USAID
FROM THE AMERICAN PEOPLE

iuwash
Indonesia Urban Water, Sanitation, and Hygiene

USAID INDONESIA URBAN WATER SANITATION AND HYGIENE

# ANNUAL WORKPLAN PROGRAM YEAR 2, 2012


**OCTOBER 2011**

This workplan is made possible by the support of the American People through the United States Agency for International Development (USAID.) The contents of this workplan are the sole responsibility of DAI and do not necessarily reflect the views of USAID or the United States Government.

**Partnership for Advocating Safe Drinking Water and Proper Sanitation for Indonesia**

Foort Bustraan (second from left), Deputy Chief of Party of IUWASH explained the work of USAID Water and Sanitation partners to the Minister of Health, Mrs. Endang Rahayu Sedyaningsih (right) and the Minister for National Development Planning / Head of BAPPENAS. Mrs. Armida Alisjahbana (second from right) at USAID exhibition booth during the National Conference on Drinking Water 2011.

In support to the National Conference on Drinking Water 2011, from October 11-13, IUWASH implemented several events in collaboration with USAID Water and Sanitation Partners i.e. the High Five Project and Indonesia Water SMS, as well as ECO Asia and various local governments and local champions.

IUWASH advocates on the importance of safe drinking water and proper sanitation for Indonesians and committed to support the Government of Indonesia to accelerate achievement of the Millennium Development Goals (MDGs), especially on access to safe drinking water and basic sanitation.

Credit: Committee of National Conference on Drinking Water 2011.

USAID INDONESIA URBAN WATER SANITATION AND HYGIENE

# ANNUAL WORKPLAN PROGRAM YEAR 2, 2012

| | |
|---|---|
| **Program Title:** | **USAID Indonesia Urban Water Sanitation and Hygiene** |
| **Sponsoring USAID Office:** | **USAID/Indonesia Office of Environment** |
| **Contract Number:** | **AID-497-C-11-00001** |
| **Contractor:** | **DAI** |
| **Date of Publication:** | **October 2011** |
| **Author:** | **DAI** |

This workplan is made possible by the support of the American People through the United States Agency for International Development (USAID.) The contents of this workplan are the sole responsibility of DAI and do not necessarily reflect the views of USAID or the United States Government.

# TABLE OF CONTENTS

# LIST OF ABBREVIATIONS AND ACRONYMS

The following is a list of abbreviations and acronyms commonly used in this report and on the project as a whole.

| | |
|---|---|
| ADB | Asian Development Bank |
| AIDAR | Agency for International Development Acquisition Regulations |
| Akatirta Wiyata | Akademi Teknik Tirta Wiyata |
| AMPL | Air Minum dan Penyehatan Lingkungan / Drinking Water and Environmental Health |
| APBD | Anggaran Pendapatan dan Belanja Daerah / Local Government Budget |
| APBN | Anggaran Pendapatan dan Belanja Negara / National Government Budget |
| AKOPSI | Aliansi Kota Peduli Sanitasi / Cities Caring for Sanitation Alliance |
| APR | Annual Progress Report |
| AusAID | Australian Agency for International Development |
| Bappeda | Regional Planning Board |
| Bappenas | Badan Perencanaan dan Pembangunan Nasional / National Development Planning Agency |
| BCC | Behavior Change Communications |
| BJB | PT Bank Pembangunan Daerah Jabar Banten / Regional Development Bank of West Java and Banten |
| BNI | Bank Nasional Indonesia |
| BPKP | Badan Pengawasan Keuangan dan Pembangunan / State Supervisory Board for Finance and Development |
| BPLHD | Badan Pengelola Lingkungan Hidup Daerah |
| BPRS | Bank Perkreditan Rakyat Syariah / Sharia Rural Bank |
| BPS | National Statistics Bureau |
| BRI | Bank Rakyat Indonesia |
| BTPN | Bank Tabungan Pensiunan Nasional / National Savings Pensioners Bank |
| BTN | Bank Tabungan Negara |
| C1 | IUWASH Component One |
| C2 | IUWASH Component Two |
| C3 | IUWASH Component Three |
| CBO | Community-Based Organization |
| CCFI | Coca-Cola Foundation Indonesia |
| CCP-I | Cipta Cara Padu Indonesia |
| CFR | Code of Federal Regulation |
| Cipta Karya | Directorate General of Human Settlement, MPW |
| CJ | Central Java |
| CL | Creditworthiness Ladder |
| CLTS | Community-led Total Sanitation |
| COP | Chief of Party |
| COTR | Contracting Officer's Technical Representative |
| CSO | Civil Society Organization |
| CSR | Corporate Social Responsibility |
| CSS | Citywide Sanitation Strategy |
| DAI | Development Alternatives, Inc. (IUWASH prime contractor) |
| DD | Diarrheal Disease |
| DED | Detailed Engineering Design |
| DEWATS | Decentralized Wastewater Treatment Systems |
| DCOP | Deputy Chief of Party |
| DHV | Dwars, Heederik and Verhey (an international consultancy and engineering firm) |
| DPRD | Dewan Perwakilan Rakyat Daerah / Local House of Representatives |
| EJ | East Java |
| ECO-Asia | Environmental Cooperation – Asia (USAID) |
| EE | Enabling Environment (for improved service delivery, Component 3) |
| EHRA | Environmental Health Risk Assessment |
| EMMP | Environmental Mitigation and Monitoring Plan |
| ESP | Environmental Services Program |

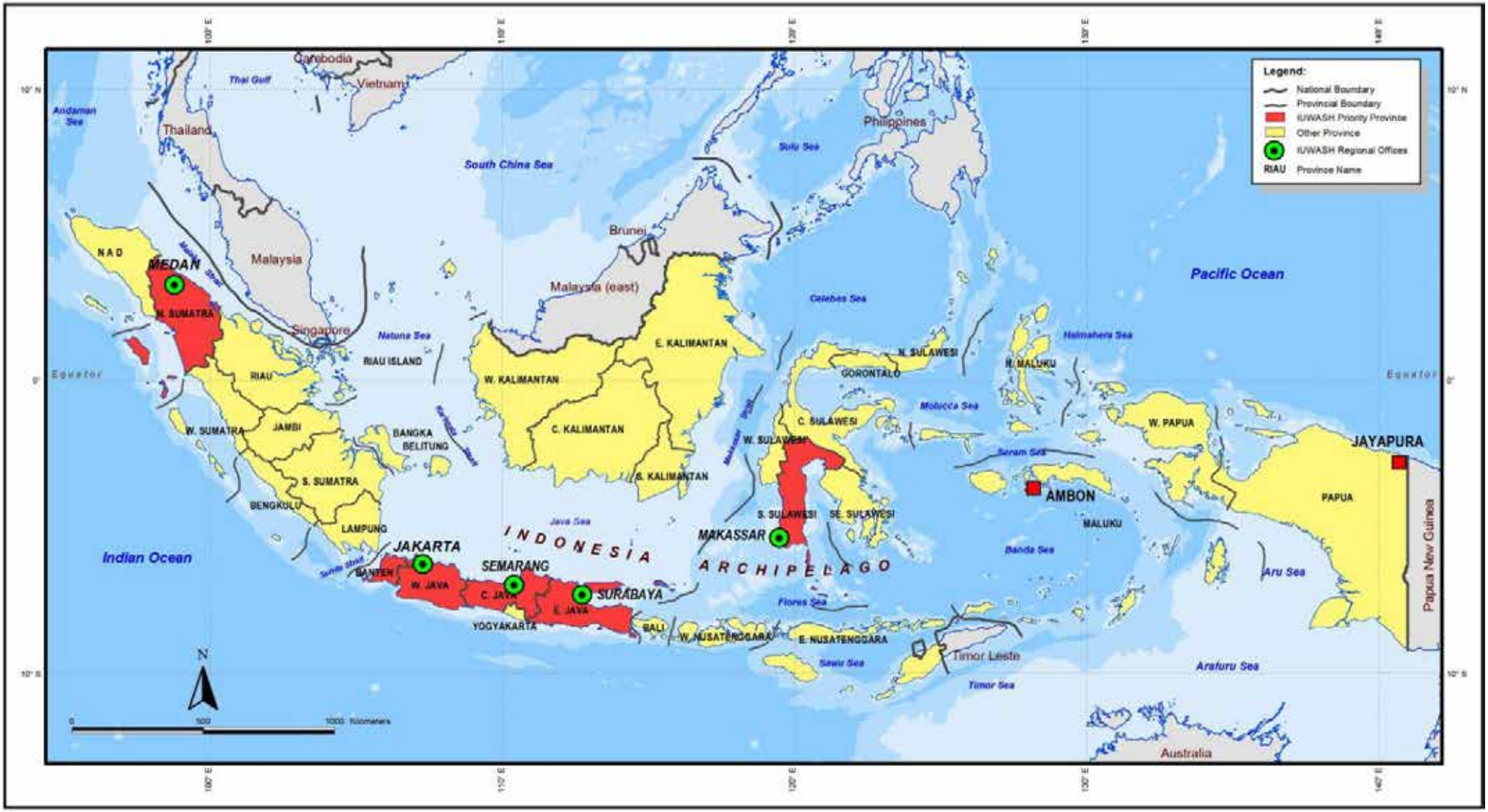
| | |
|---|---|
| FGD | Focus Group Discussion |
| FTL | Field Technical Liaison |
| FY | Financial Year |
| GCM | Global Circulation Model |
| GEC | Grant Evaluation Committee |
| GIS | Geographic Information System |
| GoI | Government of Indonesia |
| GUC | Grants Under Contract |
| HR | High Level Result |
| HRD | Human Resource Development |
| HWWS | Hand Washing With Soap |
| IBL | Indonesia Business Links |
| IC | Improved Capacity (for service delivery, Component 2) |
| ICED | Indonesia Clean Energy Development Project (USAID) |
| IEE | Initial Environmental Examination |
| IKK | Ibu Kota Kecamatan |
| IndII | Indonesia Infrastructure Initiative (AusAID) |
| IPAL | Instalasi Pengolahan Air Limbah |
| IPLT | Instalasi Pengolahan Limbah Tinja |
| IR | Intermediate Result |
| ISSDP | Indonesia Sanitation Sector Development Program |
| IUWASH | Indonesia Urban Water Sanitation and Hygiene |
| JICA | Japan International Cooperation Agency |
| JPA | Joint Partnership Agreement |
| KSAN | Konferensi Sanitasi dan Air Minum / National Conference on Sanitation and Drinking Water |
| KSR | Kupedes untuk Sambungan Rumah / Rural Development Credit for Household Connections |
| KUPEDES | Kredit Umum Pedesaan / Rural Development Credit |
| LG | Local Government |
| LOP | Life of Project |
| LTTA | Long-term Technical Assistance |
| M&E | Monitoring and Evaluation |
| MBR | Masyarakat Berpenghasilan Rendah / low-income communities |
| MC | Microfinance Specialist |
| MCK | Mandi Cuci Kakus / Bathe, Wash, Latrine (public washing and sanitation facilities) |
| MD | Mobilized Demand (for improved service delivery, Component 1) |
| MDG | Millennium Development Goals |
| MFI | Micro-Financing Institution |
| MLD | PT. Mitra Lingkungan Dutaconsult (IUWASH subcontractor) |
| MoF | Departemen Keuangan / Ministry of Finance |
| MoFA | Departemen Luar Negeri / Ministry of Foreign Affairs |
| MoH | Departemen Kesehatan / Ministry of Health |
| MoHA | Departemen Dalam Negeri / Ministry of Home Affairs |
| MPW | Departemen Pekerjaan Umum / Ministry of Public Works |
| MOU | Memorandum of Understanding |
| MSMHP | Metropolitan Sanitation Management and Health Project |
| Musrenbang | Musyawarah Perencanaan Pembangunan / Development Planning Consultation process |
| MPW/PLP | Kementerian Pekerjaan Umum/Ditjen Penyehatan Lingkungan dan Permukiman / Ministry of Public Works/Directorate of Environmental Health and Settlement |
| NAD | Nanggroe Aceh Darussalam / Aceh Province |
| NGO | Non-Governmental Organization |
| NRW | Non-Revenue Water |
| O&M | Operations and Maintenance |
| ODF | Open Defecation Free |
| PA | Partnership Agreement |
| PD PAL | Perusahaan Daerah Pengelolaan Air Limbah |
| PDAB | Perusahaan Daerah Air Bersih / Provincial Clean Water Company |

| | |
|---|---|
| PDAM | Perusahaan Daerah Air Minum / Local Drinking Water Company |
| Pefindo | Pemeringkat Efek Indonesia (rating firm) |
| Pemda | Pemerintah Daerah / Local Government (LG) |
| Perpamsi | Persatuan Perusahaan Air Minum Seluruh Indonesia / Union of Indonesian Water Supply Enterprises |
| PerPres | Peraturan Presiden / Presidential Regulation |
| PI | PDAM Performance Index |
| PII | Penjaminan Infrastruktur Indonesia / Indonesia Infrastructure Assurance |
| PKK | Pemberdayaan Kesejahteraan Keluarga / Family Welfare Empowerment |
| PKS | Perjanjian Kerja Sama / Cooperation Agreement |
| PMK | Peraturan Menteri Keuangan / MoF Decree |
| PMP | Performance Monitoring Plan |
| PNPM Mandiri | Program Nasional Pemberdayaan Masyarakat Mandiri / National Program for Community Self-Empowerment |
| Pokja | Kelompok Kerja / Working Group |
| Posyandu | Pos Pelayanan Terpadu / Integrated (health) Service Post |
| POU | Point of Use |
| PP29 | Peraturan Pemerintah No. 29 |
| PPKM | Program Peningkatan Keberdayaan Masyarakat / Increased Community Empowerment Program |
| PPP | Public Private Partnership |
| PPSP | Percepatan Pembangunan Sanitasi Perkotaan/ Accelerated Program for Urban Sanitation |
| PTI | Participant Training Information |
| PU | Pekerjaan Umum / Public Works |
| PY | Project Year |
| QPR | Quarterly Progress Report |
| RAD | Rencana Aksi Daerah / Local Action Plan |
| RFA | Request for Applications |
| RIPJM | Medium-Term Investment Development Plan |
| RISPAM | Sanitation and Drinking Water Investment Plan |
| RKAP | Local Government Annual Work Plan |
| RT | Rukun Tetangga / Neighborhood Association |
| RW | Rukun Warga / Community Association, equal to Ward |
| Sanimas | Sanitasi Berbasis Masyarakat / Community-based Sanitation |
| SDG | Sanitation Donor Group |
| SKPD | Satuan Perangkat Permerintah Daerah / Local Government Work Unit |
| SME | Small or Medium Enterprise |
| SMI | Sarana Multi Infrastruktur (infrastructure finance intermediary) |
| SOW | Scope of Work |
| SSE | South Sulawesi and Eastern Indonesia |
| SSK | Strategi Sanitasi Kota / Citywide Sanitation Strategy (CSS) |
| STBM | Sanitasi Total Berbasis Masyarakat / Community-based Total Sanitation |
| STTA | Short Term Technical Assistance |
| TAMIS | Technical and Administrative Management Information System |
| TMG | The Manoff Group (IUWASH subcontractor) |
| UPTD | Unit Pelaksana Teknis Daerah/ Technical Implementing Unit in Region |
| USAID | United States Agency for International Development |
| USDP | Urban Sanitation Development Program |
| WASPOLA | Water Supply and Sanitation Policy Formulation and Action Planning |
| Watsan | Water and Sanitation |
| WES | Water, Environment and Sanitation |
| WRM | Water Resource Management |
| WSP | Water and Sanitation Program (World Bank) |
| WTP | Water Treatment Plant |
| YLKI | Yayasan Lembaga Konsumen Indonesia / Indonesian Consumer Institute Foundation |

USAID
FROM THE AMERICAN PEOPLE

# Program Site Location Map

iuwash
Indonesia Urban Water, Sanitation, and Hygiene



# 1 INTRODUCTION

## 1.1 OVERVIEW OF IUWASH

The USAID Indonesia Urban Water, Sanitation and Hygiene (IUWASH) Project, Contract No. AID-497-C-11-00001, is a sixty-month effort designed to support the Government of Indonesia in making significant progress towards achieving Millennium Development Goal (MDG) targets as concerns safe water and sanitation by expanding access to these services. The IUWASH Project (or, the "Project") works with Indonesian government agencies at the central, provincial, and local levels, local government-owned water utilities (PDAMs), sector associations, NGOs, communities, universities, and the private sector. With USAID funding of 33.7 million US dollars, the Project is expected to result in the following benefits to Indonesia:

- Two million people in urban areas gain access to improved water supply as a result of US Government assistance;
- 200,000 people in urban areas gain access to improved sanitation facilities as a result of U.S. Government assistance; and
- The per unit water cost paid by the poor in targeted communities decreases by at least 20% through more participatory, transparent, accountable, and financially enabled services.

To contribute to more equitable access, IUWASH emphasizes expanding access among Indonesia's urban poor, currently those people with the most limited access to these services. To ensure that access improvements are sustained, IUWASH implements activities which contribute to the achievement of three distinct types of intermediate results. These results include:

- Demand for safe drinking water access and improved sanitation increased among urban communities and households with currently unimproved access;
- Improved water and sanitation services provided by public and private sector institutions in urban areas have sufficient sustainable capacity to meet increased demand; and
- Improved governance and finance create an enabling environment that supports equitable access to safe drinking water and improved sanitation in urban areas.

Corresponding to the above results, there are three technical components of the IUWASH Project to increase access to water and sanitation services, which will require different, but mutually reinforcing, initiatives to mobilize demand (Component One), increase capacity for service delivery (Component Two), and improve the enabling environment (Component Three). Outcomes in each component are inextricably linked, and success under one component cannot be achieved if there is not commensurate success in the other two components.

Operationally, IUWASH is a regionally-based project supported by a central office in Jakarta. Regional offices are located in Medan, Semarang, Surabaya, and Makassar, while the Jakarta office oversees activities on a national level, as well as serves as a regional hub for West Java. In addition to regional offices, the Project has staff referred to as Field Technical Liaisons (FTLs) who are technical specialists that are embedded in select agencies at the local level to maximize their engagement cost-effectively.

During PY1, 34 municipalities were selected for long-term IUWASH support (see Table 1 below), and this number is expected to increase to a total of 50 by the end of PY2. As with earlier site selection activities, additional locations will be selected based not only on need, but also on demonstrated commitment to expanding water supply and sanitation services, especially for the urban poor; Government of Indonesia (GoI) priorities; the potential for establishing "centers of excellence" for use in promoting best practices; and the potential to undertake complementary activities with other USAID projects and other GoI and donor initiatives.

**Table 1: Approved Sites for IUWASH Assistance**

| North Sumatra | West Java, Jakarta, Banten | Central Java | East Java | South Sulawesi/ East Indonesia |
|---|---|---|---|---|
| Medan city | Bekasi city | Semarang city | Gresik district | Ambon city |
| Binjai city | Bekasi district | Semarang district | Lamongan district | Jayapura city |
| Langkat district | Bogor city | Surakarta city | Mojokerto district | Jayapura district |
| Pematang Siantar city | DKI Jakarta | Kendal district | Probolinggo district | Makassar city |
| Tanjung Balai city | Karawang district | Kudus district | Sidoarjo district | Maros district |
| Tebing Tinggi city | Lebak district | | Surabaya city | Takalar district |
| | Serang district | | | Parepare city |
| | Tangerang district | | | Jeneponto district |
| | | | | Enrekang district |

## 1.2 FIVE-YEAR VISION

Over a span of five years, the IUWASH team envisions widespread urban water supply and sanitation solutions being incorporated into national strategies and enabling local governments and their service providers to deliver high-quality, efficient water and sanitation services. In achieving the targets set by USAID, we envision that such solutions will lead to further and sustainable increases in coverage well beyond the project's end date, especially for the urban poor.

The IUWASH team's strategic approach for achieving this vision is to implement all activities through a lens of good governance—whether corporate governance (PDAM operations and service delivery) or democratic governance (local government and civil society engagement). This involves working at the intersection of communities, local governments, and utilities to improve advocacy, accountability and regulation in water and sanitation services delivery (see Figure 1). To do so, the team will apply a demand- and capacity- building approach to improve access by engaging citizens and community groups to demand improved services, while simultaneously building capacity of both PDAM and local governments to deliver and oversee the quality of


**Figure 1: IUWASH – Working at the Intersection of Communities, Local Governments, and Utilities.**

services. IUWASH will also engage national government agencies to make improvements in the enabling conditions based on lessons learned in the field that will expand impact on a national scale.

The IUWASH focus on governance is not to the exclusion of other areas critical to improved sector performance, such as individual and collective behaviors or the functionality of service delivery systems. Rather, the focus on governance is based on experience and an acute awareness that most challenges faced by the sector are essentially governance-related. For example, although PDAM directors can undertake some internal reforms directly, breaking the cycle of underperformance requires local government support through investments and tariff increases to enable the PDAM to sustain service delivery improvements. Throughout implementation, we will emphasize the common thread of good governance, demonstrating how seemingly technical problems (such as Non-Revenue Water (NRW) or debt restructuring) or community behaviors (such as septic management or open defecation) are inherently governance problems. This means paying greater attention to the role of the local government and the citizens they support in planning, regulating, and monitoring utility performance, while working with relevant national government agencies to mobilize funding and establish minimum standards that will drive improvements in sector services. Improved sector governance also means implementing changes with end-users in mind and involving citizens as active partners as opposed to passive receivers of services. Finally, the team's approach will bring to scale sector investments by engaging the array of key stakeholders and central government counterparts in improvements to service delivery.

IUWASH life-of-project (LOP) high level results and component-level deliverables will lead to realizing the Project's vision set forth above and the basic principles which will guide project implementation to achieve such results and deliverables. The detailed LOP results and deliverables can be found in Appendix 1.

## 1.3 PROJECT YEAR TWO (PY2) WORKPLAN, OCTOBER 2011 THROUGH SEPTEMBER 2012

Work during Project Year One (PY1) showed that, despite persistently low levels of water supply and sanitation coverage, the political momentum to substantially change this situation is growing. With improved governance, accountability and financing, local governments and their service providers can deliver widespread access to clean water and sanitation to citizens by 2015. Most importantly, local leaders in areas targeted for IUWASH assistance in PY2 have clearly stated their commitment to make this happen. This second IUWASH workplan is designed to methodically seize the opportunity provided by this political momentum.

This workplan covers the period of October 1, 2011 through September 30, 2012. It provides detail on a wide range of specific tasks planned for PY2, and sets forth specific targets for each area of activity (see Appendix 2). The IUWASH Team has applied an overriding theme of *"Building the Foundation"* to guide development of the workplan, which has involved substantial internal discussion and coordination. While in PY1 the project focused much attention on putting into place the essential infrastructure, resources and relationships that are required for implementation, this year's theme looks beyond the basics and focuses on the role that PY2 will play in achieving the five-year vision set forth above. The theme recognizes that achieving the vision depends not only on the resources at hand, but on the project's ability to use them wisely and build a platform for work in subsequent

years. In this optic, key features of the *"Building the Foundation"* theme are designed to aid IUWASH in:

- Completing all remaining start-up activities, including staff recruitment, final equipment procurement, conclusion of Partnership Agreements (PAs) with local target areas, etc.;
- Greatly increasing project work and impact at the local level through:
    - Empowerment and capacity building among project regional offices and within targeted cities and districts;
    - Expanding the project's work area in the latter part of the year, reaching in excess of fifty (50) targeted urban areas;
- Strengthening systems for planning, coordination and on-going technical exchange, while also ensuring flexibility and an ability to adapt to changing conditions and new opportunities and challenges that arise;
- Building communications approaches that ensure clarity, help avoid confusion and serve both internal project management requirements and external project coordination needs;
- Further developing performance monitoring and measurement systems to ensure that high-quality programmatic and financial information is available and used to maximum effect;
- Expanding and managing project relationships with external stakeholders, with a special emphasis on increased participation of:
    - Non-governmental organizations (NGOs) through a substantial expansion of the project's grant program;
    - Private sector partners through the development and promotion of projects that are appropriate for Public-Private-Partnerships (PPPs) as well as Corporate Social Responsibility (CSR) support.
- Maintaining a high standard of ethics, responsiveness and systems to ensure compliance with USAID and GoI requirements and expectations.

Subsequent chapters of this workplan include:

**Chapter 2, Life-of-Project Results and Deliverables:** This chapter describes each high-level result contributing to the Millennium Development Goals (MDGs), briefly describes the relationship of each result with other technical component outcomes, and reviews specific targeted outcomes.

**Chapter 3, Approach to Component One, Mobilizing Demand for Service Delivery:** This chapter discusses overall Component aims and objectives and our team's approach to achieving specific Component deliverables; briefly describes the relationship of Component One activities with other IUWASH components and cross-cutting areas; gives a detailed review of targeted outcomes and their associated tasks during PY2; and includes a table summarizing planned Component tasks for PY2 and their associated activities, input requirements, expected results, and implementation timeframes.

**Chapter 4, Approach to Component Two, Improving and Expanding Capacity for Service Delivery:** This chapter discusses the overall Component aims and objectives and our team's approach to achieving specific Component deliverables; briefly describes the relationship of Component Two activities with other IUWASH components and cross-cutting areas; gives a detailed review of targeted outcomes and their associated tasks during PY2; and includes a table summarizing planned Component

tasks for PY2 and their associated activities, input requirements, expected results and implementation timeframes.

**Chapter 5, Approach to Component Three, Strengthening the Enabling Environment:** This chapter discusses the overall Component aims and objectives and our team's approach to achieving specific Component deliverables; briefly describes the relationship of Component Three activities with other IUWASH components and cross-cutting areas; gives a detailed review of targeted outcomes and their associated tasks during PY2; and includes a table summarizing planned Component tasks for PY2 and their associated activities, input requirements, expected results and implementation timeframes.

**Chapter 6, Approach to Grant Program Management:** This chapter contains an overview of the project's approach to grant program management; a review of the relationships between IUWASH grant activities and the project's technical components and cross-cutting areas; a detailed description of planned tasks to be implemented during PY2; and a table summarizing these planned tasks and their associated activities, input requirements, expected results and implementation timeframes.

**Chapter 7, Project Management Strategy and Activities:** This section details IUWASH's management strategy, including the organizational chart and approach to matrix management; and provides a detailed description of planned activities in key management and cross-cutting areas (general management, program communication, project reporting, GIS/mapping, gender, monitoring and evaluation, environmental compliance, support for Corporate Social Responsibility (CSR) programs, and relationships with other programs).

**Chapter 8, Regional-Level Technical Activities:** This chapter focuses on the regional IUWASH locations, providing an introduction to the targeted province(s), contextualizing IUWASH's work and development challenges in the region; presenting an overview of issues confronting each specific target location; and a providing a table summarizing planned tasks for PY2 and their associated activities, input requirements, expected results and implementation timeframes.

# 2 APPROACH TO HIGH LEVEL RESULTS AND DELIVERABLES

## 2.1 INTRODUCTION

IUWASH high level results are results that contribute directly to the achievement of the seventh of the Millennium Development Goals of the GoI—expanding access to safe water and sanitation services. These results are in line with the Paul Simon Water for the Poor Act of 2005, which prioritizes equitable and sustainable access to safe drinking water and sanitation. From this perspective, the partnership between the Government of the United States and the GoI in this sector will yield essential assistance that directly impacts the quality of life of the Indonesian people. To contribute to more equitable access, IUWASH emphasizes expanding services among Indonesia's urban poor. To ensure that improvements are sustained, IUWASH will adhere to a demand-driven approach that is grounded in the priorities of the central government as well as local governments. The high level results will flow from activities under the Project's three main components:

- *Demand for safe drinking water and improved sanitation mobilized among urban communities and households with currently unimproved access.* The program activities stimulate demand from both civil society and local governments for improved and increased water supply and sanitation services, which includes making service providers more accountable to the citizens they serve and the local government owners. IUWASH's approach for achieving this result is to give a voice to hidden demand, and to mobilize demand for improved sanitation by creating service demand where previously none existed.

- *The capacity to sustainably meet this mobilized demand with improved water and sanitation services built among the public and private sector institutions best placed to provide these services in urban areas.* The water and sanitation sector is currently facing several challenges, including poor management, insufficient funding, and operational inefficiencies. To address these issues, IUWASH will increase the capacity of key institutions including the local government, PDAM, civil society, small and medium enterprises (SMEs), and community groups.

- *A governance and financial enabling environment created that supports equitable access to safe drinking water and improved sanitation in urban areas.* Facilitating an improved enabling environment for water and sanitation services will involve the active participation of local governments and parliaments as the owners of water utilities. Recent GoI programs to improve sanitation also depend on local governments to lead the development and implementation of citywide sanitation plans that support household, community-based, and centralized solutions in accordance with citywide objectives.

The results of the program activities under the components above are targeted to contribute towards achievement of the high level results.

## 2.2 OVERVIEW OF HIGH LEVEL RESULTS

The principal mandate of IUWASH is the achievement of four "high level results" (HR) that contribute directly to the Millennium Development Goals of the GoI. HR-1 and HR-2 focus on the actual number of people that benefit from improved access to water supply and sanitation. HR-3 addresses the need for affordable services for the poor in the form of reduced costs that low-income households must pay for access to water supply. The last indicator, HR-4, is an additional result proposed by IUWASH concerning the total number of people trained under the Project on issues and approaches that directly impact demand for and access to clean water and sanitation. The matrices provided in each subsection below demonstrate the linkages of each high level result with the outcomes under the respective components.

**High Level Result HR-1: People gain access to improved water supply as a result of US Government assistance**

High Level Result HR-1 focuses on the number of people living in urban and peri-urban areas who gain access for the first time to an improved water supply. An improved water supply is defined as clean water that comes from an improved water source. Generally speaking, an improved water source will come in the form of a PDAM connection to the individual household, a master meter connection, or public water facilities.

To achieve the cumulative target of providing two million people with access to improved water supply, IUWASH will promote innovative solutions based upon approaches that have been tested and proven in the field. Several pilot programs will be scaled up by IUWASH during the next five years, as follows:

1. *Communal connections through master meters.* Communal/master meters are PDAM connections established at the entrance to a neighborhood from which point community members themselves organize and manage piped water distribution to households, along with payments to PDAMs and internal operations and maintenance. This method of service provision is especially appropriate in poor communities where land titling is problematIC This system is ready to be rolled out on a much larger scale.
2. *Microfinance for water supply.* One issue directly influencing household-level demand mobilization for piped water supply is the payment of a connection fee. Although most customers can afford connection charges, fees often pose insurmountable obstacles for poorer households. To address this issue, IUWASH will continue to scale up microfinance partnerships first established under ESP that allow for new customers to amortize the cost of a new connection.
3. *Output-based aid.* Output-based aid is most appropriately used to help low-income households that cannot afford connection fees, even when amortized over several months with microfinance. During the technical baseline assessment, the team will help local governments and PDAMs identify specific communities and neighborhoods where this approach is appropriate, and facilitate partnerships between the PDAMs and local civil society organizations (CSOs) to design new water supply projects based on the *Hibah* (grant) model. Using these projects, we will help the local governments prepare and present proposals to take advantage of the Hibah program.

The target of improved water access for two million people will entail improving modes of access to both non-PDAM and PDAM sources. The non-PDAM water sources will include the following categories:

- Improved access through community-based water supply systems; and
- Improvement of unprotected dug wells or boreholes to become improved water sources.

For non-PDAM sources, the number of people obtaining access to clean water will be calculated based on the total number of individuals in IUWASH sites who receive access to improved water supply; in other words, this indicator does not apply to the total household population in that area. The development of water supply facilities will include the facilities developed by the IUWASH partners/stakeholders through direct technical assistance, grants, or public private partnership (PPP) schemes.

In terms of PDAM connections, there are three methodologies to gauge increased access:

1. Number of new connections for all PDAMs in the IUWASH cluster, provided that IUWASH support to each PDAM covers the activities explained in more detail under indicator 2.a.
2. Number of new potential connections from PDAMs, whereby IUWASH technical assistance was instrumental in securing alternative financing, but where the connections are not completed during the IUWASH project period. As long as the local government and/or investor has committed to financing the expansion of new connections, IUWASH may include the potential connections under this indicator. IUWASH will further develop criteria for the assurance that alternative financing will be obtained and used to increase access to improved water supply, and on how many additional people can benefit from first-time access to safe water from the alternative financing secured.
3. Number of new connections made by PDAMs located outside the IUWASH cluster but that have received IUWASH support in a specific critical aspect directly related to increased connections – for example, by obtaining financial support or microfinance for water supply.

The following is a list of the outcomes that contribute to High Level Result HR-1. Detailed activities under each of the outcomes can be found in the National and Regional work plan descriptions included in subsequent Chapters.

| **Contributed Outcomes to HR-1** | |
|---|---|
| **Indicator: Number of people gain access to improved water supply as a result of US Government assistance** | |
| Outcome MD-2 | Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation |
| Outcome IC-1 | PDAMs with improved technical, financial and management performance |
| Outcome IC-4 | Local government institutions implementing necessary climate change adaptation measures, on preliminary raw water sources vulnerability assessment |
| Outcome EE-2 | PDAMs/local governments (LGs or *Pemda*) obtain access to long-term funding for water and sanitation investment plans |
| Outcome EE-3 | Percentage increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services |
| Outcome EE-4 | Low-income households accessing microfinance for household improvements in water and sanitation |

## High Level Result HR-2: People gain access to improved sanitation services as a result of US Government assistance

Similar to HR-1, High Level Result 2 (HR-2) focuses on the number of people that actually obtain access to improved sanitation services. The term "people" under this result is defined as individuals living in urban and peri-urban areas that gain access to improved sanitation facilities for the first time. An improved sanitation facility is defined as a facility that uses the proper technology to ensure privacy, personal hygiene, and the avoidance of negative environmental impacts (such as through connection to a public sewer system, connection to a septic system, a pour-flush latrine, a simple pit latrine, or a ventilated improved pit latrine). Unimproved latrines, which are not counted in the USAID Standard Indicators, include public or shared latrines, and bucket latrines. During the implementation of this workplan, and for meaningful project-level monitoring, IUWASH will work to reconcile the USAID definition with that of the GoI.

To reach the total target of 200,000 people with increased access to improved sanitation services, IUWASH will focus on the following mechanisms and improvements:

- Installation and expansion of community-based sanitation facilities;
- Increased number of piped connections to centralized sewerage systems; and
- Improved sludge removal and treatment systems (either centralized or communal).

The development and implementation of the sanitation facilities described above will, generally speaking, adhere to the following basic steps:

1. Locations are identified and agreed upon with local stakeholders (government, local communities);
2. Plans and designs are developed and agreed upon by stakeholders;
3. Community roles and responsibilities are defined through workshops and formal training;
4. Operation, maintenance and monitoring system is established;
5. Community sanitation systems are constructed; and
6. Quality of effluent is in accordance with relevant standards.

In locations where more traditional types of sanitation are not practical or feasible (due to high land and infrastructure costs or population density, for example), IUWASH will consider alternative facility designs that are better suited to low-income areas. The Sanimas program, for instance, initially promoted only "MCK++" (a multi-family bathing, washing, and latrine facility with advanced wastewater treatment). However, because of its relatively high cost and "one size fits all" design, alternative wastewater treatment systems have now been developed. These include systems that are well-suited to densely populated areas and flood-prone areas where houses are constructed above water. In this regard, the IUWASH team plans to:

- Support communities, schools, and local governments in mobilizing funds and rolling out appropriate sanitation systems. The funds may come from several sources, including a combination of local and/or national government grants, household contributions (in cash or through a microfinance scheme), and CSR funds.
- Support the development of new technologies and pilot programs using grants to universities, small and micro enterprises, and local NGOs. IUWASH support will be used to develop and test other low-cost sanitation systems that are technically appropriate and more affordable for poor urban households.

- Promote national sanitation policies such as STBM (*Sanitasi Total Berbasis Masyarakat*, or community-based total sanitation) and PPSP (*Program Percepatan Sanitasi Perkotaan*, or Accelerated Program for Urban Sanitation). Collaboration with these important policy initiatives will bolster support at the local level. Further, these initiatives can be directly integrated into broader improvements in Citywide Sanitation Services (CSS). To strengthen the capacity of local governments to monitor and evaluate progress in implementing their city sanitation plans, IUWASH will work with the Sanitation Working Group (*Pokja Sanitasi*) in program sites to develop systems for annual monitoring of citywide sanitation objectives. This support will assist the Pokja to report to city leaders on progress in implementing their CSSes; identify areas where additional effort is needed to meet CSS objectives; and advocate for funding and support from the mayor, the local parliament (DPRD), and other local government offices.

Increased access to sanitation facilities will include facilities developed by IUWASH partners and stakeholders through direct technical assistance, grants, or PPP schemes. Planned sanitation infrastructure will also be included in the overall evaluation of increased access, provided IUWASH assistance was instrumental in the leveraging of the financing needed to proceed with the project.

The following is a list of the outcomes that contribute to the achievement of High Level Result HR-2. Detailed activities under each of the outcomes can be found in the National and Regional work plan descriptions.

| Contributed Outcomes to HR-2 | |
|---|---|
| **Indicator: Number of people gain access to improved sanitation services as a result of US Government assistance** | |
| Outcome MD-2 | Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation |
| Outcome MD-4 | Sanitation for the poor toolkit developed |
| Outcome IC-5 | LGs implementing integrated sanitation and hygiene interventions that reflect their CSS plans |
| Outcome IC-6 | SMEs providing affordable construction and sanitation facility management services |
| Outcome EE-2 | PDAMs/LGs obtain access to long-term funding for water and sanitation investment plans |
| Outcome EE-3 | Percentage increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services |
| Outcome EE-4 | Low-income households accessing microfinance for household improvements in water and sanitation |

## High Level Result HR-3: The per unit water cost paid by the poor in targeted communities decreases by at least 20% through more participatory, transparent, accountable and financially-enabled services

High Level Result 3 (HR-3) addresses the ability of the poor to pay for their daily water needs. Demand for affordable and safe drinking water is high among the poorest Indonesian households. Surveys show that the urban poor spend on average 10-20% of their monthly income on water. The water that most of these households purchase is expensive or of questionable quality. The challenge, then, is to mobilize this existing demand so that communities can work with water utilities to access more affordable and increasingly high quality piped water services.

The per unit water cost of water under this result is defined as the cost of water consumption per household per month. The determination of whether a household is "poor" will be based on the standards of the local jurisdiction. Information will be gathered from targeted IUWASH intervention sites (sampling). The target communities are the communities within IUWASH cities where IUWASH directly supports water for poor programs, such as master meter, microfinance, output-based aid (OBA) or other programs. The communities are at the RW (neighborhood ward) level. IUWASH is required to implement a participatory, transparent, accountable, and financially-enabled service to support the achievement of this result. The service is defined as a process of providing support to increase access to improved water services that are highly participatory by the targeted beneficiaries of the program, and, if required, could include subsidized connections (through master meter, microfinance, OBA approaches, etc.).

The following is a list of the outcomes that contribute to the achievement of High Level Result HR-3. Detailed activities under each of the outcomes can be found in the National and Regional work plan descriptions included in subsequent Chapters.

| Contributed Outcomes to HR-3 | |
|---|---|
| **Indicator: Percentage decrease (at least 20%) of per unit water cost paid by the poor in targeted communities through more participatory, transparent, accountable and financially-enabled services** | |
| Outcome MD-2 | Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation |
| Outcome IC-1 | PDAMs with improved technical, financial and management performance |
| Outcome EE-2 | PDAMs/LGs obtain access to long-term funding for water and sanitation investment plans |
| Outcome EE-4 | Low-income households accessing microfinance for household improvements in water and sanitation |
| Outcome EE-5 | LGs adopt new or improved mechanisms for citizens to engage LG in water and sanitation |

## High Level Result HR-4: People participating in IUWASH training activities

HR-4 represents an additional result proposed by IUWASH in accordance with USAID reporting requirements for Participant Training Information (PTI). Specifically, this result complies with reporting requirements for programmatic training as described under AIDAR 752.242-70. The guidance on how to implement USAID-funded training programs is based on the ADS 253.

The "people" mentioned in this indicator consist of community members, government officials of different levels, private sector officers, donor agency staff, etc., who participate in IUWASH training activities. Training activities are defined as all types of training-related initiatives aimed at increasing the capacity and understanding of IUWASH programmatic objectives. Illustrative topics may include water supply, sanitation services and hygiene improvement, as well as technical aspects related to IUWASH components (demand mobilization, increasing capacity, and providing an enabling environment).
There are no outcomes that contribute to this result. All the training activities under all IUWASH outcomes will contribute to the achievement of this result.

| Contributed Outcomes to HR-4 |
|---|
| **Indicator: Number of people trained in IUWASH training activities** |
| There is no specific task. All the training activities under all IUWASH outcome activities will contribute to this outcome. |

# 3 APPROACH TO COMPONENT ONE, MOBILIZING DEMAND FOR SERVICE DELIVERY

## 3.1 INTRODUCTION

IUWASH recognizes that comprehensive solutions to improved water and sanitation services in Indonesia require the active participation of civil society, including community-based organizations (CBOs), civil society organizations (CSOs), consumer organizations, and NGOs. While the legal burden of service provision lies with local government, the feedback and engagement of these groups is an obvious corollary to satisfactory and accountable service provision. However, several important challenges must be overcome in order to obtain the desired level of civil society involvement. Specifically, IUWASH must address three interconnected civil society challenges: lack of awareness, lack of representation, and lack of effective feedback mechanisms.

All three challenges are exacerbated by the pervasiveness of urban poverty. Demand for affordable and safe drinking water is high among the poorest Indonesian households. However, surveys show that the urban poor spend an average of 10-20 percent of their monthly income on water, and the water that most of these households purchase is expensive and/or of questionable quality. The challenge lies in mobilizing this demand so that communities can work with water utilities to ensure development of more affordable and better quality services. In terms of sanitation access, the challenge lies in low household demand or willingness to pay for improved access. This challenge is significantly greater in urban areas, where sanitation improvements are usually costly and responsibility for service provision is often considered a household matter.

The Component 1 Team will focus on several priority areas in PY2, some of which are a continuation of achievements in PY1 while others are new activities being initiated for the first time. These activities, which are expected to provide a solid foundation for the remainder of the project, are as follows:

- Continued support for microfinance promotion (EE-4), using the results of focus group discussions (FGDs) conducted in PY1. After the team has designed the promotional campaign, development of the campaign materials will be outsourced to an agency.
- Developing templates and other survey tools for all community baseline and annual survey topics (water costs paid by the poor, willingness to pay for sanitation services, and hygiene behavior).
- Arranging stakeholder consultations in all regions as the basis for developing the communication strategy for IUWASH issues. This activity will utilize the preparatory work done during PY1, including the situational assessment.
- Designing a communication strategy to advocate increased support for urban sanitation, including sludge management, involving small and medium enterprises (SMEs), increased budget allocations for sanitation, and so on.
- Assessing issues related to transparency, accountability and public participation in PDAM operations and management, through an assessment of PDAM current practices and their potential to work with local CSOs and/or develop customer support structures, potentially including PDAM customer forums.

- Continued development of the "Sanitation for the Poor Toolkit" by compiling field experience and lessons learned from a variety of sources, both government and non-government, developing the outline, and engaging the Ministry of Health (MoH) and Ministry of Public Works (MPW) in the development of the toolkit.
- Integrating hygiene behavior change activities in water and sanitation demand creation campaigns, including extracting and adapting experiences from other projects, and implementing programs that are integrated with other community water and sanitation work in all regions.

## 3.2 INTEGRATION WITH OTHER IUWASH COMPONENTS

IUWASH is aware that progress in mobilizing demand for services will have only limited success and be short-lived unless the practical solutions to service provision sought under Component Two and the improved institutional support targeted under Component Three materialize. Likewise, the impact of efforts under these other components will be severely constrained if the demand for improved services and buy-in from civil society remain at their currently low levels. The linkage between Component One and the other two components is explicit in the Project's PMP and annual workplans, and in the day-to-day planning and implementation of specific activities. Examples of these linkages include:

- Reporting by civil society groups on PDAM operations and service (Outcome MD-3) relies heavily on the ability of PDAMs to provide reliable information and data (resulting from work under Outcome IC-1) and on the improved environment for information-sharing promoted under Outcome EE-5.
- Improving households' willingness to pay for sanitation improvements (targeted under Outcome MD-1) clearly depends on improving the availability of appropriate technologies (sought under Outcomes IC-5 and IC-6), and on the available funding options, which will be substantially boosted by increasing household access to microfinance (the objective of work under Outcome EE-2). On the other hand, neither improved access to technologies nor improved access to financing will have any effect unless there is increased demand to take advantage of these improvements.
- Likewise, local government adoption of new or improved mechanisms of citizen engagement (Outcome EE-5) will have little effect unless demand among the citizenry is stimulated to increase above the currently low levels generally observed throughout the sector.
- Enhancing citizens' knowledge through the advocacy efforts under Component 1 directly supports a key underlying objective of Component 3, namely that public policies and budgets place greater priority on water and sanitation services.
- Work under Component 2 to improve the technical performance of water supply systems (such as through NRW reduction) depends heavily on the general public to be part of the solution, by reducing the number of illegal connections and reporting leaks.

In addition to these inter-component linkages, activities under Component 1 are also interwoven with IUWASH's cross-cutting programs, especially in the areas of communications, GIS, gender, and collaboration with other programs. Examples of each of these synergies follow:

- *Communications:* The successful development and implementation of campaigns to heighten awareness and improve behavior requires thoughtful and well-organized communications materials and support;
- *GIS:* Project efforts to target activities and measure impact are greatly enhanced when analyzed spatially though the use of GIS;
- *Gender:* Civil society engagement at an appreciable level will only succeed if key gender issues and concerns are accommodated; and
- *Collaboration:* Achieving the level of impact that the IUWASH program seeks in its target areas is far too great a task for any one project, and necessarily involves strong cooperation and coordination with other institutions and programs.

In light of the above interdependencies and linkages, close collaboration across IUWASH's technical components and cross-cutting elements is paramount for successful implementation—and a key theme throughout the workplan for Component 1.

## 3.3 OUTCOMES AND WORKPLAN IMPLEMENTATION

The following sections set forth the five Outcomes which make up Component 1. Each outcome area is described in detail; the tasks to achieve that outcome are subsequently defined; and the tasks further detailed.

### Outcome MD-1: Households willing to pay for sanitation improvements

Outcome MD-1 addresses one of the principal challenges facing the expansion of sanitation services and facilities in Indonesia—the absence of demand at the household level to pay for these services and facilities. Despite the acute health hazards posed by the persistent pollution of nearby waterways and groundwater, household surveys that include sanitation indicators often report a surprisingly high level of satisfaction with the status quo. At the root of this complacency is a low level of awareness of the risks associated with poor sanitation and a lack of incentives for households to change their current practices. In a classic example of the tragedy of the commons, households see little to gain from individual investments in sanitation when so much depends on the actions of their neighbors, and, more broadly, their community as a whole.

Recognizing these challenges, the IUWASH approach to boosting demand for improved sanitation focuses on two areas. First, our Component 1 team implements both community-level promotion and broader integrated media campaigns to heighten awareness of the dangers of poor sanitation practices and the benefits of improved sanitation infrastructure. These promotional campaigns provide concrete examples of the benefits of better health and hygiene, seeking to quantify such benefits in monetary terms wherever possible. Campaigns also appeal to the sense of personal dignity associated with the utilization of improved sanitation facilities, referred to as community-based total sanitation (STBM) modules and guidelines.

Second, in the organization of sanitation improvements, IUWASH emphasizes the importance of collective action to reap the full benefits of sanitation improvements. Our regional teams seek to work with communities as a whole to develop a consensus on the need for change, and the most appropriate path to achieve that change.

The focus of activities in this section is to develop and implement the participatory process of selecting target communities and working sites, based on criteria agreed by all local decision makers (for instance, priority areas within citywide sanitation strategies (CSS), and areas with high risk, poverty and/or population density). The initial findings from the desk study conducted in PY1 on sanitation demand and willingness to pay for sanitation services showed a general lower priority for improving sanitation services than for improving water services.

Once a target site has been selected and agreed upon by local decision makers (Pemda, Pokja AMPL, etc.), an IUWASH baseline on willingness to pay will be conducted using a survey tool adapted from other programs. Depending on the results of the baseline, interventions to improve sanitation conditions will be developed and implemented, starting with community mobilization (see Outcome MD-2). Additional promotion tools and experience will come from the STBM program, especially the Community-led Total Sanitation (CLTS) approach.

The following is a list of the five main tasks identified to achieve Outcome MD-1.

| Tasks (under MD-1) | |
|---|---|
| **Indicator MD-1: Number of households willing to pay for sanitation services** | |
| Task MD 1-1: | Conduct sanitation baseline study (existing conditions, willingness to pay) and rapid assessment on sanitation actors and activities (refer to MD 5.1 and IC 7.1) |
| Task MD 1-2: | Develop communications strategy for mobilizing community demand for improved sanitation services |
| Task MD 1-3: | Conduct promotion and socialization on the benefits of improved sanitation services |
| Task MD 1-4: | Facilitate agreement with households to be connected to improved sanitation system (either individual, community-based or centralized) |
| Task MD 1-5: | Conduct annual survey on sanitation improvements and willingness of households to pay for sanitation improvements (refer to MD 5.5 and IC 7.3) |

Below is a brief description of the activities planned for each of these tasks. These activities are summarized in the table at the end of this chapter, which includes details of each task and its associated activities, input requirements, expected results and implementation timeframes.

### Task MD 1-1

In the first quarter of PY2, the Component 1 team (in close collaboration with the Component 2 team) will start implementing the sanitation baseline survey in selected areas indicated during the city assessment and/or based on *Pokja Sanitasi*/LG direction. The regions of South Sulawesi/East Indonesia and West Java/Banten will continue their ongoing rapid assessment of sanitation actors and activities, while other regions will collect relevant data to complement the planning of partner mobilization to support IUWASH work.

The baseline survey process will be aligned with EHRA implementation guidelines, and entails: (a) wrapping up the desk study on the situational assessment of sanitation services and issues at the national and regional levels; (b) finalizing the mapping of key sanitation actors; (c) organizing stakeholder consultations in all regions; and (d) selecting reference materials, tools and guidelines for use in sanitation promotion (see also under task MD-4). Support from The Manoff Group (TMG) will be mobilized at key stages of these activities.

### Task MD 1-2

Based on the community understanding derived from the stakeholder consultation meetings under task MD 1-1, the team will develop a communications strategy for mobilizing community-level demand for improved sanitation services. PY2 activities will focus on (i) sludge management and strategy development for media and government advocacy; (ii) detailed implementation planning for raising public awareness and community work (identifying and, where possible, developing campaign tools, guidelines and support resources); (iii) production and distribution of materials, along with user guidelines; (iv) adaptation of strategies to specific sites; and (v) development of regional implementation strategies that clearly set forth plans and required tools, materials and implementation support.

### Task MD 1-3

Based on the identified potential capacity and partner programs, and in close coordination with the Component 2 team, IUWASH Behavior Change Communication (BCC) specialists will conduct a series of activities to socialize the benefits of improved sanitation services. These activities will include training, socialization of issues and grants as an opportunity to tap for implementation partnerships, workshops on particular types of intervention (e.g., STBM), and others. Monitoring activity implementation, the partner engagement process, and designing media relations support will be prominent features of project interventions for this task. Efforts will largely be driven from the regional level, with Component 1 staff at the national level arranging assistance as needed from outside parties through purchase orders (POs).

### Task MD 1-4

Using the platform of improved understanding and acceptance provided by implementation of the program intervention plan, IUWASH will support local partners in "closing deals" with communities and households, encouraging them to formally agree and take practical steps to develop and/or connect to improved sanitation systems (individual, community-based or centralized). These activities will be conducted either by our partners through POs or grants or directly by our specialists in cooperation with CSOs. A range of key inputs will be required and made available in the form of a "menu" of sanitation service or facility options, depending on the type of sanitation intervention pursued. The national team will monitor and collect lessons learned from activity implementation.

### Task MD 1-5

Though we are still at an early stage in the development and implementation of sanitation promotional programs, IUWASH will develop a first annual survey on sanitation improvements and the willingness of households to pay for such improvements. An outside agency will be engaged to conduct this survey at the end of PY2, with survey instruments based on those developed for the baseline survey.

## Outcome MD-2: Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and sanitation

Civil society groups play an important role in terms of advocacy for improved services and can also be invaluable partners in the implementation of improved water supply and sanitation services. Such groups are critical, for example, in the organization and operation of community-based systems such as master meter schemes and communal septic systems. To this end, under Outcome MD-2 IUWASH will engage CSOs and/or local governments, and will provide direct capacity building to facilitate increased access to improved services.

During PY1, IUWASH implemented a rapid assessment on demand mobilization for water and sanitation, which was included in the FGD on water and sanitation access by micro-credit. The desk study and discussion with other partners on current water and sanitation issues in Indonesia also provided much information (programming tools and guidelines, research data, government plans/programs, etc.) that IUWASH can build from, including the possible development of partnerships with other organizations.

The following is a list of the seven main tasks identified to achieve Outcome MD-2.

| Tasks (under MD-2) | |
|---|---|
| **Indicator MD-2: Number of civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation** | |
| Task MD 2-1: | Identify potential CSOs and/or government cadres to implement the programs |
| Task MD 2-2: | Develop module for capacity building of CSOs and/or government cadres |
| Task MD 2-3: | Capacity building for CSOs and/or government cadres on program-related topics |
| Task MD 2-4: | Assist CSOs and/or government cadres to develop plans and design the programs |
| Task MD 2-5: | Support CSOs and/or government cadres to access co-funding from other sources, such as private sector, local government budget, IUWASH grants program, etc. |
| Task MD 2-6: | Support CSOs and/or government cadres to implement the programs, for example, installation of community-based or individual water and sanitation systems |
| Task MD 2-7: | Assist CSOs and/or government cadres to share achievements and lessons learned with a wider audience |

Below is a brief description of the activities planned under each of the tasks above. These are further summarized in a table at the end of this chapter, which provides details for each task, including activities, input requirements, expected results and implementation timeframes.

### Task MD 2-1

IUWASH staff in all locations have already begun mapping the CSOs and/or government cadres involved in water and sanitation work in each region. A preliminary database is available, and this will expand as additional information is collected during the first quarter of PY2. IUWASH teams will identify and assess the capabilities of CSOs and/or government cadres that might be engaged to implement demand mobilization activities and programs. The results of this exercise will lead to a better understanding of the gaps in current knowledge and capability. Based on the available data, IUWASH and partners will decide which types of intervention and support are needed.

### Task MD 2-2

Using the results from MD 2-1, the Component 1 team will develop modules for capacity building of CSOs and/or government cadres, engaging identified partners to assist in the review and refinement of these modules where appropriate. Instead of starting from scratch, and both for the sake of efficiency and to ensure programs are well-aligned with GoI initiatives, IUWASH will make maximum use of existing capacity building materials (including those available under the STBM and other programs), tailoring them to the specific needs of IUWASH target areas and partners.

### Task MD 2-3

Using the training modules developed under MD 2-2 and the experience gained under MD-1, IUWASH will then undertake capacity building activities for CSOs and government cadres. This will include assessing the results of such activities, then reviewing and refining the

capacity building modules accordingly. As far as possible, we will engage other organizations and government partners as information resources.

### Task MD 2-4

As a key preparatory step to undertaking the promotional activities under MD-1, Component 1 staff will provide concerted assistance to CSOs and/or government cadres in the development of comprehensive promotional activity plans. Particular attention will be given to the design of campaigns to ensure that all key partners (GoI agencies, service providers, financial institutions, etc.) are involved and clear plans exist for monitoring the results and making any necessary adjustments in implementation.

