMU) & Deputy Manager Administration
ToR (including IFAD no-objection)		Serv. Prov.	1	based on provincial labor market studies																			
SP selection process																							
Service provider contract																							
Training packages development																							
For teachers of Junior High Schools (SMPs)			1																				
For teachers of Vocational Ag. Schools (SMKPPs & SMKs)			1																				
For participating BDSPs and PLUTs			1																				
Training		teacher	100	from 100 SMPs																			
For SMP teachers		teacher	150																				
For SMKPPs and SMKs		staff	30																				
For BDSPs and PLUTs staff																							
Agriculture Job Fairs																							Coordinator Comp. 1 (NPMU) & Coordinators Component 1 (PPUs)
Guidelines development																							
Request for proposals																							
Selection																							
Provincial Agriculture Job Fair organization		Fair	4																				

Roadmap 4 - Apprenticeship

Activities	Component: 1 2 3 4	Unit	# of Benef.	Remarks	2020					2021					Responsible								
					Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
Mapping studies																							Coordinator Component 4 (PMU)
Market assessment																							
Labor market assessment																							
Youth Entrepreneur Specialist																							Dep. Mng. Administration (NPMU)
National Youth Entrepreneur specialist																							
ToR (including IFAD no-objection)		person	1																				
Recruitment process																							
Signature contract																							
Provincial Youth Entrepreneur specialists																							Coordinators Component 2 (PPUs)
ToR (including IFAD no-objection)		person	4	Presence of national specialist preferable																			
Recruitment process																							
Signature contract																							
Apprenticeship																							Coordinator Component 1 (NPMU)
Developing Certified Apprenticeship Programmes																							
Preparatory activities		campaign	4	one in each province																			
Awareness campaign																							
Workshop		workshop	4	to select apprenticeship programs in ag. sector																			
Design apprenticeship programme																							
ToR (including IFAD no-objection)		program	15																				
SP selection process																							
Service provider contract																							
Design of apprenticeship programmes		program	15																				
Certification process																							
Pilot apprenticeship																							
Guidelines for pilot apprenticeship program																							
Awareness campaign for apprentices																							
Identification of hosts		contract	500																				
Apprenticeship contract signed			5	5 apprenticeship programs implemented in 2021																			
Implementation of pilot																							
Evaluation																							

Roadmap 5 - BDSPs/Districts Outreach and Mobilization Network

Activities	Component: 1 2 3 4	Unit	# of Benef.	Remarks	2020					2021					Responsible						
					Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
Youth Entrepreneur Specialist																					
<i>National Youth Entrepreneur specialist</i>																					Deputy Manager Administration (NPMU)
ToR (including IFAD no-objection)		person	1																		
Recruitment process																					
Signature contract																					
<i>Provincial Youth Entrepreneur specialists</i>																					Coordinators Component 2 (PPIUs)
ToR (including IFAD no-objection)		person	4	Presence of national specialist preferable																	
Recruitment process																					
Signature contract																					
District Outreach and Mobilization Network																					Coordinators Component 2 (PPIUs)
<i>Recruitment of Youth Mobilizers</i>																					
Contract NGD				done																	
Recruitment		moblizer	60	on-going																	
Capacity building		moblizer	60																		
<i>Recruitment of Youth Facilitators</i>																					Moblizers & Coordinators Component 2 (PPIUs)
Awareness campaign by Youth mobilizers																					
Identification		facilitator	405	27 per district																	
Capacity building		facilitator	405	1/3rd trained also by OJK																	
Financial Education																					
<i>Adaptation of training modules on Financial Literacy & Education</i>																					Dep. Mngr. Technical Program (NPMU)
Adaptation of training modules		module	4	close collaboration with IPDMIP consultant and OJK																	
<i>Training of Trainers</i>																					Coordinators Component 3 (PPIUs)
Basic level and Advanced level training courses		people	120	by OJK certified trainers																	
<i>Training of entrepreneurs</i>																					
Basic level - community-based		entrepreneur	> 3,000																		
Advanced level - classroom-based		entrepreneur	> 2,000																		

Roadmap 6 - Digital Inspiration

Activities	Component: 1 2 3 4	Unit	# of Benef.	Remarks	2020					2021					Responsible							
					Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Digital Inspiration																						
<i>Recruitment of necessary staff/consultant</i>				see other activities for detailed guidelines																		Deputy Manager Administration; Coordinator Component 2 (NPMU) & Coordinators Component 2 (PPIUs)
<i>National Youth Entrepreneur specialist</i>		person	1																			
Recruitment process and contract																						
<i>Provincial Youth Entrepreneur specialists</i>		person	4																			
Recruitment process and contract																						
<i>Recruitment of Youth Mobilizers</i>		moblizer	60																			
Recruitment process and capacity building																						
<i>Recruitment of Youth Facilitators</i>		facilitator	405	27 per district; 1/3rd trained also by OJK																		
Capacity building																						
Rural Youth Mobilization																					Coordinator Component 4 (NPMU)	
<i>Young Ambassadors</i>		people	15																			
Identification of Young Ambassadors																						
Support to Youth Associations																						
ToR (including IFAD no-objection)																						
SP selection process																						
Service provider contract																						
Guidelines for events and support to Youth Ambassadors																						
Annual Youth Mobilization Plan																						
Digital Rural Youth																						
ToR (including IFAD no-objection)																						
SP selection process																						
Service provider contract																						
Rural Youth online platform																						
Website development																						
Mobile applications development																						
Brand and visual identity development																						
E-learning training material																						

Roadmap 7 - Land Tenure

Activities	Component:				Unit	# of Benef.	Remarks	2020					2021					Responsible					
	1	2	3	4				Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		Jun.	Jul.	Aug.	Sep.	Oct.
Land Tenure																							Coordinator
<i>Provincial and district land tenure assessment</i>																							Component 4
ToR (including IFAD no-objection)																							(NPMU)
SP selection process																							
Service provider contract																							
Land Tenure assessment																							
Provincial					assessment	4																	
District					assessment	15																	
Validation workshops					workshop	4																	
<i>Land Tenure Guidelines and Land Tenure Access kits</i>																							Coordinator
Elaboration of guidelines					guideline	1																	Component 4
Elaboration of Land tenure access kits					access kit	1																	(NPMU)
Validation workshop					workshop	4																	

D. Overview and Project Progress

In 2019, the project achieved 93% of the targets and approximately 82% of the expenditures planned in the AWPB. However, the activities included in the 2019 AWPB included only the recruitments of non-consulting services (Senior Assistant Professionals) and the purchase of equipment for the NPMU. In 2020, due to COVID-19, a lot of the activities have been postponed to the end of the year. As such, the activities undertaken to date in 2020 also regard mainly the recruitment of consultants and Senior Assistant Professionals and purchase of office and IT equipment, with the important difference that these activities have also taken place at provincial and district levels. To date, about 30% of the 2020 AWPB targets have been achieved and 11% of the 2020 budget has been spent, which was influenced by the restriction in place due to COVID-19.

In this context, the main achievements of the project to date relate mainly to recruitments and some preparation activities:

Specifically, all the government staff positions have been filled through formal appointments and the relevant staffing decrees at national and provincial level. At national level, the staff include the project director and project manager, one procurement officer and two finance officers, as well as one coordinator for each of the 4 components and 3 M&E staff. Each of the 4 provinces have appointed one project manager, one financial management officer, one procurement officer, one M&E officer, as well as one planning officer, and several district liaison officers. Each district has appointed a coordinator, a financial management officer and an M&E officer.

While these government staff must also fulfil other functions unrelated to the implementation of YESS, IFAD has found that the commitment of the staff is high. During discussions with the NPMU and PPIUS, it was highlighted that at national level staff are able to allocate on average 70% of their time to YESS, while this increases to about 85% for the PPIU staff. Furthermore, some key consultants have been recruited at national and provincial level. At the NPMU, the Project Management Specialist, and Senior Assistant Professionals for Financial Management and M&E have been recruited, albeit on short-term. These Senior Assistant professionals do not replace the positions of FM specialist and M&E specialist who still need to be recruited.

