NSLIC/NSELRED Working Areas

<table>
<thead>
<tr>
<th>Two Main Provinces</th>
<th>RIF Program Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gorontalo Province</td>
<td>Gorontalo city</td>
</tr>
<tr>
<td></td>
<td>Gorontalo district</td>
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<tr>
<td>Southeast Sulawesi Province</td>
<td>Kendari city</td>
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<tr>
<td></td>
<td>Baubau city</td>
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<tr>
<td></td>
<td>Konawe Selatan district</td>
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<td></td>
<td>Bombana district</td>
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<td></td>
<td>Wakatobi district</td>
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<tr>
<td></td>
<td>Boalemo</td>
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<td></td>
<td>Pohuwatu district</td>
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<td></td>
<td>Pinrang district</td>
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<td>Maluku Tengah district</td>
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</tbody>
</table>

About NSLIC/NSELRED

The National Support for Local Investment Climates/National Support for Enhancing Local and Regional Economic Development (NSLIC/NSELRED) project is implemented from 2016 to 2022 under the partnership between the Government of Indonesia through Ministry of National Development Planning Agency/BAPPENAS and the Government of Canada through Global Affairs Canada (GAC). At the operational level, the project works closely with the Directorate of Underdeveloped Regions, Transmigration and Rural Regions, the Department for Regional Development of BAPPENAS. Managed by CowaterSogema International Inc., NSLIC/NSELRED focuses on building capacity to support the development of business climates and local economic development in 10 districts/municipalities in Southeast Sulawesi and Gorontalo provinces. The project also supports the national government in developing innovations in 18 out of the 39 New National Development Centers in line with the National Mid-Term Development Plan (RPJMN).

Objective and Project Intervention

The ultimate objective of NSLIC/NSELRED is to contribute towards increasing employment opportunities and the income of poor communities, both for men and women. In view of this objective, NSLIC/NSELRED is expected to support the government endeavors in the areas of:

1. Address key constraints in business regulations;
2. Promote regional and national economic cooperation;
3. Support national government role in local and regional economic development; and;
4. Increase access to business development services for Cooperatives and MSMEs.

NSLIC/NSELRED Project Intervention

Technical Assistance:
- Guideline Training
- Coaching Facilitation
- Networking Peer Learning

Strategy:
- Government Empowerment
- Public-Private Partnership
- Enhance National Support
- Promote Business Development Services (BDS)

Outcome:
- A strengthened investment climate
- Competitive MSME

Income and Employment

Gender Equality, Environmentally friendly and Good Governance
While the Ministry of National Development Planning/BAPPENAS through the Directorate of Underdeveloped Regions, Transmigration and Rural Regions is the main Indonesian counterpart for the project implementation, NSLIC/NSELRED also works closely with other technical ministries and agencies include:

• Coordinating Ministry of Human Development and Culture;
• Ministry of Home Affairs;
• Ministry of Villages, Underdeveloped Region Development and Transmigration;
• Ministry of Cooperatives and SMEs;
• Investment Coordinating Agency;
• Ministry of Agriculture;
• Ministry of Marine and Fisheries;
• Ministry of Tourism;
• Ministry of Environment and Forestry;
• Ministry of Women Empowerment and Children Protection;
• Anti-Corruption Commission;

Beside the technical ministries/agencies, NSLIC/NSELRED also coordinate with:

• Local and Regional Working Units or Satuan Kerja Perangkat Daerah (SKPD);
• Business Associations, Entrepreneurs, SMEs and Cooperatives;
• Universities, NGOs and other relevant stakeholders;

Those partners were involved in the project implementation through:

• Project Steering Committee (PSC);
• Project Technical Committee (PTC);

NSLIC/NSELRED project partners in Southeast Sulawesi and Gorontalo provinces were led by Provincial/Municipal/District Development Planning Agencies (BAPPEDA) through:

• Provincial Coordinating Committee (PCC);
• Municipal/District Multi-stakeholder Forums (MSF);

**Project Results Up to 2018**

- Standardization of Coconut Oil in Gorontalo district **120%** increased income per small producer
- GAP of Corn in Boalemo and North-Gorontalo districts (in-process) **71%** increased productivity per hectare
- Cattle fattening in Konawe Selatan district **9.5%** increased sales value per cattle
- Seaweed Commodity Development in Wakatobi district (in-process)
- Fishmeal Processing for Women Entrepreneurs in Kendari city (in-process)
- Processed Products that Support Tourism for Women Entrepreneurs in Gorontalo city (in-process)
- Various commodity development in six RIF Phase I areas (**58% women**)