### Task MD 2-5

Recognizing the resource limitations that are often faced by CSOs and government cadres in implementing sector promotional activities, IUWASH will assist them in accessing additional support, including co-funding, from other sources such as the private sector, the local government, and the IUWASH grants program.

### Task MD 2-6

While capacity building and making resources available to CSO and government partners for promotional activities is laudable, IUWASH will not passively wait for the results of these efforts, rather, the Project will provide consistent monitoring and support for their efforts. This is especially important in light of the need to complement promotional activities with other resources, such as the improved technologies and services made available under Component 2 and the improved financing made available under Component 3.

### Task MD 2-7

Building momentum for demand mobilization at the grassroots level requires not only promotional events and campaigns, but also the active exchange of lessons learned and appreciation for such efforts among government leaders and civil society at large. To this end, IUWASH will actively share the promotional achievements of CSOs and government cadres by documenting and disseminating lessons learned, producing concise and compelling success stories, directly engaging the media in the dissemination process, and organizing special awards and using other means to show appreciation for and recognize these efforts.

## Outcome MD-3: Civil society groups that report on PDAM performance

The active participation of civil society in monitoring and reporting on the quality of service provision is fundamental to achieving sustainable improvements in water supply services. In this context, CSO reporting on PDAM activities is defined as regular information exchange between PDAMs, local governments and the public. IUWASH therefore encourages the development or strengthening of forums that improve the dialog with service providers and local governments. Specifically, regular local water forums that bring together communities, CSOs, elected officials, and service providers to exchange ideas and concerns can serve as a valuable catalyst for change. In order for such forums to be truly effective, however, it is important that they remain relatively independent of the water utility itself. CSOs should therefore play an important leadership role, ensuring that the forum is not simply an extension of the PDAM.

In PY2, Outcome MD-3 activities will focus on obtaining an understanding of current PDAM practices and processes in terms of transparency, accountability and customer participation, including best practices, challenges, identification of potential PDAM champions, and development of customer forums. Once local water forums are in place, IUWASH will work to fortify the governance process by equipping these forums with the knowledge and

communication skills needed to engage the public, local government and water utility officials. For instance, many CSOs are unaware that the PDAM Supervisory Board (*Dewan Pengawas*) of every water utility includes a designated "consumer representative." Thus, linking member CSOs with this board member is one simple yet currently underutilized means of providing consumer feedback.

The IUWASH teams (regional, national, and TMG) will provide trainings to selected PDAMs that focus on PDAM transparency, accountability and customer participation.

The following is a list of the six main tasks identified to achieve Outcome MD-3.

| Tasks (under MD-3) | |
|---|---|
| **Indicator MD-3: Number of civil society groups that report on PDAM operations or performance** | |
| Task MD 3-1: | Assess existing PDAM practices in public communications to promote transparency, accountability and participation, as well as the actors involved |
| Task MD 3-2: | Design capacity building module on advocacy, media relations and customer relations for PDAMs, customer forums and others |
| Task MD 3-3: | Provide capacity building for PDAMs/LGs on the importance of transparency, accountability and participation |
| Task MD 3-4: | Support CSOs and PDAMs in developing new customer forums or strengthening existing forums |
| Task MD 3-5: | Assist PDAMs and customer forums to access funding to support implementation of planned programs |
| Task MD 3-6: | Promote lessons learned and best practices |

Below is a brief description of the activities planned for each of these tasks. These are further summarized in the table at the end of this chapter which provides details for each task, including activities, input requirements, expected results, and implementation timeframes.

### Task MD 3-1

Before providing assistance to improve PDAM transparency, accountability and participation, IUWASH specialists will assess existing PDAM practices related to public communications and relations. The Project will engage a qualified agency, oversee the development of assessment tools, carefully select the PDAMs to target initially, engage their Supervisory Boards, and collect data on existing customer participation mechanisms. This activity will be closely coordinated with the complementary work scheduled under Components 2 and 3 to improve PDAM performance and citizen engagement mechanisms.

### Task MD 3-2

Based on the results of task MD 3-1, IUWASH communications specialists will, assisted by an external agency and the staff of other project components, design capacity building programs to improve PDAM media and customer relations, as well as relations with their local government owners. This will include reaching agreement on specific capacity building approaches and materials, and planning the capacity building activities that will be implemented by a local party.

### Task MD 3-3

Once the capacity building modules and programs are in place, IUWASH will roll out the tailored programs targeting improved transparency, accountability and customer participation among participating PDAMs. However, given the amount of preparation and institutional learning required to implement these programs effectively, as well as the need to closely synchronize this task area with work under other project components, no

activities are presently planned in this area for PY2. Instead, the foundations will be put in place to pursue such activities aggressively in PY3. Nonetheless, if specific targets of opportunity should arise during the course of PY2, they will be carefully examined to determine whether preliminary engagement is warranted.

### Task MD 3-4

Heightened CSO involvement provides a natural route for increasing PDAM transparency and accountability, and the extent of community participation in their operations. To this end, IUWASH will identify and support CSOs and other entities in assisting PDAMs in this task. However, as above, no activities are planned in this area during PY2. Again, the foundations will be put in place to aggressively pursue such activities during PY3.

### Task MD 3-5

In addition to the improved efficiencies that will emerge from bringing PDAMs, their owners and customers closer together (from reductions in illegal connections, greater responsiveness to system malfunctions, and so on), improved transparency, accountability and public participation should lead to additional resources being made available for the programs that these groups mutually desire and support. As this depends on the results derived from activities in the task areas above, program funding activities will not begin until PY3.

### Task MD 3-6

The other tasks under this Outcome are expected to generate critical lessons learned and best practices that will be of great benefit to other localities nationwide. IUWASH will therefore document these lessons and practices and disseminate the related information. Again, as this task depends on the results generated by the other task areas, no activities are planned in this area during PY2, but it will be aggressively pursued in PY3.

## Outcome MD-4: Sanitation for the poor toolkit developed

Building off the "Water for the Poor Toolkit" developed under the USAID/ESP program in close collaboration with MPW, IUWASH will develop and document a parallel set of approaches to increase access to sanitation facilities for the urban poor. Because both the MoH and MPW have expressed great interest in supporting the development and dissemination of this toolkit, the IUWASH BCC and urban sanitation specialists will develop the toolkit with both Ministries as the co-owners. Their involvement will include (i) collecting and selecting best practices, guidelines and manuals from their own and other programs, (ii) agreeing on the outline and layout of the toolkit, and (iii) editing the information, which will be collected and written up by an outside party to ensure consistency and professional development. The process will also include consultations with key IUWASH partners (Pokja AMPL members, USAID/HighFive program, UNICEF, etc.). Once the toolkit is finalized, both Ministries and IUWASH will formally launch and then disseminate the toolkit at the start of PY3.

The following is a list of the five main tasks identified to achieve Outcome MD-4.

| Tasks (under MD-4) |
|---|
| **Indicator MD-4: Number of sanitation for the poor toolkit developed** |
| Task MD 4-1: Collect and review existing best practices, examples and tools of sanitation for the poor |
| Task MD 4-2: Develop toolkit outline and draft toolkit contents in close collaboration with IUWASH partners |
| Task MD 4-3: Conduct workshop with IUWASH partners to review toolkit contents |
| Task MD 4-4: Finalize toolkit (production and launch) |
| Task MD 4-5: Promote and socialize toolkit among various stakeholders |

Below is a brief description of planned activities for each of these tasks. These activities are summarized in the table at the end of this chapter, which provides details of each task, including its activities, input requirements, expected results and implementation timeframes.

### Task MD 4-1

Effective sanitation promotion that leads to genuine and impactful change, especially that which targets the urban poor, requires the development of a new set of information and programming guidance. IUWASH will collect and review existing best practices, sanitation promotion samples and tools for targeting the urban poor and, with the assistance of an outside agency, develop a "Sanitation for the Poor Toolkit." To ensure that this toolkit is appropriate and well-received, IUWASH will ensure that it is developed in close coordination with, and with the full support of, the cognizant agencies (including the MoH, MPW and others). Given the level of effort involved in this exercise, a draft toolkit outline will be made available in PY2 and the contents will be completed in the first quarter of PY3.

### Tasks MD 4-2 to 4-5

As discussed in the introduction to Outcome MD-4, Tasks MD 4-2 to 4-5 will be the subject of special focus during PY3.

## Outcome MD-5: Household increased adoption of improved hygiene practices

Hygiene promotion and behavior change plans are core components of the IUWASH technical approach to supporting improved practices in the home and, more broadly, demand mobilization for improved service delivery. Although there is much to accomplish in terms of improving hygiene knowledge, attitudes, and practices in urban Indonesia, important strides in hygiene promotion have been made in recent years. There is now a solid foundation of formative research, and clear policy direction and program planning support has been provided under the Community-led Total Sanitation (STBM) and Urban City Sanitation Strategies (CSS) programs. Additional synergies are possible with programs such as the USAID-funded CCP-I HighFive program, which implements STBM activities in Medan, Surabaya and Makassar, and important resources are available through the SaniFOAM framework and the Water, Sanitation, and Hygiene Improvement Training Package developed under the USAID Hygiene Improvement Program.

IUWASH hygiene promotion campaigns, then, will build directly off the existing foundation of research, policies, and resources. Further, the hygiene campaigns will be designed in close coordination with key national stakeholders such as the STBM Secretariat. While the content of the hygiene promotion campaigns will be adapted for each region, common elements will include (i) use of media, exposure visits and training sessions for journalists; (ii) organization of special promotional activities; (iii) support from local, national, and international events such as National Hand-Washing with Soap Day; (iv) integration of hygiene promotion into existing local and national government programs at schools and clinics; and (v) use of competition and awards programs.

However, the IUWASH approach recognizes that sustainable improvements in hygiene practice are not only the result of educational and awareness-building activities, but also involve ensuring access to the appropriate technology, and a supportive institutional and policy environment. Hygiene awareness building efforts are fundamentally more successful when combined with practical technological solutions, appropriate financing options, and a supportive policy environment.

The following is a list of the six main tasks identified to achieve Outcome MD-5.

| Tasks (under MD-5) | |
|---|---|
| **Indicator MD-5: Percentage increase in households adopting improved hygiene practices** | |
| Task MD 5-1: | Conduct baseline survey on hygiene practices (refer to MD 1-3 and IC 7-1) |
| Task MD 5-2: | Develop hygiene-related campaign strategy |
| Task MD 5-3: | Design campaign materials, including training modules and materials |
| Task MD 5-4: | Campaign implementation, including community events, media advocacy, school activities, etc. |
| Task MD 5-5: | Conduct annual survey on increased adoption of improved hygiene practices (refer to MD 1-4 ; EE 7-3) |
| Task MD 5-6: | Promote award mechanism for communities with most-improved hygiene behavior |

Below is a brief description of the activities planned for each of these tasks. These are further summarized in the table at the end of this chapter, which provides details on each task, their activities, input requirements, expected results and implementation timeframes.

### Task MD 5-1

Success in promoting the adoption of any new behavior or technology is inextricably linked to heightened appreciation for the benefits offered by this behavior or technology. In the case of water supply and sanitation, one key avenue for achieving heightened appreciation is improving individual and collective understanding of the important role played by hygiene in disease prevention. This task will provide a baseline on hygiene practices from which further interventions can be appropriately developed and their impact measured. To assist in this effort, an outside agency will be engaged and closely supervised by IUWASH BCC specialists.

### Task MD 5-2

Based on the results of task MD 5-1, and using other available materials to the maximum extent possible, IUWASH BCC specialists will develop a hygiene campaign strategy. This strategy will define the communications methodology for improving behavior related to hand washing with soap (HWWS), household water storage and treatment, development and maintenance of improved sanitation facilities, and similar areas. This strategy will also include resource mobilization plans and guidelines for community-level work, media advocacy and government advocacy.

### Task MD 5-3

Once the hygiene campaign strategy has been developed, IUWASH will collect existing materials, adopt and adapt such materials as appropriate, and design hygiene improvement campaigns suited to the program's target areas and programmatic priorities. With assistance from an outside agency, this will include production (and pre-testing) of materials, and their distribution to regional locations. IUWASH will ensure that its staff and partners are well-trained in the use of this material.

### Task MD 5-4

As the culmination of the efforts above, the hygiene campaign will be implemented through community events, media advocacy work, school activities, and so on. IUWASH BCC specialists at the national level will assist the regional teams in developing and then executing their campaign action plans, and in carefully monitoring progress. Success stories and lessons learned will be gathered for incorporation into the "Sanitation for the Poor Toolkit" (Outcome MD-4).

**Task MD 5-5**
In order to measure hygiene promotional efforts effectively, IUWASH will conduct an annual survey on increased adoption of improved hygiene practices, including a survey every six months to track adoption of improved hygiene practices at the household level. This will involve developing survey implementation guidelines and training materials, and training surveyors and partners in survey implementation and use. The results will be recorded in the TAMIS database.

**Task MD 5-6**
With a view towards creating a "virtuous cycle" whereby project partners (individual, community-based and institutional) are encouraged and motivated to continue and enhance their efforts to promote improved hygiene behaviors, IUWASH will institute awards programs for communities and hygiene promoters whose performance is exemplary. IUWASH will engage government leaders, the media and others to ensure that this recognition is palpable. Award events will be used to showcase success stories and disseminate best practices.

## 3.4 SUMMARY OF TECHNICAL ACTIVITIES

| Task | Activity | Input | Results | Timeline |
|---|---|---|---|---|
| MD 1-1 | Develop and distribute template for sanitation baseline study and support regions with data collection, verification and analysis | LTTA, STTA, PO | Stakeholder mapping database and baseline completed and entered into TAMIS and PMP | Oct-Dec 11 |
| MD 1-2 | Develop communications strategy for improved sanitation services demand, focusing on sludge management | LTTA | Strategy for improved sanitation demand developed | Jan-Mar 12 |
| MD 1-2 | Develop, reproduce and distribute communications materials for all planned interventions | LTTA/PO | Materials, guidelines and other tools pre-tested, produced and available | Mar-May 12 |
| MD 1-3 | Develop promotion and socialization campaigns and support regions in implementation | LTTA, PO | Campaigns implemented in regions and data entered into TAMIS | Oct 11-Feb 12 |
| MD 1-4 | Support regions with agreement from households to be connected to improved sanitation systems | LTTA, | Communities and households put into practice sanitation improvements; results are documented | Oct 11-Sep 12 |
| MD 1-5 | Develop and conduct annual survey on sanitation improvements and on willingness of households to pay for sanitation improvements | LTTA, PO | Annual survey implemented, and results entered into project M&E systems and reported on | Aug-Sep 12 |
| MD 2-1 | Support regions in assessing potential CSOs and/or government cadres to implement demand mobilization programs | LTTA | Database of potential CSOs, active cadres, and existing programs | Oct-Nov 11 |
| MD 2-2 | Develop modules for capacity building of CSOs and/or government cadres | LTTA, PO | Modules reflecting needs of identified partners are developed and available | Dec 11-Mar 12 |
| MD 2-3 | Initiate and support regions in capacity building for CSOs and/or government cadres on water and sanitation topics | LTTA, PO | Capacity building programs conducted and activity action plans are submitted to LG as a result. | Oct 11-Sep 12 |
| MD 2-3 | Review and refine capacity building modules, as indicated from experience gained in MD-1 activities | LTTA | Assessment of the results of CSO and government cadre participation is used to refine capacity building modules, tools and guidelines | Sep 12 |
| MD 2-4 | Support regions to develop CSO plans and design the program | LTTA, CSO, Government | Project assistance in planning leads to improved coordination and impact at the community and household levels | Mar-Jul 12 |

| Task | Activity | Input | Results | Timeline |
|---|---|---|---|---|
| MD 2-5 | Support regions in accessing co-funding from other sources, such as private sector, local government budget, IUWASH grants program | LTTA, GoI, CSR, CSO, NGO, other donors | Database of possible funding sources is available and accessed by CSOs and/or government cadres | Mar-Sep 12 |
| MD 2-6 | Support regions in developing and implementing promotional programs in coordination with other components | LTTA, GoI, CSR, CSO, NGO, other donors | Promotional activities are reinforced with practical technologies and solutions | Mar-Sep 12 |
| MD 2-7 | Support regions in sharing achievements and lessons learned with a wider audience through success stories, targeted media exposure, special awards, etc. | LTTA, CSO, NGO, government, media | Lessons learned and success stories documented and disseminated; heightened involvement of media and government leadership; and results entered into TAMIS | Aug-Sep 12 |
| MD 3-1 | Assess existing PDAM practices in public communications to support transparency, accountability and public participation; identify third party to support program implementation | LTTA, PO, PDAM | Assessment report detailing the current status customer participation and likely approaches for improving this key area. | Feb-Jul 12 |
| MD 3-2 | Design and pre-test capacity building module for advocacy, media relations and customer relations for PDAMs, customer forums, and others | LTTA, PDAM, PO | Completed modules and understanding of opportunities for PDAM transparency, accountability and customer participation | Feb-Sep 12 |
| MD 4-1 | Collect and review existing best practices, examples and tools of sanitation for the poor; agree on partnership with two line Ministries and develop preliminary outline | LTTA, PO, MoH, MPW | Preliminary outline of "Sanitation for the Poor Toolkit" is developed in close collaboration with key line agencies | Oct 11-Sep 12 |
| MD 5-1 | Design, pre-test and support regions in conducting baseline survey on hygiene practices related to improved water and sanitation access | LTTA | Baseline survey completed and data entered into TAMIS | Jan-Mar 12 |
| MD 5-2 | Develop hygiene-related campaign strategy and action plan that builds off baseline survey and other key references (i.e., stakeholder consultations) | LTTA | Hygiene campaign strategy and action plan developed with substantial support and buy-in from key partner agencies at the national, regional and local levels | Feb 12 |
| MD 5-3 | Collect and adapt existing hygiene promotion materials, developing new materials as required; reproduce, distribute and train personnel in use of such materials | LTTA, STTA, PO | Materials in support of hygiene promotion campaigns are readily available | Dec 11-Mar 12 |
| MD 5-4 | Support regions in implementing and monitoring hygiene promotion campaigns, including events, media exposure, school activities; ensure collection of success stories and lessons learned | LTTA | Campaigns implemented and closely monitored, data recorded, and success stories and lessons learned captured | Apr-Sep 12 |
| MD 5-5 | Design and conduct annual survey on increased adoption of improved hygiene practices, providing for substantive input from key partners throughout the process | LTTA | Hygiene practices survey designed and conducted, with results disseminated and entered into TAMIS | Mar-Sep 12 |
| MD 5-6 | Develop, and support regions in implementing, award mechanisms and events for communities and hygiene promoters that will reinforce positive behaviors and promote improved hygiene behavior | LTTA | Award mechanisms developed, events held, and results recorded | Mar-Sep 12 |

# 4 APPROACH TO COMPONENT TWO, IMPROVING AND EXPANDING ACCESS TO SERVICE DELIVERY

## 4.1 INTRODUCTION

IUWASH Component Two provides targeted technical assistance to local government institutions and service providers, addressing the technical, financial, and managerial aspects of improving and expanding water and sanitation services. For water supply, the broad aim of the Component is to strengthen the capacity of water service providers (in particular, PDAMs) to become professional and financially sound so that they can expand services to new customers, especially the urban poor. With regard to sanitation, the IUWASH team aims to strengthen the ability of local government institutions to plan and undertake the expansion of services through the development of new infrastructure; improve their capacity to manage and ensure the proper operation and maintenance of such infrastructure; and enhance the role of the private sector (small and medium enterprises, in particular) to support sanitation system improvement and expansion.

A critical aspect of Component Two is to support LGs and PDAMs in developing concrete action plans that can be used to mobilize financial resources from the central government, donor agencies, and/or the private sector to finance the expansion of water and sanitation services in their coverage areas, with a particular focus on low-income communities. The IUWASH team also seeks to build local capacity to scale up successful innovations initiated during PY1 or under previous donor and GoI programs, as well as promote new innovations for specific low-income areas.

To sustain and promote improved and expanded access to water and sanitation services, the Project team works closely with national GoI agencies and other relevant national and local institutions to strengthen capacity, especially at the local level. This chapter provides a short description of the relationship of Component Two with the other technical components and cross-cutting themes within IUWASH, as well as detailed descriptions of proposed tasks, organized by outcome. A table at the end of the chapter shows the detailed activities planned under Component Two at the national level for PY2.

## 4.2 RELATION TO OTHER COMPONENTS AND CROSS-CUTTING THEMES

The outcomes under Component Two are closely related to the other IUWASH components and cross-cutting themes, and mutually complement one another, so that the demand for improved water supply and sanitation services created under Component 1 is met by an improved and expanded level of service provided under Component 2 , which is in turn made possible by the improved governance and financial support provided under Component 3. Site selection for IUWASH locations was carried out with the interdependencies of these three components in mind. Examples include the following:

- Component 2 works closely with Component 1 in strengthening the involvement of civil society groups (MD-1) in the implementation of city sanitation strategies (IC-5) and in accessing SME services (IC-6).

- Customer satisfaction with water and sanitation services (IC-7) goes hand in hand with the development of PDAM customer forums (MD-4), increased willingness to pay for sanitation services (MD-1) and enhanced communication mechanisms between civil society and local governments (EE-5).
- Improved PDAM performance (IC-1) and additional raw water sources (IC-4) are a prerequisite for increased microfinance connections (EE-4).
- Concrete actions by stakeholders on improved raw water planning and protection require full government support (EE-1) and increased financial resources (EE-1 and EE-2).

Because of the many direct links between the different outcomes, it is crucial that the workplan clearly describes the outcomes and tasks, so that the results from the field activities can be directly attributed to their respective outcomes (through the PMP) and subsequently to the four High Level Results targeted by IUWASH.

Component 2 also has strong links with the different IUWASH cross-cutting themes, in particular the GIS section, which provides invaluable support to raw water vulnerability assessments and climate change adaptation planning (IC-4). GIS also supports PDAM performance activities by introducing GIS mapping at the city level to improve customer information systems, which can then link up with PDAM billing and management systems. GIS mapping is also a crucial element in developing improved sludge management systems (under Outcome IC-5), which will be introduced in PY2 in at least five target locations.

The gender aspect of the IUWASH program provides valuable information on sustainability of improved water supply and sanitation services, especially as concerns urban sanitation planning (IC-5) and customer satisfaction with such services (IC-7). Given the institutionally complex nature of the sector, one of the more important cross-cutting themes affecting programs under Component 2 is collaboration with other stakeholders. This includes collaboration with national government ministries (direct link with IC-1 through IC-5), other donor programs (direct link with IC-1 through IC-5), other USAID programs (which link with tasks under IC-1), and many other programs, including twinning programs, Perpamsi, etc. (which link with tasks under IC-1 through IC-4).

## 4.3 OUTCOMES AND WORKPLAN IMPLEMENTATION

This section describes the seven outcomes that make up Component Two. Four of these outcomes aim to increase the capacity and performance of water supply providers and decision makers, two focus on improving planning and management capacity to increase access to safe sanitation services, and the other outcome measures the level of satisfaction of low-income communities with the improved and increased water and sanitation services. For each outcome, the proposed tasks and associated activities in PY2 are described.

### Outcome IC-1: PDAMs with improved technical, financial and management performance

The main focus of this outcome is to improve the performance of PDAMs, measured through a "PDAM performance index" (see box). For each PDAM participating in the IUWASH program under this workplan, IUWASH will collect relevant data to establish the PDAM's Performance Index (PI) baseline and use this baseline for determining priority programs for PDAM improvement. Improvements in the index will be measured every six

months and results will be shared with PDAM management, the PDAM Supervisory Board (*Dewan Pengawas*), and the local government as the PDAM owners. A PDAM will be counted under this outcome as having "improved" its performance if, during the life of the IUWASH project, its rating on the index has increased by at least 20% from the baseline score (i.e., the June 2011 PDAM data for the first group of 29 PDAMs). In addition to this qualitative assessment, IUWASH regional staff will regularly collect quantitative information with regard to increases in revenue, total coverage, and connections for low-income communities.

**Key Elements of PDAM Performance Index**

1. Good governance
2. Technical and operational performance
3. Financial performance
4. Customer relations
5. Business and human resource management
6. Safeguarding raw water sources

All key programs to improve PDAM performance are part of this index and can in principle be supported by IUWASH. The selection of initial programs to be implemented during PY2 was determined during the initial assessment phase, taking into consideration PDAM requests, IUWASH objectives, the professional opinion of IUWASH specialists, and IUWASH staff and budgetary limitations. From this analysis, an overall menu of performance improvement programs has emerged that will be the focus of much effort during PY2. In line with each key element of the PDAM Performance Index, these improvements include:

- Governance improvements, which will increase access for low income communities, improve the capacity of PDAM supervisory boards, encourage regional approaches to resource and system management, and increase transparency and accountability for the PDAM, customers and owners.
- Technical and operational improvements, which will focus on reducing NRW and energy costs through tailor-made technical assistance, training by local institutions and, where possible, linking up with other donor programs (including ADB).
- Financial performance improvements, which will focus on increasing revenue through tariff reviews and improving PDAM billing efficiency, which is often only 70% or lower.
- Customer relations improvements, which will focus on enhancing the effectiveness of mechanisms for handling customer relations, including complaints, better dissemination of information to customers on changes in services or tariffs, and so on.
- Business and human resource management improvements, which will assist in the development of professional corporate plans and may be expanded to other areas where possible.
- Safeguarding raw water sources, which will be addressed through examining inter-regional/cross-boundary policy issues, such as promoting joint raw water protection initiatives.

All of these programs will be done in close collaboration with local PDAM staff, who will receive extensive on-the-job training in the respective fields. The results of these efforts will then be shared at workshops and training seminars with PDAM directors, staff, *Dewan Pengawas* and local government owners to obtain commitment and, where required, increased funding to further improve PDAM operations and expand support systems.

At the request of the national government, the PDAM performance program will also support the GoI's recent strategy of promoting PDAM water safety plans, as long as these programs also directly contribute to IUWASH goals and targets. The main focus of support to this initiative will be on raw water protection and climate change adaptation (further

explained under Outcome IC-4), improving the distribution network, reducing water losses, improving the financial health of PDAMs, and obtaining full commitment from PDAM owners.

The following table lists the eight main tasks identified to achieve outcome IC-1. It is followed by a short description of the programs planned under each task. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-1) | |
|---|---|
| **Indicator IC-1: Number of PDAMs with improved technical, financial and management performance** | |
| Task IC 1-1 | Determine baseline of PDAM Performance Index and agree with PDAM and LG on concrete measures to improve specific aspects of PDAM Performance Index |
| Task IC 1-2 | Develop and support improvements in PDAM financial aspects, including full cost recovery, tariff review, billing and accounting systems, financial efficiency and accountability measures |
| Task IC 1-3 | Develop and support improvements in PDAM technical and operational aspects, including NRW reduction, energy efficiency, water quality improvements |
| Task IC 1-4 | Develop and support improvements in PDAM customer relations planning and programs |
| Task IC 1-5 | Develop and support improvements in PDAM good governance, including increased accountability, transparency, pro-poor focus, and service expansion measures |
| Task IC 1-6 | Develop and support improvements in PDAM business and human resource management, including use of corporate plan, standard operating procedures, staff incentive schemes |
| Task IC 1-7 | Support sharing of information and experience among PDAMs, LGs and other stakeholders |
| Task IC 1-8 | Conduct annual survey on changes in PDAM Performance Index and share results with PDAMs and local governments (Pemda, Dewan Pengawas, etc.) |

### Task IC 1-1

By the end of September 2011, not all PDAM baseline data (i.e., June 2011 data) had been collected from the 29 participating PDAMs included in the current IUWASH program. Therefore, the first task under this outcome in PY2 will be for Regional PDAM specialists to complete the collection of PDAM baseline data by the end of October and share the results with the IUWASH national office for verification and data entry in the PDAM Performance Index, as well as the TAMIS and PMP systems. After that, the results for each location will be included in a "state of the city" document, as further explained under Outcome EE-1, and shared with local stakeholders, specifically the PDAM management, Dewan Pengawas and LG.

### Task IC 1-2

The IUWASH Regional Municipal Finance Specialists will support targeted PDAMs in reviewing and adjusting tariffs, including support for improved local legislation on regular PDAM tariff increases (linked with Outcome EE-1), with the aim of achieving full cost recovery. The tariff structure will incorporate a cross-subsidy tariff from high- to low-income communities as well as a block tariff system that increases the price per $m^3$ for use in excess of $30m^3$ per month. The primary function of this block tariff is to discourage excessive water consumption by households, which is recognized as an important climate change adaptation measure on the demand site. During IUWASH's assessment, several PDAMs were found to have very low billing efficiency (below 60%) due to an inefficient meter reading and billing system. The IUWASH team discussed this issue with the relevant PDAM management and agreed to support seven locations in developing improved meter reading and billing system as a priority program. This support will be outsourced to a local

company through a competitive tender, with management coming from the national team. The difference in PDAM cash flow before and after installing the improved systems will be measured, and any increased cash flow can be used directly by the PDAM to improve its services and increase connections.

### Task IC 1-3

This year, improvements to the operational performance of PDAMs will focus on supporting 12 PDAMs with an NRW reduction program, five PDAMs with energy efficiency audits, and other PDAMs with a variety of distribution network optimization measures, ranging from improvements in design to on-the-job training in network operations, and utilizing GIS. The foundations for the NRW reduction program were laid during the previous ESP program. The NRW program will focus on demonstrating to the PDAM management and owners where the majority of losses are occurring (physical leaks, broken meters, illegal connections, pressure management), and showing how reducing these losses would save a substantial amount of water and cost. For these programs, the IUWASH team will collaborate with the ADB twinning program, which has initiated an NRW program with five PDAMs, including PDAM Serang, which is within the IUWASH cluster.

With regard to the energy efficiency audit, the IUWASH national team will manage the subcontract, tendering it out to local companies to conduct energy audits in five PDAMs and following a similar system to that developed under ESP. IUWASH will collaborate with ICED, a USAID-funded program focusing on Clean Energy Development, to provide additional expertise to this effort. The results will be showcased at a national seminar (see Task IC-7 below).

### Task IC 1-4

The regional PDAM technical teams will collaborate closely with the demand mobilization (MD) team to assess the current customer relations systems in each target PDAM, discuss improvements with the PDAM management and, where beneficial, conduct exchange visits to locations where improved customer relations systems are already practiced and showing benefits for both the PDAM and customers. If requested by the PDAM, the IUWASH team can assist in establishing a customer forum (under Outcome MD-3) and discuss with the customer representative on the PDAM Dewan Pengawas how the PDAM can be more responsive to customer needs.

### Task IC 1-5

The continuing practice of PDAMs splitting up as a result of dividing up LG regions has led to almost a doubling of PDAMs over the last 10 years, with around 400 PDAMs now operating. As a result, many of the PDAMs operate systems with fewer than 10,000 customers, making them not financially viable. Where possible and appropriate, the IUWASH technical and governance teams will encourage and support local governments and PDAMs in taking measures to avoid further splits in the PDAMs and even to start merging some of their programs, such as the provision of bulk water and/or joint raw water protection for PDAMs utilizing raw water from the same water catchments. This will also be one of the topics during the upcoming National Water and Sanitation conference, where IUWASH is collaborating with Perpamsi to showcase good examples of PDAMs working together (in Banjarmasin) or two LGs jointly managing one PDAM (in Jayapura). The IUWASH team will also support private sector (PPP) initiatives to provide bulk water on a regional basis to three or more PDAMs.

With the increasingly pro-poor focus of PDAMs and LGs, IUWASH is actively supporting the introduction of microfinance schemes to connect more low-income households (linking with Outcome EE-4), provided the PDAM has sufficient capacity to provide regular services.

The previous master meter systems developed under ESP will be evaluated (see Task IC 7-2) and where possible expanded into new locations.

### Task IC 1-6

Several PDAMs have requested IUWASH support in improving their staffing structure to be more in line with the GoI guidelines of eight staff per 1,000 connections for PDAMs in districts (*Kabupaten*) and six staff per 1,000 connections for PDAMs in cities (*Kota*). The staff restructuring will be accompanied by improved arrangements regarding authorities, work instructions, and standard operating procedures. If successful, this restructuring can substantially increase both PDAM cash flows and staff motivation. Also under this task, the PDAM business plans will be regularly updated, with the proposed programs to be agreed with the mayor and local parliament.

### Task IC 1-7

IUWASH will begin sharing field experience and lessons learned by organizing a national seminar on PDAM energy efficiency in partnership with the USAID-funded ICED program, the Ministry of Public Works and Perpamsi (in February 2012) and a seminar with Perpamsi on raw water vulnerability and climate change (mid-2012). IUWASH will also host and participate in regular meetings with national ministries and donor agencies. In addition, under an MoU with Perpamsi, the project will share its experience through the Perpamsi communication network.

### Task IC 1-8

The baseline data for the PDAM performance index collected under Task IC 1-1 will be updated by the regional teams on a semi-annual basis, with data collection (i) at the end of the second quarter for PDAM data as of December 31, 2011, and (ii) at the end of the fourth quarter for PDAM data as of June 30, 2012. Data will be collected with the full involvement of PDAM staff to ensure that they fully concur with the changes in the index. Results will be shared with the national team to be entered in the TAMIS and PMP reports.

## Outcome IC-2: PDAMs are assisted in restructuring their outstanding debts

Overhanging debt has constrained the development of water utilities in Indonesia for years. By 2007, more than half of all PDAMs had arrears to the Ministry of Finance (MoF), which responded by issuing Regulation No. 120/PMK.05/2008 (PMK 120/2008), setting forth a simplified process for restructuring outstanding debt and regaining a sound financial footing. In 2009 and 2010, more than 110 PDAMs submitted debt restructuring plans to the MoF, with 68 of these plans being approved by March 2011. While the restructuring program was originally scheduled to close in 2009, the MoF agreed to continue accepting new debt restructuring proposals until the end of 2012, thereby extending the opportunity for PDAMs to submit new or improved debt restructuring plans. In relation to debt restructuring, IUWASH will follow a demand-driven approach where the project provides assistance based on tangible evidence of the utility management's desire to address its arrears and clean up its balance sheet.

For PDAMs that are yet to submit a debt restructuring plan, IUWASH's Municipal Finance and PDAM Technical Specialists will support these PDAMs in revising their business plans in accordance with the requirements, obtaining letters of commitment from the mayor/regent (*Bupati/Walikota*) and local parliament (DPRD), and submitting a debt restructuring proposal to the MoF. The new business plan is an ideal entry point to improve the overall governance of the PDAM (linking with Components IC-1 and EE-1), since the business plan must include clear financial, management and technical targets and be accompanied by a letter of support

from the local government certifying its willingness and ability to assist the PDAM in the repayment process. This letter implicitly commits the local government to the achievement of the targets contained in the business plan, including obtaining and maintaining a full cost recovery tariff.

For PDAMs that have already submitted and received approval for their debt restructuring proposal, IUWASH will help establish a monitoring mechanism to ensure that the targets contained in the business plan are achieved. IUWASH has in fact already been asked to assist the MoF in developing a monitoring mechanism for approved plans, given that all write-offs granted remain conditional until a final review is performed by the Technical Committee two years after the business plan is approved. While the government and donor agencies have focused on the preparation of these business plans over the past four years, it is crucial that the targets agreed in these plans are met by the PDAMs. Notably, the monitoring mechanism developed by IUWASH will be applied by the MoF for all utilities involved in debt restructuring, thereby expanding the Project's impact beyond its water and sanitation remit.

The three main tasks identified to achieve outcome IC-2 are listed below, followed by a short description of the programs under each task. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-2) | |
|---|---|
| **Indicator IC-2: Number of PDAMs with old debts assisted in restructuring** | |
| Task IC 2-1 | Conduct assessment on current debt restructuring status of target PDAMs |
| Task IC 2-2 | Assist PDAMs in preparing and submitting debt restructuring plans in accordance with PMK 120/2008 |
| Task IC 2-3 | Assist PDAMs in establishing a monitoring system to ensure that they meet the targets set forth in their approved business plans |

### Task IC 2-1

The assessment of the current debt restructuring status of the IUWASH PDAM partners for PY2 was completed in PY1. If the number of locations is expanded during PY2, then IUWASH will review the status of arrears and associated restructuring plans of these additional PDAMs at that time.

### Task IC 2-2

Based on the rapid assessment and partnership planning process carried out during PY1, IUWASH will assist four water utilities in the preparation and submission of debt restructuring plans during PY2: Medan city, Lamongan district, Parepare district, and Enrekang district. This support will include (1) financial analysis of the PDAM's current arrears, (2) the preparation of the PDAM's business plan in accordance with the requirements set forth in PMK 120/2008, (3) presentation to the local government to obtain letters of commitment, and (4) support for the submission to the MoF.

### Task IC 2-3

Activities under Task IC 2-3 during PY2 will focus on roll-out of the debt restructuring monitoring tool developed for the MoF, and direct monitoring support in 12 IUWASH locations. For the roll-out, IUWASH will provide training to MoF staff on using the monitoring tool, and will distribute the final operating manual. The MoF is expected to begin utilizing the tool for all PDAMs active in the debt restructuring program by early 2012. In terms of monitoring support, IUWASH's regional municipal finance experts will assist the 12 IUWASH PDAMs that have approved restructuring plans in utilizing the monitoring tool and sharing their progress with the respective local government owners.

## Outcome IC-3: PDAMs with improved credit worthiness

During PY1, IUWASH designed a "creditworthiness ladder" as a tool to guide the achievement and monitoring of Outcome IC-3 by identifying weaknesses in a utility's credit profile and evaluating efforts to shore up those weaknesses. More specifically, the creditworthiness ladder (CWL) can help demonstrate to the PDAM's management and owners the utility's readiness to obtain credit, along with the concrete steps that can be taken to make the PDAM more attractive to external lenders. To finalize this tool, IUWASH will engage in further consultations with key stakeholders such as ratings firms (Pefindo) and other financial institutions in order to better understand the key characteristics that these institutions will weigh up in evaluating the feasibility of providing finance to a water utility. The data used to determine the position of each PDAM on the creditworthiness ladder will be collected semi-annually. For PDAMs that fall at the more bankable end of the creditworthiness ladder, IUWASH may consider supporting a full credit rating, contingent upon co-financing commitments from the utilities themselves as well as a defined purpose for the rating (such as to support a loan application or bond issuance).

The four main tasks identified to achieve outcome IC-3 are listed below, followed by a short description of the programs under each task to be implemented in PY2. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-3) | |
|---|---|
| **Indicator IC-3: Number of PDAMs with increased creditworthiness** | |
| Task IC 3-1 | Develop and test creditworthiness ladder |
| Task IC 3-2 | Determine baseline for PDAM creditworthiness |
| Task IC 3-3 | Conduct survey on changes in PDAM creditworthiness. |
| Task IC 3-4 | Where applicable, support PDAM to obtain certified credit rating |

### Task IC 3-1

During the first quarter of PY2, IUWASH will test the draft CWL in two to three locations, comparing the results with other common performance monitoring tools and indices used in the water sector as well as seeking feedback from credit assessment experts. Once the CWL is finalized, IUWASH will also hold regional "creditworthiness workshops" to introduce the concept of creditworthiness, including the types of criteria that lenders and ratings agencies examine when evaluating bankability. The workshop will also provide an ideal entry-point for IUWASH to socialize the CWL with PDAMs and begin identifying tangible steps to bolster each utility's capacity to access debt financing.

### Task IC 3-2

Following the finalization of the CWL—including field testing, USAID technical approval, and expert consultations—IUWASH will implement the CWL in each PY2 district and develop a baseline score. This score will henceforth be used to evaluate progress toward improved creditworthiness. Given the extent to which the CWL builds off the PDAM Performance Index, much of the data collection will be carried out in tandem with the Performance Index baseline.

### Task IC 3-3

Data will be collected from each IUWASH PDAM in March and September of each year. The September data reflects utility performance measures and financial statements for the first six months of the calendar year (January – July), while the March data reflects the achievements over the entire calendar year.

### Task IC 3-4

Support for actual credit ratings from licensed rating agencies may be provided during PY2, provided that the requesting utilities (1) receive a strong score on the IUWASH CWL, and (2) can clearly demonstrate how the rating will be used to obtain financing for expanded services.

## Outcome IC-4: Local government implementing climate change adaptation measures, based on preliminary raw water sources vulnerability assessment

Assisting local governments and service providers in reducing vulnerability of existing raw water sources and introduce climate change measures is critical to the sustainability of water supply sources in most of Indonesia. The GoI has budgeted substantial financial resources to assist local governments and PDAMs to secure and protect the raw water supplies needed to meet current and future demand. But accessing these funds requires realistic raw water protection and investment plans and committed support from the local government. During PY2, IUWASH will support 11 local governments and PDAMs in developing vulnerability assessments to evaluate the threats to current and future raw water sources, and will then introduce capacity building and planning programs for climate change adaptation.

IUWASH's national raw water team will assist the regional teams to conduct and analyze the results of these assessments, identify the greatest risks faced by PDAMs, and work with local institutes to support the PDAMs and local governments to develop adaptation plans. Crucial to the success of these plans in meeting future demand is obtaining the necessary budget to implement them . IUWASH assistance will include exposure visits for PDAM managers and local government officials to PDAMs that have already developed adaption measures to protect their raw water supplies. The collaboration with Coca-Cola which began in PY1 will move on to the implementation phase in PY2 with the construction of 800 small infiltration ponds in the vicinity of Medan, North Sumatra. This example of private sector partnership will be used to leverage additional financial support for more infiltration ponds in this area as well as in other cities.

The four main tasks identified to achieve outcome IC-4 are listed below, followed by a short description of the programs under each task. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-4) | |
|---|---|
| **Indicator IC-4: number of local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment** | |
| Task IC 4-1 | Situational assessment on relevant national and international programs and actors supporting climate change adaptation for raw water protection |
| Task IC 4-2 | Support Pemda/PDAM to conduct preliminary raw water sources vulnerability assessments (current and future demand, quality and quantity risks, protection measures, and improvement/expansion plans) |
| Task IC 4-3 | Improve Pemda/PDAM planning capacity to adapt successfully to global and climate-induced changes and impacts in order to safeguard future raw water sources |
| Task IC 4-4 | Assist Pemda/PDAM to implement climate change adaptation program based on results of the raw water sources vulnerability assessment and improved plans |

### Task IC 4-1

The IUWASH team will continue to inventory current GoI ministries and donor agencies that are engaged in climate change adaptation programs and could collaborate with, or in any other way benefit the work of, IUWASH in introducing climate change adaptation measures for raw water security planning. Government agencies that will be contacted include the Ministries of Environment, Forestry, Energy and Mining, and Public Works, and the Meteorological Department. Donor agencies that will be contacted include GIZ, the World Bank, and ADB. Under this task, a quick inventory will also be made of international experience in climate change adaptation for raw water protection, and the possible benefits for Indonesia—including possible use of the WEAP program (Water Evaluation and Planning: http://www.weap21.org), which is already used successfully by the USAID-funded ECO-Asia program in the Philippines.

### Task IC 4-2

In PY2, the IUWASH team will continue the raw water vulnerability assessments begun in PY1, expanding them to cover 10 locations.

IUWASH has already developed a water security planning framework. The first step is a stock-taking of current threats to PDAM raw water sources, the measures already taken by local stakeholders, and an evaluation of whether these measures are sufficient to eliminate future threats. To quantify these assessments, IUWASH will engage (on an STTA basis) an Indonesian doctoral graduate from Melbourne University who has developed a water resource sustainability index and tested it in three watersheds in West Java. With only slight modifications, this index can be used for the IUWASH vulnerability assessment and will greatly assist in quantifying the relative "health" of the catchment. In one city (Ambon), IUWASH will support the PDAM in drafting and adopting local legislation to protect the catchment area now being used by PDAM Kota Ambon as a raw water source.[1]

### Task IC 4-3

Under this task, the IUWASH team will introduce climate change variables that are likely to worsen the water security equation identified in task 2. This will be introduced to key local stakeholders in at least five of the 10 cities where raw water assessments have been concluded, including the Water Resource Sustainability Index (see task 2). IUWASH will also follow up previous discussions with the AusAID-funded ICE WaRM (International Centre of Excellence in Water Resource Management) program on a possible joint collaboration on a climate change adaptation capacity building program for national and local stakeholders. IUWASH will also organize a national seminar with Perpamsi (in mid-2012) on PDAM raw water vulnerability and climate change.

### Task IC 4-4

As part of a long-term relationship between Coca-Cola and USAID for mutual support for water and sanitation programs in developing countries, IUWASH and Coca-Cola have begun developing a joint program to enhance rapidly deteriorating spring aquifers by constructing infiltration ponds. This has led to a concrete program in North Sumatra, whereby a local NGO will receive financing from Coca Cola to contract 800 infiltration ponds (*Sumur Resepan*) that will infiltrate around 600 million liters per year (or 20 liters per second) into the Sibolangit spring, one of the main raw water sources for the city of Medan. The success of this program is expected to become a catalyst for replication by both public and private sources.

[1] Known in Indonesian as "*Perda Perlindungan Air Baku"*

## Outcome IC-5: Local governments implementing integrated sanitation interventions that reflect their citywide sanitation strategic plans

Around 70 percent of Indonesia's urban population has access to "improved" sanitation facilities, primarily consisting of individual latrines with septic tanks that often discharge directly into the groundwater. Open defecation is still practiced by an estimated 17 percent of the urban population. A quickly growing number of local government leaders recognize that sanitation poses a serious problem, and in 2009 the central government embarked on a nationwide program (*Percepatan Pembangunan Sanitasi Perkotaan*, or PPSP) to provide technical assistance to cities that have committed to improve their urban sanitation strategies. The IUWASH program is supporting this initiative and will implement the prescribed strategy in 11 target cities during PY2 by developing new city sanitation strategies in seven cities and upgrading the strategies in four others. In addition to this support, the IUWASH program is also supporting the national Community-Based Total Sanitation Strategy (*Sanitasi Total Berbasis Masyarakat*, or STBM), which includes the five pillars of diarrhea prevention. During PY2, IUWASH will also introduce an improved management system for sludge collection and disposal in at least five cities, in close collaboration with other donors and the Ministry of Public Works, building on the expertise garnered from previous USAID-funded programs, and implemented by ECO-Asia and Mercy Corps.

The six main tasks identified to achieve outcome IC-5 are listed below, followed by a short description of the program under each task. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-5) | |
|---|---|
| **Indicator IC-5: Number of local government institutions implementing integrated sanitation and hygiene interventions that reflect their citywide sanitation strategic plans** | |
| Task IC 5-1 | Collaboration with national stakeholders on urban sanitation programs, policies and approaches |
| Task IC 5-2 | Support selected Pokja in preparation of new/revised city sanitation strategy (PPSP) packages |
| Task IC 5-3 | Support development of other local planning documents (RAD, Renstra-AMPL, RPIJM, etc.), provided they include expansion of sanitation services |
| Task IC 5-4 | Support selected cities with improved sludge management (citywide and/or community-based) and/or sewerage systems |

### Task IC 5-1

In PY2, IUWASH will continue providing regular support to the PPSP program and the Ministries in charge (especially Bappenas and the MPW) in order to maintain and further improve relations, share field experiences, and avoid overlapping activities. In order to avoid program duplication, the PPSP team will be fully involved in the next round of site selection for IUWASH locations for 2013/2014, due to commence around June 2012. Where possible, IUWASH will join the Quarterly PPSP Sanitation summits, support national seminars and conferences such as the National Conference on Sanitation and Drinking Water (KSAN) and STBM conferences held in October 2011, and play an active role in the Sanitation Donor Group. IUWASH will also support the national strategy to rapidly increase the number of trained sanitation facilitators and engineers by (i) providing on-the-job training for IUWASH field staff and partners, and (ii) incorporating a capacity building component in subcontracts and small grants that focus on increasing access to sanitation services.

### Task IC 5-2

After intensive consultation with the PPSP management team, it was agreed that in PY2 the IUWASH program will support seven cities in developing new city sanitation strategies, White Books, and EHRA, and will review the existing sanitation documents in another four locations. Direct support will be provided by the regional sanitation specialists and technical field liaison, backed up by the national sanitation coordinator. The sanitation coordinator will also arrange internal staff training on the PPSP process in collaboration with a training team from the Urban Sanitation Development Program (USDP) and in communication with the national PPSP team.

In collaboration with the responsible service provider, IUWASH regional teams will seek to boost sewerage connections in four locations (Jakarta, Bogor, Medan and Surakarta) through household surveys, promotion and marketing campaigns, and the introduction of government subsidies combined with microfinance to reduce the burden of up-front payment for connection fees and in-house plumbing costs.

### Task IC 5-3

IUWASH will support at least two cities that have requested its support in developing their Local Action Plans (RAD) and/or Pokja AMPL plans, both of which also include urban sanitation strategies and plans that can be used alongside the city sanitation strategies. IUWASH has agreed to support these LGs provided no other GoI or donor program is already supporting them in developing these documents, and provided they lead to the expansion of sanitation services through increased budget allocations from both national and local sources.

### Task IC 5-4

Following the preparation phase during PY1, in PY2 IUWASH will begin working with the LG and/or PDAM to improve septage management systems in at least six cities spread among all IUWASH regions. In at least two cities, IUWASH will support improved collection of septic sludge from densely-populated low-income communities through a small grant to Mercy Corps (Jakarta) and a subcontract with a Small Medium Enterprise (SME) in Belawan, Medan (see also Outcome IC-6). In all cities, this will be followed by a series of meetings, workshops and surveys with the LG (Bogor, Jayapura, Surabaya), PDAM (Medan, Surakarta) and PD PAL (Jakarta) to identify and agree on the problems and on the need to develop improved sludge collection and payment systems that guarantee that sludge collected from household and communal septic tanks is transported to a sludge disposal and treatment facility (IPLT) rather then being dumped in the nearest river, which is the current practice. This program will be a continuation of the training programs begun in 2010 by IWK and funded by USAID's ECO-Asia program. The cost of the short-term technical assistance (STTA) and surveys will be covered by IUWASH and the Water and Sanitation Program (WSP) of the World Bank, which has agreed to collaborate with IUWASH on this program. The Ministry of Public Works will provide full political support, demonstrated by its participation in the sludge management session at the KSAN conference and its commitment to improve the technical, operational and management aspects of current IPLTs in all cities that adopt the improved sludge management system.

### Task IC 5-5

This task will be implemented mainly at the regional level in all cities where IUWASH is supporting the urban sanitation program. At the national level, the IUWASH national urban sanitation coordinator will maintain regular contact with the Ministry of Health and key donors and programs involved in the STBM program, especially UNICEF and the USAID-funded High Five program. At the city level, the local team of specialists will work with the Sanitation Working Group (*Pokja*) to identify the priority areas where they will support local

stakeholders with programs related to improved hygiene behavior (including hand washing with soap) and improved sanitation systems.

### Task IC 5-6

This task links the urban sanitation program under Component 2 with the mobilizing of demand for community-based sanitation systems under Component 1. Development and installation of community-based sanitation systems will be implemented with local partners consisting of government cadres and community-based organizations (CBOs). IUWASH will build on the experience under ESP to establish community-based systems that are funded through a combination of central, provincial and local government budgets, IUWASH grants, and/or private sector contributions (CSR). Innovative sanitation systems (both individual and community-based) will be developed in at least three low-income communities where standard designs are not appropriate because (a) the houses are situated above water, (b) they are very densely populated, or (c) group connections can be established to centralized sewerage systems to reduce investment and operating and maintenance (O&M) costs. Once these systems are completed, they will be used as examples for leveraging additional finance for scaling-up in other cities.

## Outcome IC-6: Small and medium businesses providing affordable sanitation facility construction and management services

Experience in Indonesia and worldwide has shown that involving SMEs in scaling-up affordable sanitation facilities for individual households or communities is crucial. Under this Outcome, IUWASH will strengthen the role of SMEs in the sanitation sector by providing training on the installation, operation, and maintenance of on-site household and/or communal sanitation systems, as well as provide marketing support to increase the visibility of these businesses. In terms of improved oversight and policies, IUWASH will also work with LGs to develop monitoring procedures for SME operations and local regulations to support SME activities such as desludging, renovating septic tanks, and so on. If required, IUWASH team can identify opportunities for providing small grants or microcredit as incentives for SMEs to develop an affordable sanitation business. SME support to low-income communities can be in the form of operating affordable desludging services or constructing affordable communal or household sanitation facilities with flexible payment terms, and will build on the recent experiences of international NGOs and donor agencies.

The six main tasks identified to achieve outcome IC-6 are listed below, followed by a short description of the program under each task to be implemented in PY2. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-6) | |
|---|---|
| **Indicator IC-6: Number of SMEs providing affordable sanitation facility construction and management services** | |
| Task IC 6-1 | Assess current experience and lessons learned in sanitation marketing for SMEs |
| Task IC 6-2 | Assess potential SMEs that have expertise working in sanitation sector |
| Task IC 6-3 | Design modules for SME capacity building in social marketing and program implementation |
| Task IC 6-4 | Capacity building for SMEs to develop and provide appropriate/affordable improvements to household and/or community-based sanitation facilities |
| Task IC 6-5 | Provide technical assistance to SMEs on development of improved sanitation facilities |
| Task IC 6-6 | Promote the results of the SME program for improved sanitation |

### Task IC 6-1
The IUWASH team will continue collecting and assessing lessons learned, tools and guidelines on sanitation marketing from donor programs in Indonesia (such as the Total Sanitation and Sanitation Marketing programs of WSP) and internationally. The most appropriate sanitation marketing tools and approaches will be summarized and included in the capacity building modules.

### Task IC 6-2
In each IUWASH region, sanitation market research will be conducted by a local institute *under a tendered subcontract) in at least five cities (one per IUWASH region). The research will identify the size of the sanitation market and the sanitation supply chain involving local SMEs. It will also identify current and potential technical and financial capacity of the local SMEs in providing reliable service for the various sanitation programs that have been identified—desludging of septic tanks, septic sludge collection and disposal, construction of sanitation infrastructure, and/or operating communal sanitation facilities.

### Task IC 6-3
Training modules will be developed to provide capacity building for selected SMEs, based on the results of the lessons learned (see task IC 6-1) and the sanitation market research (task IC 6-2). Once completed, the modules will be pre-tested in the five target cities, to be followed by training for the IUWASH urban sanitation specialists on sanitation marketing principles and options, and involving the local SMEs in expanding sanitation services. Where possible, this training program will be developed and implemented in collaboration with the GoI and other donor agencies such as WSP and USDP.

### Task IC 6-4
After receiving training, the IUWASH regional sanitation teams will conduct capacity building programs for selected SMEs, including their expected involvement with service expansion programs in target communities (which are linked to activities under Outcome MD-2). Subsequent monitoring and evaluation will be used to improve the capacity building programs.

### Task IC 6-5
In addition to the technical training programs for local SMEs in the five target cities, the regional and national IUWASH sanitation teams will provide additional support through a combination of long- and short-term technical assistance (LTTA and STTA), subcontracts and (possibly) small grants for developing and implementing marketing strategy so that the successful SMEs can increase their market and enhance their standing within the communities and with the local government. The IUWASH municipal finance and national microfinance specialists will assist by identifying and arranging sustainable financing models for interested SMEs, including the use of microfinance for sanitation improvements at the household level.