At provincial level, all the PPIUs recruited the Junior Assistant Professionals for M&E and FM in June 2020, while only West Java has been able to finalise the recruitment of the Province TVET and Transition to work consultant who will follow and support young graduates in finding employment. The recruitment of these consultants are in their final phases in the other 3 provinces.

In addition to the staffing, four other key activities have begun. The baseline study and the assessment of the Penumbuhan Wirausahawan Muda Pertanian (PWMP - Young Agricultural Entrepreneur Development Programme) have both been launched. The PWMP assessment will be a key input to inform the NPMU and MoA on how to improve the PWMP program to improve the rate of absorption of Polbangtans (Politeknik Pembangunan Pertanian - Agricultural Development Polytechnic) and Sekolah Menengah Kejuruan Pertanian Pembangunan (SMK-PP - Agricultural Development Vocational High School) graduates in the labour force and increase the number of PWMP alumni who successfully set-up businesses. Both of these studies are expected to be completed in 2020.

The third key activity in progress, led by the M&E teams at national and sub-national level with the support from district extension workers, is the process of identification of potential beneficiaries. This is being done through surveys undertaken by the sub-district extension officers, with the data collected being analysed and validated in turn by the PPIUs and the NPMU. To date, the project has identified 11,338 potential beneficiaries, of which 9,395 (83%) men and 1,943 (17%) women. The exercise of identification and validation of data will continue on a regular basis with a view on reaching the project target of approximately 110,000 young rural Indonesians being directly supported by YESS to either find employment or start a business, with at least 50% of them being women. In fact, it is important that the NPMU take measures to ensure that 50% of beneficiaries are women.

Finally, the fourth key activity launched is the identification of the Business Development Service Providers (BDSPs). The NPMU and PPIUs are currently listing the Balai Penyuluhan Pertanian (BPP – sub-district Agriculture Training Centres) and the Pusat Pelatihan Pertanian dan Perdesaan Swadaya (P4S - Farmer owned Agricultural Training Centres) which fit the eligibility criteria to be designated

as BDSPs under YESS.

While IFAD commends the NPMU for these achievements, the supervision has also identified 5 key areas that need immediate attention to improve and accelerate the implementation of project activities. These areas and their respective agreed actions are:

Improving coordination and planning between components. The review of the draft 2021 AWPB has highlighted that the NPMU staff need to improve their understanding of how the various YESS components are linked and how the implementation of some activities in different components need to be sequenced in order for YESS to achieve its objective.

In this context, IFAD supports the NPMU plan to organize a technical start-up workshop no later than October 2020, which would be an opportunity to ensure team building and increase the level of general and detailed knowledge of YESS project objective and activities. Three significant outcomes from this workshop would be (a) a more logical sequencing of activities in a revised 2021 Annual Work Plan and Budget, (b) a revised Project Implementation Manual, and (c) stronger team cohesion. IFAD considers that this workshop is particularly important, proposed to jointly organize it and offered all its support to prepare and undertake it.

Staffing gaps. While a number of key consultants have been recruited at national and sub-national level, there are still important gaps that need to be filled as soon as possible. These include at the NPMU: (i) the procurement specialist, who will be key in managing the procurement and contract management processes; (ii) the Financial Management specialist; (iii) the youth entrepreneurship specialist; (iv) the TVET and transition to work specialist, and; (v) the M&E Specialist.

At provincial level, the entrepreneurship specialists should also be recruited as soon as possible and recruiting the district level the youth mobilisers will also be key. The PPIUs should also consider recruiting contract management officers to support them with the monitoring of the contracts of the various consultants and service providers they will need to recruit.

The recruitment processes for these consultants should start by September 2020 so that the consultants can sign contracts and be fully operational by January 2021. In the meantime, short-term consultants should be recruited immediately for the FM, procurement and M&E specialist positions.

Implementation Manuals and Capacity building needs. In addition to the required human resources listed above, the YESS project staff all have specific capacity building needs. For example, the Procurement and FM manuals have not yet been developed. It is important that these guidelines be drafted by the NPMU as soon as possible and no later than September 2020 so that the sub-national staff can receive the appropriate trainings on Procurement and FM during the technical start-up workshop discussed above.

Similarly, the various component coordinators, in addition to the provincial component managers, district liaison officers and the district coordinators should also receive basic trainings on the various thematic areas covered by YESS, such as entrepreneurship, rural finance, and project management amongst others. In addition to these areas of capacity building, the PPIUs also highlighted the need to receive guidance and training on M&E. Some of these training needs can be initially covered at the start-up workshop, but regular annual trainings should also be considered.

Monitoring and Evaluation. Most M&E staff at NPMU and PPIU have been recruited and appointed, except the senior M&E specialist. Furthermore, the M&E team has not yet developed the M&E plan or guidelines, and the design of the MIS system has not yet started. The manual, guidelines and the MIS system will be critical tools to ensure adequate collection of data and reporting, and must be developed as soon as possible. Specifically, the M&E Manual and guideline should be developed by September 2020 in order to be used as the basis of the M&E training at the start-up workshop.

The MIS consultant should be recruited no later than December 2020 so that the actual MIS system can be set-up and operational by March 2021.

Budgeting and Flow of Funds. In 2020, the initial DIPA allocation for YESS was of IDR 10.25 billion, which represents only 24% of the revised 2020 AWPB. The NPMU is now working to propose a top up budget of IDR 23.5 billion for 2020, which is still only 55% of the overall 2020 AWPB. In this context, IFAD believes that allocating more budget to the project will help to improve implementation. As such, IFAD strongly suggests that MoA and MoF allocate the full amount of the 2021 AWPB for YESS activities. Taking into account the overall APBN (State Budget) allocation to the Agricultural Education Centre, it is estimated that MoA and MoF would be able to allocate 20-25% of the budget at the beginning. IFAD believes this low allocation seriously risks jeopardising the rhythm of implementation for 2021.

The current mechanism for the flow of funds to the districts needs to be improved. In view of internal control and proper audit trails for all disbursements, payments to suppliers and service providers should be processed by bank transfers and/or checks rather than cash payments, except for small payments from petty cash. This is particularly important for payments done/to be done at Province and District levels, considering that an important portion of the project activities are implemented at these levels

In this context, while the PPIUs are responsible for financial management at provincial and district level, and keeping in mind that most of the expenses should actually be incurred/paid directly by the PPIUs, a discussion is needed on the appointment of a Person in Charge (PIC) who will be specifically responsible for managing YESS funds at district level. NPMU will discuss more intensively to have the ideal mechanism in term of effective and efficiently of the project

Without this appointment, as per Indonesian regulations, funds cannot be transferred to the local government district accounts for YESS activities. In this context, the NPMU must coordinate with the Treasury Office of the MoF and with the PPIU to identify and recruit or appoint the PIC as soon as possible, or to identify alternative mechanisms acceptable to MoF and IFAD.

Agreed Action	Responsibility	Agreed Date
Budgeting and planning Prepare the 2021 AWPB and agree it within MoA and with MoF, in order to ensure upfront that the project gets an adequate budget allocation.	DG BPPSDMP	08/2020
Fund flow to District level Discuss need of appointing Person In Charge at districts Appoint/recruit Person in Charge at district level (October 2020)	NPMU PPIU/Districts	08/2020
Staffing at NPMU Recruit a short-term Financial Management Specialist Recruit a short-term Procurement Specialist (Aug 2020) Recruit a short-term M&E Specialist Recruit TVET and transition to work consultant Recruit Youth entrepreneurship specialist (January 2021)	NPMU	09/2020
Staffing at PPIU and District Recruit Youth entrepreneurship specialist (January 2021) Recruit Youth mobilisers	PPIU	09/2020
Organise technical start-up workshop The workshop should include sessions on the overall project and its components, aimed at building a common understanding in the NPMU on the components, activities and their complementarities. It should also include specific discussion/training sessions on M&E, Procurement and Financial Management.	NPMU with IFAD support	10/2020
Manuals and guidelines Draft Procurement manual Draft FM manual Draft M&E plan and guidelines	NPMU	10/2020

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Justification of rating

Project effectiveness is rated as moderately satisfactory, although the extent of the current implementation after 12 months of effectiveness makes it difficult to assess with any accuracy. In fact, while implementation has been slow, also due to the COVID-19 crisis, and only the initial staffing recruitments and some preparatory work has been accomplished, the perception is that with the commitment of the national and sub-national project team and adequate support from the higher echelons of the MoA and from IFAD, the project can meet its full development objective.

