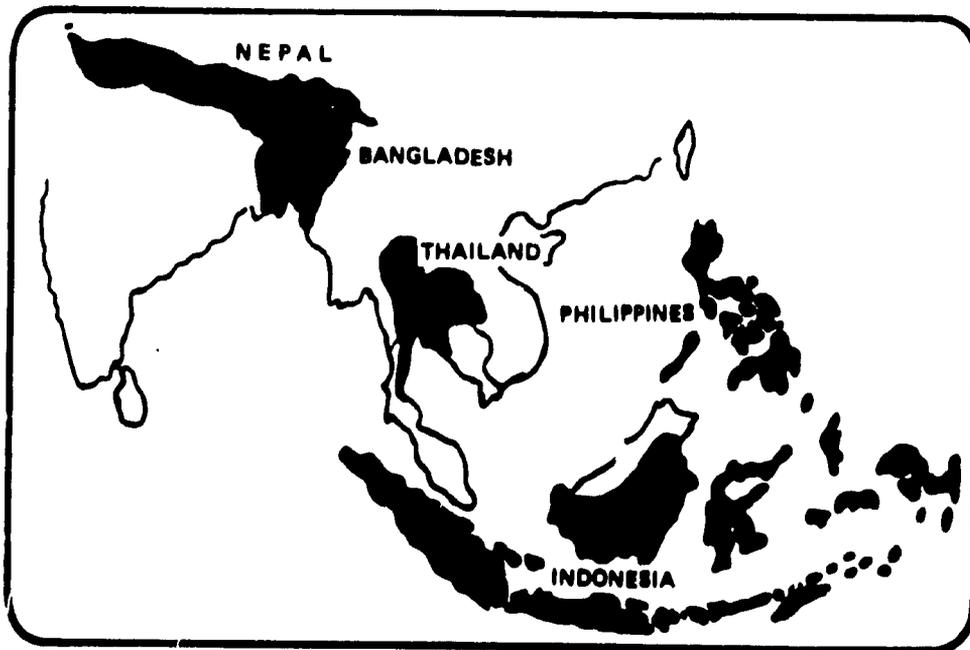


A FORMATIVE EVALUATION  
OF  
DAI TECHNICAL ASSISTANCE TO  
PDP : CENTRAL JAVA & ACEH

13 October 1980



**DEVELOPMENT ALTERNATIVES, INC.**

REGIONAL OFFICE ASIA

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**by**

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**11 October 1980**

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## PROLOGUE

The Provincial Area Development Program I (PDP I) has been operating for nearly 2½ years-- more than one half its intended life -- and it is still too early to determine whether it will achieve its intended objectives or fail. There are reasons to be skeptical, to believe that once foreign assistance stops things will resume the historical pattern of top-down planning with little regard for equity. There are also reasons to be hopeful. There is real enthusiasm for the PDP concept in government bodies at all levels. Indeed, there is a significant probability that the PDP activities in Central Java and Aceh will generate sustainable development benefits.

This is a formative evaluation. It reviews PDP I activities to date and suggests what should be done in the future to maximize the chances that the project reaches its dual goals of increasing the Government of Indonesia's capacity to design and implement projects that provide sustainable benefits to the rural poor.

## CHAPTER ONE

### INTRODUCTION

#### *WHY THIS EVALUATION WAS UNDERTAKEN*

In December 1979 The Board of Directors of Development Alternatives, Inc. (DAI) voted to carry out its own evaluation of its overseas development efforts. The motivations that lead to this decision were several:

- DAI has done considerable research on the proper design for "New Direction" projects, and this accumulated knowledge should be applied to its own implementation efforts;
- The evaluation should offer useful information to our clients; both donors and host countries;
- Projects are very often designed primarily in order to be approved without regard for the real problems of implementation; DAI is necessarily interested in what the major implementation problems are and our overseas efforts offer a unique opportunity for study;
- If the firm is to continue to attract outstanding people, it must find mechanisms to communicate what is being learned throughout the entire staff.

#### *PURPOSE*

The primary purpose of the evaluation is to assess the strengths and weaknesses of the development strategy being attempted. The focus here is not on whether the project is in conformance with some PERT chart. Rather, the focus is on whether the development strategy is likely to result in benefits to the rural poor that are sustainable and replicable when

foreign aid ends. This evaluation is the third evaluation carried out by DAI for the Board. The first was done on the Arusha Planning and Village Development Project in April 1980; the second was carried out in Zaire for the North Shaba Rural Development Project this summer. The lessons from these evaluations will be synthesized and sent to all DAI field teams in early 1981.

#### *APPROACH AND LIMITATIONS*

This evaluation was necessarily limited by time and resources. A three person team was in Indonesia 20 working days; of which only three days were spent in Central Java and only six days were spent in Aceh Besar. The team was unable to visit Aceh Barat because of rains and GOI staff responsibilities that could not be anticipated in advance.

The evaluation team was experienced in the use of rapid reconnaissance surveys and one member of the team, Robert Dodd, had written the background agricultural papers for both Central Java and Aceh for the PDP I project paper.

The information for the project was obtained from a review of program files in DAI/Washington, DAI/Jakarta, USAID/Jakarta, and the PDP files in Semarang and Aceh Besar. Extensive discussions were held with DAI staff, USAID staff and GOI personnel. Sub-project site visits were limited to one day in Jepara, Central Java and five days in Aceh Besar.

Formative evaluation efforts such as this are challenged by the dual objectives of a rigorous analytical critique of project substance and

performance as well as providing real operational help to the project implementors in actualizing the indicated changes. Evaluation *per se* seldom focuses on the latter objectives, while too much of a "formative" approach often neglects the need for institutional learning in a larger and longer framework.

We have kept both objectives in mind. The non-project staff reader will not be fully aware of the formative process since its essence was dialogue and group discussions throughout the four week exercise. We have also tried to cast our written evaluative comments in a form that points toward action steps for project staff members to consider taking.

The utility to implementors of evaluations and recommendations often rests heavily on the credibility and legitimacy of the sources of the information used or cited by the evaluating team. This is not to say those sources are necessarily correct simply because they are accepted by the key players. With this in mind a slightly different approach to this exercise has been used in Chapter VI. That approach is to focus on those issues identified by key project (and related) staff themselves. Third party judgements are minimized. The evaluation function is carried out by selection, emphasis, and structuring of the issues as presented by the key participants in and around PDP I. Operational recommendations are provided for staff consideration in each case.

The quotations used as points of departure in Chapter VI are often composites and/or edited versions of lengthier conversations. Every effort has been made to accurately capture the essence of what was said and intended. They serve as literary device as well as data. The selection and juxtapositioning of these composite quotations is the responsibility of the evaluators.

#### *ORGANIZATION OF THIS REPORT*

The report starts by stressing the importance of distinguishing between Central Java and Aceh in terms of assessing progress to date. Following this, an assessment is made of program progress to date. The next three chapters focus on three specific issues; experimentation, the collection and analysis of data, and the management and organization of the project. The final chapter looks ahead both in terms of major themes that should be followed by PDP I and overall PDP strategies.

## CHAPTER TWO

### *BRIEF DESCRIPTION OF THE TWO PROVINCES*

The evaluation Team determined that separate evaluations would need to be undertaken for each of the two provinces in which PDP is operating because of the different natural environments of the two provinces and the different levels of institutional capabilities. The following quotes taken from the Project Paper illustrate the diversity in environment.

#### 1. Central Java

Topographically, it is composed of lowlands in the northern coastal areas and mountainous and again lowland areas in the south, with an upland plateau through its center. ... Compared with other regions in Indonesia the level and extent of physical infrastructure is quite good, although still low by international standards. ... With a land area of 34,503 square kilometers and a population approaching 24 million, it is one of the most densely populated, non-urban regions in the world. Its largely rural populace depends heavily on agriculture for its subsistence yet with very small average land holdings and large numbers of rural households without any access to land at all, it faces severe strains.<sup>1</sup>

#### 2. Aceh Province

The province of Aceh is located on the northern tip of Sumatra, opposite the Malay Peninsula. With a land area of 55,300 square kilometers, a population of just over 2 million and a density of only 36 persons per square kilometer, it is one of the least crowded provinces in Indonesia. Despite relatively abundant agricultural resources, favorable land and water availability, agriculture in Aceh is far less productive than it could be. ... Infrastructure is a major impediment to development, with roads, bridges, and irrigation systems in generally poor or neglected condition.<sup>2</sup>

Institutionally, Central Java is more advanced than Aceh. In terms of technical capability, government officials at the Kecamatan level seem somewhat less qualified than their counterparts in Central Java.

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<sup>1</sup> Project Paper, Indonesia Provincial Area Development I, p.16

<sup>2</sup> Ibid., p. 21.

## CHAPTER THREE

### ASSESSMENT OF ACTIVITIES AND ACCOMPLISHMENTS

Before assessing the accomplishments of PDP I, a brief review is made of the different development strategies adopted in each province. Though the major objective in each case can be assumed to be the PDP goal -- to improve the well-being of the rural poor -- the means chosen by the two provincial PDP teams to achieve this goal are in many ways opposites.

#### *ACEH PROVINCE STRATEGY*

The strategy followed in Aceh can be characterized as focusing on specific, task oriented accomplishments rather than on capacity building. The major thrust of this strategy has been improved irrigated rice production. It is worth noting that in Aceh the Technical Assistance Team played a prominent part in the selection of the strategy and the specific emphasis on irrigated rice.

A large proportion of the PDP resources are going to support the rice program. For example, in the first year PDP budget total of approximately Rp.554 million, over Rp.400 million went into rice production-related activities. These included purchase and repair of irrigation pumps, development of irrigation systems, construction of training facilities and credit for rice farmers. Clearly the emphasis has been on stimulating increased rice yields rather than the development of an institutional capacity within the Agricultural (Crops) Service, or the other technical or planning agencies, to plan and implement any number of rural development projects.

In keeping with this strategy, training has been primarily for quite specific technical tasks. Agricultural Extension Agents (PPL) -- who, by the way, are employed with PDP funds; another indication of the functionalism of the Aceh PDP -- apparently are technically well trained in irrigated rice

production. They are operating effectively as promoters of improved rice production methods in the PDP target areas. Relatively low priority has been given to training in other, non-rice, technical subjects such as secondary crops, livestock or fisheries. At the same time, little effort has gone into improving the skills of provincial or kabupaten (district) planners to identify, plan, monitor and evaluate projects -- particularly ones aimed directly to benefit the poorer families. The FY 1978/79 budget provides Rp.7 million for training of planners, and over Rp.23 million for training and support of rice extension agents. This example illustrates the relative priorities between "doing" rice production and developing the capability to plan and implement many types of development projects.

Part of the development strategy in Aceh was an early decision to reserve a large proportion of program funds for credit. This credit component has grown from about Rp.129 million (52% of the total PDP budget) in FY 1978/79 to approximately Rp.389 million (68%) in FY 1980/81. The trend has been from rice production loans in the first year to a more diversified credit program, including small-scale industries, secondary crops, sugarcane, fisheries and livestock in the third year.