## Outcome IC-7: Poor residents in targeted communities report greater satisfaction with water and sanitation services

Outcome IC-7 is one of the outcomes across the IUWASH program that measure poor communities' willingness to pay, satisfaction and involvement in the improved services they will obtain as a direct result of IUWASH intervention. Under the IUWASH program, poor residents are defined as the population within targeted communities considered as MBR (*Masyarakat Berpenghasilan Rendah*, i.e. low-income communities) according to GoI standards. "Greater satisfaction" will be measured in annual household surveys conducted by IUWASH and/or local partners in each target community that has been selected under

another outcome (i.e., improvements in sanitation or water services, use of communal meters, microfinance, small grants intervention, etc.). The initial household survey will be used as the baseline, and subsequent annual surveys will be used not only to measure increased satisfaction for this indicator, but more importantly as a monitoring and planning tool for the local partners in each community (i.e., government cadres, local NGOs, etc.).

The three tasks identified to achieve outcome IC-7 are listed below, followed by a short description of the program under each task. Detailed activities for each task can be found at the end of this chapter.

| Tasks (under IC-7) | |
|---|---|
| **Indicator IC-7: Increased percentage (%) of poor residents in targeted communities report greater satisfaction with Water and sanitation services** | |
| Task IC 7-1 | Conduct baseline survey on satisfaction among poor communities with water and sanitation services (refer to MD-1.3 and MD 5.1) |
| Task IC 7-2 | Capacity building to support the development of a mechanism for poor residents to report greater satisfaction with water and sanitation services |
| Task IC 7-3 | Conduct annual survey on satisfaction among the poor (refer to MD-1.4 and MD 5.5) |

### Task IC 7-1

As soon as a target community is identified in one of IUWASH's target cities and the LG, Sanitation Pokja and/or PDAM have agreed to accept improved water and sanitation services (which may be water supply, sanitation or a combination), the regional team will conduct a baseline survey on the current level of satisfaction among low-income households, their current expenditures for water and sanitation-related services, and their expectations from the improved systems. This baseline survey is expected to be implemented in at least 10 target locations during PY2.

### Task IC 7-2

To obtain a better understanding of increased levels of satisfaction among poor households that receive improved water and sanitation services, during the first six months of PY2 the IUWASH team will conduct a comprehensive survey of all existing master meter systems (installed by ESP, Care and Mercy Corps) in the cities of Medan, Jakarta, Makassar, Sidoarjo, Surakarta and Jayapura. Lessons learned about customer satisfaction as well as technical, financial, operational and institutional issues will be documented and disseminated to all IUWASH regions, the GoI, and other donor programs.

### Task IC 7-3

Once community-based programs have been completed in selected neighborhoods (*kelurahan*), annual surveys will be conducted by the IUWASH team in collaboration with LG departments to ascertain the increased level of satisfaction among poor families and the possible issues to be addressed. The findings will be disseminated as lessons learned to other communities within the same city and to other cities.

## 4.4 SUMMARY OF TECHNICAL ACTIVITIES

| Task | Activity | Input | Results | Timeline |
|---|---|---|---|---|
| IC 1-1<br>IC 1-8 | Determining baseline and monitoring PDAM's performance | LTTA | PDAM Performance Index baseline and progress collected, verified and entered in PMP report semi- annually | Oct 11, Apr 12 |
| IC 1-2 through IC 1-6 | Support regional programs on improvements in PDAM financial, technical, customer relations and management performance | LTTA | Regional programs on PDAM improvements implemented as planned | Oct 11-Sep 12 |
| IC I-2 | Improve/develop billing & accounting software for PDAM | LTTA<br>PO | Software installed and running at seven PDAMs (Binjai, Tebing Tinggi, Pematang Siantar, Tanjung Balai, Karawang, Serang and Lamongan) | Jan-Oct 12 |
| IC 1-3 | Conduct energy audit | LTTA, PO, STTA | Energy audit conducted in five PDAMs (Karawang, city of Semarang, Surakarta, Kudus, Lamongan) and final report submitted to PDAM management | Nov 11-Mar 12 |
| IC I-7 | Conduct energy efficiency seminar | Event, MPW ICED, ADB | Energy audit seminar conducted and attended by 15 PDAMs, GoI, and donor agencies | Feb 12 |
| IC 2-1<br>IC 2-2 | Support regional team in assessment and planning of debt restructuring for target PDAM | LTTA | Regional programs on PDAM debt restructuring implemented as planned | Oct 11 |
| IC 2-3 | Prepare and establish monitoring system for PDAM to ensure they meet their targets in their approved business plans; conduct launching seminar | LTTA<br>Event<br>MoF | Business plan monitoring tool and dissemination seminar hosted by Ministry of Finance (MoF). | Oct-Dec 11 |
| IC 3-1 | Develop PDAM credit-worthiness ladder | LTTA | Creditworthiness ladder developed, approved by USAID, and used in IUWASH regions | Oct-Dec 11 |
| IC 3-1 | Conduct PDAM credit-worthiness seminar | LTTA, Event Pefindo | Creditworthiness seminar organized and convened | Jan-Feb 12 |
| IC 3-2<br>IC 3-3 | Support regions in determining PDAM creditworthiness level | LTTA | Creditworthiness baseline and monitoring data | Jan-Sep 12 |
| IC 4-1 | Conduct preliminary raw water resources vulnerability assessments | STTA, LTTA | Assessment report completed for 12 PDAMs (Medan, Pematang Siantar, Karawang, Serang, Kudus, Semarang district, Mojokerto, Probolinggo, Enrekang, Parepare, Ambon and Jayapura,) | Oct 11-Sep 12 |
| IC 4-1<br>IC 4-2<br>IC 4-3 | Support collaboration of enhancement aquifer at Sibolangit with Coca-Cola and local NGO | Coca-Cola, PO | Survey report on raw water vulnerability; raw water enhancement plan; report implementation of the infiltration pond program; report on numbers of local people trained; M&E on raw water enhancement program | Nov 11-Oct 12 |
| IC 4-2 | Survey of existing raw water sources, conduct training and engineering activity to recover raw water capacity | LTTA,<br>Event<br>PO | Survey report developed; 50 people (LG and PDAM) trained; at least 100 infiltration wells constructed; pilot project documented | Oct 11-Sep 12 |
| IC 4-2 | Conduct raw water and climate change adaption seminar | LTTA, Event Perpamsi | Raw water and climate change adaption seminar conducted with approx. 80 participants and reported | Jun 12 |

| Task | Activity | Input | Results | Timeline |
|---|---|---|---|---|
| IC 4-2 | Evaluate and update spring protection data and facilitate raw water protection regulation | LTTA | Raw water protection regulation developed and approved for city of Ambon | Jan-Sep 12 |
| IC 4-3 | Conduct climate change adaptation training for LG/PDAM staffs | STTA, LTTA, Event | 75 PDAM/LG staffs trained in five locations; training materials and reports developed for Karawang, Kudus, Mojokerto, Enrekang, Parepare | Jan-Sep 12 |
| IC 5-1 | Collaboration with national stakeholders on urban sanitation programs and approaches | LTTA<br>Events | Regular meetings conducted with GoI and donors, including Sanitation Donor Group; Participation in key national sanitation events such as KSAN, sanitation summits | Oct 11-Sep 12 |
| IC 5-2 | Capacity building for IUWASH regional urban sanitation teams in facilitating development of new or reviewing existing CSS | LTTA<br>PPSP teams | IUWASH urban sanitation staff trained in facilitating development of CSS according to PPSP guidelines | Oct 11-Jan 12 |
| IC 5-2 | Support IUWASH regional team in facilitating development of new CSS | LTTA | Facilitating CSS development in seven regions conducted as planned (Binjai, Pematang Siantar, Tangerang, Karawang, Bekasi district, Lamongan, Maros) | Oct 11-Sep 12 |
| IC 5-2 | Support regional team in reviewing existing CSS | LTTA | Four existing CSS reviewed and improved in accordance with PPSP standards (Makassar, Ambon, Jayapura district and city) | Jan-Sep 12 |
| IC 5-4 | Develop concept and design for septage management | LTTA<br>STTA | Concept and design for septage management, ready to be piloted | Nov 11-Apr 12 |
| IC 5-4 | Promote septage management concept for piloting in potential cities | LTTA | Six cities agree to implement septage management pilot and are willing to provide support (Medan, Bogor, Surakarta, Jayapura city, Surabaya, Jakarta) | May-Jun 12 |
| IC 5-4 | Support for septage management piloting start up | LTTA<br>STTA | Septage management pilot starts up in agreed cities (Medan, Bogor, Surakarta, Jayapura city, Surabaya, Jakarta) | Jul-Sep 12 |
| IC 6-1 | Collecting lessons learned, tools and guidelines on sanitation marketing | LTTA | Lessons learned, tools and guidelines on sanitation marketing are collected and assessed | Oct-Dec 11 |
| IC 6-2 | Sanitation market research | LTTA<br>PO | Size of sanitation market and sanitation supply chain (includes current capacity of SMEs to serve the market) identified in five cities (one per region) | Jan-Feb 12 |
| IC 6-3 | Developing and testing modules for SME capacity building | LTTA<br>STTA<br>PO | Modules for SME capacity building developed based on sanitation market research results, and tested in five cities (one per region) | Mar 12 |
| IC 6-3 | Training for urban sanitation specialists on marketing principles and SME capacity | LTTA<br>STTA<br>Event | Urban sanitation specialists understand the basic principles of marketing and how to implement it for sanitation marketing and capacity building for SMEs | May-Jun 12 |
| IC 6-4 | Support region in capacity building for SME | LTTA | Urban sanitation specialist in regions implement capacity building for SMEs as planned. | Jul-Sep 12 |
| IC 7-1<br>IC 7-3 | Complete baseline | LTTA | Baseline survey on customer satisfaction completed and implemented in 10 target locations | Nov 11 |
| IC- 7-2 | Conduct rapid evaluation on existing master meter systems (ex-ESP, Care, Mercy Corps) | LTTA<br>PO | Surveys in Medan, Jakarta, Makassar, Sidoarjo, Surakarta and Jayapura completed, lessons learned documented and disseminated | Nov 11-Mar 12 |

# 5 APPROACH TO COMPONENT THREE, STRENGTHENING THE ENABLING ENVIRONMENT

## 5.1 INTRODUCTION

A supportive enabling environment is critical to improvements in the provision of water supply and sanitation services in Indonesia. To this end, Component Three of the USAID-IUWASH Project seeks to address three weaknesses that continue to hamper water and sanitation service provision: (1) policy and political constraints at the local government level, (2) a persistent deficiency of macro- and micro-level financing for service improvement and expansion, and (3) the lack of mechanisms through which citizens can engage service providers.

Law 32/2004 and Law 33/2004 clearly place responsibility for water supply and sanitation services in the hands of the local government, making their leadership and support critical as the country strives to meet the MDGs. While capable PDAM managers can make significant internal changes resulting in better services and operations, they require the full support and commitment of their supervisory boards, local governments, and parliaments to sustain changes and extend infrastructure to meet burgeoning demand, especially for low-income communities. As such, under the auspices of Component Three, the Project will facilitate improved governance in the water and sanitation sectors by working with local government leaders to build political support, encourage policy reform, and strengthen citizen and community planning and monitoring.

Closely related to the fostering of a supportive political environment is the overwhelming need for increased investment in the water and sanitation sector. Public infrastructure investment declined to paltry levels over the first decade of decentralization, leaving many municipalities struggling to meet the basic needs of their citizens. Fortunately, a wave of new policies and financing from the central level (including increased state budget allocations, and Presidential Decree No. 29/2009) is now beginning to draw investment back to the sector. USAID-IUWASH will build off of these policy improvements to assist local governments in upping their investments in the water supply and sanitation sector, specifically aiming to expand water and sanitation services. Importantly, the Project will not seek to promote a specific form of financing (i.e., commercial bank loans, municipal bonds, or donor funding), but will instead work with each local government and its PDAM to (1) develop a complete picture of its financial status, (2) define needs and objectives for the short term and long term, and (3) weigh the advantages and disadvantages of each form of available funding.

In sum, progress under Component Three in the form of strengthened local governance processes combined with an increased flow of funds into the water and sanitation sector is expected to assist Indonesia in making solid gains towards the achievement of the MDGs as well as ensure the long-term sustainability of IUWASH impacts more broadly.

## 5.2 RELATION TO OTHER IUWASH COMPONENTS

The practical and results-oriented approach to water and sanitation governance implemented under Component Three (C3) builds upon the proposed implementation strategies of Component One (C1) and Component Two (C2). Specific examples of the inter-component linkages are as follows:

- Good governance in the water and sanitation sector cannot be fully realized without increased awareness at the local level. Thus, the Project's efforts to strengthen local governance processes under C3 will benefit directly from the bolstered citizen knowledge engendered under C1. Further, advocacy efforts undertaken under C1 will directly support a key C3 objective of greater priority being put on water and sanitation services through public policies and budgets.
- Increased investment in water supply and sanitation services is heavily dependent upon improvements in the operating fundamentals of service providers. Financiers—whether commercial banks, multilateral lenders, or central government ministries—are not interested in injecting funds into poorly managed providers. Thus, attracting funds under C3 is inextricably linked to improvements made under C2 to shore up the technical and operational performance of service providers and improve creditworthiness.

Conversely, C3 also contributes directly to the approaches and objectives of C1 and C2. Greater transparency, leadership, and responsiveness on the part of local government institutions, for example, will further engender the citizen awareness and behavior change sought under C1. Similarly, investments in the upgrading or replacement of ailing infrastructure under C3 will help service providers to enhance service delivery by, for example, eliminating the leakages that diminish water pressure at the tap.

Beyond inter-component linkages, activities under C3 are also interwoven with IUWASH's cross-cutting programs, which include geographic information systems (GIS), communications, and gender. Specific examples of these synergies include:

- GIS represents a powerful tool for displaying information in a manner that makes it easier to understand and act upon. The mapping of levels of access to water and sanitation services, for example, offers an effective way to communicate to policy-makers which communities within their jurisdiction are forced to cope with insufficient services. In other words, GIS can represent a powerful advocacy tool in addition to being an analytical tool.
- Crafting a clear message that resonates with stakeholders is critical to advocacy efforts, whether it is reaching out to members of the legislature to support water and sanitation policies or engaging banks to offer microcredit for household connections. Thus, the IUWASH communications program will play an important role in the development and dissemination of targeted advocacy marketing materials.
- When holding discussions with communities on the use of microfinance for household connections, understanding the concerns of women—as the primary users of water at the household level who also have intimate familiarity with household finances—is fundamental to a successful roll-out.

In light of the above interdependencies and linkages, close collaboration across IUWASH's technical components and cross-cutting elements is paramount for successful implementation.

## 5.3 OUTCOME AND WORKPLAN IMPLEMENTATION

The following subsections explain the five principle outcomes and 23 associated tasks that make up Component Three, including one outcome for improved local policies and budgets, two outcomes addressing macro-level financing needs, one outcome for micro-level financing mechanisms, and a final outcome for citizen engagement mechanisms. The detailed activities under each of the tasks are further outlined in Chapter 8, under the national and regional work plans.

### Outcome EE-1: Participating local governments put greater priority on safe water and sanitation through supportive local policies and budget allocation increases

Annual planning and budgeting as well as broader policy formulation are at the heart of the governance process. The five tasks under Outcome EE-1 are therefore aimed at the prioritization of water supply and sanitation services within these processes through a combination of (1) increased awareness through advocacy and training, (2) collaborative planning approaches, and (3) the strengthening of monitoring and oversight mechanisms.

Fundamental to the prioritization of water supply and sanitation issues in local government plans and budgets is bolstered awareness of the needs and challenges facing the sector on the part of civil servants and representatives. Simply put, it is difficult to regulate and legislate what you do not understand. Thus, providing decision-makers with the information they need in an intuitive format will be critical for garnering the requisite political momentum.

Further, to be effective, heightened awareness must be complemented by improved collaborative planning processes. At the community level, the Project team will seek to build on existing platforms—such as the *Musrenbang* and Water Forums—to institutionalize joint planning sessions concerning investments in the water and sanitation sector. Also, at the local government level, IUWASH will seek to bolster the visibility of key water and sanitation issues at the level of the SKPD Forum, which plays an integral role in the planning and preparation of the annual municipal budget.

Finally, to help ensure that policy modifications and planned investments materialize, IUWASH will seek to boost the monitoring and evaluation of the water supply and sanitation sector. For example, IUWASH governance specialists will engage water utility supervisory boards (*Dewan Pengawas*) with a view towards strengthening their role and responsibilities within the water sector in terms of accountability, transparency, and public participation in the water sector. Importantly, in addition to providing more rigorous monitoring of the water section, a stronger *Dewan Pengawas* can also act as an advocate for the utility within the local government and legislature.

The five main tasks identified to achieve Outcome EE-1 are listed below, followed by a short description of the planned programs under each task.

| Tasks (Under EE-1) | |
|---|---|
| **Indicator EE-1: Number of participating local governments that put greater priority on safe drinking water and sanitation through supportive local policies and increased budget allocations** | |
| Task EE 1-1 | Assess existing policies and budget allocation to improve water and sanitation services from LGs |
| Task EE 1-2 | Support agreed advocacy efforts to expand political support for improving water and sanitation access in urban settings among governments at local, regional and national level and local legislative bodies |
| Task EE 1-3 | Support local governments in improving agreed upon reform policy related to increased government priority to support improved water and sanitation services |
| Task EE 1-4 | Support local governments on budget planning to allocate increased budget for water and sanitation services |
| Task EE 1-5 | Improve/strengthen LG (*Dewan Pengawas*) oversight of PDAM, including management, recruitment, regulations and performance |

### Task EE 1-1

During the first quarter of PY2 the IUWASH governance and municipal finance specialists will complete the baseline assessment of existing policies and budget allocations in partner municipalities. The results of the baseline assessment will then directly feed into the IUWASH PMP, and inform the next steps with respective districts. Importantly, the results will also facilitate the identification of supporting local policies deemed as "best practices" that can be used as examples for replication in other municipalities.

### Task EE 1-2

Activities under Task EE 1-2 will be implemented in two phases during PY2. In the initial phase, IUWASH regional teams will utilize the results of the site selection process and baseline assessment to develop a briefing document for the local government and other stakeholders concerning the status of water and sanitation services within their jurisdiction. These "State of the Sector" briefs will provide a snapshot of the extent to which the municipality is meeting its responsibility to provide reliable and affordable water and sanitation services, utilizing intuitive graphics and concrete statistics to effectively communicate current strengths and weaknesses. The briefs will also, where appropriate, compare each municipality's statistics—such as annual water and sanitation investment per citizen—to other jurisdictions to give more meaning to the numbers.

The completion of the sector briefs will feed into the second phase: the convening of sequential water and sanitation sector "visioning" workshops with each local government. In anticipation of the compilation of the 2012 legislative agenda, the workshops will serve as a means to formulate a consensus on key areas of reform. Key principles guiding this process are as follows:

- IUWASH will work with the District Head's administration to plan the initial workshop, including identifying the key stakeholders to be involved, crafting the agenda, and issuing the invitations. Ensuring that the event is hosted by the Local Government will help to boost participation and maximize impact;
- The first workshop will build directly off the 'state of the sector' brief, reviewing the key points and confirming the priority areas of concern for the water and sanitation sector in the district. Based on these priorities, additional objectives will be to identify existing information gaps to be addressed before developing reforms, and to select specific officials to champion each area of reform, be it dwindling raw water supplies or better septage management;

- In smaller, follow-up forums IUWASH will support each champion to gather the requisite information, including the institutional and financial resources needed to address priority concerns;
- After the detailed information is collected and analyzed for each priority area, a follow-on meeting will be organized wherein each champion will report back to the local government leadership on resource needs and policy recommendations for each priority area of reform.

The visioning workshops will serve as a first step towards achieving improved governance via more informed decision making. Ultimately, we expect one to two issues to emerge as priorities for inclusion in the 2012 legislative agenda in each municipality.

### Task EE 1-3

Based on the agenda that emerges from the water and sanitation roundtable sessions, IUWASH governance specialists will provide support for the development and/or revision of local policies to improve water and sanitation services. While the policy priorities will be, by necessity, demand driven, the rapid assessment demonstrated a particular need for a stronger policy framework in such areas as raw water protection, water utility tariff adjustments, and septage management. Importantly, as work under all three technical components progresses and more comprehensive technical assessments are performed, IUWASH will be better able to identify policy gaps and provide evidence-based recommendations. Where further analytics are needed, IUWASH will also engage local institutes to assist performing technical, financial, institutional, and economic analyses of specific elements of proposed reforms. Additionally, to provide decision-makers an opportunity to see the impact of different policy approaches first hand, the finance and governance coordinator will organize comparative study visits between municipalities. In terms of targets for PY2, IUWASH will facilitate the drafting of 10 policies or regulations by September 2012.

### Task EE 1-4

Given the timing of the budgeting process—which generally extends from January to May each year—activities under Task EE 1-4 will take place during the second and third quarters of the IUWASH project year. Based on a preliminary evaluation of potential entry-points into the complex budgetary process, IUWASH will focus its efforts on providing support to the forum of LG sectoral units (*Forum Satuan Kerja Perangkat Daerah* or SKPD Forum), which plays in integral role in the compilation of the annual budget, integrating the feedback obtained from the consultative *(Musrenbang*) process and the priorities identified by the respective service offices (*Dinas)*. More specifically, to assist the SKPD in the budgeting process for the water and sanitation sector, IUWASH will compile a simple "Water and sanitation Investment Menu" which summarizes all proposed investments for the municipality for the upcoming fiscal year in a single document.

Looking farther ahead, as IUWASH learns from the budget allocation processes during PY2, we will identify ways that the Investment Menu can more fully support the allocation process, such as through the addition of supporting analysis on the anticipated impact of each investment. These lessons will then be incorporated into a revised Investment Menu during PY3.

### Task EE 1-5

Activities for strengthening the oversight of the PDAM during PY2 will focus on (1) understanding and documenting the role of the supervisory board (*Dewan Pengawas)* in the successful operation of a utility, and (2) the development of practical tools that supervisory

board members can utilize to better monitor and support the utility. Regarding the former, over the course of PY2 the finance and governance technical coordinator will work with the regional governance specialists to compile two or three case studies of effective supervisory boards, highlighting the best practices that may be relevant in other jurisdictions.

Based on these case studies, IUWASH will then begin to compile a *Dewan Pengawas Toolkit* towards the close of PY2 to help members better fulfill their responsibilities as overseers and advocates for the water utility. Members from other divisions of the LG, including the executive and legislative branches, will be consulted as the toolkit is developed in order to ensure that the expectations of the *Dewan Pengawas* are well understood. Importantly, the IUWASH technical coordinator will also seek the involvement of national GoI stakeholders in the compilation of the toolkit, thereby helping to bring the toolkit to scale. In this regard, in coordination with the GoI and Perpamsi, the toolkit could eventually be used in standardized training for all incoming members of PDAM Supervisory Boards.

## Outcome EE-2: PDAMs or local governments obtain access to long-term funding for water or sanitation investment plans

Insufficient access to long-term financing has greatly constrained the expansion of water supply and sanitation infrastructure over the last decade. Sub-loans sourced from international donors and channeled through the MoF—the "traditional" source of funding for PDAMs prior to the economic crisis—have essentially disappeared. What was once a steady flow of money (with an average of approximately 30 sub-loan agreements in redemption each year) has slowed to a trickle. Further, accessing funds from domestic sources—both commercial banks and the capital markets—has remained challenging, with only a handful of the larger, most affluent utilities obtaining project financing. Fortunately, given increasing awareness of the barriers faced by service providers, the central government initiated a series of new policy initiatives over the past few years in both the water and sanitation sectors, including Ministerial Regulation 120/2008 for debt restructuring, Ministerial Regulation 168/2008 in support of output-based aid for new household connections, and Presidential Regulation 29/2009 for subsidized loans from commercial lenders. These new policies have been accompanied by an influx of funds available from the national budget as the current administration seeks to meet its commitments to the MDGs, thereby opening the door for progressive local governments to make substantial investments in public services.

IUWASH will employ a holistic approach to the identification of long-term funding options for its local government partners and service providers. Per the proposed task structure, our municipal finance specialists will work with local governments to: (1) facilitate a consensus on investment needs; (2) develop investment plans to meet those needs, including the consideration of a broad spectrum of financing options; (3) socialize investment plans and cost-benefit analyses within the local government, parliament, and the service provider, thereby developing a consensus on the appropriate financing path; and (4) facilitate the final funding commitment, be it in the form of public funds, private funds, or, most commonly, a mixture of both. Throughout the process, IUWASH finance and governance specialists will serve as intermediaries between the local government (and its PDAM) and key offices within the Ministries of Finance and Public Works, commercial lenders and private investors.

Based on the results of the rapid assessment, it is clear that PDAMs are increasingly seeking private sector investment as a means of constructing new infrastructure. Thus, IUWASH anticipates that the facilitation of private sector partnerships will be a significant focus of the project financing work in PY2. Additionally, given the many other donors active in water and

sanitation sector financing, it is also apparent that close collaboration will be needed to identifying mutually supporting activities. AusAID's Indonesia Infrastructure Initiative (IndII), for example, is already actively supporting Presidential Regulation (*PerPres*) 29/2009 in several IUWASH locations, making regular communication critical to avoid duplicative efforts.

The four main tasks identified to achieve outcome EE-2 are listed below, followed by a short description of the planned programs under each task.

| Tasks (Under EE-2) | |
|---|---|
| **Indicator EE-2: Number of PDAMs or local governments obtaining access to long-term funding for water or sanitation investment plans** | |
| Task EE 2-1 | Identify project/investment needs and obtain preliminary consensus agreed by relevant stakeholders |
| Task EE 2-2 | Develop investment plans accompanied by feasibility study |
| Task EE 2-3 | Present and socialize the investment plans and the results of the feasibility study among relevant stakeholders, and develop consensus on appropriate financing path |
| Task EE 2-4 | Facilitate funding commitments through (a) allocation of public funds; (b) commercial financing agreements; (c) debt obligations; or (d) donor fund allocations |

### Task EE 2-1

During the rapid assessment process, IUWASH identified eight potential projects across the regions that will require technical support in PY2, including one project in Greater Jakarta (Bekasi), three projects in Banten (Tangerang, Lebak and Serang), one in Central Java (Solo), two in East Java (Gresik and Mojokerto), and one in South Sulawesi (Parepare). The regional municipal finance specialists will move forward with support for these projects during the first half of PY2, and, depending on the level of assistance required, begin identifying a new round of projects later in the project year.

### Tasks EE 2-2, 2-3 and 2-4

The following points will guide the implementation of IUWASH's technical assistance efforts concerning project finance during PY2:

- The increase in the availability of national funds provides an opportunity to utilize a mix of public and private (i.e., commercial) resources for priority projects. Thus, as much as possible, IUWASH will seek to leverage one against the other, using private funding commitments to encourage the flow of national resources, and vice-versa. This approach is in line with international experience, which has repeatedly demonstrated that the most viable approach to the financing of capital-intensive projects is to share the risk between the public and private sectors;
- IUWASH will seek buy-in from local government stakeholders prior to engaging in the time-intensive preparation of feasibility studies. As previous experience has shown, while there are plenty of utilities interested in having another study prepared or reviewed, due to a lack of underlying stakeholder support, such analyses rarely lead to new infrastructure being developed. Obtaining LG commitment from the outset can help to guard against this outcome and is in line with IUWASH's approach to strengthening the enabling environment;
- IUWASH will prioritize assistance to those projects expected to yield quantifiable increases in access to services, particularly for low-income households. This requires a more rigorous analysis upfront of the expected beneficiaries of the project, with realistic estimates;

- IUWASH will also emphasize assistance to projects that contribute to multiple outcomes across the technical components. Obtaining finance for a new surface water intake can, for example, contribute to a utility's climate resiliency in addition to providing expanded services to the community.

The detailed actions associated with specific project finance efforts are provided under the regional work plans.

## Outcome EE-3: Percentage increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services

Closely related to access to long-term infrastructure funding under Outcome EE-2, Outcome EE-3 will monitor the overall levels of financing accessed by service providers to improve and expand water supply and sanitation services. These financial resources may come in the form of public funding (such as through the APBD, APBN, or the DAK), private/commercial funding (such as via a commercial bank [including under PerPres 29/2009], municipal bond, corporate bond, or supplier credit), donor funding (including international donors, domestic donors, and CSR from private companies), as well as own-source revenue generation.

The three main tasks identified to achieve outcome EE-3 are listed below, followed by a short description of the planned programs under each task.

| Tasks (Under EE-3) | |
|---|---|
| **Outcome EE-3: Percentage increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services** | |
| Task EE 3-1 | Conduct baseline survey to identify existing financial resources accessed by service providers for improved water and sanitation services (refer to EE-1) |
| Task EE 3-2 | Conduct advocacy for public and private sectors to support expansion of improved water and sanitation services |
| Task EE 3-3 | Conduct annual survey to identify increases in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services |

### Task EE 3-1

During the first quarter of PY2, IUWASH governance and municipal finance specialists will complete the baseline assessment of the financial resources accessed by the first set of local government and PDAM partners. To calculate the baseline, IUWASH will assess the amount of funds set aside specifically for the expansion of water and sanitation services for the portfolio of PY2 partners. Once the total amount is ascertained, the targeted percentage increase can be converted to a currency value by multiplying by 10%. To develop a more accurate picture of financial resources accessed and expended in the past, an average of the three previous fiscal years will be used as the baseline figure.

### Task EE 3-2

Advocacy efforts under Task EE 3-2 will span both the public and private domains. On the public side, IUWASH will act as a bridge between municipalities and the national government by helping local governments to present sound proposals for central funding. With the private sector, IUWASH will engage firms with a vested interested in the water sector, providing innovative approaches to fostering sustainable water resource management.

During PY1, for example, IUWASH established a mutually beneficial relationship with Coca-Cola to improve upstream raw water supplies. During PY2, IUWASH will seek opportunities to expand this cooperation, looking also at ways to overcome downstream barriers to clean water for low-income communities.

### Task EE 3-3

The annual survey to calculate the total amount of funds accessed by service providers during PY2 will be held in August and September 2012.

## Outcome EE-4: Low-income households accessing microfinance for household improvements in water and sanitation

The expansion of piped water services in and of itself does not guarantee increased access to clean water, as many families cannot afford the substantial upfront costs. On average, new customers must pay a connection fee of approximately 150 USD to tap into a municipal piped water system, although this charge can be as high as 300 USD in instances where the pipe network must be extended to reach the neighborhood. Recognizing this challenge, Outcome EE-4 seeks to build upon a successful approach used under ESP, namely, facilitating small loans from microfinance institutions to make connection charges more affordable by amortizing the costs over a period of one to three years.

In addition to continuing and improving upon the work initiated under ESP, Outcome EE-4 will look beyond the use of microfinance strictly for water utility connections and develop pilot approaches to the use of small loans for both household sanitation improvements and community-based water supply systems. Concerning the former, microfinance represents a potentially powerful tool to help meet desperately needed household sanitation improvements such as connections to centralized sewerage systems (where available), improved on-site treatment facilities, and the construction of household latrines. To facilitate access to finance for sanitation improvements, IUWASH will engage groups with extensive experience in community sanitation to develop and pilot new loan programs for low-income communities. Regarding the latter, community-based systems in peri-urban areas provide water to a significant percentage of the population but possess unique financing needs and challenges associated with more informal institutional arrangements. IUWASH will therefore examine options to help meet these unique needs by linking community-based operators to local Micro-Financing Institutions (MFIs) and, where appropriate, provide grant funding to build capacity and reduce the lending risks of interested MFIs.

The five main tasks identified to achieve outcome EE-4 are listed below, followed by a short description of the planned programs under each task.

| Tasks (Under EE-4) | |
|---|---|
| **Outcome EE-4: Number of low-income households accessing microfinance for household improvements in water and sanitation** | |
| Task EE 4-1 | Introduce microfinance for household water and sanitation improvements to key stakeholders, including service providers, financing institutions, and government partners |
| Task EE 4-2 | nance partnerships to improve household water and sanitation services |
| Task EE 4-3 | Support implementation and monitoring of ongoing microcredit partnerships, including development of standard operating procedures, forms, and other relevant tools |
| Task EE 4-4 | Develop marketing strategies and conduct promotional campaigns for microfinance for household improvements in water and sanitation services |
| Task EE 4-5 | Promote results, lessons learned, and best practices of microfinance program to wider audience |

### Task EE 4-1

Key activities envisioned under Task EE 4-1 for the second program year include the following:

- The microfinance specialist will lead efforts at the national level to familiarize the new leadership of BRI with the potential of rural development credit for household connections (*Kupedes untuk Sambungan Rumah*, or KSR). Specifically, IUWASH will present to senior BRI leadership the results of focus group discussions held during PY1 and the updated communications strategy.
- IUWASH will continue discussions with other banks interested in water sector financing such as BTPN and BNI.
- In the second half of PY2, the microfinance specialist will work with the regional offices to introduce microfinance for household connections to new PDAMs as the Project seeks to expand its geographic reach in each province.

### Task EE 4-2

From the water supply side, 13 municipalities were identified under the rapid assessment as candidates for microcredit programs in PY2. Six of these locations already have partnership agreements or else are well-advanced in the partnership formation process. Activities in PY2 will therefore focus on developing partnership agreements in the seven remaining locations: Tebing Tinggi and Tanjung Balai in North Sumatra (with technical assistance performed sequentially); Lebak in West Java; Kudus and Kendal and East Java; and Parepare and Enrekang in South Sulawesi (again, one location will be prioritized for the first two quarters). Aside from the engagement of PDAMs, in the first quarter of PY2 IUWASH will evaluate the possibility of establishing a microcredit partnership with a decentralized water supply operator in Bekasi district.

From the sanitation side, IUWASH will prioritize a potential partnership with an NGO to pilot the innovative use of microfinance for household sanitation improvements. More specifically, the microfinance specialist will work with the grants manager and the DKI Jakarta regional coordinator to develop an approach and scope of work that can be tested initially in the Greater Jakarta metropolitan area. Basing the initial field activities in Jakarta will allow greater support from IUWASH national staff as this nascent program is field tested.

### Task EE 4-3

As microcredit partnerships are established, IUWASH will assist in the development of the supporting standard operating procedures (SOP), forms, and regulations. Following the development of the partnership's SOP, an internal training session is generally held with all relevant field staff from the utility and the financing institution. For the partnership to succeed, it is critical that those actually implementing the program—i.e., the people registering customers for a new connection or assessing credit capacity—have a sound understanding of the overall approach and procedures. We will also look for areas where these procedures can be simplified to reduce the bureaucratic burden. In the past, utilization rates were sometimes constrained by complex procedures. Streamlining administrative requirements by, for example, encouraging PDAMs and their microfinance partners to combine loan repayments with the monthly water bill payment, can reduce administrative costs while encouraging customer enrollment.

An important aspect of "operationalizing" the new programs will be to simultaneously build the capacity of IUWASH regional staff to support the local programs. In line with IUWASH's decentralized approach, the day-to-day support of each program will be provided by the

regional office, with the (national) microfinance specialist providing only targeted assistance to help resolve specific and more complex issues.

### Task EE 4-4

In the first quarter of PY2 the IUWASH communication team will use the results of the focus group discussions conducted in the previous quarter to design a more integrated communications campaign strategy to more effectively reach the household level. Included in this strategy will be a standardized package of communications materials—including posters, pamphlets, field marketing kits, and presentations—that will serve as the starting point for the marketing approach for each new partnership. The customization of the marketing approach is completed as part of the internal training process under the auspices of the PDAM's broader outreach strategy.

### Task EE 4-5

As microcredit partnerships gain momentum and yield new household connections and/or improvements to household sanitation facilities, IUWASH will seek to broaden the impact of early successes through the following mechanisms:

- Conducting comparative studies, where utility and MFI staff from a new location visit a more well-established program to directly observe successful approaches;
- Sharing lessons learned with central stakeholders such as BRI headquarters and the GoI, thereby informing the development or revision of the governing policies; and
- Presenting results at national conferences and workshops to reach a broader audience.

## Outcome EE-5: Local governments adopt new or improved mechanisms for citizens to engage local government in water and sanitation

Despite the fact that local governments have been responsible for the delivery of basic services since 1999, most continue to show little interest in establishing mechanisms to meaningfully inform and engage the public in the planning and decision-making processes. The public's historic lack of involvement has led to a degree of complacency and a sense that citizens have no input into issues of service delivery.

The IUWASH approach to strengthening local government mechanisms by involving citizens and communities has two steps. First, IUWASH regional teams will assess the existing citizen engagement mechanisms in each target city, which may take the form of regular consultative (*Musrenbang*) meetings, use of printed and electronic media, customer forums, hotlines, websites, and so on. Where possible and as requested by local stakeholders, the IUWASH team will seek to strengthen these mechanisms, specifically as they relate to the improvement of water and sanitation services. IUWASH will analyze the various mechanisms and develop a "menu of options" for best practices in citizen engagement in existing IUWASH cities.

Second, IUWASH will share these potential options with other target cities, discussing with local stakeholders which mechanisms may be transferrable to the local context. Where possible, IUWASH will also recommend the introduction of new, innovative citizen engagement systems, such as the use of water and sanitation monitors, citizen charters (i.e., a contract that publicly commits the LG to a certain level of service), and citizen report cards (for reporting on progress in meeting such commitments). IUWASH will also

coordinate with USAID's Water SMS Program (currently being piloted in the cities of Malang and Makassar) to incorporate cell phone feedback mechanisms where applicable.

For engagement with LGs, IUWASH regional teams will engage the most appropriate local CSOs—potentially including local branches of YLKI, Muhammadiah, PKK or other local NGOs—that are generally accepted as representing key segments of the local population.

The five main tasks identified to achieve outcome EE-5 are listed below, followed by a short description of the planned programs for each task to be implemented during PY2.

| Tasks (Under EE-5) | |
|---|---|
| **Outcome EE-5: Number of Local Governments adopting new or improved mechanisms for citizens to engage local government in water and sanitation** | |
| Task EE 5-1 | Assess existing mechanisms of citizen involvement in local governance systems and recommend improvements |
| Task EE 5-2 | Develop citizen-based mechanisms (new or improved) |
| Task EE 5-3 | Strengthen LG and citizen groups to adopt (new or improved) mechanisms |
| Task EE 5-4 | Monitor benefits and impacts of improved mechanism, including involvement of PDAM Supervisory Board (*Dewan Pengawas*) |
| Task EE 5-5 | Promote results, lessons learned and best practices of improved mechanism to wider audience |

### Task EE 5-1

IUWASH regional governance specialists will continue assessing the existing citizen involvement mechanisms in each LG, using the survey tools and questionnaire developed during PY1. This assessment process includes the engagement of the Dewan Pengawas, Forum SKPD, customer forums, watchdog and consumer advocacy organizations (such as YLKI), and using written and/or electronic communications tools such as newspapers, radio, television, SMS gateway, email, and interactive websites.

### Task EE 5-2

Based on the assessment results, IUWASH regional teams will examine innovative engagement mechanisms and introduce new or improved mechanisms in at least 10 cities, spread across the five regions. The teams will work with local government institutions, PDAM management, and civil society representatives to identify the most appropriate mechanisms to be introduced, the best way to introduce them to the public, and their optimum institutional setting.

### Task EE 5-3

Once the preferred mechanisms have been agreed by the stakeholders in each target city, IUWASH will support the introduction of these mechanisms, including requisite changes in the regulatory framework (such as setting specific requirements for public consultations each year), capacity building, promotional strategy development, and initial monitoring. IUWASH will also consider the financing sources needed to support sustainable implementation of these citizen engagement mechanisms, including public funds (such as a routine local budget allocation) and private funds (such as through CSR).

Tasks EE 5-4 and EE 5-5 are not expected to commence until PY3.

## 5.4 SUMMARY OF TECHNICAL ACTIVITIES

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| EE 1-1 | Support regions and national team with stakeholder mapping, and collection and analysis of baseline data on policies and budgets in each location | LTTA | Stakeholder mapping and baseline completed and entered in TAMIS and PMP | Oct-Nov 11 |
| EE 1-1 | Identify 'best practices" on LG policies and budget allocations for water and sanitation services, and share with regions | LTTA | Best practices identified and shared with regions | Nov 11 |
| EE 1-2 | Develop "state of sector briefing" templates and support regions in data collection and verification for each location | LTTA<br>STTA | State-of-sector briefing documents completed in all IUWASH cities | Oct-Dec 11 |
| EE 1-2 | Support regions through advocacy programs to increase local stakeholder awareness of water and sanitation improvements, starting with "water and sanitation visioning workshop" | LTTA<br>STTA<br>Events | Water and sanitation visioning workshops conducted in all IUWASH cities | Jan-Apr 12 |
| EE 1-3 | Support regions in development and adoption of new/revised water and sanitation policies and regulation by LG and local legislature (DPRD) | LTTA | LG legislative program on policy and regulation for water and sanitation (in at least 10 locations) | Apr-Sep 12 |
| EE 1-4 | Support region with SKPD forum and budget committee to ensure increased water and sanitation budgets are included in 2013 local budget (APBD) or adjusted 2012 APBD based on water and sanitation planning documents | LTTA | Adjusted 2012 APBD/2013 APBD contains increased water and sanitation budget (at least 10 locations) | Jan-Sep 12 |
| EE 1-5 | Support regions in capacity building to PDAM Dewan Pengawas (DP); compile 2-3 case studies on effective Dewan Pengawas and undertake preliminary development of Dewan Pengawas toolkit | LTTA<br>STTA | Ongoing capacity building of PDAM DP; 2-3 case studies compiled and disseminated; DP Toolkit outline developed | Jan-Sep 12 |
| EE 2-1 | Support regions to identify project and investment needs, and achieve preliminary consensus among relevant stakeholders | LTTA | Principle agreement from stakeholders on long-term investment needs (Lebak, Karawang, Bekasi city, Serang, Surakarta, Gresik, Mojokerto, Bogor city, Tangerang) | Oct-Dec 11 |
| EE 2-2 | Support regional IUWASH office in socializing and developing consensus with LG stakeholders (mayor, DPRD, PDAM) for priority investment plan based on technical and financial feasibility | LTTA | Regular progress reports by location | Nov 11-Sep 12 |
| EE 2-3 | Facilitate regional IUWASH offices in coordination efforts with financial institutions and related departments (MoF, MPW) as they seek to build support for proposed financing approaches | LTTA | Regular progress reports by location | Jan-Sep 12 |
| EE 3-1 | Support regional offices in completing baseline survey to identify existing financial resources of service providers for expanded water and sanitation services | LTTA | Baseline report | Oct-Dec 11 |

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| EE 3-2 | Support regions in socialization to private sector and national/province/local government, and identify possibility cooperation for water and sanitation services | LTTA | Report on activities | Oct 11-Sep 12 |
| EE 3-3 | Conduct annual survey to calculate funding increase | LTTA STTA | Survey results entered in TAMIS and PMP | Aug-Sep 12 |
| EE 4-1 | Support regions in identifying and developing possible microfinance options and promote creative microfinance options for household investments in water and sanitation | LTTA PDAM, Bank | Microfinance tools to increase access to water and sanitation services introduced in all regions | Oct-Dec 11 |
| EE 4-2 | Support regions in development of partnerships between service providers and microfinance institutions | LTTA | Signed MoU between PDAM and local bank in at least 10 locations | Oct 11-Sep 12 |
| EE 4-3 | Develop SOP, forms and internal rules for conducting training for PDAMs and local bank staff | LTTA PDAM, Bank | PDAM and local bank staff trained in at least 10 locations | Nov 11-Sep 12 |
| EE 4-4 | Design and print initial promotion material, disseminate to banks and PDAMs, and conduct marketing training | PO LTTA | Promotional materials designed and printed; training conducted in at least 10 locations | Oct 11-Sep 12 |
| | Obtain commitment for further development of microfinance promotional materials from local banks and/or PDAM | LTTA | Commitment obtained from local stakeholders for further replication of promotional materials and campaigns | Oct 11-Sep 12 |
| EE 4-5 | Conduct comparative studies between locations already having microfinance and new cities | Event | Five comparative studies conducted | May-Sep 12 |
| EE 4-5 | Promote lessons learned and best practices on microfinance for water and sanitation through meetings with stakeholders and workshops/conferences | Event | Meetings with banks and PDAMs, participation in conferences | Jan-Sep 12 |
| EE 5-1 | Support regions in assessment of citizen feedback mechanisms in each district and city | LTTA | Report on assessment of citizen feedback mechanism | Oct-Nov 11 |
| EE 5-2 | Based on assessment, develop and support (new or improved) citizen feedback mechanism at LG | PO STTA | New citizen feedback mechanism introduced in at least 10 locations | Jan-Sep 12 |

# 6 APPROACH TO GRANT PROGRAM IMPLEMENTATION

## 6.1 INTRODUCTION

The Grant Program within IUWASH is a key tool for achieving overall project objectives. The purpose of the program is to provide the project with a flexible means to undertake specific activities, while at the same time enhancing the participation of local entities and non-profits in overall sector development. Where necessary or appropriate, IUWASH issues grants in combination with technical assistance, training and other inputs to both improve grantee performance in undertaking the grant activity, and also contributing to the grantee's own capacity building goals. The total value of grant funding under IUWASH is $2.5 million for 5 years.

The IUWASH Grant Program is implemented in conformity with USAID "Grants under Contract" (GUC) rules and regulations and follow the requirements found in ADS 302 and 22 CFR 226. Grants program management further follows the guidelines stipulated in the IUWASH Grants Manual and Implementation Plan which was developed by IUWASH and reviewed and approved by USAID in PY1. This Manual provides and overview of the Grants Program; a review iof the types of grants that may be issued; grantee eligibility requirements; the grant award process; grant evaluation and selection procedures; detail on grant program administration; and information on processes related to grant termination, suspension and modification.

## 6.2 Relationship with Other Components and Cross-cutting Themes

As a key support to IUWASH technical components, the Grants Program necessarily works in tandem and in close coordination with activities and programs throughout the project. In addition to work with specific components, the nature of many grant activities often involves work with more than one component under multiple components. While especially appropriate for addressing community-level needs related to demand mobilization outcomes, grants can also provide an important resource to the project as concerns capacity development needs among service providers. Grants can further enhance project's work towards improving the enabling environment that water supply and sanitation sector development depends on. The project's first grant program exemplifies the broad impact that the grant program can have across IUWASH components outcomes (see Box).

**Jakarta Urban Community-Based Sewerage System Project**

IUWASH' first grant activity, provides a good example of how grants can often support multiple project outcomes. In this case, the activity directly targets improvements in households that are willing to pay for sanitation improvements (MD-1); it also involves significant mobilization of civil society groups to improve access to adequate sanitation (MD-2); awareness building activities will promote household adoption of improved health and hygiene practices (MD-5); it will encourage local government implementation of integrated sanitation and hygiene interventions (IC.5); may impact on the extent to which poor residents report greater satisfaction with sanitation services (IC-7), and low income households assessing micro finance for household improvements in sanitation (EE-4); it is also hoped to spur local government placing greater priority on safe sanitation services through supportive local policies (EE-1). Substantial capacity building work under the project will further contribute to the project's Higher Level Result that targets the provision of training (HR-4).

In addition to the project's technical components, the Grant Program also works closely with other cross-cutting areas. The project's GIS capacity will be accessed for monitoring of grant activities by clearly showing the spatial reach of the program, and how such activities complement the project's work in its target areas. As many activities are focused on community-level service improvements, the Grants Programs also works closely with the project's Gender Advisor and Gender Working Group to ensure that grant activities take into consideration gender issues and serve to equalize the benefits of sector interventions between benefit to men and women. As the Grants Program must necessarily maintain robust systems for tracking and reporting on the progress of individual grant activities, the Program is further well-aligned with the project's overall Monitoring and Evaluation system.

## 6.3 WORKPLAN IMPLEMENTATION

During PY1, much progress was made in putting into place the foundation from which a successful Grant Program can be built. This entailed the development of all required administrative systems and procedures (as reflected in the project's approved Grant Manual and Implementation Plan); the engagement of all required Grant Program personnel at the national and regional levels; the development and roll-out of an initial introductory training program for all staff; the development of an initial illustrative list of grant programs that may be undertaken during the course of PY2; the identification of possible grantees across all project locations; and the issuance of the project's first Request for Applications (RFA) which provides Grant Program staff with the practical base of experience necessary for moving the program ahead further.

During PY2, the focus of the IUWASH Grant Program will be on quickly and effectively expanding the reach of the Grant program so that by the second quarter each project region will have at least one and likely more active grant programs under implementation. Grant Program work will also involve the provision of additional more in-depth training on program administration, as well as in critical monitoring processes which also entail the use of TAMIS and other support systems. The project will further institute a process for regularly tracking and updating progress in implementing on-going grant programs and for identifying new grant activities in order that the project has a steady stream of grant activities contributing to project outcomes and results. Aside from staff and additional resources, it is anticipated that the project will process approximately $750,000 in new grants during the course of PY2.

Key tasks to be implemented during PY2 under the heading of Grant Program Management are listed in the following table:

| Granht Program Management | |
|---|---|
| **Task under PM-5: Grants Program** | |
| Task GPM 1 | Review planned activities and develop SOWs and RFAs |
| Task GPM 2 | Continue to identify potential grantees |
| Task GPM 3 | Monitoring of grant competition and selection processes |
| Task GPM 4 | Conduct capacity building to internal IUWASH team and partners |
| Task GPM 5 | Manage and monitor of grants program |

Additional detail on the above Tasks is as follows:

**Task GPM 1**
In order to provide for quick and effective start-up of grant activities at the regional level, key staff at the national level will travel to and work closely with regional staff to review and finalize lists of potential grant programs, develop and finalize related Scopes of Work, review and finalize the grant selection process to be followed and issue related RFAs. The intention of this effort will be to have at least two grant activities in place in each region by the end of the second quarter of PY2.

**Task GPM 2**
Throughout the course of PY2, all IUWASH locations will continue outreach efforts to identify potential grantees: reviewing their technical abilities, organizational profiles and overall appropriateness for serving as an IUWASH grantee. Together with the initiation of a wide range of grant activities, it is expected that IUWASH will possess an excellent database of such organizations from which further grant program activities can be efficiently pursued.

**Task GPM 3**
IUWASH plans, to the extent possible, to employ full and open competition procedures in grantee selection, and national program managers will work with staff in overseeing related processes, especially in the initial stages of work at the regional level in order to ensure conformity to applicable rules and regulations. Such procedures will entail widely advertising of opportunities, the holding of pre-application meetings and site visits to explain activities goals and objectives, and review criteria for selection, etc.

**Task GPM 4**
Recognizing that many staff are relatively new to the program, and in accounting for the complex nature of the overall grant management process, the Grant Manager will visit each region to provide specialized training in program requirements from conception of an idea for a grant through monitoring and close-out. Such training and support will also involve use of the IUWASH TAMIS modules for grant management.

**Task GPM 5**
As a part of the grant management process, IUWASH will develop a grant tracking to record and update on an approximate weekly basis that status of all proposed or on-going grant activities. Gran t Management staff at the national level will further schedule periodic grant management reviews to identify gaps and develop appropriate responses.

For Year-2 the associated activities, resources, results, anticipated time schedule to implement the activities are described in the Table below

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| GPM 1 | Review planned grant activities by region and develop/finalize SOWs and RFAs | LTTA | At least five RFAs finalized (one per region) | Nov – Dec 2011 |
| GPM 2 | Continue to identify potential grantees | LTTA | Updated list of potential grantees at the national and regional levels, including a preliminary assessment of organizational capabilities | Nov 11 and June 12 |

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| GPM 3 | Review and develop for each potential grant activity a clear plan for selection and oversee transparent competitive process to in compliance with rules/regs | LTTA | Completed grantee selection using competitive processes to the maximum extent practicable | On-going |
| GPM 4 | Additional training of staff at the regional level in all areas related to grant management, including use of TAMIS | LTTA | Improved staff capacity at the regional elvel to fully undertake and support grant program initiatives | Nov – Dec 2011 |
| GPM 5 | Monitoring grants program in each region through regular tracking and management reviews | LTTA | Grants program in each region well monitored and maintained | On-going |

# 7 PROJECT MANAGEMENT STRATEGY AND ACTIVITIES

Project management for a large, five-year undertaking such as IUWASH is complex and critically important to the smooth and effective operation of the program. This section covers the approaches and tasks to be undertaken in various aspects of managing this program. In this section, we cover the areas of general management, program communications, program reporting, geographic information systems (GIS) and mapping, gender, monitoring and evaluation, support to Corporate Social Responsibility (CSR) programs, and collaboration with other development programs.

## 7.1 GENERAL PROJECT MANAGEMENT

While the ultimate success of IUWASH will depend on the effectiveness of the project's technical components, their ability to operate effectively (both independently and as an integrated whole) is equally dependent on the organizational and management structures and systems the team puts into place in their support. As such, IUWASH is structured to meet component-level technical objectives while also ensuring that the project has the geographic reach to improve access to water supply for two million people and access to sanitation for 200,000 people. The project's approach to making this happen is based on the establishment of clear lines of authority among team members, as depicted in more traditional organizational charts, as well as a matrix management structure to enable technical oversight excellence, supportive project management, and the integration of key cross-cutting elements. Figures 7.1 and 7.2 present the IUWASH organizational charts for the project's national office, and Figure 7.3 shows reporting relationships between the national and regional offices. Separate organizational charts for each region are presented in Chapter 8, which elaborates on regional-level activities. In addition to the more traditional presentation of the project's management structure as detailed in the section that follows, the subsequent section describes the project's Matrix Management Chart, which more succinctly relates how staff are expected to interact on a variety of technical, administrative and cross-cutting areas.

### 7.1.1 MANAGEMENT PLAN

As depicted in Figures 7.1 and 7.2, IUWASH key personnel and lead finance/administrative staff are stationed in the national office in Jakarta. Regional offices in Medan, Jakarta (co-located with the national office), Semarang, Surabaya, and Makassar are led by senior professionals and staffed with technical specialists across all IUWASH components (Figure 7.3). Regional offices also serve as the platforms and reporting hubs for 22 Field Technical Liaisons (FTLs) embedded with various governmental units and PDAMs in target municipalities. This management plan:

- Gives our team the ability to match common approaches with tailored technical assistance that responds to local needs;
- Allows our most senior advisors to provide overall direction and influence and provide input into central government policy and programming deliberations;
- Provides for a full-time presence at the local level, facilitating understanding and responsiveness to local needs and opportunities.

**National Office:** The Jakarta office serves as the IUWASH headquarters and manages relationships and reporting to USAID and central government counterparts. Jakarta also

serves as the base for IUWASH's designated five key personnel, senior technical specialists, and lead finance and administrative personnel, all of whom work closely with the project's regional teams (see Figures 7.1 and 7.3). In addition to serving as the national office for IUWASH, the Jakarta office also houses the regional office for the West Java, Banten and DKI Jakarta area. Most senior staff travel frequently to the regions to provide targeted technical support, ensure that IUWASH activities are proceeding as planned, gather lessons learned and best practices, and work with regional coordinators to ensure that IUWASH is maximizing every opportunity to leverage technical assistance and support from within the project, other donor projects, the private sector, and other partners. More fully, the role of the Jakarta office is to:

- Provide overall strategic direction to IUWASH, ensuring technical coherence and maximizing cooperation across all technical components as well as the grant program;
- Provide advice to central government agencies in formulating and adjusting policies and programs to expand access to safe water and improved sanitation;
- Communicate, coordinate and serve as liaison with USAID, the GoI and others;
- Provide technical support, guidance and resources to the regional offices;
- Ensure that all offices apply common standards and approaches in project activities;
- Disseminate success stories, best practices, lessons learned, and innovations;
- Monitor and evaluate program performance; and
- Oversee IUWASH administration and finances.

