



Jakarta, 20 June 2022

Bapak Scenaider Clasein Hasudungan Siahaan
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Dear Excellency, Mr Scenaider Clasein Hasudungan Siahaan,

I have the honour to refer to the New Zealand – Indonesia Joint Commitment for Development between the Government of New Zealand and the Government of Indonesia signed in Jakarta on 20 December 2016 (the "Commitment") which is due to expire on 30 June 2022.

I confirm that it is the understanding of the Government of New Zealand, at the request of the Government of Indonesia, that the Commitment will be extended. This will require a number of amendments to be made to the Commitment to ensure it remains fit for purpose, as follows:

1. The "Priorities" in the Commitment will be deleted and replaced with:

"The majority of New Zealand's development cooperation in Indonesia will focus on the following priorities and outcomes:

Renewable Energy

- Increased and equitable access to affordable energy (from renewables);
- Increased renewable energy production (particularly geothermal production) and contribution to the energy mix;
- Increased workforce skills and capability in renewable energy;
- A faster growing contribution from renewable energy towards green growth.

Agriculture

- Improved economic returns, food security and resilience from productive, sustainable, and climate-smart agricultural practices;
- Increased workforce skills and capability in agriculture.

Disaster Resilience

- Improved regional, national and community preparedness for future disasters;
- Increased workforce skills and capability in disaster resilience.

Knowledge and Skills

- Scholars and students successfully gain skills and qualifications and contribute to development in Indonesia;

- *Increased economic returns and social development through applied development-based research.*

Inclusive Development

- *Improved human capital for local government and civil society to implement inclusive development services for women, children, youth, people living with disabilities, minority ethnicities and remote communities in eastern Indonesia.*

2. The dates on which the Commitment will take effect will be deleted and replaced with:

"July 1st 2017 until December 31st 2024"

3. Annex 1 ("Priorities and Commitments") of the Commitment will be deleted and replaced with the attached Annex 1.

4. Annex 2 ("Context and Monitoring Results") will be deleted and replaced with the attached Annex 2.

5. Annex 3 ("Results Diagram") of the Commitment will be deleted.

If the above amendments to the Commitment are acceptable to the Government of Indonesia, I have the honour to suggest that this letter and your Excellency's reply to that effect constitute an understanding between our two Governments, which will come into effect on the date of your reply.

Yours sincerely



Kevin Burnett
New Zealand Ambassador to Indonesia
New Zealand Embassy
Jakarta

Annex One: Priorities and Commitments

Renewable Energy	
OUTCOMES	<ul style="list-style-type: none"> • Increased and equitable access to affordable energy (from renewables). • Increased renewable energy production (particularly geothermal production) and contribution to the energy mix. • Increased workforce skills and capability in renewable energy. • A faster growing contribution from renewable energy towards green growth.
JOINT COMMITMENT	<p>New Zealand will:</p> <ul style="list-style-type: none"> • Support the acceleration of geothermal energy development (including private sector investment) in Indonesia through the provision of technical assistance and capacity building; • Support and build the capacity of Indonesia's geothermal training institutions to ensure they meet industry's needs; • Provide opportunities for increasing knowledge and skills in the renewable energy sector (government and private sector), including short-term training scholarships; • Support local businesses and communities to develop Indonesia's renewable energy resources with an emphasis on rural electrification in Maluku Province, Eastern Indonesia; and • Support policy, capacity and technical advisory services to Papua and eastern Indonesia provinces for the acceleration of renewable energy contribution towards Government of Indonesia's energy mix and emissions reduction target. <p>Indonesia will:</p> <ul style="list-style-type: none"> • Provide access to relevant information and accurate data on geothermal resources to improve the quality and effectiveness of investments in the geothermal sector; • Contribute to the governance and management of all renewable energy activities. This includes providing leadership and coordination of all geothermal human resource development (HRD) activities throughout Indonesia through the Geothermal HRD Planning Board and associated working groups formed by the Education and Training agency of Ministry of Energy and Mineral Resources (MEMR) under the Ministerial Decree of Energy and Mineral Resources; • Lead the coordination of development partners for renewable energy and energy efficiency projects; and • Provide, where agreed, in-kind resources to ensure the success of all renewable energy activities.
RESULTS	<ul style="list-style-type: none"> • Increased renewable energy production. • Increased number of people provided with new or improved renewable energy-based electricity supply.

	<ul style="list-style-type: none"> Increased number of people who have received renewable energy related training and/or advisory support.
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Agriculture	
OUTCOMES	<ul style="list-style-type: none"> Improved economic returns, food security and resilience from productive, sustainable, and climate-smart agricultural practices. Increased workforce skills and capability in agriculture.
JOINT COMMITMENT	<p>New Zealand will:</p> <ul style="list-style-type: none"> Provide opportunities for increasing knowledge and skills in good agricultural practices, including through short-term training scholarships; Support Indonesia's increased engagement with the Global Research Alliance on Agricultural Greenhouse Gases (GRA), towards reducing the greenhouse gas emission intensity of the agriculture sector, including through training and capacity building; and Support the targeting of smallholder farmers in Nusa Tenggara Barat (NTB) and Nusa Tenggara Timur (NTT), Eastern Indonesia with training for food security and resilience. <p>Indonesia will:</p> <ul style="list-style-type: none"> Contribute to the governance and management of all agriculture activities; and Provide, where agreed, in-kind resources to ensure the success of all agriculture activities.
RESULTS	<ul style="list-style-type: none"> Increased food security and productivity from agriculture. Increased incomes of farmers along the agriculture value chain. Reduced greenhouse gas emissions from the agricultural sector. Increased number of people assisted (through training, access to agricultural technologies and advisory support) to increase benefits of agriculture.