There is a need for agricultural and small-scale industries production credit in Aceh. In the rice program, where farmers' groups (*kelompok*) are the organizing unit for making loans, most farmers in the groups applied for and made good use of the credit to increase yields. It is too early to tell whether this successful approach can be duplicated, as the credit program becomes larger and more diversified. Certainly, a measure of the overall success of the PDP will be how well the credit component is managed. Apparently, at this point, there are no clear provisions for monies collected back from initial loans

to be maintained in locally administered revolving credit funds. If this is the situation -- and the evaluation team is unclear on this point -- the long term impact of PDP will be greatly reduced.

The Aceh PDP has not so far been very experimental in the broadest sense. Other than the formation of working groups (*kelompok*) of farmers, fishermen or individuals engaged in small-scale industries, the program has reflected a standard, more or less sectoral approach. Even the working group idea has really only been tried -- and is evidently successful -- in the irrigated rice production projects.

The reason for the apparent lack of innovation is due, at least in part, to the relative homogeneity of the rural population in terms of incomes and living standards. Access of most people to cultivable land is another factor that results in less need for creative programs to reach large numbers of landless people, as in Central Java. Another reason for the Aceh strategy and the emphasis on irrigated rice is the widespread belief in Aceh that rural development essentially means providing irrigation water for better rice production.

All the above, and certainly other factors, have gone into the particular strategy and focus of the Aceh PDP. Where the program operates, because of the concentrated application of resources, rice production is substantially increased. Whether this strategy has improved the well-being of the rural poor specifically is unclear. In a number of situations, the program aided farmers who already were producing good yields to further increase and perhaps even double their production.

#### *ACEH PROVINCE PROJECT REVIEW*

#### Crop Production: Rice and/or Mixed Cropping

As outlined above, the Aceh PDP is placing emphasis on improved rice production. In the two target *kebupatans*, for example, about Rp.200 million is being spent

to construct and operate crop production training centers to teach extension workers and farmers how to grow the high-yielding varieties. Funds have been budgeted for seed production and fertilizer trials and over Rp.200 million is to be provided by PDP for development of irrigation systems.

PDP has employed, trained and fielded about 25 special extension agents (PPL) in the two program kabupatens, has arranged for motor-bike loan funds for these agents and is providing large amounts of credit (over Rp.175 million during the first 3 years) to assist farmers to improve rice production.

From all reports, this initial and concentrated effort has been successful. BAPPEDA PDP managers, the BUPATI of Aceh Barat, agricultural technicians from Aceh Besar, some of the PPL field agents and farmers in the program all report good results. Yields of participating farmers are said to have doubled from about 3.5 tons to 7.0 tons per hectare.

Oboviusly PDP has made a positive impact in its support of rice production. The project has been important as a way to show relatively quick results and thus has demonstrated to those involved that some real achievement can and do come as a result of all the talk and paper work.

To capitalize on the substantial good will resulting from the rice production project should be a major goal for PDP planners. The following are some suggestions and ideas which hopefully will help the Aceh PDP team in considering ways to continue and improve not only rice, but all farm cropping projects:

- Basic socio-economic data should be collected in order to help PDP planners determine how the crops projects can best help the poorer groups of farmers. For example, farmers who already grow the high-yielding varieties under irrigated conditions should need less assistance than those who still plant the low-yielding, traditional varieties under rainfed conditions. This suggests that different types of PDP sub-projects can be developed for different groups. The traditional, poorer farmers *without irrigation* probably should qualify for a more intensive, full "package" type of project, while those who already produce say about 3 to 4 tons per hectare

might be offered less assistance. In this way the limited funds and manpower provided by PDP can be made available to help more farmers. A rice production specialist should be considered for a 3 to 5 month period to assist with the *training and extension program* for improved rainfed rice production.

- Since the majority of poorer farmers will not have access to year-round irrigation water, PDP should make a special effort to reach these people by assisting in the development of appropriate multiple cropping systems (including rice, other grains and legumes for rainfed conditions). Multiple cropping methods have been developed by the Central Research Institute for Agriculture (CRISA) at Bogor, which can result in 10 or more tons (rice equivalent) per hectare under rainfed conditions. As an experimental program, PDP is a logical means to test and demonstrate such cropping systems. PDP planners might want to investigate opportunities available for training in multiple cropping for four kabupaten agricultural services technicians. With these trained specialists placed at the two training centers, a training program for PPL extension agents and farmers from poorer areas will be possible. Controlled, village pilot projects in multiple cropping, with credit and extension assistance for farmer co-operators, should be the next step. A short term consultant in secondary crop production and multiple cropping systems should be considered for a 4 to 6 months assignment to assist with this project.
- A quick survey should be conducted in all those areas where special PDP assistance has been provided for rice production. If farmers have generally accepted the improved practices and there are no serious production problems, the PPL agents should be shifted out and re-assigned to adjacent or other villages where they are needed. The point here is that the PDP -- at least for now -- works within a limited funding period. During that period, program resources should be used to stimulate as many productive processes as possible. Extension agents and credit provided by the program, therefore, should really be *managed* to give the widest benefits possible to the rural poor.
- Discussions should be held between the BAPPEDA, kabupaten personnel, credit institutions and the Agricultural Service concerning how best to make the shift from PDP funding to regular budget funding for sub-projects which have achieved an acceptable level of success. This should lead to agreements about provision of credit, production inputs and extension service and follow-up after PDP resources are withdrawn. Without adequate provision for the gradual shifting from the PDP to the regular budget, the effectiveness of PDP in terms of long-range development, will be severely restricted.
- Special attention should be given to the matter of incorporating into the regular Agricultural budget the funds needed to employ and support the PPL agents now carried by PDP. Some targets over the balance

of the program should be discussed in order to assure a planned phasing of the PPL into the government service. All of this implies a very close working relationship between the BAPPEDA and the various agencies responsible for rural development.

- PDP should shift its focus away from strictly sectoral programs toward more innovative experimental activities. While it has provided funds as more or less straight budget substitutions, this should not be considered the primary purpose of the program. PDP has gone a long way in demonstrating a successful method for making the rice project work at least in terms of increasing production levels. Efforts should be made now to have this project funded and supported as part of the existing sectoral programs.

PDP resources should be aimed at introducing and supporting these activities which show a good chance of success but which are not now receiving consideration. As a start in this direction, it might be useful for the BAPPEDA to request the services of an Agricultural Economist, to work with appropriate counterparts in the Agricultural Service and BAPPEDA planning sections to review the opportunities in the agricultural sector and make a list of priority activities for the consideration of PDP planners.

The consultant economist and counterparts should study the agricultural market situation and the effects on production of national agricultural pricing policies. They should prepare selected farm budgets and conduct cost/return studies for various crops (i.e. soybeans, peanuts, corn, winged-bean) and for alternative cropping patterns and systems. About 2-3 months of consulting time should be adequate for this task.

#### Crop Production: Sugarcane

Approximately Rp.145 million of PDP funds are planned for development of sugarcane production in Aceh Besar during the first three years of the program. Most of these monies are in the form of credit to be provided to farmers' groups located mainly in the gently rolling foothills of one area of the kabupaten. This project has been started, and quite heavy investments have been made in buildings and equipment as well as in preparing the land and planting the crop.

From discussions with farmers and visits to the sugar project, it is not certain that sugarcane is the best crop, economically and socially, in this region of the kabupaten. From all appearances, the area looks ideally suited to cattle production rather than a cash crop like sugarcane. The rolling, hilly country, light soils and non-irrigated, rather dry conditions suggest very good possibilities for cattle breeding and fattening using improved

pastures of grasses and deep-rooted forages. The area seems appropriate for the production (in a rotational cropping pattern) of corn and soyabeans which could be a good source of additional cash income for farmers as well as being useful in formulating fattening rations for livestock.

What we have is a situation in which decisions were made to invest in and proceed with an enterprise for which there is little economic justification. During the years of PDP support the project will most likely continue because of the substantial PDP-provided subsidies in the form of credit and other assistance. When PDP support is withdrawn, it is possible this project will have problems and not work out to be an economically sound agricultural alternative.

The BAPPEDA and Agricultural Service planners involved should re-evaluate the sugarcane project. Plans should be made to limit the extension of this project until the initial PDP-supported unit demonstrates a capability to use the funds provided in organizing a successful, economically viable sugarcane production, processing and marketing enterprise.

A project worksheet including a list of capital invested, loans made, crops grown and their yields, product produced and gross sales, and loan repayment schedules should be worked up by the project manager and BAPPEDA planners. On the basis of this information a decision should be made about the level of further PDP support to this pilot sugarcane project. Only after this, and on the basis of clear economic viability as well as how effectively such a project reaches the poorer farmers, should the matter of expanding this project be considered.

The Consultant Agricultural Economist, suggested above, should be able to assist in evaluating the sugarcane project. Also it might be useful to invite an Indonesian sugarcane expert to visit this area for 2 to 3 months,

to study the pilot project, review the agronomic and processing methods in use, evaluate the costs and expected benefits and make recommendations for improving the chances of success for the project. In addition, a short-term rural credit consultant should be requested to help the Aceh BAPPEDA and banking institutions and the DAI long-term consultant for about 2 months, to establish guidelines and administrative systems for the entire credit program, including the sugarcane project.

Consideration should be given for development in this same area of an integrated pasture improvement, feed crops production and cattle breeding and fattening pilot project as an experimental activity in comparison to the sugarcane project. At least on the basis of these two models a more informed appraisal of the area, and its best potential use, should be possible.

#### Home Economics Extension

There is a good opportunity in Aceh for a collaborative, productive relationship between PDP and the Syiah Kuala University's Home Economics Department, which is supported by the Asia Foundation. This department graduates about 35 women each year from its 4-year degree program. Normally the graduates are prepared for teaching positions at junior or secondary schools. Out of the first 50 or 70 graduates, 30 have received 3 months of special training in home economics extension and have been employed by Pengembangan Desa (Village Development Agency-BANGDES), with PDP funds, to serve as village home economics extension workers. At the moment, these young women have finished their special extension training and are now spending sometime in each nine provincial level government agencies to learn about the various government programs and how these operate at the village level.

For PDP support of these home economics extension workers to have any significant impact during the remaining 2 years of PDP implementation, as well

as beyond that period, a number of issues must be resolved. The following refers to these and offers some suggestions for consideration of PDP managers in their efforts to implement this project:

- The BAPPEDA and BANGDES should agree as soon as possible about the posting of these home economics extension workers to their village assignments. Since PDP is experimental in nature, and because these young women can only really function effectively if they live in the village, most of them should be directed to live and work in their assigned villages immediately after completing the training they are now receiving in the various government agencies. Their village work should then be closely monitored and the findings used to improve the curriculum for the three months training course.
- In addition to their regular home economics program (nutrition, clothing, child care, etc.), these extension workers should be provided funds and assistance to develop projects in home gardening and poultry raising. Staff from BAPPEDA, BANGDES, the technical services and the university should meet to plan the program, including budgets for supplies and the necessary technical supervision and guidance.
- BAPPEDA should sponsor a broad policy review of this project with senior provincial and university personnel. The objective of this review should be to establish which government agency is the most suitable to supervise and manage the project. Perhaps this extension program should become part of the Extension Service of the Agricultural Department. Another possibility worth exploring is for this project to become part of the Village Womens Program (PKK). Such a move will offer the opportunity for the home economics extension workers to become employees of one or the other of these agencies; something that evidently is not possible if they remain part of BANGDES. The two year experimental PDP project to field these young home economists will not be sustainable beyond the PDP funding period if the project remains part of BANGDES. A second purpose of this review should be to establish financial expenditure responsibility and accountability. Obviously, if PDP is providing monies for purchase of supplies, teaching materials and equipment as part of this project, the responsibility to decide what materials are needed and for making appropriate purchases should rest with the staff in charge of the training. The BAPPEDA, in its role as co-ordinator of planning, can be extremely helpful in determining appropriate solutions to such administrative problems.

