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ASIAN DEVELOPMENT BANK

REVIEW AND ASSESSMENT REPORT

OF THE

SPECIAL PROJECT FACILITATOR

ON

COMMUNITY EMPOWERMENT FOR RURAL DEVELOPMENT PROJECT (CERDP)

INDONESIA



April 2005

ABBREVIATIONS

| | | |
|------------|---|--|
| ADB | - | Asian Development Bank |
| BPD | - | <i>Badan Perwakilan Desa</i> (village council) |
| CAC Plan | - | Community Awareness Campaign Plan |
| CBPM | - | Community-based Planning Mechanisms |
| CBSLO | - | Community-based savings and loan organization |
| CERDP | - | Community Empowerment for Rural Development Project |
| DGRCE | - | Directorate General of Rural Community Empowerment |
| EA | - | Executing Agency |
| GoI | - | Government of Indonesia |
| IRM | - | Indonesian Resident Mission |
| KKPD | - | <i>Kelompok Kerja Pembangunan Desa</i> |
| LK3 | - | <i>Lembaga Kajian Keislaman & Kemasyarakatan</i> |
| MOHA | - | Ministry of Home Affairs |
| MPBM | - | <i>Mekanisme Perencanaan Berbasis Masyarakat</i> |
| MUSBANGDES | - | Village Development Forum |
| NGO | - | nongovernment organization |
| O+M | - | operation and maintenance |
| OSPF | - | Office of the Special Project Facilitator |
| PIU | - | project implementation unit |
| PMO | - | project management office |
| RAR | - | Review and Assessment Report |
| RT | - | <i>Rukun Tetangga</i> (unit below the village) |
| SPF | - | Special Project Facilitator |
| YCHI | - | Yayasan Cakrawala Hijau Indonesia |
| YDA | - | Yayasan Duta Awam |

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EXECUTIVE SUMMARY

1. The Community Empowerment for Rural Development Project (CERDP) in Indonesia¹ includes four components with component A supporting an institutional development process to improve community-based planning mechanisms, component B including the establishment of community-based savings and loan organizations (CBSLOs); under component C rural infrastructure is constructed, and component D supports project management and monitoring. The project is in its 5th year of implementation. Project administration is with the Indonesian Resident Mission (IRM).

2. The Special Project Facilitator (SPF) registered a complaint from the 5 villages of Kiram, Handil Baru, Kali Besar, Handil Negara, and Mandiangin Barat in South Kalimantan on CERDP on 9 March 2005 (www.adb.org/spf). The major issues are that (i) infrastructure was constructed in 2002 without following sequencing of components and without villagers' participation; (ii) some of this infrastructure is faulty, and improvements were unsatisfactory. Villagers reported decline in agricultural production, loss of income, transportation problems, loss of time, and conflicts between different neighborhoods (RTs)². The villages except for Handil Baru have not received the components A, B, and D of the project. OSPF declared the complaint eligible on 23 March 2005. The review and assessment comprised a review of documents, interviews with key stakeholders, and in-depth interviews at village level. It confirmed the issues of the complaint being (i) infrastructure, (ii) sequencing of project components, (iii) information, and (iv) participation in decision making. The project is complex, quite innovative, and challenging to manage.

3. Infrastructure in the five villages has been constructed partly with contractors, partly with village implementing groups (POKLAK). Many of the villagers – and even sometimes local government do not know details of the infrastructure constructed. Funds were provided in 2003 and 2004 for maintenance. Different stakeholders at village level have different opinions of the condition of the infrastructure. They also have varying knowledge of the project's other components. Some are extremely well informed, in particular the village heads and POKLAK, and some, but not all of the signatories of the complaint letter. Female interviewees from among the villagers know extremely little about CERDP. Most of the stakeholders agree that information dissemination, in particular in the early stages of the project was limited. Participation of villagers in decision-making on the type of infrastructure was apparently also limited. Support to the complaint is not equally strong in the communities. In some villages people are of the opinion that the infrastructure is in rather good condition, and the complaint is exaggerated. Others would strongly support the complaint. All villagers have a genuine interest in developing their villages, and in equally distributing benefits of project interventions, but some of the expectations are not within the framework of CERDP. Due to a lack of transparency in the financial management of the early CERDP activities, trust and confidence of villagers in their local governments seem eroded in a number of cases. It is not clear, whether frictions and disputes among individuals are rooted in project-related issues, or evolved out of other concerns. Open discussions seem to be rather the exception than the rule in village level disputes. It is generally agreed among government, consultants, IRM and communities that capacity-building for decentralized development planning under component A of the project should have been implemented first. The Project Management Office and the Project Implementation Unit have confirmed that the remaining four villages will be included in the other

¹ Loans 1765-INO(OCR) and 1766-INO(SF) for \$170.2 million were approved on 19 October 2000.

² A "Rukun Tetangga" (R.T.) is a neighborhood, the unit below the village.

components in 2005. It is expected that with this inclusion a number of the concerns will improve or become irrelevant.

4. Willingness to solve the problems has been ascertained from most stakeholder groups. Each village represents a different micro cosmos with its own dynamics. Value systems are under scrutiny. In some cases those in power feel threatened. Others have high hopes to become empowered. Expectations vis-a-vis the project need to be put into perspective.

5. The majority of stakeholders at the village level clearly focus on infrastructural issues, which need to be rectified. They are not sure whether O+M funds are still available in 2005. More informed village stakeholders suggest using the village grant, which is provided under component A for infrastructural improvements. Some villagers seem to assume that CERDP will be able to allocate budget for additional larger infrastructure. There is an urgent need for CERDP to explain to the villages what criteria apply, and what budgets are available on a village-by-village basis. It seems that villagers' expectations by far exceed the means and agreed upon criteria of the project. In addition, obligations of villagers in maintaining infrastructure they received need to be discussed. Flaws in design and construction of the infrastructure, if they exist, need to be repaired. In some cases villagers might have to accept that certain infrastructure needs regular maintenance, which involves also their commitment and resources. With the inclusion of the villages in the other components of CERDP it is expected that information dissemination will widely improve. CERDP should make sure that all RTs are receiving information equally, and the less accessible ones are not left out. CERDP should thoroughly introduce its complaint handling unit to the villagers, aiming at a constructive and open feed-backing mechanism at the lowest level possible.

6. Participation in decision-making is an integral part of empowerment. It is expected that with the provision of components A and B, the villagers will have better opportunities to participate. Involving members of the village council (BPD) in project implementation in the five villages could be an important contribution to sustainability of CERDP.

