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 PD-44D-873-A1

CLASSIFICATION
PROJECT EVALUATION SUMMARY (PER) - PART I

Report Symbol U-447

| | | | | |
|---|--------------------------------------|----------------------------------|--|--|
| 1. PROJECT TITLE Northern Sumatra Regional Planning | | | 2. PROJECT NUMBER 497-0246 | 3. MISSION/AID/W OFFICE INDONESIA |
| 4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Case, Fiscal Year, Serial No. beginning with No. 1 each FY) FY80-2 | | | <input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION | |
| 5. KEY PROJECT IMPLEMENTATION DATES | | | 6. ESTIMATED PROJECT FUNDING | |
| A. First PRO-AG or Engr. Start FY 1977 | B. Final Obligation Expended FY 1979 | C. Final Input Delivered FY 1981 | A. Total \$ 2,253,000 | 7. PERIOD COVERED BY EVALUATION From (month/yr.) August 1978 To (month/yr.) May 1979 |
| | | | B. U.S. \$ 1,560,000 | Date of Evaluation Review June 12, 1979 |

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

| A. List decisions and/or unresolved issues; cite three items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., telegram, EPA, PIO, which will present detailed request.) | E. NAME OF OFFICER RESPONSIBLE FOR ACTION | C. DATE ACTION TO BE COMPLETED |
|--|--|--------------------------------|
| 1. Complete final (FY 79) project obligation | Karl Baldwin | Completed |
| 2. Prepare documentation for USAID purchase of one project vehicle | Karl Baldwin | Completed |
| 3. Complete arrangements for GOI purchase of one project vehicle | Karl Baldwin/ Dir. City/ Reg. Planning | 9-30-79 |
| 4. Appoint and put in place agreed upon Project Team members from central government agencies | Karl Baldwin/ DCRP, PUOD | 9-30-79 |
| 5. Take appropriate steps to clarify and improve team member living/working situation | Karl Baldwin/ DCRP, PUOD | 9-30-79 |
| 6. Provide for additional regional planning expertise through consultancies and newly designated GOI Project Team members | Karl Baldwin/ DCRP, PUOD | 9-30-79 |
| 7. Develop active involvement of National Steering/Technical Committees, of Regional Coordinating Committee and of provincial Local Support Teams, including necessary letters of decision | Karl Baldwin/ DCRP, PUOD | 9-30-79 |

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

| | | |
|--|---|--|
| <input type="checkbox"/> Project Paper | <input checked="" type="checkbox"/> Implementation Plan e.g., CPI Network | <input type="checkbox"/> Other (Specify) |
| <input type="checkbox"/> Financial Plan | <input type="checkbox"/> PIO/T | _____ |
| <input type="checkbox"/> Logical Framework | <input type="checkbox"/> PIO/C | <input type="checkbox"/> Other (Specify) |
| <input type="checkbox"/> Project Agreement | <input type="checkbox"/> PIO/P | _____ |

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

A. Continue Project Without Change

B. Change Project Design and/or Change Implementation Plan

C. Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Name and Title)

1. Karl Baldwin
USAID Project Officer

2. Ir. Ruslan Diwiryo, DCRP

3. Drs. Atar Sibero, PUOD

12. Mission/AID/W Office Director Approval

Signature: *Thomas C. Niblock*

Typed Name: Thomas C. Niblock, DIR

Date: October 25, 1979

AID 1230-19 (2-78) Clearances:
 RD:WCLarson WCL

PRO:RZimmerman RZ PRO:RCohen RC

15p.

PROJECT EVALUATION SUMMARY

Northern Sumatra Regional Planning Project (0246)

13. SUMMARY

This evaluation is the regular mission evaluation to be conducted annually and represents the first such activity for this particular Project. It takes place ten months into the 36 month life of the Project. Its purpose is to examine the relationship of project implementation to, and the differences, if any, from the project design. Being early in the implementation stage, this evaluation is intended to confirm the design suitability and to assess the management of inputs and the process by which these inputs are converted into intended outputs.