**Support**

- Project Capacity Building (TA)
- 32 Trainings for MSMEs (**1,187 participants, 55% women**)
- 8 Value Chain Studies of Main Commodities
- 4 Technical Modules for MSMEs
- 23 Recommendations of Regulatory Improvement
- Trainings and Guidelines on LRED, COMPASS, Value Chain, Gender Analysis, RIF

**Project Workplan 2019**

**Technical Assistance:**

- Regulatory/licensing improvement
- Feasibility for Investors
- Inter-Regional Cooperation
- Replication of LRED Pilots
- RIF Phase 2 implementation
- LRED Coordination Team
- Entrepreneurship of BDSP & MSME

**Strategy:**

- Enable government to overcome regulatory and licensing barriers
- Functioning of public-private coordination on LRED
- National Government supports LRED in the regions
- Market mechanism for business development services is established

**LED PILOTS and RIF**
Gender integration ensures that gender equality and women’s economic empowerment considerations are taken into account throughout the NSLIC/NSELRED project cycle and across all activity areas. The renewed and expanded strategic framework is an opportunity to ensure project’s work is not only gender sensitive but also gender transformative. To accomplish this, the project will continually examine how its operations, interventions and activities can work to reduce gender inequalities and increase women’s economic empowerment while promoting inclusive growth and financing opportunities at all levels of economy – local, municipal and national.

**NSLIC/NSELRED Toward Gender Equality in LRED**

**Strategy**
- Gender mainstreaming in policy making mechanism
- Develop the capacity of project and partner staff as candidates for gender transformers
- Gender analysis related to all initiatives and partnerships
- Gender disaggregated data
- Increased involvement of women’s business groups
- Training and mentoring for women MSME business actors

**Output 2018**
- Establish and strengthen 2 Provincial Working Group on Women’s Participation
- Training Module developed on Gender analysis in Local Economic Development
- 6 proposals on gender-targeting innovation were selected to received Responsive Innovation Fund
- 1 One Stop Service has provided standards on disaggregated data input system and special facilities for mothers and children
- Programs/stakeholders mapping in women’s economic development:
  - 6 programs on financial access, 6 programs on capacity building, 4 programs on marketing, 3 programs on licensing and registry
- 2 LRED pilots for women entrepreneurs implemented
- 32 Trainings for MSMEs (1,187 participants, 55% women)

**Responsive Innovation Fund (RIF)**

NSLIC/NSELRED through the Responsive Innovation Fund (RIF) provides technical assistances to the local governments in developing innovations to increase employment so as to stimulate the innovative pilots for local and regional economic development in the National Priority Rural Areas (Kawasan Pedesaan Prioritas Nasional). RIF technical assistance is implemented in three phases (2018-2020) by selecting six proposed areas annually. A total of 18 out of 39 regions will become the national target for RIF technical assistance as the new growth centers in the improvement of urban-rural development linkages, in line with the implementation of the 2015-2019 RPJMN.

**RIF Phase I (February 2018 - April 2019)**

<table>
<thead>
<tr>
<th>Area</th>
<th>District/Province</th>
<th>Pilot of RIF Innovation</th>
<th>Products/Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nikosake</td>
<td>Tabanan/Bali</td>
<td>Nikosake Tourism-based integrated agribusiness and Nikosake’s traditional wisdom</td>
<td>Neera (palm nectar), Coffee, Snake fruit (Salak), Coconut</td>
</tr>
<tr>
<td>Luwita</td>
<td>Pinrang/South Sulawesi</td>
<td>Minopolitan Luwita</td>
<td>Processed fish (shredded fish, fish cracker, thornless milkfish and smoked thornless milkfish)</td>
</tr>
<tr>
<td>Nikosake</td>
<td>Nikosake</td>
<td>Integrated Pulau 7 Tourism</td>
<td>Integrated Pulau 7 Tourism with the development of supporting products: Coconut, Sago, Fisheries and Crafts</td>
</tr>
<tr>
<td>Praya</td>
<td>Lombok Timur/West Nusa Tenggara</td>
<td>Agrominopolitan Praya</td>
<td>Rice, shrimp paste and crab shell crackers</td>
</tr>
<tr>
<td>Rasau Raya</td>
<td>Kubu Raya/West Kalimantan</td>
<td>Corn cultivation in the peatlands of Rasau Jaya Agropolitan Area</td>
<td>Corn</td>
</tr>
<tr>
<td>Ijen</td>
<td>Banyuwangi</td>
<td>Development of Ijen Tourism</td>
<td>Ijen tourism area</td>
</tr>
</tbody>
</table>

