

HR 02: Terms of Reference

Economist (Budget Policy)

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| National Remuneration Framework: ¹ | Discipline Group C, Job Level 2 |
| Counterparts: | Ministry of Finance and other relevant Ministries/Agencies |
| Work Location: | Jakarta |
| Reports to: | Senior Economist (Budget Policy Lead) |
| Duration of inputs: | Up to February 2023. Full-time position. |
| Activity Budget: | BT 3.3 |

Summary of Expertise Required

Indonesia faces an increasingly tight fiscal outlook with declining revenues and rising spending pressures. Improving the accuracy of resource envelope estimates and the efficiency of budget spending allocations is increasingly important.

PROSPERA seeks the services of an Economist (Budget Policy) to assist the Government of Indonesia (GOI) counterparts to develop and improve fiscal policies and strategies. The Economist will work closely with counterparts to undertake economic analysis to improve medium-term fiscal policy, aggregate budget allocations, and ensure budget transparency. In particular, a key focus of the Economist will be to manage and contribute to spending reviews which aim to assess the effectiveness and efficiency of government spending and to provide advice on how to improve the quality of spending in future.

Background

The Budget Policy Team works closely with GoI counterparts to develop policies, frameworks and capacity to improve the quality of Indonesian government spending. The Budget Policy Team assists with financial management improvements such better consolidated central and regional government financial reporting. More recently, the Budget Policy Team has focused on evaluating spending programs and conducting policy analysis to support GoI led spending reviews. A key to improving the quality of spending is through providing a stronger evidence base for spending decisions and providing recommendations on how spending can be re-allocated to higher value investments.

The Budget Policy Team also works closely with the Budget Systems Team. The Budget Systems Team is responsible for improving budget and planning processes, particularly in implementing a

¹ To be negotiated with the preferred candidate based on skills and experience and within funding limits.

more performance oriented and medium-term focus for budgeting, planning and the development of a budget system application to support the implementation of these improved budget processes.

Scope of Services

The key roles and responsibilities of the position are to provide the following:

- Evaluate the effectiveness and efficiency of government expenditure at the aggregate level and in selected priority areas (such as, health and social protection). Providing advice as to how spending can be reallocated to improve the effectiveness/efficiency and overall quality of spending.
- Supporting analysis to the GoI for high frequency requests on research, analytics, planning and policy advice (including rapid policy assessments of issues arising to address the impacts of Covid-19).
- Identify how to use spending, revenue and financing policy (in conjunction with the Tax, Macro and Finance Teams) to return to the 3% of GDP budget deficit ceiling in medium term.
- Advise and assist counterparts, in collaboration with the Budget Systems Team, to develop procedures to ensure that the medium-term expenditure framework (bottom-up program expenditure estimates) is consistent with the medium-term fiscal framework (top-down resource envelope).
- Advise and assist counterparts with medium-term macro-fiscal analysis, in conjunction with Macro and Finance Teams. Monitor and analyse macro-fiscal conditions and assist with the preparation of Prospera's macro-fiscal projections.
- Advise and assist the Directorate-General of Fiscal Balance (Ministry of Finance) on improving local government budget data as an enabler for improving policymaking on regional transfers.
- Prepare briefs for a range of internal and external stakeholders on the fiscal outlook and the implications for GoI policies and the broader economic outlook.
- Scope opportunities to provide support to the GoI which contribute to the position and program objectives.

Selection Criteria – Qualifications and Experience

The candidate will possess strong qualifications and experience as follows:

- Postgraduate degree in a relevant field such as economics, public financial management, or public policy.
- Minimum of 5 years' relevant work experience in economics and quantitative analysis.

- Strong financial, economic, and public policy analysis skills, including experience, or at least familiarity, with a range of economic analytical frameworks, including various kinds of econometric techniques, and other quantitative and descriptive methods that could be deployed to support the GoI's agenda.
- Significant experience in conducting research projects and policy development on a range of topics relating to fiscal and/or public policy.
- Experience working in Indonesia desirable, including strong networks in the Indonesian public policy sector.
- Demonstrated experience in the production of clear deliverables and policy advice to senior levels of government, and a wide range of other stakeholders, to drive policy change.
- Ability to develop strategies, approaches, and work plans for development partner assistance.

Overview of Prospera

Prospera is a partnership between the Government of Australia's Department of Foreign Affairs and Trade and the Government of Indonesia's Coordinating Ministry for Economic Affairs. It aims to foster strong, sustainable, and inclusive economic growth in Indonesia.

Commencing from 1 March 2018, Prospera is a planned five-year investment. The program combines advisers who have extensive knowledge of Indonesia with those who have experience in the Australian public service or emerging markets.

Prospera aims to achieve three outcomes:

- Expanding markets, creating jobs – including building a robust private sector through a sound enabling environment; Growing jobs, capital and technology through trade and investment
- Safeguarding economic and financial stability – including ensuring a strong foundation for growth through balanced macro-financial policy; strengthening financial system integrity through supervision and literacy
- Improving public finances and government performance – including more revenue and better spending through improved policy and systems; improved government performance through data and public integrity bodies

The following standard requirements apply for all Prospera team members:

| Confidentiality | Conflict of Interest |
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| Due to the sensitivity of much of the information the position will encounter, there is an obligation, pursuant to the contract of engagement to maintain full confidentiality of information and to not disclose this to third parties without the express | The team member will use her/his best endeavours to ensure that a situation does not arise which may result in a conflict of interest. Where a conflict of interest or a potential conflict of interest arises in the performance of the obligations under this |



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| <p>written approval of PROSPERA. In some cases, a separate confidentiality agreement may be required authorising the review of sensitive material.</p> | <p>Terms of Reference, the team member must immediately notify the Chief of Operations</p> |
| <p>Knowledge and Performance</p> <p>The team member will support PROSPERA's Knowledge and Performance team through reporting and communication products for knowledge capture and learning purposes. The team member will also support monitoring and evaluation through the supply of high quality data, participation in data collection methods and case studies that may arise from the inputs.</p> | <p>Diversity and Inclusion</p> <p>PROSPERA recognises the importance of embracing workplace diversity, specifically valuing the unique qualities, attributes, skills, and experience all employees bring to the workplace. PROSPERA is committed to supporting a positive work environment based on respect. These values should be reflected in the function and behaviour of all team members.</p> |
| <p>Code of Conduct</p> <p>The team member is to conduct themselves in a manner consistent with the <i>Public Service Act 1999</i> (Cth), (including the Australian Public Service Values and Employment Principles, and Code of Conduct) and the employer's professional standards.</p> | <p>Policy Compliance</p> <p>The team member will work within Department of Foreign Affairs and Trade policy and PROSPERA guidelines on gender, child protection, poverty, the environment, human rights, and governance</p> |