The manpower inputs from USAID are now in place. The three long-term consultants and eleven GOI personnel representing the BAPPEDA of the four Provinces and the cooperating Agency, Cipta Karya, have been in place since January 1979. Housing for the Consultants has been procured, and the Indonesian Team members have also been accommodated. The four USAID funded vehicles are in place and operational and the GOI has loaned one vehicle to serve the Project. The Cooperating Agency has also provided a spacious Project Office, complete with furniture and equipment, sufficient to get the Project started. Additional office equipment has been ordered and is on the way. Two of the three planned incremental fundings for the Project have been obligated, and the final increment will be obligated before the end of the fiscal year.

The Project has been progressing steadily toward achievement of its targetted outputs. Some rescheduling of implementation actions was necessary early in 1979 to compensate for time required to reorganize the Project Team in accordance with Technical Committee actions, and to bring BAPPEDA personnel on board from all four participating Provinces.

Work is progressing steadily on the three major project thrusts (REPELITA III Assistance and Intermediate Range Development Programming, Long Range Regional Planning and One Year Action Planning) and on two supporting thrusts (Provincial/Regional Information System Development and Provincial/Regional Manpower Development).

The following areas for follow-up action were identified in the course of the evaluation exercise:

a. Central government representation on the Project Team.

In addition to the present 11 Team members, the Project expects to receive five additional team members from the central government ministries, the participation of which will be essential to project success.

b. Project transportation.

The GOI has supplied one temporary vehicle to alleviate the transportation burden. One additional car is to be supplied by the GOI in order to conform with provisions stipulated in the Project Agreement. An alternative to this is to supply the Project with one lower priced car plus several motorbikes.

c. Project Team housing.

Improvement of the condition of the quarters currently used to house the Indonesian Project Team members will be helpful in maintaining team member morale.

d. Project Team job security.

Some of the members of the Project Team are concerned about their employment status and possible promotional opportunities. They are also concerned about the possibility of being transferred to less promising positions than those presently held as a result of long absence from their Provinces.

e. Regional planning skills.

It was felt by at least some of the Project Team members that additional regional planning expertise is needed, around which the five Project thrusts can be implemented.

f. Policy guidance.

The need for involvement of the National Steering Committee, the National Technical Committee and the Regional Coordinating Committee, the latter consisting of the four BAPPEDA Chairmen, is being felt. The National Technical Committee has convened on Project matters in Medan, but the National Steering Committee has not met to date.

As a result of the evaluation process, plans have already been made to review and take action in each of the above areas. It is believed that this evaluation exercise will prove to have made a valuable contribution in the identification of Project implementation constraints, in suggesting solutions to problems and in ensuring that the Project remains on track and on schedule. At this relatively early stage in the life of the Project there is adequate time to make required corrections and to take positive steps to make this planning experience a building block for the careers of the participating GOI technicians.

14. EVALUATION METHODOLOGY

This evaluation was made as part of the Mission's regular review of Project activities. It has been concerned mainly

with clarifying the design, examining the adequacy and timeliness of inputs, measuring progress toward achievement of targeted outputs, verifying the Project hypothesis and attempting to identify steps needed to improve implementation. The evaluation is not intended to constitute an assessment of output or purpose attainment since it is too early in the life of the Project to make such determinations.

Besides being used for the above purposes, this evaluation also served as the vehicle to further inform Project participants, particularly Project Team members, as to the background of the Project, its philosophy and approach, and the concepts and application of the logical framework technique used in designing the Project.

The methodology used in the preparation of this PES included a field visit to the Project site where a semi-structured workshop and group discussions were conducted and attended by concerned participants, including USAID and Cipta Karya Project representatives, the USAID Evaluation Officer, Indonesian Project Team members and the Project's consultants. To add to the value and meaning of the process, a number of presentation and concept development/analysis techniques were used, such as brainstorming, role playing, group discussions, product-oriented exercises, learning by doing, etc. Individual participants, including both BAPPEDA personnel and the consultants, were asked to prepare PES sections pertaining to their particular areas of Project activity. It is believed that the foregoing evaluation approach has succeeded in gaining maximum involvement of those working directly on the Project, and in identifying problems and constraints requiring early action to insure success of the Project.

