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**QUARTER REPORT**

**January 2016 – March 2016**

**INDONESIA DISASTER RISK REDUCTION PROGRAM  
FINANCIAL ACCESS**

**Indonesia Liquidity Facility After Disaster (ILFAD)**

Funded by  
USAID / Office of Foreign Disaster Assistance (OFDA)



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**Glossary**

ABSIGAB	Association of Disaster Preparedness Rural Banks
ACA	Central Asia Insurance
Aswata	Wahana Tata Insurance
BNPB	National Agency for Disaster Management
BPBD	Regional Agency for Disaster Management
BPR/BPRS	Rural Banks/Sharia Rural Banks
DISKOPERINDAG	Trade, Industry and Cooperative Local Agency
ILFAD	Indonesia Liquidity Facility After Disaster
KASIGA	DRR saving in ABSIGAB West Sumatera
LAPENKOP	National Institution on Cooperatives Education
MFI	Microfinance Institutions
MoU	Memorandum of Understanding
NTB	West Nusa Tenggara Province
OJK	Indonesia Financial Service Authority
Perbarindo	Association of Rural Banks
Puskopdit	Credit and Cooperative Center
RAT	Rapat Anggota Tahunan – Annual Member Meeting
SinCan	Disaster Saving
TASIGAB	Disaster Savings Product

## 1. Program Summary

To improve microfinance institutions' (MFI) capacity in disaster risk reduction and knowledge on disaster savings and micro-insurance, during Q18, the *Indonesia Liquidity Facility after Disasters (ILFAD)* program conducted a workshop with the members from the Association of Cooperatives/Credit Union (PUSKOPDIT) from eastern Jawa Timur Province<sup>1</sup> on 2-6 March, 2016 in Malang City. Twenty-five cooperatives participated in the workshop with the objective to increase the number of MFI clients protected with disaster saving and micro-insurance and to increase the knowledge of MFIs in Disaster Risk Reduction (DRR), specifically on the liquidity aspect. The workshop introduced DRR approaches and existing disaster saving and micro-insurance products. ILFAD and ACA Insurance also provided a similar training for three cooperatives and two rural banks in Jogjakarta on 16 February, 2016.

Progress on the development of the cloud system for MFIs remains the same from the previous quarter as there were no further activities conducted related to the cloud system; however, during the next quarter, Mercy Corps has meetings scheduled with Indonesian Cloud to prepare a data-back up simulation for MFIs. Indonesian Cloud will re-install the cloud for four MFIs in West Sumatera since they already exceeded their allotted capacity in the system. ILFAD also plans to register two MFIs in Malang to join the cloud system in the coming quarter.

Significant progress on the liquidity facility fund occurred in both Padang and Malang. Bank Mega Syariah agreed to communicate with ABSIGAB on establishing a disaster pooling fund. All ABSIGAB members committed to place their mobilization fund as a time deposit in Bank Mega Syariah once the disaster pooling fund is established. An intensive discussion on the mechanism to manage the fund is still in progress. Similar progress took place with several rural banks in Malang. These banks call themselves Grubi (Green Bank Initiative)<sup>2</sup> with Bank Andara. Similar to Bank Mega Syariah for ABSIGAB, Bank Andara will act as a pooling fund for the Grubi members. Legal aspects of this cooperation are still being discussed and are targeted to be finalized in the next quarter.

During this reporting period, a disaster saving product was launched in Kartini Cooperative in Jogjakarta called Sincan (Simpanan Bencana – Disaster Saving). Sincan was developed by the cooperative and ILFAD supported the product launch on 17 February to help expand their market. In addition, the Indonesian Financial Service Authority (OJK) approved an index-based insurance (parametric insurance) developed by Swiss-Re and proposed by its local partners, Wahana Tata Insurance (ASWATA). In the next quarter, the insurance product will be launched and training on parametric insurance for ABSIGAB members will be planned in West Sumatera. This will be the initial phase to market the product to MFIs in West Sumatera and beyond.

In summary, at the close of Q18, the total number of disaster saving clients is 2,392 (707 male and 1,685 female) and the total number of micro-insurance clients is 1,607 (588 male and 1,019 female). Until this reporting period, 128,071 clients' data was stored in cloud database. Through DRR and liquidity training, ILFAD trained 30 MFI officials during this period. While ILFAD is facing challenges from OJK West Sumatera on the bundled disaster saving micro-insurance product in West Sumatera, we are expecting to increase the protection of MFI clients with disaster saving and micro-insurance in East Java in next quarter from the new partnership with PUSKOPDIT.