In comparison to the organizational structure presented in the original contract for IUWASH, there is only one change of note—the change in the post of a WRM/Raw Water Specialist from the project's Regional Office in Makassar to the National Office in Jakarta. This was undertaken in response to the project's overall needs related to raw water analysis and development. During the early part of PY2, IUWASH will also examine with USAID the possibility of adding an additional position to Component 1 staff in order to provide more in-depth coverage on demand mobilization for water supply services.

**Regional Offices:** IUWASH regional offices are located in Medan, Jakarta (embedded in the IUWASH national office), Semarang, Surabaya, and Makassar. These offices serve as primary implementation centers for all assistance provided to the local level, and each presently oversees programming in approximately seven municipalities (expected to rise to 10 municipalities in each region during PY2). Regional offices are led by senior Indonesian experts who guide technical teams and are responsible for day-to-day activity implementation and direct interface with local government officials, service providers (PDAMs and others), the private sector, and other donor programs. Regional Coordinators have decision-making authority and oversight responsibility for project activities within their regions and are supported through daily communications with and frequent visits from staff in the Jakarta office. Regional Coordinators also visit Jakarta for regular program coordination and administration meetings, as do regional technical staff, who travel between regions and Jakarta for program technical reviews to share lessons learned, review accomplishments, and discuss strategies for addressing specific challenges.

In comparison to the organizational structure presented in the original contract for IUWASH, aside from the relocation of the WRM/Raw Water Specialist from Makassar to Jakarta, the project also intends to seek USAID approval for the addition of several drivers to accommodate a moderately expanded vehicle fleet in PY2.

**Embedded Technical Specialists:** Using the regional offices as platforms and reporting hubs, IUWASH is now in the process of posting 22 FTLs to targeted municipalities. Often embedded within local governmental partner institutions, they provide hands-on support at

the local level where IUWASH can have a significant quantitative impact. These embedded specialists receive technical and administrative support from the project's regional offices and participate in regular program reviews.

**Table 7.1: Sites Approved for IUWASH PY1 (and locations of FTLs)**

| North Sumatra | West Java, Jakarta, Banten | Central Java | East Java | South Sulawesi/ East Indonesia |
|---|---|---|---|---|
| Medan city (1) | Bekasi city | Semarang city (1) | Gresik district (1) | Ambon city (2) |
| Binjai city (1) | Bekasi district (1) | Semarang district | Lamongan district | Jayapura city (2) |
| Langkat district | Bogor city (1) | Surakarta city (1) | Mojokerto district (1) | Jayapura district |
| Pematang Siantar city | DKI Jakarta (1) | Kendal district (1) | Probolinggo district (1) | Makassar city |
| Tanjung Balai city (1) | Karawang district | Kudus district (1) | Sidoarjo district (1) | Maros district |
| Tebing Tinggi city (1) | Lebak district | | Surabaya city | Takalar district (1) |
| | Serang district (1) | | | Parepare city |
| | Tangerang district | | | Jeneponto district (1) |
| | | | | Enrekang district |

*(1) designates the number of FTLs posted in target municipality. Many also cover adjacent areas.*

In comparison with the organizational structure presented in the original contract for IUWASH, a minor shift in the number of FTLs per region was made during PY1 based on site selection assessment results. In particular, all regions now possess four FTLs, with the exception of South Sulawesi/East Indonesia, which has six in order to better cover that region's very large and complex work area. As two of the project's most remote areas (Ambon and Jayapura) are in that region, the project will post two (2) FTLs in each of these locations and designate one as a "Senior FTL" with additional representational and supervisory responsibilities. Given the importance of FTLs to overall project implementation, as well as the planned expansion of the program to include up to 22 additional municipalities, IUWASH managers will re-assess FTL support requirements in the latter part of PY2.

**Relationship between the Project and DAI Home Office:** Based on more than 30 years of experience in supporting long-term, complex development programs in Indonesia, the relationship between the project and DAI's home office is based on three principles:

- Empower the Chief of Party (COP) with appropriate autonomy and authority to implement programs;
- Establish and maintain real-time communications between project and home offices and hold quarterly reviews that involve the COP and home office staff to ensure proactive troubleshooting before issues become serious; and
- Have periodic home office communications with the Contracting Officer's Technical Representative (COTR) to ensure client satisfaction and that the project meets or exceeds USAID's expectations.

DAI's home office supports IUWASH by providing technical oversight, responding to USAID requests for contractual information, issuing accurate invoices and other financial statements, assisting with recruitment, and mobilizing short- and long-term personnel. This support is provided through the services of a Technical Backstop supported by a Project Coordinator. The Technical Backstop provides overall technical support to IUWASH and serves as the COP's day-to-day point of contact in the DAI home office. He also leads quarterly project reviews with the COP to discuss and resolve management and technical issues or respond to requests for information. He also coordinates with home office support offices (including Finance, Contracts, Procurement, Information and Management Technology, Human Resources, etc.) to ensure that the COP has the support and resources needed to manage IUWASH and meet or exceed USAID expectations.

## Figure 7.1: IUWASH Organizational and Management Structure – National Office

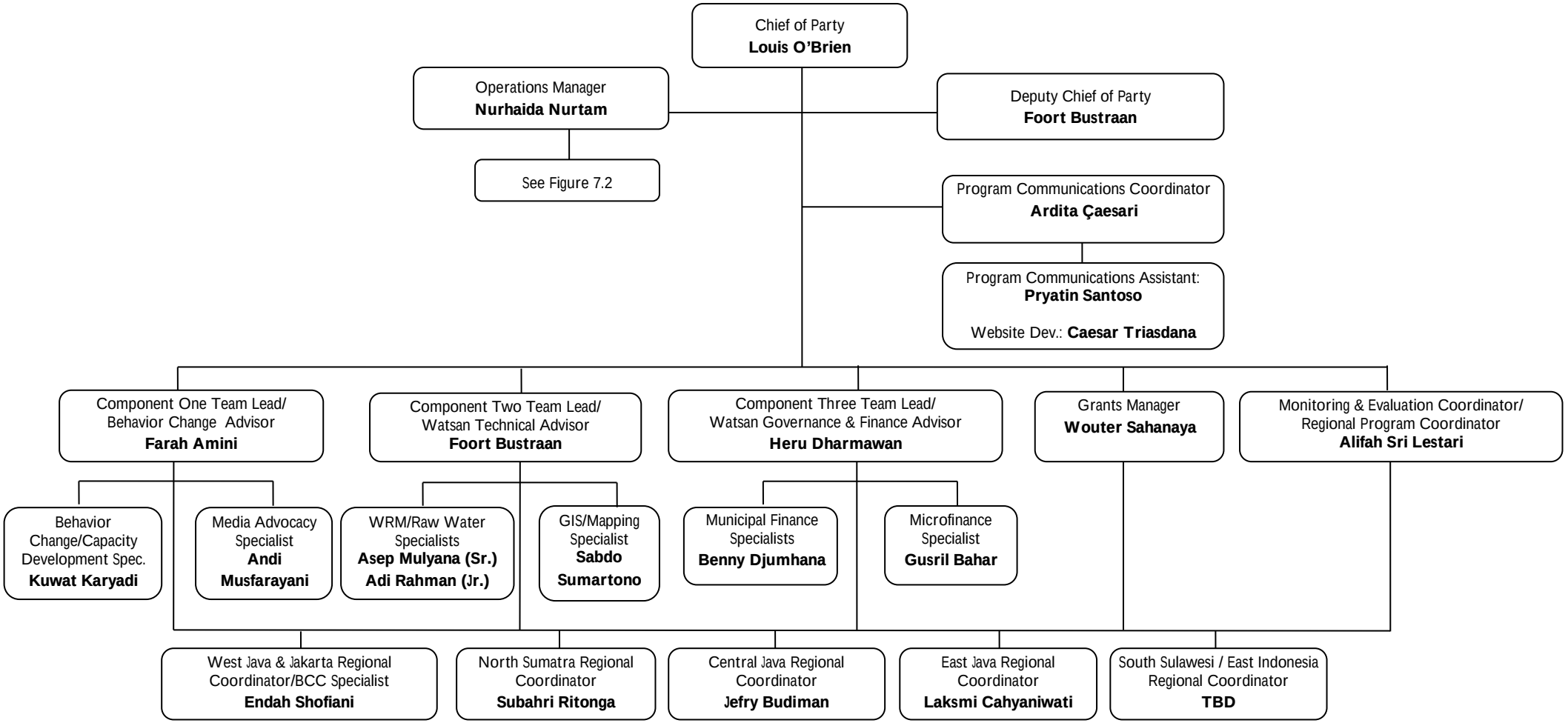
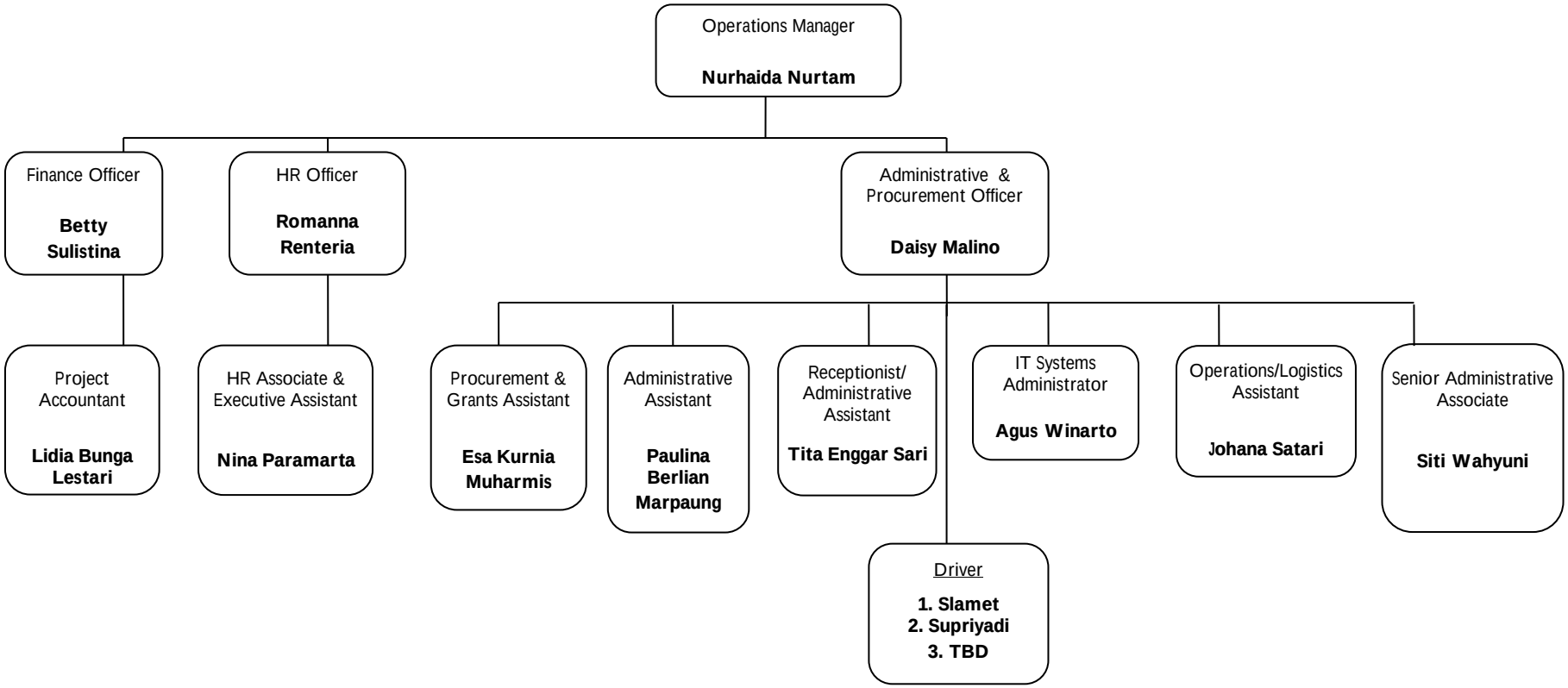
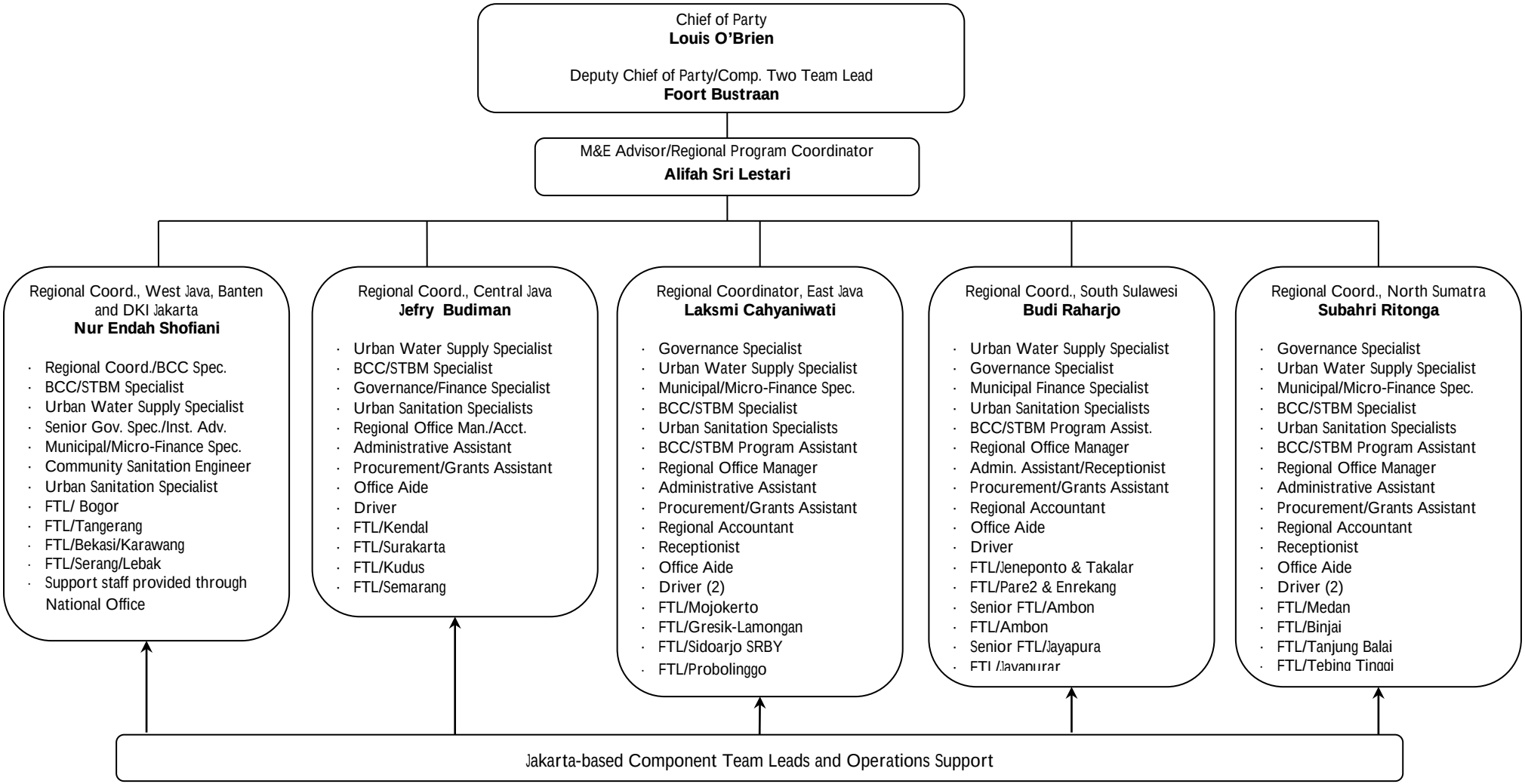


**Figure 7.2: IUWASH Organizational and Management Structure – National Office Operations Management**



## Figure 7.3: IUWASH Organizational and Management Structure – National and Regional Office Reporting Relationships



### 7.1.2 MATRIX MANAGEMENT

Due to the technical and geographical complexities of IUWASH, the need to maximize the utility of resources, and the desire to apply reasonably consistent approaches and techniques to the implementation of the project, the project has also adopted a "matrix management" approach to the implementation of a wide variety of technical, administrative and cross-cutting areas. Matrix management in a corporate setting is often fraught with problems when profit centers or other competitive goals are involved. However, in a project management sense, and certainly in the area known as "project management," it is desirable. Indeed, it is absolutely necessary that we make maximum use of the wealth and variety of talent and resources assigned to IUWASH.

In a geographic sense, IUWASH must deal effectively and efficiently with five regions and a multitude of individual localities, spanning nearly 6,000 km. In a technical sense, IUWASH includes a very wide but interrelated group of skill sets including, but not necessarily limited to, the following: behavior change specialists, water supply experts, sanitation engineers, municipal finance and microfinance experts, governance specialists, climate change adaptation specialists, water resource specialists, gender applications specialists, public outreach and communications specialists, geographic information systems specialists, and many others. While IUWASH requires their input throughout the project's landscape, it equally cannot afford to have these specialists in all places all the time. Therefore, a system of vertical management as well as a horizontal management is employed, thus the matrix nature of this system.

Figure 7.5 presents the project's Matrix Management Chart, which presents the IUWASH team according to their geographic location and technical, administrative or cross-cutting area of expertise. The purpose of establishing this chart is not to define a rigid leadership structure for the project, but rather to clarify with whom and how staff should interact on the many topics the project must deal with on a daily basis. In reviewing this chart, the following should be noted:

- Each primary technical, administrative or cross-cutting area has a clear leader.
- Where indicated, these technical, administrative or cross-cutting areas are broken down into specific specialties. Within technical areas, these specialties are defined according to the project's targeted outcomes. Within administrative or cross-cutting areas, these specialties coincide with important functional divisions.
- Within each specialty area, a specific staff member has been designated as the "Technical Coordinator." Though not a requirement, all Technical Coordinators are currently based in the national office. Within each regional office, a regional-level Technical Coordinator is designated.
- The role of Technical Coordinators is to:
    - Serve as resources to the regions, providing advice, support and maximizing the utilization of IUWASH resources;
    - Ensure that there is good coordination, exchange and communications between all project locations in their area of expertise, so that approaches and resources can be more effectively shared;
    - Ensure that other concerned technical specialists and administrative/finance personnel are kept well-informed of and involved in specific activities or discussions;

- Remain knowledgeable of all activities within their geographic area that fall under their area of expertise;
- Serve as the main liaison with partner agencies in their area of expertise; and
- Support regional coordinators and component leads in key planning, coordination and monitoring functions.

While a specific staff member is designated as detailed above, many other staff at the national and regional level can and should be involved in particular activities, discussions, decision-making, and so on. With this in mind, IUWASH encourages everyone to regularly communicate with each other and exchange ideas. Further, to ensure everyone is well-informed, and as a general rule, all correspondence between Technical Coordinators and staff at the regional and national level is expected to be copied to the Regional Coordinator concerned, the leader of the particular technical, administrative or cross-cutting area, and others as indicated (e.g., the Operations Manager and Finance Officer if funds will be required; the Grant Manager if a grant may be involved; and the Program Communications Specialist if communications materials will be needed).

Figure 7.5 presents the most recent version of the IUWASH Matrix Management Chart, which modifies the version included in the PY1 Workplan. As the project evolves, this Chart is also expected to change, while adhering to the same basic framework as described above.

### 7.1.3 TECHNICAL ASSISTANCE MANAGEMENT INFORMATION SYSTEM (TAMIS)

One other critical element in the IUWASH project management system relates to information management. As set forth above, IUWASH requires multi-office interactions, multilayered monitoring and evaluation, and collaborative planning and information sharing among partners. Without sound and efficient information management, these requirements can easily become burdensome and take the focus away from critical programmatic activities. In response, DAI developed the Technical Assistance Management Information System, known as "TAMIS." This system is essentially a suite of databases that have been developed to meet different project management needs. Under IUWASH, this system integrates workplan management, impact and performance monitoring, and project administration (from the management of technical assistance to grant programs) into a web-enabled information system.

During PY1, much work was undertaken to develop a TAMIS that best responds to the special needs of IUWASH. Among other tasks, this involved the development or customization of specific modules for the project's PMP, grant management, technical assistance services, workplan, project administration, environmental compliance, and other areas. A tremendous advantage of the TAMIS for IUWASH is that, with multiple teams operating in multiple locations, tracking and reporting requirements become a shared responsibility. Because everyone on the team taps into a central database and uses it in day-to-day management, as data are entered in one location, they are automatically aggregated with data from all locations, substantially reducing the burden on management staff for data collection. A 'screenshot' of one small part of the IUWASH TAMIS is provided in Figure 7.4.

**Figure 7.4: A Sample 'Screenshot' of the IUWASH TAMIS**

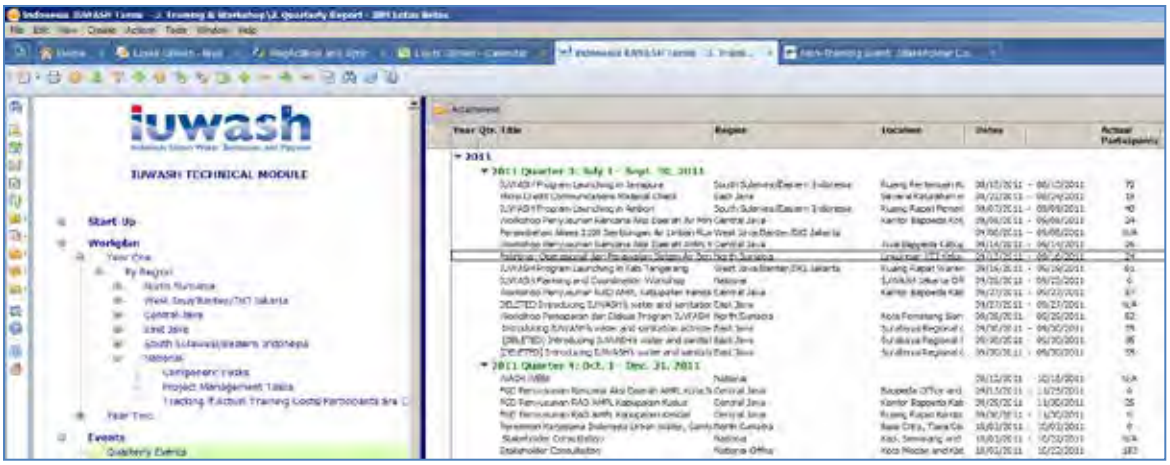


**Figure 7.5: IUWASH Matrix Management Chart – Page 1**

| Implementation Area /Lead Advisor | Project Outcome / Functional Area | Technical Coordinator | North Sumatra | West Java/ Banten/DKI | Central Java | East Java | South Sulawesi/ Eastern Indo |
|---|---|---|---|---|---|---|---|
| **Program Coordination,** COP/DCOP | Workplan development, program planning and cordination, reporting | Alifah Lestari | Subahri Ritonga | Nur Endah Shofiani | Jefry Budiman | Laksmi Cahyaniwati | Budi Raharjo |
| **Comp. 1: Demand Mobilization,** Farah Amini | MD-1: # households willing to pay for sanitation | Kuwat Karyadi | Hetty Tambunan | Suryani Amin | Dwi Anggraheni Hermawati | Ristina Aprillia | Suhartini |
| | MD-2: # of CSO/Gov't cadres mobilizing access to water and sanitation | Kuwat Karyadi | | Eri Arianto | | | |
| | MD-3: # CSOs reporting on PDAM operations or performance | Andi Musfarayani | | Suryani Amin | | | |
| | MD-4: Sanitation for the Poor Toolkit | Andi Musfarayani | | Eri Arianto | | | |
| | MD-5 % households adopting improved hygiene practices | Kuwat Karyadi | | Suryani Amin | | | |
| **Comp. 2: Increase Capacity,** Foort Bustraan | IC-1-a: # PDAMs with improved technical/management performance | Hernadi Setiono | Ferry Boyke | Hernadi Setiono | Agus Nugraha | Rudhy Finansyah | Ridwan Habibie |
| | IC-1-b: # PDAMs with improved financial performance | Benny Djumhana | Sigit Purwanto | Blandina Mandiangan | Nugroho Andwiwinarno | Rudy Jusdian | M.Zuhri |
| | IC-2: # PDAMs assisted in debt restructuring | | | | | | |
| | IC-3: # PDAMs with improved credit worthiness | | | | | | |
| | IC-4: # of LGs implementing climate change adaptation measures | Asep Mulyana | Ferry Boyke | Ahmad Rosyid | Agus Nugraha | Rudhy Finansyah | Ridwan Habibie |
| | IC-5: # of LGs implementing CSS plans | Andre Kuncoroyekti | Mohammad Yagi | Andre Kuncoroyekti | Yudi Wijanarko | TBD | Selviana Hehanussa |
| | IC-6: # SMEs providing sanitation construction/facility manage. services | Eri Arianto | | Eri Arianto | | | |
| | IC-7: % of poor with greater satisfaction in water and sanitation services | Hernadi Setiono | Ferry Boyke | Ahmad Rosyid | Agus Nugraha | Rudhy Finansyah | Ridwan Habibie |

**Figure 7.5: IUWASH Matrix Management Chart – Page 2**

| Implementation Area /Lead Advisor | Project Outcome / Functional Area | Technical Coordinator | North Sumatra | West Java/ Banten/DKI | Central Java | East Java | South Sulawesi/ Eastern Indo |
|---|---|---|---|---|---|---|---|
| **Comp. 3: Enabling Environment,** Heru Darmawan | EE-1 : # LGs putting priority on water and sanitation thru policies and budgets | Heru Darmawan | Zulkifli Kahar | Ahmad Rosyid | Nugroho Andwiwinarno | Kresna Budidarsono | Hanny Singgih |
| | EE-2: # PDAMs/LGs accessing LT funding | Benny Djumhana | Sigit Purwanto | Blandina Mandiangan | | Rudy Jusdian | M.Zuhri |
| | EE-3: % increased in public/private financial resources | Benny Djumhana | Sigit Purwanto | Blandina Mandiangan | Nugroho Andwiwinarno | Rudy Jusdian | M.Zuhri |
| | EE-4: # of households accessing microfinance | Gusril Bahar | | | | | |
| | EE-5: # LGs adopting mechanisms for citizen engagement | Heru Darmawan | Zulkifli Kahar | Ahmad Rosyid | | Kresna Budidarsono | Hanny Singgih |
| **Grants Management,** Wouter Sahanaya | Grant development and monitoring | Wouter Sahanaya | Sie Ket Liong | Esa Kurnia Muharmis | Nabawi Madjid | Sihol Sinaga | Chairun Nadirin |
| **Monitoring/Evaluation,** Alifah Lestari | PMP development, monitoring and evaluation | Alifah Lestari | Subahri Ritonga | Nur Endah Shofiani | Jefry Budiman | Laksmi Cahyaniwati | Hanny Singgih |
| **Operations,** Ida Nurtam | Finance | Betty Sulistina | Tengku Afriyenni | Betty Sulistina | Moniq A. Theresia | Rani Sukmasari | Ira Leman |
| | Administration | Daisy Malino | Nurwari | Siti Wahyuni | Moniq A. Theresia | Nana Noerhajati | Ivonny Ndaparoka |
| | Procurement | Daisy Malino | Sie Ket Liong | Esa Kurnia Muharmis | Nabawi Madjid | Sihol Sinaga | Chairun Nadirin |
| | Human Resources | Romanna Renteria | Nurwari | Romanna Renteria | Moniq A. Theresia | Nana Noerhajati | Ivonny Ndaparoka |
| | Information Technology | Agus Winarto | | Agus Winarto | | | |
| | Travel | Paulina Marpaung | Melda Zang | Paulina Marpaung | Chatarina Meity Yovita | Ary Cahyaningtyas | TBD/Ivonny Ndaparoka |
| **Communications,** Ardita Caesari | Publications, graphics and other communications support | Pryatin Santoso | Reg. Coordinator and/or Office Manager | Reg. Coordinator and/or Office Manager | Reg. Coordinator and/or Office Manager | Reg. Coordinator and/or Office Manager | Reg. Coordinator and/or Office Man. |
| | Website support | Caesar Triasdana | | | | | |
| **Environ. Monitoring,** Wouter Sahayana | EMMP and IEE development and compliance monitoring | Wouter Sahayana | Mohammad Yagi | Nur Endah Shofiani | Agus Nugraha | Ristina Aprillia | Selviana Hehanussa |
| **GIS/Mapping,** Sabdo Sumartono | GIS, Mapping, Spatial analysis | Sabdo Sumartono | Ferry Boyke | Ahmad Rosyid | Agus Nugraha | Rudhy Finansyah | Ridwan Habibie |
| **Gender,** Alifah Lestari | IUWASH Gender mainstreaming and gender in working environment | Alifah Lestari | Mohammad Yagi | Suryani Amin | Dwi Hermawati | Ahmad Fathoni | Suhartini |

### 7.1.4 PLANNED GENERAL PROJECT MANAGEMENT ACTIVITIES

While the above sets forth how IUWASH is organized and managed, there are several specific tasks that will aid in this aspect during the course of PY2, facilitating the quality of teamwork and ensuring strong project cohesiveness.

The majority of these tasks are of a routine nature or self explanatory. One important activity, however, relates to the selection of new project locations and requires additional detail. During the course of PY1, and based on consultation with the GoI Technical Team, IUWASH assessed a total of 45 sites, of which 34 were selected. During PY2, IUWASH seeks to expand this number to approximately 50. Table 7.2 provides the number of sites supported in PY1 and the number of sites expected to be added in PY2.

**Table 7.2: Summary of Sites Selected in PY1 and PY2**

| Region | Cities/Districts Selected in PY1 | | | Cities/Dist. to add in PY2 | | Total Supported by End of PY2 | | |
|---|---|---|---|---|---|---|---|---|
| | Level of Support (1) | | | | | | | |
| | Fully Supported | Partially Supported | Total | Locations Likely Upgraded to Full Support | Locations to be Added (2) | Fully Supported | Partially Supported | Total |
| North Sumatra | 5 | 1 | 6 | 1 | 5 | 11 | 0 | 11 |
| West Java/ DKI/Banten | 5 | 3 | 8 | 1 | 5 | 11 | 2 | 13 |
| Central Java | 4 | 1 | 5 | 1 | 4 | 9 | 0 | 9 |
| East Java | 5 | 1 | 6 | 1 | 5 | 11 | 0 | 11 |
| South Sulawesi/ East Indonesia | 4 | 5 | 9 | 4 | 3 | 11 | 1 | 12 |
| **Total** | **23** | **11** | **34** | **8** | **22** | **53** | **3** | **56** |

(1) "Fully Supported" indicates both water & sanitation receive IUWASH attention. "Partially Supported" indicates only one is supported.
(2) Based on the experience in PY1, IUWASH will conduct assessments in approximately 32 cities/districts to select the 22 targeted.

As was practiced in PY1, the site selection process in PY2 will entail a review of site assessment plans with the GOI Technical Team; introductory visits by the project to each location requiring assessment; a detailed assessment (data collection and analysis) by the project in each location; a review of results and recommendations with the GoI Technical Team; and the scheduling of formal project launchings in each new location that has been approved by the Technical Team.

All planned general project management tasks (and associated activities, inputs, results and timelines) are set forth in the following table:

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 1-1 Planning & coordination | Develop Program Year 2 (PY2) Workplan | COP, DCOP, all technical and regional advisors. | PY2 Workplan submitted and approved by USAID | Sep-Oct 2011 |
| | Weekly meeting with COTR | COP, DCOP, M&E, Ops Man. | Improved and synchronized project management coordination | Oct 2011-Sep 2012 |
| | Quarterly planning & coordination meeting | COP, DCOP, Comp. Leads, Regional Coord., and others as required | Reviewed and adjusted PY2 Workplan | Jan 2012<br>May 2012 |
| | Annual planning & coordination meeting | IUWASH national and regional managers and technical staff | Reviewed and adjusted PY2 Workplan and initial PY3 Workplan development | Sep 2012 |
| | Develop Program Year 3 (PY3) Workplan | COP, DCOP, all technical and regional advisors | PY3 Workplan submitted and approved by USAID | Sept-Oct 2012 |

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 1-2 Assessments, selection and launch of program in new target cities/districts | Establish list of sites to be assessed with Technical Team input | IUWASH national and regional managers, GoI Technical Team | Approved list of sites to assess | May 2012 |
| | Conduct introductory visits to new locations to explain criteria for selection, etc. | IUWASH national and regional managers and technical staff | Improved understanding of IUWASH by local leaders; initial data collection | May-Jun 2012 |
| | Collect and analyze data to assess local conditions and willingness to participate in IUWASH | National and regional technical staff | Detailed information regarding sector conditions and local priorities and plans | Jun-Jul 2012 |
| | Present assessment results and recommendations to the Technical Team | IUWASH national and regional managers and technical staff | Technical Team well-informed and approves additional sites to be added | Jul-Aug 2012 |
| | Conduct IUWASH 'Launch Events" in newly selected cities/districts | COP, DCOP, regional teams and USAID representatives | In each area: review of IUWASH plans for assistance; signing of PAs | Aug-Sep 2012 |
| PM 1-3 General operations | Finalize establishment of Regional Offices via final fit-out, internet connection, etc. | Ops Manager and team, Reg. Coord. and Office Managers | Regional offices in all locations are fully functional | Oct-Nov 2011 |
| | Finalize and publish on TAMIS remaining Operations Manual modules | Ops Manager, COP, DCOP and other admin. team members | Operational manual for IUWASH program implementation developed and functional | Oct-Nov 2011 |
| | Complete installation of all IT equipment | IT Specialist STTA | Installed, functioning IT systems and trained staff at national and regional levels | Oct and Dec 2012 |
| | Continue customization of TAMIS as needed | TAMIS Specialist remote STTA | Improved project-level MIS | On-going |
| | Periodic visits to regions by national operations staff for training/ monitoring | Ops Manager and other Finance and Admin. staff | Improved levels of compliance with policies and procedures | On-going |
| PM 1-4 Finance | Install new Field Accounting System (FAS) software and provide training to staff | FAS specialist provided off-budget and project finance and IT staff | Installed and functional FAS improves financial projections and reporting | Nov-Dec 2012 |
| PM 1-5 Human resources development | Finalize all recruitment and seek USAID approval as required | HR Officer and others as required | Completed recruitment of long-term staff, including drivers for vehicles from DBE | Oct 2011 |
| | Provide induction/orientation sessions to new staff on policies/ procedures | HR Officer and others as required | Improved staff understanding of policies, procedures, expectations, etc. | On-going |
| | Conduct regional level team alignment and communications workshops to improve team cohesion and effectiveness | Regional Coord., HR Officer and others as required | Improved teamwork and program effectiveness | Nov 2011-Feb 2012 |
| | Conduct HR needs assessment, esp. as concerns Comp. 1 national resources, and FTLs and support staff given expansion to 50 sites | HR Officer and others as required | Improved understanding of needs and, as necessary, request for approval to USAID | Jan-Feb 2011 |

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 1-5 Human resources development (*Contd.)* | Institute Performance Management System | HR Officer and others as required | Improved staff satisfaction and performance | Beginning Feb 2012 |
| | Respond to new LTTA and STTA requirements as they arise | HR Officer and others as required | Consistent availability of required staff and consultants | On-going |
| PM 1-6 Procurement | Conduct review of vehicle needs (based on planned expansion to 50 municipalities) | Ops Manager, COP, DCOP and other admin. team members | Completed review and request submitted to USAID for any proposed change in fleet configuration | Oct-Nov 2011 |
| | Conclude all remaining major NXP procurement, including vehicles | IT Specialist STTA | Installed, functioning systems and trained staff at national and regional levels | Oct and Dec 2012 |
| PM 1-7 Admin. support by DAI home office | Training of IUWASH staff in operations and management systems | HO Program Coord., Ops Manager and key Admin./Finance staff | Staff trained and knowledgeable in Project Management Systems | On-going according to need |

## 7.2 PROGRAM COMMUNICATION

The IUWASH communication strategy is an integrated program to stimulate stakeholder awareness and support for improved and expanded service delivery on a variety of levels. Program communications activities communicate program results, best practices and lessons learned in a timely and professional manner to a broad Indonesian and international audience, with a special focus on awareness building among local government officials, CSOs and the media.

During PY2, IUWASH communications efforts will be applied in several areas, including:

- Improving the project's website by further integrating social media platforms such as Facebook and Twitter to emphasize IUWASH activities and results;
- Developing a project newsletter to channel exemplary results in a timely and professional manner to broad Indonesian and international audiences through a regular out-of-the-box hardcopy and online updates. Both online and offline channels above will focus on results at the local level—appealing especially to local government officials, CSOs and the media;
- Updating and broadening the database of program publications that can be readily shared, including success stories (often written in the first person with pertinent and professional photos and captions showing 'before and after' conditions); quarterly progress summaries that capture main themes and progress in project implementation; and city/district profiles that are regularly updated and maintain a steady flow of information for stakeholders at the local level;
- Rolling out the style guide to ensure compliance with USAID Branding Guidelines and the uniform presentation of project products, which is especially important in light of increasing field activities during the second program year; and
- Improving overall tracking of communications material distribution and monitoring of impact.

Detailed activities planned for PY2 are described in the following table.

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 2-1 Maintain project identity | Roll out style guide manual | Program Communications Specialist & Asst. | Style-guide manual provides uniform presentation of all project products | Dec 2011 |
| PM 2-2 Develop and maintain project website and social media platforms | Develop improved IUWASH website | Program Communications Specialist and Website developer | IUWASH program web-site set-up; user friendly in terms of accessing and adding program information | Nov 2011-Mar 2012 |
| PM 2-3 Cross-cutting support to other component activities | Visual, graphic design, editing and translation assistance | Program Communications Specialist & Asst. | Materials developed that support key programs, activities and events (workshops, trainings, etc.) | Jan-Sep 2012 |
| PM 2-4 Update and broaden pro-gram commu-nications materials | Identify and develop success stories, before-and-after, first-person, and photo-and-caption series | IUWASH technical teams; Purchase Order for production | A combined 12-20 stories program-wide. From each component and/or region: one success story; one before-and-after story; one first-person story; one photo and caption story | Jan- Sep 2012 |
| PM 2-5 Develop *IUWASH News* (English and Indonesian) | Develop and produce *IUWASH News* | COP, DCOP, senior technical & communications staff | 9 monthly editions of *IUWASH News* | Jan-Sep 2012 |
| PM 2-6 Improve program communications tracking and channeling | Develop a tracking and channeling mechanism | Program Communications team | Monthly and quarterly reports | Every month and quarter |

## 7.3 PROJECT REPORTING

IUWASH project reporting is an important management tool and, in many cases, a key contractual requirement. In the case of IUWASH, the project has exerted much effort to:

- Broadly involve staff in the development of project reports;
- Clearly link reports to the Performance Monitoring Plan (PMP), upon which project implementation and success is gauged; and
- Develop a reporting system that responds to the needs of USAID, the GoI and, importantly, project stakeholders at the local level.

In most cases, project reporting involves a wide array of project staff and evolves from the locations where work is being performed. Based on guidance provided from the national office, key information is gathered at the local level, reviewed and combined with other

locations at the regional level, and then reviewed for completeness, consistency and accuracy at the national level. Together with information provided by the leadership of the project's technical components and cross-cutting areas, reports are then edited and finalized. This section describes many of the regular and periodic tasks involved in managing the reporting requirements under IUWASH. Many of these reports represent specific contract deliverables as concerns reporting of programmatic progress, the project's financial status, and the attainment of results during project implementation.

Detailed tasks and their associated activities, inputs, results and timelines are summarized below.

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 3-1 Produce and distribute Quarterly Progress Report (QPRs) | Develop IUWASH Quarterly Progress Reports (QPRs) | COP, DCOP, senior managers and Program Comm. Spec. | Three QPRs developed and approved by USAID and shared with key partners | January, April and July 2012 |
| PM 3-2 Produce and distribute a combined Annual Progress Report (APR) and final QPR for the year | Develop IUWASH APR and final QPR for the year | COP, DCOP, Senior Managers and Program Comm. Spec. | APR for PY2 with last QPR for the year | October 2012 |
| PM 3-3 Produce and distribute Bi-weekly Reports | Develop IUWASH Biweekly Report | COP, DCOP, Senior Managers and Program Comm. Spec. | Twenty-six (26) Bi-weekly Reports developed and submitted electronically to USAID | Oct 2011-Sept 2012 |
| PM 3-4 Produce and distribute technical reports | Develop technical reports as indicated, which are likely to include a Gender Assessment Report, a Raw Water/Climate Change Vulnerability Assessment Report, etc. | COP, DCOP, Senior Managers and Program Comm. Spec. | IUWASH technical reports developed, approved by USAID and distributed to relevant stakeholders, including CDIE | Oct 2011-Sep 2012 |
| PM 3-5 Submit Monthly Financial and Accruals Reports | Develop Monthly Financial and Accruals Reports | COP, DCOP, DAI Home Office, Operations Manager, and Finance Team | Monthly Financial and Accruals Reports (12 each) developed and approved by USAID | Oct 2011-Sep 2012 |
| PM 3-6 Submit Annual Inventory Report | Develop IUWASH Annual Inventory Report | COP, DCOP, Operation Manager, and administrative staff | Annual Inventory Report developed and approved by USAID | September 2012 |

## 7.4 GEOGRAPHIC INFORMATION SYSTEMS AND MAPPING

The utilization of geographic information systems (GIS) represents an important facet of IUWASH management. The development of a robust IUWASH GIS is not viewed as an end in itself, but rather as a tool that supports and enhances the technical components, program communications, monitoring and evaluation functions, and overall project management.

In terms of support to project technical components during PY2, GIS will be an important tool in the raw water vulnerability assessments and climate change adaptation plans (scheduled under Outcome IC 1-4) and the PDAM customer information systems (under Outcome IC 1-1) for at least three PDAMs in West-Java. GIS will also be introduced as an important tool for urban sanitation mapping programs (under Outcome IC 1-5). As concerns IUWASH program communications, GIS capability will be used to provide geo-referenced data for IUWASH project activities, providing customized maps for reports, publications and the IUWASH website. In May through August 2012, it is also anticipated that GIS will be used to support the site selection process for IUWASH expansion to at least 50 target locations.

In terms of GIS support for project communications, monitoring and evaluation and overall project management, the project will also work towards the development of web-enabled and interactive maps of project activities. Systems in support of this work will be developed in close collaboration between the project's GIS/Mapping Specialist, M&E Advisor and Web Developer. In addition to key M&E and management functions, these systems will also be used in support of USAID/Indonesia's proposed program to develop a web-enabled map of overall USAID-funded activities.

In support of the above, each IUWASH regional team has already received one handheld GPS and the GIS/Mapping Specialist will provide training to all regional specialists and FTLs on the use of such equipment during the first quarter of PY2. The GIS/Mapping Specialist will also work closely with the project Web Developer to make spatial information available on the IUWASH website in an interactive manner.

Detailed activities planned for PY2 are described in the following Table:

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 4-1<br>Conduct inventory of data sources of proposed new IUWASH sites | Collect and digitize basic technical and other data of proposed new IUWASH sites | GIS Specialist, Technical Specialists | Data of new IUWASH sites digitized and available in maps, reports and presentations | May-Aug 2012 |
| PM 4-2<br>Develop GIS-based data for IUWASH reporting | Develop template for GIS-based data information for project reporting | GIS Specialist, Senior Managers, M&E Advisor | Template for GIS-based data for reporting developed and in regular use | December 2011 |
| PM 4-3<br>Support field activities | Introduce and train PDAM staff in GIS applications (IC 1-1) | GIS Specialist, PDAM Technical Specialist | GIS applications used in PDAM customer information systems | Oct 2011-Sep 2012 |
| | Support raw water vulnerability assessment in approx. 10 locations (IC 1-4) | GIS Specialist, Raw Water Resources Specialist | Maps and other spatial information for raw water vulnerability assessment prepared and integrated into analysis and reporting | Oct 2011-Sep 2012 |

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 4-3<br>Support field activities<br>*(Contd.)* | Support mapping under urban sanitation programs in approx. five locations<br>(IC-1-5) | GIS Specialist, Urban Sanitation Specialist | GIS applications used in urban sanitation strategy and sludge management systems | |
| PM 4-4<br>Support IUWASH M&E and USAID plans to develop GIS-based activity-tracking systems | Develop IUWASH GIS datasets that can be integrated into web-enabled activity tracking systems and a USAID dataset used for mapping out Mission-funded activities across all sectors | IUWASH GIS Specialist, M&E Advisor, Web Developer and relevant USAID staff | Web-enabled, interactive maps of IUWASH activities in use on IUWASH and USAID websites | Oct 2011-Sep 2012 |

## 7.5 GENDER

The IUWASH team recognizes that water supply and sanitation activities gain efficiency, impact and sustainability when both women and men participate effectively in all levels of decision-making.

One of the more significant achievements in this area during the PY1 workplan period was the establishment of an IUWASH Gender Work Group (GWG) which is composed of a national-level Gender Coordinator and representatives (women and men) from the staff of each project regional office. With substantive input from The Manoff Group (TMG), IUWASH will use the GWG as a platform for several additional formative activities during the coming year, including:

- Conducting a Gender Assessment, the aim of which is to "mainstream" gender considerations throughout IUWASH programming through the development of effective mechanisms to engage women and men in the planning, implementation and monitoring of water supply and sanitation service delivery. The Assessment will identify key issues of gender in the sector (at the national and local levels), as well as opportunities for improving how such issues are addressed both internally (within the project) and externally with key partners and stakeholders. The Assessment is also expected to identify important resources (organizations, consultants and others) that the project may access to improve its responsiveness to gender issues.

- Developing a Gender Strategy, the aim of which is to ensure that men and women benefit equally from IUWASH activities. This is expected to call for substantive engagement of CSOs (such as PKK), PDAMs, local government members, Pokja AMPL/Sanitation members, CBOs, school teachers, local health sanitarians, and others throughout target communities.

Based in part on the results of the above, the project will also apply a concerted effort to substantively engage key gender-related organizations in project activities. Among others, this will likely include Pembinaan Kesejahteraan Keluarga (PKK, the "Fostering Family Welfare" association) which has a vast network of members from the national level down to the grassroots level and throughout every level of government. PKK also has an important

role in the operation of community health posts (*Posyandu*) together with the Ministry of Health (MoH), thus providing an ideal means for communicating critical health and hygiene messages. There is also a possibility that the PKK and MoH will be involved in establishing Women's Water and Sanitation Forums and Women's Customer Forums, and in implementing health and hygiene promotional campaigns.

IUWASH will also continue to involve the Ministry of People's Welfare in its efforts to ensure gender mainstreaming throughout its programs. Undertaken as part of the project's coordination with the GoI Technical Team (led by Bappenas) that oversees IUWASH implementation, this activity will promote involvement of the Ministry in the local-level assessments described above. The collection of information on other gender-related water and sanitation initiatives and experiences will be used as a basis for the development of the IUWASH Gender Mainstreaming Program.

Detailed gender-related tasks and their associated activities, inputs, results and timelines are summarized below.

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 5-1 Conduct Gender Assessment | Conduct gender assessment to identify important gender issues in water and sanitation sector | IUWASH GWG, Gender STTA | Gender assessment on water and sanitation sector conducted | Oct-Nov 2011 |
| PM 5-2 Implement Gender Mainstreaming Program | Develop Gender Mainstreaming Program that addresses internal and external gender issues identified during the Gender Assessment | Gender Specialist, TMG, Gender STTA | IUWASH Gender Mainstreaming Program developed | Nov-Dec 2011 |
| | Socialization of IUWASH Gender Mainstreaming Program at national and regional levels | GWG | IUWASH Gender Mainstreaming Program socialized to IUWASH partners at national and regional levels | Feb-Mar 2012 |
| | Conduct integrated program with other IUWASH technical components | GWG and technical team | Pilot of gender-integrated program developed | Apr-Sep 2012 |
| PM 5-3 Internal Gender Training | Conduct internal gender training at national and regional levels | Gender Specialist, Gender STTA | · Internal Gender Workshops at national and regional levels<br>· IUWASH Gender code of conduct developed | Jan 2012 |

## 7.6 MONITORING AND EVALUATION

Understanding the importance of the adage "If you can't measure it, you can't manage it," IUWASH places strong emphasis on program monitoring and evaluation. This emphasis is embodied in the project's approved Performance Monitoring Plan (PMP), a strategic tool used in monitoring project performance vis-à-vis the project's intended results and deliverables. The approved PMP describes the indicators that IUWASH is employing to track

progress, achievements and expected targets by year. Additional M&E systems that support the PMP include:

- Quantitative performance monitoring
- Qualitative and impact performance monitoring
- Quality assurance
- Reporting on achievement of outcomes
- Reporting on collaboration with partners and other cross-cutting areas

The IUWASH PMP is further supported by the project's management information system, TAMIS, which is described above and which allows for cost-effective data entry from multiple locations and real-time tracking of activities and results for use in project reporting and communications.

Project M&E work in PY2 will focus on establishing additional systems and procedures regarding indicator measurements, data entry, and so on. Importantly, this will entail training, supervising and guiding staff in these and other critical areas to ensure the timeliness and accuracy of data collected and overall system integrity.

Detailed M&E activities planned for PY2 are summarized below.

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 6-1 Conduct baseline data survey | Develop tools and instruments for baseline of specific outcomes | M&E Advisor, STTA and Technical advisors | Tools and instruments for baseline data survey developed | Oct 2011-Feb 2012 |
| | Conduct pre-testing of the above tools and instruments | M&E Advisor and STTA | Tools and instruments for baseline data collection pre-tested and revised accordingly | Feb 2012 |
| | Conduct baseline data collection for specific outcomes | M&E Advisor, STTA, Technical Specialists, USAID partners | Baseline data for specific outcomes collected | Jun-Jul 2011 |
| PM 6-2 Conduct PMP data collection (quarterly and annually) | Ensure regular performance-related data collection and data entry. Conduct 'spot checks' to verify completeness and accuracy | M&E Advisor, Technical and Regional Teams | Data on the achievement of PMP outcome available in TAMIS | Dec 2011, Mar, Jun and Sep 2012 |
| PM 6-3 Report on progress towards targeted outcomes/results | Conduct data collection and analysis through TAMIS | COP, DCOP, M&E and Technical Advisors | Data on achievement of PMP outcomes collected in TAMIS, analyzed and used in QPRs/APR | Dec 2011, Mar, Jun and Sep 2012 |
| PM 6-4 Conduct qualitative monitoring and evaluation | Develop tools and instruments for longitudinal study | M&E Advisor, Technical advisors and Regional Managers | Longitudinal study tools and instruments developed | July 2012 |

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 6-4 Conduct qualitative monitoring and evaluation *(Contd.)* | Select sites for longitudinal study | M&E Advisor and Regional Managers | Longitudinal study sites selected | July 2012 |
| | Conduct longitudinal study training | M&E Advisor | Longitudinal study baseline data collected | Aug 2012 |
| PM 6-5 Conduct capacity building for M&E program | Conduct training for technical staff on tracking outcome achievements, data collection, and entry into TAMIS | M&E Advisor, Technical and Regional Teams | Staff demonstrate proficiency in tracking and recording PMP outcome achievements | Oct-Dec 2011 and as required thereafter |

## 7.7 ENVIRONMENTAL IMPACT MITIGATION AND MONITORING

As a project aimed very much at improving the environmental health status of Indonesian citizens, the IUWASH team understands the importance of ensuring that its own activities do not, in any way, negatively impact public health or environmental conditions in the areas it operates. To ensure such is the case, USAID undertook an Initial Environmental Examination (IEE) prior to award of the IUWASH contract. This IEE (referenced as ASIA 09-86 IEE & ETD) provided a comprehensive review of activities to be undertaken by the project and of the threshold determinations of environmental impact and conditions for mitigation, if appropriate. The IEE determined that a Categorical Exclusion applies for IUWASH project activities involving technical assistance, training, analyses, studies, workshops and meetings that do not entail laboratory work, field studies or involve actions that directly affect the natural or physical environment. It further applied a Negative Determination with Conditions for IUWASH activities involving field studies and other actions that directly affect the physical or natural environment, including small-scale water and sanitation improvements and/or construction activities. It further specified that the IUWASH contractor shall be responsible for implementing all IEE conditions pertaining to activities to be funded under this contract, including the preparation of an environmental mitigation and monitoring plan (EMMP). The project's initial EMMP was provided in the workplan for PY1, and a version only very slightly revised is presented in Appendix 4 to this PY2 workplan.

During PY1, in addition to the development of an EMMP, IUWASH also:

- Established a specific environmental compliance module within TAMIS for addressing key areas outlined in the EMMP;
- Established a project-level environmental compliance team consisting of a national-level Environmental Officer, who supports and oversees the overall environmental compliance process, and staff who are designated as Environmental Officers within each region. Further training and support, especially for regional-level Environmental Officers, will be required in PY2;
- Identified within each region certain activities that fall under the "Negative Determination with Conditions" category. In PY2, these will be closely monitored and mitigated accordingly, as described in the approved EMMP.

Note that in fulfillment of requirements set forth in Section C.8. of the IUWASH contract, the EMMP is again integrated into this Workplan for PY2 (see Appendix 4). No changes of substance have been made over the EMMP made available in the Workplan for PY1.

Details of environmental compliance activities for PY2 are as follows:

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 7-1 Provide additional training and support to regional project Environmental Officers | Develop environmental mitigation support tools and instruments | National Env. Officer | Improved ability to comply with IEE and EMMP requirements | Nov 2011 |
| | Provide additional training to regional Environmental Officers in IEE, EMMP and other mitigation tools and instruments, including use of TAMIS | National Env. Officer | Improved understanding and performance of Environmental Officers | Nov-Dec 2011 |
| PM 7-2 Oversee activity-level environmental compliance monitoring and reporting | Visit the sites of activities that fall within the Negative Determination with Conditions category to establish site-specific monitoring plans/schedules based on area conditions | National and Regional Env. Officers and technical staff | Program activities well monitored against environmental compliance and reported in TAMIS | Jan-Sep 2012 |
| | As indicated above, review with activity stakeholders (community, CSO, GPOI, etc.) mitigation issues and measures, ensuring their understanding, buy-in and assistance | National and Regional Env. Officers and technical staff | Monitoring team developed | Dec 2011 |
| | Ensure regular environmental compliance reporting | National and Regional Env. Officers | Up-to-date information available on environmental compliance and mitigation measures taken | Oct 2011-Sep 2012 |

## 7.8 SUPPORT TO CORPORATE SOCIAL RESPONSIBILITY PROGRAMS

IUWASH understands the vital role to be played by the private sector if the Project is to achieve the results targeted. Not only is the private sector a key for addressing a wide range of sector performance issues (system design, finance, operations, etc.), the private sector's increasing activism through Corporate Social Responsibility (CSR) programs provides another key avenue for enhancing its involvement and increasing the resources made available for sector development. During PY1, IUWASH held several internal sessions to begin putting into place a strategy to guide its interaction with CSR programs. IUWASH views its role as:

- Facilitating increased participation of the private sector in water supply and sanitation programming through awareness building;
- Establishing linkages between private sector entities interested in CSR and appropriate local NGOs and community-based groups that are active in the sector;

- Serving as a technical resource to those local NGOs and community-based groups that may be selected to implement CSR programs in IUWASH target areas.