The foregoing evaluation process has also inspired an outline prepared in the USAID Program Office to serve as the basis for similar evaluation exercises with other Mission projects which are now under consideration.

15. EXTERNAL FACTORS

Major external factors that directly and indirectly impact upon the Project include the following:

a. Rupiah devaluation:

On November 15, 1978, the GOI devaluated its currency. This caused price increases which directly and adversely affected the Project budget and expenditures and caused vehicle

procurement difficulties, in-country travel limitations and a curtailment of certain manpower development activities.

b. Reorganization in the Cooperating Agency:

Early in the life of the Project, a reorganization in the GOI took place resulting in several changes of officials in leadership positions. New officials were appointed to the positions of Director General of Cipta Karya, Director of City and Regional Planning and the NSRP Project Officer in the Directorate of City and Regional Planning. Each newly appointed official brought to bear new ideas, concepts and approaches to Project implementation and to the concepts upon which the original Project design was based. Through discussion and negotiation, most of these new ideas, concepts and approaches have been worked into the implementation process leaving, however, some specific areas which require further attention, discussion and agreement. These will be covered in later sections of this PES.

c. Emerging new concept of regional planning boundaries:

A change in the entire concept of regional planning boundaries is under consideration by the Ministry of Public Works. Such revision could affect the validity of this and all other regional development Projects and their planning outputs. However, no action has been taken on such a change to date and there should be further opportunity to discuss possible consequences.

16. INPUTS

USAID inputs to this Project have been delivered generally according to the Project design and per agreement with the GOI as stipulated in the ProAg (Project Agreement). Some points merit attention and these are discussed below.

a. Consultants:

The three long-term consultants have been working on the Project from the outset. One of the consultants may need to be released at the end of this year due to expiration of his leave from his university. Efforts have been made to extend his services. If this is not possible, there will be need to identify without delay a comparably qualified replacement. Some short-term consultants have been engaged, and it is the feeling of at least some of the Project Team members that additional regional planning consultation is needed. It has been suggested that such added regional planning expertise is required to give direction and guidance to the Project in terms of building a framework to which each of the other Project outputs can be related.

b. Housing, Appliances, Vehicles:

The housing, the appliances for the consultants and the office air conditioners have been provided, with some shipping and customs clearance delays encountered early in the Project. The four USAID funded Project vehicles, along with spare parts, have been delivered to the Project site.

One of the stated input assumptions pertains to timeliness in providing funding and other inputs, and the availability of consultant services as needed. Having examined Project inputs actually in place in relation to the assumptions made, the following points should be mentioned:

a. Transportation:

The rupiah devaluation and application of the established GOI standards for vehicle purchase precluded Cipta Karya from supplying two vehicles as originally agreed upon. To partially alleviate the resulting transportation problems, Cipta Karya has supplied one substitute vehicle. USAID, using Project funds, now plans to provide one additional vehicle with the understanding that Cipta Karya will purchase an additional vehicle plus several motorbikes. It is understood that in connection with the purchase of this vehicle, the GOI will request some additional USAID funds to meet a budget shortfall caused by inflexibility of vehicle purchase procedures and to the inadequacy of funds allocated for purchase, in part attributable to the recent devaluation. The same conditions will affect the GOI budgeted in-country travel item for all Project Team members.

b. Central government representation:

As a result of the Technical Committee meeting on 6 December 1978, it was decided that in addition to the provincial RAPPEDA personnel, the Project Team will be staffed with four representatives from certain central ministries most directly concerned with the Project. These representatives would provide liaison and closer linkages between the Project and the respective ministries and vice versa, as well as providing added specialized manpower to assist in producing the Project outputs. Arrival of these representatives on the Project at the earliest possible date will avoid adverse effects on the achievement of the Project purpose as currently stated.

