



**COMPACT GOAL**

The MCC compact with Indonesia includes three projects. The Green Prosperity Project aims to increase productivity in rural areas by expanding access to renewable energy and improving land use practices to support low carbon economic development, protection of natural capital, and increased household incomes. The Community-Based Health and Nutrition to Reduce Stunting Project intends to reduce and prevent low birth weight, childhood stunting and malnourishment, and increase household income through cost savings, productivity growth and higher lifetime earnings. Finally, the Procurement Modernization project aims to achieve significant government expenditure savings on procured goods and services, while assuring their quality satisfies the public need, and to achieve the delivery of public services as planned.



**COMPACT AT A GLANCE**

		% OF TOTAL COMPACT	BUDGET (USD MILLIONS)
Compact Signed	11-19-2011	55%	<b>Green Prosperity Project</b> \$332.5
Entry Into Force	04-02-2013	22%	<b>Community-Based Health and Nutrition to Reduce Stunting Project</b> \$131.5
Compact End Date	04-02-2018	8%	<b>Procurement Modernization Project</b> \$50.0
Compact Total	\$600,000,000	2%	<b>Monitoring and Evaluation</b> \$12.2
Amount Committed	\$83,196,516	13%	<b>Program Administration and Control</b> \$75.8
Amount Expended	\$60,393,044		
Estimated Program Beneficiaries			
Estimated Increase in Household Income			

■ Project Preparation ■ Project Implementation

Green Prosperity Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES <sup>1</sup>																																			
	\$332,500,000	\$4,990,622	\$2,258,698																																			
<p>Green Prosperity will provide technical and financial assistance for projects in renewable energy and natural resource management to raise rural household incomes, and is expected to reduce reliance on fossil fuels, improve land management practices, protect natural capital, and complement efforts to reduce emissions from deforestation and environmental degradation.</p> <p><b>Projected Long-Term Results</b> (Up to 20 years)</p> <table border="0"> <tr> <td style="text-align: right;">ESTIMATED BENEFICIARIES</td> <td style="text-align: left;">ESTIMATED INCREASE IN HOUSEHOLD INCOME</td> </tr> <tr> <td></td> <td style="text-align: center;"><b>TBD</b></td> </tr> <tr> <td></td> <td>The majority of economic benefits produced by the Green Prosperity project are anticipated to arise from facility-funded investments. Because the facility is demand-driven and not yet open for business, there is not yet a basis on which to estimate the portfolio.</td> </tr> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME		<b>TBD</b>		The majority of economic benefits produced by the Green Prosperity project are anticipated to arise from facility-funded investments. Because the facility is demand-driven and not yet open for business, there is not yet a basis on which to estimate the portfolio.	<table border="1"> <thead> <tr> <th></th> <th>YEAR 1</th> <th>YEAR 2</th> <th>YEAR 3</th> <th>YEAR 4</th> <th>YEAR 5</th> </tr> </thead> <tbody> <tr> <td>Participatory Land Use Planning</td> <td colspan="2" style="background-color: #e91e63;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Technical Assistance and Oversight</td> <td colspan="2" style="background-color: #e91e63;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Green Prosperity Facility</td> <td colspan="2" style="background-color: #e91e63;"></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Green Knowledge</td> <td colspan="2" style="background-color: #e91e63;"></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p style="text-align: center;">PRESENT</p>		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	Participatory Land Use Planning						Technical Assistance and Oversight						Green Prosperity Facility						Green Knowledge						<p><b>PROJECTED RESULTS BY END OF COMPACT</b></p> <p>The project is expected to improve capacity for land resource management at the local level, including conducting participatory boundary setting and mapping exercises. The project is also expected to have made investments in a portfolio of natural resource management and renewable energy projects, some of which will also have received technical assistance funds to reach viability.</p> <p><b>PROGRESS TO DATE</b></p> <p>MCA-Indonesia announced a public-private partnership to increase cocoa productivity and farmers' welfare through its Green Prosperity Project. Signed in Mamuju, West Sulawesi, the partnership between MCA-Indonesia and the Swisscontact Consortium will bring an investment of \$15 million to the cocoa sector in Indonesia.</p> <p><b>PROJECT ACHIEVEMENTS</b></p> <p>Stakeholder engagement consultant activities have concluded with a total of 671 stakeholders consulted. Participants included government, private sector, and community stakeholders. These forums provided the groundwork for designing and implementing projects that are well coordinated with government and community activities prior to grant funding being awarded to selected grantees.</p>
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Community-Based Health and Nutrition to Reduce Stunting Project	PROJECT COST <b>\$131,500,000</b>	TOTAL CONTRACT COMMITMENTS <b>\$39,655,179</b>	TOTAL PROJECT EXPENDITURES <sup>1</sup> <b>\$35,265,448</b>				
<p>This project provides an incentives-based scheme to increase demand for tools to reduce stunting, while improving the health sector's capacities to respond to increased demand. The project builds on existing community engagement mechanisms which has successfully supported community efforts to improve targeted health and nutrition indicators.</p>							
<p><b>Projected Long-Term Results</b> (Up to 20 years)</p> <table border="1"> <thead> <tr> <th>ESTIMATED BENEFICIARIES</th> <th>ESTIMATED INCREASE IN HOUSEHOLD INCOME</th> </tr> </thead> <tbody> <tr> <td><b>1,700,000</b></td> <td><b>\$217,000,000</b></td> </tr> </tbody> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	<b>1,700,000</b>	<b>\$217,000,000</b>	<p><b>PROJECTED RESULTS BY END OF COMPACT</b></p> <p>The project is expected to improve the ability of local health service providers to prevent, diagnose, and treat stunting and to improve sanitation-related behavior within communities. It will also fund village-level projects aimed at increasing use of health and education services and will increase awareness about stunting within government and at the local level.</p>	<p><b>PROGRESS TO DATE</b></p> <p>The National Planning Workshop for Community-Based Health and Nutrition Project (CBHNP) occurred in Jakarta in January. This event, attended by 271 representatives from all provinces and districts, provided an opportunity to share the objectives of the CBHNP, including the Fund Management mechanism for the implementation of CBHNP activities.</p>	<p><b>PROJECT ACHIEVEMENTS</b></p> <p>During this period, activity implementation was suspended as a mechanism to allow for a fund transfer from MCA-Indonesia to the Ministry of Health was negotiated. To prepare for intensive training activities next quarter, a Financial Specialist (3 persons), Training Specialist (2 persons) and Sanitation Specialist (2 persons) were procured and contracted.</p>
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<b>1,700,000</b>	<b>\$217,000,000</b>						
Procurement Modernization Project	PROJECT COST <b>\$50,000,000</b>	TOTAL CONTRACT COMMITMENTS <b>\$19,849,287</b>	TOTAL PROJECT EXPENDITURES <sup>1</sup> <b>\$5,969,513</b>				
<p>This project includes activities to build a career path for procurement civil servants, create an institutionalized role and structure for procurement professionals that provides sufficient authority to implement good practice, and provide procurement professionals with new skills and tools to conduct procurements.</p>							
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<sup>1</sup>Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.