Log-Frame Analysis & Main Issues of Effectiveness

With the current level of implementation it is not possible to update or report on the LogFrame as no outputs have yet been achieved, if not the recruitment of staff and some initial investments in office equipment and two studies which have been launched and are expected to be completed in 2020.

Development Focus

Targeting and Outreach

Rating: 3

Justification of rating

Targeting and outreach is rated as moderately satisfactory. The implementation of activities in the field has not begun yet, hence it is too early to assess the extent to which the project is delivering on the objectives of the targeting strategy or to assess if the project activities

are being taken up by the intended target group.

However the PMU and PPIU M&E teams have begun the process of identifying potential beneficiaries in the target areas, and to date they have identified 11,338 potential beneficiaries of which 9,395 (83%) men and 1,943 (17%) women. The potential beneficiaries are all between the ages of 17 to 39 years old, as per the targets in the PDR.

Main issues

There are 2 main issues identified with the current process of beneficiary identification: (i) first and foremost, the project teams have identified 11,338 potential beneficiaries, which represent only 10% of the approximate 110,000 young rural Indonesians that will receive direct support in terms of either finding employment or starting a business; (ii) second, the current group of potential beneficiaries is highly gender-biased towards men, with 9,395 (83%) men and only 1,943 (17%) women identified as potential beneficiaries. This is far off the PDR target of 50% men and 50% women.

IFAD acknowledges that this identification process has begun recently and that it will continue during the course of the next years until the target number of beneficiaries, in accordance with the 50-50 gender distribution, is met. In this context, IFAD strongly suggests that the NPMU implement a positive discrimination approach to ensure that the project meets the target of 50% women beneficiaries.

Gender equality & women's participation **Rating: 4**

Justification of rating

Gender equality and women's participation is rated as moderately satisfactory. In fact, it is too early to effectively assess this indicator, given that activities have not yet started on the ground. Nonetheless, it is possible to note that: (i) the NPMU maintaining gender disaggregated data with regards to the potential beneficiaries, and that (ii) women hold key roles the NPMU and some PPIUs, such as the Project Director, Project Manager and M&E assistant in the NPMU, and at least one of the provincial project managers is a woman.

Main issues

As mentioned in the previous section, the main issue to date is that women represent only 13% of the current list of potential beneficiaries. This list only includes about 10% of the total beneficiary target, hence there is still scope and time to ensure that the 50% women target is reached during the course of the implementation of the project.

Agricultural Productivity **Rating:**

Nutrition **Rating:**

Adaptation to Climate Change **Rating: 4**

Justification of rating

Adaptation to climate change is rated as moderately satisfactory. Project activities on the ground have not started and no climate change adaptation interventions have yet been planned or implemented. Nonetheless, the support provided to young entrepreneurs and to the agriculture school alumni will include trainings on relevant climate adaptation technologies and practices.

b. Sustainability and Scaling up

Institutions and Policy Engagement **Rating: 4**

Justification of rating

Institutions and Policy engagement is rated as moderately satisfactory. The assessment of the PWMP should provide good inputs to the MoA with the objective of making relevant policy decisions concerning the curriculum of the agriculture vocational schools. As stated in the ToRs of the study, the assessment will help ensure that the PWMP curriculum is effectively aligned with the needs of both the graduates and of the employers in the sector.

In addition, the project is exploring the possibility of using some selected BPP as BDSPs. This is aligned with MoA's vision of transforming BPPs into 'one-stop-shops' for farmers. The selection of the BPP will be based on an agreed set of eligibility criteria, and the modules for the training of extension workers should be revised accordingly.

Partnership-building **Rating: 4**

Justification of rating

Partnership building is rated as moderately satisfactory, although no partnership has materialised yet. In fact, the project is in the process of planning the activities that will lead to the building of partnerships which will be key to the success of this project. Nonetheless the project teams have begun identifying potential partners, such as BDSPs, and are exploring potential partnerships with UNDP's incubator programme, and MARS for the introduction of a cacao curriculum in the MoA vocational training programmes.

Furthermore, an entire sub-component will focus on partnership building. The objective of this sub-component is to build coalitions of private and public stakeholders at the provincial level to collectively promote youth employment and entrepreneurship.

Human and Social Capital and Empowerment	Rating: 4
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Justification of rating

Human and Social Capital and Empowerment is rated as moderately satisfactory. In fact, the entire premise of the YESS programme is to build the human and financial capital of young rural Indonesians who wish to engage in the Agricultural sector, while empowering them to do so.

This will be done by supporting and improving, where relevant, the curriculum of the agricultural vocational schools, providing young entrepreneurs with relevant support to build and set-up business, and by ensuring that at least 50% of these youth are women.

Quality of Beneficiary Participation	Rating: 4
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Justification of rating

The quality of beneficiary participation is rated as moderately satisfactory. While activities have not yet started, making it therefore impossible to effectively assess the quality of beneficiary participation, the project teams have begun the process of beneficiary identification through a series of surveys. The NPMU and PPIUs have all noted the important interest that the project has generated in the youth in the target areas, and have highlighted how many of them have been very keen in responding to the survey in order to assess their eligibility to receive support from YESS.

Responsiveness of Service Providers	Rating: 4
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Justification of rating

The responsiveness of service providers is rated as moderately satisfactory. To date only 2 service providers have been approached, in addition to the individual consultants, namely the Institut Pertanian Bogor (IPB) University for the baseline study and the Prasetya Mulya University for the PWMP assessment.

As both studies are ongoing, it is not possible to assess the quality of the work. However, the current rating is based on the quality of the proposals submitted, the quality of the team of experts and the responsiveness of these two service providers during the selection process. This rating will be revised based on the quality of the work submitted and on other future service providers to be recruited.

Environment and Natural Resource Management	Rating:
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Exit Strategy	Rating:
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Potential for Scaling-up	Rating:
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c. Project Management

Quality of Project Management	Rating: 4
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Justification of rating

The quality of project management is rated as moderately satisfactory. All the government staff positions have been filled through formal appointments at national and provincial level. Each of the 4 provinces and 16 districts have appointed the relevant government staff. While these government staff must also fulfil other functions unrelated to the implementation of YESS, IFAD has found that the commitment of the staff is high. During discussions with the NPMU and PPIUS, it was highlighted that at national level staff are able to allocate on average 70% of their time to YESS, while this increases to about 85% for the PPIU staff. Furthermore, some key consultants have been recruited at national and provincial level.

Main issues

At national level, the staff include the project director and project manager, a procurement officer and two finance officers, as well as one coordinator for each of the 4 components and 3 M&E staff. Each of the 4 provinces have appointed a project manager, a financial management officer, a procurement officer, a M&E officer, as well as a planning officer, and several district liaison officers. Each district has appointed a coordinator, a financial management officer and an M&E officer.

Furthermore, some key consultants have been recruited. At the NPMU, the Project Management Specialist, and Senior Assistant Professionals for Financial Management and M&E have been recruited, albeit on short term contracts. These Senior Assistant professionals do not replace the positions of FM specialist and M&E specialist who still need to be recruited.

At provincial level, all the PPIUs recruited the Junior Assistant Professionals for M&E and FM in June 2020, while only West Java has been able to finalise the recruitment of the Province TVET and Transition to work consultant who will follow and support young graduates in finding employment. The recruitment of these consultants are in their final phases in the other 3 provinces.

