RECORD OF DISCUSSIONS

ON

THE PROJECT ON KNOWLEDGE MANAGEMENT FOR SOUTH-SOUTH COOPERATION

IN

THE REPUBLIC OF INDONESIA

AGREED UPON BETWEEN NATIONAL DEVELOPMENT PLANNING AGENCY AND

JAPAN INTERNATIONAL COOPERATION AGENCY

Jakarta, December 7, 2011

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In response to the official request of the Government of the Republic of Indonesia (hereinafter referred to as the "GOI") to the Government of Japan, the Japan International Cooperation Agency (hereinafter referred to as "JICA") held a series of discussions with the National Development Planning Agency of the GOI (hereinafter referred to as BAPPENAS") and relevant organizations to develop a detailed plan of the Project on Knowledge Management for South-South Cooperation (hereinafter referred to as "the Project").

Both parties agreed the details of the Project and the main points discussed as described in the Appendix 1 and the Appendix 2 respectively, and to request their respective governments to proceed with the necessary procedures for implementation of the Project.

Both parties also agreed that BAPPENAS, the counterpart to JICA, will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of the Republic of Indonesia.

The Project will be implemented within the framework of the Colombo Plan Technical Cooperation Scheme between the Government of Japan (hereinafter referred to as the "GOJ") and the GOI.

Appendix 1: Project Description Appendix 2: Main Points Discussed



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PROJECT DESCRIPTION

I. BACKGROUND

The Government of Indonesia (GOI) responded to the Paris Declaration on Aid Effectiveness by setting out the Jakarta Commitment - Indonesia's policy framework for aid effectiveness signed by the GOI and development partners on 12th January 2009. The Gol established aid effectiveness working groups consisting of Procurement, Public Finance Management, Dialogue and Institutional Development, Development of Financing Mechanism, Monitoring and Evaluation, and Capacity Building and Knowledge Management (CBKM) which are playing leading roles in implementing the Jakarta Commitment. The CBKM working group has a task to put knowledge management into action by accumulating knowledge from Indonesia's development experience through external aid and translate it into policy actions. The Jakarta Commitment also underscores the country's role to contribute to strengthening capacities of peer countries, reflecting Indonesia's importance in the international community and responsibility as one of the key middle income countries. Sharing Indonesia's development success with other developing nations is now brought high on the government agenda. Facilitation of South-South cooperation is GOI's one of the major initiatives to bring forward, among other things, the international commitment on "Aid for Development Effectiveness." GOI is also co-chairing Task Team on South-South Cooperation (TT-SSC) of OECD/DAC together with Colombia. The importance of knowledge sharing among developing nations is recognized by the G20 countries. The G20 Seoul Summit in 2010 adopted a G20 Multi-Year Action Plan on Development which includes "knowledge sharing" as one of the nine pillars.

JICA has long experience in promoting South-South cooperation, through extended support for counterpart institutions of technical cooperation projects to help them share acquired knowledge with other developing countries. The Project would give a window of opportunities for both JICA and GOI to work together to assist developing partners in creating knowledge to tackle their development challenges.

II. OUTLINE OF THE PROJECT

Details of the Project are described in the Logical Framework (Project Design Matrix: PDM) (Annex I) and the tentative Plan of Operation (Annex II).

1. Title of the Project



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