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<sup>1</sup> Puskopdit is a secondary cooperative (credit union association) at the provincial level. Puskopdit eastern Jawa Timur Province has 45 primary cooperatives.

<sup>2</sup> Grubi is a local initiative of rural banks in Malang area which consists of several rural banks.

ILFAD Program Phase 3 is set to end on June 30, 2016. ILFAD is confident that most program outputs will be reached by this time with a few exceptions. While the disaster saving and micro-insurance products were successfully developed and promoted to MFI clients, the number of MFI clients adopting these products is still below program targets. The Liquidity Facility has also encountered challenges. In the coming quarter, a consultant will support the development of governance structures and identify relevant issues and regulatory challenges to the current models. The dialogue between Mega Syariah Bank, Andara Bank and MFIs in West Sumatera and Malang on the terms and conditions for the management of pooled funds is still in progress. It is ILFAD's belief that with an additional quarter of support to ABSIGAB, additional promotion of the insurance products mobilized under the program, and further mobilization of the supporting mechanisms for the liquidity mechanisms, the impact of the program results can be magnified. With savings resulting from exchange rate fluctuation, the ILFAD program could be extended for an additional three months. ILFAD is preparing a No Cost Extension (NCE) request for submission in conjunction with this quarterly report to extend the closing date to September 30, 2016.

## Performance Summary

### *Output 1.1: Improved Capacity of MFIs on DRR and Liquidity Management*

Since ILFAD Phase 1, a total of 228 MFIs have participated in Disaster Risk Reduction (DRR) and Liquidity Management training, with 64 MFIs participating during ILFAD Phase 3. The latest training was conducted on 2-6 March, 2016 in collaboration with Mercy Corps Indonesia (MCI), Central Asia Insurance (ACA), National Institution on Cooperatives Education (Lapenkop), and Puskopdit Eastern Jawa Timur. The training included two modules. The first was on DRR training and was carried out by Lapenkop staff, Tatang Huseini. The second module was on micro finance delivered by ACA Insurance staff, Brikson Pronatal. As a strategy to persuade cooperatives to use micro-insurance products, the second module introduced ACA's micro insurance products (i.e. bundling with disaster saving) to the cooperatives. It was agreed that ACA Insurance's micro insurance product will be introduced to the primary cooperative under Puskopdit Eastern Jawa Timur Province during their Annual Member Meeting that will be held during the next quarter. A one-day training session on micro insurance was delivered by ACA in Jogjakarta on 16 February, 2016 and was attended by several rural banks and cooperatives. Through this workshop, it is expected that MFIs will be able to promote and sell micro-insurance products to a larger pool of clients.

### *Output 1.2: "Cloud" System Established as Data Storage for MFIs*

The program's target is to register 14 MFIs with the cloud system; however, there still remains one MFI that has not registered with the cloud. All 13 registered MFIs have their data stored in the cloud system (for a full list see Annex 1), except BPR Pujon Jaya (Malang) due to technical problems related to their operating system. This issue was discussed between ILFAD and Indonesian Cloud. For those that do have the cloud system, overtime, a couple technical difficulties have occurred including: 1) overcapacity of data storage in four MFIs (BPR Mutiara Pesisir, BPR Pembangunan Nagari, BPR Raga Dana Sejahtera, BPR Cempaka Mitra) in West Sumatera. Indonesian Cloud will not charge for this over capacity since some MFIs are still far away from meeting the storage quota. To tackle this issue, those four MFIs will be re-installed to re-adjust the cloud. This will be conducted during the next quarter. 2) In order to achieve the target, two MFIs from Malang City will join the cloud system. Indonesian Cloud already submitted a new work plan and will work to include them into the system in the coming quarter.

### ***Output 1.3: Liquidity Facility Cooperation Between OJK Authority, APEX Bank and MFIs for Disaster Liquidity Facility to be in Place***

ILFAD facilitated a meeting on January 2016 in Jakarta with Bank Mega Syariah and representatives from ABSIGAB. A follow-up meeting was held in Padang on 12 February, 2016 between Bank Mega Syariah, ABSIGAB members, and ILFAD. The aim of the meeting was to discuss the potential role of Bank Mega Syariah in managing ABSIGAB's pooled fund (liquidity facility). Bank Mega Syariah agreed to be a custodian bank for the pooled funds collected from ABSIGAB MFIs. As the custodian bank, it will only manage the funds in a deposit account and disburses the fund to affected MFIs when a disaster hits. ILFAD originally expected a bank to agree to function as the APEX bank with a commitment to provide loans when affected banks need more than the funds available in the pool, but Bank Mega Syariah would not agree to provide additional lending. The discussion regarding the formal mechanism for managing the pooled funds is still in progress. In the meantime, ILFAD is assisting ABSIGAB in developing the ABSIGAB governance system for the pooling fund.