However some short-comings remain: **Staffing gaps**. While a number of key consultants have been recruited, other consultants still need to be recruited as soon as possible. These include at the NPMU: (i) the procurement specialist, who will be key in managing the procurement and contract management processes; (ii) the Financial Management specialist; (iii) the youth entrepreneurship specialist; (iv) the TVET and transition to work specialist, and; (v) the M&E Specialist.

At provincial level, the entrepreneurship specialists should also be recruited as soon as possible and recruiting the district level the youth mobilisers will also be key. The PPIUs should also consider recruiting contract management officers to support them with the monitoring of the contracts of the various consultants and service providers they will need to recruit.

The recruitment processes for these consultants should start by September 2020 so that the consultants can sign contracts and be fully operational by January 2021. In the meantime, short-term consultants should be recruited immediately for the FM, procurement and M&E specialist positions

Improving coordination and planning. The review of the draft 2021 AWPB has highlighted that the NPMU staff need to improve their understanding of how the various YESS components are linked and how the implementation of some activities in different components need to be sequenced in order for YESS to achieve its objective.

In this context, IFAD supports the NPMU plan to organize a technical start-up workshop no later than October 2020, which would be an opportunity to ensure team building and increase the level of general and detailed knowledge of YESS project objective and activities. Three significant outcomes from this workshop would be (a) a more logical sequencing of activities in a revised 2021 Annual Work Plan and Budget, (b) a revised Project Implementation Manual, and (c) stronger team cohesion.

Capacity building. The various component coordinators, in addition to the provincial component managers, district liaison officers and the district coordinators should also receive basic trainings on the various thematic areas covered by YESS, such as entrepreneurship, rural finance, and project management amongst others. In addition to these areas of capacity building, the PPIUs also highlighted the need to receive guidance and training on M&E. Some of these training needs can be initially covered at the start-up workshop, but regular annual trainings should also be considered.

Agreed Action	Responsibility	Agreed Date
Staffing at NPMU Recruit a short-term Financial Management Specialist Recruit a short-term Procurement Specialist (August 2020) Recruit a short-term M&E Specialist Recruit TVET and transition to work consultant Recruit Youth entrepreneurship specialist (January 2021)	NPMU	09/2020
Staffing at PPIU and District Recruit Youth entrepreneurship specialist (January 2021) Recruit Youth mobilisers	PPIU	09/2020
Organise technical start-up workshop The workshop should include sessions on the overall project and its components, aimed at building a common understanding in the NPMU on the components, activities and their complementarities. It should also include specific discussion/training sessions on M&E, Procurement and Financial Management.	NPMU with IFAD support	10/2020

Knowledge Management

Rating: 4

Justification of rating

Knowledge management is rated as moderately satisfactory. While the project does not yet have a dedicated KM staff and does not yet have a KM plan, the PMU is aware of the importance of KM in this project which is particularly innovative for the MoA. In fact some staff have already taken initiatives and the PMU has produced a series of videos available on Youtube and Facebook in order to disseminate information on the project. A more systematic process of capturing and disseminating lessons will be needed in the near future and some budget should be included in the 2021 AWPB to this effect.

Agreed Action	Responsibility	Agreed Date
KM responsibility assigned IFAD suggests that a NPMU team member be appointed to take on the KM responsibilities	NPIU	09/2020

Value for Money

Rating: 4

Justification of rating

The project's value for money is rated as moderately satisfactory. However it is too early to effectively assess value for money, as only some preparatory activities have been completed and no field-level interventions have yet been implemented. To date, approximately USD 657,000 (or 0.9% of the total project costs) have been spent mainly on recruitments.

Main issues

To date, approximately USD 657,000 (or 0.9% of the total project costs) have been spent mainly on recruitments and some initial

payments for studies. These recruitments have resulted in the preparation of the PIM and AWPBs, the initial identification of beneficiaries and the recruitment of service providers for the baseline and the PWMP assessment, which is in line with the plans and expectations in terms of value for money. The project is expected to pick up implementation in the second half of 2020 and further in 2021, when it will be possible to provide a more accurate assessment of value for money.

Coherence between AWPB and Implementation

Rating: 4

Justification of rating

The coherence between AWPB and implementation is rated as moderately satisfactory. In 2019 over 93% of the AWPB physical targets were met, with an annual expenditure rate of 82% of the AWPB. In 2020, as of the month of July, about 30% of the 2020 AWPB targets had been achieved and 11% of the 2020 budget had been spent. This relatively low implementation is due to the disruption generated by the COVID-19 crisis.

AWPB Inputs and Outputs Review and Implementation Progress

Both the 2019 and 2020 AWPBs were submitted on time and were of good quality, albeit the amounts budgeted and the activities planned in the AWPB may not have been ambitious enough when taking into account how much the project still needs to achieve by its completion date in June 2025.

Furthermore, the IFAD team had the opportunity to review the first draft of the 2021 AWPB, and has noted that: (i) the planning for 2021 is still somewhat conservative, and the budget requested should be increases; (ii) the planning and sequencing of different activities in the different components do not follow the logic of the PDR. For example, the 2021 AWPB includes activities related to providing competitive grants to alumni that were to be implemented before any of the supporting studies and assessments (on the needs of the labour market, the landscape of existing agriculture based enterprises, etc.) are completed. These background studies, however, will be crucial in informing the targeting and process of the competitive grants, and must therefore be completed before any grants are provided.

In this context, in collaboration with the NPMU, the IFAD team has developed a roadmap for each component (refer to the Appendix 5). The PMU and PPIUs must refer to the said roadmap in order to prepare the 2021 AWPB and ensure that the planning of activities takes into consideration the required sequencing.

Performance of M&E System

Rating: 3

Justification of rating

The performance of the M&E system is rated as moderately unsatisfactory. In fact, while most M&E staff at NPMU and PPIU have been recruited and appointed, the senior M&E specialist who should lead the team has not yet been recruited. Furthermore, the M&E team has not yet developed the M&E plan or guidelines, and the design of the MIS system has not yet started. The manual, guidelines and the MIS system will be critical tools to ensure adequate collection of data and reporting, and must be developed as soon as possible.

M&E System Review

As mentioned above the M&E system has yet to be set-up, while the M&E plan and guidelines still need to be developed. In this context, IFAD recommends that (i) the senior M&E consultant be recruited as soon as possible; (ii) the M&E plan and guidelines be developed by September 2020; (iii) the MIS consultant be recruited no later than December 2020.

In particular, the recruitment of the senior M&E specialist and the MIS consultant will be critical in ensuring that the MIS system is adequate and can be effectively used by the PMU, the PPIU and other stakeholders.

Agreed Action	Responsibility	Agreed Date
Develop M&E plan and guidelines	NPMU	10/2020
Develop M&E plan and guidelines		

Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)

Rating: 4

Justification of rating

The requirements of SECAP are rated as moderately satisfactory. In fact the relevant SECAP documents were prepared at the design stage, and the on-going beneficiary identification process is taking into account the relevant gender and social inclusion mainstreaming requirements. The ICO and the PMU will ensure that all relevant IFAD policies are adhered to during the implementation of activities.

SECAP Review

The SECAP assessment classifies YESS as environmental and social category B based on that there may be some adverse environmental and/or social impact, but these impacts are expected to be moderate in magnitude, site-specific and not irreversible in nature; and can be readily remedied by preventive actions and/or mitigation measures. Some social negative impact may result from the resistance to adopt new technology and knowledge, but this can be effectively mitigated through Youth Facilitators. The climate risk classification is considered moderate given that the programme interventions will be diversified, non-prescriptive, and received technical support and guidance to mitigate potential risks.