While intent on attracting CSR resources to the sector, IUWASH further clarifies that it seeks no direct financial assistance, but rather prefers that any financial exchanges be made directly between the private sector and the concerned NGOs or CBOs. IUWASH will also support CSR programs only if they (i) have reasonable prospects for sustainability and replicability, (ii) are genuinely desired by the communities they target, and (iii) allow for substantive participation by local stakeholders throughout the planning and decision-making processes. These three guiding principles were put into practice in PY1 with the initiation of a collaborative effort with Coca-Cola Foundation Indonesia (CCFI). This effort involved designing a program based on CCFI criteria, providing assistance to CCFI in identifying a potential partner, and assisting that partner in developing a proposal. If the proposal is approved, IUWASH will also likely provide technical assistance and monitoring services.

Using the above understandings and experiences as a base, IUWASH will focus CSR efforts in PY2 on (i) overall strategy development, (ii) development of materials and presentations on sector issues that can be readily understood and absorbed by those not closely involved in such issues; and (iii) conducting meetings and workshops with CSR program managers from the private sector at the national and regional levels to improve their awareness of sector issues and potential areas for involvement. Such efforts are expected to result in expanded CSR support to water and sanitation programs in IUWASH areas, especially for the community-based interventions for which CSR programs are often oriented.

Detailed CSR support activities planned for PY2 are described in the following table.

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 8-1<br>Develop project-level CSR support strategy and related materials and presentations | Develop IUWASH CSR support strategy | Project national and regional managers | Improved guidance and direction for program managers on project support for CSR | Nov-Dec 2011 |
| | Develop materials and presentations adapted for an audience of private sector CSR program managers | Project national managers and communications staff | Relevant joint program with other USAID program conducted and of mutual benefit | Nov 2011-Sep 2012 |
| PM 8-2<br>Conduct intro-ductory meetings and workshops to promote expanded CSR participation in the water and sanitation sector | Conduct workshops and meetings at the national level and regional level | COP, DCOP, technical advisors, CSR managers, government. | At least 12 introductory workshops and meetings held (two at national level and two in each region) generate CSR support for water and sanitation activities | Oct 2011-Sep 2012 |
| PM 8-3<br>Based on the above results, provide support to new CSR initiatives | Work with CSR program managers to define IUWASH assistance (i.e. implementer selection, technical guidance, project monitoring, etc.) | Project national and regional managers, technical staff at all levels, CSR program managers, NGOs, government cadres, government | Increased resources made available to community-based water and sanitation programs | Oct 2011-Sep 2012 |

## 7.9 COLLABORATION WITH OTHER DEVELOPMENT PROGRAMS

The GoI, donor community and other partners are implementing a diverse array of activities throughout the country to address challenges facing the water supply and sanitation sector. These national and regional initiatives create both risks for overlapping programs and opportunities to complement and support USAID's water and sanitation objectives. Only through regular communication and coordination between all parties can duplication of efforts be avoided and complimentary support be enhanced. In PY1, IUWASH placed a premium on close collaboration with many of these initiatives. In PY2, the project will continue to foster close relations with these and others. These initiatives can be divided in four groups and are briefly discussed below.

### USAID-funded programs

As requested by USAID, IUWASH has and will continue to work closely with other USAID programs and initiatives. This includes regular exchange with and the hosting of quarterly meetings for the USAID "Water and sanitation Partners," which include the following programs:

- **Green and Clean Slum** (**Kota II**) implemented by UNICEF and CARE in Jakarta, Makassar, Kupang and Jayapura
- **Water SMS** implemented by the Pacific Institute and Yayasan Pattiro with PDAM Kota Malang and PDAM Kota Makassar
- **HighFive** implemented by Cipta Cara Padu Indonesia (CCP-I) in Kota Medan, Kota Surabaya and Kota Makassar
- **Water Hibah** implemented under a partnership agreement between USAID and AusAID signed in June 2011 and for which IUWASH will provide technical support to the USAID-Environment office in progress monitoring and reporting.

In addition to these water and sanitation partners, other USAID-financed programs which IUWASH will work with include:

- **Indonesia Clean Energy Development (ICED):** Collaboration with this project is expected to have a special focus on the development and oversight of Energy Efficiency Audits for PDAMs that both improve PDAM financial and technical performance (a major IUWASH aim) and provide substantial energy savings (an ICED aim)
- **ECO-Asia:** As this regional initiative is phasing out its water and sanitation work by the end of 2011, IUWASH will coordinate closely with the regional ECO-Asia team to support, where appropriate, the continuation of some key water and sanitation activities supported by that project.
- **Kinerja:** As a major governance initiative focused on improved service delivery in the sectors of health, education, and the business enabling environment, collaboration with Kinerja may include exchanges on methodologies and approaches for awareness building and policy development among local governments, assessment of possible water and sanitation interventions in areas where they are focused, and so on.

### Government of Indonesia Ministries and Programs

The IUWASH program is implemented under a collaborative partnership between the United States of America and the GoI. This partnership is implemented under an Assistance Agreement No. 6/2011 signed by the Ministry of Social Welfare (the "Decree"). Under this Decree, a Steering Committee (SC) has been established to oversee overall cooperation between USAID projects and the GoI. The Decree also establishes a number of Technical

Teams to provide guidance and direction to these USAID projects, including one covering all USAID water supply and sanitation programs. This Technical Team (*Tim Teknis*) is led by the Ministry of National Development Planning (Bappenas) and includes representatives of all other ministries directly involved in water supply and sanitation issues (public works, health, environment, home affairs, etc.). During the PY1 workplan period, IUWASH worked very closely within this structure and during the PY2 and subsequent workplan periods the Project will build off the good relations developed. Regular quarterly meetings will be held to review IUWASH progress and implementation issues, as well as on an ad-hoc basis when requested.

In addition to this formal relationship, IUWASH will maintain close bilateral relations with central GoI agencies such as the Ministry of Public Works (on urban sanitation issues under the PPSP program in particular, and water-for-the-poor programs), the Ministry of Health (on water safety planning and STBM programs), the Ministry of Finance (for monitoring the PDAM debt restructuring programs) and other ministries (for such areas as climate change adaptation). Finally, IUWASH will work closely with the GoI to identify opportunities for financing plans and programs developed in partnership by local governments and regional IUWASH teams, in order to rapidly increase access to water and sanitation services.

### Donor Agencies

IUWASH has developed strong relations with all key donors in the Indonesian water and sanitation sector during the last six months and will continue to expand and strengthen these relations during this workplan period. The main donors and collaborations identified by IUWASH are as follows:

- AusAID-funded Indonesian Infrastructure Initiative (IndII): Collaboration on water and sanitation grant (*Hibah*) programs, urban sanitation studies, PDAM performance improvement programs, and general water sector coordination.
- Water and Sanitation Program (WSP): Participation in the Sanitation Donor Group (SDG) and collaboration in developing a comprehensive urban sludge management program, together with the MPW.
- Asian Development Bank (ADB): Collaboration on the Metropolitan Sanitation Management and Health Project (MSMHP) in Medan and Makassar, ADB regional twinning programs with PDAMs, and possible support to the IUWASH program on PDAM energy efficiency.
- The World Bank: Collaboration in on-going sector studies and other water and sanitation initiatives where IUWASH can provide local input, data and a direct link to local decision makers.
- World Health Organization (WHO): Collaboration in development of Water Safety Plans (WSP) for at least one PDAM in IUWASH regions, in partnership with the Ministries of Health and Planning (Bappenas) and Waspola.
- Dutch-funded USDP program: Collaboration on further improvement of PPSP urban sanitation program, including capacity building, joint monitoring and evaluation.

### Partnerships with other institutions

IUWASH will continue to work with other institutions (private, university-based, and others) wherever possible. Collaborative efforts of note during PY1 included work with:

- Coca-Cola Foundation Indonesia (CCFI) on the development of a concept for a partnership for aquifer replenishment, resulting in a proposal from a local NGO in North Sumatra requesting funding from CCFI (see the section on CSR for more details). Once awarded, this grant should be the start of a strong collaboration

between IUWASH and CCFI and can be used as a good practice for promotion to other private sector parties.

- Perpamsi, the Indonesian Association of Water Supply Companies, which is expected to lead to a formal partnership to support strengthening of PDAM performance and to disseminate results and best practices.
- Akademi Tirta Wiyata, the training institute of Perpamsi in Magelang, especially for programs to reduce NRW and increase the energy efficiency of target PDAMs.
- Pembinaan Kesejahteraan Keluarga (PKK), for community-based awareness raising, especially on critical health and hygiene messages.

Specific activities planned in the area of collaboration during PY2 are listed below.

| Task | Activity | Input | Result | Timeline |
|---|---|---|---|---|
| PM 9-1 Conduct regular coordination meetings with USAID partners and projects | Conduct Quarterly Coordinating Meetings with USAID partners (HighFive, Water SMS, Unicef) | COP, DCOP, USAID partners and projects, USAID staff | Improved understanding and coordination among partners and projects; improved ability to leverage assistance | Dec 11, Mar, Jun Sep 12 |
| | Examine possible joint programs with other USAID programs (Kinerja, ICED, etc.) | COP, DCOP, technical advisors, other USAID projects | Relevant joint programs conducted with other USAID programs that are mutually beneficial | October 2011-September 2012 |
| PM 9-2 Conduct Steering Committee (SC) and Technical Team (TT) meetings | Conduct quarterly and ad-hoc meetings with SC and TT | COP, DCOP, relevant technical advisors | Regular and ad-hoc meetings conducted with SC and water and sanitation TT | October 2011-September 2012 |
| PM 9-3 Conduct regular coordination/ communication with donors | Communication with water and sanitation donors (WSP, IndII, WHO, ADB, etc.) | COP, DCOP, technical advisors, donors | Regular communication (by email, meetings, field visits) conducted with donors | October 2011-September 2012 |
| PM 9-4 Conduct regular coordination meetings with private sectors | Conduct regular coordination meetings with private sector | COP, DCOP, relevant technical advisors, private sector (Coca-Cola, etc.) | Regular coordination meetings held with private sector to support public private partnerships on water and sanitation | October 2011-September 2012 |
| PM 9-5 Conduct regular meetings with IUWASH potential partners | Conduct regular meetings with IUWASH potential partners | COP, DCOP, technical advisors, potential partners (Perpamsi) | Regular coordination meetings held with potential partners to support development of water and sanitation program | October 2011-September 2012 |

# 8 REGIONAL-LEVEL TECHNICAL ACTIVITIES

## 8.1 NORTH SUMATRA/ACEH REGION

### 8.1.1 INTRODUCTION

The IUWASH program in the province of North Sumatra started in May 2011 with a roadshow to socialize the program as part of site selection activities. IUWASH met with LG institutions in seven cities in North Sumatra province (Medan, Binjai, Langkat, Tebing Tinggi, Asahan, Pematang Siantar and Tanjung Balai). In conjunction with the roadshow, an IUWASH assessment team conducted data collection on existing conditions and problems in the water and sanitation sector through a series of discussions with relevant institutions, including local PDAMs and Bappeda. This data was then analyzed as the basis for IUWASH to select the cities to receive support.

The assessment results were presented to the IUWASH Technical Team on June 15, 2011, and Bappenas/Technical Team formally issued letter No. 4201/Dt.6.03/07/2011 dated July 15, 2011 concerning the cities selected to receive IUWASH support in 2011-2012. The IUWASH team then continued by discussing the partnership agreements with all selected cities. After review by all city governments, the Partnership Agreements (Pas) were signed by all mayors on October 3, 2011. On the same day, IUWASH organized a program launch at Balai Citra Tiara Convention Center in Medan, with over 120 participants including high - ranking government officials (Governor of North Sumatra, Mayors of Medan, Binjai, Tebing Tinggi, and Pematang Siantar), representatives from the US Consulate in Medan and USAID/Indonesia in Jakarta, along with IUWASH local partners and stakeholders. In their speeches, the Governor of North Sumatra and the Mayor of Medan, on behalf of all the other mayors, welcomed the IUWASH program and expressed great optimism that this partnership could help to improve water and sanitation services in North Sumatra province in the future.


IUWASH MEDAN

**North Sumatera IUWASH Program Launching, Oct 3, 2011.**

By the end of the First Program Year, the IUWASH North Sumatra team resulted in limited concrete outcomes, because this period was still the preparation stage of the program. The following is the contributed outcome achievement from North Sumatra region:

- 52 people trained in IUWASH program activities with 23.08% of women participation.

### 8.1.2 TARGET TOWARD PMP OUTCOME OF NORTH SUMATRA

| PMP OUTCOME | Year 2 Target of North Sumatera | Remarks |
|---|---|---|
| HR 1 | 50,000 people | This figure (50,000 people) is equal with 10,000 household connections (Medan 8,000 hh ; Pematang Siantar 1,000 hh; TebingTinggi 300 hh ; Binjai 300 hh; Tanjungbalai 200 hh; Langkat 200 hh/micro credit connections). |
| HR 2 | 8,500 people | This figure (8,500 people) is equal with 1,700 households get improved access to sanitation services in Medan (500 hh/connecting to offsite system), Medan (1,000 hh/individual septic tank for Belawan), Tebing Tinggi (200 hh for MCK). |
| HR 4 | 800 people | 800 people will receive training in PDAM operation and maintenance, Community Based and Urban Sanitation, Health and Hygiene Promotion, micro-finance, etc. |
| MD 1 | 1,700 households (8,500 people) | Number of hh willing to pay for improved sanitation will be similar to numbers under Higher Result 2. In Medan (Belawan) increased access will be combined with improved sludge collection and promotion campaigns. |
| MD 2 | 20 CSO | Tebing Tinggi: 5 CSO ; Medan Denai: 1 CSO, Belawan: 14 CSO supporting sanitation programs. |
| MD 3 | 2 | In Belawan, 2 Customer Forum will be facilitated. |
| IC 2 | 1 PDAM | PDAM Medan will join new debt restructing program. Other 3 PDAM(Tebing Tinggi, Pematang Siantar and Tanjung Bali join the monitoring for IUWASH period |
| IC 5 | 2 cities | Binjai and Pematang Siantar will complete PPSP process (SSK, White Book, EHRA) |
| IC 6 | 1 SME | At least one SME (Medan) will provide improved, affordable sanitation / sludge collection services |
| EE 4 | 400 | Langkat : 200 hh; other city (not yet specified) 200 hh |

## 8.1.3 UPDATED MAP

USAID FROM THE AMERICAN PEOPLE

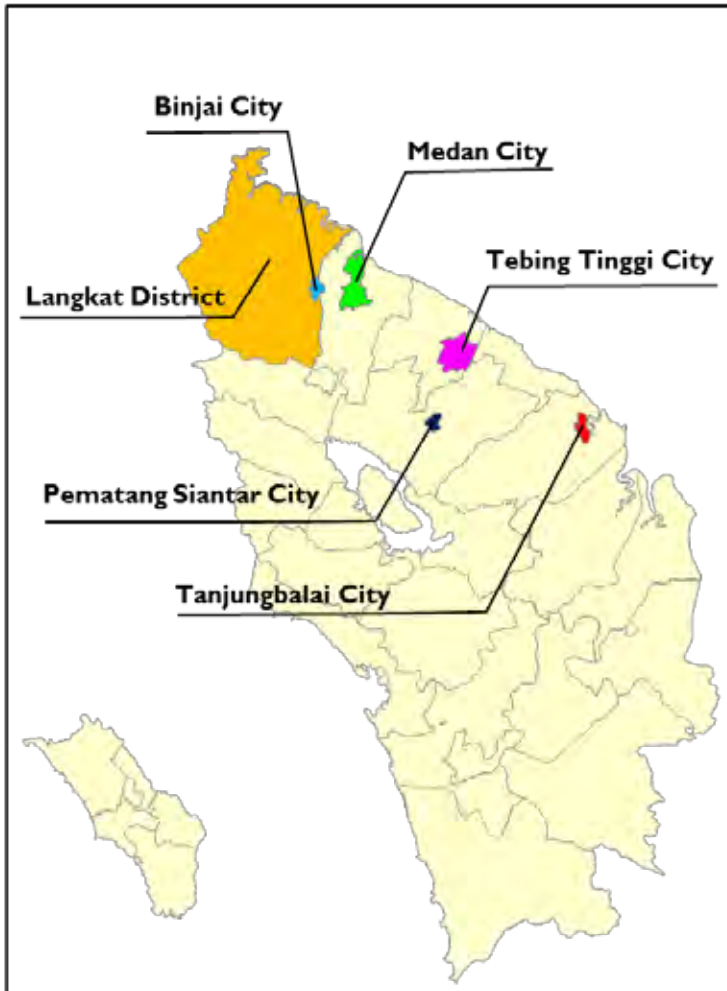
# Summary of City / District Profiles for North Sumatra Region

iuwash Indonesia Urban Water, Sanitation, and Hygiene

**Medan city:**
- **Population:** 2,121,053 people.
- **Water Supply Challenge:** Scarcity of raw water source and needs long-term finance to expand people's access to improved water supply
- **Sanitation Challenge:** Low service coverage of city sewerage system and needs to improve city sanitation strategic plans
- **IUWASH Approach:** Support PDAM to seek long-term finance and water for the poor program, expand the coverage of city sewerage, and support review of city sanitation plan.

**Binjai city:**
- **Population:** 246,010 people.
- **Water Supply Challenge:** PDAM has low service coverage (22,2% of the total population ) & low Full Cost Recovery (FCR) at 56,7 %.
- **Sanitation Challenge:** No city sanitation strategic plans & priority from Local Government to improve sanitation conditions
- **IUWASH Approach:** Support PDAM to review tariff, develop business plan & debt restructuring plans. Also support Sanitation Working Group to develop city sanitation plan.

**Langkat district (*):**
- **Population:** 966.133 people.
- **Water Supply Challenge:** PDAM has low service coverage.
- **IUWASH Approach:** Support PDAM Tirta Wampu with micro credit program to improve people's access to improved water supply.



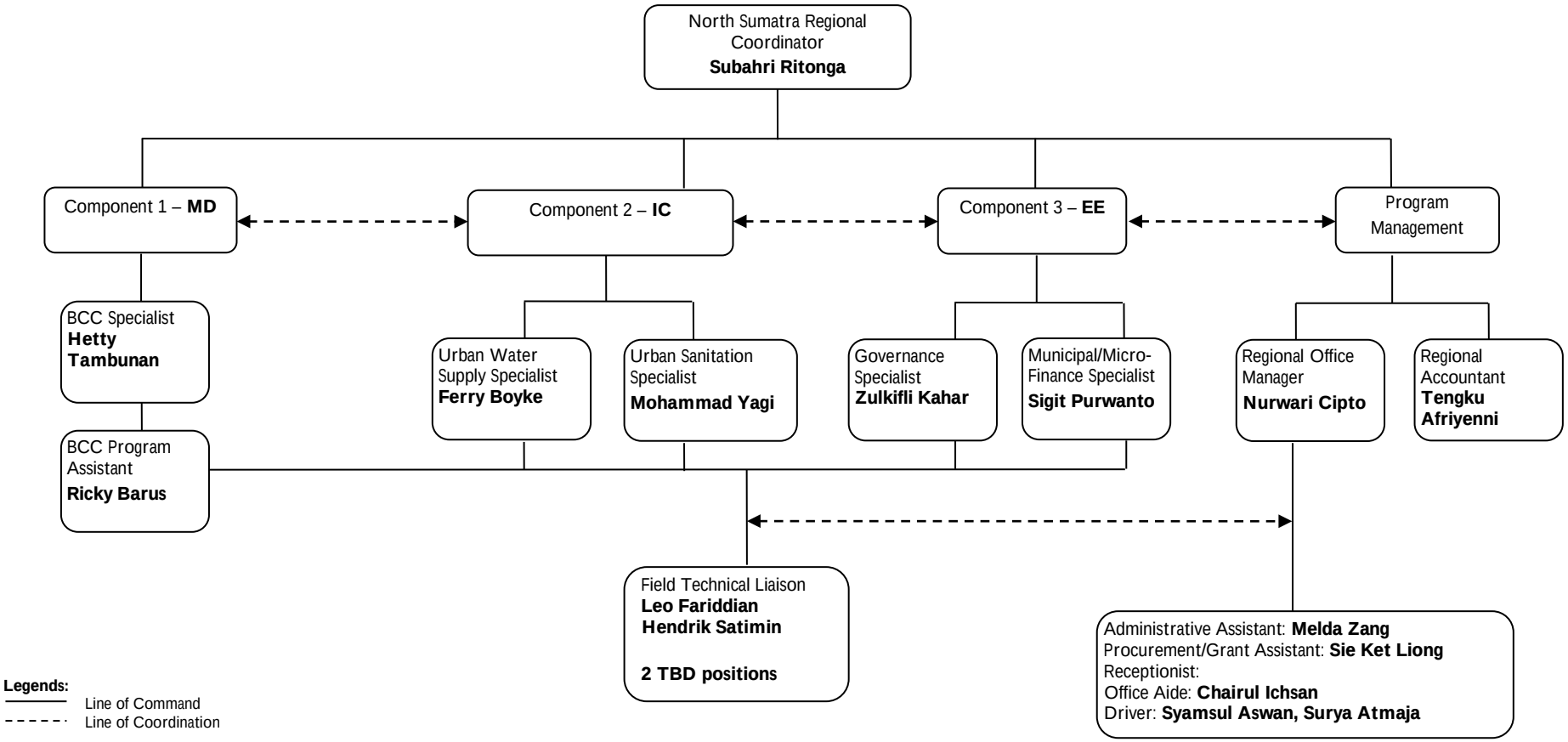

(*) IUWASH Partial Support

**Pematang Siantar city:**
- **Population:** 234,855 people.
- **Water Supply Challenge:** PDAM coverage area is 76,6% and has the opportunity to expand new connection for 7,500 households.
- **Sanitation Challenge:** No city sanitation strategic plan & city sewerage system.
- **IUWASH Approach:** Support PDAM to improve technical; management and finance performance; develop micro credit program; and support Sanitation Working Group to develop city sanitation strategic plan.

**Tanjungbalai city:**
- **Population:** 159,932 people.
- **Water Supply Challenge:** PDAM coverage area is 51.3% and needs new raw water source (the production capacity is only 2,5l/sec).
- **Sanitation Challenge:** No city sanitation strategic plan & city sewerage system.
- **IUWASH Approach:** Support PDAM to improve technical, management and finance performance; develop micro credit program, seek other financing support for sanitation program, and support Sanitation Working Group to develop city sanitation strategic plan.

**Pematang Siantar city:**
- **Population:** 145,180 people.
- **Water Supply Challenge:** PDAM coverage area is 30,6% and has idle capacity for 1,870 new connections.
- **Sanitation Challenge:** Limited program to promote open defecation free program.
- **IUWASH Approach:** Support PDAM to develop DED, business plan, long-term finance and support Local Government to promote STBM and implement city sanitation strategic plan.

## IUWASH ORGANIZATIONAL CHART BY REGION – NORTH SUMATRA




**Legends:**

Line of Command
Line of Coordination

MD: Mobilized Demand
IC: Increased Capacity
EE: Enabling Environment

### 8.1.4 SUMMARY ON PLANNED PROGRAM ACTIVITIES

This section provides a summary of the program activities planned for this workplan period, arranged by the five main IUWASH themes. Further details on the activities, locations, outputs and schedules can be found in the table following this section.

**Behavior Change Communication (BCC)/STBM support**
IUWASH BCC Component activities in North Sumatra in this workplan will focus on mobilizing demand for water and sanitation services from communities and relevant institutions. The baseline community assessment through a quantitative survey and qualitative studies will be integrated with other IUWASH components. The aim of the baseline is to collect data about the existing condition of sanitation, water and hygiene practices; willingness to pay for water and sanitation services; and CSOs and/or government cadres' readiness to implement the water and sanitation programs. Additional assessments will be conducted to identify opportunities for private sector (CSR) program support. In each assessment activity, IUWASH will fully involve local partners and stakeholders (CSOs, government institutions and community groups). The IUWASH BCC team will also review existing training material on community preparation, health and hygiene practices, and existing toolkits to support the development of the IUWASH sanitation toolkit by the national project team. In PY2, IUWASH BCC support is planned in five cities and 11 sub-districts.

**Urban Water Supply**
The urban water supply component includes several activities, including developing and supporting financial aspects for the PDAMs, as explained below. In terms of technical and operation aspects, IUWASH will support several programs, including increasing production and distribution capacity in Medan, Binjai, and Tanjung Balai; non-revenue water (NRW) reduction in five cities; optimizing the distribution system in Binjai, Tebing Tinggi, Pematang Siantar, and Tanjung Balai; raw water vulnerability assessments in Medan and Pematang Siantar; introducing climate change adaptation measures for Sibolangit spring, including supporting the collaboration with Coca-Cola (and its local implementing partner, JKM) to construct at least 800 infiltration ponds in the spring catchment area; and support for utilizing idle capacity (75 liters/second) to add 5,600 household connections in the city of Medan. In terms of management, IUWASH support will focus on updating corporate plans in Binjai, Medan, and Pematang Siantar; standard operating procedures (SOP) for three PDAMs; improve the staffing ratio for PDAM Binjai; on-the-job training for PDAM and Pemda staff; identifying low-income community systems in five cities and, if possible, facilitating establishment of a water supply CBO in the Medan Denai area to serve about 200 households under a program supported by Dinas Perkim and PDAM Tirtanadi.

**Urban Sanitation**
The urban sanitation component will focus on supporting the Pokja in conducting an EHRA survey, and enhancing its capacity to prepare a Sanitation Strategy and White Book in Binjai and Pematang Siantar. IUWASH support for other cities will focus on coordinating and increasing all ongoing sanitation programs promoted by the central government and other donors, such as supporting IPLT improvements in Tanjung Balai, Pematang Siantar and Binjai (revitalizing the IPLT and leveraging funding for IPLT improvements); identifying potential local enterprises (SME) to accelerate delivery of sanitation services; developing septage management systems in Medan (Belawan) and developing MCK Plus, communal IPAL and IPLT, including capacity building for community groups.

### Governance

For the governance component, the IUWASH team will complete its assessments on stakeholders and institution mapping, existing government policies, budget and planning documents in all IUWASH cities. This will be followed by the water and sanitation exposure workshop for Pemda and DPRD members; capacity building for Badan Pengawas PDAM; and collecting information on current citizen feedback mechanisms to the Pemda regarding water and sanitation services. The IUWASH team also plans to engage in advocacy activities through a series of discussions with policymakers, the Pemda legal department, and specific SKPDs, to ensure that water and sanitation policies are included in the drafting of new local regulations and other policy agendas; to provide technical input on water and sanitation issues for the DPRD and on policy making, working with specific SKPDs in the LG planning process and ensuring that the investment list is included in the LG annual plan; and to support the budget committee (LG and legislative) with water and sanitation technical input.

### Municipal Finance

In municipal finance, there are currently three PDAMs that will be assisted immediately in implementing tariff adjustments—PDAM Tirtanadi Medan, PDAM Tirta Bulian Tebing Tinggi, and PDAM Tirta Uli Pematang Siantar. The calculation of the revised water tariffs will apply the Full Cost Recovery principle. With respect to debt restructuring assistance, IUWASH will perform data collection for the four PDAMs that will be submitting new proposals in accordance with the MoF regulations, or else join the debt restructuring monitoring program. In terms of PDAMs planning to increase water production capacity, an uprating of the existing water treatment plant in Medan (or construction of a new one) is required; this requires support in terms of a financial analysis and identification of capital funding sources. Four PDAMs are still using old billing and accounting systems, and have requested IUWASH support to upgrade to more efficient systems that will increase revenue and reduce NRW percentages.

### Site Selection for 2012/2013

In addition to the above program activities, IUWASH North Sumatra Team will also conduct site selection activities for the PY3 workplan, starting in May 2012. The team will visit between five and seven cities near existing clusters and, after evaluating them and sharing their results with Tim Teknis, will then select four or five new cities to be supported in future program years. It is possible that Langkat, which currently receives partial support from IUWASH, will be elevated to receive a full range of support from IUWASH.

## 8.1.5 CROSS-CUTTING PROGRAM

The IUWASH cross-cutting component will support the technical components work at the regional level. During PY2, the IUWASH North Sumatra region is planning the following activities:

- Grant program is planned to primarily support promotion of the BCC and community-based sanitation programs in Tebing Tinggi, improved water quality programs in Binjai and Tebing Tinggi, and a septage management program in the Belawan-Medan area.
- GIS program will support the protection, restoration and development of the water resource capacity of springs, and adaptations to the climate change program in the Sibolangit area of Medan and in Pematang Siantar. In PY2, IUWASH will carry out surveys and spatial analysis, and will develop a final map of water resource spatial planning for the catchment areas.
- All IUWASH technical components will integrate program activities with the gender mainstreaming program.

- All IUWASH program activities in PY2 will be monitored and reported on with respect to environmental compliance based on the approved IEE and EMMP.
- A PDAM raw water protection and climate change program will be implemented by JKM with support from CCFI and IUWASH. The program will be implemented in the Sibolangit area to increase raw water availability for access by residents of Medan's urban areas. An assessment of potential collaboration with other CSR programs will also be conducted this year in order to enhance existing efforts under the water and sanitation program.

### 8.1.6 PARTNERSHIPS WITH OTHER ORGANIZATIONS

Good coordination with other institutions is needed to support the success of IUWASH program implementation. In PY2, existing and potential cooperation partners include the following:

- Government institutions (Pokja Sanitasi, Bappeda, PDAM and other relevant government and semi-government institutions at district and provincial level)
- CCFI for the raw water protection program in Sibolangit
- MHP program on urban sanitation (financed by ADB) in the city of Medan
- HighFive program financed by USAID/Indonesia
- Local universities, for potential studies on water quality and energy consumption, and the baseline survey on hygiene practices and willingness to pay.

### 8.1.7 DETAILED PROGRAM ACTIVITIES

| Task | Activities | Inputs | Output | Location | Timeline |
|---|---|---|---|---|---|
| MD 1-1 | Conduct sanitation baseline study and continue rapid assessment on sanitation actors and activities | LTTA, STTA, PO | Stakeholder mapping database and baseline completed and entered in TAMIS and PMP | 5 locations | Oct-Dec 11 |
| MD 1-3 | Promotional campaign for communal sewerage system for people residing along river | LTTA, FTL, PO | Sanitation condition of 500 people assessed; 250 cadres trained; promotion conducted | Tebing Tinggi | Oct 11-Sep 12 |
| MD 1-3 | Implementing EHRA training | LTTA, FTL | under IC 5-2 | Binjai, Pematang Siantar | Jan-Mar 12 |
| MD 1-4 | Arrange agreements with households to be connected to improved sanitation systems | LTTA, PO | Communities and households put into practice sanitation improvements | 5 locations | Oct-Sep 11 |
| MD 1-5 | Annual survey on sanitation improvements and willingness to pay | LTTA, FTL, PO | Five annual reports | 5 locations | Oct 11-Sep 12 |
| MD 2-1 | Identify and select community organization for Sanimas/STBM | LTTA, FTL, Grant | Suitable CSOs selected in five locations | 5 locations | Oct 11-Sep 12 |
| MD 2-2 | Adoption of modules for capacity building of CSOs and/or government cadres | LTTA, PO | Modules reflecting needs of identified partners are adopted based on regional conditions | 5 locations | Dec 11-Mar 12 |
| MD 2-3 | Capacity building of CBOs and STBM/government cadres, including development of local manual on HWWS | LTTA, FTL, Grant (MD2-1) | Manual on HWWS developed; Government cadres and communities trained | 5 locations | Oct 11-Sep 12 |

| Task | Activities | Inputs | Output | Location | Timeline |
|---|---|---|---|---|---|
| MD 2-4 | Assist CSOs and/or government cadres to develop plans and design programs | LTTA, FTL, Grant (MD2-1) | 50 CSO members and/or government cadres | 5 locations | Oct 11-Sep 12 |
| MD 2-5 | Assist local government to access co-funding from private sector (CSR) | LTTA, FTL, event | Promotional materials and campaign conducted for potential CSR partners | 5 locations | Jul-Sep 12 |
| MD 2-6 | Support CSOs and/or government cadres in implementing promotional program | LTTA, GOI, PPP, CSO, NGO, | Promotional activities are reinforced with practical technologies and solutions | 5 locations | Mar-Sep 12 |
| MD 2-7 | Assist CSOs and/or cadres to share achievements, lessons learned with a wider audience through development and dissemination of success stories | LTTA, CSO, NGO, government, media | disseminated lessons learned and success stories; heightened involvement of media and governmental leadership | 5 locations | Aug-Sep 12 |
| MD 3-1 | Assess existing CSOs that can serve as customer forums to target PDAMs | LTTA, FTL | Two CSOs developed as PDAM customer forums | Medan area | Oct 11-Mar 12 |
| MD 3-2 | Support development of capacity building module for advocacy, media and customer relations for PDAMs | LTTA, PDAM, PO | Capacity building modules pre-tested | Medan area | Feb-Sep 12 |
| MD 4-1 | Provide inputs for existing best practices, lessons learned and sanitation tools used in the region | LTTA, PO | Existing lessons learned and best practices written up | 5 locations | Oct 11-Sep 12 |
| MD 5-1 | Conduct baseline survey on hygiene practices | LTTA, FTL | Five cities selected for all targeted areas | 5 locations | Oct-Dec 11 |
| MD 5-3 | Collect and adapt existing hygiene promotion materials; develop new materials that may be required; train personnel | LTTA, STTA, PO | Materials in support of hygiene promotion campaigns are readily available | 5 locations | Dec 11-Mar 12 |
| MD 5-4 | Promotional campaign for STBM and Sanimas | LTTA, FTL, Grant (MD 2.1) | Part of Grant under MD 2-1 | 5 locations | Oct 11-Sep 12 |
| MD 5-5 | Conduct annual survey on hygiene improvements | LTTA | Hygiene practices survey designed and conducted, with results disseminated | 5 locations | Mar-Sep 12 |
| MD 5-6 | Develop, organize and implement award mechanisms and events for communities and hygiene promoters | LTTA, PO | Award mechanisms developed, events organized and results registered | 5 locations | Oct 11-Sep 12 |
| IC 1-1 | Collect and discuss PDAM baseline data with local stakeholders | LTTA | PDAM baseline data collected and discussed | all locations | Oct 11 & Sep 12 |
| IC 1-2 | Develop billing system and integrate accounting | LTTA, FTL, PO | Five PDAMs install billing system | 5 locations | Jan-Sep 12 |
| IC 1-2 | Tariff adjustment assistance | LTTA, FTL, PO | Three PDAMs carry out tariff adjustments | Medan, Tebing Tinggi, Pematang Siantar | Oct 11-Mar 12 |
| IC 1-3 | Increased production and distribution capacity of PDAMs | LTTA, FTL | Three PDAMs have increased capacity | Tebing Tinggi, Tanjung Balai, Medan | Jan-Sep 12 |
| IC 1-3 | Optimization of distribution network | LTTA, FTL, PO | Four PDAMs carry out program optimization | Binjai, Tebing Tinggi, Pematang Siantar, Tanjung Balai | Oct 11-Mar 12 |
| IC 1-3 | On-the-job training as build drawing of pipe network | LTTA, FTL, PO | 10 staffs trained, as build drawing in two PDAMs | Tebing Tinggi, Pematang Siantar | Oct-Dec 11 |

| Task | Activities | Inputs | Output | Location | Timeline |
|---|---|---|---|---|---|
| IC 1-3 | Technical assistance in reduction of NRW | LTTA, FTL, Events | Four PDAMs adopt NRW reduction methods | Pematang Siantar, Tebing Tinggi, Medan, Binjai | April-Sep 12 |
| IC 1-3 | Review design of PDAM production facilities | LTTA, FTL, PO | Three PDAMs have designs reviewed and ready for investment | Medan, Tebing Tinggi, Tanjung Balai | Oct-Dec 11 |
| IC 1-5 | Support marketing of idle capacity in two treatment plants | LTTA, FTL, PO | 50 PDAM staff trained and materials prepared by PDAM | Medan | Jan-Mar 12 |
| IC 1-5 | Support comparison of individual (shallow) well water with PDAM connections, and related marketing campaign | LTTA, FTL, | Increased understanding of benefits of PDAM water for at least 1,000 households in two cities | Binjai, Tebing Tinggi | Oct 11-Mar 12 |
| IC 1-6 | Develop and implement corporate plan | LTTA, FTL, PO | One PDAM has corporate plan | Binjai, | Oct 11-Mar 12 |
| IC 1-6 | Preparation of SOP for customer service, finance and administration | LTTA, FTL, PO | Three PDAMs completed and adopted SOP | Medan, Pematang Siantar, Tanjung Balai | Apr-Jun 12 |
| IC 1-6 | HR capacity building/training | LTTA, FTL, Events | 100 staffs trained in five PDAMs | 5 locations | Oct 11-Sep 12 |
| IC 1-6 | Organizational restructuring/staff utilization | LTTA, FTL, Events | One PDAM has restructured its organization | Binjai | Oct 11-Sep 12 |
| IC 1-7 | Exchange of information among PDAMs and LGs | LTTA, FTL, PDAM, LG | Regular sharing of experience and lessons learned at cluster and national levels | All locations | Oct 11-Sep 12 |
| IC 1-8 | Annual survey on changes in PDAM performance index | LTTA, PDAM | PDAM performance index updated on semi-annual basis | All locations | Mar and Sep 12 |
| IC 2-2 IC 2-3 | Support PDAM debt restructuring program | LTTA, FTL | Four PDAMs carry out debt restructuring program | Medan, Tebing Tinggi, Pematang Siantar, Tanjung Balai | Oct 11-Jun 12 |
| IC 3-2 | Monitoring and baseline for creditworthiness | LTTA, FTL | Six monitoring reports and creditworthiness baseline collected | All locations | Dec 11-Feb 12 |
| IC 4-1 | Raw water assessment plus climate change adaptation plans, including support for collaboration with Coca-Cola to construct 800 infiltration ponds | LTTA, STTA, FTL, PO, Coca Cola, Events | raw water assessment plus climate adaptation plans completed; Coca-Cola TA completed; dissemination seminar conducted | Medan (Sibolangit) | Oct 11-Sep 12 |
| IC 4-1 | Implement raw water vulnerability assessment | LTTA, FTL | raw water vulnerability assessment completed | Pematang Siantar | Jan-Sep 12 |
| IC 5-2 | Technical assistance for *Tim Pokja* formation and capacity building | LTTA, FTL | 40 people trained | Binjai, Pematang Siantar | Oct-Dec 11 |
| IC-5-2 | Support development of White Book and City Sanitation Strategy | LTTA, FTL, Events | 40 people trained | Binjai, Pematang Siantar | Apr-Sep 12 |
| IC-5-2 | Support EHRA training | LTTA, FTL, Events | 100 people trained | Binjai, Pematang Siantar | Jan-Mar 12 |
| IC 5-4 | Develop septage management for septic tanks situated above water | LTTA, FTL, Grant, LG/Medan | System developed with SME; staff trained; approved by LG | Medan (Bagan Deli and Belawan) | Oct 11-Sep 12 |
| IC 5-4 | Review operation of existing IPLT as starting point to improve sludge collection and treatment | LTTA, FTL | Recommendations made for three IPLTs to optimize collection and treatment system | Tanjung Balai, Binjai, Pematang Siantar | Jan-Sep 12 |

| Task | Activities | Inputs | Output | Location | Timeline |
|---|---|---|---|---|---|
| IC 6-1 | Conduct assessment of field experience and lessons learned on sanitation marketing for SME | LTTA | Lessons learned and field experience are compiled and produced | Support IUWASH national | Oct-Dec 11 |
| IC 6-2 | Hold FGD for sanitation marketing assessment | LTTA, FTL, Event | potential SMEs identified for sanitation marketing pilot | 2 locations | Feb-Mar 12 |
| EE 1-1 | Stakeholder and institution mapping and baseline policy, budget and planning documents | LTTA, FTL | Mapping of Institution and Baseline Reports completed | 5 locations | Oct-Dec 11 |
| EE 1-2 | Develop state-of-sector briefing documents plus support visioning workshops for local stakeholders | LTTA, FTL | Report on state-of-sector briefing plus visioning workshop conducted | 5 locations | Nov 11-Apr 12 |
| EE 1-2 | Series of discussions with policy makers (Mayor, DPRD, PDAM). | LTTA | Commitment by decision makers | 5 locations | Apr-Sep 12 |
| EE 1-3 | Assist DPRD, LG and SKPD to ensure water and sanitation policies are included | LTTA | New water and sanitation policies as agenda in local legislative program | 2 locations (not yet selected) | Mar-Sep 12 |
| EE 1-3 | Support SKPD forum in LG planning process and ensure investment list is included in LG annual plan | LTTA | SKPD includes water and sanitation program in SKPD workplan (*Renja*) | 2 locations (not yet selected) | Jan-Mar 12 |
| EE 1-4 | Support budget committee to ensure water and sanitation budget included in APBD 2012-13 | LTTA, FTL | Agreement to include water and sanitation budget in APBD 2012-13 | 2 locations (not yet selected) | Jan-Aug 12 |
| EE 1-5 | Capacity building for PDAM supervisory board (*Dewan Pengawas*) | LTTA, STTA | Capacity of *Dewan Pengawas* improved (five people) | 2 locations (not yet selected) | Feb-Apr 12 |
| EE 1-5 | Collect best practices and other data to develop *Dewan Pengawas* toolkit | LTTA | Information collected | all locations | Apr-Sep 12 |
| EE 2-1 | Identify project/investment needs and opportunities to increase water and sanitation access | LTTA | Basis needs analysis completed in each location | all locations | Oct 11-Mar 12 |
| EE 3-1 | Conduct baseline survey to identify existing financial resources for expansion of water and sanitation services | LTTA | Baseline data collected | all locations | Oct-Dec 11 |
| EE 3-2 | Socialization need for increased finance to public and private sector | LTTA, events | Increased interest and support for financing | all locations | Oct 11-Sep 12 |
| EE 4-1 | Socialize micro-credit program to all cities | LTTA, FTL | Promotional campaign for micro-credit | all location | Oct 11-Sep 12 |
| EE 4-2 | Facilitate signing of MoU between local bank and PDAM | LTTA, PDAM, Bank | MoU signed in at least two locations | Langkat + one more location (not yet defined) | Oct-Dec 11 |
| EE 4-4 | Support promotional activities from local banks and PDAM | LTTA, PDAM, Banks | Local partners committed to further development of promotional materials | Langkat + one more location (not yet defined) | Jan-Sep 12 |
| EE 5-1 | Assessment of current citizen feedback mechanism in each location | LTTA, FTL | Report assessment on citizen feedback mechanism | all locations | Oct-Dec 11 |
| EE 5-2 | Develop feedback mechanism modules and guidelines | LTTA, FTL | Citizen feedback mechanism module developed | 2 locations (not yet selected) | Nov 11-Feb 12 |
| EE 5-3 | Assist LG to implement feedback mechanism | LTTA | Feedback mechanism developed | 2 locations (not yet selected) | Mar-Sep 12 |

# 8.2 WEST JAVA, BANTEN AND DKI JAKARTA REGION

## 8.2.1 INTRODUCTION

Following the initial data collection and rapid assessment, IUWASH and Bappenas agreed to select eight priority cities and regencies for IUWASH to assist in western Java. The priority programs and implementation schedule were also finalized and agreed with local governments and PDAMs. IUWASH signed Partnership Agreements (PAs) with three selected regencies in Banten province (regencies of Tangerang and Serang, and PDAM Kab. Lebak) to formalize the collaboration during the program launch ceremonies in the respective regencies.

Although the PAs have not been signed in the provinces of West Java and DKI Jakarta, IUWASH has begun activities to support the PDAMs in conducting real demand surveys, customer satisfactory surveys and baseline data collection, including the cities of Bogor and Bekasi and the regency of Karawang. IUWASH has also worked with the PDAMs of Karawang, Serang and Lebak regencies to develop micro-credit schemes with local banks (BRI and BTN).

In the first program year, IUWASH launched a community-based shallow sewer project, jointly with PD PAL Jaya, to be funded through the small grants program. IUWASH also worked with the local governments of Tangerang and Bekasi regencies in preparing applications to national government/PPSP to obtain support for City Sanitation Strategy development. IUWASH has also conducted field visits and initial assessments to Sanimas locations in Ciomas Bogor and the Tegal Gundil Ceger wastewater treatment plant.

IUWASH will continue to work with the PDAMs and local governments from the eight selected cities and regencies during the second program year. The program will focus on strengthening the capacity of water supply and sanitation, conduct studies and develop innovative approaches to improving access to drinking water and adequate sanitation for urban poor communities, as elaborated in the following sections.

## 8.2.2 TARGET TOWARD PMP OUTCOME FOR WEST JAVA/DKI JAKARTA/BANTEN REGION

In PY2, the West Java-DKI Jakarta-Banten region aims to support the IUWASH High Level Results, particularly for improved access to water supply (HR 1) and sanitation (HR 2), and for capacity building/training (HR 4).

By supporting the PDAMs, it is expected that 75,000 people will gain access to safe water, while 8,750 people will gain access to improved sanitation services through strong collaboration and partnership with local government institutions such as PD PAL Jaya and the District Sanitation Office (UPTD PAL). IUWASH will also support local governments in developing an umbrella policy on the drinking water and sanitation sectors, or CSS, and in conducting sanitation marketing and capacity building for operators to optimize the use of existing wastewater and sludge treatment systems.

Following are the targets for PY 2 in West Java-DKI Jakarta-Banten Region.

| PMP Outcome | Year 2 Target | Remarks |
|---|---|---|
| HR 1 | 75,000 people gain access to improved water supply | 15,000 households (75,000 people) are expected to gain improved water supply through the following PDAM connections:<br>PDAM Kab. Serang: 2,000<br>PDAM Kab. Tangerang: 2,500<br>PDAM Kota Bogor: 6,500<br>PDAM Kota Bekasi: 1,000<br>PDAM Karawang: 2,500<br>PDAM Lebak 500 (micro-credit for new connections) |
| HR 2 | 8,750 people gain access to improved sanitation services | The 8,750 people are expected to gain improved sanitation services through technical assistance to LGs for the following activities: (1) small sanitation grants in Jakarta and Serang; (2) septage management in Bogor; (3) improvement of existing CBS systems; and (4) STBM promotion activities in Bogor, Tangerang and Kab. Bekasi. |
| HR 4 | 1,500 people participate in IUWASH training activities | IUWASH training activities with PDAMs will cover GIS, raw water, climate change and micro-credit, and with local government (Pokja AMPL, government officials, sanitarians, government and community cadres, and community members) will cover sanitation and hygiene-related ToT and promotional training campaigns. |
| MD 1 | 1,750 households willing to pay for sanitation improvements | This number will be achieved through the activities listed under HR 2 outcome. |
| MD 2 | Five civil society groups implement programs to improve access to water and sanitation | Five CSOs in Jakarta, Serang, Bogor, Tangerang and Bekasi district, through the IUWASH small grants program and STBM promotion |
| IC 5 | Three local governments implement sanitation programs, as reflected in their CSS | IUWASH will support Tangerang, Karawang and Bekasi district in developing new CSS and will support Serang and the cities of Bogor and Bekasi in implementing the sanitation programs reflected in their existing CSS |
| EE 2 | One PDAM obtains access to long-term funding for its investment plan | IUWASH will support PDAM Lebak in reviewing the feasibility study for a new service area with PT Ciriajasa, and will support development and signing of a cooperation agreement between the parties |
| EE 4 | 1,500 low-income households access microfinance for water and sanitation improvements | IUWASH will work with the PDAMs in Karawang, Serang and Lebak to promote microcredit for water supply for an estimated 500 new connections |

## 8.2.3 UPDATED MAP

USAID FROM THE AMERICAN PEOPLE

# Summary of City / District Profiles for West Java – Banten – Jakarta Region

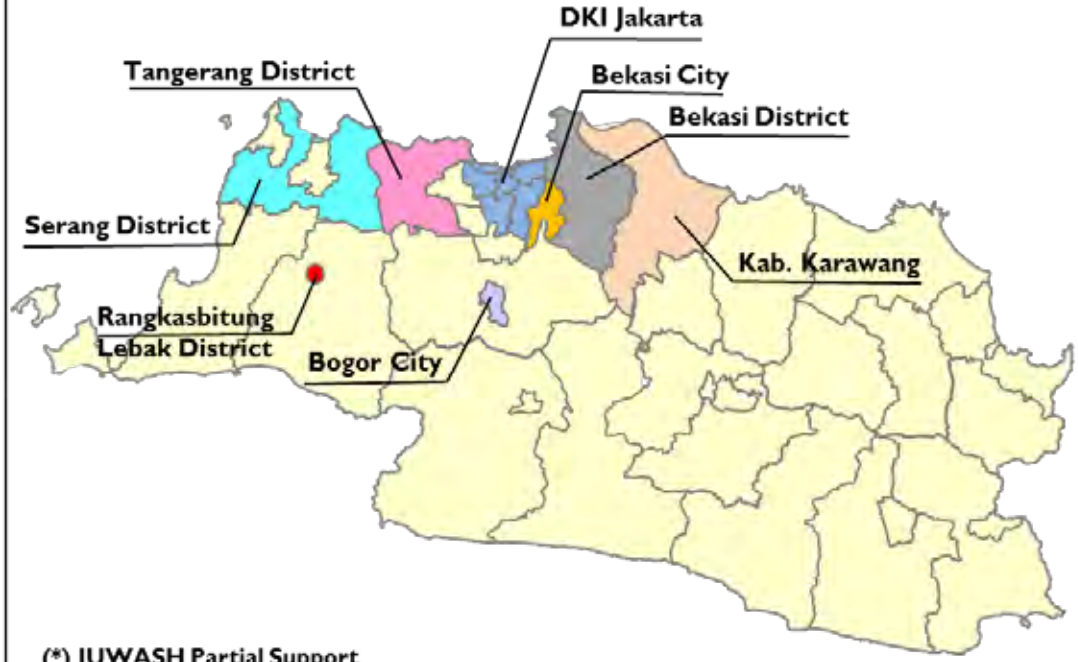
iuwash Indonesia Urban Water, Sanitation, and Hygiene

**Tangerang district:**
- **Population:** 2,508,967 people.
- **Water Supply Challenge:** PDAM service coverage is only 6.1% & experience shortage of raw water sources.
- **Sanitation Challenge:** No city sanitation strategic plan & integrated city sewerage system.
- **IUWASH Approach:** Support PDAM to conduct studies on raw water protection and PDAM regionalization with Lebak district, support Sanitation Working Group to develop city sanitation plan and promote micro credit program.

**Bekasi city:**
- **Population:** 2,327,705 people.
- **Water Supply Challenge:** PDAM service coverage is only 23% & has not reached Full Cost Recovery yet.
- **Sanitation Challenge:** No city sewerage system.
- **IUWASH Approach:** Support PDAM to conduct raw water protection study, to expand service coverage and to support the promotion of STBM.

**Bogor city:**
- **Population:** 949,066 people.
- **Water Supply Challenge:** High Non-Renewable Water (NRW) rate (37%) but has high production capacity (1408 l/sec).
- **Sanitation Challenge:** No city sewerage system and actively promote total community-led sanitation program.
- **IUWASH Approach:** Support PDAM to expand services through Public-Private Partnership (PPP), micro credit program, optimize Wastewater Treatment Plant, and pilot septage management.

**Kab. Bekasi (*):**
- **Population:** 2,193,774 people.
- **Water Supply Challenge:** PDAM service coverage is only 6% but has high production capacity (2,020 l/sec).
- **Sanitation Challenge:** No city sanitation strategic plan.
- **IUWASH Approach:** Support Local Government to establish Sanitation Working Group, develop city-wide sanitation strategic plan, and develop several community-based sanitation facilities funded by government's funds.



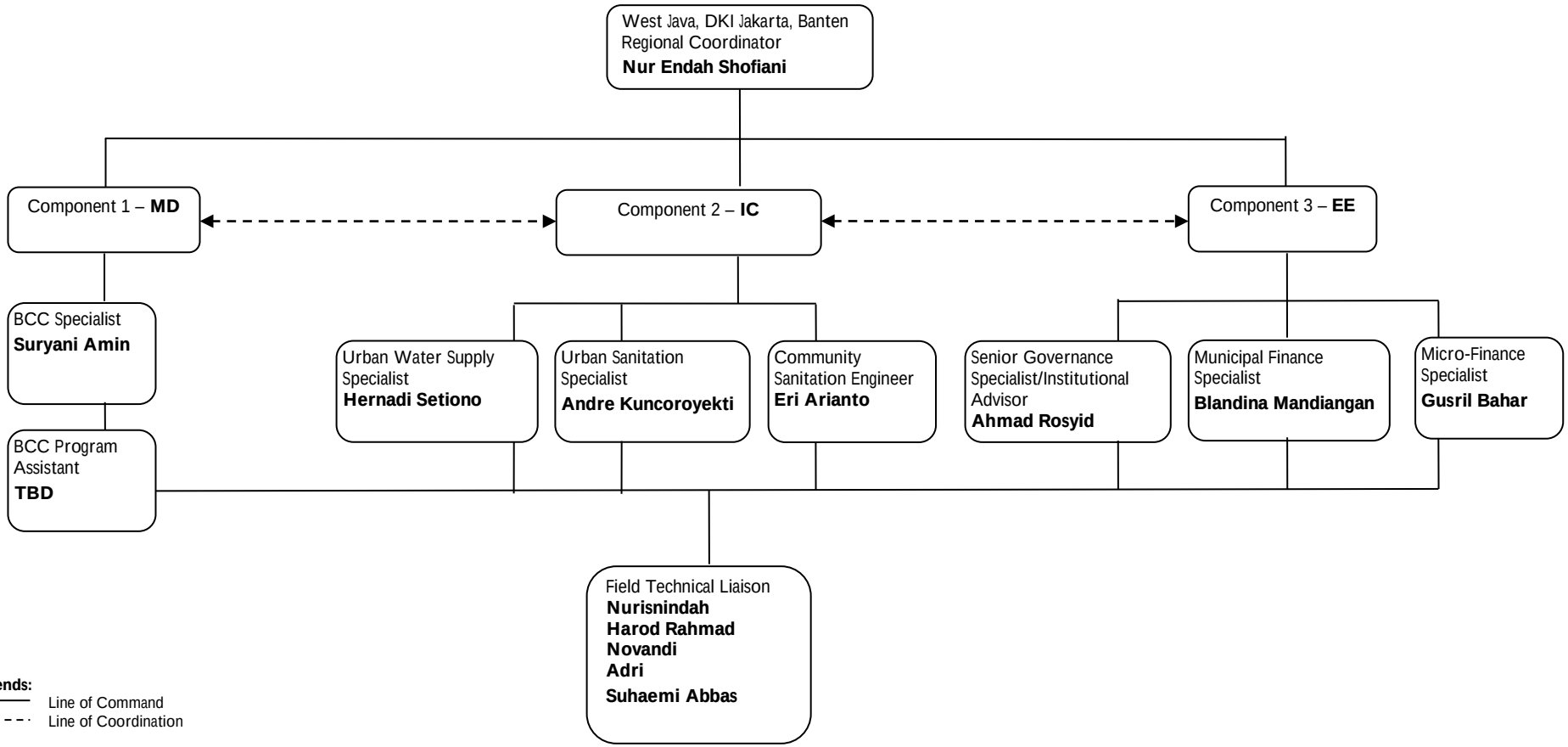

(*) IUWASH Partial Support

**Serang district:**
- **Population:** 1,405,228 people.
- **Water Supply Challenge:** PDAM service coverage is only 11% & needd to optimize idle capacities.
- **Sanitation Challenge:** No city sewerage system and only 38% of households have improved individual toilet.
- **IUWASH Approach:** Support PDAM to reduce idle capacity, NRW reduction and implement PPP. For sanitation sector, IUWASH supports Sanitation Working Group to implement city-wide sanitation strategic plan and promote STBM.