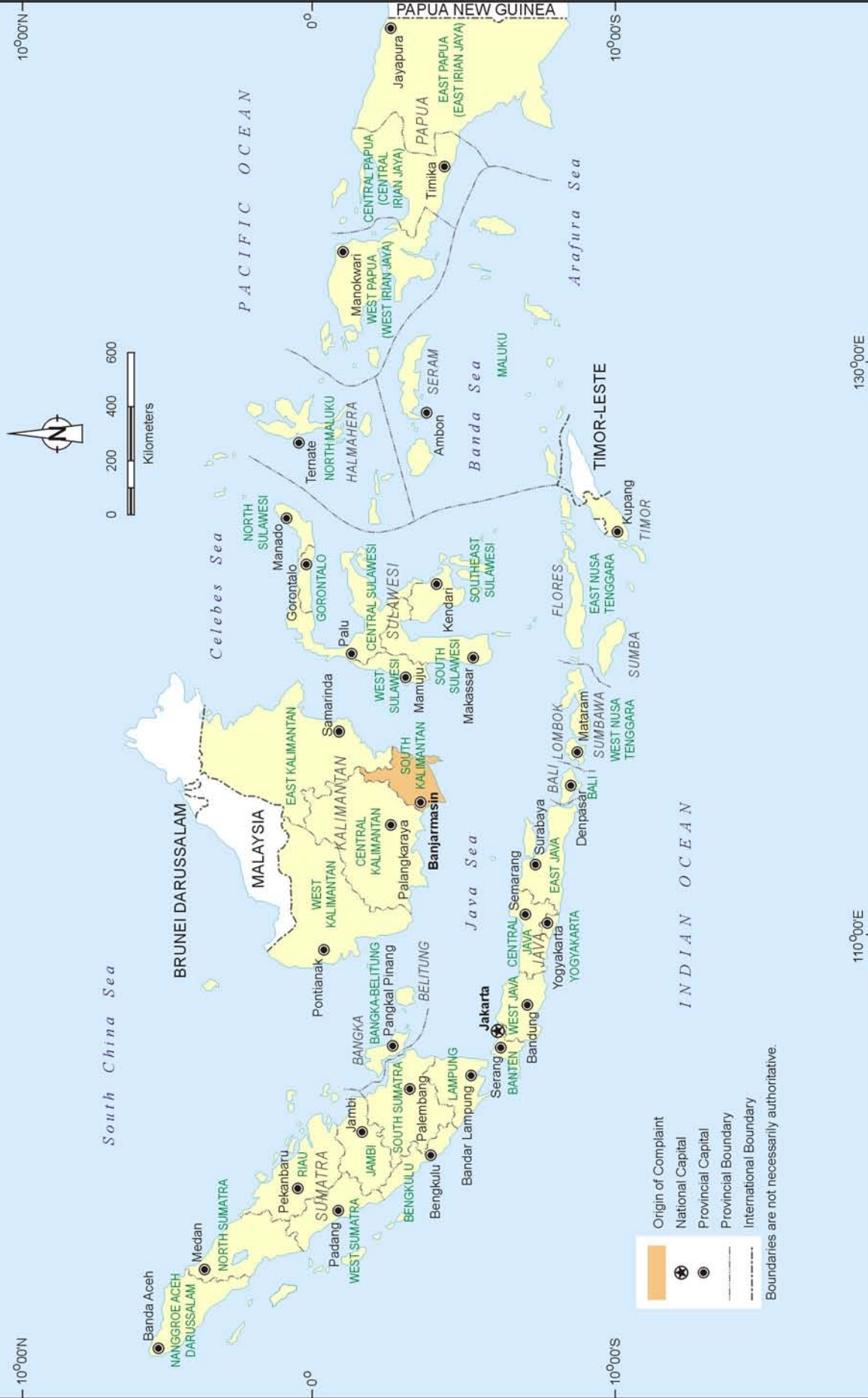
Proposed Course of Action

7. The five villages have confirmed different expectations and priorities. The support to the complaint at the village level also varies. Therefore, a village-by-village approach involving representatives from the villages will be used to (i) agree on principles; (ii) confirm willingness to engage; (iii) re-confirm priorities; (iv) agree on steps to be taken; (v) accept ground rules; and (vi) agree to a schedule to be followed. The communities will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed. The course of action will be agreed for each village separately, and will be worked out through

- (i) a joint fact-finding activity to clarify the infrastructure under discussion; and
- (ii) a multi stakeholder consultation at village level to agree on the issues and action to be taken, responsibilities and a time frame for the implementation of the course of action.

INDONESIA

COMPLAINT ON COMMUNITY EMPOWERMENT FOR RURAL DEVELOPMENT PROJECT



I. BACKGROUND

A. The Project

1. The Community Empowerment for Rural Development Project (CERDP) in Indonesia¹ includes four components. Component A supports (i) an institutional development process to improve community-based planning mechanisms to help local government and village communities plan and implement development programs according to the new decentralization laws, (ii) human resource development to support formal degree training for 1,773 staff of the Directorate General of Rural Community Empowerment (DGRCE) and local governments involved in community development, and (iii) a village grant to support the community training program. Component B will support the establishment of community-based savings and loan organizations (CBSLOs) in the targeted areas of Kalimantan and Sulawesi (about 750 village communities) so that the targeted communities would have the capacity to obtain and service loans from financial institutions for microenterprise development. Component C will support the construction of rural infrastructure for the targeted communities to link poor communities to markets. Component D will provide support for project management and monitoring. CERDP is targeted at 11 districts in six provinces of Indonesia: Central Kalimantan, East Kalimantan, South Kalimantan, Central Sulawesi, North Sulawesi, and Southeast Sulawesi. DGRCE of the Ministry of Home Affairs is the executing agency (EA).

2. The Loan Agreements were signed on 15 December 2000. The loans became effective on 12 March 2001. The project is in its 5th year of implementation. The project administration was transferred to the Indonesian Resident Mission (IRM) in July 2002. A midterm review has been conducted from 29 November to 15 December 2004.

B. The Complaint

1. Complaint History

3. In 2002 the NGOs Yayasan Cakrawala Hijau Indonesia (YCHI) in Banjarbaru, Lembaga Kajian Keislaman & Kemasyarakatan (LK3) in Banjarmasin, and Yayasan Duta Awam (YDA)² with office in Solo, Central Java started a participatory monitoring of CERDP in eight villages in South Kalimantan. The participatory monitoring included village monitors selected from among the villagers in each community. The effort was funded by Ford Foundation and resulted in a report published in 2003.³ The three NGOs also organized seminars to introduce the concept of participatory monitoring and to disseminate the results from the monitoring in the eight CERDP villages. Issues raised in the seminars and in the report were similar to the ones put forward in the complaint. Various efforts at different levels of project implementation and at ADB to resolve those issues did not yield the results expected by communities and NGOs.

2. Contents and Issues

4. The Forum Masyarakat Peduli CERDP submitted a complaint to the Special Project Facilitator (SPF) on 18 February 2005, which SPF registered on 9 March 2005. 8 persons, 3 of them representing NGOs and 5 villagers signed the complaint and requested confidentiality. Their names are on file with OSPF. The complaint consists of a cover letter, a complaint letter in

¹ Loans 1765-INO(OCR) and 1766-INO(SF) for \$170.2 million were approved on 19 October 2000.

² YDA is a member of the NGO Forum on the ADB in Manila.

³ A copy of this publication *Rakyat Memantau Proyek Utang Laporan Monitoring Partisipatif Terhadap (CERDP)* was provided to OSPF.

English and Bahasa Indonesia and 9 appendices partly in English, partly in Bahasa Indonesia, some in both languages. As the cover letter stated that in case of discrepancies between the English and the Bahasa Indonesia versions of the complaint letter, the main reference would be the Bahasa Indonesia version, OSPF requested an independent translator to provide translation of this and two other documents. The English version of the complaint letter is in Appendix 1, a complete set of the complaint letter in English, Bahasa Indonesia and the attachments can be found at www.adb.org/spf.