Programme design is compliant with relevant IFAD policies and strategies, including with regard to targeting and gender mainstreaming, public-private-producer partnerships (4Ps), inclusive rural finance, private sector and indigenous people.

d. Financial Management & Execution

Acceptable Disbursement Rate **Rating: 3**

Justification of rating

The project is in its first year of implementation. Advance of USD 4 million for loan and USD 0.2 million for Grant has been accounted in the project Designated Accounts. As of 30 June 2020, the project has disbursed USD 0.43million from its Loan project DA, which represents 0.78% of its total project loan allocated. No disbursement made from the Grant account so far. Budget execution of 2019 was 80%. For 2020, as of 30 June 2020, budget execution is 9% of its original approved AWPB. The disbursement status for all financiers is summarized in appendix 1.

Main issues

The low disbursement rate and budget execution in 2020 reflects the delayed project implementation and procurement process mainly because of covid-19. Limited budget allocation for 2020 is expected to impact the slow implementation of the project. Even though in theory top up can always be proposed once the disbursement is satisfactory. For 2020, the project only received an allocation of IDR 9.5billion for loan which represent 20% of the proposed loan budget and IDR 750 million for the government cash contribution. As of 30 June 2020, 36% of this allocated budget has been disbursed. The project is now working to propose a top up budget of IDR 23.5 billion for 2020. However, this proposed amount is still under the approved revised AWPB of IDR 37.2 billion

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
To revise AWPB 2020 to accommodate COVID 19 constraint, agreed action from the mission and request full amount of budget allocation	MoA	08/2020

Fiduciary aspects

Quality of Financial Management **Rating: 3**

Justification of rating

The project financial management system is applying government system including budgeting, payment processing, reporting, monitoring and audit. AWPB 2019 and 2020 was prepared on time. A senior assistance for FM at NPMU and junior assistance for FM for all provinces have been recruited. However, several issues noted during the mission including: the financial management specialist has not yet recruited. Project financial management guideline has not yet been developed, the provincial finance officers and Junior assistance for FM have not been trained, the project is still struggling with report submission and limited budget allocation at the beginning of FY 2020

Main issues

Organization and Staffing. A senior assistance to FM has been recruited to provide support to the project finance unit at national level. A Financial management specialist has not yet been recruited and project financial manual is not yet available. Junior assistance to FM in all provinces has been recruited in early June 2020 and no FM training delivered so far.

Budgeting. AWPB 2020 was prepared through a series of workshops and submitted to IFAD in October 2019. However, the project only received an allocation of IDR 9.5billion for Loan which represent 20% of the proposed Loan budget and IDR 750 million for the government cash contribution and is now working for a top up of IDR 23.5 billion for the rest of 2020.

Funds flow & Disbursement Arrangements. Two WAs submitted for startup cost and initial deposit for Loan, and 1 WA for grant initial deposit. As of 30 June 2020, the project expenditure has reached USD 0.43 million for Loan and zero for Grant. No justification WA has been submitted so far.

The flow of funds is made through national revenue and budget system (APBN) for both national and subnational activities. Since the PPIUs are responsible for financial management at provincial and district level, and most of the expenses should actually be incurred/paid directly by the PPIUs, a discussion is needed between Treasury Office-Ministry of Finance, the NPMU and PPIU to agree on the appropriate mechanism for district financial management and the potential appointment of a Person in Charge (PIC) who will be specifically responsible for managing YESS funds at district level.

Internal Controls. . In general, the payments are supported by adequate documents. Payment process is following the government system, PMK 190/PMK.05/2012.

Accounting and Financial Reporting. The project uses government accounting system, SAIBA and OM SPAN for monitoring and reporting purposes. Financial reports, budget vs expenditure report based on government account code and funding sources can be produced from the system. However, the project has to maintain an excel based reporting system, using the data withdrawn from SAIBA, reconcile it with supporting documents and bank accounts to produce report on category or component and other reports required for project management and reporting to IFAD. MIS specialist to help the finance team develop a reporting application for the project has not yet been recruited.

The unaudited financial statement of 2019 was submitted to IFAD on 12 June 2020. Meanwhile, quarterly IFR has not been submitted.

External Audit Covid 19 has impacted the audit process which has led to delay of the report submission. Based on approved request, the audit report 2019 should be submitted no later than 30 September 2020.

Agreed Action	Responsibility	Agreed Date
To submit IFR quarter 1 and 2 within 45 days after end of period	MoA	08/2020
To submit WA justification for the actual expenditure incurred	MoA	08/2020
To recruit a financial management specialist for NPMU	PMU	09/2020
To submit the audit report of 2019	MoA	09/2020
To provide training for provincial finance officers and junior assistance for FM	MoA	10/2020
To discuss with Treasury Office-MOF, and PPIU to determine the appropriate mechanism of fund flow to district and to potentially appoint a person in charge for financial management at district level	MoA & MoF	10/2020
To initiate the preparation of AWPB 2021	MoA	10/2020
To develop financial management guideline	MoA	10/2020

Quality and Timeliness of Audit

Rating:

Counterparts Funds

Rating: 3

Justification of rating

The government counterpart fund allocation for FY 2019 and 2020 is IDR 1.8 billion and IDR 3.9 billion each based on the approved 2019 and 2020. Total project disbursement from the government counterpart funds is IDR 1.5 billion (82% for 2019) and IDR 1.6 billion (40% for 2020) as of 30 June 2020. All actual government contribution reported are from the government staff salary.

Main issues

No mechanism available yet to capture the contribution from the beneficiaries and from the private sector. During the mission it was agreed to include the mechanism in the project finance guideline.

Agreed Action	Responsibility	Agreed Date
To develop a mechanism to capture the contribution from the beneficiaries and private sector and include it in the finance manual/guideline	PMU	10/2020

Compliance with Loan Covenants

Rating: 4

Justification of rating

92. The compliance with the loan covenants is rated as moderately satisfactory. In fact, most covenants have been complied with as per Appendix 3. The only outstanding issues are the submission of the SOE and of the Audit. However the deadline for the audit submission has been extended to 30 September 2020 and the SOE has not been submitted as only one WA was requested to date. Furthermore, the potential non-compliance of the remaining covenants could affect project implementation or achievement of development objective, but would not violate IFAD's statutory requirements.

Procurement

Procurement

Rating: 4

Justification of rating

The performance on procurement is rated as moderately satisfactory. The NPMU is adhering both to the Indonesian Presidential Regulation 16/ 2018 and with IFAD procurement guidelines. YESS Project Procurement Committee has conducted more than 60%-80% from procurement Activities in the year of 2019/2020 out from 23 services and 26 procurement of goods.

The critical concern on procurement relates to the lack of Procurement Specialist in NPMU to lead all project procurement at National and sub-national level. The project must recruit a procurement specialist in order to support the Procurement Activity in 4 PPIUs and to conduct all the contract monitoring, project needs the availability of dedicated personnel to manage contract management and update procurement progress.

Procurement Review

The mission has reviewed procurement activities of some YESS Project offices, National Project Management Unit (NPMU) at Ministry of Agriculture, Province Project Implementation Unit (PPIU) at West Java and East Java Provinces.

There are several relevant recommendations and need to be highlighted found during supervision mission YESS related with Procurement activities and implementation as per below:

Procurement Planning: Procurement plan is an essential stage of the Procurement activities; therefore, we need to strengthen the procurement plan as the basic foundation of planning and implement the procurement activities. It is a critical part of the procurement process to enable objectives and priorities to be set, workloads to be estimated and resources allocated. It enables the procuring entity to plan, organize, forecast, and schedule its procurement activities and to identify potential areas for aggregation of needs whilst the most important during drafting the procurement plan is also determining the procurement methods either it is procurement of goods and Consulting Services and the terms of them.