Disaster Resilience	
OUTCOMES	<ul style="list-style-type: none"> Improved regional, national and community preparedness for future disasters. Increased workforce skills and capability in disaster resilience.
JOINT COMMITMENT	<p>New Zealand will:</p> <ul style="list-style-type: none"> Support better warehousing and logistics management of Indonesian Red Cross' warehouses, particularly in Eastern Indonesia;

	<ul style="list-style-type: none"> • Provide opportunities for increasing knowledge and skills in Disaster Resilience, including short-term training scholarships; and • Provide targeted and timely support to Indonesia's response to the COVID-19 pandemic and other disasters as needed. <p>Indonesia will:</p> <ul style="list-style-type: none"> • Contribute to the governance and management of all COVID-19 response activities; and • Provide, where agreed, in-kind resources to ensure the success of all disaster resilience and response activities.
RESULTS	<ul style="list-style-type: none"> • Increased capability for disaster resilience and response.

Knowledge and Skills	
OUTCOMES	<ul style="list-style-type: none"> • Scholars and students successfully gain skills and qualifications and contribute to development in Indonesia. • Increased economic returns and social development through applied development-based research.
JOINT COMMITMENT	<p>New Zealand will:</p> <ul style="list-style-type: none"> • Provide post graduate scholarships, English language training for officials, and short-term training scholarships; • Provide a Young Leaders Programme, targeting development skills training for participants from Eastern Indonesia; and • Support the GRA to provide agricultural greenhouse gas research capacity and capability building. <p>Indonesia will:</p> <ul style="list-style-type: none"> • Work collaboratively with New Zealand to identify and support high quality scholarships candidates. • Provide, where agreed, in-kind resources to ensure the success of all knowledge and skills activities.
RESULTS	<ul style="list-style-type: none"> • Scholars successfully gain skills and qualifications. • Scholars, students and alumni contribute to development in Indonesia. • Scholars and alumni maintain a positive connection with New Zealand.

Inclusive Development	
OUTCOMES	<ul style="list-style-type: none"> • Improved human capital for local government and civil society to implement inclusive development services for women, children, youth, people living with disabilities, minority ethnicities and remote communities in eastern Indonesia.
JOINT COMMITMENT	<p>New Zealand will:</p>

	<ul style="list-style-type: none"> • Develop a programme in Papua targeting the capacity building of local government and civil society to implement inclusive development; and • Provide small grants for NGOs to deliver small scale community activities over less than 24 months. <p>Indonesia will:</p> <ul style="list-style-type: none"> • Work collaboratively with New Zealand to support the governance of inclusive development activities. • Provide, where agreed, in-kind resources to support New Zealand-funded implementing agencies and organisations, to ensure the success of inclusive development activities.
RESULTS	<ul style="list-style-type: none"> • Improved human capital and strong institutions to support economic and social transformation. • Inclusive development activities to address the development needs of vulnerable groups, improve essential services and systems, and access to all.

Annex Two: Context and Monitoring Results

Context

New Zealand and Indonesia are committed to working together on Activities that offer value for money, are proven to work and have tangible results. The National Development Planning Agency (BAPPENAS), on behalf of Indonesia, will take a lead role in partner coordination and ensuring there is practical use of development partners' resources and expertise.

The priorities for the New Zealand-Indonesia Partnership, and how the two countries work together, will be informed by:

Programme Level Arrangements:

1. The 2030 Agenda for Sustainable Development Goals.
2. Indonesia National Medium Term Development Plan 2020-2024.
3. Plan of Action for the Indonesia – New Zealand Comprehensive Partnership 2020 – 2024.
4. Global Partnership Nairobi Outcome Document.
5. JAKARTA COMMITMENT: Aid for Development Effectiveness.
6. ASEAN-New Zealand Strategic Partnership and Plan of Action 2021-2025.
7. The Indonesia Joint Commitment for Development (Letter of Extension) 2022-2024.
8. Sendai Framework for Disaster Risk Reduction 2015.
9. Paris Agreement on Climate Change 2015.

Activity Level Arrangements

1. Partnership Arrangement with ESDM, PTSMI and Badan Geologi for Geothermal Energy Technical support (GEO-INZ)
2. Partnership Arrangement with ESDM and PLN for Renewable Energy Activities in Maluku Province (NZMATES)
3. Partnership Arrangement with BPSDM for Renewable Energy Technical Skills Training (NZSTIGS)
4. Partnership Arrangement between The Ministry of State Secretariat (SETNEG), and Ministry of Foreign Affairs and Trade New Zealand on Manaaki New Zealand Scholarships Programme 2019-2022.

Profile of Assistance

A total aid flow profile for Indonesia will be updated and discussed annually. This will outline all resources under the Indonesian bilateral allocation, and investment priority level, multi country, and New Zealand partnerships (through state sector, private sector and NGO funding).

The majority of New Zealand's assistance will be through the Indonesia bilateral allocation in a number of defined investment priorities outlined in this Commitment in Annex One. The objective is to improve focus, reduce dispersal and focus on larger, long-term investments.

New Zealand will also assist with humanitarian and disaster relief contributions where requested, reflecting responses from other donors.

The understandings set out by New Zealand and Indonesia in the Joint Commitment for Development are made with the best endeavours in the spirit of partnership.

Monitoring Results

New Zealand and Indonesia will hold joint reviews of performance, focusing on achievements, constraints, and the extent to which planned outputs have contributed to good outcomes and delivery of results in each of the priorities outlined in Annex One.

There will also be regular Ministerial dialogues to review results, and consider any emerging priorities, while being mindful of the need to maintain focus and avoid excessive dispersal of the aid programme. Any mutually decided amendment to the priorities and commitments will be in writing.