5. The main issues reported in the complaint are that (i) infrastructure, mainly rural roads, bridges and water supply put into place in 2002 under component C of CERDP was constructed without following CERDP's sequencing of components and without villagers' participation in planning and design; some of this infrastructure is faulty, and improvements made in some locations were unsatisfactory; and (ii) the five villages⁴ until now had not received the parts A, B, and D of the project.⁵ As a consequence of faulty design and construction the villagers suffered decline of agricultural production, loss of income, transportation problems, loss of time and decreasing motivation to participate. In some instances conflicts between different neighborhoods (RTs)⁶ were reported.

C. Determination of Eligibility

6. An eligibility check including a visit to the project area, discussions with central, provincial, district and sub district governments, the implementation consultants, NGOs supporting the complaint, and complainants/signatories to the complaint letter took place from 14 to 21 March 2005. OSPF declared the complaint eligible on 23 March 2005 and informed the complainants that the five signatories from the villages were accepted as the complainants. OSPF understands that they are supported by a number of people from these villages, who duly appointed them as their representatives. From the meeting held with the three NGOs, YCHI, LK3 and YDA on 17 March 2005 in the office of LK3, it was understood that YCHI, LK3 and YDA could not be accepted as complainants, but have taken on an important role as intermediaries between the representatives of the villagers and OSPF.

II. REVIEW AND ASSESSMENT

A. Objectives and Methodology

7. OSPF's role is to facilitate solutions to the issues as described by the different stakeholders, and to initiate and guide the consultation process. OSPF offers help to the parties involved in CERDP to resolve their issues through (i) supporting the Complainants in setting the stage for their decision-making, providing opportunities for them to meet and discuss strategies, acquiring much needed information, and; (ii) setting the stage for all parties involved to come to solutions. It is OSPF's responsibility to treat all parties with respect, care for them and assure procedural fairness. It is not OSPF's role to take decisions on right or wrong, solve problems, detect the truth or arbitrate in favor of one of the parties involved. This Review and Assessment Report (RAR) is not intended to provide any definitive judgment on any issue related to CERDP, an evaluation of any stakeholder group or individual, or a set of expert recommendations on how the issues should be solved. It is intended to assist the stakeholders better understand each other's goals and concerns and to help them consider options to address those concerns.

⁴ The five villages are Kiram and Mandiangin Barat in subdistrict Karang Intan and Handil Baru in subdistrict Aluh-Aluh, both in district Banjar; and Handil Negara and Kali Besar, both in subdistrict Kurau, district Tanah Laut.

⁵ One of the villages, Handil Baru, however, was included in the 2004 batch of villages for components A, B.

⁶ A "Rukun Tetangga" (R.T.) is a neighborhood, the unit below the village.

Given this understanding, this RAR presents an independent and neutral assessment. It is provided to the complainants (through the NGOs) and IRM first, in English and in Bahasa Indonesia. Once the complainants have decided to continue with the consultation phase, and if both, the complainants and IRM agree, the report will be made available to the government as well.

8. The review and assessment (step 4 of the consultation process) included (i) a desk-based review of documents, including the Report and Recommendation of the President (RRP), back-to-office reports, Aide Memoirs, Memoranda of Understanding and other salient documents; (ii) interviewing ADB staff currently and previously involved in the project;⁷ (iii) discussions with the three NGOs; (iv) a field-based assessment consisting of on-site visits of the infrastructure under discussion, and 83 interviews with key stakeholders in the five villages; and (v) discussions with staff and decision-makers from the Ministry of Home Affairs and Regional Autonomy, DGRCE, local governments, and consultants from the Central and the Regional Consultants Team.⁸

9. The field-based review and assessment included detailed qualitative interviews using three sets of semi-structured questionnaires for different stakeholders.⁹ Its objective was to (i) identify the key stakeholders; (ii) confirm the key issues arising from the complaint; and (iii) explore stakeholders' readiness for joint problem-solving and how they might want to initiate a process of dialogue to address the issues. The on-site inspection of the infrastructure constructed under the project (roads, and culverts, bridges and water supply) was conducted to (i) get a systematic overview of the villagers' actual understanding of infrastructure built under CERDP, its reported flaws and improvements made as well as its present condition; (ii) determine the benefits from the infrastructure; and (iii) determine the degree of agreement or disagreement on improvements to be made. Summaries of results from the field-based review and assessment are presented village-by-village in Appendix 3.¹⁰ They are not in any ways statistically representative of villages, or can be generalized for the entire project. Quantitatively aggregating the results would be inappropriate, but qualitative trends can be discerned and are highlighted in the main text, and the summaries of this RAR (Appendix 3).

B. Identification of Stakeholders

1. The Five Communities

10. The five communities certainly have a direct and long-term stake in CERDP. They comprise a large and diverse set of stakeholders. While there are many different ways to categorize this group, OSPF has initially grouped them into six categories: (i) the signatories of

⁷ IRM has provided OSPF with a position paper, which is quoted in this report.

⁸ The OSPF Team consisted of Karin Oswald, Senior Project Facilitation Specialist, OSPF, Ma. Roserillan S. Robidillo-Ortega, Consultation Coordination Officer, OSPF, Ursula Hammerich, Consultant and the two translators Heryanti Umiyarsi and Pak Wahnani. The OSPF Team appreciated the assistance received from all parties, the readiness to meet and to share information, the openness in answering our questions. The OSPF Team is particularly grateful to the communities, who despite their busy schedules during planting season made themselves available for the interviews.

⁹ The three sets of questionnaires were to interview (i) the village heads and the heads of the village council Badan Perwakilan Desa (BPD), (ii) the village implementing group (Kelompok Pelaksanaan, POKLAK), and (iii) signatories of the complaint and the supporting letter, and other villagers not represented in the complaint. The semi-structured questionnaires are in Appendix 2.

¹⁰ Many interviewees in the villages have asked for confidentiality. Information from the villages at times can be easily attributed to individuals. To protect the confidentiality of the villagers, OSPF has prepared summaries of the field-level assessment only. It has also summarized key stakeholder categories.

the complaint; (ii) signatories of the supporting list of the complaint; (iii) village heads, members of the village council (Badan Perwakilan Desa, BPD) and some members of the so-called village apparatus, which consists of staff supporting the village head; (iv) members of the POKLAK;¹¹ and (v) other villagers. Another group of initially identified stakeholders, the Village Empowerment Institution (Lembaga Pemberdayaan Masyarakat, LPM) does not seem to exist in the villages. An effort was made to interview as many women as possible to ensure that their views would also be included in the review and assessment. Some of these groups represent the communities officially; the village heads are elected village representatives, or are part of the village government structures. POKLAK is a key group in implementing project activities. Views and perspectives of signatories of the complaint, and the supporting list needed to be validated with other villagers' views and perspectives. Professional backgrounds of the key stakeholders at village level vary considerably and cover a variety of professional backgrounds from teachers, who usually form part of the village elite to shop owners, or farmers. They also represent different poverty levels and educational backgrounds.

11. Overall the different groups' knowledge on CERDP varies considerably. Some are extremely well informed, in particular the village heads and POKLAK, and some, but not all of the signatories of the complaint letter. Among the signatories of the supporting list there seems to be some confusion on what they have supported through their signatures. Some of them thought that they had signed a request to receive CERDP's components A and B, rather than a complaint. Only very few women are among the signatories. Female interviewees from among the villagers know extremely little about CERDP. Expectations and demands among villagers vary considerably. They have a genuine interest in developing the RTs they are living in and some confirmed the importance of developing other RTs of their village as well. Although a substantial number of these villagers did not know about the complaint, many would still support it, while others feel, that "there is nothing to complain about".