**DKI Jakarta:**
- **Population:** 9.588.198 people.
- **Water Supply Challenge:** High rate of NRW, poor water supply in slum areas.
- **Sanitation Challenge:** Poor sanitation condition in slum areas.
- **IUWASH Approach:** Promote micro credit program, develop community-based sanitation system.

**Rangkasbitung city, Lebak district (*):**
- **Population:** 112.730 people.
- **Water Supply Challenge:** PDAM service coverage is only 7.8% and high NRW rate at 44%.
- **IUWASH Approach:** Support PDAM to expand the connection through PPP and promote micro credit program.

## IUWASH ORGANIZATIONAL CHART BY REGION – WEST JAVA, DKI JAKARTA, BANTEN




**Legends:**

Line of Command

Line of Coordination

MD: Mobilized Demand
IC: Increased Capacity
EE: Enabling Environment

### 8.2.4 SUMMARY OF PLANNED PROGRAM ACTIVITIES

This section provides a summary of the planned program activities during this workplan period, arranged by the five main IUWASH themes. Further details on the activities, locations, outputs and schedules can be found in the table following this section.

**Behavior Change Communication/STBM support**

The IUWASH West Java-DKI Jakarta-Banten team will support and adopt implementation of the national behavior change and promotion strategy at the regional level, including advocacy, socialization, mapping and capacity building/training activities as well as surveys on sanitation improvements and willingness to pay. The BCC team will support establishment of and capacity building (training and cross visits) for the Drinking Water and Sanitation Working Group (*Pokja AMPL*). In addition, the BCC team will focus on the following activities:

- Socialization and promotion of 2,100 new connections to the existing IPAL Tegal Gundil Kota Bogor
- Facilitation for Community-Based Total Sanitation (STBM) training for sanitarians and government officials, and community cadres in the city of Bogor, and the districts of Tangerang and Bekasi
- Development of STBM training module and communication materials in Tangerang and Bekasi districts.

**Urban Water Supply**

Understanding the important role played by, and demand from, water supply and service providers, in PY2 IUWASH will work with six PDAMs (cities of Bogor and Bekasi, districts of Karawang, Serang, Tangerang and Lebak) to help strengthen their management, financial and technical performance.

The ability of PDAMs to increase the number of connections depends on how the PDAM can optimize existing systems, including production, distribution and administration. IUWASH will support the six PDAMs in improving their technical performance by setting up customer databases/GIS in the cities of Bogor and Bekasi; improving the billing and accounting systems and NRW reductions in the districts of Karawang and Serang; energy auditing, rehabilitation of distribution network, and raw water vulnerability study in Karawang district; and initial raw water assessments in Serang district and Bogor city.

The IUWASH strategy to improve the PDAM's management and financial performance involves supporting the development of a corporate plan for the PDAMs of Bogor and Bekasi cities, and Karawang and Serang districts. IUWASH will also support the planned or ongoing initiatives of the PDAMs of Bogor and Bekasi cities, and Serang and Lebak districts to access private funds and investment to construct a new water treatment plant and install a secondary distribution system through a Public Private Partnership (PPP). IUWASH will also provide assistance to PDAM Kab. Tangerang in its plan to install a new 500 liter/second water treatment plant through PDAM internal investment.

**Urban Sanitation**

On sanitation, IUWASH will work to support local governments in both planning and implementing their programs. With the Pokja AMPL, IUWASH will develop City Sanitation Strategies (CSS), particularly for the three PPSP-selected cities—the districts of Bekasi, Karawang and Tangerang. IUWASH will also help to review the sanitation master plan for the city of Bogor and support community mobilization for improved sanitation for the city of Bekasi. The initial assessment found that some sludge treatment plants were not operating or being used optimally. For that reason, IUWASH will pilot regular desludging and training of IPLT operators and develop the SOP in the city of Bogor. In Karawang district, IUWASH

will support a technical review of the existing IPLT, and will also support development of a feasibility study for an IPLT in Serang district.

To support the national program, West Java-DKI Jakarta-Banten will facilitate an FGD as part of sanitation marketing and SME assessment. The outcome of this activity will be the development of modules for SME capacity building in sanitation marketing, and documentation of experiences and lessons learned in sanitation marketing.

Microcredit for sanitation has been initially discussed between IUWASH, UPTD PAL Kota Bogor and BRI. However, the loan terms and conditions will need to be discussed further among the parties during PY2. While the credit scheme and incentives from the local government are to be provided to potential new customers connected to the sanitation system, it will nevertheless be some time before the scheme is launched.

### Governance

Responding to strong demand for regionalization of the water supply service, IUWASH will support regionalization between the PDAMs of Bekasi city and district, and Serang city and district, and facilitate agreement on bulk water between the PDAMs of Lebak and Tangerang districts. These will become examples for PDAMs in other regions.

IUWASH will also work with the local government and PDAM of the city of Bogor to review the existing policy and regulations on PDAM management to ensure they comply with Minister of Home Affairs Regulation (*Permendagri*) No. 2 of 2007 regarding PDAM Structure and Staffing.

On sanitation governance, through CSS development in the districts of Tangerang, Bekasi and Karawang, IUWASH will support the local government in prioritizing drinking water and sanitation programs, leading to more efficient budgeting and increased budget allocations, and will facilitate local governments in accessing alternative financing sources to the APBD, including central government and private sector sources.

### Municipal Finance

On municipal finance, IUWASH will facilitate the continued success of ESP's microfinance/microcredit for new customers between the PDAM and a financial institution. Two local banks (BRI and BTN) have already expressed interest in partnering with the PDAMs of Serang, Lebak and Karawang districts, and discussions on the terms of the agreement are now being facilitated by IUWASH.

IUWASH will also assist and monitor debt restructuring in Lebak, Tangerang and Karawang, support improved billing and accounting systems in Karawang and Tangerang, and conduct pre-feasibility studies for the cities of Bekasi and Serang, following up on previously identified opportunities to increase access to safe water supply.

### Site Selection 2012/2013

The expansion of IUWASH program activities in this region will continue this year through the selection of additional sites. The regional team will commence site selection activities for future years in May 2012. The team expects to visit between five and seven cities near the existing cluster and, following evaluation and discussion with the Tim Teknis, will then select five new cities to be supported in future project years. Possibilities include elevating Lebak and Bekasi districts, which currently receive partial support from IUWASH, to receive full support, subject to confirmation of their commitment.

### 8.2.5 CROSS-CUTTING PROGRAM

*Grants program:* The regional team will administer and implement at least three small grant programs. The first grant program was launched in PY1, and concerns community mobilization for a shallow sewer system with PD PAL Jaya in Jakarta. As a follow-on activity under the small grants program, a construction project for installation of a wastewater piping system will be launched in the second quarter of PY2. In Banten, IUWASH and Bappeda will work to support sanitation improvements in an Open Defecation Free (ODF)-declared community, in support of STBM programming. The third grant for this year is to reduce illegal water connections in Jakarta by introducing the master meter approach.

*GIS:* The IUWASH national GIS team plays a substantial role in supporting program implementation in two technical areas: the PDAM database and management system, and sanitation mapping. With the PDAMs for the cities of Bogor and Bekasi, IUWASH will support development of a GIS/MIS interface and will conduct on-the-job training for PDAM staffs. The work will include reviewing and combining customer information with the spatial database. IUWASH will work with the Bappeda for the city of Bekasi to acquire detailed information on existing sanitation facilities in areas identified as having poor sanitation. This information will then be integrated and digitized into the existing sanitation map taken from the CSS document.

*Gender:* IUWASH will integrate and mainstream gender issues, including awareness raising and equality, into the day-to-day working environment, both internally and with IUWASH partners. While gender equality does not necessarily require that an equal number of men and women participate in IUWASH activities, IUWASH will involve both women's and men's groups as much as possible during program implementation.

*Environment:* All IUWASH program activities in PY2 will be monitored and reported on with respect to environmental compliance based on the approved IEE and EMMP.

*CSR funding:* Several local governments have identified potential CSR funding partners, including the districts of Bekasi and Tangerang. IUWASH will support development of priority programs derived from the Musrenbang process but that are not funded by the local budget. These can be supported by CSR funding. In cities that already have a CSS (e.g., cities of Bekasi and Bogor, and Serang district), IUWASH will identify other projects and initiatives that can be funded by the private sector.

### 8.2.6 PARTNERSHIPS WITH OTHER ORGANIZATIONS

In Program Year 2, IUWASH will work and partner with various organizations and government institutions, as follows:

- PD PAL Jaya in Jakarta for the small grants program on the shallow sewer system in Jakarta
- Satker PLP Jabodetabek for sanitation programs in DKI Jakarta, Tangerang, Bekasi, and Bogor
- The ADB-funded Integrated Citarum Water Resource Management Investment Program (ICWRMIP), working with the District Health Office to reduce water-borne diseases through improved water supply and sanitation system and hygiene
- BRI for microcredit programs in Serang and Lebak districts
- BTN for a microcredit program in Karawang district
- ADB for a twinning program for NRW reduction in Serang district
- Waternet for a twinning program with the PDAMs of Tangerang and Serang districts
- NGOs or SMEs for the small grants program

## 8.2.7 DETAILED PROGRAM ACTIVITIES

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 1-1 | Develop observation list for site assessment | LTTA, FTL | Checklist developed | Kota Bogor<br>Kota Bekasi<br>Kab. Serang | Oct-Nov 11 |
| MD 1-1 | Conduct survey/sanitation mapping | LTTA, FTL, PO Event | Potential sites selected and mapped | Kota Bogor<br>Kota Bekasi<br>Kab. Serang | Nov 11-<br>Jan 12 |
| MD 1-3 | Conduct socialization and promotion activities for improved access to sanitation | LTTA, FTL, Event | 100 people participate in training event | Kota Bogor | Nov 11-<br>Sep 12 |
| MD 1-4 | Support community mobilization for RPKKP (sanitation program) | LTTA<br>PO<br>Event | Sanitation facilities installed and used sustainably | Kota Bekasi | Apr-Sep 12 |
| MD 1-5 | Annual survey on sanitation improvements and willingness to pay | LTTA, FTL, PO | Survey report integrated in annual reports | Kota Bogor<br>Kota Bekasi<br>Kab. Serang | Oct 11-<br>Sep 12 |
| MD 2-1 | Identify potential partners/ government institutions for CLTS promotion activities | LTTA, FTL | Partners listed | Kab. Bekasi<br>Kab. Tangerang<br>Kab. Serang | Oct-Nov 11 |
| MD 2-2 | Adoption of materials/tools for improved access to sanitation and training modules on CLTS in a regional context | LTTA, FTL, PO | Promotional materials developed and training modules produced | Kota Bogor<br>Kab. Bekasi<br>Kab. Tangerang<br>Kab. Serang | Oct-Nov 11 |
| MD 2-3 | Conduct capacity building (ToT) for government cadres on CLTS promotion | LTTA, FTL, Event | 20 people participate | Kota Bogor<br>Kab. Bekasi<br>Kab. Tangerang | Dec 11-<br>Jan 12 |
| MD 2-4 | Assist cadres to implement CLTS in selected areas | LTTA, FTL, Event | 100 people participate | Kab. Bekasi<br>Kab. Tangerang | Feb-Jun 12 |
| MD 2-5 | Assist local government to access co-funding from private sector (CSR) | LTTA,<br>FTL,<br>Event | 80 people from private companies participate in assessment workshop | Kota Bogor<br>Kab. Bekasi<br>Kab. Tangerang<br>Kab. Serang | Jul-Sep 12 |
| MD 2-6 | Implement small grant to improve sanitation physical infrastructure in ODF villages | LTTA,<br>FTL,<br>Grants | 20 cadres trained, 200 people exposed to health and hygiene issues, 200 households with improved sanitation | Kab. Serang | Feb-Sep 12* |
| MD 2-7 | Assist CSOs and/or cadres to share achievements, lessons learned with a wider audience by developing and disseminating success stories | LTTA,<br>CSO,<br>NGO, GoI,<br>Media | Lessons learned and success stories disseminated; heightened involvement of media and GoI | Kota Bogor<br>Kab. Bekasi<br>Kab. Tangerang<br>Kab. Serang | Aug-Sep 12 |
| MD 3-1 | Assess existing CSOs that can serve as customer forums to target PDAMs | LTTA,<br>FTL | CSOs identified and assessment report developed | All locations | Nov 11-<br>Sep 12 |
| MD 3-2 | Support development of capacity building module for advocacy, media and customer relations for PDAMs | LTTA,<br>PDAM, PO | Capacity building modules pre-tested | Selected city | Feb-Sep 12 |
| MD 4-1 | Provide inputs on existing best practices, lessons learned and sanitation tools used in the region | LTTA, PO | Existing lessons learned and best practices written up | All locations | Oct 11-<br>Sep 12 |
| MD 5-1 | Conduct baseline survey on hygiene practices | LTTA,<br>FTL | Baseline data and status developed | Selected communities in all locations | Nov 11-<br>Sep 12 |
| MD 5-3 | Adoption of existing hygiene promotion materials; develop new materials that may be required; train personnel | LTTA,<br>STTA, PO | Materials in support of hygiene promotion campaigns are readily available | Selected communities in all locations | Dec 11-<br>Mar 12 |

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 5-4 | Implement and monitor hygiene promotion campaigns, including community events, media advocacy, school activities, etc. | LTTA | Campaigns implemented, data recorded, and success stories and lesson learned captured | Selected communities in all locations | Oct 11-Sep 12 |
| MD 5-5 | Conduct annual survey on hygiene improvements | LTTA | Hygiene practices survey designed and conducted, results disseminated | Selected communities in all locations | Mar-Sep 12 |
| MD 5-6 | Develop, organize and implement award mechanisms and events for communities and hygiene promoters | LTTA, PO | Award mechanisms developed, events held and results recorded | Selected communities in all locations | Oct 11-Sep 12 |
| IC 1-1 | Collect and discuss PDAM Performance Index baseline data with local stakeholders | LTTA | PDAM Performance Index baseline data compiled/discussed | all locations | Oct 11 & Sep 12 |
| IC 1-2 | Improve/develop billing and accounting system | LTTA, PO | Software installed and running in two PDAMs | Kab. Karawang Kab. Serang | Mar-Aug 12 |
| IC 1-3 | Support Non-Revenue Water (NRW) reduction program | LTTA, PO, ADB Twinning | SOP developed, system set up, program implemented | Kab. Karawang Kab. Serang | Jan-Jun 12 |
| IC 1-3 | Assess causes and types of NRW and make recommendations for action to reduce NRW | LTTA, MPW Pam-Jaya | Assessment and recommendation report developed | DKI Jakarta | Dec 11-Jun 12 |
| IC 1-3 | Conduct energy efficiency (audit) study | LTTA, PO | Energy saving program implemented | Kab. Karawang | Feb-Jul 12 |
| IC 1-3 | Improve pipe distribution network | LTTA | Outline plan for pipe distribution network developed by PDAM | Kab. Karawang | Jan-Jun 12 |
| IC 1-5 | Implement master meter grants for areas with high NRW to improve PDAM performance and pro-poor focus | LTTA, Grants | 20 cadres trained; 200 households connected to safe water source | DKI Jakarta | Jun-Sep 12* |
| IC 1-6 | Facilitate Customer Satisfaction Survey (CSS) and prepare Corporate Plan (CP) | LTTA, Event | CSS report and CP developed by five PDAMs | Kota Bogor Kota Bekasi Kab. Karawang Kab. Serang Kab. Lebak | Nov 11-Apr 12 |
| IC 1-6 | Support GIS, develop MIS interface and conduct capacity building (training) | LTTA, PO, Events | GIS and MIS set up and maintained; eight staffs from two PDAMs trained | Kota Bogor Kota Bekasi | Oct 11-Sep 12 |
| IC 2-2 | Monitor ongoing PDAM debt restructuring program | LTTA, FTL | Two PDAMs carry out debt restructuring program as planned | Kab. Karawang Kab. Tangerang | Oct 11-Sep 12 |
| IC 3-2 | Collect baseline data and monitor PDAM creditworthiness status | LTTA | Creditworthiness data collected | All locations | Oct 11-Sep 12 |
| IC 4-1 | Conduct preliminary raw water resources vulnerability assessments | LTTA | Assessment report developed for two PDAMs | Kab. Serang Kota Bogor | Oct 11-Sep 12 |
| IC 4-2 | Survey existing raw water sources, implement OJT and engineering activity to recover raw water capacity | LTTA, Event, PO/ Grant | Survey developed; 20 people trained; at least 100 infiltration wells constructed | Kab. Serang | Oct 11-Sep 12 |
| IC 4-3 | Conduct climate change adaptation training for LG/ PDAM staffs | LTTA, Event | 25 PDAM/LG staffs trained | Kab. Serang | Jan-Sep 12 |
| IC 5-2 | Develop Sanitation White Book and City Sanitation Strategy (CSS) and conduct Environmental Health Risk Assessment (EHRA) survey | LTTA, STTA, FTL | Three CSS and White Books developed; 15 members of Pokja AMPL trained; 90 community cadres trained | Kab. Bekasi Kab. Karawang Kab. Tangerang | Jan-Sep 12 |

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| IC 5-2 | Conduct public consultation meeting for CSS | LTTA, STTA, Event | 75 people exposed to sanitation issues and provide inputs | Kab. Bekasi<br>Kab. Karawang<br>Kab. Tangerang | Jan-Sep 12 |
| IC 5-2 | Conduct cross-visit for water and sanitation Working Group (*Pokja AMPL*) | LTTA, Event | 15 members of Pokja AMPL participate | Kab. Bekasi | Jan-Feb 12 |
| IC 5-3 | Conduct training for Pokja AMPL | LTTA, FTL, Event | 20 members of Pokja AMPL trained | Kab. Bekasi<br>Kab. Karawang<br>Kab. Tangerang | Oct. 11 |
| IC 5-3 | Review sanitation master plan | LTTA, STTA, PO Event | Plan updated, 30 people participate in workshop | Kota Bogor | Oct 11-Jan 12 |
| IC 5-4 | Implement pilot project on regular sludge removal (desludging) service | LTTA, STTA, PO, Grant | 40 operators trained, SOP developed, 60 people join workshop, 350 households connected | Kota Bogor<br>DKI Jakarta | Nov 11-Sep 12 |
| IC 5-4 | Conduct feasibility/technical study on sludge treatment plant and coverage area | LTTA, STTA, PO | FS developed, 25 people participate in workshop, 10 operators trained | Kab. Karawang<br>Kab. Serang | Oct 11-Mar 12 |
| IC 5-4 | Conduct institutional study for communal WWTP operator for new low-cost housing area | LTTA, Event | Report developed, 20 people participate in workshop | Kab. Bekasi | Jan-Apr 12 |
| IC 5-4 | Conduct technical assessment to improve existing CBS/sewerage management system (including Sanimas) | LTTA, STTA | Assessment report produced, SOP developed, 50 people trained; 1,000 households connected | DKI Jakarta<br>Kota Bogor<br>Kab. Bekasi<br>Kab. Tangerang<br>Kab. Serang | Oct 11-Jun 12 |
| IC 5-6 | Implement small grants program on community-based shallow sewer system | LTTA, Grant | 20 community cadres trained, 200 people exposed on health and hygiene issues, 200 households connected | DKI Jakarta | Dec 11-Sep 12* |
| IC 6-1 | Conduct assessment of field experience and lessons learned on sanitation marketing for SME | LTTA | Lessons learned and field experience compiled and produced | Support for IUWASH national | Oct-Dec 11 |
| IC 6-2 | Conduct FGD for sanitation marketing assessment | LTTA, FTL, Event | Four potential SMEs identified for sanitation marketing piloting | Kota Bogor<br>Kab. Bekasi<br>Kab. Karawang<br>Kab. Tangerang | Feb-Mar 12 |
| IC 6-3 | Conduct pre-testing of training modules for SME capacity building on sanitation marketing | LTTA, FTL, Event | One SME trained and one final module developed and produced | Kota Bogor | Jun 12 |
| IC 6-4 | Conduct training for SME on sanitation marketing | LTTA, FTL, Event | Three SMEs trained | Kab. Bekasi<br>Kab. Karawang<br>Kab. Tangerang | Jul 12 |
| EE 1-2 | Develop state-of-sector briefing documents and support visioning workshops for local stakeholders | LTTA, FTL | Report on state-of-sector briefing; visioning workshop conducted | All locations | Nov 11-Apr 12 |
| EE 1-2 | Conduct advocacy activities and assist local governments in water supply regionalization | LTTA | Drafts of cooperative agreements developed | Bekasi (Kota/Kab.)<br>Banten (Lebak/ Tangerang) | Oct 11-Sep 12 |
| EE 1-3 | Support SKPD forum in LG planning process; ensure investment list is in LG annual plan | LTTA | SKPD to include water and sanitation program in work plan (*Renja*) | 2 locations (not yet selected) | Jan-Mar 12 |
| EE 1-4 | Support budget committee to ensure water and sanitation budget is included in APBD 2012-13 | LTTA, FTL | Agreement to include water and sanitation budget in APBD 2012-13 | 2 locations (not yet selected) | Jan-Aug 12 |

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| EE 1-5 | Capacity building for PDAM *Dewan Pengawas* | LTTA, STTA | Capacity of Dewan Pengawas Improved | 2 locations (not yet selected) | Feb-Apr 12 |
| EE 2-1 | Identify project needs to improve water and sanitation services | LTTA | List of priority projects developed for two cities | Kota Bekasi<br>Kab. Serang | Oct 11-Nov 12 |
| EE 2-2<br>EE 2-3 | Develop and socialize investment plans accompanied by Feasibility Study (FS) | LTTA | FS reports developed for two PDAMs | Kota Bekasi<br>Kab. Serang | Nov 11-Jun 12 |
| EE 2-4 | Facilitate meetings with funding institutions (central government or bank) | LTTA | Funding sources identified | Kota Bogor<br>Kota Bekasi<br>Kab. Serang | May-Aug 12 |
| EE 2-4 | Support FS and facilitate development of partnership agreement draft on water supply regionalization | LTTA | Feasibility study developed; partnership agreement signed | Kab. Lebak<br>Kab. Serang<br>Kab. Tangerang | Nov 11-Jun 12 |
| EE 2-4 | Facilitate and prepare documents for Engineering Procurement Contract (EPC) tender process | LTTA, PO | EPC documents and tender process report developed for two PDAMs | Kota Bogor<br>Kab. Tangerang | Oct 11-Aug 12 |
| EE 4-1 | Socialize microfinance program with new PDAMs, LG and water and sanitation provider | LTTA | Service providers interested in microcredit scheme | Kota Bekasi<br>Kab. Bekasi<br>Kab. Tangerang | Apr-Sep 12 |
| EE 4-2 | Facilitate partnership on microfinance between water and sanitation service provider and financial institution | LTTA | Partnership agreements signed with at least three banks and PDAM | Kab. Serang<br>Kab. Lebak<br>Kab. Karawang | Oct-Nov 11 |
| EE 4-3 | Support implementation and monitoring of ongoing microcredit partnership | LTTA | 60 PDAM/bank staffs trained, SOP developed, and scheme working well in at least three locations | Kab. Serang<br>Kab. Lebak<br>Kab. Karawang | Oct 11-Sep 12 |
| EE 4-4 | Develop marketing strategies and conduct promotional campaigns for microfinance for households | LTTA, Event | Promotional materials developed and training conducted with support from PDAM and MFIs | Kab. Serang<br>Kab. Lebak<br>Kab. Karawang | Jan-Sep 12 |
| EE 5-1 | Assess current citizen feedback mechanism in each location | LTTA, FTL | Report on assessment of citizen feedback mechanism | All locations | Oct-Dec 11 |

# 8.3 CENTRAL JAVA REGION

## 8.3.1 INTRODUCTION

In Program Year 2, the IUWASH Central Java regional team will focus entirely on program activities. In PY1, the regional team focused on building a strong foundation in Central Java, establishing a regional office in the city of Semarang, conducting field assessments, and recruiting a strong and experienced team of specialists and support staff. Field activities for Components 2 and 3, especially supporting PDAM performance improvements, LG planning of sanitation improvements, and microfinance, began towards the end of PY1, and will be accelerated during the second year of the IUWASH program.

In the field of Behavior Change Communication (BCC)/STBM, work will continue with an emphasis on the assessment of selected *kelurahan* (communities) to identify current hygiene behavior for use as baseline data. This information will be used to determine the most appropriate communication strategies to implement to achieve all desired community-based outcomes. Several program activities will link up with and directly support national-level programs—especially related to STBM, PPSP, debt restructuring, and MDG local action plan—that will be adopted and applied in selected areas.

## 8.3.2 TARGET TOWARD PMP OUTCOME FOR CENTRAL JAVA

The following targets have been set for the Central Java IUWASH team in PY2:

| PMP Outcome | Year 2 Target of Central Java Region | Remarks |
|---|---|---|
| HR 1 | 80,000 people | 16,000 new PDAM connections, consisting of Kendal with 3,000 household (hh) connections, Kudus 2,000 hh, Semarang 2,500 hh, Kota Semarang 5,000 hh, and Kota Surakarta 3,500 hh connections. |
| HR 2 | 750 people | This figure is based on 100 households in Kendal and 50 in Kudus, through the development of CBS facilities under the grant program, with the potential to be extended in the future |
| HR 4 | 1,000 people | Training for health cadres and sanitarians (492 people from Semarang district and 153 people from the city of Surakarta), plus training to support the *Kampung Sanitasi* program in Kendal and Kudus districts and the city of Surakarta (360 people) |
| MD 1 | 1,000 households | 1,000 households from three *Kampung Sanitasi* program areas, in Surakarta city and in Kendal and Kudus districts |
| MD 2 | 3 CSOs | These three CSOs are the NGOs supporting the *Kampung Sanitasi* program. They will also work with sanitarians with the potential to extend the water and sanitation program |
| MD 3 | 1 CSO | A PDAM customer forum in Semarang district will work in three branches (Ungaran, Ambarawa and Salatiga) |
| IC 4 | 2 LGs | The LGs in Kendal and Kudus districts will work with the PDAMs to implement the climate change adaptation program based on the raw water vulnerability assessment |
| IC 5 | 3 LGs | LGs in the city of Semarang and the districts of Kudus and Kendal |
| IC 6 | 1 SME | One SME in the city of Surakarta for the desludging program |
| EE 4 | 500 households | Districts of Kudus (200 hh), Kendal (150 hh), and Semarang (150 hh) |

## 8.3.3 UPDATED MAP

USAID FROM THE AMERICAN PEOPLE

# Summary of City / District Profiles for Central Java Region

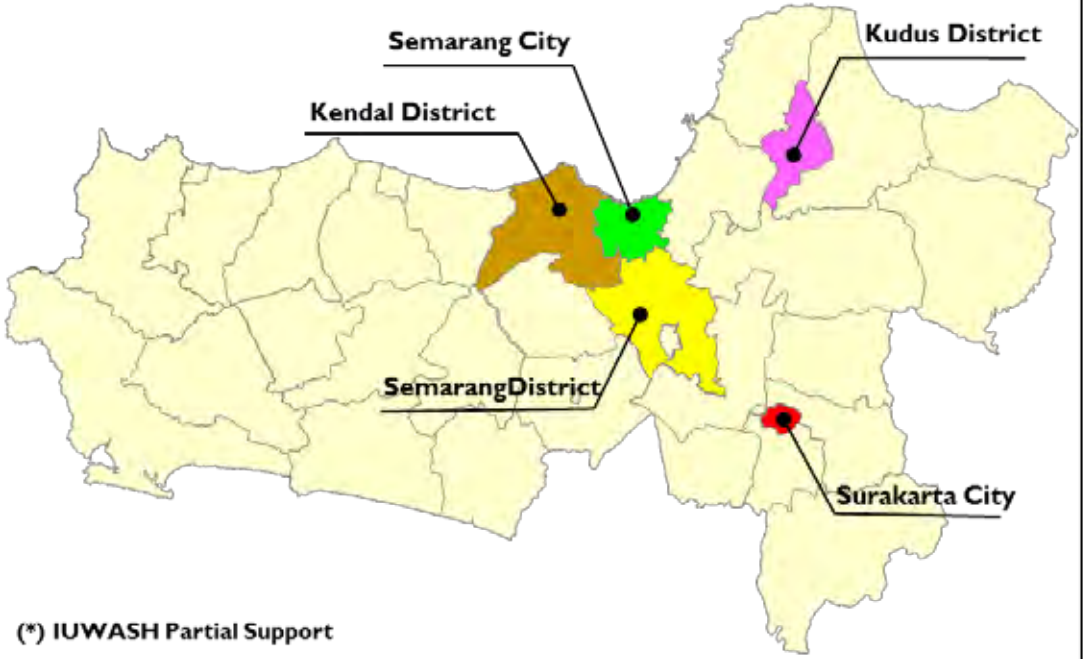
iuwash Indonesia Urban Water, Sanitation, and Hygiene

**Semarang city(*):**
- **Population:** 1,592,632 people.
- **Water Supply Challenge:** PDAM coverage is 56% & the NRW rate is still above 50%. Has problem in energy efficiency.
- **Sanitation Challenge:** City Government needs to revise city sanitation plan, should include water supply component.
- **IUWASH Approach:** Support PDAM to reduce the NRW and improve the energy efficiency, develop city sanitation plan that adopts more integrated approach to sanitation service provision.

**Kendal district:**
- **Population:** 900,611 people.
- **Water Supply Challenge:** PDAM needs to replace their deep wells with spring water (Telogo Mili) to reduce energy cost.
- **Sanitation Challenge:** No city sewerage system and sanitation strategic plan.
- **IUWASH Approach:** Support PDAM to develop corporate plan, tariff adjustment and cost benefit analysis for new investment plan in Telogo Mili and develop city sanitation plan.

**Semarang district:**
- **Population:** 931,041 people.
- **Water Supply Challenge:** PDAM coverage is 18.5% & needs to increase production capacity in western part of the district using spring water source.
- **Sanitation Challenge:** No sewerage system nor sanitation strategy developed yet.
- **IUWASH Approach:** Support PDAM to adjust tariff and improve business plan & debt restructuring, needs to establish Sanitation Working Group, develop city sanitation plan & promote STBM.

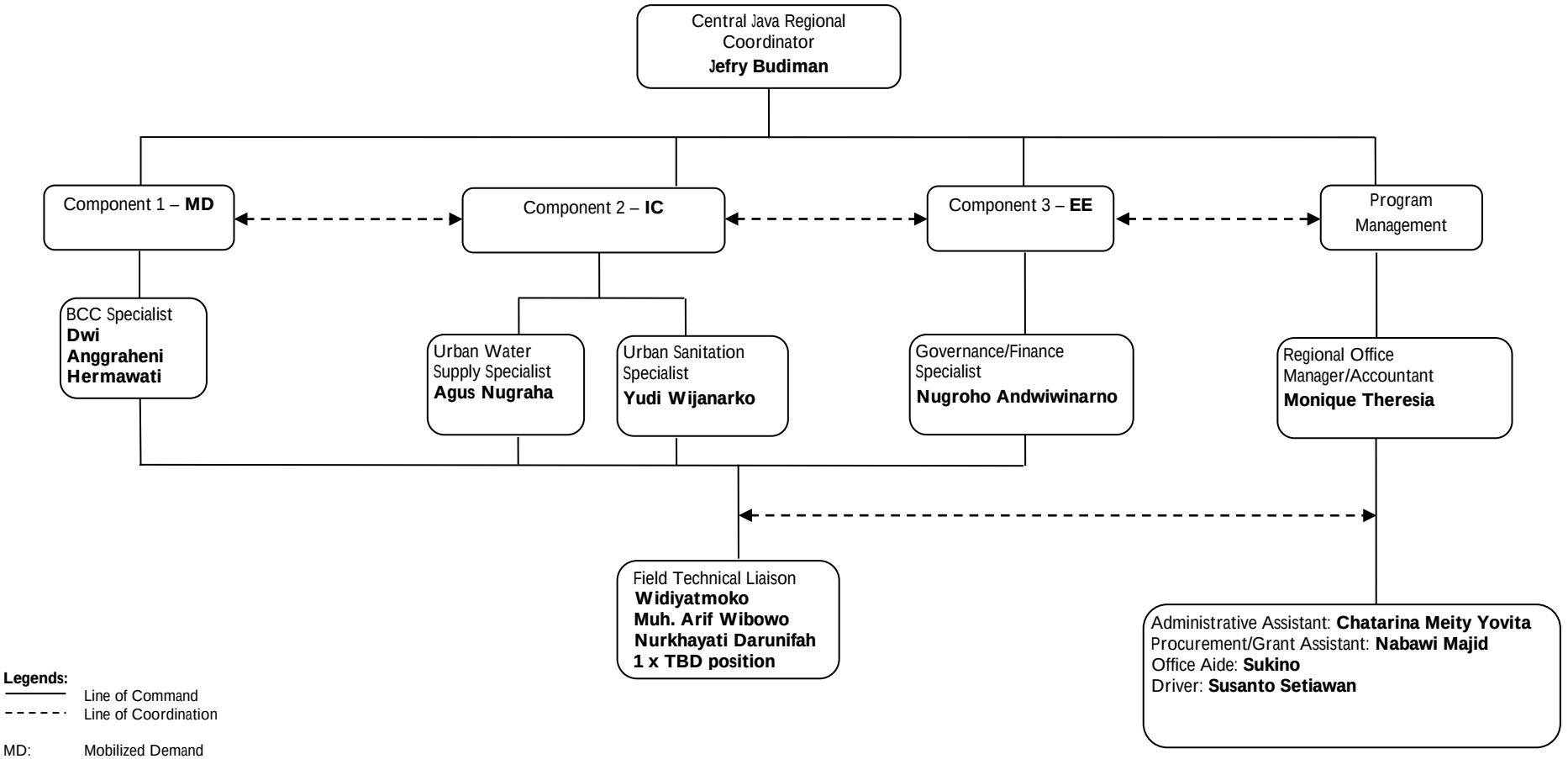
**Kudus district:**
- **Population:** 777,954 people,
- **Water Supply Challenge:** PDAM coverage is only 17% & has problem with lack of raw water to serve the total population.
- **Sanitation Challenge:** the Sanitation Working Group has just been established and needs to start developing a city sanitation plan that includes water supply component.
- **IUWASH Approach:** Support PDAM to develop new corporate plan and business plan, and support Sanitation Working Group to develop city sanitation plan & promote STBM.




(*) IUWASH Partial Support

**Surakarta city:**
- **Population:** 500,642 people.
- **Water Supply Challenge:** PDAM coverage is 56% & needs to obtain alternative financing to build 300 l/s WTP in Semanggi that targets 6,000 new customers.
- **Sanitation Challenge:** Capacity of city sewerage system is low and need to support Sanitation Working Group for the next step after a city sanitation plan is developed.
- **IUWASH Approach:** Support PDAM to monitor debt restructuring and obtain long-term investment, support expansion of sewerage connections through micro financing and develop project memorandum.

## IUWASH ORGANIZATIONAL CHART BY REGION – CENTRAL JAVA



### 8.3.4 SUMMARY OF PLANNED PROGRAM ACTIVITIES

This section summarizes the planned program activities during PY2, arranged by the five main IUWASH themes. Further details on the activities, locations, outputs and schedules can be found in the table following this section.

**Behavior Change Communication/STBM support**

During this year, the Behavior Change Communication (BCC/STBM) component of IUWASH Central Java will consist of several activities:

- Conducting a series of activities to integrate with other components, to increase willingness of the community to be connected to sanitation services in different cities through advocacy, in cooperation with the LG, PDAM (Surakarta) and other relevant institutions
- Conducting a baseline data collection and survey as the basis for developing the strategy to achieve IUWASH outcomes; adopting activities and following up national IUWASH activities
- Increasing the capacity of community groups by training health cadres in the city of Semarang, and by working with the private sector in financing.

**Urban Water Supply**

In the water sector, the idle capacity of raw water of PDAMs in Central Java is generally very limited. Consequently, in the early years of the IUWASH program, PDAMs will be encouraged to immediately seek additional production capacity while endeavoring to reduce water loss (from NRW).

The main activities for the second year of the program can generally be described as follows:

- Recovery of spring capacity at PDAMs in Kudus and Kendal districts
- Customer Satisfaction Surveys at PDAMs in Semarang, Kudus and Kendal districts
- Corporate Plans at PDAMs in Semarang, Kudus and Kendal
- Energy efficiency audits at PDAMs in the cities of Semarang and Surakarta and the district of Kudus
- NRW at PDAMs in the city of Semarang and the districts of Semarang, Kudus and Kendal
- Financial improvement measures, as explained further below
- General training and capacity building for PDAM staff, including participation in workshops and seminars

**Urban Sanitation**

IUWASH activities during PY2 in the sanitation sector focus on several aspects:

1. *Strengthening Capacity of AMPL Working Groups (Pokja AMPL)*
   The majority of Pokja AMPL in IUWASH areas are newly established, meaning that their capacities (both institutional and technical) are still inadequate. Strengthening the Pokja AMPL is therefore essential, since they will become the entry point for all local water and sanitation planning. Pokja strengthening will take the form of a series workshops and cross-visits to share knowledge and experience with other Pokja, usually within the same province. Participants in these cross-visits will be the members of the Sanitation Working Groups from Kendal and Kudus, and the cities of Semarang and Surakarta. They will visit other LGs that have more experience.

2. *Development of RAD AMPL Document*
   The local action plan for clean water and sanitation (*Rencana Aksi Daerah Air Minum dan Penyehatan Lingkungan*/RAD AMPL) is a planning document that includes all water and sanitation sector programs and synchronizes the AMPL sector development plan

between SKPDs. This document also becomes an advocacy tool to increase the AMPL allocation in the local budget (APBD). In PY2, the IUWASH Central Java team will support Semarang city, and Kendal and Kudus districts in developing their RAD AMPL.

3. *Expanding Wastewater Access*
   Expanding access to wastewater connections will involve two activities: construction of a pilot MCK++ (Kudus and Kendal) for replication in subsequent years, and a survey on customer satisfaction and new potential customers for the sewerage system in Surakarta, followed by intensive promotional activities (possibly combined with microfinance to increase connections).

4. *Sanitation Marketing*
   Sanitation marketing will focus on assessing the potential of the private sector (SME) for marketing sanitation infrastructure. Activities will begin with an assessment of potential partners and the demand for improved services, especially for improved sludge management and household sanitation infrastructure. This will be followed by selection of local partners to provide capacity building, discussions and agreement with local stakeholders, and, where possible, local legislation to formalize responsibility and monitoring activities in the local private sector. This program will initially focus on the city of Surakarta, where the local government has already shown strong interest.

## Governance

The governance component is an important component which will be implemented by the IUWASH Central Java team in all target cities during PY2, with the following activities:

- Collecting APBD data from each region covering three consecutive years, especially for capital expenditure on water and sanitation programs. This will become the assessment baseline for measuring LG support for water and sanitation activities.
- Collecting data on LG and PDAM policies and decisions relating to water and sanitation, which will become the baseline for water and sanitation policy.
- Supporting the roll-out of the IUWASH national program to develop state-of-sector briefing documents, hold serial workshops with local stakeholders, and identify current civil society mechanisms to communicate with the local government on water and sanitation issues,

## Municipal Finance

The municipal finance component covers a variety of activities in PY2, as follows:

- *Debt restructuring:* IUWASH will monitor the achievement of business plan targets for three PDAMs (Semarang city, Semarang district, Surakarta city) that have been accepted into the debt restructuring program. The project will also provide advice on steps to be taken by the PDAMs if their targets are not met.
- *Creditworthiness:* Once the tools to be used have been approved, the IUWASH regional team will support implementation in all participating PDAMs. The results of implementation during the first year will become the baseline for subsequent years. Activities will be conducted on an ongoing basis every year.
- *Increasing production capacity:* IUWASH will assist PDAM Surakarta in the framework of the cooperation plan with PJT1. An MoU between PDAM and PJT1 will expire in January 2012. IUWASH will assist in preparing the Pre-FS to be used by the PDAM in its contract negotiations.

- *Microfinance:* Work begun in PY1 will continue in at least three cities (districts of Kudus, Kendal, and Semarang), including further training on promotion of microfinance programs by PDAM and bank staff. Successes in these three cities will later be promoted to other cities in the Central Java region.

**Site Selection 2012/2013**

In May 2012, the IUWASH Central Java team will commence additional site selection activities for future program years . The team plans to visit between four and six cities near the existing cluster to select up to four new cities to be supported in future years. It is possible that Semarang district, which is now receiving partial support from IUWASH, will be elevated to receive full support in future years.

### 8.3.5 CROSS-CUTTING PROGRAM

The IUWASH cross-cutting component will focus on the GIS, Grant and Gender programs for the Central Java region. Detailed activities follow:

- Increased public access to sanitation in Kudus and Kendal districts through the grant program will be integrated with other components in community-based sanitation development pilot activities through the *Kampung Sanitasi* Project.
- During PY2, the GIS team will carry out surveys and spatial analysis, and will undertake spatial mapping of water resources at selected springs to support the protection, restoration and development of the water capacity of springs and the climate change adaptation program in Kudus district.
- IUWASH will also work to incorporate gender mainstreaming into the Kampung Sanitasi program to ensure equal numbers of men and women participate and benefit. The training activities in this program will also promote a gender perspective that supports the development of the sanitation program.
- All IUWASH program activities conducted in PY2 will be monitored and reported on with respect to environmental compliance, based on the approved IEE and EMMP.
- IUWASH Central Java team will assess the support from the private sector through the CSR program. In PY2, the team will continue to engage Bank Mandiri and BRI to explore opportunities for collaboration in the water and sanitation sector.

### 8.3.6 PARTNERSHIPS WITH OTHER ORGANIZATIONS

Partnerships with other organizations to support IUWASH program activities in PY2 will be developed with the following institutions:

- Collaboration with NGOs/universities to conduct CSS, Energy Efficiency Audits, NRW
- Other donors: AusAID/IndII
- Private sector: Bank Mandiri, BRI
- Government programs: STBM and BPPSPAM

### 8.3.7 DETAILED PROGRAM ACTIVITIES

Following list shows the detailed program activities for Central Java region:

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 1-1 | Stakeholder assessment of sanitation actors | LTTA, STTA | Data on sanitation actors collected | Kota Semarang, Kab. Semarang, Kendal, Surakarta | Oct-Nov 11 |
| MD 1-3 | Promotion of benefit of improved sanitation through electronic media | LTTA, Pokja AMPL | Promotions conducted in electronic media | Surakarta, Kota Semarang, Kendal, Kudus | Oct-Nov 11 |
| MD 1-4 | Arrange agreements with households to be connected to improved sanitation systems (individual, community-based or centralized) | LTTA, PO | Communities and households put into practice sanitation improvements | Surakarta, Kota Semarang, Kendal, Kudus | Oct 11-Sep 12 |
| MD 1-5 | Annual survey on sanitation improvements and willingness to pay | LTTA, FTL, PO | Survey report integrated into annual reports | Surakarta, Kota Semarang, Kendal, Kudus | Oct 11-Sep 12 |
| MD 2-1 | Assessment, selection and recruitment of CSOs or government cadres | LTTA | Partners listed | Surakarta, Kendal, Kudus | Nov-Dec 11 |
| MD 2-2 | Adoption of materials/tools for improved access to sanitation and training modules | LTTA, FTL, PO | Promotional materials developed and training modules produced | Surakarta, Kota Semarang, Kendal, Kudus | Oct-Nov 11 |
| MD 2-3 | Location selection and socialization; community mapping, socialization and formation of CBO | LTTA, Grant | Target locations agreed and local support structures developed | Kudus, Kendal, Surakarta, | Oct 11-Sep 12 |
| MD 2-4 | Community socialization, capacity development, development of plan for community | LTTA | CBOs established in target locations | Surakarta, Kendal, Kudus | Dec 11-Feb 12 |
| MD 2-5 | Assist local government to access co-funding from private sector (CSR) to support *Kampung Sanitasi* program | LTTA, FTL, Event | 80 people from private companies participate in assessment workshop | Surakarta, Kota Semarang, Kendal, Kudus | Jul-Sep 12 |
| MD 2-6 | Support CSOs and/or cadres in implementing promotional program in coordination with other project components, etc. | LTTA, GoI, PPP, CSO, NGO | Promotional activities are reinforced with practical technologies, solutions and issues | Surakarta, Kota Semarang, Kendal, Kudus | Feb-Sep 12* |
| MD 2-7 | Development of lessons learned by NGOs on issues related to implementation of *Kampung Sanitasi* program | LTTA, FTL | Success stories and lessons learned written up | Kudus, Kendal Surakarta | Mar-May 12 |
| MD 3-1 | Assess existing CSOs that can serve as customer forums for target PDAMs | LTTA, FTL | CSOs identified and assessment report developed | All locations | Nov 11-Sep 12 |
| MD 3-2 | Support development of capacity building module for advocacy, media and customer relations for PDAMs | LTTA, PDAM, PO | Capacity building modules pre-tested | Selected city | Feb-Sep 12 |
| MD 4-1 | Provide inputs for existing best practices, lessons learned and sanitation tools used in the region | LTTA, PO | Existing lessons learned and best practices written up | All locations | Oct 11-Sep 12 |

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 5-1 | Conduct baseline survey on hygiene practices | LTTA, FTL | Baseline data and status developed | Selected communities in all locations | Nov 11-Sep 12 |
| MD 5-3 | Adoption of existing hygiene promotion materials; develop new materials that may be required; reproduce, distribute and train personnel | LTTA, STTA, PO | Materials in support of hygiene promotion campaigns are readily available | Selected communities in all locations | Dec 11-Mar 12 |
| MD 5-4 | Implementation of activities related to improved hygiene practices | LTTA | 1,000 students perform Hand Washing With Soap | Kota Semarang, Surakarta | Oct 11-Aug 12 |
| MD 5-5 | Conduct annual survey on hygiene improvements | LTTA | Hygiene practices survey designed and conducted; results disseminated | Selected communities in all locations | Mar-Sep 12 |
| MD 5-6 | Develop, organize and implement award mechanisms and events for communities | LTTA, PO | Award mechanisms developed, events held | Surakarta, Kota Semarang, Kendal, Kudus | Oct 11-Sep 12 |
| IC 1-3 | Conduct energy efficiency (audit) study | LTTA, PO | energy saving program implemented | Kota Semarang, Surakarta, Kudus | Dec 11-Jun 12 |
| IC 1-3 | Support Non-Revenue Water (NRW) reduction program | LTTA, PO | SOP developed, system set up, program implemented | Kota Semarang, Kab Semarang, Kudus, Kendal | Feb-Sep 12 |
| IC 1-6 | Facilitate Customer Satisfaction Surveys (CSS) and prepare Corporate Plan (CP) | PO | CSS report and CP developed by three PDAMs | Kab. Semarang, Kudus, Kendal | Dec 11-May 12 |
| IC 2-1 | Conduct assessment on current debt restructuring status of target PDAMs | LTTA | Assessment completed for three PDAMs | Kota Semarang, Kab. Semarang, Surakarta | Oct-Nov 11 |
| IC 2-2 | Develop, review and monitor debt restructuring program | LTTA | Three PDAMs carry out debt restructuring program | Kota Semarang, Kab. Semarang, Surakarta | Oct 11-End of Project |
| IC 3-2 IC 3-3 | Determine baseline for PDAM creditworthiness | LTTA | Five reports and baseline collected | All locations | Oct 11-Sep 12 |
| IC 4–1 | Raw water vulnerability assessment (springs), including climate change adaptation capacity building | LTTA, STTA FTL | Assessment completed and climate change program introduced to at least 25 PDAM/LG staff | Kudus | Dec 11-Sep 12 |
| IC 4-1 | Raw water vulnerability assessment | LTTA, FTL | raw water vulnerability assessment completed | Kendal | Mar-Sep 12 |
| IC 5-2 | Workshop on strengthening Pokja for preparation of 2013 PPSP | STTA | 20 members of Pokja AMPL participate and are trained | Kendal | Jan-Sep 12 |
| IC 5-3 | Development of RAD AMPL documents by Pokja AMPL | LTTA | RAD AMPL documents completed by Pokja | Kab. Semarang, Kendal, Kudus | Oct-Dec 11 |
| IC 5-4 | Pilot of project septage management | LTTA, Grant | Concept improved, septage management accepted by LG | Surakarta, Kota Semarang | Oct 11-Sep 12 |
| IC 5-4 | Survey of customer satisfaction and new potential customers for sewerage system | LTTA, Local hire | Survey completed; customers identified and ready to connect | Surakarta | Nov 11 |
| IC 5-6 MD-2 | Pilot project for communal septic tank, pilot project for septage management | LTTA, Grant | Two units of communal septic tank systems | Kudus, Kendal | Oct 11-Sep 12 |
| IC 6-2 | Assessment of SME potential (sanitation marketing assessment) | LTTA, FTL, Event | Potential SMEs identified for sanitation marketing pilot in one location | Surakarta | Apr-May 12 |
| IC 6-4 | Capacity building for SMEs | | At least one trained SME | Surakarta | Jun-Aug 12 |

| Task | Activity | Inputs | Results | Location | Timeline |
|---|---|---|---|---|---|
| EE 1-1 | Stakeholders and institutional mapping and baseline policy, budget and planning documents | LTTA, FTL | Mapping of institutions and baseline reports completed | All locations | Oct 11-May 12 |
| EE 1-2 | Develop state-of-sector briefing documents; support visioning workshops for local stakeholders | LTTA, FTL | Report on state-of-sector briefing; visioning workshop conducted | All locations | Mar 12 |
| EE 1-2 | Serial discussions with policymakers (LG, DPRD, PDAM). | LTTA | Commitments from decision makers | 2 locations (not yet selected) | Jan-May 12 |
| EE 1-3 | Support SKPD forum in LG planning process and ensure investment is in LG annual plan | LTTA | SKPDs include water and sanitation program in work plans | 2 locations (not yet selected) | Jan-Mar 12 |
| EE 1-4 | Support budget committee to ensure water and sanitation budget included in APBD 2012-13 | LTTA, FTL | Agreement to include water and sanitation in APBD 2012-13 | 2 locations (not yet selected) | Jan-Aug 12 |
| EE 2-1 | Identify investment needs and opportunities to increase access to water and sanitation services | LTTA | Needs analysis completed in each location | all locations | Oct 11-Mar 12 |
| EE 3-1 | Baseline survey to identify financial resources for expansion of water and sanitation services | LTTA | Baseline data collected | all locations | Oct-Dec 11 |
| EE 2-3 | Facilitate PDAMs in gaining access to long-term finance from public sources | LTTA, STTA | Support potential PPP for 300 liters/second (11,000 new customers) | Surakarta | Nov 11-May 12 |
| EE 4-1 | Promote creative microfinance options to allow households to make investment needed in water and sanitation | LTTA | Service providers interested in microcredit scheme | All locations | Apr-Sep 12 |
| EE 4-2 | Facilitate partnership on microfinance between water and sanitation service provider and financial institution | LTTA | Partnership agreements signed with at least three banks and PDAMs | Kab. Semarang Kudus Kendal | Oct-Nov 11 |
| EE 4-3 | Capacity building for relevant stakeholders (PDAMs, banks, etc.) to be able to operate, monitor and evaluate microfinance program | LTTA | 60 PDAM/bank staffs trained, SOP developed; microcredit scheme applied in at least three locations | Kab. Semarang Kudus Kendal | Oct 11-Sep 12 |
| EE 5-1 | Assessment of citizen feedback mechanism | LTTA | Report on assessment of citizen feedback mechanism | All locations | Oct-Dec 11 |
| EE 5-2 | Develop feedback mechanism modules and guidelines | LTTA, FTL | Citizen feedback mechanism module | 2 locations (not yet selected) | Nov 11-Feb 12 |
| EE 5-3 | Assist LG to implement feedback mechanism | LTTA | Feedback mechanism development | 2 locations (not yet selected) | Mar-Sep 12 |

# 8.4 EAST JAVA REGION

## 8.4.1 INTRODUCTION

During PY1 implementation, the IUWASH East Java team commenced work in five locations: the districts of Sidoarjo, Gresik, Lamongan and Mojokerto, and the city of Probolinggo. The Partnership Agreements (Pas) between IUWASH and the respective LGs have been finalized for signing, which is scheduled to take place on October 26, 2011. In parallel with the PA development and signing, the East Java team began providing technical assistance to the LGs and PDAMs through activities including a customer satisfaction survey for PDAM Lamongan; debt restructuring for PDAM Lamongan; socialization of microcredit for water supply in Mojokerto; a PPP for the PDAMs in Mojokerto and Gresik; and community-based sanitation programs for Sidoarjo and Probolinggo. All first-year activities were initial activities that are followed up in this PY2 workplan. For example, the results of the customer satisfaction survey will be used to prepare PDAM Lamongan's business plan during PY2.

## 8.4.2 TARGET TOWARD PMP OUTCOME FOR EAST JAVA

The targets set for PY2 by the IUWASH East Java team are set out in the table below.

| PMP Outcome | Year 2 Target of East Java Region | Remarks |
|---|---|---|
| HR.1 | 40,000 people get new access for water supply by various schemes. | New connections, master meter and micro credit in: PDAM Lamongan 1,000 HH; Gresik 4,000 HH; Sidoarjo 2,000 HH; Kabupaten Mojokerto 500 HH and Kota Probolinggo 500 HH. |
| HR.2 | 2,500 people get new access to improved sanitation facilities | 500 HH, divided as follows: 100 HH from sanitation revolving fund scheme in 5 (five) locations 400 HH from variety of CBS in Kab. Lamongan 50 HH; Sidoarjo 150 HH; Probolinggo 100 HH; Gresik 50 HH; Mojokerto 50 HH. |
| HR.4 | 1,000 people trained. | Capacity building for PDAM (250 people), CLTS training (250), Grant and CSR (50), Micro credit and master meter (200), training on customer forum (100), training on CSS (150) |
| MD 1 | 500 households | This figure is from all the community-based sanitation programs |
| MD 2 | 10 CSO | It is estimated 2 CSO per city will implement the water and sanitation program after receiving capacity building from IUWASH |
| MD 3 | 5 CSO Group | It is estimated 1 CSO group per city will be able to report on PDAM operation and performance |
| IC 2 | 1 PDAM | PDAM Lamongan new debtrestructuring |
| IC 4 | 2 Local Governments | PEMDA Probolinggo and Mojokerto |
| EE 2 | 3 PDAMs | PDAM Sidoarjo, Lamongan and Gresik |
| EE 4 | 800 households | Estimated new connections through micro credit program are: 200 HH in Sidoarjo, 200 HH in Mojokerto and 400 HH in Gresik |
| EE 5 | 1 PEMDA | PEMDA Probolinggo through Forum Peduli Lingkungan (members are the representative of citizen and CSO, and involved in planning and monitoring of government program) |

## 8.4.3 UPDATED MAP

USAID FROM THE AMERICAN PEOPLE

# Summary of City / District Profiles For East Java Region

iuwash Indonesia Urban Water, Sanitation, and Hygiene

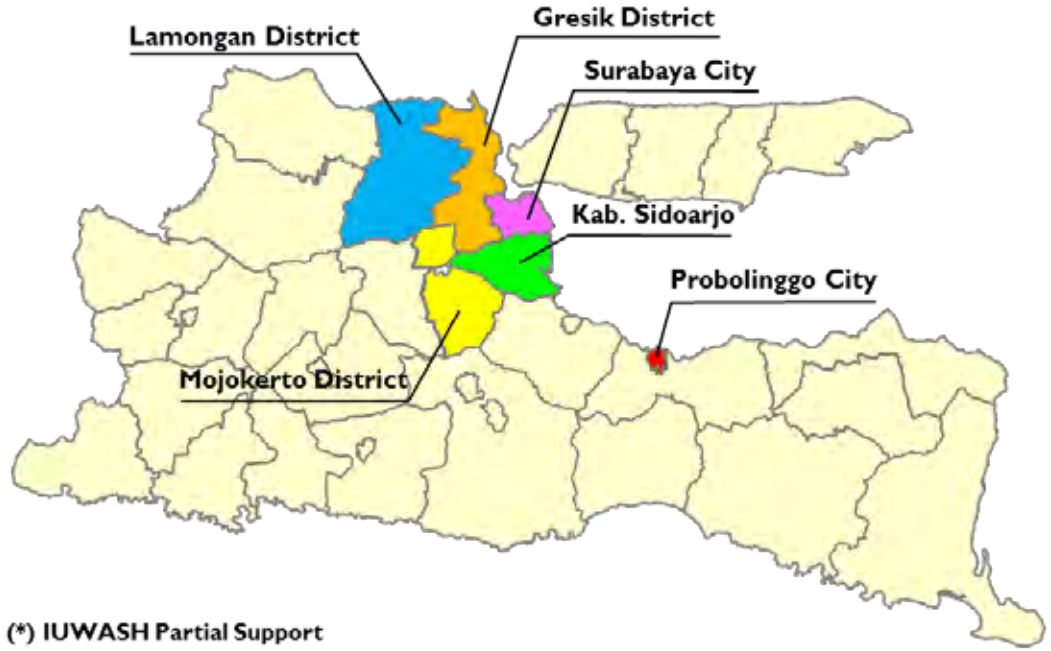
**Gresik district:**
- **Population:** 1,177,201 people.
- **Water Supply Challenge:** PDAM service coverage is only 26% & need to increase their production capacity.
- **Sanitation Challenge:** No city sanitation strategic plan.
- **IUWASH Approach:** Support PDAM to increase production capacity through Public-Private Partnership, develop sanitation strategic plan and white book.