Procurement Implementation (Contract management and documentation): Both are necessary for all contracts. The Project Manager has the overall responsibility for contract management and documentation, but will draw on other resources, such as technical expertise, payment services, legal services, and supply management systems, as required. Where such other services and systems are used, Project Manager and procurement Specialist will remain responsible for monitoring their performance and ensuring that their activities in accurate accordance with Procurement Guidelines and conduct in timely ma

Always make sure all the procurement activities have Value of Money, Transparent, accordance with procurement principles both Presidential Regulation 16/2018 and IFAD Procurement Guidelines and implement all procurement activities with high integrit

Staffing and staff Capacity for Procurement Carrying out procurement efficiently is critical to have a good project implementation, to the attainment of a project's objectives, and to its sustainability. One of the points reviewed includes the number of staff and the level of the existing human capacity to undertake project procurement. Good communication and Interaction PPIU and NPMU and likewise Consultant hired and all element related with Procurement process

Based on the reviewed conducted, the mission rating the procurement performance into the specific pillars referring to the IFAD Guidance Note on Remote Procurement Review and Oversight. In this context, the main agreed actions are listed below.

Agreed Action	Responsibility	Agreed Date
Staffing on Project Procurement Recruit Contract and Procurement Specialist at NPMU	NPMU	07/2020
Staffing on Project Procurement Recruit Contract Management Officers to coordinate and responsible for contract management and procurement at PPIU & DPIU.	PPIU	08/2020
Improvement of Project Procurement Implementation <ul style="list-style-type: none"> • Procurement technical manual • Procurement Monitoring System available in place and updated (to monitor progress of procurement plan) • Training to procurement officer at sub-national level. 	Procurement Specialist	08/2020
Improvement of the quality of Project Procurement Planning <ul style="list-style-type: none"> • Involve Procurement Functional Staff and UKPBJ (Procurement Service Unit). • Apply LKPP regulation no 7/2018 (Gol Public Procurement Regulation) on the technical guideline for procurement plan. <ul style="list-style-type: none"> o Needs of identification o Spending analysis o Market survey o Procurement Strategy • Prioritize to use e-catalogue as procurement method for goods. 	Project Manager	09/2020
Improvement of the Contract Management and Documentation <ul style="list-style-type: none"> • Contract monitoring using ICP <ul style="list-style-type: none"> o Managing all aspects of the contracting process o Managing contract deliverables and KPIs o Tracking performance and contractor payments o Managing specific schedules and timelines • Record management referred to Gol Archived Regulation • Record management using Dynamic Filing Information System (SIKD) • Recruit archivist functional staff, if needed. 	Project Manager / Procurement Specialist	10/2020

e. Key SIS Indicators

Likelihood of Achieving the Development Objective

Rating: 4

Justification of rating

The projects has been active for 14 months, of which 6 under the restrictions in place due to COVID. Is in this context and considering the analysis along the supervision report that the likelihood of achieving the development objective is rated as moderately satisfactory.

Assessment of the Overall Implementation Performance

Rating: 4

Justification of rating

The justification for SIS Indicator 1 is also valid for this one.

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Overview and Project Progress		

Budgeting and planning Prepare the 2021 AWPB and agree it within MoA and with MoF, in order to ensure upfront that the project gets an adequate budget allocation.	DG BPPSDMP	08/2020
Fund flow to District level Discuss need of appointing Person In Charge at districts Appoint/recruit Person in Charge at district level (October 2020)	NPMU PPIU/Districts	08/2020
Staffing at NPMU Recruit a short-term Financial Management Specialist Recruit a short-term Procurement Specialist (Aug 2020) Recruit a short-term M&E Specialist Recruit TVET and transition to work consultant Recruit Youth entrepreneurship specialist (January 2021)	NPMU	09/2020
Staffing at PPIU and District Recruit Youth entrepreneurship specialist (January 2021) Recruit Youth mobilisers	PPIU	09/2020
Organise technical start-up workshop The workshop should include sessions on the overall project and its components, aimed at building a common understanding in the NPMU on the components, activities and their complementarities. It should also include specific discussion/training sessions on M&E, Procurement and Financial Management.	NPMU with IFAD support	10/2020
Manuals and guidelines Draft Procurement manual Draft FM manual Draft M&E plan and guidelines	NPMU	10/2020
Project Management		
Staffing at NPMU Recruit a short-term Financial Management Specialist Recruit a short-term Procurement Specialist (August 2020) Recruit a short-term M&E Specialist Recruit TVET and transition to work consultant Recruit Youth entrepreneurship specialist (January 2021)	NPMU	09/2020
Staffing at PPIU and District Recruit Youth entrepreneurship specialist (January 2021) Recruit Youth mobilisers	PPIU	09/2020
KM responsibility assigned IFAD suggests that a NPMU team member be appointed to take on the KM responsibilities	NPIU	09/2020
Organise technical start-up workshop The workshop should include sessions on the overall project and its components, aimed at building a common understanding in the NPMU on the components, activities and their complementarities. It should also include specific discussion/training sessions on M&E, Procurement and Financial Management.	NPMU with IFAD support	10/2020
Develop M&E plan and guidelines Develop M&E plan and guidelines	NPMU	10/2020

Financial Management & Execution		
Staffing on Project Procurement Recruit Contract and Procurement Specialist at NPMU	NPMU	07/2020
Staffing on Project Procurement Recruit Contract Management Officers to coordinate and responsible for contract management and procurement at PPIU & DPIU.	PPIU	08/2020
Improvement of Project Procurement Implementation <ul style="list-style-type: none"> • Procurement technical manual • Procurement Monitoring System available in place and updated (to monitor progress of procurement plan) • Training to procurement officer at sub-national level. 	Procurement Specialist	08/2020
To submit IFR quarter 1 and 2 within 45 days after end of period	MoA	08/2020
To revise AWPB 2020 to accommodate COVID 19 constraint, agreed action from the mission and request full amount of budget allocation	MoA	08/2020
To submit WA justification for the actual expenditure incurred	MoA	08/2020
Improvement of the quality of Project Procurement Planning <ul style="list-style-type: none"> • Involve Procurement Functional Staff and UKPBJ (Procurement Service Unit). • Apply LKPP regulation no 7/2018 (GoI Public Procurement Regulation) on the technical guideline for procurement plan. <ul style="list-style-type: none"> o Needs of identification o Spending analysis o Market survey o Procurement Strategy • Prioritize to use e-catalogue as procurement method for goods. 	Project Manager	09/2020
To recruit a financial management specialist for NPMU	PMU	09/2020
To submit the audit report of 2019	MoA	09/2020
Improvement of the Contract Management and Documentation <ul style="list-style-type: none"> • Contract monitoring using ICP <ul style="list-style-type: none"> o Managing all aspects of the contracting process o Managing contract deliverables and KPIs o Tracking performance and contractor payments o Managing specific schedules and timelines • Record management referred to GoI Archived Regulation • Record management using Dynamic Filing Information System (SIKD) • Recruit archivist functional staff, if needed. 	Project Manager / Procurement Specialist	10/2020
To develop a mechanism to capture the contribution from the beneficiaries and private sector and include it in the finance manual/guideline	PMU	10/2020
To provide training for provincial finance officers and junior assistance for FM	MoA	10/2020
To discuss with Treasury Office-MOF, and PPIU to determine the appropriate mechanism of fund flow to district and to potentially appoint a person in charge for financial management at district level	MoA & MoF	10/2020
To initiate the preparation of AWPB 2021	MoA	10/2020
To develop financial management guideline	MoA	10/2020



Investing in rural people

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Youth Entrepreneurship and Employment Support Services Programme Supervision Report

Logical Framework

Mission Dates: 13-24 July 2020
Document Date: 31/08/2020
Project No. 2000001202
Report No. 5496-ID