Another liquidity facility is also developing in Malang, East Java Province between several rural banks and Bank Andara. Bank Andara agreed to be the custodian bank to manage the pooled funds collected from MFIs. The discussion regarding the formal mechanisms for managing the pooling fund is in progress. The emerging issues are around the mechanism to place deposits from MFIs into Bank Andara, either directly from individual MFIs or through an MFI coordinator, and the mechanism to withdraw from the pooling fund when a disaster hits.

### ***Output 1.4: Related DRR Saving, Loan and Micro Insurance Product is Accessed by the Community***

#### **1.4.1 Replication of Disaster Savings Product**

A disaster saving product was launched in Kartini Cooperative on 17 February, 2016. The cooperative developed this product for 58 clients as a result of their participation in the ILFAD training during Phase 2. To expand the product, ILFAD contributed to a raffle that was held on the same day of the product's formal launch. During the event, ILFAD supported ACA Insurance and Kartini Cooperative to launch the new micro-insurance product. Since its launch, 2,392 people (707 male and 1,685 female) have accessed disaster savings.

Rural banks that have bundling products for disaster savings and micro insurance in West Sumatera are still facing problems to distribute the products due to the interpretation by the Financial Service Authority (OJK) on the legal aspects for bundled insurance products. Clients from seven rural banks have accessed disaster saving bundled with micro-insurance products that were later not allowed by the OJK of West Sumatera. Knowing that OJK regulations will allow rural bank to provide reference on insurance products, ABSIGAB decided to assume the role as an insurance agent for clients of ABSIGAB members. Last quarter, the MFIs of ABSIGAB revised their standard operating procedure (SOP) on selling disaster saving products and sent it to the OJK. Currently, the OJK has not responded to the letter and this has led to zero progress for clients purchasing disaster saving from the rural banks.

#### **1.4.2 Development of New Micro Insurance Product**

A new micro insurance product bundled with a disaster saving product called Dana Gempa (earthquake insurance) was developed in West Sumatera and Aceh and STOP Usaha (volcanic eruption insurance product), specifically sold by Kartini Cooperative, was the only micro insurance product developed in Jogjakarta. During this reporting period, no new micro insurance products

were launched. An insurance product similar to STOP Usaha, named 'Si ABANG,' was originally planned to be launched in January 2016, however, ACA Insurance was not ready to prepare the product description at that time. A total of 1,607 people (588 male and 1,019 female) have purchased the micro insurance products, either bundled or insurance-only developed by ACA. Please refer to Annex 2 for more details about disaster saving and micro insurance clients.

To widen the spectrum of insurance, ILFAD has engaged with Swiss Re and its local partner, Wahana Tata Insurance (ASWATA), to develop a meso-level parametric insurance to protect the rural bank portfolio. OJK approved this insurance in March 2016 and the ILFAD team and ASWATA have agreed to prepare a training for ABSIGAB members on the technical side of the product and launch an event on May 9, 2016 to reach more MFIs in West Sumatera. This was not in the original ILFAD plan, however, it is an innovation from an ILFAD partner to protect the rural banks after disaster and therefore strengthens their liquidity.

## **2. Activities and Coordination**

Some activities and coordination during this period include: coordination meetings with Kartini Cooperative, Bima Municipality, ABSIGAB, Bank Mega Syariah, MFIs in Malang Regency, Bank Andara, and Aswata Insurance. This quarter, ILFAD organized several activities including a micro insurance workshop and disaster product launch in Jogjakarta and Malang and recruited a consultant to develop ABGSIGAB governance on the liquidity facility. ILFAD was also granted an internal Mercy Corps Resilience Grant to conduct a qualitative and quantitative study to better understand the perception and decisions of MFI clients toward savings and insurance products to mitigate catastrophic risks.