#### Animal Husbandry

The proportion of the PDP budget for animal husbandry projects has increased rapidly between the first and third year programs. A major shift has been toward development of public holding/fattening areas for cattle, and goat and cattle credit-in-kind projects. From a study of the budgets and project descriptions, as well as from discussions with technicians of the livestock service and farmers,

a number of issues are raised. These are included here, with some suggested ways to help make the animal husbandry project more responsible to the needs of the rural poor.

- There is an apparent conflict, at least in some areas, between the existing shortage of animal feed and the desire to have additional large animals. This needs to be considered as part of any cattle, credit-in-kind project.
- Because of the high value of the larger animals (cattle and buffalo) the target group of PDP -- the rural poor -- are almost automatically excluded. The poor families will generally not be selected to receive such a prize because of their inexperience in caring for these animals.
- Even if poorer families are selected for participation, the number that can be reached is extremely small because of the high initial cost of the animals. For example, Rp.30 million is budgeted to purchase and distribute only 150 animals in Aceh Besar in FY 1979/80. This kind of project does not have a very significant impact on the rural poor.
- The animal husbandry projects should be conceived and planned as an integral part of the existing cropping systems. The pattern of cropping often determines how and where animals can be grazed and much of the animal feed needed can come from crop residues during the cropping season.
- PDP, with its special focus on the rural poor, should be investigating ways to increase incomes and improve the diets of these poor families by concentrating resources on village level chicken and duck projects and, perhaps, where appropriate, goats and sheep. The projects should be simple and manageable for people of limited resources.
- Wherever possible, the livestock projects should be integrated into the existing farming and home garden activities. For example, a small flock of chickens or a goat or two should be provided to a family as part of an improved home garden scheme. PPL agents -- and especially the new Home Extension Agents -- should be assisted to start thinking in terms of a mini, mixed animal and vegetable/fruit garden in which the animals are penned, the manure used in the garden and the crop residues from the garden are fed to the animals. This is nothing more than the old idea of organic gardening. The results of this are richer soil, better crops and more productive animals. Because PDP can work across the lines traditionally separating crop and livestock responsibilities, and because the program can provide the funds and technicians to get new ideas started, it has, in the case of this suggested organic gardening project, a real potential to assist the rural poor. If say only about 20% of the presently budgeted funds for forage trials, fencing of public pastures, and credit for large animals could be directed to simple, integrated home garden and animal raising projects, the PDP

could demonstrate a method that could make a real impact on the well-being of the rural poor. The Rural Development Center of The Syiah Kuala University should be able to provide good assistance to such a home gardening project.

- As a start in this direction a special planning team from the Agriculture Service's Horticulture Section, the Extension Service, the University Home Economics Department, the Rural Training Center and BAPPEDA should develop a detailed implementation plan for a selected number of mixed/organic gardening pilot projects (perhaps half with PPL agents and half to be supervised by the new Home Economics Extension workers). With this plan, BAPPEDA should request a meeting at PUOD to discuss the project and ways various budget items might be shifted or adjusted to permit immediate implementation.
- While duck production has received only relatively modest support by PDP, it probably is one of the better ways to assist poorer families. It should be possible for PDP to develop, at least on a pilot basis, a capability to produce and distribute, as loans-in-kind, large numbers of ducklings from a locally supported duck hatching and raising facility. The Animal Husbandry Service and BAPPEDA should begin to consider the best way to organize such a project. It might be worth locating the initial incubators and project manager at the Livestock Training Center at Sare. After some testing, plans should be made to locate appropriate simple duck hatching units in areas where duck raising can be an important source of income for the poorer rural families. By introducing the Entok breed and simple incubators to selected farmer groups, it should be possible for those families receiving ducks to hatch their own ducklings.

### Fisheries

The PDP in Aceh is placing a much greater emphasis on off-shore, salt-water fisheries than on fresh-water fish production. The approximate, respective budget figures for the first 3 years of the program are Rp.175 million compared to about Rp.33 million. A substantial part of the support for salt-water fisheries is in the form of credit for the purchase of new boats, motors and fishing gear. The approximate cost of such a unit (to be operated by a team of 3 men) is Rp.1.2 million. The fresh-water fisheries projects take the form of assistance for rehabilitation of a fish hatchery and support for small pond construction and fingerling distribution.

Given the focus of PDP on directly assisting poorer groups in the population, it seems appropriate to expand limited program funds on those projects which

reach the largest numbers of the target group. From this point of view, then, the most logical emphasis should be on fresh-water rather than salt-water fisheries. There is little doubt that the coastal villages contain some of the poorest families. There is a serious question, however, that the increased motorization of the coastal fishing fleet by means of a relatively small number of quite large loans can do much to ameliorate the general poverty. The following suggestions are offered to assist the BAPPEDA planners to think about this situation and hopefully design suitable alternative projects for coastal villages..

- Fishing boat motorization is essentially a typical sectoral program. It is a formula for dealing with declining incomes in the coastal villages and it is not new in Aceh. The same type of project was carried out by the government some years ago in Aceh with apparent success. This success, however, is measured in terms of the number of boats with motors that are operating, the size of the catch, etc.. The objective of that program was not necessarily to provide aid to the poorest villagers. The problem comes in using the relative successes of a former program to justify inclusion in the PDP of a similar effort, when the purposes of the two are not the same. If done correctly, PDP would seek in these coastal villages not to repeat previous sectoral projects (successful or not) but rather would attempt to identify new, perhaps small, projects which give at least some chance for the poorer families to begin to receive some assistance.
- Following on the above, the BAPPEDA should provide leadership in developing, with the appropriate technical and social agencies, a series of sub-projects particularly designed for the poorer families in the coastal villages. Some projects like the following might be considered:
  - Using salt from the same or nearby villages for preserving the fish now being caught, which (as reported) often spoil because of lack of storage and transport facilities;
  - Methods for sun-drying the catch;
  - Production of fish-paste or other products;
  - Duck hatching and raising projects in the marshy areas;
  - Motor repairing;
  - Net making and repairing;
  - Pilot project small-scale poultry and organic home garden activities;
  - Home economics extension activities;
  - Coconut improvement including underplanting and/or interplanting with various crops; and/or
  - Handicrafts or appropriate small scale industries.

- Brackish water fish production (*tambak*) also should be explored. A long-term AID-supported project to improve *tambak* fisheries production was concluded in Aceh Besar in 1978. It seems appropriate for PDP to investigate the results of this project and, if suitable, to build on the work accomplished.
- In general, however, PDP can probably have the most impact in the fisheries-related sector by providing full support to the fresh-water fisheries projects. At a centrally located, efficiently operated hatchery many millions of fish fingerlings can be produced and from there easily distributed to all parts of the target areas. This can go on through wet and dry seasons, regardless of weather. The fish in small ponds can be harvested as needed so problems of spoilage are greatly reduced and, of course, there is no concern about over-fishing as there can be with off-shore fisheries. More importantly, however, fresh-water fisheries projects can reach and benefit large numbers of people and, because of the relative simplicity of raising fish in small fresh-water ponds, many of the poorer families can participate.

In summary then, the PDP planners should re-evaluate the relative emphasis now given to salt-water and fresh-water fisheries activities and consider changes (such as those outlined above) that will result in projects with a more direct, immediate benefit to the PDP target group.

#### Small-Scale Industries

The small industries program started in 1978/79 with the development of an improved stove for salt collection. This stove has become extremely popular in the poorer coastal areas of Aceh Besar and a successful credit program is now financing the purchase of these stoves. Unfortunately, the expansion of this program is limited by the area available for salt distillation ponds. However, a positive aspect of the introduction of these stoves has been to reduce the labor input into drying. It is recommended that a study be undertaken of what agricultural or other activities might be supported by PDP in the areas inhabited by the salt producer to provide work for laborers now freed from salt production responsibilities (See previous section for some suggested activities for coastal villages). Other activities in the first two years of PDP I include research on the organization and marketing of handicrafts and training in the development of other small industries.

Plans for the 1980/81 year are a cause for concern, As table I indicates,

Table I: Small Industries in Aceh  
(in million of R's)

	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
Sub-projects	8.3	21.0	14.5
Credit	12.7	11.1	101.0

credit activities are slated to rise dramatically to about 101 million rupiahs.

We have no way of knowing whether reasonable credit opportunities exist.

There is, however, a real reason to be concerned as to whether there is the capacity in Aceh to administer such a large credit program. With the exception of credit for a limited amount of irrigated rice administered under PDP auspices, the history of credit programs in Aceh is not good. While in the field, it became apparent that a confusion frequently exists on the part of credit recipients as to whether they are borrowing or receiving a grant.

Without immediate attention to how the upcoming credit programs are to be implemented, very serious problems are likely to develop. It is recommended that the BAPPEDA give top priority to working out an implementation plan for the management/administration of present and future credit programs.

A second concern resulting from field visits was the technical soundness of ideas being proposed. For example, there was some evidence to suggest that where the salt-making evaporation stove was an improvement over past technologies, further improvements could have been made. In addition, the project activities proposed for the next two years reflect very little technological innovation.

CENTRAL JAVA PROVINCE STRATEGY

In Central Java, PDP development strategy includes a broadly innovative attempt to develop improved capability to plant and implement all PDP projects at increasingly lower levels of government. Emphasis in Central Java is on development of a workable system rather on immediate production of some particular commodity.

This development strategy takes time. It is not flashy and there is no easily measured product; at least in the program's early years. Here there has been a genuine concern about focusing assistance on the rural poor by means of innovative, experimental approaches to project planning and management, and the early stages in development of a project monitoring system. On the other hand, however, technical sub-project implementation, so far, has been by means of selected but traditional methods.

The Central Java model for kecamatan and village level planning is unique in Indonesia. It is a first attempt to get at the problems associated with the traditional, top-down development strategy. This model is particularly suitable for Central Java where, because of the high population density and scarce, strained resource base, large numbers of small, scattered, almost situation-specific project responses are needed to reach the poor families.

Because of the high proportion of landless families in Central Java, typical agricultural production projects often are not suitable. There is a greater call for innovative technical and credit projects and need for new methods to start and support small-scale industries and handicrafts.

- Training in Central Java has focused on developing improved capability to identify, plan and implement projects -- those that directly benefit the rural poor -- at increasingly lower levels of government. As an example of the

seriousness of this approach, over 50 per cent of the total PDP budget in FY 1980/81 will be for projects planned at the kecamatan and village levels.