12. The village heads, appointed earlier, but elected since the new decentralization laws took effect in 2001 and 2002, are considered important links between the sub-districts, the PIU at district level, and the communities. Support to the complaint among the village heads varies from full support, to partial support, to no support in one village. Trust and confidence of the communities into the village heads representing the interest of the villagers also varies. The presence of the village head, however, in any further consultation process is a clear requirement for finding sustainable solutions to the issues.

13. BPDs exist in all five villages, and they usually consist of five members. It is a relatively new local government institution and in some cases still trying to define its role. Its main objective is to empower the community, act as village council, organize meetings to discuss projects, and receive complaints. The members of BPD claim that their levels of knowledge on, understanding of and involvement in CERDP were rather limited in the past. Heads of BPD support the complaint.

14. Reportedly POKLAK in the five villages was only established after construction of infrastructure was almost completed. It seems also that POKLAK suffers from lack of rules and regulations that would define their involvement and power in supervision and monitoring of

¹¹ POKLAK is the Indonesian abbreviation for implementation group (Kelompok Pelaksanaan). According to the information received from the Central Consultants Team (CCT) it is the group of poor villagers who are in charge of implementation of development projects in the village. Their duties include purchasing materials, organizing work schedules, basic simple project management in the village. Once a village proposal is selected the POKLAK turns it from proposal into reality.

construction or financial matters. POKLAK members' knowledge of CERDP and their roles and responsibilities varies considerably. Not all of them support the complaint.

2. The Three NGOs

15. YCHI, LK3 and YDA understand themselves as supporters to the communities, committed in assisting villagers getting CERDP-related problems solved, and ultimately enjoying benefits from the project. Their relationship on CERDP started in 2002 when they assisted the communities in the participatory monitoring in initially eight villages in South Kalimantan. The signatories seem to trust the NGOs and would like them involved as intermediaries in the course of the consultation phase. NGOs' feel that they have considerably contributed to empowering the communities and need to remain engaged.

3. Government Institutions and Consultants

16. The Government of Indonesia (GoI) has obvious stakes in this project. It provides \$55.2 million or 32% of the total project costs. The project also supports GoI's decentralization process and the realization of its poverty reduction efforts. CERDP is complex and innovative. It comprises a large number of government staff and consultants (four packages, four different companies) at central, provincial, district, sub-district, and village levels in its implementation. It has suffered – and still does - from delayed budget allocations, and delayed consultant recruitment. The management of such a project is quite challenging. The project provides ample opportunity to government staff at the central, but also at provincial, district, sub-district and village level to understand and practice their new roles in a decentralized system. Strengthening regional autonomy and reorienting and retraining DGRCE staff and devolved staff for their new responsibilities are part of the project.

4. ADB - Indonesian Resident Mission

17. ADB and IRM have an obvious stake in the project. ADB provides two loans with a total of \$115 million or 68% of the total project costs and has an interest in ensuring that concerns of the communities are addressed. ADB is equally interested in ensuring that the significant investment in process-oriented activities generate positive social impacts, that villagers would develop and apply planning and management skills and be in a position to advocate for their interests. IRM is tasked with the rather challenging administration of this complex project and had a number of contacts with the NGOs monitoring CERDP. *"In a meeting with the NGOs in Banjarmasin in February 2003, and in a letter sent to them on 28 June 2004, IRM staff acknowledged that the rural infrastructure works that were implemented in 2001 and 2002 were carried out with limited involvement of the community primarily because the NGO facilitators had not yet been recruited and funds were already provided for the district budgets and district officials decided that these works should proceed. Community participation was minimal, through MUSBANGDES (Village Development Forum)¹² to select the prioritized infrastructure.(...) At the request of NGOs, the Midterm Review Mission met with them on 1 December 2004 in Banjarmasin (where they) raised the same concerns (as before). "*¹³

¹² The members of MUSBANGDES are usually made up of community leaders, representatives of youth groups, religious leaders, local government staff at village level.

¹³ IRM Position Paper, April 2005.

C. Identification of Issues

18. In the interviews and meetings held by OSPF, stakeholders mentioned varied and often different sets of concerns ranging from rather broad ones to more individual concerns specific to villages, groups, or even persons. This section tries to synthesize and organize the views expressed by various stakeholders around a manageable set of the most pertinent concerns. It describes the opinions of stakeholder groups. The purpose is not to validate or deny any view, but to present the salient opinions and perceptions of key stakeholders for each key issue.

19. The issues have been grouped into the following broad categories:

- Infrastructure
- Sequencing of Project Components
- Participation in Decision-making
- Information

1. Infrastructure

20. The main areas of concern are faulty or incomplete infrastructure, the use of operation and maintenance (O+M) funds for improvement of quality rather than for maintenance. Complainants feel that O+M funds should not have been used for major repair works or to complete or improve faulty or incomplete infrastructure. Several villagers were highly dissatisfied with some of the infrastructure built, while others were quite satisfied even with a potholed road. Delayed budgetary allocations led to some wealthier villagers advancing funds in order to start project implementation and ensure timely completion. Complainants state that the implementation of the infrastructure led to social problems during and after construction: (i) not all RTs benefit equally from the infrastructure, (ii) not all villagers within an RT benefit equally; (iii) competition among laborers willing to work below the official daily wages occurred in one village; and (iv) in another village not everybody could be employed in the project. Negative economic impacts of infrastructure, some of them during construction, few still on-going are related to (i) increased transport costs due to worsening road condition; (ii) loss of income due to loss of paddy fields provided for road construction;¹⁴ (iii) closed culverts hampering drainage of paddy fields in dry season and resulting in decreased harvests and reduced income.

21. However, villagers interviewed by OSPF also mention enjoying a wide number of benefits from the infrastructure. There is better access to markets, better inter-village connections, and the transport of people and goods became faster and cheaper. In some cases also the transport has become more reliable, as they do not depend on river transport and high and low tides anymore. They also recognize better access for traders bringing goods to the villages. Their children have a better access to their schools. There is clean drinking water and considerable time is saved in fetching water.

22. There is confusion among many of the villagers on details of the infrastructure provided, e.g. specifications of roads (length, width, materials), bridges, or numbers of culverts. Consequently, their complaints mostly relate to details of specifications, which seem to be due to quality of design and construction. The infrastructure provided to the five villages between 2001 and 2003 is listed in CERDP's Annual Report 2003 (Table 1).¹⁵

¹⁴ Interviewees, however, stated that they had no problems with providing land, as long as the infrastructure constructed on that land would be in good condition.

¹⁵ Departemen Dalam Negeri Republik Indonesia, Direktorat Jenderal Pemberdayaan Masyarakat dan Desa. Perkembangan Pelaksanaan Proyek. Pemberdayaan Masyarakat untuk Pembangunan Desa, Tahun 2003. Jakarta. It is available in Bahasa Indonesia only.