**Mojokerto district:**
- **Population:** 1,097,409 people.
- **Water Supply Challenge:** PDAM service coverage is 66%. Plans to buy bulk water from PDAB to add to their water supply, but no feasibility analysis yet.
- **Sanitation Challenge:** Sanitation Working Group has been established, but no city sanitation strategic plan.
- **IUWASH Approach:** Support PDAM to analyze cost benefit ratio, increase the production capacity, develop sanitation strategic plan and white book.

**Probolinggo city:**
- **Population:** 216,967 people.
- **Water Supply Challenge:** PDAM service coverage is 36% & the Non Renewable Water rate is still high.
- **Sanitation Challenge:** High open defecation prevalence in slum areas.
- **IUWASH Approach:** Support PDAM to increase coverage area and reduce the NRW. Support the promotion of open defecation free in slum areas and implement other sanitation program based on their city sanitation strategic plan.

**Lamongan district:**
- **Population:** 1,179,770 people.
- **Water Supply Challenge:** PDAM currently has low service coverage (6%) as well as below-cost-recovery tariff rate.
- **Sanitation Challenge:** No city sanitation strategic plan and sewerage system.
- **IUWASH Approach:** Support PDAM to revise business plan for debt restructuring, adjust tariff and development of sanitation strategic plan and white book.

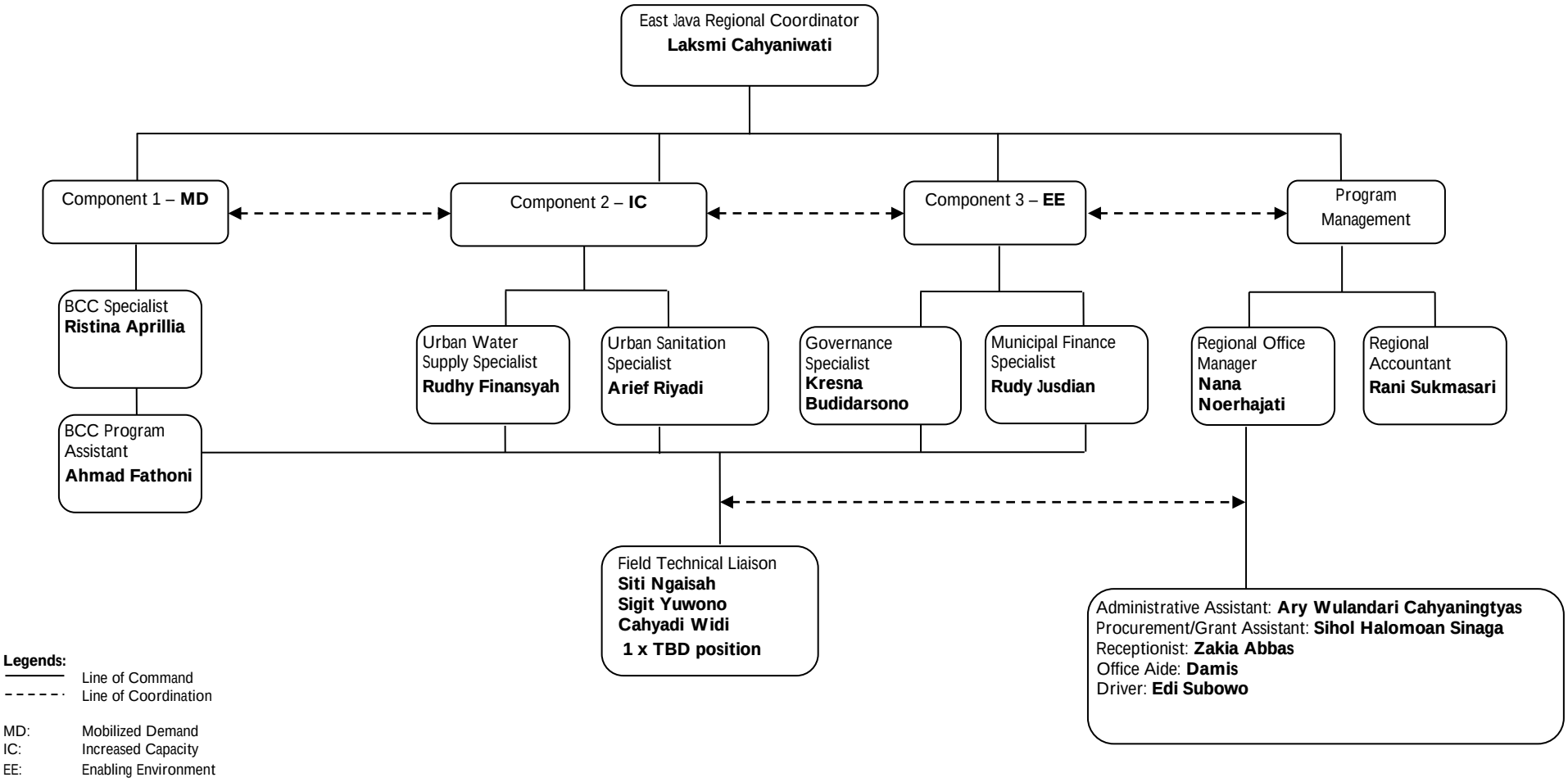
**Sidoarjo district:**
- **Population:** 1,945,252 people.
- **Water Supply Challenge:** PDAM service coverage is only 23% & declined raw water source.
- **Sanitation Challenge:** Need to improve sanitation condition and behavior change to protect PDAM raw water quality.
- **IUWASH Approach:** Support PDAM to conduct cost-benefit analysis for investment plans for the proposed Umbulan Springs project as well as assisting in tariff adjustments, develop community-based sanitation facilities and promote behavior change to improve the quality of PDAM raw water sources.




(*) IUWASH Partial Support

**Surabaya city (*):**
- **Population:** 2.929.528 people.
- **Water Supply Challenge:** Need to conduct marketing for new connection and operational efficiency.
- **Sanitation Challenge:** No city sewerage system.
- **IUWASH Approach:** Still being discussed with city government. Has a potential collaboration with PDAM

## IUWASH ORGANIZATIONAL CHART BY REGION – EAST JAVA



### 8.4.4 SUMMARY OF PLANNED PROGRAM ACTIVITIES

This section provides a summary of planned program activities for PY2, arranged into the five main IUWASH themes. Further details on the activities, locations, outputs and schedule can be found in the table following this section.

**Behavior Change Communication/STBM support**

Implementation of the Behavior Change Communication (BCC) component in PY2 focuses on activities to promote water and sanitation access in selected areas of IUWASH target cities in East Java. Referring to the data collected during the assessment, the 'red areas' contained in the SSK, the data on sanitation access from the local health office, the availability of local partners along with other data as consideration, the IUWASH East Java team identified various potential areas for community activities. Four focus areas will be addressed this year:

(1) STBM promotion and implementation in Probolinggo and Lamongan, which will be part of sanitation improvement activities;

(2) Promotion of alternative financing for PDAM new connection fees through microcredit in Mojokerto;

(3) Capacity building of CSOs for operation of Community-based Sanitation (CBS) and Water Supply; and

(4) Socialization of CSR involvement in the development of water and sanitation program (in Gresik, Sidoarjo and Mojokerto).

**Urban Water Supply**

Water supply activities mainly involve supporting the PDAM partners in programs to facilitate and monitor the debt restructuring programs in Lamongan and Gresik, assisting in the preparation of a corporate plan for PDAM Lamongan, and an energy audit for an energy saving plan, also for PDAM Lamongan. In Mojokerto and Probolinggo, IUWASH plans to conduct preliminary field surveys on existing raw water sources in order to persuade the city governments to implement climate change adaptation programs to protect raw water sources. Another program planned to be conducted this year is a master meter scheme implemented through the grants program in several communities in Sidoarjo.

**Urban Sanitation**

Program support under the sanitation component includes the PPSP program and other sanitation programs. In PY2, PPSP program support in Lamongan will include preparing the White Book, the Citywide Sanitation Strategy (CSS) and the EHRA study. Other substantial support to increase sanitation access will include developing and implementing community-based sanitation (communal septic tanks or small sewerage systems) for poor settlements in all target locations, and socialization and implementation of an ODF (Open Defecation Free) program through 'Arisan Jamban' in Sidoarjo, Lamongan and Probolinggo, combined with revolving funds for individual latrines.

**Governance**

For the governance component, IUWASH will assist all five targeted LGs in East Java through the following activities:

- Advocacy and other assistance (including legislative assistance) to increase awareness of water and sanitation programs
- Workshops in all targeted areas to encourage LG policies and budget allocations to improve water and sanitation services

- A serial workshop for stakeholders to develop and support new or improved citizen feedback mechanisms in selected LGs, following assessments.

### Municipal Finance

The municipal finance component will focus on two main activities: development of a microfinance scheme for the water and sanitation sectors, and support for PDAMs to obtain long-term finance to expand their services. The microfinance program will be implemented for water supply in Sidoarjo, Gresik and Mojokerto, and potentially for wastewater (CBS) in Sidoarjo and Mojokerto. Additional support to PDAMs will focus on:

- Assisting PDAM Lamongan in preparing a new debt restructuring program, including a business plan and tariff adjustment
- Monitoring the debt restructuring programs of the PDAMs in Gresik and Mojokerto
- Identifying water and sanitation local budget allocations over the last three years for all locations
- Assisting the PDAMs in Gresik and Mojokerto in preparing feasibility studies for PPP programs
- Preparation, installation and training in billing systems for the PDAMs in Lamongan and Probolinggo

### Site Selection 2012/2013

The IUWASH East Java team will commence additional site selection activities in May 2012 for future project years. The team plans to visit between five and seven cities near the existing cluster to select around five new cities to support. The city of Surabaya, which currently receives partial support from IUWASH, may be elevated to receive full support.

## 8.4.5 CROSS-CUTTING PROGRAM

The cross-cutting components of the IUWASH program in the East Java region will be implemented through several program components:

- *Grants:* IUWASH will implement several physical programs under the grant program mechanism. A PDAM master meter scheme is planned in Sidoarjo, while CBS packages, an ODF campaign and a revolving fund for the sanitation program are planned in Sidoarjo, Lamongan and Probolinggo.
- *GIS:* To support the protection, restoration and development of the water resource capacity of springs and the adaptation to climate change program in Mojokerto district, in 2012 the GIS team will carry out surveys, spatial analysis, and spatial mapping of water resources at selected springs.
- *Gender:* In terms of the gender component, in East Java the team plans to conduct several gender awareness workshops to equip partners' staff with gender knowledge and ensure gender mainstreaming occurs in all program activities. The team will also undertake a gender assessment when identifying potential partners for the gender mainstreaming program.
- *Environment:* All IUWASH program activities conducted in PY2 will be monitored and reported on with respect to environmental compliance, based on the approved IEE and EMMP.
- *CSR:* The IUWASH East Java team will assess the potential for private sector support through CSR programs. The team also plans to engage Perum Jasa Tirta in a collaboration in the water and sanitation sector.

### 8.4.6 PARTNERSHIPS WITH OTHER ORGANIZATIONS

Collaboration with other local stakeholders and partners is important to the implementation of IUWASH activities since it will extend the impact of the program and establish a foundation for program sustainability. Coordination among stakeholders and partners is thus critical to the overall success of the program. Selected stakeholders and partners with which the East Java team expects to develop further collaboration include the following:

- Government institutions: PDAM, Bappeda, Dinas Perkim, Dinas Kesehatan, Dinas PU
- Local NGOs: HIPPAMS; LSM Prakarsa; LSM Ecoton; LSM SII
- CSOs: PKK, Posyandu, Muhammadiyah
- Other donors and programs: AusAID IndII; GIZ PAKLIM; WSP-TSSM
- USAID partners: Kinerja, HighFive
- Private sector: Perum Jasa Tirta
- Media: *Jawa Pos* newspaper and *Suara Surabaya* radio station

### 8.4.7 DETAILED PROGRAM ACTIVITIES

Detailed program activities planned for PY2 are described in the following table.

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 1-1 | Socialization of IUWASH Program to CBOs and other partners | LTTA, Events | Potential partners identified | All locations | Oct-Dec 11 |
| MD 1-3 | Promotion of benefits of improved sanitation through electronic media | LTTA, Pokja AMPL | Promotions conducted in electronic media | All locations | Oct-Nov 11 |
| MD 1-4 | Arrange agreements with households to be connected to improved sanitation system | LTTA, PO | Communities and households put into practice sanitation improvements. | All locations | Oct-Sep 11 |
| MD 1-4 | Training on microfinance revolving fund for sanitation facility | LTTA, FTL | 20 households trained and gain access to adequate sanitation | Lamongan Probolinggo | Jan-Sep 12 |
| MD 1-5 | Annual survey sanitation improvement ;willingness to pay | LTTA, FTL, PO | Survey report integrated in annual reports | All community-based sites | Oct 11-Sep 12 |
| MD 2-1 | Assessment, selection and recruitment of CSOs or Government cadres | LTTA | Partners listed | All locations | Nov-Dec 11 |
| MD 2-2 | Adoption of materials/tools for improved access to sanitation and training modules | LTTA, FTL, PO | Promotional materials developed and training modules produced | All locations | Oct-Nov 11 |
| MD 2-3 | Capacity building for CBOs on installation of communal septic tanks, small-scale sewerage and individual septic tanks (under revolving fund) | LTTA FTL, PO, Grants | 30 CBOs improve their capacity; individual and community sanitation systems installed | Lamongan Probolinggo Sidoarjo Gresik Mojokerto | Dec 11-Sep 12 |
| MD 2-4 | Community socialization, capacity development, develop community plan | LTTA | CBOs established in target locations | Lamongan Probolinggo Sidoarjo Gresik Mojokerto | Dec 11-Feb 12 |
| MD 2-5 | Promotion of private sector (CSR) involvement | LTTA, FTL, Events | 2 partnership developed | Mojokerto Sidoarjo Gresik | Feb-Aug 12 |

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 2-6 | Training on master meter management (see IC-5 below) | LTTA, FTL | 50 people trained | Sidoarjo | Mar-Jun 12 |
| MD 2-7 | Development of lessons learned by NGOs on issues related to implementation of water and sanitation program | LTTA, FTL | Success stories and lessons learned written up | Lamongan Probolinggo Sidoarjo Gresik Mojokerto | Mar-May 12 |
| MD 3-1 | Assess existing CSOs that can serve as customer forums to target PDAMs | LTTA, FTL | CSO identified and assessment report developed | All locations | Nov 11-Sep 12 |
| MD 3-2 | Support development of capacity building module for advocacy, media and customer relations for PDAMs | LTTA, PDAM, PO | Capacity building modules pre-tested | Selected city | Feb-Sep 12 |
| MD 3-4 | Development/improvement of PDAM customer forums | LTTA, FTL | 2 PDAM customer forums established | Lamongan Sidoarjo | Dec 11-Sep 12 |
| MD 4-1 | Provide inputs on existing best practices, lessons learned, and sanitation tools | LTTA, PO | Existing lessons learned and best practices written up | All location | Oct 11-Sep 12 |
| MD 5-1 | Conduct baseline survey on hygiene practices | LTTA, FTL | Baseline data and status developed | Selected communities in all locations | Nov 11-Sep 12 |
| MD 5-3 | Adopt existing hygiene promotion materials; develop new materials where required; train personnel | LTTA, STTA, PO | Materials in support of hygiene promotion campaigns are readily available | Selected communities in all locations | Dec 11-Mar 12 |
| MD 5-4 | Implementation of activities related to improved hygiene practices | LTTA | 1,000 students perform Hand Washing With Soap | All locations | Oct 11-Aug 12 |
| MD 5-4 | BCC/STBM serial workshop and training | LTTA, FTL, Events | 500 people exposed to STBM messages | All locations | Oct 11-Sep 12 |
| MD 5-5 | Conduct annual survey on hygiene improvements | LTTA | Hygiene practices survey designed and conducted, results disseminated | Selected communities in all locations | Mar-Sep 12 |
| MD 5-6 | Develop, organize and implement award mechanisms and events for communities and hygiene promoters | LTTA, PO | Award mechanisms developed, events held and results recorded | Selected cities | Oct 11-Sep 12 |
| IC 1-1 | Collect and discuss PDAM baseline data with local stakeholders | LTTA, PDAM | PDAM baseline data collected and discussed | All locations | Oct 11 & Sep 12 |
| IC 1-2 | Design and install billing system | LTTA, PO | Billing system installed and running | Lamongan Probolinggo | Dec 11-Jun 12 |
| IC 1-2 | Training on billing system and accounting system | LTTA | 45 people trained | Lamongan Sidoarjo Probolinggo | Dec 11-Jun 12 |
| IC 1-2 | Tariff review and adjustment | LTTA | 3 PDAMs adopt full cost recovery tariff structure | Lamongan Mojokerto Gresik | Jan-Jun 12 |
| IC 1-3 | Review of water supply system | LTTA, STTA | Program developed to improve system | Probolinggo | Jan-Jun 12 |
| IC 1-3 | Conduct energy efficiency (audit) study | LTTA, PO | Energy saving program implemented | Lamongan | Dec 11-Jun 12 |
| IC 1-4 | Support PDAM customer relations programs | LTTA, FTL | Needs assessment conducted on customer relations | Lamongan Sidoarjo | Dec 11-Sep 12 |
| IC 1-5 | increased access for low-income communities | LTTA, Grant | Master meter systems installed | Sidoarjo | Dec 11-Sep 12 |

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| IC 1-6 | Support corporate plan development | LTTA | 2 PDAMs have corporate plan developed | Lamongan Probolinggo | Oct 11-Jun 12 |
| IC 1-6 | Support review of existing, or develop new, SOPs for PDAMs | LTTA | 2 PDAMs implement approved SOP | Lamongan Probolinggo | Nov 11-Jun 12 |
| IC 1-8 | Annual survey on changes in PDAM performance index | LTTA, PDAM | PDAM performance index updated | All locations | Mar & Sep 12 |
| IC 2-2 | Tariff adjustments and debt restructuring program | LTTA | Lamongan submits proposal to MoF; Mojokerto and Gresik are monitored | Lamongan Mojokerto Gresik | Oct 11-Sep 12 |
| IC 3-2 IC 3-3 | Monitoring and baseline on creditworthiness | LTTA | Monitoring reports and creditworthiness baseline collected | All locations | Dec 11-Feb 12 |
| IC 4-1 IC 4-2 IC 4-3 | Raw water vulnerability assessments and climate change adaptation planning | LTTA | raw water assessment + climate adaptation plans completed | Mojokerto Probolinggo | Feb-Jun 12 |
| IC 5-2 | Serial workshops/training: develop Pokja, facilitation to develop WB, CSS and EHRA | LTTA, STTA | White Book, CSS and EHRA developed | Lamongan | Oct 11-Jun 12 |
| IC 5-2 | Assist in preparation of PPSP | LTTA, STTA | Document for PPSP application submitted | Mojokerto | Oct 11-Jun 12 |
| IC 5-4 | Assess existing routine sludge removal (desludging) services and recommend improvements | LTTA, STTA, Events | System evaluated and recommendations agreed with LG | Probolinggo | Nov 11-Sep 12 |
| IC 6-2 | Assess SME potential (sanitation marketing assessment) | LTTA, FTL, Event | Potential SMEs identified for sanitation marketing piloting in one location | 1 location (not yet selected) | Apr-May 12 |
| IC 6-4 | Capacity building for SMEs | LTTA, FTL, Event | At least one trained SME | 1 location (not yet selected) | Jun-Aug 12 |
| EE 1-1 | Stakeholders and institutions mapping, baseline policy, budget and planning documents | LTTA, FTL | Mapping of institutions and baseline reports completed | All locations | Oct-Dec 11 |
| EE 1-2 | Develop state-of-sector briefing and support visioning workshops for local stakeholders | LTTA, FTL | Report on state-of-sector briefing, and workshop conducted | All locations | Nov 11-Apr 12 |
| EE 1-3 | Support SKPD forum in LG planning; ensure investment list is in LG annual plan | LTTA | SKPDs to include water and sanitation program in work plan (*Renja*) | 2 locations (not yet selected) | Jan-Mar 12 |
| EE 1-4 | Support budget committee in ensuring that water and sanitation budget is included in APBD 2012-2013 | LTTA, FTL | Agreement to include water and sanitation in APBD 2012-2013 | 2 locations (not yet selected) | Jan-Aug 12 |
| EE 1-5 | Capacity building for PDAM Dewan Pengawas | LTTA | Report and draft toolkit | All locations | Feb-Apr 12 |
| EE 2-1 | Identify investment needed to increase water and sanitation services | LTTA | Basis needs analysis completed for each location | All locations | Oct 11-Mar 12 |
| EE 2-2 | Assistance for PDAM PPP | LTTA, PO | Two FS for PDAM completed | Gresik Mojokerto | Oct 11-Jun 12 |
| EE 3-1 | Baseline survey to identify existing financial resources for expansion of water and sanitation services | LTTA | Baseline data collected | All locations | Oct-Dec 11 |

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| EE 3-2 | Socialization to increase finance from public and private sector | LTTA, Events | Increased interest in and support for financing | All locations | Oct 11-Sep 12 |
| EE 4-1 | Small workshops: promotion of microfinance for water and sanitation services | LTTA, FTL | 100 people aware of microcredit scheme | All locations | Apr 12 |
| EE 4-2<br>EE 4-3 | Facilitate signing of MoU between local bank and PDAM; support implementation | LTTA, PDAM, Banks | MoU signed in at least three locations; program ongoing in line with scheduled targets | Sidoarjo<br>Mojokerto<br>Gresik | Oct 11-Sep 12 |
| EE 4-4 | Support promotional activities of local banks and PDAMs | LTTA, PDAM, Banks | Local partners committed to financing promotional materials | Sidoarjo<br>Mojokerto<br>Gresik | Jan-Sep 12 |
| EE 5-1 | Assess current citizen feedback mechanisms in each location | LTTA, FTL | Report on assessment of citizen feedback mechanism | All locations | Oct-Dec 11 |
| EE 5-2 | Develop feedback mechanism modules and guidelines | LTTA, FTL | Citizen feedback mechanism module | 2 locations (not yet selected) | Nov 11-Feb 12 |
| EE 5-3 | Assist LGs to implement feedback mechanism | LTTA | Feedback mechanism development | 2 locations (not yet selected) | Mar-Sep 12 |

# 8.5 SOUTH SULAWESI AND EASTERN INDONESIA REGION

## 8.5.1 INTRODUCTION

The South Sulawesi/Eastern Indonesia regional team commenced activities in June 2011 with the initial selection of IUWASH sites in this region. Based on the site selection, nine cities were selected to receive support from IUWASH during PY1 and PY2. These sites are the cities of Makassar and Parepare and the districts of Takalar, Maros, Enrekang and Jeneponto, all in South Sulawesi province; the city of Ambon in Maluku province; and Jayapura city and Jayapura district in Papua province.

Once the cities had been selected, follow-on work involved discussions on the Partnership Agreements (PAs) to be signed with the respective local governments. Once the PAs have been signed, a program launch will be held for all IUWASH sites. The PAs for South Sulawesi province are still under discussion with the respective LGs and are expected to be signed at the IUWASH program launching scheduled for early November 2011.

The program launch for Jayapura city and district was held on August 15, 2011 together with the signing of the PAs. It was held at the office of the Governor of Papua and was attended by the mayor and regent of Jayapura, USAID/Indonesia and the COP of IUWASH, and other stakeholders working in the water and sanitation sectors. The signing of the PA and IUWASH program launching for the city of Ambon was held on September 7, 2011 with the mayor of Ambon, the IUWASH COP, witnessed by the Governor of Maluku and USAID/Indonesia. The Program launch in Ambon was held the following day, attended by the heads of the water and sanitation offices and other stakeholders.

In several cities in South Sulawesi, even though the signing and program launching are still in process, the IUWASH team was permitted by the LGs to commence technical program activities during PY1. These activities included a preliminary assessment of raw water sources in Enrekang district, with strong potential to be regionalized to cover Sidrap, Enrekang and Parepare. In the sanitation program, PY1 activities included support for the development of a sanitation stakeholders forum of Makassar city, with representatives from donors and other development programs working in the sanitation sector, include the CARE-UNICEF Kota II program.

SELVIANA HEHANUSSA/ IUWASH MAKASSAR

**A Partnership Agreement signing ceremony between IUWASH and the City of Ambon marked the city's 436th Anniversary on September 8, 2011, prompting local newspaper *Radar Ambon* to publish an article on "The Clean Water and Sanitation Threat in Ambon" the following day.**

### 8.5.2 TARGETED PMP OUTCOMES FOR SOUTH SULAWESI/EASTERN INDONESIA REGION

The targeted PMP outcomes for PY2 in the South Sulawesi/Eastern Indonesia region are described in the following table.

| PMP Outcome | Year 2 Target of South Sulawesi-East Indonesia Region | Remarks |
|---|---|---|
| HR 1 | 3,750 people | Estimated 750 new household connections for PDAMs in Parepare, Enrekang, Makassar, Ambon and Jayapura |
| HR 2 | 2,000 people (400 households) access improved sanitation services | CBS System/MCK++ constructed in Ambon, Parepare, Maros, Jayapura, and Jeneponto |
| HR 4 | 250 people participate in IUWASH training | This includes 150 trained in water supply technical, management and finance in Parepare, Ambon, Makassar and Jayapura; and 100 trained in sanitation management in Makassar, Ambon, Jayapura, Jeneponto, Takalar and Maros |
| MD 1 | 300 households | These households come from the implementation of MCK++ and communal septic tanks in Ambon, Jayapura city, Parepare and Maros |
| MD 2 | Two CSO groups | These CSO groups are from Jeneponto and Ambon |
| IC 2 | Three PDAMs | PDAMs in Makassar, Enrekang and Parepare |
| IC 4 | Two Local Governments | Parepare and Enrekang will implement climate change adaptation and support the potential regionalization of raw water management; these programs have been developed based on the raw water vulnerability assessment |
| IC 5 | Five cities (new or updated city sanitation strategies) | Makassar, Ambon, Jayapura city and district, and Maros |
| EE 4 | 400 households | Locations not yet finalized, pending completion of microfinance socialization |

## 8.5.3 UPDATED MAP

USAID FROM THE AMERICAN PEOPLE

# Summary of City / District Profiles for South Sulawesi and Eastern Indonesia

iuwash Indonesia Urban Water, Sanitation, and Hygiene

**Enrekang district:**
- **Population:** 216,000 people.
- **Water Supply Challenge:** PDAM service coverage is only 49% & has a good resources of raw water supply.
- **Sanitation Challenge:** Poor perspective of people on improved hygiene behavior. No city sanitation plan and sewerage system.
- **IUWASH Approach:** Support PDAM to expand service coverage service up to 9,000 connection up to 2012 and development of Sanitation Working Group and sanitation strategic plan.

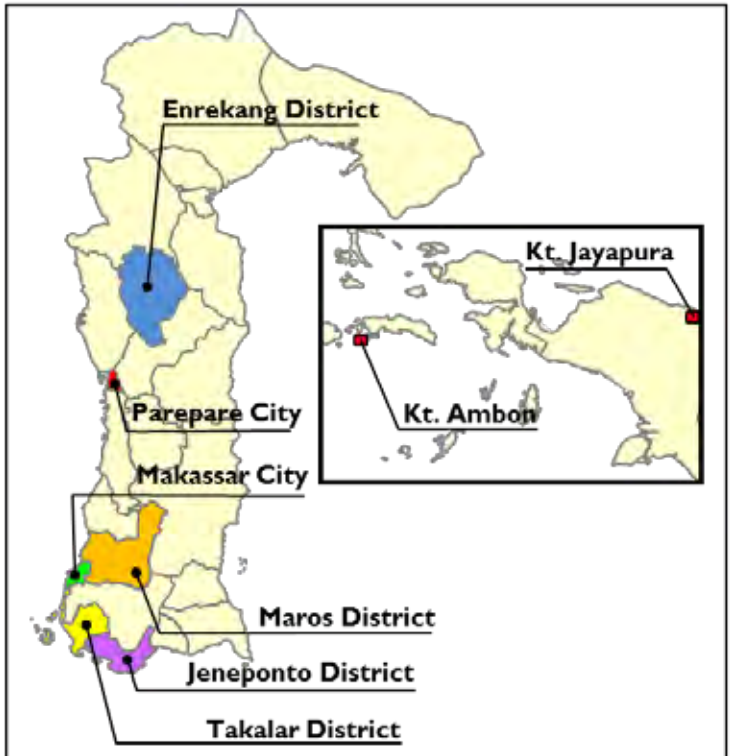
**Makassar city (*):**
- **Population:** 1,272,000 people.
- **Water Supply Challenge:** PDAM service coverage is 64%, has limited raw water source & been supported by JICA.
- **Sanitation Challenge:** Sanitation facilities generally without proper septic tanks.
- **IUWASH Approach:** Support PDAM to obtain long-term finance through PPP and develop city sewerage system.

**Takalar district (*):**
- **Population:** 253,000 people.
- **Water Supply Challenge:** PDAM service coverage of services is 27.2%, need to increase PDAM capacity to expand services.
- **Sanitation Challenge:** Sanitation facilities generally without proper septic tanks.
- **IUWASH Approach:** Support PDAM to reduce NRW and develop city sewerage system.

**Pare Pare city:**
- **Population:** 129,000 people.
- **Water Supply Challenge:** PDAM coverage of services is 77%, need to increase PDAM production capacity.
- **Sanitation Challenge:** Sanitation facilities in each district are generally not yet improved and without proper septic tanks.
- **IUWASH Approach:** Support PDAM to construct dam and develop city sanitation plan.

**Kota Jeneponto (*):**
- **Population:** 334,000 people.
- **Water Supply Challenge:** PDAM coverage of services is only 10,7% and needs to expand PDAM production capacity to expand the services.
- **Sanitation Challenge:** Sanitation Working Group has been established but inactive.
- **IUWASH Approach:** Support PDAM to expand services through micro credit program and develop city sanitation plan & other sanitation programs.

**Kota Ambon:**
- **Population:** 330,000 people .
- **Water Supply Challenge:** PDAM service coverage is 13%, Non Renewable Water (NRW) rate is high (60.40%)
- **Sanitation Challenge:** Sanitation facilities in each district are generally not yet improved without proper septic tanks.
- **IUWASH Approach:** Support PDAM to reduce NRW, expand services, review city sanitation strategic plan, implement several sanitation program funded by National Government.

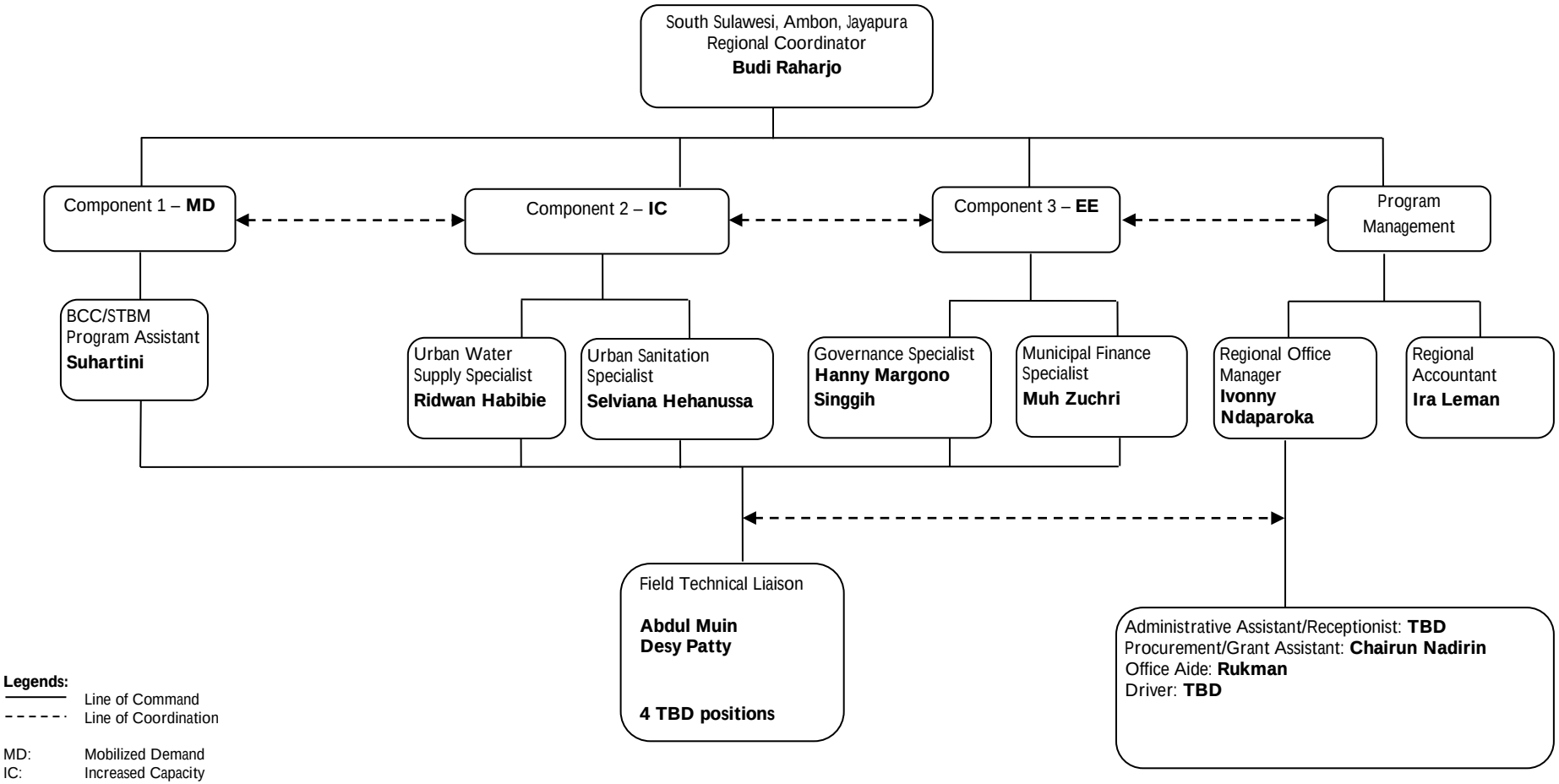



(*) IUWASH Partial Support

**Maros district (*):**
- **Population:** 303,000 people.
- **Water Supply Challenge:** PDAM service coverage is 49.3%, need to increase PDAM capacity to expand services.
- **Sanitation Challenge:** Open defecation rate is still high.
- **IUWASH Approach:** Support PDAM to reduce NRW and develop city sanitation plan.

**Jayapura city & district:**
- **Population:** 114,500 people (Jayapura city) and 114,515 for Jayapura district.
- **Water Supply Challenge:** PDAM service coverage is 52.1%, need to increase PDAM capacity to expand services, and high rate of NRW (50.1%).
- **Sanitation Challenge: :** People has poor perspective on improved hygiene behavior and sanitation facilities are generally not yet improved, without proper septic tanks.
- **IUWASH Approach:** Support PDAM on capacity building for water supply system from Lake Sentani and support Sanitation Working Group to review the city strategic sanitation plan and implement several sanitation program funded by National Government.

## IUWASH ORGANIZATIONAL CHART BY REGION – SOUTH SULAWESI, AMBON, JAYAPURA



### 8.5.4 SUMMARY OF PLANNED PROGRAM ACTIVITIES

This section provide a summary of the planned program activities in PY2, arranged by the five main IUWASH themes. Further details on the activities, locations, outputs and schedules can be found in the table following this section.

**Behavior Change Communication/STBM support**

The Behavior Change Communication (BCC) component in the South Sulawesi/Eastern Indonesia region will focus on several initial activities during PY2, including an assessment, socialization and capacity building for IUWASH partners. The details of these activities are as follows:

- Assessment of existing conditions and behaviors related to the water and sanitation sectors
- Selection of community groups for several community-based programs in all selected cities
- Socialization and mapping of community cadres and other local leaders to support the promotion of behavior change related to water and sanitation in all selected cities
- Workshop and training to promote STBM program

**Urban Water Supply**

Water supply activities in PY2 will support five PDAMs to enhance their performance so they can improve their services and increase access to safe water supply. The activities planned are as follows:

- Finalize agreement on PDAM priority programs for Parepare and Enrekang
- Pre-feasibility study on regionalization of raw water sources for Parepare and Enrekang
- Capacity building for PDAM staff on technical, management and financial aspects (all PDAM partners)
- Support development of debt restructuring plans for the PDAMs in Parepare, Enrekang, and Makassar, and monitoring the debt restructuring program of PDAM Jayapura
- Development of a distribution network and (possibly) microcredit program for the Paso area of Ambon
- Development of NRW reduction, and billing and accounting programs for the PDAMs in Ambon and Jayapura
- Raw water vulnerability assessment on the raw water source of Lake Sentani in Jayapura

**Urban Sanitation**

In PY2, sanitation component activities will include supporting the preparation and review of City Sanitation Strategies (CSS) for Makassar, Ambon, Jayapura (both city and district), Jeneponto and Maros. The IUWASH team will also target increased community access to improved sanitation services through community-based sanitation systems (communal septic tanks) in Jayapura, Ambon and Parepare. Activities planned include an assessment of the current state of sanitation facilities, mapping the management of these facilities, and, based on the results of these activities, constructing communal septic tanks. This program will be conducted in Jayapura city and district, Ambon and Parepare. IUWASH will also support strengthening the capacity of the communities to manage the sanitation facilities built with the support of central and local government programs. These program activities are expected to increase community access to improved sanitation services by 500 households. Meanwhile, in Makassar, IUWASH will encourage the LG to provide land for construction of sewerage systems, for which the Detailed Engineering Design (DED) has been prepared using ADB and JICA funds.

### Governance

The governance component will be integrated with other components to enhance governance aspects of the water and sanitation program. Activities planned for all locations are:

- Stakeholder and institution mapping
- Baseline policy, budget and planning documents
- Develop state-of-sector briefing documents
- Visioning workshop for water and sanitation based on the Indonesian legal provision that water and sanitation are the rights of citizens, therefore the government is obligated to provide a budget for the water and sanitation sector
- Assessment of citizen feedback mechanism in water and sanitation sectors.

In addition, two governance programs are planned for the cities of Ambon and Jayapura:

- Prepare policy for raw water source protection/climate change
- Prepare policy on illegal connections.

### Municipal Finance

In PY2, the IUWASH municipal finance team will focus its activities on the following programs:

- Support improvements in PDAM billing and accounting in Ambon and Jayapura
- Support calculation and justification of tariff adjustments for PDAMs in Parepare and Enrekang
- Debt restructuring for PDAMs in Makassar, Enrekang and Parepare (all new) and Jayapura (monitoring)
- Assessment of investment needs for expansion of water and sanitation services by public and/or private sector in all locations
- Feasibility study for possible raw water development in Enrekang, Parepare and Sidrap (only as possible buyer of bulk water), combined with studies on possible regionalization
- Introduction of microfinance opportunities in at least two locations in Sulawesi and Eastern Indonesia.

### Site Selection 2012/2013

To support the expansion of IUWASH program activities in the South Sulawesi/Eastern Indonesia region, assessments for the selection of new sites in future years will commence in May 2012. Between three and five cities near the existing cluster will be visited to select around three new cities to be supported in future years. Four cities (Maros, Takalar, Enrekang and Jeneponto) that are now receiving partial support from IUWASH may also be elevated to receive full support from IUWASH in future program years. All site selections will depend on local decision makers in the LG and PDAM being fully committed to support the IUWASH program, and the final decision will be made by the Technical Team in Jakarta.

## 8.5.5 CROSS-CUTTING PROGRAM

*Grants:* The IUWASH grant program will be used to support the development of communal septic tanks in Parepare, with a target of providing access for 200 households. This grant program will be implemented after the mapping of sanitary conditions at community sites.

*GIS:* The GIS component supports the implementation of a raw water study for the regionalization of raw water resources in Enrekang and Sidrap. The potential for developing

Lake Sentani as a raw water source for PDAM Jayapura will also be studied. In the sanitation sector, the GIS program will support the strengthening of the Sanitation WG in Jeneponto through several trainings in sanitation mapping as part of CSS review. This mapping will use the database of sanitation conditions developed by the Pokja AMPL for Jeneponto.

*Gender:* The gender program in this region will be implemented at the community level and will target increased gender mainstreaming in the water and sanitation sector with key IUWASH partners and stakeholders.

*Environment:* All IUWASH program activities in PY2 will be monitored and reported on with respect to environmental compliance based on the approved IEE and EMMP.

*Private sector:* Efforts to engage the private sector in the IUWASH program in Eastern Indonesia will focus on identifying potential partners during PY2. This may be followed by the promotion and socialization of the IUWASH program to the private sector.

### 8.5.6 PARTNERSHIP WITH OTHER ORGANIZATION

There are other USAID water and sanitation programs in Makassar, including the CARE-UNICEF Kota II program, the HighFive STBM program, and Water SMS. The IUWASH South Sulawesi team will collaborate with these programs to increase access to sanitation. In addition, IUWASH will coordinate with other donor programs (including MSMHP) that also conduct water and sanitation programs. The IUWASH team will also promote water and sanitation issues and challenges among the private sector in order obtain support for increased access to sanitation services, especially in Makassar, Jayapura (city and district) and Ambon.

### 8.5.7 DETAILED PROGRAM ACTIVITIES

Detailed program activities planned for PY2 are set out in the table that follows.

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 1-1 | Assessment of sanitation baseline in selected communities | LTTA, FTL | FGD/secondary data collected and analyzed | Specific locations | Oct-Dec 11 |
| MD 1-3 | Promotion of benefits of improved sanitation through electronic media | LTTA, Pokja AMPL | Promotions conducted in electronic media (television and radio talk shows) | All locations | Oct-Nov 11 |
| MD 1-4 | Arrange agreements with households to be connected to improved sanitation system | LTTA, PO | Communities and households put into practice sanitation improvements | All locations | Oct 11-Sep 12 |
| MD 1-5 | Annual survey on sanitation improvements, willingness to pay | LTTA, FTL, PO | Survey report integrated in annual reports | All community-based sites | Oct 11-Sep 12 |
| MD 2-1 | Socialization and mapping of priority locations and key community leaders | LTTA, FTL | Locations selected and key community leaders identified | All locations | Dec 11-Feb 12 |
| MD 2-1 | Select potential CSOs or cadres to implement water and sanitation program | LTTA, FTL, Cadres | Five CSOs or government cadres | All locations | Feb-Mar 12 |
| MD 2-2 | Adoption of materials/tools for improved access to sanitation and training modules | LTTA, FTL, PO | Promotional materials developed, training modules produced | All locations | Oct-Nov 11 |

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| MD 2-3 | Create local working groups and conduct capacity building | LTTA, FTL, Cadres | Community groups formed | Ambon, Parepare, Jayapura, Maros | Feb-Mar 12 |
| MD 2-3 | Capacity building of community to build communal septic tanks or MCK++ | LTTA, FTL | 400 households gain access to improved sanitation facilities | Ambon, Parepare, Jayapura, Maros | Nov 11-Sep 12 |
| MD 2-4 | Community socialization, capacity development, develop community plan | LTTA | CBO established in target locations | Ambon, Maros, Parepare, Jayapura | Dec 11-Feb 12 |
| MD 2-5 | Promotion of private sector (CSR) involvement | LTTA, FTL, Events | Two partnerships developed | Ambon, Maros, Parepare, Jayapura | Feb-Aug 12 |
| MD 2-6 | Support CSOs and/or cadres in promotional programs, including coordination with other project components | LTTA, GoI, PPP, CSO, NGO | Promotional activities developed and implemented | Ambon, Parepare, Jayapura, Maros | Feb-Sep 12* |
| MD 3-1 | Assess existing CSOs that can serve as customer forums to target PDAMs | LTTA, FTL | CSOs identified and assessment report developed | All locations | Nov 11-Sep 12 |
| MD 3-2 | Support pre-testing module for capacity building for advocacy, media relations and customer relations for PDAMs | LTTA, PDAM, PO | Capacity building modules pre-tested | Selected city | Feb-Sep 12 |
| MD 4-1 | Regional inputs on best practices, lessons learned, and sanitation tools used | LTTA, PO | Existing lessons learned and best practices written up | All locations | Oct 11-Sep 12 |
| MD 5-1 | Baseline and implementation of hygiene promotion | LTTA, FTL, Cadres | Baseline completed and campaigns conducted | All locations | Jan-Jun 12 |
| MD 5-3 | Assess existing hygiene promotional materials and develop new materials, combined with training | LTTA, STTA, PO | Materials in support of hygiene promotion campaigns are readily available | Selected communities in all locations | Dec 11-Mar 12 |
| MD 5-4 | Implementation of activities related to improved hygiene practices | LTTA | 1,000 students perform Hand Washing With Soap | All locations | Oct 11-Aug 12 |
| MD 5-5 | Conduct annual survey on hygiene improvements | LTTA | Hygiene practices survey designed and conducted; results disseminated and recorded in TAMIS | Selected communities in all locations | Mar-Sep 12 |
| MD 5-6 | Develop, organize and implement award events for communities | LTTA, PO | Award mechanisms developed, events held | Selected cities | Oct 11-Sep 12 |
| IC 1-1 | Data collection for PDAM Performance Index | LTTA | Performance Index determined | All locations | Oct-Nov 11 |
| IC 1-2 | Support for PDAM billing and accounting program | LTTA, FTL, PO | Systems implemented and revenue increased | Ambon, Jayapura | Oct 11-Sep 12 |
| IC 1-2 | Support tariff adjustments | LTTA/FTL | Tariffs adjusted and approved by local decision makers | Parepare, Enrekang | Jan-Mar 12 |
| IC 1-3 | Support for Non-Revenue Water program | LTTA, PO | Capacity building, training, studies | Ambon, Jayapura | Oct 11-Sep 12 |
| IC 1-5 | Design distribution network for new connections in Paso | LTTA, Satker | Studies, training, workshop | Ambon | Jan-Mar 12 |
| IC 1-5 EE 1-1 | Prepare policy on illegal PDAM connections | LTTA, PO, LG | Local regulations (*Perda*, *Perbup*, *Perwali*) | Ambon, Jayapura | Oct 11-Sep 12 |

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| IC 2-2<br>IC 2-3 | Assist PDAM in submitting and/or monitoring debt restructuring plan | LTTA | Debt restructuring documents completed and submitted to MoF | Makassar Parepare, Enrekang, Jayapura | Nov 11-Sep 12 |
| IC 4-1<br>IC 4-2<br>IC 4-3 | Raw water vulnerability assessment and climate change adaptation | LTTA, PO | Survey and investigation, training, FGD, workshop, study | Parepare, Enrekang | Oct 11-Sep 12 |
| IC 4-1 | Raw water study for Lake Sentani, including water treatment plant | LTTA, PO, SATKER | FS study completed for raw water source and water treatment plant | Jayapura | Jan-Apr 12 |
| IC 4-1<br>EE 1-1 | Prepare policy for raw water source protection | LTTA, PO | Regulation prepared and adopted by LG/DPRD | Ambon, Jayapura (district and city) | Oct 11-Sep 12 |
| IC 5-2 | Review and revive existing Sanitation Pokja and/or Pokja AMPL, including exposure visits | LTTA, Donors | Pokja Decision signed by city mayor; 50 members of Pokja AMPL trained and join exposure visits | Ambon, Jayapura (district and city), Makassar, Maros | Oct-Nov 11 |
| IC 5-2 | Review CSSes and White Books through capacity building of Pokja AMPL | LTTA, FTL, Pokja AMPL | Five CSSes and White Books developed | Ambon, Maros, Jayapura (district and city), Makassar | Nov 11-Feb 12 |
| IC 5-3 | Support training on sanitation mapping as preparation for PPSP 2013 | LTTA, FTL | Map of sanitation management | Jeneponto | Jan-Apr 12 |
| IC 5-4 | Assessment of sludge collection system by community, for inclusion in revised CSS | LTTA, PO | Assessment completed and recommendations included in revised CSS | Jayapura (district and city), Ambon | Dec 11-Sep 12 |
| IC 5-5 | Hold workshops on STBM | LTTA, PO | 150 people participate in workshops | All locations | Jan-Jun 12 |
| IC 5-6 | Pilot project on communal septic tanks | LTTA, Grant | Model sanitation facilities for 500 people | Parepare Ambon | Dec 11-Dec 12 (*) |
| IC 5-6 | Assessment of two communal septic tank units | LTTA, Grant | 250 people have access to improved sanitation facility | Ambon | Dec 11-May 12 |
| IC 6-1 | Assessment of SMEs with ongoing sanitation programs | LTTA, FTL | Number of SMEs with sanitation programs | All locations | Feb-Apr 12 |
| IC 6-3 | Pre-testing of training modules for SME capacity building on sanitation marketing | LTTA, FTL | One SME trained; finalize module for SME capacity building on sanitation marketing | Makassar or Ambon | Jun 12 |
| IC 6-4 | Training for SMEs for capacity building on sanitation marketing | LTTA, FTL | At least two SMEs trained | Makassar or Ambon | Jul 12 |
| EE 1-1 | Stakeholder and institution mapping; baseline policy, budget and planning documents | LTTA, FTL | Mapping of institutions and baseline reports completed | All locations | Oct 11-Sep 12 |
| EE 1-2 | Develop state-of-sector briefing documents; support visioning workshops for local stakeholders | LTTA, FTL | Report on state-of-sector briefing; visioning workshop conducted | All locations | Oct 11-Sep 12 |
| EE 2-1 | Identify project/investment needs and opportunities to increase access to water and sanitation services | LTTA | Basis needs analysis completed in each location | All locations | Oct 11-Mar 12 |

| Task | Activity | Resources | Results | Location | Timeline |
|---|---|---|---|---|---|
| EE 2-2<br>EE 2-3 | Develop and socialize investment plans, accompanied by Feasibility Study (FS) | LTTA | FS reports developed for four PDAMs | Jayapura, Parepare, Ambon, Enrekang | Nov 11-Sep 12 |
| EE 4-1 | Microfinance socialization and promotion | LTTA/FTL | List of PDAM / Banks willing to adopt micro-finance | All locations | Oct 11-Sep 12 |
| EE 4-2 | Facilitate signing of MoUs between local bank and PDAM | LTTA, PDAM, Banks | MoU signed in at least two locations | 2 locations (not yet selected) | Oct 11-Mar 12 |
| EE 4-3 | Capacity building for operation, monitoring and evaluation of microfinance programs | LTTA/FTL | FGD, training and workshops in at least two locations completed | 2 locations (not yet selected) | Jan-Sep 12 |
| EE 5-1 | Assessment of citizen feedback mechanism | LTTA | Report on citizen engagement | All locations | Oct 11-Sep 12 |
| EE 5-2 | Develop feedback mechanism modules and guidelines | LTTA, FTL | Citizen feedback mechanism module | 2 locations (not yet selected) | Nov 11-Feb 12 |
| EE 5-3 | Assist LGs in implementing feedback mechanism | LTTA | Feedback mechanism developed | 2 locations (not yet selected) | Mar-Sep 12 |