This strategy of decentralized planning is requiring a sequential training program for planners at all levels from province to village. While this training for planning is receiving major attention, however, training of technicians to implement the project has not, so far, been planned and conducted systematically. Good, individual technical subject-matter training courses have been held in Central Java, such as those for members of water-users' associations and the training of agricultural technicians in the planting and use of *lamtoro* for better soil and water conservation as well as for animal feed. The Agricultural Service also has started discussions with PDP planners about long-term crop production training at the Bogor Agricultural College for selected technicians and follow-up courses for training PPL extension agents within the province. While such technical training is certainly needed, it will be more effective when it is planned as an integral part of the PDP development strategy.

The strategy followed in Central Java requires the Technical Assistance Team to be closely involved with BAPPEDA counterparts to think through the implications of decentralization. The training for increasingly lower level planning is the first step in a complex process. Following on planning, the need has been recognized for suitable monitoring and evaluation systems. At each level lower in the government structure, these are more difficult to achieve.

PDP has provided long-term technical assistance, short-term consultants, training opportunities and substantial funds for agricultural and small-scale industries projects. While the experimental process of training and planning needed to generate reasonably good projects at the kecamatan and village levels has been occurring, a relatively traditional sectoral approach is being followed in project implementation. Many of the agriculture projects, such as goat

distribution and fresh-water fish production, are functioning reasonably well but are not original project concepts. In the small-scale industries sector, a good overall PDP plan has been developed, but implementation of the plan does not indicate an evolution away from the more or less typical approaches usually followed. Here there is a particular need for more innovative appropriate technological approaches to the problems faced by poorer individuals in starting and managing many different kinds of small-scale enterprises. A general weakness of nearly all technical projects is the lack of continuity from one year to the next. Apparently there is a serious need to review projects and build upon the experiences learned in a logical fashion.

Only now, as plans are made for FY 1980/81, is a sizable portion of the budget (about 54 percent) to be allocated for sub-projects originating at the lowest levels of government. This raises important issues concerning the likelihood of gaining sufficient experience and leaving in place a sustainable development strategy model in Central Java in the time remaining for PDP. For example, because 1980/81 funds probably will not be available until the summer of 1981, an evaluation of results of the first cycle of lower-level project planning will only be available the following summer. The DAI Evaluation Team, therefore, believes a sustainable development capability will not be possible before 1984.

CENTRAL JAVA PROVINCE PROJECT REVIEW

Horticulture

This is a home garden improvement project aimed at increasing the production of selected fruits and vegetables. Because, in Central Java, many poor families do not have access to farm land, but do have small home garden plots, it is believed this project can directly reach and assist poor families.

In each of the five kabupatens in the PDP, a small horticultural garden has been established to produce the fruit trees and vegetable seeds. These materials are distributed, at no charge, to approximately 50 families in each of two villages in each kabupaten. Following are some issues and suggestions for the consideration of the PDP planners regarding the horticultural projects.

- The concept of assisting the poor by means of helping them to grow more food for home consumption or the market is good. How this can be accomplished is the critical point.
- At least in terms of the fruit trees, this project, as structured, will not have much impact -- even as a pilot program to demonstrate a method -- during the life of PDP. This is because in order to find and rent land for the seed garden, to grow fruit tree seedlings, and -- even as in the case of citrus -- to do grafting, will require up to three or even more years. Even then, if the trees can be distributed within three years and are properly cared for, the bearing of fruit will still be some years off. This hardly can be considered a quick action, immediate impact project. This is not to suggest the project be stopped, but only that planners understand the above implications.
- The vegetable seed distribution does, of course, have a much quicker impact. Where possible, this aspect of the project should be expanded to include more varieties and perhaps a greater share of the budget relative to fruit tree production and distribution.
- A system for equitable distribution of the trees or seeds needs to be worked out carefully and monitored closely. At this point, it includes an initial distribution to leading farmers in the village who in turn are expected to supply the other people. Obviously, trees once given to a leading farmer and planted cannot be moved again. On the other hand, the use of leading farmers to receive, grow and further distribute vegetable seeds (mainly legumes) is reasonable. To find a leading farmer -- as the Evaluation Team did -- who, although, he had a hectare of rice land, had received 40 citrus trees from the PDP horticultural

project, indicates the need for care in the selection of participants. Also, a minimum should be established so that no single family receives more than say three or four trees. Without some controls, data collected about the number of trees or kilogrammes of seed distributed will explain very little about the ultimate impact of the project on the rural poor.

- PDP planners might want to consider a pilot project involving integrated, mixed-small animal and home garden production as suggested earlier in this report regarding Aceh. The thought here would be work with a few selected families who would receive chickens or goats as credit-in-kind, as well as assistance to start a home garden where organic gardening techniques would be applied and the method evaluated.
- Most of the above discussions imply a need for sufficient trained extension workers at the village level to help in the selection of participants and in the technical aspects of making the projects a success. One way to deal with the problem might be to assist in organizing additional farmers' groups (*kelompoks*). Such a group serve as the organizing unit through which PDP projects would enter the village. A leading member of the group could be identified to receive training in, for example, mixed cropping, animal raising and home gardening, and could even be included in a study tour. Contact with and support of such individuals from kecamatan or kabupaten technical services would be necessary.
- The PDP is developing a plan to provide crop production training at the Bogor Agricultural College for a selected number of kabupaten agricultural officers. Because these agriculturalists are a very critical link in getting improved farming technology to the village level, this training should be provided as soon as possible. These trained technicians will be particularly important in training and supervising the proposed new, PDP-supported PPL extension agents and/or the PPL who are presently assigned to work in the PDP target area. Regarding the new PPL (50 have been proposed for one year); these should be employed with PDP funds only if some assurances can be given that after the one year period they will be considered for regular Agricultural Service employment. In addition to crop production training, Central Java PDP planners need to consider technical training in livestock (small ruminants) and poultry production as additional top priority activities.
- because of the many needs expressed above (and throughout the rest of this chapter) for training and technical help in all agricultural sectors, the long-term Rural Public Works/Agriculturalist position in Central Java should be extended for at least one year. Many important projects require his attention at this critical point as projects are now starting to be generated at kabupaten and lower levels of government.

Secondary Crops (Palawijo)

The Provincial Agricultural Service, with PDP support, has conducted a number of secondary crops demonstrations. Technical support and assistance for the research were to be provided by the Central Research Institutes of Agriculture (CRIA). For various reasons, however, a close working relationship between these two agencies has not developed. This is unfortunate because this represented an opportunity for effective collaboration between the agricultural research and extension functions so needed throughout Indonesia.

Because of the importance of this research-extension connection, PDP planners should continue to seek the involvement of CRIA (and interested universities as well) in designing and implementing effective, experimental crop production projects. Such projects, supported by PDP on a pilot basis, should include:

- A basic understanding and statement of the objectives in terms of experimentation and extension.
- Agreement on specific responsibilities of the research and extension specialists.
- Training for the Agricultural Services technicians who will manage the project. Here, the crop production training at Bogor, planned for some of the kabupaten technicians, will be ideal.
- Training for PPL assigned to the project by the returned, trained technicians above. Here too the Agriculture Service is discussing plans for such training.
- Training leading farmers by the PPL.
- Agreement on necessary production inputs such as fertilizer and seed.
- Provision of production credit-in-kind (or as cash for the purchase of the inputs).

- Demonstrations, meetings, visits, etc.. to teach participants how to use the inputs.
- Continual supervision support and follow-up.
- Collection and evaluation of data on results.
- Modification of project; plans for expansion.

Training provided under the grant provisions of the PDP is an important additional project input. Crop production training at Bogor, requested by the Agricultural Service, for example, is a key part of an integrated secondary crops production project. Such training should not be viewed as something that stands alone; an input that can be included in a project when and if funds are available.

#### Assistance to Irrigation Water-Users Groups

Much of the PDP area in Central Java is included as part of one or another major irrigation scheme (such as the Jratunseluna Project). While these projects are concerned with water delivery systems, they generally do not get involved in the use and management of the irrigation water at the farm level. PDP has made a start at training to improve the capabilities of water-users groups; to help them get organized for better control and use of irrigation water. In April of this year 40 people from each of 21 kecamatans in the PDP target area participated in one week workshops in irrigation water management. Follow-up is continuing.

The T.A. Rural Works Agricultural Advisor has a strong background in irrigation and an excellent working relationship with BAPPEDA and his technical services counterparts. A good strategy has been devised to provide information and help for small, water users groups. The work done here has been reported as a concise appraisal of the methods being used to help organize and improve the effectiveness of small, water-users groups. This sort of reporting is a good example of where such information becomes a valuable addition to the PDP "data bank" and can thus serve as a useful guide to individuals attempting other, similar projects.

Animal Husbandry

Goat and Sheep Distribution

Animal Raising projects are an important part of the PDP strategy in Central Java. Goat and, to a lesser extent, sheep distributions as loans-in-kind are well received and apparently reaching the poorer families. The choice between goats or sheep seem to be related generally to a preference, in each village as a whole, for one or the other animals. These animals are perceived of as being very valuable by poor villagers. The process of selecting participants is relatively easy, the assistance is direct and immediate and, because a goat is a very evident possession, monitoring is made simple.

Further attention should be given to management of the animals once they are placed in the villages. Technical assistance to organized groups of people who have received the goats or sheep is necessary. It should be possible, by working through a leading member of such a group, to get the people to provide better shelter and feed for their animals. Short visits by the kecamatan-level specialists for very specific skill-training (such as castration of young male animals) should be planned as an integral part of the project.

*There is evidence this project is directly benefiting a large number of the rural poor.. It is a good project that should be expanded and improved. Thought might be given to how linkages can be established between goat or sheep distribution and improved home gardening.*

Continued care is needed in selecting participants for the initial animal distribution and suitable mechanisms must be worked out for the further distribution of animals returned as loan-in-kind repayments. Should these returned animals remain in the village or be returned to the Agriculture Service? How is it to be decided who gets these animals if they do remain in the village? What sort of records need to be maintained, who keeps them, where are they to be kept and what incentive is there for a person to keep such records?

The main question, of course, is: to what extent is this project being institutionalized so that a continuing and growing revolving loan-in-kind program will survive after direct PDP assistance is ended? The BAPPEDA and technical services PDP planners need to consider this sort of question, not only for the animal distribution projects, but for all PDP-supported projects.

#### Chicken Distribution

A similar program to provide villagers with chickens was tried during the first year; it failed for various reasons and now is no longer included in PDP. This is unfortunate because the chicken project probably has more potential to reach large numbers of poor people than most other PDP projects.

Here it is important to remember that PDP can and should be a learning experience and should not be concerned exclusively with immediate "success". The failure of the chicken project; because of poor purchasing and holding procedures for the chicks, improper attention to disease prevention, and an ill-conceived notion about mixing improved and local chickens in the village free-for-all, should be the reason to improve the project, not cancel it. If every failure results in a cancellation, PDP in Central Java could end up one large goat distribution project!

The chicken distribution and raising project should be reviewed, to learn what went wrong and to devise a better way to implement this project. Perhaps training for selected technicians is needed. Obviously, an improved purchasing, handling and distribution system is required. Probably all crossing of improved and local chickens should be done at the kabupaten or provincial level where the necessary technical skills are present. The availability of vaccines, and the skills to administer them, must be considered and provided at all levels including the village. Another thought, introduced earlier in this paper, might be considered: the integration of animals (in this case chickens) into an organic, home gardening pilot project.