Table 1: Infrastructure Provided under CERDP in Five Villages

| District/Sub-district/Village | Infrastructure provided |
|--|--|
| District Banjar <i>Sub-district Aluh-Aluh</i> | |
| Handil Baru | Rehabilitation of 2.95 km of village road |
| <i>Sub-district Karang Intan</i> | |
| Kiram | Rehabilitation of 1.7 km of village road Construction of water supply |
| Mandiingin Barat | Rehabilitation of 0.5 km of village road Construction of village bridge Construction of water supply |
| District Tanah Laut <i>Sub-district Kurau</i> | |
| Handil Negara | Rehabilitation of 1.1 km of village road |
| Kali Besar | Rehabilitation of 2.36 km of village road |

Source: Departemen Dalam Negeri Republik Indonesia, Direktorat Jenderal Pemberdayaan Masyarakat dan Desa. *Perkembangan Pelaksanaan Proyek. Pemberdayaan Masyarakat untuk Pembangunan Desa*, Tahun 2003. Jakarta.

23. The Project Management Office (PMO)¹⁶ and the engineers¹⁷ involved in CERDP are of the opinion that the infrastructure provided to the five villages is generally good. There is principal agreement that if there are still problems, those need to be fixed within the possibilities of the project and if technically feasible. IRM has been informed by the government's action of checking the infrastructure and was provided with the report. *"PMO staff with the assistance of project facilitators have conducted a re-inventory of the project facilities in the five villages from 4 to 7 April 2005. The report was submitted to ADB on 14 April 2005. The report said that the constructed rural infrastructure in the five villages are in good condition (photos were attached to the report), and some remedial action to a damaged bridge and roads have been properly done. It was reported that communities were pleased with the project."*¹⁸

2. Sequencing of Project Components

24. Some villagers think that the lack of component A in particular led to insufficient empowerment of villagers. The provision of community based planning mechanisms would have supported communities' capacities to plan and implement component C. However, this issue does not seem to be equally important to all villagers. Many villagers did not know that CERDP was supposed to start with component A. Many interviewees also found it difficult to understand the project concept. Reasons for the lack of provision of components A and B very often were either not provided at all, were unclear, or even wrong. This left villagers in considerable confusion.

¹⁶ Concerned with the complaint put forward by the five villages, the Project Management Office (PMO) in Jakarta sent the Deputy Team Leader of the Central Consultants Team from 4 to 7 April 2005 to South Kalimantan to check on the status of the infrastructure provided under the project.

¹⁷ CERDP as part of its Regional Consultants Team has recruited one District Infrastructure Engineer, 2 District Construction Engineers and a number of Sub-district Construction Engineers for the two districts of Banjar and Tanah Laut. They all had seen the infrastructure in question during the last five months.

¹⁸ IRM Position Paper, April 2005.

25. It is generally agreed among government, consultants, IRM and communities that capacity-building for decentralized development planning under component A of the project should have been implemented first. This component introduces a planning process and related training and other institutional capacity-building activities to encourage and help communities to develop and test community-based planning mechanisms (CBPM, in Bahasa Indonesia: Mekanisme Perencanaan Berbasis Masyarakat – MPBM) and to formulate and propose village development plans for funding. It also establishes intervillage community development working groups (Kelompok Kerja Pembangunan Desa, KKPD) to facilitate and advocate development proposals. *“IRM, initially rejected to reimburse the request for payment for the civil works expenditures because the process of selecting rural infrastructure did not fully involve the community. However, the government kept requesting ADB to reimburse the incurred expenditures on the basis of (i) the implementation had involved the community although at a minimum level, (ii) counterpart funds had been provided by district governments, and (iii) rejection would negatively affect the future implementation, since the project was still at an early stage. A series of discussions were held between IRM and DGRCE to resolve the issues. IRM requested DGRCE to provide evidence (lists of attendants of communities who participated in MUSBANGDES), (...) and the project manager to certify withdrawal applications in addition to signature of staff of the Directorate of Budget, Ministry of Finance. (...) In late 2002, IRM strongly requested DGRCE to field facilitators, follow the correct procedures in selecting rural infrastructure, and revisit and improve the villages that had infrastructure carried out in 2001 and 2002. Starting in 2003, remedial action measures have been taken and the Project began using the correct processes. In 2004, about 50% of the villages that had construction done in 2001/2002 were revisited by the Project and in 2005, all the remaining villages (...) will be revisited to introduce CBPM. One of the villages included in the complaint, Handil Baru, was included for components A and B in 2004. The remaining four villages are scheduled for inclusion in the 2005 program.(...) IRM has requested DGRCE to discuss with heads of Banjar and Tanah Laut districts to ensure that the four villages are included in the 2005 program”*¹⁹

26. PMO and PIUs have confirmed unanimously that the remaining four villages will be included in 2005.

3. Participation in Decision-Making

27. This issue is closely interlinked with the issue of information dissemination. Villagers, including representatives from BPD complain that there was no community participation before and during construction of infrastructure in the villages. They feel that they should have had a say in selecting infrastructure that affects their lives, because they can judge best, what the needs of the communities are. They feel that they have been over-ruled by the village elite and that project design and implementation was an affair of few people. Several villagers said that they would have chosen a different infrastructure if they had been involved in the decision making process. There are many others, however, who are rather satisfied with the infrastructure they received.

4. Information

28. Many village level stakeholders consider the lack of access to information as the second most important and most complex area of concern. Villagers complain that they only learned about the project once the contractor's vehicles showed up and bulldozers arrived to excavate soil or dismantle bridges in preparing for infrastructural constructions. Even members of

¹⁹ IRM Position Paper April 2005.

POKLAK often do not feel sufficiently informed about the project. From the communities' perspective this lack of information led to many villagers distrusting government in general and local/village government in particular, project management, POKLAK and even a signatory in one case. Information dissemination has been hampered also by the fact that some villages are fairly spread out and RTs are not always interconnected by roads. Many villagers stay within the borders of their RT and sometimes have never seen the infrastructure built in other RTs. However, miscommunication and misunderstanding also arises within the villages and in the daily interaction of villagers. To clarify and rectify those seem to be an important responsibility of each and every individual villager, but in particular of the village government and its bodies.

29. Except for some central and district socialization workshops, PMO considered the dissemination of information about CERDP as low in 2001/2002. A Community Awareness Campaign Plan (CAC Plan) with its major role of raising awareness about the concept and principles of community empowerment for rural development was prepared in 2003. A complaint handling system as part of the CAC was introduced and is managed by component D of the project. The CAC considers the village facilitators as the primary source of information at the village level. As four out of the five villages were not included in either component A or B and thus had no assigned facilitators, the complaining villages were left out of the project's established information dissemination system. They were also left out of the village complaint box system. However, IRM as well as PMO offered to provide additional information whenever there were meetings with NGOs, but feel that this offer was not taken and more recent information was not processed. The Project Implementation Unit (PIU) at the district level felt that they explained project framework and its restrictions a number of times, but villagers would not accept the explanations.