# APPENDICES

## APPENDIX 1: IUWASH OUTCOMES AND TARGETS OVER FIVE YEARS

| High Level Results | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Result | Indicator | Unit of Measurement | Baseline | Annual Target | | | | | | Total Target |
| | | | | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 | |
| HR 1<br>People gain access to improved water supply as a result of US Government assistance | Number of people in urban areas gain access to improved water supply as a result of US Government assistance | Number | TBD | N/A | 250,000 | 250,000 | 600,000 | 600,000 | 300,000 | 2,000,000 |
| HR 2<br>People gain access to improved sanitation services as a result of US Government assistance | Number of people in urban areas gain access to improved sanitation facilities as a result of US Government assistance | Number | N/A | N/A | 20,000 | 30,000 | 60,000 | 50,000 | 40,000 | 200,000 |
| HR 3<br>Per unit water cost paid by poor in targeted communities decreases by at least 20% through more participatory, transparent, and financially enabled services | The per unit water cost paid by the poor in targeted communities decreases by at least 20% through more participatory, transparent, accountable and financially enabled services | Percentage decrease (cumulative) | TBD | N/A | N/A | 10 | 15 | 20 | 20 | 20 |
| HR 4<br>People participating in IUWASH training activities | Number of people trained in IUWASH training type of activities | Number | N/A | 417 | 4,550 | 15,033 | 15,000 | 12,000 | 3,000 | 50,000 |

| Component 1: Mobilize Demand for Improved Water and Sanitation Services | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Result | Indicator | Unit of Measurement | Baseline | Annual Target | | | | | | Total Target |
| | | | | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 | |
| MD 1 Households willing to pay for sanitation improvements | Number of households willing to pay for sanitation improvements | Number (cumulative) | TBD | N/A | 5,250 | 9,750 | 12,000 | 13,000 | 0 | 40,000 |
| MD 2 Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation | Number of civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation | Number | N/A | N/A | 40 | 20 | 20 | 20 | 0 | 100 |
| MD 3 Civil society groups that report on PDAM operations or performance | Number of civil society groups that report on PDAM operations or performance | Number | N/A | N/A | 8 | 4 | 4 | 4 | 0 | 20 |
| MD 4 Sanitation for the poor toolkit developed | Number of sanitation for the poor toolkits developed | Number | N/A | N/A | N/A | 1 | 0 | 0 | 0 | 1 |
| MD 5 Household increased adoption of improved hygiene practices | Percentage increase in households that adopt improved health and hygiene practices | Percentage Increase (cumulative) | TBD | N/A | N/A | 5 | 10 | 20 | 20 | 20 |

| Component 2: Improve Capacity to Provide Sustainable Safe Water and Sanitation Services | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Result | Indicator | Unit of Measurement | Baseline | Annual Target | | | | | | Total Target |
| | | | | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 | |
| IC 1<br>PDAMs with improved technical, financial and management performance | Number of PDAMs with improved technical, financial and management performance | Number | N/A | N/A | N/A | 5 | 15 | 30 | 0 | 50 |
| IC 2<br>PDAMs in default of old debts are assisted in restructuring their outstanding debts | Number of PDAMs in default of old debts assisted in restructuring their outstanding debts | Number | N/A | N/A | 6 | 2 | 2 | 10 | 0 | 20 |
| IC-3.<br>PDAMs with improved credit-worthiness | Number of PDAMs with improved credit-worthiness | Number | N/A | N/A | N/A | 4 | 4 | 12 | 0 | 20 |
| IC-4.<br>Local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment | Number of local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment | Number | N/A | N/A | 6 | 6 | 4 | 4 | 0 | 20 |

| Component 2: Improve Capacity to Provide Sustainable Safe Water and Sanitation Services | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Result** | **Indicator** | **Unit of** | **Baseline** | **Annual Target** | | | | | | **Total** |
| IC 5<br>Local Governments implementing integrated sanitation and hygiene interventions reflected in their citywide sanitation strategic (CSS) plans | Number of local governments implementing integrated sanitation and hygiene interventions that reflect their citywide sanitation strategic plans | Number | N/A | N/A | 14 | 2 | 2 | 2 | 0 | 20 |
| IC 6<br>Small and medium businesses providing affordable sanitation facility construction and management services | Number of small and medium businesses providing affordable sanitation facility construction and management services | Number | N/A | N/A | 2 | 6 | 10 | 12 | 0 | 30 |
| IC 7<br>Poor residents in targeted communities who report greater satisfaction with water and sanitation services | Increased percentage (%) of poor residents in targeted communities who report greater satisfaction with water and sanitation services | Percentage increase (cumulative) | TBD | N/A | N/A | 10 | 15 | 20 | 20 | 20 |

| Component 3: Create an Enabling Environment Supporting Equitable Water and Sanitation Services | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Result | Indicator | Unit of Measurement | Baseline | Annual Target | | | | | | Total Target |
| | | | | FY 11 | FY 12 | FY 13 | FY 14 | FY 15 | FY 16 | |
| EE 1<br>Participating local governments that put greater priority on safe drinking water and sanitation through supportive local policies and budget allocation increases | Number of participating local governments that put greater priority on safe drinking water and sanitation through supportive local policies and budget allocation increases | Number | N/A | N/A | N/A | 10 | 20` | 20 | 0 | 50 |
| EE 2<br>PDAMs or local governments obtain access to long-term funding for water or sanitation investment plans | Number of PDAMs or local governments obtaining access to long-term funding for water or sanitation investment plans | Number | N/A | N/A | 1 | 2 | 5 | 7 | 0 | 15 |
| EE 3<br>Percentage increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services | Percentage Increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services | Percentage Increase (cumulative) | TBD | N/A | N/A | 5 | 5 | 10 | 10 | 10 |
| EE 4<br>Low-income households access micro-finance for household improvements in water and sanitation | Number of low-income households accessing micro-finance for household improvements in water and sanitation | Number | N/A | N/A | 3,600 | 6,400 | 10,000 | 10,000 | 10,000 | 40,000 |

| Component 3: Create an Enabling Environment Supporting Equitable Water and Sanitation Services | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Result** | **Indicator** | **Unit of** | **Baseline** | **Annual Target** | | | | | | **Total** |
| EE 5<br>Local governments adopt new or improved mechanisms for citizens to engage local government in water and sanitation | Number of local governments adopting new or improved mechanisms for citizens to engage local government in water and sanitation | Number | N/A | N/A | 1 | 6 | 6 | 7 | 0 | 20 |

Note: The rows in shaded yellow indicate IUWASH results and outcomes that contribute to Operational Plan (OP) Performance indicators.

| PMP Outcome | Indicator | Target Over Life of Project | Achievement To Date | 2012 Target | | | Estimated Total Achievement by End of 2012 |
|---|---|---|---|---|---|---|---|
| | | | | Province | Target | Total | |
| **High Level Result (HR)** | | | | | | | |
| HR 1<br>People gain access to improved water supply as a result of US Government assistance | Number of people in urban areas gain access to improved water supply as a result of US Government assistance | 2,000,000 | 0<br>(0%) | **NS** | 50,000 | **248,750** | **248,750**<br>**(12.44%)** |
| | | | | **DBW** | 75,000 | | |
| | | | | **CJ** | 80,000 | | |
| | | | | **EJ** | 40,000 | | |
| | | | | **SSE** | 3,750 | | |
| HR 2<br>People gain access to improved sanitation services as a result of US Government assistance | Number of people in urban areas gain access to improved sanitation facilities as a result of US Government assistance | 200,000 | 0<br>(0%) | **NS** | 8,500 | **22,500** | **22,500**<br>**(11.25%)** |
| | | | | **DBW** | 8,750 | | |
| | | | | **CJ** | 750 | | |
| | | | | **EJ** | 2,500 | | |
| | | | | **SSE** | 2.000 | | |
| HR 3<br>Per unit water cost paid by poor in targeted communities decreases by at least 20% through more participatory, transparent, and financially enabled services | The per unit water cost paid by the poor in targeted communities decreases by at least 20% through more participatory, transparent, accountable and financially enabled services | 20 | 0<br>(0%) | **NS** | N/A | **N/A** | **0**<br>**(0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| HR 4<br>People participated in IUWASH training activities | Number of people trained in IUWASH training type of activities | 50,000 | 417<br>(0.83%) | **NS** | 800 | **4,550** | **4,967**<br>**(9.93%)** |
| | | | | **DBW** | 1,500 | | |
| | | | | **CJ** | 1,000 | | |
| | | | | **EJ** | 1,000 | | |
| | | | | **SSE** | 250 | | |

| PMP Outcome | Indicator | Target Over Life of Project | Achievement To Date | 2012 Target | | | Estimated Total Achievement by End of 2012 |
|---|---|---|---|---|---|---|---|
| | | | | Province | Target | Total | |
| **Component 1: Mobilize Demand for Improved Water and Sanitation Services (MD)** | | | | | | | |
| MD 1 Household willing to pay for sanitation improvements | Number of households willing to pay for sanitation improvements | 40,000 | 0 (0%) | **NS** | 1,700 | **5,250** | **5,250 (13.13%)** |
| | | | | **DBW** | 1,750 | | |
| | | | | **CJ** | 1,000 | | |
| | | | | **EJ** | 500 | | |
| | | | | **SSE** | 300 | | |
| MD 2 Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation | Number of civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation | 100 | 0 (0%) | **NS** | 20 | **40** | **40 (40%)** |
| | | | | **DBW** | 5 | | |
| | | | | **CJ** | 3 | | |
| | | | | **EJ** | 10 | | |
| | | | | **SSE** | 2 | | |
| MD 3 Civil society groups that report on PDAM operations or performance | Number of civil society groups that report on PDAM operations or performance | 20 | 0 (0%) | **NS** | 2 | **8** | **8 (40%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | 1 | | |
| | | | | **EJ** | 5 | | |
| | | | | **SSE** | N/A | | |
| MD 4 Sanitation for the poor toolkit developed | Number of sanitation for the poor toolkit developed | 1 | 0 (0%) | **NS** | N/A | **0** | **0 (0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| MD-5. Household increased adoption of improved hygiene practices | Percent increased of household that adopted improved health and hygiene practices | 20 | 0 (0%) | **NS** | N/A | **0** | **0 (0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |

| PMP Outcome | Indicator | Target Over Life of Project | Achievement To Date | 2012 Target | | | Estimated Total Achievement by End of 2012 |
|---|---|---|---|---|---|---|---|
| | | | | Province | Target | Total | |
| **Component 2: Improve Capacity to Provide Sustainable Safe Water and Sanitation Services (IC)** | | | | | | | |
| IC 1<br>PDAMs with improved technical, financial and management performance | Number of PDAMs with improved technical, financial and management performance | 50 | 0<br>(0%) | **NS** | N/A | **0** | **0**<br>**(0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| IC 2<br>PDAMs in default of old debts are assisted in restructuring their outstanding debts | Number of PDAMs in default of old debts are assisted in restructuring their outstanding debts | 20 | 0<br>(0%) | **NS** | 1 | **6** | **6**<br>**(30%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | 2 | | |
| | | | | **SSE** | 3 | | |
| IC 3<br>PDAMs with improved credit worthiness | Number of PDAMs with improved credit worthiness | 20 | 0<br>(0%) | **NS** | N/A | **0** | **0**<br>**(0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| IC 4<br>Local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment | Number of local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment | 20 | 0<br>(0%) | **NS** | N/A | **6** | **6**<br>**(30%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | 2 | | |
| | | | | **EJ** | 2 | | |
| | | | | **SSE** | 2 | | |
| IC 5<br>Local Governments implementing integrated sanitation and hygiene interventions reflected in their citywide sanitation strategic (CSS) plans | Number of local governments implementing integrated sanitation and hygiene interventions that reflect their citywide sanitation strategic plans | 20 | 0<br>(0%) | **NS** | 2 | **14** | **14**<br>**(70%)** |
| | | | | **DBW** | 3 | | |
| | | | | **CJ** | 3 | | |
| | | | | **EJ** | 1 | | |
| | | | | **SSE** | 5 | | |
| IC 6<br>Small and medium business providing affordable construction and sanitation facility management services | Number of small and medium business providing affordable construction and sanitation facility management services | 30 | 0<br>(0%) | **NS** | 1 | **2** | **2**<br>**(6.67%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | 1 | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |

| PMP Outcome | Indicator | Target Over Life of Project | Achievement To Date | 2012 Target | | | Estimated Total Achievement by End of 2012 |
|---|---|---|---|---|---|---|---|
| | | | | Province | Target | Total | |
| **Component 2: Improve Capacity to Provide Sustainable Safe Water and Sanitation Services (IC)** | | | | | | | |
| IC 7<br>Poor residents in targeted communities who report greater satisfaction with water and sanitation services | Increased percentage (%) of poor residents in targeted communities who report greater satisfaction with water and sanitation services | 20 | 0<br>(0%) | **NS** | N/A | **0** | **0**<br>**(0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| **Component 3: Create an Enabling Environment Supporting Equitable Water and Sanitation Services (EE)** | | | | | | | |
| EE 1<br>Participating local governments that put greater priority on safe drinking water and sanitation through supportive local policies and budget allocation increases | Number of participating local governments that put greater priority on safe drinking water and sanitation through supportive local policies and budget allocation increases | 50 | 0<br>(0%) | **NS** | N/A | **0** | **0**<br>**(0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| EE 2<br>PDAMs or local governments obtain access to long-term funding for water or sanitation investment plans | Number of PDAMs or local government obtain access to long-term funding for water or sanitation investment plans | 15 | 0<br>(0%) | **NS** | N/A | **1** | **1**<br>**(6.67%)** |
| | | | | **DBW** | 1 | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| EE 3<br>Percentage increase (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services | Increased percentage (%) in financial resources accessed by service providers from public and private sources for expansion of improved water and sanitation services | 10 | 0<br>(0%) | **NS** | N/A | **0** | **0**<br>**(0%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | N/A | | |
| | | | | **SSE** | N/A | | |
| EE 4<br>Low income households accessing micro finance for household improvements in water and sanitation | Number of low income households accessing micro finance for household improvements in water and sanitation | 40,000 | 0<br>(0%) | **NS** | 400 | **3,600** | **3,600**<br>**(9%)** |
| | | | | **DBW** | 1,500 | | |
| | | | | **CJ** | 500 | | |
| | | | | **EJ** | 800 | | |
| | | | | **SSE** | 400 | | |
| EE 5<br>Local governments adopt new or improved mechanisms for citizens to engage local government in water and sanitation | Number of local governments adopting new or improved mechanisms for citizens to engage local government in water and sanitation | 20 | 0<br>(0%) | **NS** | N/A | **1** | **1**<br>**(5%)** |
| | | | | **DBW** | N/A | | |
| | | | | **CJ** | N/A | | |
| | | | | **EJ** | 1 | | |
| | | | | **SSE** | N/A | | |

# APPENDIX 3: LINK BETWEEN USAID IUWASH OUTCOMES AND TASKS

## Link Between USAID IUWASH Outcomes and Tasks

| IUWASH High Level Result (HR): Contributing to MDG Goals | |
|---|---|
| **Main Outcome** | **Contributing Outcomes*** |
| Outcome HR.1.<br>People gain access to improved water supply as a result of US Government assistance | 1. Outcome MD-2 Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation<br>2. Outcome IC-1 PDAMs with improved technical, financial and management performance<br>3. Outcome IC-4 Local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment<br>4. Outcome EE-1 PEMDA put greater priority on water and sanitation through supportive local policies and budget allocation increases<br>5. Outcome EE-2 PDAMs / PEMDA obtain access to long-term funding for WATSAN investment plans<br>6. Outcome EE-3 Percent increased (%) in financial resources accessed by service providers from public and private sources for expansion of improved WATSAN services<br>7. Outcome EE-4 Low income households accessing micro finance for household improvements in WATSAN |
| Outcome HR.2<br>People gain access to improved sanitation services as a result of US Government assistance | 1. Outcome MD-2 Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation<br>2. Outcome MD-4 Sanitation for the poor toolkit developed<br>3. Outcome IC-5 PEMDA implementing integrated sanitation and hygiene interventions that reflect their CSS plans<br>4. Outcome IC-6 SME providing affordable construction and sanitation facility management services<br>5. Outcome EE-1 PEMDA put greater priority on WATSAN through supportive local policies and budget allocation increases<br>6. Outcome EE-2 PDAMs / PEMDA obtain access to long-term funding for WATSAN investment plans<br>7. Outcome EE-3 Percent increased (%) in financial resources accessed by service providers from public and private sources for expansion of improved WATSAN services<br>8. Outcome EE-4 Low income households accessing micro finance for household improvements in WATSAN |
| Outcome HR.3<br>Per unit water cost paid by poor in targeted communities decreases by at least 20% through more participatory, transparent, and financially enabled services | 1. Outcome MD-2 Civil society groups and/or government cadres implement programs to mobilize improved WATSAN access<br>2. Outcome IC-1 PDAMs with improved technical, financial and management performance<br>3. Outcome EE-2 PDAMs / PEMDA obtain access to long-term funding for water or sanitation investment plans<br>4. Outcome EE-4 Low income households accessing micro finance for household improvements in WATSAN<br>5. Outcome EE-5 Local Governments adopt new or improved mechanisms for citizens to engage PEMDA in WATSAN |
| Outcome HR.4<br>People participated in IUWASH training activities | There is no specific task. All the training activities under all IUWASH tasks will contribute to this outcome |

*) Since the outcomes above are the High Level Result, all the achievements of these outcomes are reached by component outcomes, there for there are no specific tasks applied under these High Level Results (HR) outcomes.

| IUWASH Component 1 (MD): Mobilize Demand for Improved Water and Sanitation Services | | |
|---|---|---|
| **Main Outcome** | **Tasks** | **Link to other outcomes** |
| Outcome MD-1<br>Household willing to pay for sanitation improvements | Task MD 1-1: Conduct sanitation baseline study (existing condition, willingness to pay) and rapid assessment on sanitation actors and activities (refer to MD 5.1 and IC 7.1)<br>Task MD 1-2: Develop communications strategy for mobilizing community demands for improved sanitation services.<br>Task MD 1-3: Conduct promotion and socialization on the benefit of improved sanitation services.<br>Task MD 1-4: Arrange agreement with households to be connected to improved sanitation system (either individual, community based or centralized).<br>Task MD 1-5: Conduct annual survey on sanitation improvement and willingness of the households to pay for sanitation improvement (refer to MD 5.5 and IC 7.3) | à Outcome MD-2<br>ß Outcome MD-5<br>à Outcome IC-5<br>à Outcome IC-6<br>à Outcome IC-7<br>à Outcome EE-4 |
| Outcome MD-2<br>Civil society groups and/or government cadres implementing programs to mobilize improved access to safe drinking water and adequate sanitation | Task MD 2.1: Identify potential CSOs and/or government cadres to implement the programs<br>Task MD 2.2: Develop module for capacity building of CSOs and/or government cadres<br>Task MD-2.3: Capacity building for CSOs and/or government cadres on program related topics<br>Task MD 2.4: Assist CSO and/or government cadres to develop plans and design the programs<br>Task MD 2.5: Support CSOs and/or government cadres to access co-funding from other sources, such as private sector, local government budget, IUWASH grants program, etc.<br>Task MD 2.6: Support civil society organizations and/or government cadres to implement the program, such as installation of community-based or individual WATSAN systems<br>Task MD 2.7: Assist CSO and/or government cadres to share achievements, lessons learned to wider audience | ß Outcome MD-1<br>ß Outcome MD-4<br>à Outcome IC-5<br>ß Outcome IC-6<br>à Outcome EE-3<br>ß Outcome EE-4 |
| Outcome MD-3.<br>Civil society groups that report on PDAM operations or performance | Task MD 3.1: Assess existing practices on public communications by PDAM to support promotion of transparency, accountability and participation, also the actors involved in this subject.<br>Task MD 3.2: Design capacity building module for advocacy, media relation and customer relation for PDAM, customer forum and others.<br>Task MD 3.3: Capacity building on the importance of transparency, accountability and participation amongst PDAM/PEMDA<br>Task MD 3.4: Support CSO and PDAM to develop new customer forum or strengthen existing customer forum<br>Task MD 3.5: Assist PDAM and customer forum to access funding to support implementation of planned program<br>Task MD 3.6: Promote the lessons learned and best practices | à Outcome IC-1<br>à Outcome IC-7<br>à Outcome EE-5 |

| IUWASH Component 1 (MD): Mobilize Demand for Improved Water and Sanitation Services | | |
|---|---|---|
| **Main Outcome** | **Tasks** | **Link to other outcomes** |
| Outcome MD-4.<br>Sanitation for the poor toolkit developed | Task MD 4.1: Collect and review existing best practices, examples and tools of sanitation for the poor<br>Task MD 4.2:Develop toolkit outline and toolkit writing in close collaboration with IUWASH partners<br>Task MD 4.3: Conduct workshop for toolkit content consultation with IUWASH partners<br>Task MD 4.4: Finalization of the toolkit (production and launching)<br>Task MD 4.5: Promote and socialize Sanitation for the Poor toolkit to different stakeholders | à Outcome MD-2<br>à Outcome IC-5<br>à Outcome IC-6<br>à Outcome EE-4 |
| Outcome MD-5.<br>Household increased adoption of improved hygiene practices | Task MD 5-1: Conduct baseline survey on hygiene practices (refer to MD1.3 and IC 7.1)<br>Task MD 5-2: Develop hygiene related campaign strategy<br>Task MD 5-3: Design campaign materials, include modules and training materials<br>Task MD 5-4: Campaign implementation, including community event, media advocacy, school activities, etc.<br>Task MD 5-5: Conduct annual survey on increased adoption of improved hygiene practices (refer MD 1-4 ; EE 7.3)<br>Task MD 5-6: Promote award mechanism for the most improved hygiene behavior communities | à Outcome MD-1<br>à Outcome IC-6<br>à Outcome IC-7 |

| IUWASH Component 2: Capacity Improvements to provide sustainable safe water and Sanitation Service | | |
|---|---|---|
| **Main Outcome** | **Tasks** | **Link to other outcomes** |
| Outcome IC-1.<br>PDAMs with improved technical, financial and management performance | Task IC 1-1 Determine baseline of PDAM performance index and agree with PDAM and Pemda on concrete measures to improve specific aspects of PDAM performance index<br>Task IC 1-2 Develop and support improvements in pdam financial aspect, including full cost recovery, tariff review, billing and accounting systems, financial efficiency and accountability measures<br>Task IC 1-3 Develop and support improvements in pdam technical & operational aspects, including NRW reduction, energy efficiency, water quality improvements<br>Task IC 1-4 Develop and support improvements in PDAM customer relation planning and programs<br>Task IC 1-5 Develop and support improvements in PDAM good governance, including increased accountability, transparence, pro-poor focus, and service expansion measures<br>Task IC 1-6 Develop and support improvements in PDAM business and human resource management, including use of corporate plan, standard operating procedures, staff incentives schemes<br>Task IC 1-7 Support sharing information and experience among PDAMs, Pemda and other stakeholders<br>Task IC 1-8 Conduct annual survey on changes in PDAM performance index and share results with PDAM and local governments (Pemda, Dewan Pengawas, etc) | ß Outcome MD-3<br>à Outcome IC-2<br>à Outcome IC-3<br>ó Outcome IC-4<br>ó Outcome EE-1<br>à Outcome EE-4 |
| Outcome IC-2.<br>PDAMs in default of old debts are assisted in restructuring their outstanding debts | Task IC 2-1 Conduct assessment on current debt restructuring status of target PDAM<br>Task IC 2-2 Assist PDAM preparing and submitting debt restructuring plan in accordance with PMK 120/2008<br>Task IC 2-3 Assist PDAM to establish a monitoring system to ensure that they meet the targets set forth in their approved business plan | ß Outcome IC-1<br>à Outcome EE-2<br>à Outcome EE-3 |
| Outcome IC-3.<br>PDAMs with improved credit worthiness | Task IC 3-1 Develop and test credit-worthiness ladder<br>Task IC 3-2 Determine baseline for PDAM credit-worthiness<br>Task IC 3-3 Conduct survey on changes in PDAM credit-worthiness<br>Task IC 3-4 Where applicable, support PDAM to obtain certified credit rating | ß Outcome IC-1<br>à Outcome EE-2<br>à Outcome EE-3 |
| Outcome IC-4.<br>Local government institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment | Task IC 4-1 Situational assessment on relevant national and international programs and actors supporting climate change adaptation for raw water protection<br>Task IC 4-2 Support Pemda/PDAM to conduct preliminary raw water sources vulnerability assessments, (current and future demand, quality and quantity risks, protection measures and improvement / expansion plans<br>Task IC 4-3 Improve Pemda/PDAM planning capacity to adapt successfully to global and climate induced changes and impacts safeguarding future raw water sources<br>Task IC 4-4 Assist Pemda/PDAM to implement climate change adaptation program based on results of the raw water sources vulnerability assessment and improved plans | ó Outcome IC-1<br>à Outcome EE-1<br>à Outcome EE-2<br>à Outcome EE-3 |

| IUWASH Component 2: Capacity Improvements to provide sustainable safe water and Sanitation Service | | |
|---|---|---|
| **Main Outcome** | **Tasks** | **Link to other outcomes** |
| Outcome IC-5.<br>Local Governments implementing integrated sanitation and hygiene interventions reflected in their citywide sanitation strategic (CSS) plans | Task IC 5-1 Collaboration with national stakeholders on urban sanitation programs, policies and approaches<br>Task IC 5-2 Support selected Pokja's with preparation of new / revised city sanitation strategy (PPSP) package<br>Task IC 5-3 Support development of other local planning documents (RAD, Renstra-AMPL, RPIJM, etc), provided these include expansion of sanitation services<br>Task IC 5-4 Support selected cities with improved sludge management (citywide and/or community based) and/or sewerage systems<br>Task IC 5-5 Support local governments with inclusion of National STBM program as part of local sanitation plans and strategies<br>Task IC 5-5 Implement innovative and low-cost sanitation solutions linked to local Sanitation plans and/or STBM planning | ß Outcome MD-1<br>ß Outcome MD-2<br>ß Outcome MD-4<br>à Outcome EE-1<br>à Outcome EE-2<br>à Outcome EE-3<br>à Outcome EE-4 |
| Outcome IC-6.<br>Small and medium business providing affordable construction and sanitation facility management services | Task IC 6-1 Assess current experience and lessons learned on sanitation marketing for SME<br>Task IC 6-2 Assess potential SMEs that have expertise on working in sanitation sector<br>Task IC 6-3 Design modules for SME capacity building on social marketing and program implementation<br>Task IC 6-4 Capacity building for SMEs to develop and provide appropriate / affordable improvements to household and/or community based sanitation facilities<br>Task IC 6-5 Provide technical assistant to SMEs on development of improved sanitation facilities<br>Task IC 6-7 Promote the results of the program on improved sanitation program by SMEs | ß Outcome MD-2<br>ß Outcome MD-4<br>ß Outcome MD-5<br>ß Outcome EE-4 |
| Outcome IC-7.<br>poor residents in targeted communities who report greater satisfaction with water and sanitation services | Task IC 7-1 Conduct baseline survey on satisfaction by poor communities with WATSAN services (refer to MD-1.3 and MD 5.1)<br>Task IC 7-2 Capacity building to support the development of mechanism for poor resident to report greater satisfaction with WATSAN services<br>Task IC 7-3 Conduct annual survey on satisfactory by poor (refer to MD-1.4 and MD 5.5) | ß Outcome MD-1<br>ß Outcome MD-3<br>ß Outcome MD-5 |

| IUWASH Component 3 (EE): Create an Enabling Environment Supporting Equitable Water and Sanitation Services | | |
|---|---|---|
| **Main Outcome** | **Tasks** | **Link to other outcomes** |
| Outcome EE-1<br>Participating local governments that put greater priority on safe drinking water and sanitation through supportive local policies and budget allocation increases | Task EE 1-1 Assess existing policies and budget allocation to improve WATSAN services by PEMDA<br>Task EE 1-2 Supporting agreed advocacy efforts to expand political support for improving WATSAN access in urban settings among governments at local, regional and national level and local legislative bodies<br>Task EE 1- 3 Support Local governments to improve agreed upon reform policy related to increased priority of the governments to support improved WATSAN services<br>Task EE 1-4 Support Local governments on budget planning to allocate increased budget for WATSAN services<br>Task EE 1-5 Improve/strengthen PEMDA (Dewan Pengawas) oversight of PDAM, including management, recruitment, regulations and performance | ó Outcome IC-1<br>ó Outcome IC-4<br>ó Outcome IC-5<br>à Outcome EE-2<br>à Outcome EE-3<br>ß Outcome EE-5 |
| Outcome EE-2<br>PDAMs or local governments obtain access to long-term funding for water or sanitation investment plans | Task EE 2-1 Identify needs of project/investment and obtain preliminary consensus agreed by relevant stakeholders<br>Task EE 2-2 Develop investment plans that accompanied by feasibility study<br>Task EE 2-3 Present and socialize the investment plans and the result of feasibility study among relevant stakeholders and develop consensus on appropriate financing path<br>Task EE 2-4 Facilitate funding commitments through (a) allocation of public fund; (b) commercial financing agreement; (c) debt obligation; (d) donor fund allocation | ß Outcome IC-2<br>ß Outcome IC-3<br>ß Outcome IC-4<br>ß Outcome IC-5<br>ß Outcome EE-1 |
| Outcome EE-3<br>Percent increased (%) in financial resources accessed by service providers from public and private sources for expansion of improved watsan services | Task EE 3-1 Conduct base line survey to identify existing financial resources of service providers on improve water and sanitation services (refer to EE-1)<br>Task EE 3-2 Conduct advocacy for public & private sectors to support expansion of improved WATSAN services<br>Task EE 3-3 Conduct annual survey to identify increased in financial resources by service providers from public and private sources for expansion of improved WATSAN services | ß Outcome MD-2<br>ß Outcome IC-2<br>ß Outcome IC-3<br>ß Outcome IC-4<br>ß Outcome IC-5<br>ß Outcome EE-1 |
| Outcome EE-4.<br>Low income households accessing micro finance for household improvements in water and sanitation | Task EE 4-1 Introduction of microfinance for household watsan improvements to key stakeholders, including service providers, financing institutions, and government partners<br>Task EE 4-2 Formation of microfinance partnerships to improve household watsan services<br>Task EE 4-3 Support the implementation and monitoring of ongoing microcredit partnerships, including the development of standard operating procedures, forms, and other relevant tools<br>Task EE 4-4 Develop marketing strategies and conduct promotional campaigns for microfinance for household improvements in watsan services<br>Task EE 4-5 Promote results, lessons learned, and best practices of micro finance program to wider audience | à Outcome MD-2<br>ß Outcome MD-4<br>ß Outcome IC-1<br>ß Outcome IC-5<br>à Outcome IC-6 |

| IUWASH Component 3 (EE): Create an Enabling Environment Supporting Equitable Water and Sanitation Services | | |
|---|---|---|
| **Main Outcome** | **Tasks** | **Link to other outcomes** |
| Outcome EE-5.<br>Local Governments adopt new or improved mechanisms for citizens to engage local government in water and sanitation | Task EE 5-1 Assess existing mechanisms of citizen involvement in Local Governance systems and recommend improvements<br>Task EE 5-2 Develop Citizen-based mechanisms (new or improved)<br>Task EE 5-3 Strengthen PEMDA and citizen groups to adopt (new or improved) mechanisms<br>Task EE 5-4 Monitor benefits and impacts of improved mechanism including the involvement of PEMDA<br>Task EE 5-5 Promote results, lessons learned and best practices of improved mechanism to wider audience | ß Outcome MD-3<br>à Outcome EE-1 |

## SUMMARY IUWASH HIGHER RESULTS (4) and OUTCOMES (17)

### Higher Results

HR.1 People gain access to improved water supply as a result of US Government assistance
HR.2 People gain access to improved sanitation services as a result of US Government assistance
HR.3 Per unit water cost paid by poor in targeted communities decreases by at least 20% through improved services
HR.4 People participated in IUWASH training activities

### Component 1 (MD): Mobilize Demand for Improved Water and Sanitation services

MD-1 Household willing to pay for sanitation improvements
MD-2 Civil society groups and/or government cadres implementing programs to mobilize improved access to improved watsan services
MD-3 Civil society groups that report on PDAM operations or performance
MD-4 Sanitation for the poor toolkit developed
MD-5 Household increased adoption of improved hygiene practices

### Component 2 (IC): Increase Capacity to provide sustainable safe Water and Sanitation service

IC-1 PDAMs with improved technical, financial and management performance
IC-2 PDAMs in default of old debts are assisted in restructuring their outstanding debts
IC-3 PDAMs with improved credit worthiness
IC-4 PEMDA institutions implementing necessary climate change adaptation measures, based on preliminary raw water sources vulnerability assessment
IC-5 PEMDA implementing integrated sanitation and hygiene interventions reflected in their citywide sanitation plans
IC-6 Small and medium business (SME) providing affordable construction and sanitation facility management services
IC-7 poor residents in targeted communities who report greater satisfaction with water and sanitation services

### Component 3 (EE): Create Enabling Environment supporting equitable Water and Sanitation services

EE-1 Participating local governments that put greater priority on safe watsan through supportive local policies and budget allocation increases
EE-2 PDAMs or local governments obtain access to long-term funding for water or sanitation investment plans
EE-3 Percent increased in financial resources accessed by service providers from public/ private sources for expansion of improved watsan services
EE-4 Low income households accessing micro finance for household improvements in water and sanitation
EE-5 Local Governments adopt new or improved mechanisms for citizens to engage local government in water and sanitation

# APPENDIX 4: INITIAL ENVIRONMENTAL EXAMINATION AND ENVIRONMENTAL MITIGATION AND MONITORING PLAN

Activity Title: IUWASH (Indonesia Urban Water, Sanitation and Hygiene) Project
Implementing Partner: Development Alternatives, Inc. (DAI)

## BACKGROUND AND ACTIVITY DESCRIPTION

### 1.1. Background

The USAID Indonesia Urban Water, Sanitation and Hygiene (USAID IUWASH) Project (the "Project") is a five-year program funded by the United States Agency for International Development (USAID) and implemented by Development Alternatives, Inc. (DAI), a US-based consulting firm that specializes in the management of foreign assistance programs (the "Contractor"). The Project will be implemented in at least five regions, as follows:

- Region 1: North Sumatra and Aceh
- Region 2: Banten, West Java, DKI Jakarta
- Region 3: Central Java
- Region 4: East Java
- Region 5: South Sulawesi and Eastern Indonesia, including Ambon (Maluku) and Jayapura (Papua).

The overall goal of the Project is to assist the Government of Indonesia (GoI) to make significant progress in the Millenium Development Goals (MDGs) by expanding access to clean water and adequate sanitation within the five-year project period.

The Project will provide a range of technical assistance, both long- and short-term, to support USAID/Indonesia's assistance objectives related to increasing access to safe drinking water and adequate sanitation. Access to safe water and sanitation has multi-faceted development benefits, positively impacting environment, health, economic growth, women's empowerment, and school retention outcomes.

The Project will support the Paul Simon Water for the Poor Act of 2005 priorities of ensuring both equitable and sustainable access to safe drinking water and sanitation. To contribute to more equitable access, IUWASH will emphasize expanding access among Indonesia's urban poor, who are currently the people with the most limited access to these services.

The Project will also incorporate the climate change challenges, in particular how climate change will affect the quality and availability of raw water sources that supply water utilities and their customers. For example, rising sea levels could affect the quality of groundwater due to the intrusion of saltwater into the groundwater aquifers. Changed rainfall patterns may exacerbate variability of raw water yields, with significant implications for technology choice and design of water/sanitation facilities. An increase in extreme climate events such as droughts, floods and storms may increase risks of damage to expensive infrastructure investments. The project will assess climate-related vulnerabilities related to water supply and sanitation services delivery, support innovative adaptive measures (both 'hardware' and 'software'), and monitor results.

The Project will focus on water and sanitation governance reform as a key element to achieving greater access to piped water services and improved sanitation. The Project will engage central and local government agencies, local communities, the private sector, NGOs, community groups, and universities. Key government stakeholders are represented at the district and municipal, provincial and national levels. Thus, the Project's strategic approach brings to scale water and sanitation investments by engaging the array of key stakeholders and central government counterparts in improvements to service delivery.

**The overall goal of the Project** is that, at the end of five years, USAID assistance will have helped make significant progress in achieving Indonesia's safe water and sanitation MDG targets by expanding access to these services. The expected higher results to be achieved are:

- Two million people in urban areas gain access to improved water supply as a result of US Government assistance
- Two hundred thousand people in urban areas gain access to improved sanitation facilities as a result of US Government assistance
- The per unit water cost paid by the poor in targeted communities decreases by at least 20% through a more participatory, transparent, accountable and financially enabled environment.

The project will execute three main activities that will contribute to the higher results, as follows:

- ***Demand mobilization for improved water and sanitation services:*** Demand for safe drinking water access and improved sanitation mobilized among urban communities and households with currently unimproved access
- ***Capacity improvements to provide sustainable safe water and sanitation services:*** Capacity to sustainably supply this mobilized demand with improved water and sanitation services built among the public and private sector institutions best placed to provide these services in urban areas
- ***Create an enabling environment supporting equitable water and sanitation services:*** A governance and financial enabling environment created that supports equitable access to safe drinking water and improved sanitation in urban areas

### 1.2. Description of Activities

The Contractor has reviewed all planned activities that will be implemented in each region in Program Year Two (PY2) and has concluded that all planned activities to be implemented are within the scope of the approved Initial Environmental Examination (IEE) referenced as ASIA 09-86 Indonesia IEE & ETD for IUWASH, and the approved IEE/EMMP for IUWASH Program Year One (PY1). Therefore, the IEE and EMMP for PY2 are similar to the IEE and EMMP for PY1. If during the course of implementation there are proposed activities that are outside the scope of the two documents mentioned above, the Contractor will coordinate with the USAID COTR to develop a respective "individual IEE." The Contractor will not undertake new activities before receiving written USAID approval of environmental documentation amendments.

All proposed activities planned to be implemented in PY2 fall under either categorical exclusion or negative determination with conditions, as defined in the USAID rules and regulation 22 CFR 216.

The proposed activities are distinguished between activities that relate to increasing (a) safe drinking water supply and (b) adequate sanitation access for the urban poor.

**Water Supply**: The activities include protection of raw water, pipe installations, water production, water distribution, and water connection services. The sub-activities will include:

- **Raw Water:** Supporting improved quality and quantity of raw water distribution, the project will ensure that the local government, the private sector and water utilities will improve the watershed area with tree planting, installation of infiltration wells, small-scale construction of river cascade, protection of springs, protection from pollutants to river flow and groundwater, well-designed small-scale reservoirs, bore wells and pumps.
- **Pipe Installation**: Installing transmission pipes and distribution pipes to deliver safe drinking water to poor households to improve quality of life. The Project will assist partners in the planning and design, and will ensure that the installations are done according to Indonesian National Standards (SNI).
- **Water Production:** Improving small-scale water treatment plants, ensuring water is chlorinated and filtrated according to the standards, and increasing water capacity. Improving the mechanical and electrical systems in order to avoid noise pollution and hazards.
- **Water Distribution:** Installing water distribution accessories such as District Meter Areas (DMAs), Box Pressure Meters, individual water meters, including digging tranches for distribution pipe laying, pipe crossing, and construction of ground and/or elevated water tanks.
- **Services:** Improving services to customers through water meter calibration, water meter replacement, pipe and water meter replacement, and improving billing system and payment points.

**Sanitation:** The activities include planning, designing, construction and maintenance of city-wide sanitation systems, communal sanitation systems and individual sanitation systems.

- **City-wide Sanitation System**: Assisting the local government, with the support of other private sector partners and the community, in the planning, design and construction of pipe laying, sewerage system, wastewater treatment plants and management. Ensuring best environmental practices in using high pressure flushing equipment that is safe for the environment.
- **Communal Sanitation System**: Developing communal septic tanks, MCK++ (Bathe, Wash, Latrine, i.e., public washing and sanitation facilities) including digesters and bio-gas distribution, installing hand-washing stations, water pipe laying, and sludge management.
- **Individual Sanitation System**: Improving septic tanks, latrines, and sludge management.

## EVALUATION OF ACTIVITIES FOR ENVIRONMENTAL IMPACT POTENTIAL, RECOMMENDED THRESHOLD DECISIONS, AND MITIGATION ACTIONS (INCLUDING MONITORING AND EVALUATION)

1. All activities that are recommended for categorical exclusion are within the scope of the approved IEE referenced as Asia 09-86 Indonesia IEE & ETD IUWASH Project and will not be repeated in this document.

2. IUWASH activities involving field studies and other actions that directly affect the physical or natural environment, including small-scale water and sanitation improvement and/or construction are expected to have some negative impacts on the natural or physical environment and are therefore recommended for a Negative Determination with Condition under 22 CFR 216.3(a)(2)(iii). The related **Environmental Monitoring and Mitigation Plan** is attached to this IEE.

## RECOMMENDED ENVIRONMENTAL ACTION

### Recommended IEE Determination

A Negative Determination with Condition under 22 CFR 216.3(a)(2)(iii) is recommended for small-scale water and sanitation improvement and/or construction work, field studies or other actions that are determined to have a direct impact on the natural or physical environment. **The Environmental Monitoring and Mitigation Plan** for such activities is described in the attachment.

### National Environmental Policies and Procedures

Like other nations, Indonesia faces the three most common constraints in consistent implementation of sustainable development principles: political, social, and institutional. Consistent implementation of sustainable development is not merely a decision or commitment, but a process. Indonesia has tried to apply the sustainable development concepts in its environmental protection policies. The concept requires a nation to anticipate and prevent environmental damage by carrying out environmental assessments for proposed development activities.

Environmental regulation in Indonesia provides that any plan that is foreseen to bring about a significant adverse impact on the environment shall be furnished with an environmental analysis. Significant adverse impact is determined by the size of population affected, size of the area disturbed, duration of impact, intensity of impact, and reversibility or irreversibility of the impact. A preliminary environmental assessment is only required for activities involving a modification of soil features and natural environment; exploitation of natural resources; a process and activity that affect the social and cultural environment; utilization of natural resources; a process and activity that affect the preservation of natural or cultural reserves; the introduction of new species of plants, animals or microbes; or a technological application that is foreseen to have considerable potential to affect the environment. Environmental procedures by sector are very well described in each provincial and district government. These procedures are based on the “umbrella” Environmental Law, Law No. 23 of 1997, and Government Regulation No. 27 of 1999 regarding Environmental Impact Assessment procedures.

The Contractor will work closely with officials from various departments to achieve the IUWASH Project targets. Experts or specialists in related disciplines from the local provincial or district government and/or technical consultants from local universities are involved in the planning and evaluation of project activities as well as the training of staff beneficiaries. This ensures that all Indonesian environmental policies and procedures are followed.

The Contractor will comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

# Environmental Mitigation and Monitoring Plan

Activity Title: Indonesia Urban Water, Sanitation and Health (IUWASH) Project
Implementing Partner: Development Alternatives, Inc. (DAI)

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| Drinking Water Supply | Raw Water Protection | · Infiltration Well (IC4) | · Creation of pools of stagnant water<br>· Contamination of water with nutrients and pathogens<br>· Erosions and run-off | · Monitor groundwater quality downstream<br>· Adequate protection from erosion | · Site has adequate slope<br>· No agricultural activities nearby<br>· Wells are dug above water table | · Quarterly monitoring and reporting/Water utility staff and community |
| | | · Tree Planting | · Pollution from pesticides and fertilizers<br>· Erosions, run-off, and sedimentation<br>· Inadequate water supply<br>· Increased humidity | · Ensure adequate site selection<br>· Avoid use of pesticides and excessive use of fertilizers<br>· Plant selection native/local vegetation | · Communities are assured of their ownership and secure community tenure rights<br>· Clear boundaries and no excessive clearing | · Quarterly monitoring and reporting/Community and respective local government units |
| | | · River Cascade | · Sedimentation<br>· Water conflict<br>· Contamination of ground or surface water when hazardous construction materials are spilled or dumped | · Use Gabion construction<br>· Socialization before construction | · Labor-based constructed gabions or rip-rap<br>· Construction supervised by qualified water engineers | · Quarterly monitoring and reporting/Community and respective local government units |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Raw water protection from wastewater | · Contamination of ground or surface water with pathogens and nutrients from agricultural, industrial and household wastewater<br>· Contamination of drinking water – ground and surface<br>· Potential collapse of pipe due to faulty engineering or pipe clogging resulting in leakage | · Local Government established a Local regulation (*Perda*) for wastewater protection<br>· Respective companies plan to improve water effluent quality | · Local regulation (Perda) implemented | · Quarterly monitoring and reporting/respective water utility |
| | | · Bronkaptering | · Erosion and sedimentation<br>· Water conflict<br>· Contamination with polluted surface water entering water source<br>· Diversion of groundwater flow decreasing water discharge at other nearby water sources | · Socialization before and after construction<br>· Construction of embankments to divert water run-off entering water source<br>· Construct alternative intakes for communities to have access to clean water | · Protection zones developed<br>· Not over-used and well maintained<br>· Stable water discharge<br>· No conflict on water use among communities<br>· Embankment constructed to protect water source from pollution | · Quarterly monitoring and reporting/Community, water utility and respective local governments |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Reservoir | · Reducing water access to communities<br>· Water use conflict<br>· Erosions and sedimentation<br>· Land conflict<br>· Biological contamination from inadequate protection of reservoir and water supply points | · Socialization before and after construction<br>· Test water quality before construction<br>· On-going water quality monitoring<br>· Put in place a regulatory system for water use | · Socialization before construction<br>· Regulation on water use in place<br>· Quality water sampling done at reservoir and outlet | · Quarterly monitoring and reporting/Public Works Office and water utility |
| | | · Pumps and Structure | · Arsenic and mercury poisoning<br>· Land conflict<br>· Deepening of water table<br>· Contamination of ground or surface water with nutrients and bacteria from organic and human waste<br>· Creation of pools of stagnant water<br>· Biological contamination from inadequate protection of wells<br>· Noise pollution<br>· Electricity hazard | · Socialization before and after construction<br>· Construction site well selected base on specifications<br>· Elevated or underground water tanks well constructed<br>· Pump site well protected | · Pump site well organized and maintained<br>· No complaints from communities<br>· Water well distributed to customers | · Quarterly monitoring and reporting/Community organization |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Bore Well | · Land conflict<br>· Deepening water table<br>· Creation of conflict between groundwater users<br>· Contamination of ground water with nutrients and bacteria from organic and human waste<br>· Biological contamination from inadequate protection of wells<br>· Sea water intrusion<br>· Noise pollution<br>· Electricity hazard | · Socialization before and after construction<br>· Site selection in accordance with hydro-geological survey recommendation<br>· Site selection in accordance with government regulation | · Well managed and organized water contribution to customers<br>· No complaints from water users on water quality<br>· Site selected according to recommendation | · Quarterly monitoring and reporting/Community organization |
| | · Pipe Installation | · Transmission Pipe and accessories (IC4) | · Erosion and sedimentation<br>· Land Conflict<br>· Create pools of stagnant water<br>· Potential collapse of pipe due to faulty engineering material<br>· Clogging of pipe | · Socialization before and after construction<br>· Land-fill done correctly and compacted according to standard<br>· Pipe well coated to protect from corrosion<br>· Pipes well joined and no leakages | · Transmission pipe well placed and constructed<br>· No other construction on top of the pipeline<br>· No water contamination from faulty engineering | · Monthly monitoring and reporting/Experienced technicians from water utility and the Contractor |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Distribution Pipe and accessories | · Erosions and sedimentation<br>· Land conflict<br>· Contamination of ground or surface water from erosion to nearby water sources<br>· Materials are spilled or dumped<br>· Damage to ecosystem and degradation of surface water quality<br>· Creation of pools of stagnant water<br>· Potential collapse of pipe due to faulty engineering material<br>· Clogging of pipe | · Socialization before construction<br>· Construction based on specifications and uses less toxic alternative product<br>· Land-fill done correctly and compacted according to standard<br>· Pipe well coated to protect from corrosion | · Distribution pipe well placed and constructed<br>· No other construction on top of the pipeline<br>· No leakage at pipe connection | · Monthly monitoring and reporting/Experienced technicians from water utility and the Contractor |
| | · Water Production | · Chlorination | · Transmission of disease in handlers and processors<br>· Quantity of chlorine in accordance with specifications | · Provide workers with appropriate protective clothing including rubber gloves, boots, long-sleeved shirts and pants. Train workers to wash hands and faces frequently with soap<br>· Train workers on water chlorination | · No complaints from water users on chlorine substance<br>· Adequate chlorine and other substance test | · Monthly monitoring and reporting/Experienced technicians from water utility and the Contractor |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Filtration | · Transmission of disease in handlers and inadequate installation of filters<br>· Pipe clogging | · Choose the correct filter for the system<br>· Test water before and after installation of filters<br>· Use better media for filters | · Water is clear, have no smell, no taste of other substance and is safe for consumption<br>· No complaints from water users.<br>· No clogging at filter and decreased in capacity at outlet | · Monthly monitoring and reporting/Experienced technicians from water utility and the Contractor |
| | | · Uprating Capacity | · Well selected uprate filters media to increase capacity flow<br>· Transmission of disease in handlers | · Choose correct system/media filter for uprating<br>· Check the inlet, outlet, and flow control pipe and valves that accept the higher flow rates | · Increased in-flow capacity without lesser water quality | · Monthly monitoring and reporting/Experienced technicians from water utility and the Contractor |
| | | · Water Treatment Plant Improvement | · Sedimentation and erosion<br>· Uncontrolled sludge removal<br>· Pollution of river flow, surface and ground water, sea and shore | · Water quality at clear well and outlet are according to standard<br>· Aerated, sedimentation, coagulation tanks are functioning well | · pH and BOD measurements at outlet are according to standard | · Quarterly monitoring and reporting/Water utility technicians |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Mechanical Electrical | · Noise pollution<br>· Electricity hazard | · Noise protection<br>· Certified material and proper installation by qualified electrician | · All mechanical and electrical installations are according to standards<br>· No complaints from community<br>· No electricity hazards<br>· System of reporting established | · Quarterly monitoring and reporting/Water utility technicians |
| | · Distribution (IC4) | · District Meter Area (DMA) | · None | · Construction based on specifications<br>· Construction and/or maintenance conducted by experienced engineers/technicians | · District meter in correct place | · Quarterly monitoring and reporting/Water utility technicians |
| | | · Box Pressure Meter | · None | · Construction based on specifications<br>· Construction and/or maintenance conducted by experienced engineers/technicians | · Box meter in correct place and constructed based on specifications | · Quarterly monitoring and reporting/Water utility technicians |
| | | · Pipe Laying | · Erosion and sedimentation<br>· Pipe ditches across roadways causing public inconvenience<br>· Stagnant water | · Refill and compaction of pipe ditches completed according to standards | · No stagnant water<br>· Convenient roadway | · Quarterly monitoring and reporting/Water utility technicians |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Installation of individual water meter | · None | · Installation done by certified plumbers | · Meter functions normally, in line with standards | · Quarterly monitoring and reporting/Water utility technicians |
| | | · Installation of Ground/ Elevated Water Tank | · Land conflict<br>· Erosion and sedimentation<br>· Contamination from nutrients, pathogens and excreta (diarrheal and parasitic) | · Construction implemented by certified engineers<br>· Community well informed prior to construction | · No standing water<br>· Water quality in accordance with standards | · Quarterly monitoring and reporting/Water utility technicians |
| | | · Pipe Crossing | · Erosion and sedimentation | · Foundation and embankments constructed according to specifications | · No erosion and sedimentation | · Quarterly monitoring and reporting/Water utility technicians |
| | · Water Services (IC4) | · Water Meter Calibration<br>· Water Meter Replacement | · None | · Calibration and replacement done by certified technicians | · Water meter functions normally, matching actual use by customers | · Quarterly monitoring and reporting/Water utility technicians |
| | | · Billing System and Payment Point | · None | · Accurate billing system and convenient payment point | · Billing according to correct meter reading | · Quarterly monitoring and reporting/Water utility administrators |
| | | · Service Pipe Installation and Meter | · Land and social conflict<br>· Change of land surface<br>· Potential collapse of pipe due to faulty engineering, material and/or misuse of land<br>· Pipe clogging | · Socialization before construction<br>· Construction based on specifications<br>· Avoid heavy construction built on top of pipe<br>· Place sign showing pipe location | · Sign showing pipe location correctly placed<br>· No leakages or stagnant water | · Quarterly monitoring and reporting/Water utility technicians |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Sewer construction | · Erosion and change of land surface<br>· Land conflict<br>· Sedimentation<br>· Contamination of ground or surface water when pipes leak<br>· Odorous nuisance and/or increase in insects and flies<br>· Potential collapse of pipe due to faulty engineering, material and/or misuse of land | · Socialization before and after construction<br>· Construction based on specifications<br>· Avoid heavy construction built on top of pipes<br>· Avoid plants growing near sewer pipes<br>· Provide sewer pipe signage | · Socialization done prior to construction or rehabilitation<br>· No leakage<br>· Proper safety signs installed<br>· Sewer pipes clear from grease, tree roots and other potential blockages | · Monthly monitoring and reporting/Local government agency engineers |
| | | · IPAL/IPLT | · Erosion and change of land surface<br>· Land conflict<br>· Sedimentation<br>· Contamination of groundwater with *escherichia coli*<br>· Contamination of in-pipe and end-pipe<br>· Odorous nuisance and/or increase in insects and flies<br>· Not aesthetic | · Socialization before and after construction<br>· Embankments well constructed<br>· Regular testing of groundwater quality<br>· Testing of in-pipe and end-pipe pollution prevention<br>· Reducing odor problems<br>· Landscaping | · Drainage and bufferzone well maintained<br>· There are well-trained staff operating and maintaining the plant | · Monthly monitoring and reporting/Local government agency engineers |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| | | · Sewer Cleaning Equipment and operation | · Noise and odor nuisance to neighbors<br>· With high pressure water and vacuum capability there will be spillages and stagnant water | · Use well qualified plumbing sewer drain contractors<br>· Operate in smaller, more confined environment | · Sewer drainage clean<br>· No spill of sewer sludge on site | · Monthly monitoring and reporting/Local government agency engineers |
| | | · Simple Waste Water Treatment Plant | · Erosion and change of land surface<br>· Land conflict<br>· Sedimentation<br>· Contamination of ground or surface water from waste leakages and damage to water quality<br>· Odorous nuisance and/or increase in insects and flies<br>· Possible wastewater/by-product run-off<br>· Methane gas explosion risk/fire risk<br>· Potential collapse of pipe due to faulty engineering, material and/or misuse of land<br>· Sludge spilling<br>· Transmission of disease to field workers | · Socialization before and after construction<br>· Construction based on specifications<br>· Conduct proper maintenance<br>· Ensure proper drainage of wastewater run-off<br>· Establish buffer zone between site and inhabitants and locate downwind from inhabitants<br>· Adequate SOP and training for operators<br>· Field workers equipped with gloves and masks | · Clarification process well done<br>· Biological treatment (either aerobic or anaerobic) well implemented<br>· Water filtration and disinfection through an environmental friendly process (e.g., ozone or UV)<br>· Well-organized sludge treatment | · Monthly monitoring and reporting/Local government agency engineers |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| · COMMUNAL (Community + Public Facilities) | | · Communal Septic Tank (Type)<br>· Installation of Hand washing station<br>· Pipe laying<br>· MCK + Digester<br>· Sludge Treatment<br>· Gas Pipe Line | · Contamination of ground or surface water from overflow of waste with nutrients, pathogens, BOD and suspended solid (SS)<br>· Odorous nuisance and/or increase in insects and flies<br>· Possible wastewater/by-product run-off<br>· Methane gas explosion risk/fire risk<br>· Pathogens remain immature due to insufficient time for compost to mature<br>· Potential collapse of pipe due to faulty engineering, material and/or misuse of land<br>· Erosion and sedimentation from pipe laying | · Periodic measurement of combined sludge and scum depth<br>· High vent pipes are used<br>· Tank, lids, and access risers checked routinely<br>· Effluent screen checked regularly<br>· Keep site clean<br>· Adequate SOP and training for operator<br>· Ensure reliable system for safe sludge removal and transportation<br>· Ensure that collected sludge is adequately treated and not directly applied to field<br>· Ensure sufficient time for compost maturation | · Communal septic tank functions normally<br>· No odor<br>· Sludge removal follows SOP<br>· Compound clean<br>· Records kept well | · Monthly monitoring and reporting/Community-based cooperative or community organization |

| Type of Activity | Activity Category | Activity | Potential Adverse Impact | Mitigation Measure(s) | Monitoring Indicator(s) | Monitoring, Reporting Frequency/ Parties Responsible |
|---|---|---|---|---|---|---|
| · INDIVIDUAL | | · Septic Tank Improvement<br>· Toilet/Latrine Improvement<br>· Desludging | · Erosion and change of land surface<br>· Land conflict<br>· Sedimentation<br>· Contamination of ground or surface from leakage of septic tank<br>· Odorous nuisance and/or increase in insects and flies<br>· Possible wastewater/by-product run-off<br>· Methane gas explosion risk/fire risk<br>· Pathogens remain immature due to insufficient time for compost to mature<br>· Potential collapse of pipe due to faulty engineering, material and/or misuse of land | · Evaluate depth of water table, including seasonal fluctuations, and groundwater hydrology<br>· Ensure reliable system for safe sludge removal and transportation<br>· Ensure that collected sludge is adequately treated and not directly applied to field<br>· Sites for septic tanks and drainage fields must be a minimum of 10 meters from any groundwater sources<br>· Ensure sufficient time for compost maturation<br>· Use proper design<br>· Best practices according to SOP | · Septic tank function normally<br>· No odor<br>· No spilling during sludge removal | · Monthly monitoring and reporting/Community |

**INDONESIA URBAN WATER SANITATION AND HYGIENE**

**Mayapada Tower 10th Fl**
**Jl. Jend. Sudirman Kav. 28**
**Jakarta 12920**
**Indonesia**

**Tel. +62-21 522 - 0540**
**Fax. +62-21 522 – 0539**

**www.iuwash.or.id**