An important distinction should be made between what was attempted during the first year and what is suggested here. Basically this is to keep quite separate the chicken crossing (of improved and local breeds) and the village chicken production activities. Certainly in the early years, the crossing should be strictly controlled by trained technicians at the province or kabupaten levels. The results of the crossing — the improved cross-bred hens — should then be distributed to villagers as part of the PDP.

In any case the main point here is that chicken projects have an important place in a program designed specifically to assist the rural poor. PDP, because of its flexibility and ability to operate across lines traditionally separating livestock and cropping activities, can and should be the logical program to work out the details of a village chicken production project.

#### Duck Distribution

The PDP-supported duck distribution and production project has been relatively successful. As reported by the Rural Public Works/Agricultural Advisor, the project works best in areas having prior experience with ducks and when a minimum number of ducks (about 25) are distributed to a family. Much the same things can be said here as were covered in the goat distribution project, about the need for a well-planned and managed system to assure a continuing revolving loan-in-kind project after the initial help from PDP.

#### Fisheries

First year PDP support for fisheries included assistance for rehabilitation of fresh-water fish hatcheries (one in each of the PDP target Kabupatens) and financial and technical help to individual families for construction and stocking of fish ponds. The rehabilitation works have been completed and the hatcheries are producing millions of fish fingerlings annually.

A large number of fish ponds have been, and continue to be, constructed under this project. Because of limited time, the DAI team was not able to adequately assess the impact of the fisheries project. For this reason, the following are only some general thoughts and ideas about the project that might help PDP planners in determining the future scope and direction of the fresh-water fisheries project.

- Continued care must be taken in the selection of families to participate in the fresh-water fish production projects. In areas where there is not an all-year water supply or where flooding occurs, it will be important to work closely with the participants to adapt the fish stocking and management system to the particular physical circumstances.
- The fisheries Service should evaluate how successfully the project reaches poorer families located in areas of flooding or where water is not available all year. Given the difficulties in raising fish in these areas, it is necessary to determine if the fish ponds are maintained as productive units following a flood or dry season. With this information, it should be possible to adjust the technical management to increase the likelihood of such fish ponds remaining in production.
- The shortage of well-trained extension agents to work at the village level in promoting improved fish production is evidently acute. The PDP should be able to develop a training strategy to help the situation. Once again, it might be possible to identify villagers who could be trained in a very practical short course and who could begin to provide information and guidance to other villagers. At the kabupaten level, PDP should establish a target of at least one well-trained, full-time PDP fisheries specialist to supervise and assist the available PPL and the village group leaders.
- Other projects being tried, such as stocking of public waters, the placing of cages in public waters for fish raising, and eel production should be evaluated carefully for their beneficial impact on the rural poor.

#### Small-Scale Industries

The first two years of small scale industries activity in Central Java have been the introduction of two credit programs administered by BKK. The first one was for raw material supplies while the second one was for "appropriate" equipment.

An evaluation conducted on the first credit program suggests it was quite successful. It was found that 78% of the loans went to the rural poor while the repayment rate is 100%. There is some concern that the repayment rate is being forced to the point that it discourages innovative activities. Clearly, the program has removed a bottle-neck to the expansion of small industry and in so doing has played a useful role.

In contrast, there have been problems with both the types of equipment purchased under the credit program and the selection of the recipients of the credit. There is an awareness of these problems, but it appears that a person trained in the technical aspects of appropriate technology should be brought in as a long term advisor.

One of the most impressive elements of the small industries work in Central Java are the evaluations that are being conducted on the sub-project work. They have been reasonably inexpensive and directly relevant to policy issues.

Under current arrangements, credit monies that are paid back go into BKK where they become part of a revolving credit fund. But it is not clear that under existing arrangements, the credit would be earmarked for small industry projects.

Beyond the two credit programs discussed above, future plans for small-scale industry expansion need further development. Some thought should be given to organizing individuals into groups for training, buying and selling purposes. In addition, there is a need for technical assistance in the design of appropriate technologies for the area.

With the departure of the Small-Scale Industries Advisor from Central Java, there is a real danger that the impressive work done on credit and evaluation

will be lost. It is recommended that another long-term person be assigned to carry on this work. Ideally, the replacement would have training and experience in both the social and physical sciences and thereby be able to contribute to the further development of appropriate technology for small industry.

It cannot be expected that small industry development will proceed at the pace that it has in recent years. There is no small industries representatives below the kabupaten level, and the stimulation of small industries has not been a popular government activity in the past. However, the necessarily important role that off-farm employment activities should play in Central Java demand that they be given a continuing high priority.

## CHAPTER FOUR

### EXPERIMENTATION

#### *PERCEPTIONS*

PDP is viewed as experimental and process-oriented, in that it attempts an introspective and evolutionary approach to improve local project management.<sup>1</sup>

There are various ways "experimental" can be defined in the context of the above quote, and the evaluation team was interested in what the term meant to various key PDP participants.

GOI officials in Jakarta saw the entire PDP effort as one grand experiment that might either succeed or fail. They pointed to the bottom-up emphasis in planning as well as targeting benefits to the rural poor as being the truly novel/experimental components of the project. Jakarta officials also expressed the view that while PDP was experimental, the same documentation for expenditures should be provided for PDP as for any other government expenditure programs. As a generalization, it is fair to say that as one moves down the GOI government hierarchy, perceptions as to distinctions between the experimental nature of PDP as compared with other government programs becomes less clear. Understandably, at some lower GOI levels, PDP is not viewed as experimental; but rather as new resources with which to expand existing programs.

A number of DAI staff have somewhat different perceptions of what experimentation means. For example, a DAI staffer said that experimentation meant a higher sub-project failure rate was acceptable than if PDP was not experimental.

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<sup>1</sup> PDP project Paper, p. 13

AID personnel indicated that much can be learned from various ongoing PDP efforts. They also expressed a frustration over not having the information needed to make comparative assessments of different approaches, e.g., training.

#### *CONCEPTION*

Any form of experimentation is expensive relative to the cost of pursuing a single strategy. The additional cost is justified on grounds that it will provide useful comparative information on the benefits and costs of alternative approaches. However, if the benefits of the higher cost experimental approach are to be realized, some advance planning must be done so that the information needed to make comparative assessments among alternative approaches can be collected and analyzed.

#### *ASSESSMENT*

Little advantage is being taken of the opportunities that PDP offers to make comparative assessments between alternative strategies. It is recommended that new initiatives be developed in the area of experimentation; both within and between provincial programs.

Consider first what might be done within a single province. A common question concerns the relative costs and benefits of two approaches to increasing production in non-irrigated rice lands. The popular Indonesian solution is to irrigate the area. Others believe that the most cost-effective way to increase incomes in such areas does not involve irrigation infrastructure investments. Rather, they call for:

- Use of high-yielding rice varieties and increased and better use of fertilizers and pesticides;
- Establishment of year-round multiple cropping systems that include rice and such crops as corn, soyabeans and cassava; and
- Better crop cultural practices and improved harvesting, processing and storage of crops.

It should be possible to try both within a PDP area and compare the outcome.

Consider another example. It is agreed that bottom-up planning is a new approach in Indonesia. Nobody really knows what training approach is most appropriate for the generation of good project ideas. Granting this, it would be appropriate to try several approaches and compare the outcomes.

It might be argued that within the confines of a single provincial area, experimentation of the sort described above cannot be expected.

There are two possible reasons for this conclusion. Firstly, it is sometimes hard for one to believe he or she is not pursuing the best approach. Secondly, lower-level GOI authorities might not want to use PDP funds for experimentation.

In such circumstances experimentation is still possible. It could be accomplished by comparing approaches being taken in different PDP provinces. A comparative exercise of this sort could best be managed by the GOI or USAID. It would involve asking the contractors and their GC counterparts in PDP areas to describe and assess the approaches they are using to realize various PDP objectives. To take a concrete example, the GOI or USAID might ask PDP contractors to:

- Describe the various approaches to training they are taking; and
- Assess the strengths and weaknesses of each approach.

With such information in hand, comparative assessments could be of the alternative approaches.

It should be noted that a form of comparative assessment/experimentation is already taking place in Indonesia. The highly popular visitations of persons in one area to successful approaches being taken in other areas permits the visitors to make their own comparative assessments.

It is recommended that a number of comparative assessments be undertaken within and between provinces. While it is recognized that allowances for different environmental and organizational settings will be needed it is believed that such comparisons will play a useful role in realizing the experimental objectives of PDP.

#### *INCENTIVES*

Experimentation is not commonly seen in Indonesian government programs. It will not occur to a significant extent in the PDP programs unless incentives for it are created. Right now the opposite appears to be the case. PUPP insists on detailed blueprints of how monies are to be spent, and USAID, by withholding decisions on whether to reimburse for sub-project activities until after they are implemented, discourages risk-taking/experimentation in PDP activities.

These negative incentives to experimentation should at least be neutralized. Both PUOD and USAID should explicitly offer encouragement to experimentation and consider ways in which they could reward efforts to experiment with new approaches. As a starter, experimentation could be made an agenda topic at the annual project review meetings.

## CHAPTER FIVE

### THE COLLECTION AND ANALYSIS OF DATA

#### *INTRODUCTION*

If PDP is to succeed, various data collection and analysis efforts will have to be performed. Specifically the planning, monitoring and evaluation of projects contemplated under PDP call for data collection and analysis activities, as does training.

Some activities under each of these headings have been carried out in the PDP I areas. It should be noted that with the growing number of PDP projects approved and into the implementation phase, the needs for monitoring and evaluation activities will increase.

The purpose of this chapter is to review data collection and analysis activities to date and make recommendations for the future. Particular emphasis will be given to possible monitoring and evaluation strategies because of the projected growth in demand for them.

#### *TRAINING*

In order to have a more concrete discussion of future data collection and analysis needs, it is useful to distinguish between two types of training. On the one hand, efforts have gone into training GOI staff in bottom-up planning. Training for this purpose has included provincial level government officials through field workers who will attempt to generate project ideas from villagers. The second type of training has been of a technical kind for extension workers and other specialists in Aceh.

Traditionally, one does not think of data collection and analysis as being critical for training; rather, the thought is that trainers transfer knowledge they already possess to trainees.

One of the most interesting aspects of the bottom-up planning program in Central Java was that it started with an assessment of training needs. That is, a serious effort was made to determine what the training participants felt their training needs were. This was a useful effort and it stands in stark contrast to the ways in which most training programs are formulated; *i.e.*, with little or no participant input.

It is critical that the results of the training activities be carefully assessed and that new training programs are developed to suit new needs. For example, the training program for this summer/fall DUP exercise has been completed. The results of this training should manifest themselves in the DUPS and DIPS now under preparation. There is need for further training of persons who have participated in the first training program. There is also the need to extend training to lower levels in the government. Such assessment should occur shortly after completion of the current DIP writing effort so that the training can be undertaken before the next budget cycle gets underway.

An illustrative list of questions that might be addressed in such an assessment includes:

- In Central Java, was the training provided to field workers to elicit sub-project ideas from villagers adequate, or are there gaps that need to be filled?

- In Aceh, what is the tier of government below the kabupaten level that should receive training, and how should training materials be developed?
- In Aceh, was the training received by the home economists adequate?
- For both provinces, when should the training for the monitoring and evaluation of sub-projects start and who should be involved?