## **3. Lessons Learned**

The lessons learned during this quarter are as follows:

- 1) After a long process to identify and approach several conventional banks to take the role of the APEX bank for MFIs, Mercy Corps Indonesia found it almost impossible. Conventional banks only agreed to manage the pooling fund without a commitment to add additional funds. Additional funds (credit) from a bank provided to disaster-affected MFIs after a disaster is the key characteristic of APEX Bank role. Currently, Bank Mega Syariah and Bank Andara agree to take the role of custodian bank along with managing the complexities of the fund. This points to deeper issues with the planned structure of the liquidity fund and Mercy Corps has mobilized support from our internal financial services technical team to provide technical support to examine this issue more deeply.
- 2) A bundled disaster saving and micro-insurance product was a strategic approach, however, the Financial Service Authority has a different view on the legality of the bundled process. The Authority said that a rural bank is not allowed to sell insurance products according to the current regulation while a Syariah rural bank is allowed.
- 3) The good practices developed from the Kartini Cooperative, which enabled them to develop their own disaster saving product, was inspired by the ILFAD program and should be spread to other cooperatives. The ILFAD Program reached out to Puskopdit which has relationships with a large number of cooperatives to encourage them to develop their own disaster saving products,

as well as to promote and sell micro-insurance products. Therefore, in the future, the program team needs work to ensure and enforce that the MFIs to do the same.

#### 4. Next Steps

Step for the next quarter include:

- 1) Follow up with Bima Municipality regarding the DRR training for MFI and disaster product development.
- 2) Follow up the disaster product development by members of Puskodit Jatim Tim as the result of the coordination meeting and workshop.
- 3) Follow up utilization of disaster SOP, updating of MFIs disaster prone map and product development, including follow up for the DRR simulation for MFIs.
- 4) Follow up on technical issues with the cloud system including: 1) re-installing of cloud in West Sumatera for four MFIs; 2) new installments of cloud for two MFIs in Malang; and 3) to follow up internet connection problems in all MFIs.
- 5) Follow up the agreement between Bank Mega Syariah and ABSIGAB in Padang regarding the custodian liquidity mechanism among them. This is also to follow up the agreement between Bank Andra and rural banks in Malang.
- 6) Follow up the agreement between Bank Mega Syariah and group of MFIs in Malang, East Java.
- 7) Follow up the development of parametric insurance between Aswata Insurance and ABSIGAB through the introduction of the product to West Sumatera OJK and a meeting between ASWATA and ABSIGAB. The last step will be to launch the product.
- 8) Develop and finish ABSIGAB governance. The development will be assisted by a consultant from a local university.
- 9) Regarding the ILFAD research, develop the research design, conduct data collection and analysis in West Sumatera and Jogjakarta Province including reporting which will be included in the next quarterly report.

#### 4. Transition Plan

##### Sustainability of ILFAD Results

During Q19, ILFAD will organize activities to document learning and to ensure the benefits of the ILFAD Program are sustained. ILFAD will produce, publish and disseminate knowledge and learning on DRR for MFIs, data back-up procedures, business and marketing plans for disaster saving and micro-insurance products, and governance on pooled fund. Several guidelines, SOP and video documentation will be produced on the mentioned topics.

Specifically on the micro-insurance product, ILFAD program has facilitated a partnership among ACA insurance, Japan Risk and PUSKOPDIT to educate, promote and sell micro-insurance products to their clients. PUSKOPDIT will also develop disaster saving for its clients. Therefore, the promotion of disaster saving and micro-insurance products will continue after the ILFAD program has ended. The same partnership development approach was applied regarding the promotion of portfolio insurance (meso-level) with MICRA, Swiss-Re and ASWATA. The sustainability of the ILFAD program is embedded in its partnership approach. With the insurance products promoted and sold on a commercial basis, ILFAD benefits will continue despite the ILFAD program close.

The focus of ILFAD during the remaining months will be to strengthen the governance of ABSIGAB on the liquidity facility. Documentation and workshops on ILFAD learning in developing liquidity facility

will be conducted at the end of the ILFAD program involving PERBARINDO (an association of rural banks), OJK (Financial Service Authority) and the Ministry of Cooperatives. Having guidelines on governance of liquidity facility, capturing regulatory and contextual challenges and opportunities will inform the government on the importance of improving policy and regulation to support the implementation of liquidity facility in Indonesia.

**No Cost Extension (NCE)**

ILFAD Program Phase 3 is set to end on June 30, 2016. While ILFAD will conduct several activities in the coming quarter to fully meet its targets, the development of the liquidity facility structure and governance for MFIs in West Sumatera Province and in Malang Regency, East Java Province requires additional time to achieve a sustainable outcome. It is ILFAD's belief that with an additional quarter of support to ABSIGAB, additional promotion of the insurance products mobilized under the program, and further mobilization of the supporting mechanisms for the liquidity mechanisms, the impact of the program results can be magnified. With savings resulting from exchange rate fluctuation, the ILFAD program could be extended for an additional three months. ILFAD is preparing a No Cost Extension (NCE) request for submission in conjunction with this quarterly report to extend the program close date to September 30, 2016.