D. Assessment of Problem-Solving Probability

30. The issues, and different individuals' and stakeholder groups' perceptions of the issues and interests in these issues vary as widely as do the suggestions on how to solve them. They vary within a community and from village to village. Willingness to solve the problems has been ascertained by most stakeholder groups at the village level and by the government and IRM. However, not all village governments do unanimously agree with complainants and a wider range of villagers. Each village represents a different micro cosmos with its own dynamics. It seems that issues have their roots to a large extent in mistrust of villagers in governments at all levels, alleging them of lack of transparency, and insufficient communication and information dissemination. Expectations and the understanding of decentralization, empowerment, or participation reflect different educational backgrounds, and positions within a village, and vested interests need to be taken into consideration in the efforts to problem solving. The villages reflect a society in transition, with cultural norms and values being scrutinized, and traditional paradigms not fully functioning anymore. This can be threatening to those in power, who feel that they need to secure their privileges. It can be liberating to others and creating hopes for those who are supposed to be empowered.

31. Expectations regarding OSPF's powers and influences need to be put into perspective: Mistrust of government at local or at higher levels seems to be deep-rooted in the villages. This mistrust will not vanish because of OSPF's facilitation of this complaint. It will need longer time spans and serious efforts of government officials and IRM's guidance, transparency of interactions, financial transparency, and the support of the project and its consultants to make it happen. However, villagers and NGOs have to be ready to give government, the project management and IRM a chance. OSPF understands that serious efforts were made in 2003 and 2004 to implement CERDP according to the agreement between ADB and GoI. Project

management also made efforts to improve infrastructure in the five villages and remedy the grievances. Only if all parties involved understand that they have obligations, are ready to look forward, not blaming each other, being tolerant in accepting their own and other peoples' mistakes, and constructively looking for solutions is there a good chance to settle the issues.²⁰

III. RECOMMENDATIONS AND PROPOSED COURSE OF ACTION

A. Remedial Actions and Recommendations

32. **Infrastructure.** The majority of stakeholders at the village level clearly focus on infrastructural issues, which need to be rectified, but do not seem to have sufficient information to suggest how this can be done. They are not sure whether O+M funds are still available in 2005. They also feel that those funds were insufficient to address major repair works in the past years. More informed village stakeholders suggest using the village grant, which is provided under component A for infrastructural improvements, while others are against that idea. Some feel that additional funds from CERDP have to be provided to implement improvements of infrastructure. O+M funds have been made available over the last two years from CERDP funds, but reportedly also from other sources. Some villagers also seem to assume that CERDP will be able to allocate budget for additional infrastructure, e.g. connecting RTs that were left out earlier. There is an urgent need for CERDP to explain to the villages what criteria apply, and what budgets were and still are available on a village-by-village basis. It seems that villagers' expectations by far exceed the means and agreed upon criteria of the project. In addition, obligations of villagers in maintaining infrastructure they received need to be discussed. Flaws in design and construction of the infrastructure, if they exist, need to be remedied, to avoid that villages, sub-districts and districts will be burdened with having to continuously remedy those flaws. In some cases villagers might have to accept also that certain infrastructure just really needs regular maintenance, which involves also their commitment and resources.

33. **Sequencing of Project Components.** All parties agree that the institutional development process should have preceded the infrastructural interventions. The government and project management have assured that the remaining four villages will be included in 2005 in the remaining components A, B and D. It has been suggested by villagers that CERDP makes an extra effort to provide thorough information on the project, its requirements, the formation of groups, and provides enough time for the five villages to understand, absorb and accept facts. Village facilitators should be deployed without delay.

34. **Information.** All villages consider better access to information as a major issue. This does include information on the project, its concept, rules and guidelines, but it also means transparent management of funds, e.g. counter signatures and communication of bank transactions to communities. It was suggested for example, that the head of BPD countersigns in financial transactions. Reportedly, there are no clear guidelines on the disbursement of CERDP funds to communities, e.g. POKLAK. With the remaining four villages being earmarked for inclusion in the 2005 batch of villages for components A, B & D, it is expected that information dissemination will widely improve. CERDP should make sure that all RTs are receiving information equally, and the less accessible ones are not left out. CERDP should thoroughly introduce its complaint handling unit to the villagers, aiming at a constructive and open feed-backing mechanism at the lowest level possible.

²⁰ A matrix summarizing issues, agreements and disagreements is in Appendix 4

35. **Participation in Decision-Making.** There is a certain agreement among the different stakeholders that participation in decision-making needs to be improved. It is expected that with the provision of components A and B, the villagers will have better opportunities to participate. However, it should be clarified also that depending on circumstances, decisions need to be taken that are not popular with or agreeable to all villagers, and that it might be impossible to satisfy everybody. Involving BPDs in project implementation in the five villages could be an important contribution to sustainability of CERDP.

B. Proposed Course of Action

36. The five villages have confirmed different expectations and priorities related to the four main issues brought forward. Support to the complaint at the village level varies. A village-by-village approach therefore will be used to (i) agree on principles; (ii) confirm willingness to engage; (iii) re-confirm priorities; (iv) agree on steps to be taken; (v) accept ground rules;²¹ and (vi) agree to a schedule to be followed.

37. A cross-section of villagers, representing the different RTs should be willing to participate in the consultation process. For sustainability reasons it is mandatory that the village head, village apparatus and BPD are willing to participate in consultations. Personal issues between individuals should not interfere in deliberations. Blaming individuals, and blaming what lies in the past should be left in the past and everybody should make efforts to look forward in order to solve the issues in a sustainable way.

38. OSPF will explain this RAR to communities and provide communities an opportunity to clarify issues, and consider the next steps and its consequences. As part of the consultation process, communities will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed.

39. The course of action will be agreed for each village separately. Following the confirmation of the respective village to pursue the complaint, it will be worked out through (i) a joint fact-finding activity to clarify the infrastructure under discussion, assess the problems related to this infrastructure, and propose sustainable, appropriate and realistic solutions that are within the scope of CERDP; and (ii) a multi stakeholder consultation at village level to agree on the issues and action to be taken, responsibilities and a time frame for the implementation of the course of action.

40. **Joint Fact Finding Activity.** It will involve (i) from the respective village - the village head, the chairman ('Ketua') BPD, chairman ('Ketua') POKLAK, the signatory of the complaint, one signatory of the supporting list and the heads of RTs; (ii) from CERDP – the PIU head, ("Pimpro"), the district coordinator, the District Infrastructure Engineer; (iii) from the NGOs – two representatives; (iv) from IRM – the project implementation officer and the head of the Project Administration Unit (PAU); and (v) OSPF. The joint fact finding will be undertaken under the overall guidance of OSPF. Parties involved will have to cover their costs. The results from the joint fact finding activity will be fed back immediately into the ensuing stakeholder consultation. It is expected that this joint fact finding activity will take about two hours per village. The fact finding activity will be jointly prepared by representatives from the three NGOs and the district coordinators from Tanah Laut and Banjar respectively. They will be responsible for the

²¹ Proposed set of ground rules in Appendix 6

invitations to the participants involved and the overall organization of the activity. Output of the joint fact finding activity should be: (i) a list of infrastructure-related issues as inspected in the field; (ii) a rapid assessment of the feasibility to repair/improve the problem under discussion with CERDP funds; (iii) long-term requirements for the maintenance of the respective infrastructure; and (iv) implications regarding commitments from villagers, sub-district and district level governments during, and beyond the project duration; the District Infrastructure Engineer and the IRM PAU-Head, who is an infrastructure engineer will provide their expertise and jointly prepare the outputs (i) to (iv).