In sum, PDP I is off to a good start with the preliminary training needs assessments in Central Java that was undertaken. This assessment should be made in Aceh. If training is to play an effective role in PDP, its results must be carefully monitored and fed back into the plans for training in the following year.

#### *Monitoring Sub-Project Activities*

As mentioned earlier, there is an increasing need for some mechanism to monitor PDP sub-projects. As Table II indicates, there will be a very large number of sub-projects underway once 1980/81 monies are disbursed.

	Number of Sub-Projects Proposed under PDP I			
	1978/79	1979/80	1980/81	Total
Aceh	34	53	48	135
Central Java	62	48	48	156

It is clear that if they are to be effectively monitored additional resources and mechanism are needed.

The current Indonesian monitoring system calls for three reports quarterly on every sub-project. These reports cover physical inputs, financial inputs and whether work is progressing on schedule. Every year a summary report is required. These reports go to the appropriate Dinas and the BAPPEDA. In addition, they *all* go, without any summarization or analysis, to PUOD.

Various DAI consultants (Roth, Hannah and Buchori) have assessed this reporting system with Indonesian counterparts and have found it wanting in several respects. Firstly, the central government has complained that reporting is irregular and does not provide policy-makers with the information they need to have about sub-projects. Lower level governments complain that the directives handed down by the central government are too vague to be useful in project implementation.

The consultants have concluded that the reports focus too much on accounting-type information and that they should be streamlined. Little attention is given to:

- *The impact the projects are having;*
- *Special circumstances that call for changes in implementation plans.*

In Central Java, a three-person Indonesian consultant team has been

hired to assist the BAPPEDA in design, testing and demonstrating a monitoring system for PDP projects. Discussions with the consultants suggest that they are on the right track. They argued that the "system":

- Should complement existing systems;
- Should be limited to information absolutely critical for planning/management purposes;
- Should require limited time;
- Should be coordinated by the BAPPEDA unit responsible for monitoring and evaluation; and
- Will require training for GOI staff in its development and use.

We endorse this approach. We also believe that some attention should be given to the need to analyze and summarize the reports at various stages as they move up through the government hierarchy.

If anything, the need for improvements in monitoring systems in Aceh are greater than they are in Central Java. In part, this is because a major thrust in Aceh involves implementing credit programs in areas where there has been little or no previous experience. Also, the physical isolation of Aceh Barat from Aceh Besar increases the need for improved reporting mechanisms. It is recommended that immediate attention be given to improving monitoring capabilities in Aceh.

A critical question concerns what should be done with the information reported through the system. There are clear and obvious instances where a report that an unexpected event has occurred can be extremely useful, provided that information gets to a decision-maker who has the authority to make appropriate policy changes.

Beyond this, it would be useful if some information on how a project is progressing (this might entail both monitoring and evaluation information) be included in DUP and DIP documents that request funds for a continuation/expansion of a particular sub-project activity.

#### *EVALUATION*

For the sake of clarity, a few remarks about the major differences between the purposes of monitoring and evaluation are warranted. The primary function of a monitoring system is to report on developments that have a significant bearing on whether and when a project will achieve its ultimate objectives. The primary purpose of evaluation activities is to determine the extent to which a project has achieved or is achieving its objectives. Using this distinction, the evaluation activities of PDP I will be reviewed.

To date, there have been only six PDP evaluation activities that qualify under the definition offered above. These include:

- The original concept paper written by Alan Roth on information systems for PDP;
- The baseline/studies for Central Java carried out by UNDIP and Satya Wacana Universities; 1)
- The baseline study for Aceh carried out by Syiah Kuala University (with the assistance of Lance Castles);
- The five week sample survey of project beneficiarisen for all 1978/79 PDP projects in Central Java;

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1) Due to delays in the implementation of the UNDIP baseline survey, the study was modified to include a large evaluation component.

- The evaluation of the impact of the general small-industries credit program in Central Java; and
- The evaluation of impact of the small-industries equipment credit program in Central Java.

A brief assessment of each of these activities follows.

Alan Roth wrote an interesting paper on information systems that includes a number of valuable points on how information systems for PDP should be developed. Little use has been made of this paper, and it was easy to document that little or no use is currently contemplated for it.

The DAI team has concluded that the baseline study being prepared for Central Java cannot be relied upon as an effective element in PDP I evaluation efforts<sup>1</sup> and no assessment has yet been made of the utility of the baseline study work that has been carried out in Aceh.

The five week evaluation effort conducted in Central Java generated some interesting information, but it has yet to be analyzed. The resources committed to that effort were simply too large for it to serve as a prototype for other evaluation activities in PDP areas.

The two evaluations done for small-scale industries credit programs in Central Java were well done at reasonable cost. In addition, they turned up some interesting findings that have potentially useful policy applications.

Standing back from the activities briefly described above, what can be said about evaluation efforts overall? In the first place, the time sequencing to date has been all wrong. Before getting too serious about evaluation activities, it should be established that the ODI sees it as a high priority item. The reality today is that the ODI has ambiguous feelings about having

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<sup>1</sup> See Quarterly Reports Five and Six, February 14, 1980, p.15.

foreigners assist them with evaluation activities. On the positive side, the GOI appreciates the usefulness of constructive evaluation work. At the same time, there is some fear that the evaluation activities might serve as a vehicle to inform outsiders of shortcomings that the GOI would prefer to handle in other ways.

Given this situation, a selling job on the utility of evaluation activities is needed. Instead of promoting a major evaluation effort at this time, it is recommended that a number of relatively simple, inexpensive evaluations be undertaken, perhaps similar to the small industries efforts that were done in Central Java. If such activities generate an unambiguous interest in evaluation within the BAPPEDA, it is recommended that some in-country training in evaluation methods be conducted for the staff of the monitoring and evaluation offices of the BAPPEDAs and for other DINAS representatives.

Beyond this, recommendations are premature. However, there are several important guiding principles that should be kept in mind. The first is that such activities are expensive; they take time and resources. This fact suggests three further guiding principles:

- Determine what data is essential for an evaluation, and limit the data collection and analysis to that essential data;
- Try to build on existing data collection and analysis activities; never recommend new activities until one has a comprehensive understanding of what is already being done; and
- If recommendations for new activities are to be made, they should include what the activities will cost and who should undertake them.

## CHAPTER SIX

### MANAGEMENT AND ORGANIZATION

#### *INTRODUCTION*

In the context of conducting and reporting on an evaluation such as this, it is perhaps useful to recognize several *fooi*. One might be termed the strategic or substantive aspect dealing with issues of policy and performance. Another might be termed the technical aspect dealing with the particular decisions about resource inputs, utilization, and outputs. The third might be termed management and organization dealing with the effective use of the implementation team as a human resource. This chapter addresses the third aspect with the clear understanding that daily implementation realities do not recognize any such three way division of effort.

One view of evaluating the management aspect of any organization holds that consequent recommendations can be readily implemented because management, by definition, can simply institute the changes in how it goes about doing things. Another view of this process recognizes a subtle but pervasive resistance to change in human behavior when it is judged and challenged by outsiders.

The formative evaluation approach that we have taken throughout this effort is emphasized heavily in this paper. In addition, we take the second view outlined above when considering how to affect management behavior most functionally. Definitive judgements are not made. Some will find this frustrating; others will find it more helpful for affecting real change.

The recommendations and suggestions made regarding the issues discussed are not perspective solutions. They more often than not point to action steps for project staff to take in developing their own solutions. Again, this is felt to be of more real impact if there is commitment to resolving issues. Without that commitment, even the most detailed perspective solution is of little value. To seize upon those suggestions as *imperative* would be to miss the opportunity of utilizing them to spark more creative and adaptive action.

In this chapter a slightly different presentational approach has been taken than in previous chapters. As outlined in the introductory chapter, composite quotations have been used as points of departure. This grounds the comments and suggestions in the direct (or indirect) experience of the implementation team. These quotations have been selected, edited, reorganized and often reworded to serve the purpose of this evaluation. No other warranty, expressed or implied, can be offered.

## *CONTRACT MANAGEMENT*

Several opportunities exist to improve the management of the PDP contract both in response to external factors and internal DAI concerns. Indeed the recent establishment of a Jakarta-based chief of party as well as two sub-team leaders with contract management responsibilities has been a first step. This new arrangement only became operational in early September and the comments below are best understood as building on this recent reorganization.

The evaluation team's arrival coincided, by design, with the first complete DAI/PDP team meeting Wednesday *September 24*, the evaluation team participated fully in that meeting as a way to begin this evaluation exercise in a truly formative manner. Many of the issues discussed below were dealt with at that meeting and are simply recounted here for follow-up.

## **DOCUMENTATION**

**We have a continuing concern that reports are often late, too lengthy and lack enough future orientation. - USAID Staff member.**

*Issue: Required reports are not fully acceptable to USAID in timeliness, format and substance.*

This concern was discussed in terms of monthly activity logs, Quarterly Reports, and Annual Reports.

- A diary format is being prepared for distribution to all team members, with a due date in Jakarta of the 5th working day of the following month. Where applicable (Central Java presently) the sub-team leader will review the log(s) prior to forwarding to Jakarta for team planning as well as anticipation of quarterly report preparation. The logs will be forwarded to USAID by the 10th working day of the following month after review by the Project Director.
- Each team member will also prepare and submit a short narrative piece addressing issues of importance dealt with that month and implications for future activities. These narrative pieces will be used for internal DAI short and long term policy discussions and will be reflected in the quarterly reports even though they will not be forwarded directly to USAID.

The quarterly reports have historically been the most inconsistent output of the DAI contract reporting documents. Not only has USAID noted this problem but it has been a source of concern in DAI/Washington as well. It was discussed at the team meeting along three dimensions: format, information base, and timing.

- In the instance of format it was decided a specific meeting to address this question was needed between the Project Director and the appropriate USAID staff. The meeting would take note of the new organization of DAI/PDP as well as the new USAID Project Officer's responsibilities. The concern with length would be specifically addressed and guidelines developed.
- In regard to the information base to be utilized for preparation of quarterly reports, it was noted that the monthly logs and monthly narrative reports were to be augmented by specific request (and self-initiated) essay pieces identified by the Project Director in consultation with the sub-team leaders. (These pieces would also serve another purpose apart from the quarterly reports; as discussed below.)

- The timing of the quarterly reports, both as a final document as well as of component information, was to await the DAI-USAID meeting about format.

The Annual Report form and content is to be reviewed after the next Quarterly Report has been completed.

Much of the experience of the team is not being captured in the reports. We would like to be able to understand and learn about the differences between the provinces as seen by those team members who have worked in both. What different models have team members themselves tried? How do different team members operate? How do they see the future of their own efforts? - USAID Staff member; DAI/ Washington Research Director.

*Issue : A need for systematic documentation of experience and learning in a format (s) that best serves the needs of development professionals.*

Quarterly and Annual reports serve management and monitoring needs first and development strategy secondly. PDP is very much an experimental program from several perspectives. To gain the most from the "development strategies" perspective, a separate documentation effort is deemed necessary as well as useful for the project and its professional staff (Beyond the PDP audience it is a corporate policy of DAI to encourage such efforts.)