c. Local Support Teams:

As agreed to in the informal meeting between USAID and CIP Cipta Karya following the 6 December meeting in Medan, the plan to organize a Local Support Team in each Province to assist in Project implementation was dropped and this support function

became the responsibility of each BAPPEDA. Since assumption of this function by the BAPPEDA entails the need for a determination from the Central government, it is understood that a letter of decision will be needed from Dalam Negeri, based in turn on an appropriate joint letter of decision from concerned Ministries confirming the revised Project organization structure. Early action on this will expedite full performance of this important participation and Project support role by the respective Provincial BAPPEDAS.

17. OUTPUTS

The Project implementation schedule was revised early in the Project to compensate for certain delays in Project start-up. Given the external factors affecting the inputs, the magnitude of some of the Project's outputs may have to be modified from the original design. In particular, the manpower development output may have to be re-examined to determine whether the entire range of contemplated activities can still be accommodated.

By March 1979, the output for assisting in formulation of Provincial Repelita III plans was realized in Riau Province. The other Provinces were found to be well along in the preparation process by the time the consultants were on hand to provide assistance and only general advisory consultations were conducted.

This output also calls for the development of a system for intermediate range development programming. In relation to this output, during the months of March and April, draft questionnaires were prepared, tested and improved for collecting information on the existing programming system, Provincial Repelita preparation procedures and evaluation analysis system.

With respect to the Regional information System Output, one accomplishment to date has been the increasing involvement of Riau Province in development of its Provincial information system as part of the Regional Information System development thrust. Province officials, convinced of the need for a reliable information system, have committed Rp. 20 million of the FY 1979/1980 Provincial budget to undertake formulation of such system. To achieve this output, the Project has drawn up a plan and collected necessary reference materials for improving the existing Project filing system in order to be more responsive to the increasing needs for updated information. Furthermore, the Project plans to sponsor a Seminar on regional planning information systems in Pekanbaru in June of 1979. (Note: The Seminar was in fact convened on June 6-8, 1979 in Pekanbaru.)

With respect to the Output calling for development of a system for One-Year Provincial Action Programming and Implementation, draft questionnaires have been completed to collect information and reference materials on the existing system. A survey of selected local government agencies has been conducted in the four northern Sumatra provinces. An outline of a suggested content of Provincial Annual Plans has been developed for discussion, and a model is expected to be completed by August 1979. (Note: Model was completed and will be installed in one pilot Province.) The work program has been improved and additional materials have been collected for the development of a long-range regional planning development strategy and framework Output.

With respect to the Output providing for Manpower Development, questionnaires were developed and distributed to the BAPPEDA of the four Provinces to inquire regarding their training conditions and needs, and some on-the-job training sessions have been undertaken for the Project Team members by the Consultants on planning systems and analysis. The Project plans to request USAID to conduct a Training session on the AID Logical framework sometime toward the end of 1979. A major effort was devoted to prepare the mid-Project observation tour to the Phillipines, Malaysia and Singapore to observe alternative planning concepts and procedures used in other countries.

The assumptions identified as being necessary for achieving the several Project outputs are: (1) satisfactory relationships exist between the Central Government, the Project Office and the four Provinces; (2) central government and provincial planning agencies are committed to Project activities, and (3) satisfactory consultants and the other Project Team members. With respect to the continued validity of these assumptions, the following matters require attention:

a. Utilization of Available Skills and Specialties:

Improvements can be made by the Project to best utilize the Project Team members' skills and experience and to relate these as closely as possible with their Project assignments in order that they can contribute effectively to the Project. A reassessment of task force assignments in relation to team member qualifications could serve to indicate the optimum staffing and task force assignment pattern for the Project Team.

b. Team-member morale:

Early attention to and action on some factors affecting the Project Team members will avoid any drop off in the morale and effectiveness of these Indonesian members of the Project Team. Effort and concern given to reviewing each of these factors should provide a better understanding of what is or is not possible and should result in the feeling that attempts are indeed being made to create the best possible working and living conditions for each Team member and family. These factors will be discussed in more details in Annex A of this PES.

c. Organizational Structure and Authority:

Specific policy guidance on key matters provided by the National Steering Committee will enable the Project to enjoy more direct and more productive working relationships with the Provinces. One recommendation has been to officially issue a letter of decision in which the Project position in the local organizational structure and its relationship to the concerned provincial governments is clearly stated. Such a statement should help to bring all concerned parties to agreement on the overall Project organization, and should clarify the relationships of all participating national and provincial agencies.

Involvement to the maximum extent of the Regional Coordinating Committee consisting of the four BAPPEDA Chairman will pave the way for discussion and mutual agreement on major implementation actions and findings.. It is recommended that Project actions be coursed through this Committee to the National Technical and/or Steering Committee.

18. PURPOSE

The stated purpose of the Project is "To assist in the establishment of a coordinated provincial and regional planning program for Major Development Region A". It is believed that the Project will fulfill this purpose and will likewise fulfill the conditions indicating purpose achievement by taking concrete steps and early actions on the various factors identified through this evaluation. In particular, there is need to initiate as soon as possible two sets of action described earlier in this document.

- a. Full functioning of the various special GOI committees established for this Project needs to be encouraged. This will provide the Project with instruments for policy setting, guidance and coordination. The National Steering and/or Technical Committees should

meet in order to review Project status, receive reports and issue overall policy guidance. The Regional Coordinating Committee should meet regularly to review Project status, receive reports, course reports and recommendations upward to the Steering/Technical Committees and provide on-the-spot regional guidance and coordination.

- b. In order to increase the chances of achieving its objectives, the Project needs to have at the earliest possible date the four Central Government members of the Project Team assigned from several specified ministries.

19. GOAL

The stated goal to which this Project contributes is: "A more effective institutional capability for planning, implementation and coordination of development activities in Indonesia". It is still too early to make a meaningful evaluation of the effect of this Project on goal achievement. It can be stated that goal attainment will require the success of many other Projects and activities in the region. Given this fact, the Project has considered initiating periodic coordination meetings of key personnel of important planning and development project activities being undertaken in the Northern Sumatra Region. As a matter of fact, the U.S. Consul in Medan recently convened just such a meeting for bringing about a mutual exchange of information pertaining to donor assisted development activities. This approach could be pursued further by the Project.

20. BENEFICIARIES

It is too early to make any meaningful statements as to project beneficiaries, except to say that Project Team members are certainly being exposed to and are participating in new and hopefully stimulating regional planning experiences.

I. Impact re Section 102(d) Criteria:

- Increase Agricultural Productivity
- Reduce Infant Mortality
- Control Population Growth
- Promote Greater Income Distribution
- Reduce Under Employment

And related criteria:

- Strengthen/Create institutions which air social/economic development.

- a. The officials and technicians of the BAPPEDAS of the the four Provinces of Northern Sumatra and of other institutions involved in the Project. They will gain an increased awareness of regional planning and development through exposure to and utilization of the systems by which they will be implementing the Project. As a result, they should become more effective in performing their responsibilities and should gain new potential for making contributions to the purpose this Project is seeking to achieve.
- b. At least 17 Project Team members constituting the core team are benefiting from their direct participation in this Project. In addition, a number of administrative staff members are also benefiting.

Ultimate beneficiaries: The population of the four Project Provinces, some 14.8 million people, approximately 85% of which reside in the rural areas, will ultimately benefit if this Project succeeds in establishing improved planning capabilities, and in speeding the realization of new and appropriate development projects and activities throughout the region.

II. Benefit Incidence:

Education/Training/Management

- a. 17 core team members trained in workshops, OJT, etc. in the processes of producing the Project outputs. These same persons will be further trained through participation in an observation tour to the Phillipines, Malaysia and Singapore.
- b. 100 staff members of the four Province BAPPEDAS, dinases, Kantor Wilayahs and other agencies will receive training in regional planning and programming techniques.