41. **A Multi-Stakeholder Consultation** will be held in each village and immediately follow the joint fact finding activity. It will involve the same people as the joint fact finding activity and include the heads of RTs. It will be facilitated by a team consisting of an experienced local facilitator and a documenter– to be suggested and agreed among the parties – under the guidance of and paid by OSPF. The summary of results will be documented in Bahasa Indonesia and serve as the basis for the implementation of the agreed course of action. OSPF will be responsible for the translation into English and dissemination of both the Bahasa Indonesia and of the English version to all parties involved. A proposed schedule for the consultation process is in Appendix 5.

FORUM MASYARAKAT PEDULI CERDP

February 16, 2005

Mr. Nalin P. Samarasingha

Special Project Facilitator
Asian Development Bank
6 ADB Avenue
Mandaluyong City 1550
Philippines

Dear Mr. Samarasingha,

Request for Consultation: Community Empowerment of Rural Development Project, Indonesia Loan 1765-INO (OCR) & 1766-INO (SF)

INTRODUCTION

The Community Empowerment for Rural Development Project (CERD Project) is a project that **aims to improve the standard of living of rural communities**. This project is designed to reduce the impacts of the economic crisis in Indonesia. The rationale for this project is: rural poverty, poor people's lack of access to services, and the need to promote the role of women in development.

Of the US\$ 170.2 million funding for this project, US\$ 115 million (68%) comes from ADB loans (Loan 1765-INO (OCR) & Loan 1766-INO (SF), and US\$ 55.2 million (32%) from the Indonesian government. This project came into effect on March 15, 2001 and will be implemented over a period of 6 years in 6 provinces of Indonesia: Central Kalimantan, South Kalimantan, East Kalimantan, Central Sulawesi, Southeast Sulawesi and North Sulawesi.

The CERD Project consists of 4 components: Component A – Increasing Public Participation in Community Development, Component B – Development of Rural Financial and Economic Institutions, Component C – Improving Rural Infrastructure, and Component D – Management & Monitoring.

In 2002, the communities of several of the CERD Project target villages in South Kalimantan felt that the **CERD Project had violated project design, principles and approach (*desain, prinsip dan pendekatan proyek*), with implications for these communities**. Efforts to resolve this problem were made between March 2003 and December 2004, beginning at the sub-district, district, provincial and central levels up to the level of the ADB-Indonesia Mission. These problems experienced by the communities have yet to be resolved definitively.

In view of this condition, in 2002, we, the communities of 5 of the target villages of the CERD Project in South Kalimantan in 2002 and NGOs associated in **FORUM MASYARAKAT PEDULI CERDP** feel that it is necessary to ask the SPF to

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conduct a **review and investigation** (*peninjauan dan investigasi*) of the CERD Project in the context of the ADB's Accountability Mechanism. We request that the SPF carry out these activities specifically with regard to implementation of the CERD Project in **the following 5 villages**:

- a. Kiram Village, Karang Intan Subdistrict, Banjar District, South Kalimantan
- b. Mandiangin Village, Karang Intan Subdistrict, Banjar District, South Kalimantan
- c. Handil Baru Village, Aluh-aluh Subdistrict, Banjar District, South Kalimantan
- d. Handil Negara Village, Kurau Subdistrict, Tanah Laut District, South Kalimantan
- e. Kali Besar Village, Kurau Subdistrict, Tanah Laut District, South Kalimantan

1. PARTY REQUESTING CONSULTATION

This request for consultation is made by *Forum Masyarakat Peduli CERDP*, which consists of:

(Names and addresses of signatories are withheld at their request for confidentiality)

The aforementioned have agreed to select joint addresses for the purposes of communication and coordination, as follows:

(Contact Addresses are withheld at the request for confidentiality of the complainants)

This effort to resolve this problem through consultation is also supported by other communities in the form signatures of support (enclosed) from:

- Kiram Village, Karang Intan Subdistrict, Banjar District
- Mandiangin Village, Karang Intan Subdistrict, Banjar District
- Kuin Besar Village, , Aluh-aluh Subdistrict, Banjar District
- Handil Baru Village, Aluh-aluh Subdistrict, Banjar District
- Handil Negara Village, Kurau Subdistrict, Banjar District
- Kali Besar Village, Kurau Subdistrict, Tanah Laut District
- Gunung Mas Village, Batu Ampar Subdistrict, Tanah Laut District
- Tajau Pecah Village, Batu Ampar Subdistrict, Tanah Laut District

2. HARM CAUSED BY IMPLEMENTATION OF THE CERD PROJECT

A. SOCIAL HARM

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Implementation of the CERD Project in South Kalimantan in 2002 was the cause of horizontal conflict and will elevate the potential for this kind of conflict in the community. This conflict arose because **the low level of public participation and the lack of transparency of information and accountability with regard to implementation of this project at the village level culminated in argument with and feelings of confusion, doubt and suspicion towards the project implementor at the village level.** As a result, relations between the community and the project implementor soured, exacerbating the block in the flow of information.

Another factor behind the conflict arising in 2002 CERD Project target villages was violations of project implementation procedure. Of the four components that should have been received by the project target villages, only one component was received in 2001, namely component C, which is a supplementary components to components A and B. In other words, components A and B, which should have produced the decision on what infrastructure was to be developed, were not carried out.

In Handil Negara Village, this conflict took the form of **physical violence** between members of the community and the CERD Project implementor at village level (also a member of the same community). This situation arose because **information about the CERD Project was not communicated to the community, leading to misunderstanding between them.**

In several other villages besides the 5 target villages submitting this request for consultation, conflict also occurred for the same reasons. This conflict took the form of **confusion, doubt and suspicion towards the project implementor at the village level.**

B. MATERIAL HARM

Implementation of the CERD Project in South Kalimantan in 2002 caused direct material harm (*kerugian materiil yang langsung dirasakan*) to the communities. Specifically, harm caused by implementation of the CERD Project, included:

- **Decrease in Agricultural Productivity**

In Handil Negara Village, Kurau Subdistrict, Tanah Laut District, the contractor that carried out construction of roads in the context of the CERD Project filled in existing drainage channels when digging the road.

There were originally two drainage channels made from *ulin* wood on the RT 3 road (prior to the CERD Project). These were the drainage channels for the paddy fields. However, when construction of the road was complete, only one drainage channel had been reconstructed.

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This loss of one drainage channel delayed the drainage of the paddy fields. This caused, at least, a decrease in the productivity of approximately 3.5 hectares/± 120 *borong* (the local measurement of land is the *borong*; 1 hectare is the equivalent of 35-36 *borong*; 1 *borong* measures 17m x 17m) from 8 *blek* of paddy per harvest (1 *blek* is the equivalent of 20 liters) to just 2-5 *blek* per harvest.

This flooding of the paddy fields also prevented local inhabitants from employing their usual method rat control, causing an uncontrollable infestation of rats.

- **Land Donated for Construction of Roads Rendered Useless to the Community**

Handil Baru Village, Aluh-aluh Subdistrict, Banjar District

Infrastructure development in Handil Baru Village, Aluh-aluh Subdistrict, Banjar District, was welcomed with enthusiasm by the community, which had long hoped for a road link to the city of Banjarmasin (provincial capital). This enthusiasm was evident from the willingness of the local people to donate a portion of the paddy fields in the village to be used for widening the road.

However, construction of this infrastructure was appalling by measure of the funds used for this development. The results fell far short of the community's expectations as the elevation of the land was too low, the surface of the road was full of cracks and holes and was uneven, which meant that the road could not be used as transportation within the village or between villages.