- To meet these needs it is suggested that the chief of party will consult with the sub-team leaders at least on a quarterly basis to review the issues that might be productively written about by various team members. The specific requests would reflect:
  - team members' individual interests and recent experiences;
  - sub-team leaders' needs;
  - Project Director's need for policy guidance from USAID as well as

- background for preparation of quarterly and annual reports;
- DAI/Washington's needs for expanding its knowledge base;
- desire to contribute to USAID and other PDP contractors; and
- most importantly, to provide GOI with substantive thinking about their program.

#### CONSULTANT RESOURCE MANAGEMENT

We must be able to respond quickly to GOI requests for short term technical consultants. We can expect greater demand for short term technicians and less for long term generalists. - DAI Sub-team leader.

The implications for an increased demand in the identification and provision of short term consultants falls most directly on DAI/Jakarta and DAI/Washington. The first and most obvious step is to develop as long a lead time as possible in anticipation of such requests.

A critical consideration here is the potentially great differences in acceptable uncertainty along the path from GOI (BAPPEDA) to sub-team leader to DAI/Jakarta to DAI/Washington and finally to disembarkation from an internal Garuda flight. Experience has shown that there are few really excellent consultants in any given field and they make commitments far in advance. Identification and location of appropriate consultants often taxes the personnel function of a regional office as well as the Washington office. Finalization of terms of reference (TORs) can often be kept in abeyance by counterpart organisations that are wary of undue TA team influence on such TORs.

Some recommended steps in reconciling these differing levels of uncertainty are:

- Develop conscious strategies for team leader involvement in GOI TOR development. This might simply be a frank discussion and explanation of DAI needs with the appropriate local counterpart. It might be appropriate to distinguish at that time between *influence of TORs* and *information about TORs at the earliest stages*.
- Clarification of roles and expectations for all key DAI/Asia staff of the process in short term consultant provision. The recent real example of misunderstanding in this regard might provide a useful case discussion.
- A visit to Jakarta by the key DAI/Washington personnel staff member (This could be co-ordinated with visits to other DAI projects). Such a meeting should be scheduled as part of a DAI/PDP quarterly staff meeting and include brief meetings with appropriate USAID staff. This would be an opportunity to review the initiation/response relationship between DAI/Jakarta and DAI/Washington; recognizing that the relationship is not unidirectional.

*MANAGEMENT OF PDP TRAINING*

The design and execution of training at various levels within GOI institutions and for various purposes in support of PDP's institution and capacity building objective has been an important part of the DAI development strategy in Indonesia. Evidence of this strategic commitment is reflected in the recent decision to add a staff member to the DAI/Jakarta office with a major responsibility for PDP I training activities.

The specific activities and responsibilities for this Indonesian Training Advisor have not been finalized as yet. For that reason this section is directed more towards the *potential* of this new position. Several important aspects of training assessment are addressed in Chapter V. In addition, attention is directed to specifics of the technical appropriateness of training activities in Chapter III. Taken together, these comments will hopefully provide the new Training Advisor with some initial guidance in his new role.

I don't know what has been done vis-a-vis training in Central Java. I am not aware of what materials or documentation might even exist. - Aceh sub-team leader.

*Issue : Coordination and sharing of training experiences and resources.*

Although the differences between Central Java and Aceh are often characterized as being so great as to preclude direct transfer of experience, we feel it is time to test and modify that opinion. PDP history, culture and GOI staff capacity differences as well as geographic isolation have all been factors in this situation. Some ways of maximizing the

overall PDP training impact are:

- Review all training activities undertaken to date within PDP I and categorize these activities in such terms as:
  - GOI institutional (or community) level addressed;
  - Location of activity;
  - Training staff background or preparation;
  - Training objective of activity;
  - Linkage with other activities;
  - Methodology utilized -- how/if modified;
  - Relative staff and/or PDP learnings about success and/or limitation and
  - Transferability potential, documentation and/or materials that resulted.

Based on a review such as that described above, establish a *simple* reporting system that will allow the documentation of future training activities. The purpose of such a reporting system is primarily to support sharing between various PDP staff. It will also provide a resource base for DAI training.

sub-team leaders and the Training Advisor might want to attend a training activity together with the express purpose of considering the wider applicability and transfer potential of that activity.

An overall strategy or plan for the continued use and development of training in PDP I should be prepared. This would consider what training would be emphasized to assure continuity at the end of PDP Loan Funding; what non-PDP training resources might be identified and utilized (*e.g.*, SCF); new methodologies and materials that might be tried; national level "training" opportunities for support of PDP; and so forth.

The training Advisor and Aceh Sub-Team Leader should develop a specific strategy for transferring the planning training experience of Central Java to Aceh in an appropriate manner.

DAI staff training needs and opportunities should receive on-going attention. This is perhaps a responsibility of the Chief-Of-Party with the assistance of the Training Advisor. Seminars, workshops and similar professional development activities (and written materials) are often available in Indonesia but are not widely publicized; especially outside of Jakarta. Contact with several appropriate

local associations should be made. Getting on mailing lists and maintaining informal contacts should be a priority for the DAI/Jakarta office.

- Once a commitment has been made and some overall guidelines established for the preparation of "handbook" materials to help in establishing PDP activities in new locations, the Training Advisor can initiate efforts for the training component.
- The value of the Training Advisor to PDP will be increased if he can gain experience working as a short term consultant to other related DAI projects (e.g., The Arusha Planning and Village Development Project; IRD work in the Philippines).

Training has been too general, it has been more effective when modified or even specifically developed to meet the expressed needs of the particular participants. - National (level) GOI staff member.

I have been skeptical of participatory or experience-based training methods. However, we had success with role playing, for instance, and I want to try other less didactic methods.- DAI Sub-team leader.

*Issue : Development of effective training techniques or methods.*

- In addition to the management of the overall training function, the new Training Advisor's role might involve some basic R & D regarding training techniques. Many ideas and information about successes (or failures) of new innovations in techniques can and should be addressed to the Training Advisor. This might include the consideration and testing of such things as:
  - Development of brief cases or "critical incidents" that could be used for discussion in a training context;
  - Review of simulations and exercises that have proven useful in PDP (or similar) training activities (e.g., many "planning" games or exercises exist; which ones are potentially or actually relevant and effective?); and
  - Video (or even audio in some cases) recording and playback methods which can be useful in training *if properly utilized*. In addition to use for immediate playback as a training technique, there is high potential transfer of experience between Provinces. For instance, a kabupaten training activity in Central Java might be video recorded and then made available for viewing in Aceh.
  - In addition to use for immediate playback at a training technique, there is high potential for transfer of experience between Provinces.

## *MANAGEMENT OF INFORMATION AND COMMUNICATION*

There are various types of information that a program such as PDP must manage, analyze, distribute and act upon. Chapter V has addressed the issue of generation, collection and initial analyzing of Information bearing directly upon program issues. This section takes that effort a next step.

In part the recent establishment of the chief of party role in Jakarta was to overcome previous difficulties in the information and communication functions of the project. The comments and suggestions below will be useful in delineating this role.

### *1. Internal Communications and Information Exchange*

We need more transfer of ideas, information and experience between the two provinces. Aceh needs this especially. -USAID staff member  
- DAI Sub-Team Leader.

*Issue: How to maximize the cross sharing of learnings between all PDP I locations.*

This issue can be operationally considered in regard to written (or potentially written) information and to information and communication that lose value if only transmitted in writing (e.g., for reasons of timeliness or the need for interaction).

Documented information can be exchanged between provinces through the facilities of the Jakarta office by simply establishing criteria of what information is useful to exchange and assigning responsibility for the necessary logistics. No doubt such steps are being taken in the normal

course of establishing the chief of party's role in Jakarta.

- Other similar endeavors have proven vulnerable because of:
  - Neglect in actually (physically) transmitting such documents on time;
  - Unclear criteria for deciding what to transmit and when (e.g., to send a draft or wait for the final edition);
  - Erroneous assumptions that one province is or will document a particular issue or experience;
  - Lack of feedback about the usefulness of information that is or has been forwarded; and
  - Ambiguity in the expectations about a central office (should that office function to *filter information* for relevancy and responsiveness to sub-team need or should that office *actively initiate* requests for information it feels will be helpful to the sub-team?) -- Careful consideration and review of those functions is necessary if the central office is to be most effective in managing information.

Much of the most important information and communication needed between provinces and especially between provinces and the Jakarta office cannot be effective if only in written form. Some considerations here are :

- The best use of the limited time available at quarterly meetings. Developing a realistic agenda for these meetings that specifically addresses the cross-sharing of substantive information between provincial teams seems essential.
- With careful consideration of the time and cost constraints, occasional direct meetings between provincial teams at provincial locations may be called for.

- If video recording equipment does become available at the provincial locations (as has been discussed), many opportunities for sharing such things as training sessions, presentations, substantive meetings (when appropriate to record) will be available. The use of such technology can be a tremendous aid to communication between remote sites; but it is a learned skill.

#### Information Exchange and Communications beyond DAI Team Members.

We must begin to prepare a self-directing body of knowledge to assure (or at least facilitate) transferability. "Handbook" is the oft-used term but we all agree it would certainly be cast in contingency form and emphasize the need to develop each effort in response to the local situation. - USAID staff member.

*Issue : The need for a documented approach to transferability of PDP program elements to new PDP sites.*

This concern appeared to be viewed quite differently by various parties or, more accurately, different parties seemed to have erroneous perceptions of each others' expectations. The confusion seems to center on just how prescriptive such an effort should be at this stage in PDP's experience. In addition, the lack of a coordinated information-sharing effort among the various contractors and USAID results in the loss of much of the information held among them.

- It is our recommendation that the DAI Chief-of-Party and appropriate USAID staff meet and discuss the realistic expectations and limitations of such an effort. We feel there is more agreement regarding what is appropriate than the various parties now think.
- It is also suggested such an effort be carefully coordinated among all PDP contractors so that the widest base of experience is made available. Some mutual data collection effort might be undertaken from both contractor teams directly in service of this effort.

PDP is a wide ranging program that touches on and involves a variety of institutions. Establishing formal and informal exchanges of information among and between these institutions is always problematic because there is seldom a clear locus of responsibility for managing such exchanges. On one hand, the point that "PDP is a GOI Program" suggests the responsibility rests with the Indonesian Government . On the other hand, experience also suggests that the "honest broker" nature of technical assistance teams gives them more *de facto* responsibility for such an endeavor.

We feel there needs to be more exchange of ideas and experience among PDP contractors as well as with the GOI. - USAID staff member.

DAI and RMI combined now have 17 contract staff here working on PDP activities. They are all quite different people having very different experiences in this PDP effort. - PDP contractor.

*Issue : Establishing responsibility for managing the exchange of information between institutions.*

Several mechanisms for sharing learnings and strategy issues have been tried previously. Newsletters, seminars and workshops for technical assistance staff come to mind. However, the problem of ongoing responsibility arises again. Several operational suggestions are in order.

