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**Project Completion Report  
Citanduy River Basin Project I  
Project No. 497-T-0245**

**I. Project Background**

Following the formulation of the Government of Indonesia's (GOI) first five year plan in 1969, developmental efforts in the area of water resources and flood mitigation were focused over the entire Citanduy Basin instead of segmental development under the Provincial Public Works. An important administrative step was taken in this direction when the Ministry of Public Works issued a decree in 1969 establishing the Citanduy River Basin Project (CBPO) and giving this project complete responsibility for the development of water resources within the basin. The Citanduy River was one of only six rivers classified as a class A river indicating its development and control was in the national interest. Administratively, the Citanduy River basin covers two provinces, West Java and Central Java. By creating the CBPO office, which is directly administered by the Director of Rivers under the Directorate General of Water Resources Development, GOI created a federally administered unit.

One of the first efforts of CBPO was to initiate a study for a comprehensive development program for the Citanduy River basin. P.N. Indah Karya, an Indonesian Consulting firm, was commissioned in early 1969 for this purpose. Its report, which was published almost concurrently with the establishment of CBPO, concluded that, "It is obvious that nothing can be done to develop the river basin if no measures are first taken to tackle the problem of floods, since all development projects in the river basin would otherwise carry too many risks".

In 1970, USAID contracted to make a short reconnaissance survey of the Citanduy River and to draw up a detailed outline of the additional work needed for feasibility studies. It was concluded that an integrated program involving flood control, irrigation, hydroelectric power, reclamation and water supply would be the proper approach for developing the Citanduy Basin and that the basin had excellent possibilities for successful economic development.

This survey, together with numerous other reports, studies, and meetings between the GOI and USAID officials led the GOI in March, 1972 to request financing from AID for a comprehensive study of the Citanduy Basin. A contract for the 'Master Plan Study' was completed and published in May 1975. The study results were published in a Master Plan Report and appendices covering all the technical, socio-economic and environmental aspects associated with the development of the land, water and human resources of the basin. Subsequently, under the same contract feasibility reports were prepared for a comprehensive water management scheme for the Lower Citanduy/Ciseel River systems and the reclamation of the Segara Anakan and its environs.

After completion of the master plan and feasibility studies design and bid documents were prepared for selected Lower Citanduy/Ciseel River projects such as the flood control and irrigation projects, demonstration plots for on-farm water management and upper watershed, and design of the Segara Anakan project. The design and bid documents for these projects were completed in December 1977.

The Master Plan, with Feasibility Studies and Design Studies formed the basis for the formulation of a major project, termed the Citanduy I Project. Negotiations between GOI and USAID during 1975-76 resulted in the signing of the first major water resources development project loan by USAID termed, the AID Citanduy I Loan. This loan was signed on October 28, 1976.

## II. Project Purpose and Principal Project Components

The approved three-fold purpose of the Citanduy I project is: reduction in flood damage, increased production of rice and other food crops and studies for further integrated basin development.

Following completion of the Master Plan Study Phase in April 1975, the Consultants worked on the project design and construction of those elements that were either identified as first priority projects or were of immediate interest to the Ministry of Public Works. The work consisted of the following:

Flood Control: Design and construction of the flood control system for the Lower Citanduy/Ciseel River basin. All construction work was contracted to local contractors.

Irrigation: Rehabilitation of the seven priority irrigation systems consisting of North Lakkok in the Citanduy River basin, Rawa Onom in the Cijolang River basin, Gunung Putri I and II, Ciputrahaji, Citalahab and Cikaso all in the Ciseel River basin. Design, drawings and cost estimates for two irrigation systems, Panulisan and South Lakkok Irrigation Systems were also included. In addition, O & M manuals for each of the irrigation systems were written.

Lowland Pilot Demonstration Farms: Two pilot demonstration farms in lowland areas, the Langensari Pilot Demonstration Farm and the Padaringan Pilot Demonstration Farm, both in the North Lakkok irrigation system, were constructed as pilot demonstration tertiary blocks.

Upland Pilot Watershed: An upland pilot farm at Panawangan was constructed. The pilot project was for demonstration of conservation techniques and upland agriculture techniques appropriate to the watershed. The results of this pilot project provided a basis for the Mission's follow-on projects, Citanduy II and Upland Agriculture and Conservation.

Segara Anakan Project: Further studies on Segara Anakan sedimentation and fishery resources were carried out under Citanduy I. A design report and cost estimate to implement the Segara Anakan Project as proposed in the Master Plan was prepared. However, construction was not included in the Citanduy I scheme of projects to be implemented under the AID loan.

### III. Lessons Learned

A major legacy of the Citanduy I Project was the upper watershed work which came out of the Panawangan Pilot Project. Panawangan once again demonstrated that when a government comes in and says they want to build a model demonstration farm and will pay for everything, this definitely makes it a government project. Further, every farmer in the area knows about the demonstration farm and each wants the same treatment with the same rate of cost sharing for conservation measures.

The Panawangan Pilot Project was a success because it had so much personal attention paid to it, but this is the same reason that this method will not work in an expanded area. Panawangan also worked because it had a local focus, and this point was taken seriously. It started with local conditions and attempted to proceed without being disruptive. Local leadership was also integrated into the program, and the interaction between technical staff and farmers was continuous and informal. The program also started with familiar crops then moved to complementary and supporting activities -- new crops, livestock, and fisheries.

With regard to general project operation, having the ministries work in mainly informal or traditionally parallel tracks was a more effective method of multisectoral coordination than the creation of a new comprehensive bureaucratic superstructure. Although a multidisciplinary project implementation office might have gotten the project off to a faster start, the inevitable closing of the office at the end of the project would have left little infrastructure in place to continue the work of the project.

The role of the USAID Project Officer under this method of administrative coordination was more critical as well as more complicated. Without a comprehensive project superstructure the Project Officer had no single counterpart, i.e., no one with direct working responsibility for the whole project over the long term. Being outside the existing host government structure, the Project Officer was in a unique position to assist in making and maintaining connections between the parallel tracks. There was direct access to the various levels and vertical lines of the government organizations involved. The Project Officer was in a position to constantly remind people of the overall concept of the project and, through use of personal diplomacy, to involve the high level policy makers who concentrated on unified goals and whose influence kept the project from fragmenting with its bureaucratic and technical components. At the same time the Project Officer influenced the sectoral agencies who implemented the project in the field to maintain contact with each other and keep pace with the overall project.

For this type of approach to be most useful, the project must be long-term. Time is required to build up the Project Officer's effectiveness in personal diplomacy and to firmly implant the overall project concepts. As coordination develops naturally in operation over a period of time there is a better chance that the patterns will become self-sustaining.

#### IV. Financial Status

Project funding consisted of \$12.5 million in loan funds. This consisted of \$5.4 million for technical assistance, approximately \$2.0 million for commodities and equipment, \$5.05 million for construction and \$54,000 for training. Within two years of the PACD, a rupiah devaluation

gave the project a windfall of \$1.5 million in excess rupiah. Although all project components were completed, the excess rupiah were the major source of the \$1.7 million end of project deobligation. Total disbursements over the life of the project was \$10.8 million.

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