The NCE would also allow Mercy Corps Indonesia to document, publish and disseminate the accumulated learning on the challenges and opportunities around both the liquidity fund and bundled financial services to relevant stakeholders for scale up, including to OJK (Financial Service Authority), Ministry of Cooperative and SMEs, association of rural banks, association of cooperative/credit unions, the development finance community and the ASEAN Secretariat. The remaining grant funds resulting from exchange rate gains will support Mercy Corps to organize these activities within the additional three months. There will be no new activities during the NCE period beyond what was originally planned in the program agreement.

**Annex 1: List of MFIs Implementing Cloud System**

No	MFI	Province
1	BPR Ingin Jaya	Aceh
2	BPRS Hikmah Wakilah	Aceh
3	BPR Cempaka Mitra Nagari	West Sumatera
4	PD BPR Sipora	West Sumatera
5	BPR Pembangunan Nagari	West Sumatera
6	BPR Raga Dana Sejahtera	West Sumatera
7	BPR Mutiara Pesisir	West Sumatera
8	Kopdit Adil	DI Yogyakarta
9	BPR Gunung Ringgit	East Java
10	BPR Sadhya Mukti Parama	East Java
11	BPR Catur Mandiri	East Java
12	PD BPR Pujon	East Java
13	BPR Lombok Timur	West Nusa Tenggara

**Annex 2. Total Number of DRR Saving and/or Insurance Clients from Sept 2015 to March 2016 in each MFI**

O	LKM	Province	September 2015		December 2015		March 2016		Type of Product
			Saving	Insurance	Saving	Insurance	Saving	Insurance	
1	Merapi Mulya	Jogjakarta	801	NA	826	NA	836	NA	Tabungan Berlian
2	Sumber Jaya Penjangiran	Jakarta	119	NA	126	NA	126	NA	Tabungan Permata
3	Sumber Rejeki Penjangiran	Jakarta	84	NA	83	NA	85	NA	Tabungan Permata
4	Pembangunan Nagari	West Sumatera	318	NA	318	NA	318	NA	KASIGA
5	BPR Mutiara Pesisir	West Sumatera	129	129	129	129	129	129	Bundling product*
6	BPR Ragadana Sejahtera	West Sumatera	46	46	46	46	46	46	Bundling product*
7	BPR Cempaka Mitra Nagari	West Sumatera	174	174	187	187	187	187	Bundling product*
8	BPR Lubuk Raya Mandiri	West Sumatera	0	NA	0	NA	0	NA	Bundling product*
9	BPR Lugas Dana Mandiri	West Sumatera	50	50	50	50	50	50	Bundling product*
0	BPR Stigma Andalas	West Sumatera	15	15	15	15	15	15	Bundling product*
1	BPR Budi Setia	West Sumatera	51	51	51	51	51	51	Bundling product*

O	LKM	Province	September 2015		December 2015		March 2016		Type of Product
			Saving	Insurance	Saving	Insurance	Saving	Insurance	
2	BPR Nurul Baroqah	West Sumatera	0	NA	0	NA	0	NA	Bundling product*
3	Koperasi Prajurit	East Java	2	NA	2	NA	2	NA	Tabuangan Siaga Bencana
4	BQ Bina Usaha	Aceh	156	156	440	440	455	455	Bundling product*
5	Kartini Cooperative	Jogjakarta	NA	372	NA	383	92	674	Stop Usaha Insurance
	<b>Total</b>		<b>1,882</b>	<b>993</b>	<b>2,179</b>	<b>1,301</b>	<b>2,392</b>	<b>1,607</b>	