Asia and the Pacific Division
Programme Management Department

Youth Entrepreneurship and Employment Support Services Programme

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members							Programme reports	Annual	NPMU with MoA, MoCSME, OJK ans service providers	
	Household members					0					
	1.a Corresponding number of households reached							Programme reports	Annual	NPMU with MoA, MoCSME, OJK ans service providers	
	Households		127 672	320 000		0	0				
	1 Persons receiving services promoted or supported by the project							Progress reports	Annual	NPMU with MoA, MoCSME, OJK ans service providers	
	Females					0					
	Males					0					
	Young					0					
Total number of persons receiving services		127 672	320 000		0	0					
Project Goal Young people women and men contribute to rural transformation and inclusive rural growth	Number of beneficiaries (HH/HH members) receiving services promoted by YESS that report an increase in HH asset ownership index							Programme survey	Mid-term review and programme end	NPMU with MoA and MoCSME	Continued Gol commitment to promote youth employment and youth entrepreneurship (National Youth Action Plan)
	Households										
	Households		0	287 262							
Development Objective											

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outcome OUTCOME 1: Young people take advantage of employment and business opportunities	Number of young women and men finding employment in the agri-based sector							School reports; Graduate tracer studies; MoM reports	Semi-annual reports	NMPU with MoA, partner schools and MoM	1) Young people enrol in agriculture schools 2) Farms/enterprises interested in receiving apprentices
	People		8 000	32 500							
	2.2.1 New jobs created							School reports; Graduate tracer studies; MoM reports	Semi-annual reports	NMPU with MoA, partner schools and MoM	
	Job owner - men										
	New jobs										
	Job owner - women										
	Job owner - young										
Farm											
Output Linking education and training to jobs	Number of TVET institutions running programmes facilitating youth transition to work										
	Number of TVET institutions	0	15	30							
Outcome OUTCOME 2: Young small farmers, rural entrepreneurs and SMEs access markets and services in the target value chains and sub-sector	2.2.2 Supported rural enterprises reporting an increase in profit							PLUT reports	Semi-annual reports	NMPU with MoA, MoCSME and PLUTs	Agribusiness interested in partnering with young people
	Number of enterprises		3 100	33 800							
	Percentage of enterprises										
	Number of enterprises operating profitably 3 years after establishment										
	Number of enterprises	0	5 800	50 600							
Output Developing an enabling environment for young farmers and entrepreneurs	2.1.1 Rural enterprises accessing business development services										
	Rural enterprises		4 800	62 500		0	0				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	2.1.2 Persons trained in income-generating activities or business management										
	Females					0					
	Males					0					
	Young					0					
	Persons trained in IGAs or BM (total)	0	4 800	62 500		0	0				
Outcome OUTCOME 3: Young women and men have increased access to inclusive financial services	1.2.5 Households reporting using rural financial services							Reports from financial institutions	semi-annual reports	NPMU with OJK and service providers	Partner banks willing to adapt their products and services to the agriculture-based sector
	Total number of household members										
	Young										
	Households										
Output Access to finance	1.1.5 Persons in rural areas accessing financial services										
	Total number of accesses to financial services					0					
	Young people in rural areas accessing financial services - savings					0					
	Young people in rural areas accessing financial services - credit					0					
	Total persons accessing financial services - savings					0					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Total persons accessing financial services - credit					0					
	Total persons accessing financial services - remittances					0					
	Young people in rural areas accessing financial services-remittances					0					
Output Capacity building for financial inclusion	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services										
	Females					0					
	Males					0					
	Young					0					
	Persons in rural areas trained in FL and/or use of FProd and Services (total)	0	50 000	120 000		0	0				
Outcome OUTCOME 4: Supportive policy, institutional and media environment for youth engagement in the rural economy	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment							Reports from Programme partners	Annual	NPMU with programme partners	
	Number	0	0	4							
Output Rural youth mobilization	Policy 2 Functioning multi-stakeholder platforms supported										Continued GoI commitment to promote youth employment and youth entrepreneurship
	Number	0	14	19		0	0				
	Number of visitors of Rural Youth on-line Platform										
	Visitors/month		20 000	100 000							



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Indonesia

Youth Entrepreneurship and Employment Support Services Programme Supervision Report

Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category

Mission Dates: 13-24 July 2020
Document Date: 31/08/2020
Project No. 2000001202
Report No. 5496-ID

Asia and the Pacific Division
Programme Management Department

Appendix 1: Financial: actual financial performance by financier; by component and disbursements by category

Table 2A: Financial performance by financier

Financier	Appraisal (USD'000)	Actual Disbursements (USD '000)	Per cent disbursed
IFAD loan *	55,300	430	0.78%
IFAD grant	2,000	-	0.00%
Government	12,091	227	1.88%
Beneficiary	3,212	-	0.00%
Financing Facilities for Remittance	105	-	0.00%
Total	72,708	657	0.90%

Table 2B: Financial performance by financier by component (USD '000)

Component	IFAD loan			IFAD grant			The Government			Beneficiary			Financing Facilities for Remittance			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
A. Rural Youth Transition To Work																		
1. Linking Education and Training to Jobs	6,576	4	0%	-			3,331								9,906	4	0%	
2. Apprenticeship	2,807			55			151								3,012	-	0%	
B. Rural Youth Entrepreneurship																		
1. Institution and Capacity Building	6,523			30			3,704								10,257	-	0%	
2. Services to young farmers and entrepreneurs	8,939			655			993								10,587	-		
C. Investing for Rural Youth																		
1. Capacity Building for Financial Inclusion	2,885						321						80		3,285	-		
2. Access To Financing	12,272						1,721			3,212					17,205	-		
D. Enabling Environment For Rural Youth																		
1. Partnership Building	1,408	56	4%				156						25		1,590	56	4%	
2. Rural Youth Mobilisation Programme	2,732						304								3,036	-		
3. Policies for Youth in Agriculture	5,135			1,260			571								6,965	-		
4. Project Management	6,023	370	6%				840	227	27%						6,864	597	9%	
	55,300	430	1%	2,000	-	0%	12,091	227	2%	3,212	-	0%	105	-	72,708	657	1%	

Table 2C: IFAD loan disbursements (USD, as at 30 June 2020)

Cat	Category	Original Allocation	Disbursement	W/A pending	Exp. not yet submitted	Balance	%
1	CONSULTANCIES	5,264	-		5	5,259	0%
2	GRANTS AND SUBSIDIES	13,840	-		-	13,840	0%
3	GOODS, SERVICES AND INPUTS	17,232	-		220	17,012	1%
4	OPERATING COSTS	4,980	-		147	4,833	3%
5	SALARIES AND ALLOWANCES	5,112	-		15	5,097	0%
6	TRAINING	8,872	-		43	8,829	0%
7	ADVANCE ACCOUNT	-	4,000			(4,000)	
	Total	55,300	4,000	-	430	50,870	8%

Table 2D: IFAD Grant disbursements (USD, as at 30 June 2020)

Cat	Category	Original Allocation	Disbursement	W/A pending	Exp. not yet submitted	Balance	%
1	CONSULTANCIES	448				448	0%
2	GRANTS AND SUBSIDIES						
3	GOODS, SERVICES AND INPUTS	920				920	0%
4	OPERATING COSTS						
5	SALARIES AND ALLOWANCES						
6	TRAINING	632				632	0%
7	ADVANCE ACCOUNT		200			(200)	
	Total	2,000	200	-	-	1,800	10%

Figure 1: IFAD loan disbursement, comparisons between original and revised allocations and actual disbursement