**RIF Phase II (April 2019 - April 2020)**

<table>
<thead>
<tr>
<th>Area</th>
<th>Province</th>
<th>Pilot of RIF Innovation</th>
<th>Products/Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manokwari</td>
<td>Tabanan/Bali</td>
<td>Development of value-added Cocoa and Coconut products (Coconut oil and briquettes)</td>
<td>Cocoa and Coconut</td>
</tr>
<tr>
<td>Dompu</td>
<td>West Nusa Tenggara</td>
<td>Minopolitan Luwita</td>
<td>Corn, rice and cattle</td>
</tr>
<tr>
<td>Nikosake</td>
<td>West Kalimantan</td>
<td>Development of Red and Black Rice in Sadaniang’s integrated Agropolitan to support tourism</td>
<td>Red rice, black rice and tourism</td>
</tr>
<tr>
<td>Pesisir Selatan</td>
<td>West Sumatra</td>
<td>Development of local superior products in Mendeh Tourism</td>
<td>Tourism, fruit, fish, Cocoa and Bamboo</td>
</tr>
<tr>
<td>Kayong Utara</td>
<td>Kayong Utara</td>
<td>Corn Agribusiness - integrated Coconut in Kayong Lestari</td>
<td>Corn and Coconut</td>
</tr>
<tr>
<td>Sidrap</td>
<td>South Sulawesi</td>
<td>Organic rice and liquid organic fertilizers</td>
<td>Organic rice and liquid organic fertilizers</td>
</tr>
</tbody>
</table>
The joint development and widespread sharing of knowledge, skills, procedures and systems lie at the core of sustainable capacity development. Effective sharing, recording, dissemination and institutionalization of key knowledge and ‘knowledge products’ can also significantly increase the cost effectiveness of development investments and catalyze expanded use and replication of project results. The development of communication and exchanges to share knowledge between the institutional partners responsible for LRED and internal and external stakeholders (civil society, private sector, etc.) is an essential to the monitoring of the project. This aspect builds on the strengthening of the capacity of partner institutions so that they are able to disseminate information arising from activities and results to be achieved by the project. About 28 types* of ‘knowledge products’ were developed during 2018 and many more to come in the following years.

*All KM products are available on project’s website for download: [https://nslic.or.id/dokumen/](https://nslic.or.id/dokumen/)

### Knowledge Management Products

#### Regulation Analysis, Doing Business and One-Stop Service

1. Study – Local Regulation on the Selected Economic Sector
2. Study – Ease of Doing Business
3. Study – Business Development Service Providers
4. Policy Brief on Business License
5. Policy Brief on Slaughterhouse
6. Policy Brief on Seaweed and Corn
7. Recommendation on Business Regulation Review
8. Survey - Entrepreneurs’ Level of Satisfaction on One-Stop Service Center (PTSP)

#### Value Chain Studies of Main Commodities

9. Value Chain Study on Cattle in Gorontalo province
10. Value Chain Study on Coconut in Gorontalo province
11. Value Chain Study on Corn in Gorontalo province
12. Value Chain Study on Corn in Gorontalo province
13. Value Chain Study on Cattle in Konawe Selatan district
14. Value Chain Study on Fisheries in Kendari city
15. Value Chain Study on Fisheries in Baubau city
16. Value Chain Study on Seaweed in Wakatobi district

#### Technical Modules for MSMEs

17. Coconut Oil Quality Standardization Module
18. Cattle Fattening and Feeding Management Module
19. Corn Cultivation Module

#### Guideline and Training Modules

20. RIF Operational Guideline
21. Local and Regional Economic Development (LRED) Training Module
22. Gender Analysis Training Module
23. Local Economic Development (LED) Module
24. COMPASS Pocket Guide (Bahasa)
25. COMPASS Pocket Guide (English)
26. Inter-regional Cooperation Assessment

#### Infographics - LED and RIF

27. Infographic – LED Pilots Progress 2018
28. Infographic – RIF Progress 2018

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