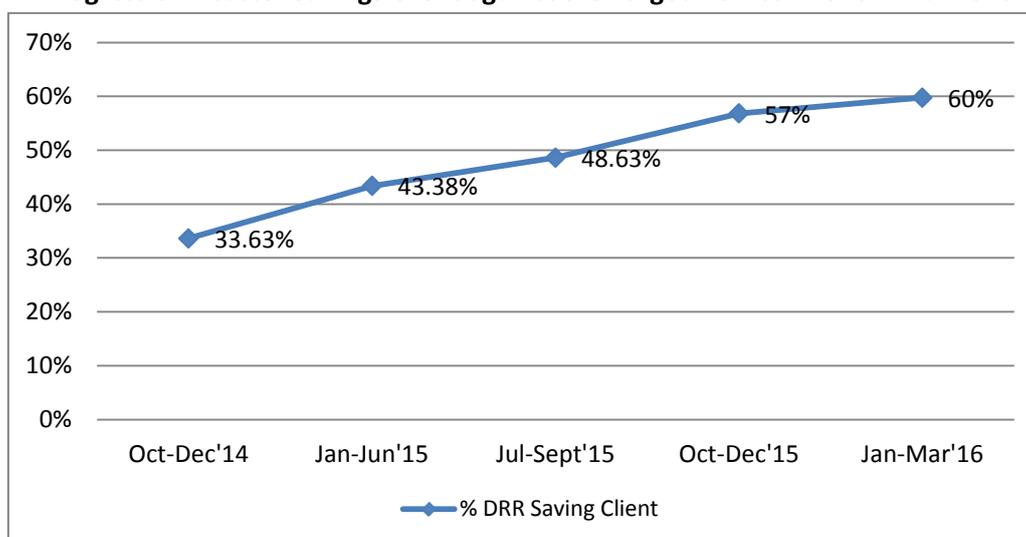
\*bundling product means, one client purchases two products at the same time, which is saving product and micro insurance product.

**Annex 3: List of ABSIGAB Members**

No	MFI	Province
1	PT BPR LUBUK RAYA MANDIRI	West Sumatera
2	PT BPR LUGAS DANA MANDIRI	West Sumatera
3	PT BPR STIGMA ANDALAS	West Sumatera
4	PT BPR RAGADANA SEJAHTERA	West Sumatera
5	PT BPR CEMPAKA MITRA NAGARI	West Sumatera
6	PT BPR NEW BUDISETIA	West Sumatera
7	PT BPR NURUL BAROKAH	West Sumatera
8	PT BPR GEMA PESISIR	West Sumatera
9	PT BPR BATANG KAPAS	West Sumatera
10	PT BPR BATANG TARUSAN	West Sumatera
11	PT BPR PEMBANGUNAN NAGARI	West Sumatera
12	PT BPR TILATANG KAMANG	West Sumatera
13	PT BPR MUTIARA PESISIR	West Sumatera
14	PT BPR LPN KOTO DALAM	West Sumatera
15	PT BPR LA MANGAU SEJAHTERA	West Sumatera
16	PT BPR JORONG KAMPUNG TENGAH	West Sumatera
17	PT BPR GONJONG 5	West Sumatera
18	PT BPR OPHIR	West Sumatera
19	PT BPR HARAU	West Sumatera
20	PT BPR PARIAYANGAN	West Sumatera
21	PT BPR RANGKIANG DENAI	West Sumatera
22	PT BPR SIPORA	West Sumatera
23	PT BPR KHATULISTIWA BONJOL	West Sumatera
24	PT BPR SWADAYA ANAK NAGARI	West Sumatera
25	PT BPR PAGARUYUNG	West Sumatera
26	PD BPR NTB LOMBOK TIMUR	West Sumatera
27	PT BPRS HIKMAH WAKILAH	West Sumatera
28	PT BPRS BAITURRAHMAN	West Sumatera
29	PT BPRS HAREUKAT	West Sumatera
30	PT BPR INGIN JAYA	West Sumatera
31	PT BPRS ADECO	West Sumatera
32	PT BPRS KOTA JUANG	West Sumatera

## Annex 4: Disaster Savings Product Performance Summary

### Progress of Disaster Savings Client against the Target from Jan 2016 – Mar 2016



### Total Savings Clients as of March 2016

No	MFI	Total Disaster Savings Clients	Male	Female
1	Merapi Mulya Cooperative	836	164	672
2	Sumber Jaya Penjaringan Cooperative	126	11	115
3	Sumber Rejeki Penjaringan Cooperative	85	18	67
4	BPR Pembangunan Nagari	318	88	230
5	BPR Mutiara Pesisir	129	57	72
6	BPR Ragadana Sejahtera	46	17	29
7	BPR Cempaka Mitra Nagari	187	62	125
8	BPR Lubuk Raya Mandiri	0	0	0
9	BPR Lugas Dana Mandiri	50	20	30
10	BPR Stigma Andalas	15	6	9
11	BPR New Budi Setia	51	27	24
12	BPR Nurul Baroqah	0	0	0
13	Prajurid Cooperative	2	1	1
14	Bina Usaha Cooperative	455	195	260
15	Kartini Cooperative	92	41	51
	<b>TOTAL</b>	<b>2,392</b>	<b>707</b>	<b>1,685</b>