21. UNPLANNED EFFECTS

(not applicable at this time)

22. LESSONS LEARNED

- a. It is essential that definite steps be taken early in the Project by responsible governmental agencies to clearly define and officially establish the formal Project structure.

b. A Project must be designed so as to absorb or adjust to anticipated changes, problems, delays, shortfalls, etc. which are unavoidable and for which additional funds may not be the critical ingredient for solution.

Annex A

Following are more detailed descriptions of the factors affecting the morale and effectiveness of the Indonesian members of the Project Team as briefly described earlier under the heading "Outputs":

(1) Housing:

Improvements to be made on the two houses currently accommodating the 6 BAPPEDA members and 2 Cipta Karya members (four with families) in the way of some family housing rearrangements and better sanitation, ventilation and plumbing.

(2) Medical Allowances and Honoraria

Consideration to continue the initially allocated medical allowance until the services of the Project Team members are completed. Also, given the rise in costs of living in Medan due to the devaluation, exploration of whether any adjustments can be made in honoraria.

(3) Team Member Functions, Status, and Responsibilities:

The need to examine as soon as possible the clarity of the functions, responsibilities and status of Project Team members.

(4) Position with Respect to Employment by the Project:

The need to inquire into and take appropriate steps to relieve the concern, now common among the BAPPEDA members of the Project Team, that they may lose their respective permanent BAPPEDA positions because of having to stay with the Project for 3 years.

(5) Training for Project Team Members:

- a. Consideration to provide the Project Team members with specialized academic/non academic training geared to developing a better understanding of the Project and for increasing team member's skills and knowledge.

- b. Consideration to provide Intensive English Language Training, as opposed to the current regular English Training, since skills training is one key to making this Project successful.

(6) Project Orientation:

Provision to the Team members of in depth Project orientation to develop a better sense of Project direction and a fuller understanding of what the Project is expected to accomplish in the short and long ranges.