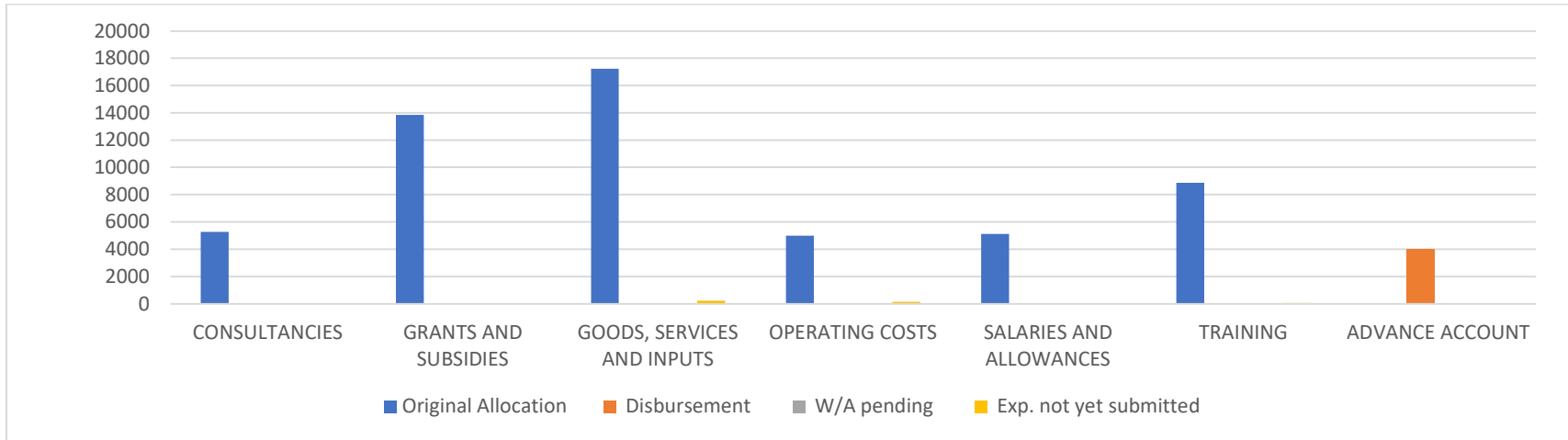
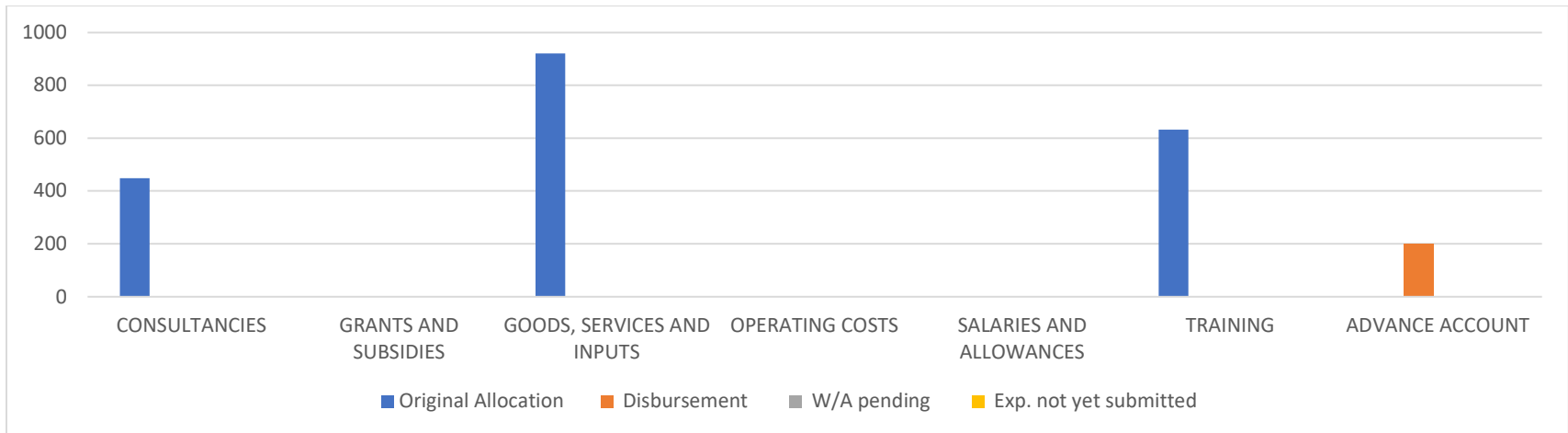


Figure 2: IFAD grant disbursement, comparisons between original and revised allocations and actual disbursement



Indonesia

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Appendix 2: Physical progress measured against AWP&B

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Appendix 2: Physical progress measured against AWP&B

PROJECT PHYSICAL PROGRESS SUMMARY							
Component / Sub-component	Indicators	Unit	PY-1		Cumulative		
			Jul 2018 – Jun 2019		Actual	Appraisal	%
			AWPB	Actual			
Component 1: Community Development							
1.1 Community Development Plans	People trained in community management topics specified for Town and District Officers (TOs, DOs), Committee Members (CM), and Community Facilitators (CF)	DO's	11	4	4	15	27%
		TO's	45	38	38	62	61%
		CF's men	45	33	38	62	61%
		CF's women		5			
		CM men	450	4,367	9,210	620	1485%
		CM women		4,843			
	No. of CDP's formulated	number	45	35	35	62	0%
1.2 Resilient community infrastructure based on CDPs	Number of market, processing or storage facilities constructed / rehabilitated	number	10	-	-	62	0%
	No. of community infrastructure management committees trained	number	45	-	-	62	0%
Component 2: Sustainable economic livelihood							
2.1 Community Agriculture Development Plans (CADPs) - reflecting understanding of climate change and resilient agricultural systems	Number of people trained in climate change risks and responses for increased resilience in agricultural systems Officials	men	360	-	-	800	0%
		women		-			
	Number of people trained in climate change risks and responses for increased resilience in agricultural systems FFS	men	540	-	-	1,200	0%
		women		-			
	No. of revised/updated village maps including data from village surveys, and included in the CADP's	number	27	-	-	60	0%

Component / Sub-component	Indicators	Unit	PY-1		Cumulative		
			Jul 2018 – Jun 2019		Actual	Appraisal	%
			AWPB	Actual			
<i>2.2 Improved and climate resilience agroforestry systems on households' tax allotments</i>	Number of persons/ groups supported to sustainably manage natural resources and climate-related risks	men	540	-	-	1,200	0%
		women		-			
	Area of land under improved management practices Model Farm	acre	113	-	-	250	0%
	Area of land under improved management practices Cluster Farm	acre	2,115	-	-	4,700	0%
<i>2.3 Improved and climate resilience home gardens</i>	Number of persons trained in production practices and/or technologies	men	405	-	-	900	0%
		women		-			
	Agricultural production facilities in vulnerable areas with increased water availability specified for rainwater tanks for 60 FFS model garden	number	27	-	-	60	0%
	Increased dietary diversity score at HH level	number	-	-	-	4	0%
<i>2.4 Improved agro-forestry-based production and processing centres (weaving sheds) for handicrafts</i>	No. of processing facilities constructed or rehabilitated specified for cyclone proof weaving sheds	number	27	-	-	60	0%
	Number of women benefiting from the improved cyclone-proof weaving sheds	women	405	-	-	900	0%

Indonesia

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Appendix 3: Compliance with legal covenants: status of implementation

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Appendix 3: Compliance with legal covenants: status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section B6	The Designated Account shall have been duly opened, the authorized signatories have been submitted to the Fund	Precedent to withdrawal	Complied	
Section E.2 (a)	The Borrower shall have established within MoA the National Project Implementation Unit (NPIU) and key NPIU staff nominated to the satisfaction of IFAD	Precedent to withdrawal	Complied	
Section E.2 (c)	The Borrower has prepared a draft PIM in form and substance satisfactory to the Fund	Precedent to withdrawal	Complied	
Section 4.02 (b) General Conditions	Submission of First AWPB	Precedent to Withdrawal	Complied	
Section 4.04 (b) General Conditions	Submission of Certification of authorized signatories to Withdrawal Application	Precedent to Withdrawal	Complied	
Section 4.08 General Conditions	Submission to IFAD of Statement of Expenditure only with eligible expenditures	On-going	Not yet submitted	
Section 7.05 General Conditions	Procurement in accordance with GoI procurement regulations such are consistent with the IFAD Procurement Guidelines	On-going	Complied	
Section 9.02 General Conditions	Submission of Financial Statements to IFAD 4 months after financial year	On-going	2019 FS submitted on 12 June 2020	
Section 9.03 General Conditions	Submission of Audit report to IFAD 6 months after the financial year	On-going	Audit Report for 2019 to be submitted by 30 Sept 2019	