**Annex 5: Disaster Microinsurance Product Performance Summary as of March 2016**

No	MFI	Product Type	Total Clients	Male	Female	Premium/ Voucher (IDR)
1	BPR Mutiara Pesisir	Earthquake (Dana Gempa)	129	57	72	20,000
2	BPR Ragadana Sejahtera	Earthquake (Dana Gempa)	46	17	29	20,000
3	BPR Cempaka Mitra Nagari	Earthquake (Dana Gempa)	187	62	125	20,000
4	BPR Lugas Dana Mandiri	Earthquake (Dana Gempa)	51	27	24	20,000
5	BPR Stigma Andalas	Earthquake (Dana Gempa)	50	24	26	20,000
6	BPR New Budi Setia	Earthquake (Dana Gempa)	15	6	9	20,000
7	Bina Usaha Cooperative	Earthquake (Dana Gempa)	455	195	260	20,000
8	Kartini Cooperative	Eruption (Stop Usaha)	674	204	470	40,000
<b>TOTAL</b>			<b>1,607</b>	<b>588</b>	<b>1,019</b>	



**Annex 6. Performance Summary Matrix**

Level	Indicator	Target	Q15	Q16	Q17	Q18	Σ	Notes	Status
<b>OUTPUT</b>									
Output 1.1: Improved capacity of MFIs on DRR and liquidity management	Indicator 1.1.1: # of MFIs trained on DRR and liquidity management	135 MFIs	0	0	34	30	228	5 MFIs during workshop in Jogjakarta in February and 25 MFIs during training in Malang in March 2016	Green
Output 1.2: Cloud system as a cloud data storage is established for MFIs	Indicator 1.2.1: # of MFIs registered with the cloud system	14 MFIs	9	4	0	0	13	BPR Pujon Jaya still using improper operating system. Indonesian Cloud will work on this in the next quarter	Green
	Indicator 1.2.2: # of MFIs clients' data are collected in the cloud system	Up to 42,000	69,643	128,071	-	-	128,071	No new MFIs were added to the cloud, therefore new client data was collected	Green
Output 1.3: Liquidity facility cooperation between authority, APEX Bank and MFIs for disaster liquidity facility in place	Indicator 1.3.1: # of acknowledgement letter from authority	At least 1 letter	0	0	0	0	0	The letter of acknowledgement from OJK is a challenge, especially to get their approval on disaster saving and micro insurance for MFI. In the end, OJK issued a regulatory framework to allow BPR (rural bank) to refer micro insurance. This is still red since we understand that the regulation was mainly developed by OJK.	Red

Level	Indicator	Target	Q15	Q16	Q17	Q18	Σ	Notes	Status
	Indicator 1.3.2: % progress toward full capitalization of the Emergency Liquidity Facility	100%	0%	0%	0%	0%	0%	Though agreement between ABSIGAB and Bank Mega Syariah and between Grubi and Bank Andara have been set up (legal aspect is still in progress), there is no capitalization this quarter because the agreement is still ongoing. Once the MFIs place their funding in commercial bank through the custodian mechanism, then we can calculate the capitalization.	
Output 1.4: Related DRR saving, loan and micro insurance product is accessed by the community	Indicator 1.4.1 # of clients in disaster-prone areas reached with new post-disaster loans and savings products.	4,000	1,735	1,945	2,273	2,392	2,392	This is now 59% from the target. In the next quarter, ILFAD will work to target more clients.	
	Indicator 1.4.2 # of MFI clients in disaster-prone areas are covered by DRR micro insurance products	8,000	374	931	1,301	1,607	1,607	This is only 16% from the target. 8 MFIs have bundled micro insurance. In the next quarter, ILFAD will work to target more clients.	
<b>ACTIVITY</b>									