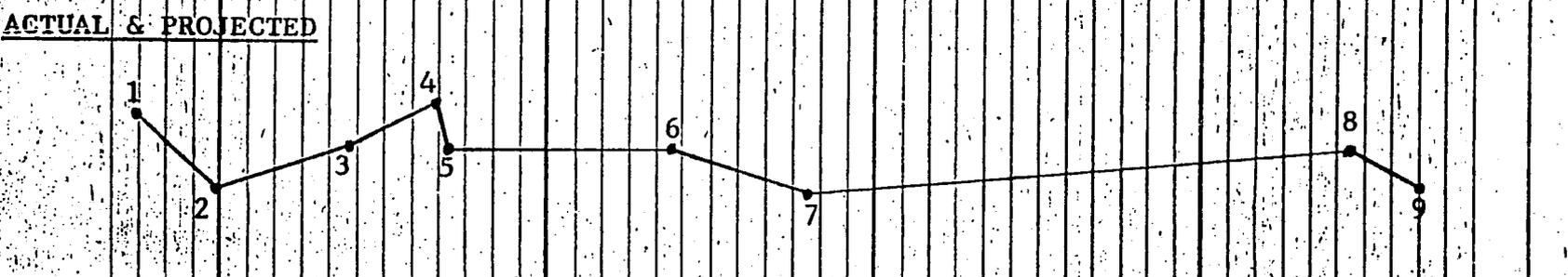
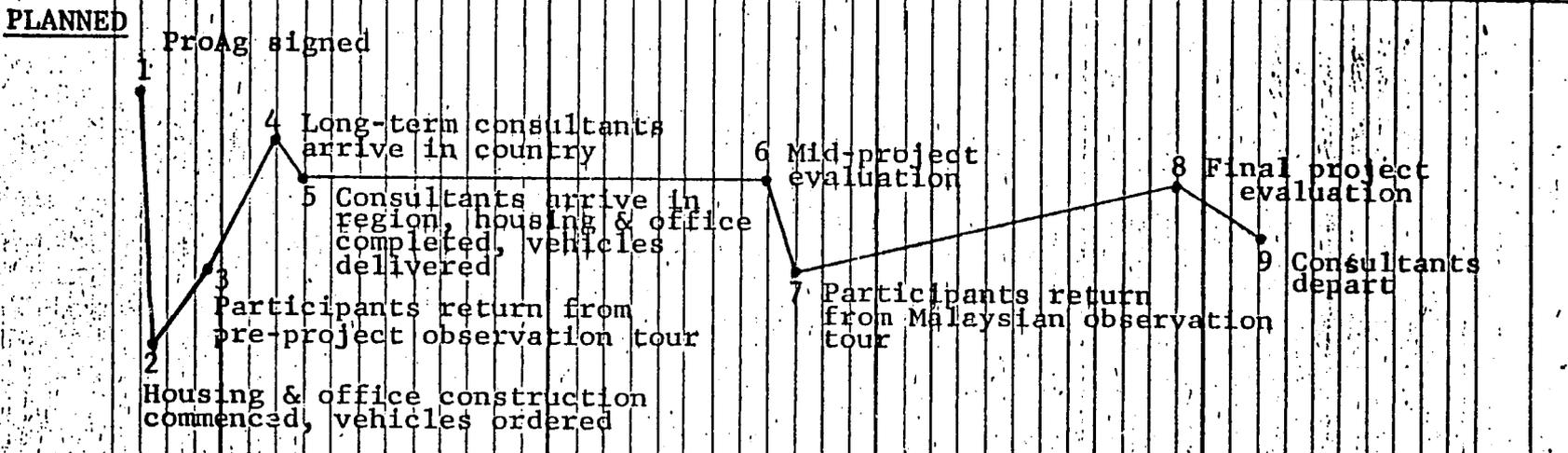
(7) Project Staff Relationship:

The need to analyze and improve relationships and understanding among the Project staffing elements, i.e. the BAPPEDA team members, the consultants and the Project management/administration staff members.

Project Performance Tracking Network Chart

Country: Indonesia Project Title: Northern Sumatera Regional Planning Date: 6-79
 Project No. : 497 - 0246

| 1977 | 1978 | | | | | 1979 | | | | | 1980 | | | | | 1981 | | | | |
|------|------|---|---|---|---|------|---|---|---|---|------|---|---|---|---|------|---|---|---|---|
| | O | J | A | J | O | O | J | A | J | O | O | J | A | J | O | O | J | A | J | O |
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| | | | | | |
|-------------------------|-------|-------|---------|--|--|
| Financial Plan* (\$000) | \$360 | \$760 | \$1,560 | | |
| Evaluation Plan | | | | | |

* Accumulated expenditures

4970246 001501

2-Way Memo

Subject : Project Evaluation Summary

| INSTRUCTIONS | |
|---|--|
| Use routing symbols whenever possible. | |
| SENDER: Use brief, informal language. Conserve space. Forward original and one copy. | |
| RECEIVER: Reply below the message, keep one copy, return one copy. | |

From : SER/MO/PAV
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Washington, D.C. 20523

| | |
|---|----------------|
| DATE OF MESSAGE | Routing Symbol |
| 10/26/79 | PRO |
| SIGNATURE OF ORIGINATOR <i>Robert F. Zimmerman</i> | |
| TITLE OF ORIGINATOR Evaluation Officer | |

INITIAL MESSAGE

FOLD

Attached are one copy each of the following PESs:

1. FY 80-1 for Kabupaten Planning & Management Training project No. 497-0237.
2. FY 80-2 for Northern Sumatera Regional Planning project no. 497-0246.

109
2996 051

REPLY MESSAGE

To : Mr. Robert F. Zimmerman
→ USAID/PRO
Jakarta, Indonesia

| | |
|----------------------|----------------|
| DATE OF REPLY | Routing Symbol |
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