- RMI, DAI and USAID should meet together to discuss and develop a one-year plan for managing the exchange of information that all three desire. Such a plan would :
  - Address some outline of the type of information all feel is available

but not being effectively shared;

- Consider the various mechanism for facilitating the exchange of the different types of information (*e.g.*, newsletters, all consultant meetings, monthly lunch meetings between the three Jakarta-based principals, visits to various PDP sites);
- Establish some common understanding of when and how to link this effort to the GOI. This will require ongoing review to maximize GOI involvement in a constructive way; and
- Consider a systematic data collection effort from the 17 TA team members to be jointly undertaken as part of the effort to maximize exchange between RMI and DAI (*e.g.* in preparation for an annual consultant's meeting distribute a questionnaire to all consultants seeking information about their current activities or asking them to identify their critical policy concerns).

We have raised expectations among our counterparts about going to training courses only to have USAID withdraw its support at the last minute. We are left looking foolish. I don't feel I know just what they (USAID) want in these reports; sometimes I wonder if they really know - DAI sub-team member.

*Issue : Establishing clear and consistent communications between DAI/ Jakarta and USAID.*

All contractor--client relationships require special effort and attention regardless of the objectives they seek to accomplish. Implementing a project on behalf of a large donor agency brings special concerns to the forefront because of the developmental nature of the task and the close involvement of the host country. A three cornered *force-field* is soon established within which a project is managed.

In the case of PDP I, it seems a special opportunity is presenting itself for realignment (or at least review) of the DAI-USAID relationship. Jerry Silverman is just now assuming a new role as DAI Director for Asia while at the same time reordering his PDP Chief of Party role. Carl Dutto is moving into the USAID Project Officer's role *vis-a-vis* PDP I (as Steve Mintz withdraws) and Doug Tinsler is newly arrived to assume leadership of USAID's Rural Development Division.

- It is suggested here that an important exercise would be for these three principals to jointly meet and discuss the role relationship and mutual expectations they have of each other as they move into this new constellation. Such an exercise at this time could serve to resolve future concerns similar to those reflected in the quotations immediately above.

#### MANAGEMENT OF TECHNICAL ASSISTANCE

The essence of DAI's role in PDP I rests on the nature of the team's technical assistance relationship with GOI counterparts. Elements of such a relationship can range from the highly legalistic -- as appear in lengthy contract documents -- to the very personalized -- as reflected in friendships and animosities. Even the arrangement of office space can influence such a relationship one way or another over time.

We long term consultants are becoming too important in connecting BAPPEDA needs to Dinas Technical Resource people. BAPPEDA must begin to organize itself to function without us. - TAI Sub-team leader.

*Issue : balancing the functional aspect of technical assistance with the transfer of learning aspect.*

This one example illustrates a need for attention to methods that the technical assistance team can effectively use to influence decisions that Indonesian counterparts should make or consider making. In this example it was noted that BAPPEDA is currently organized and staffed around the PDP planning and implementation and monitoring cycle. Over time, the organization of the BAPPEDA will most likely need to be modified.

- It is suggested that the Technical Assistance Team develop a strategy for directly influencing counterpart decision makers to begin recognizing. The structural and staffing implications for PDP when the technical assistance team is withdrawn.

Care must be taken not to lose sight of the capacity-building objective in using short term technical consultants

*Issue : How to manage the use of technical short-term consultants to maximize their contribution to capacity-building as well as technical needs.*

This issue is more critical in Aceh at this time but has relevant also for Central Java. Some points of influence for consideration are :

- A DAI/PDP think piece or working paper addressing some specific ways TORs can (and by implication should) include the institution - building objective. This would be circulated as of interest to both provinces. Such a piece might discuss:
  - identification of institution-building success criteria;
  - utility of designating both technical as well as institution-building lead counterparts for consultants;
  - requiring (in the TORs) that the consultant would help prepare a sample (or real) DUP with his counterparts based on his technical work;
  - have the consultant review that DUP preparation exercise with comments on the institution building or capacity building aspect of that exercise; require the consultant to prepare a few pages of ideas for adapting his technical findings to a training effort.

**Sensitize consultants to this issue in selection interviews and evaluate their ability to respond appropriately to the issue as part of that interview.**

**Prior to deployment, discuss the implicit DAI TORs regarding this issue and provide support (through frequent discussions, involvement with the ongoing training activities in the provinces, etc). for this emphasis in his/her work.**

## CHAPTER SEVEN

### SUMMARY AND IMPLICATIONS FOR THE FUTURE

#### *INTRODUCTION*

The purpose of this chapter is to summarize the major findings of this evaluation and to spell out their implications for the future. It is not a complete record of all recommendations, but does include the major important points.

#### *HISTORICAL PATTERNS*

There are several ways in which the PDP strategy is revolutionary for Indonesia. Development planning and project implementation has generally been a top-down activity; villagers have not traditionally been consulted or played any other role in the planning or implementation of project activity; while the country has a multi-tiered government structure in place (central, kabupaten, kecamatan, and desa), the center has maintained control over most project approval (a kecamatan - recommended project will rarely be approved unless it fits central government project concepts). It has also been the tradition for government to work with the progressive rural people and not the poorer segments of society, i.e., even if a project were generated at the desa level, it would probably not be approved unless it fits existing government initiatives.

Historical patterns of the sort described above are not easily changed. Central government bureaucracies only reluctantly give up power and control to others; those unaccustomed to such power and control will

resist changes in the patterns that they have established, and the rural poor, unaccustomed to being consulted on anything, will initially have little to say.

In short, the tendency will be to resort to the old way of doing things. But if PDP is to succeed, these tendencies must be resisted. These historical patterns probably pose the greatest challenge of all to the success of PDP.

#### *LEARNING EXPERIENCE*

At this point, PDP should be viewed as a learning experience and not as a government program with the primary purpose of delivering services to the people. The real question is whether the way can be found to overcome the historical patterns outlined above. As a learning experience, PDP has a set of responsibilities to communicate what is being learned to a large audience of interested parties; a responsibility which to date it has not effectively assumed.

As a learning experience, PDP must experiment with new approaches and learn what is likely to work and what is not. More experimentation is needed than has been demonstrated to date, but this will only happen if PUOD and USAID offer positive incentives for experimentation rather than the essentially negative incentives that have been offered to date. Insistence on the provision of detailed documentation for what is going to occur in an experimental program and threats to withhold monies to pay for programs

until positive results are observed are examples of these negative incentives.

#### *TIMING CONSIDERATIONS*

A question given much attention by the evaluation team was: how much time will it take to give PDP a reasonable opportunity to succeed and to make a determination of whether it will or not? For Central Java, we believe the bottom-up planning will only start to be manifested in the DIPS prepared for 1980/81. We believe that a determination of PDP's chances for success can only be determined after an assessment is made of the implementation efforts following two more budgetary cycles. Since 1980/81 monies are unlikely to be released until the summer of 1981 and the results not evaluated until the following summer, our criteria would suggest that a final determination on PDP in Central Java cannot be made until the summer of 1984. Aceh is at least a year behind Central Java in terms of the overall PDP strategy; which means that an assessment of the probabilities for success should not occur until the summer of 1985.

The evaluation team is aware of how far away those dates are and the problems of continuing the PDP effort until then. Our conclusion nevertheless is that if PDP is to be given a fair chance to succeed, it should be extended to those dates.

#### *STAFFING STRATEGIES*

Over the next few years, various kinds of very specific technical expertise

will be called for in PDP I; as well as other PDP areas. Ideally, long term specialists with both the technical training and Indonesian experience could be found to satisfy these needs. Realistically speaking, a compromise will have to be made between technical competence and familiarity with the Indonesian setting. We recommend that the compromise be made in favor of short term personnel with the highest possible competence level. Indonesia is too far advanced to settle for anything but the best in technical skills.

The implications of such a compromise is that the long term expatriates will have to spend a considerable amount of time as educators of these specialists and as an intermediary between these specialists and their Indonesian counterparts. We recommend this solution. Of course, to the extent that technicians can be shared among PDP provinces, the need for compromise will be reduced.

*STAFFING NEEDS* 1)

In Central Java, we feel that it is essential that the existing long term staffing pattern be continued for the indefinite future. Immediately, this will call for the renewal fo the Public Works/Agriculture Advisor's contract and the recruitment of a new Small Industries Specialist. It should be noted that these two, along with the continuation of the team leader in Central Java, will constitute the bare minimum needed to carry on the program in the existing five kabupaten. In this regard, it should be remembered that the full-time GOI PDP Project Director will be replaced by the Vice-Chairman.

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1) for a complete listing of staffing recommendations, see Annex P.

of the BAPPEDA next month. Because of other pressing responsibilities, that means that the new GOI PDP Director will serve in that function only part time.

In Aceh, the situation is somewhat different. The program is only operating in 2 kabupaten, but they are separated by a distance that takes 12 hours to cover by jeep when the roads are in good condition. At present, only one expatriate advisor is in Aceh. We recommend that consideration be given to hiring a second long-term advisor to be located in *Aceh Barat*. This Advisor should be a rural development specialist and he should work full-time at the kabupaten level. The need for expatriate advisors in both kabupaten is heightened by our recommendation that five short term technicians should be brought in soon.

As in Central Java, we believe that even with this complement of foreign personnel, it will be hard to provide an adequate service to the two kabupaten now being served. In the case of both provinces, it should be emphasized that activities for monitoring the implementation of sub-projects is only now getting underway, and that these monitoring demands will increase as the number of sub-projects being implemented is increased.

The above points have broader implications. We do not believe that the coverage of PDP can be effectively expanded into other kabupatens unless additional personnel are hired. While existing PDP staffing can help plan the expansion, more expatriate advisors will be needed to implement the expansion efforts.

*WIDENED AWARENESS OF WHAT IS HAPPENING*

It is understood that the PDP program is intended to fill gaps not covered by other government programs and the private sector. In order to know what gaps to fill and how best to fill them, it is essential that the PDP staff have a comprehensive understanding of other development efforts being implemented in their provinces and other development programs that might be attracted into their provinces. The BAPPEDAs are supposed to this information because it is their responsibility to coordinate development activities in their provinces. It is recommended that our team leaders spend some time with the BAPPEDAs familiarizing themselves with these other activities.

*TOWARDS SELF-SUSTAINING PDP ACTIVITIES*

Ultimately, PDP will not succeed unless critical activities are continued after foreign assistance is withdrawn. This has several implications. Firstly, the sub-projects launched with credit or grants must become self-sustaining. For this to happen, it is essential that a number of PDP personnel now being paid for out of the USAID loan be integrated into the Indonesian structure. Because of the budgetary and manpower implications of this for the Indonesian government, work on this matter should start immediately. Another positive step that could be taken immediately would be to develop mechanisms whereby all existing and planned credit programs are made into revolving operations.

*DAI MANAGEMENT/ORGANIZATION*

The move of the PDP I Chief of Party from Semarang to Jakarta should improve communications within the PDP I team, among all PDP teams, between AID and PDP I and between GOI and PDP I. It will, however, necessitate working out relationships between the PDP I Chief of party and the sub-team leaders in Aceh and Semarang.

With the broadened duties of the Chief of Party that expand beyond his PDP assignment, he will have to give up much of his control over PDP activities. Indeed, his press of other business will force him into a role of largely being an intermediary for his field teams. Much of the decision-making will now be in the hands of the sub-team leaders. The evaluation team has no problem with this change. It has confidence in the judgment of the sub-team leaders and believe that the required independence will be good for PDP I.