Level	Indicator	Target	Q15	Q16	Q17	Q18	Σ	Notes	Status
Activity 1.1.1: The selection of potential MFIs to receive further supports	Indicator 1.1.1.1: # of selection criteria document	1 document	NA	NA	NA	NA	1	Selection criteria are complete.	
	Indicator 1.1.1.2: # of MFIs that are accompanied	21 MFIs	19	0	0	0	19	19 MFIs sent their commitment letter	
Activity 1.1.2: Development of DRR SoP for MFIs	Indicator 1.1.2.1: # of DRR SoP for MFIs	14 SoP	0	0	0	0	0	Drafts were distributed but finalization still in process and are targeted to be finished by the next quarter.	
Activity 1.1.3: Conduct DRR and liquidity management simulation for MFIs	Indicator 1.1.3.2: # of simulation	Up to 14 simulation	0	0	0	0	0	Simulations will be conducted next quarter in Malang and Padang. Simulations will also be an event to revisit and finalize the DRR SOP for MFIs.	
	Indicator 1.1.3.1: # of rapid response teams are function	Up to 14 team	0	0	0	0	0	No response team was formed within the MFIs. It is planned that, before the simulation, this team will be established in each MFI.	
Activity 1.2.1: Selecting vendor for the cloud system	Indicator 1.2.1.1: # of cloud system vendor that is selected	1 vendor	NA	NA	NA	NA	1	Indonesian cloud was selected to implement cloud system for selected MFIs.	
Activity 1.2.2: Development the cloud system's flow process for MFIs	Indicator 1.2.2.1: # of flow process for the cloud system	1 document	0	0	1	NA	1	The manual book is in place (in technical language) and the summary version will be developed later	

Level	Indicator	Target	Q15	Q16	Q17	Q18	Σ	Notes	Status
Activity 1.2.3: Further coaching in using the cloud system for MFIs	Indicator 1.2.3.1: # of coaching on the cloud system implementation	Up to 14	9	4	0	0	13	Two MFIs in Malang will join cloud system in the next quarter as the result of discussion during this period	
Activity 1.3.1: Development of cooperation model of APEX Bank (pooling fund institution) for disaster	Indicator 1.3.1.1 # of MFIs signing letter of agreement on the cooperation model with APEX	30 MFIs	0	0	1	0	1	This quarter, agreements between ABSIGAB and Bank Mega Syariah and between Bank Andara and Grubi were initiated, however, still awaiting the formal agreement that is expected in the next quarter.	
Activity 1.3.2: Advocacy to OJK, BI, BNPB and BPBD on related micro insurance product for MFIs	Indicator 1.3.2.1: # of meetings with OJK, BI, BNPB and BPBD	no limit	NA	NA	NA	NA	NA	A report from a consultant has been completed which consists of its log process during the assignment.	
Activity 1.4.1: Development of new micro insurance product	Indicator 1.4.1.1: # of new micro insurance product	1 products	1	1	0	0	2	The micro insurance products are: 1. Dana Gempa Insurance/earthquake (in BPR Mutiara Pesisir, BPR Raga Dana Sejahtera, BPR Cempaka Mitra Nagari, BPR Budi Setia, BPR Lugas Dana Mandiri, BPR Stigma Andalas, and Koperasi Bina Usaha); and 2. Stop Usaha Insurance/volcanic eruption (in Koperasi Kartini)	

Level	Indicator	Target	Q15	Q16	Q17	Q18	Σ	Notes	Status
Activity 1.4.2: Disaster preparedness saving replication and launching conducted	Indicator 1.4.2.1: # of DRR products are launched for emergency recovery	21 MFIs (revised)	1	1	0	0	15	SinCan (disaster saving) was launched in Kartini Cooperative during this period and Kartini already launched its micro insurance product on Q16. We are still waiting follow up from Bima rural bank and Puskopdit Jatim Tim.	
Activity 1.4.3: Development of business model for disaster preparedness saving and micro insurance distribution	Indicator 1.4.3.1: # of business model	1 business model	0	0	0	0	1	This is the ABSIGAB business model. This bussiness model was developed together with the ART (internal affair regulation) of ABSIGAB	
Activity 1.4.4: Intensive mobilization of TASIGAB and micro insurance for community	Indicator 1.4.4.1: # of active accounts of DRR saving products are developed	3000 (revised)	454	527	653	707	707	A letter to revise this indicator's target will be sent to OFDA, from 7000 to 3000 active account. If the new proposed target is 3000, it means that, already achieved 73% from the target	
			1,275	1,355	1,620	1,685	1,685		
			1,735	1,945	2,273	2,392	2,392		

**Note:**

**RED** color means total achievements of the indicators are still far away from target. 0% - 33% from total target means red.

**YELLOW** color means total achievements of the indicators are on the track to achieve the target. 34% - 66% from total target means yellow.

**GREEN** color means total achievements of the indicators achieve the target. 67% - 100% from total target means green.