This land, donated by the community, had previously been productive farmland, producing regular harvests each year. Although at the end of 2004, repairs were made to this road using operational & maintenance funds, the community is still unable to use the road as it is still muddy and several sections of the road have subsided.

Because of this, it is regarded more suitable as wet farmland (paddy) than as a road, and several sections of the road have been used by the community to grow rice seedlings.

Handil Negara Village Kurau Subdistrict Tanah Laut District

The condition is the same in Handil Negara Village, Kurau Subdistrict, Tanah Laut District. From the outset, the road infrastructure that was constructed has been unusable as a transport facility. The rocks used to pave the road were too large, making it difficult to negotiate, and the elevation of the road was so low that it was submerged during the rainy season. As a consequence of this condition, CERD Project operational & maintenance

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funds disbursed at the end of 2004 were used by the community to repair/finish this infrastructure so that it could be used by the community.

However, the question that arises in the community is how continued maintenance of the road can be carried out if the operational & maintenance funds, meant to be used for maintenance, have been used instead as rehabilitation funds?

- **Process of Road Construction Severely Damaged Village Bridge**

The use of heavy equipment (excavators) during implementation of the construction of road infrastructure in Handil Baru Village, Aluh-aluh Subdistrict, Banjar District had to be paid for dearly with the damage to the 20m x 3m village bridge made from *ulin* wood (*Eusideroxolyn zwageri*).

Excavators brought to the road construction site by river were unable to pass under the bridge regularly used by the community. As a result, the bridge had to be dismantled.

Although this bridge was later reconstructed, because the reconstruction was not done properly, the bridge was not restored to its previous condition. With the passage of time, two years later, this bridge finally collapsed (the condition in January 2005).

This condition has caused the loss of a facility linking two settlements of the community (RT 2 and RT 3), forcing the inhabitants to cross using another bridge some distance away.

- **The Community Loaned Funds to the CERD Project for Infrastructure Construction**

Construction of physical infrastructure in Mandiingin Barat Village and Kiram Village, Karang Intan Subdistrict, Banjar District, required that funds of less than Rp 50 million be managed by the village implementing team.

During its implementation, the CERD Project violated procedure set forth in the work contract with regard to the timing of disbursement of funds and the target date for completion of the infrastructure development. The community was expected to complete construction of the infrastructure on target, but disbursement of the funds was not made on schedule.

The community worked hard to meet this target for completion of construction of the infrastructure by seeking loans from people with financial means, not only in their own village but in other communities too. Through these loans amounting to Rp 60 million (2 work contracts), the target for completion of the infrastructure was met. However, by the time construction

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of this infrastructure had been completed, there was still no confirmation of when the funds would be disbursed and the loans made to the community could not be repaid. It was not until around 45 days after the construction was completed that the infrastructure development funds were disbursed in full.

This process of borrowing and lending and the late disbursement of these funds caused material harm to the community in the form of costs that cannot be reimbursed, such as the cost of transport to seek the loans, not to mention the commercial rate of interest on these loans.

C. HARM TO THE GROWTH OF CIVIL SOCIETY

Measures to monitor project implementation have been developed in the target communities. This embryo of growth of democratization towards a civil society was unfortunately hampered by the behavior of project management, which took the form of threats against members of communities that tried to question the process of project implementation in their villages.

Efforts have been made by the community to solve the problems related to the CERD Project in their villages. But these efforts were responded to with intimidation, such as, for example, threatening village heads that if they failed to calm the inhabitants and stop them from making complaints, the community would not be the beneficiary of any future projects. At a meeting between the community and project management (16 April 2003) a similar threat was also made¹.

These threats against and intimidation of both village heads and communities that questioned or made protests about uncertainties in project implementation clearly hampered growth of democratization towards a civil society in this province. This condition also sparked the emergence of a new norm in local communities – to not be open, to not be accountable and to not participate.

These threats are at odds with project accountability, which is expected to be achieved if the community has a critical attitude. In point of fact, the CERD Project itself, specifically component D (Management & Monitoring) aims to promote community monitoring in order to minimize inconsistencies in project implementation.

3. CAUSES OF THE PROBLEM

A. VIOLATION OF PROJECT DESIGN

- **Project Goals**

The project is designed to reduce poverty in rural communities, especially poor communities close to growth centers, through efforts to empower

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communities by building the capacity of rural communities and supporting local investment activities.

The condition that existed in the 2002 project target villages – which did not receive a full complement of project components – clearly makes achievement of the project goals impossible unless a full complement of project components is implemented. In other words, to achieve this goal in 2002 project target villages, it is necessary to implement a full complement of project components, in the proper sequence.

- **Project Phases**

The project design clearly states that project implementation will be carried out through community capacity building/empowerment (Component A), to be followed by economic strengthening through formation of community-based credit unions (Component B). This two components would be supported by village infrastructure development (Component C). The role of facilitators and consultants would be in project management and monitoring (Component D).

Implementation of the 2002 CERD Project deviated far from its design, beginning as it did with Component C, without any community empowerment (Component A) or economic strengthening (Component B). This condition was exacerbated by the fact that there were no facilitators with the task of supporting the community. Looking at this condition, it is clear that the project has violated its own design.

- **Violation of Principles (Acceptability, Transparency, Accountability, Sustainability, and Integration) and of Approach (Participatory, Partnership, Public Real Demand, Autonomy and Decentralization and Increasing the Role and Capacity of Women) in Implementation of the CERD Projectⁱⁱ**

Not Transparent

Implementation of the CERD Project in 2002 very clearly violates the principle of transparency. This is indicated by the absence of socialization of the project in the CERD Project target villages for 2002. And, because there was no socialization of the project, even the beneficiaries themselves did not know what project was being implemented in their villages, or the basis for determining the type and location of infrastructure development.

Although the CERD Project has general guidelines for project implementation (first published on July 3, 2001), this document was not distributed to the communities. What is more, this project was implemented without project operational procedure, up until March 2003.

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This condition ultimately led to conflict between the communities of several CERD Project target villages for 2002, due to a lack of clear information.

Not Accountable

There is no clear accountability for implementation of this project at the village level or at levels above this. This relates to accountability for infrastructure development being completed without a full complement of components.

There is also no accountability for the conflict that arose as a result of the incomplete implementation of the project.

Not Participatory

The entry of the CERD Project into the villages involved only the village heads and several other elements of the village administration (the village elite), without any involvement of the community. This village elite was chosen by the project to represent the community, but since this was not done through a proper process of election, it would be a mistake to refer to these people as community representatives. This is clearly not the fault of the village heads or the village administration, since this action was taken by the CERD Project implementor.

The failure to apply the principle of participation in implementation of the 2002 CERD Project resulted in several instances of construction of infrastructure not needed by the community. Because these infrastructure development decisions were not taken together with the communities, they feel they do not own the infrastructure that has been constructed and some of the results of the development are not acceptable to the community.

Not Acceptable

Much of the implementation of infrastructure development was not compatible with the norms of the local community, and, because it was not participatory, there was no identification of real needs in the community.

That this process was not participatory is another reason why implementation of the CERD Project in South Kalimantan in 2002 was not acceptable. As an example, in the context of the impacts that resulted, it is unacceptable to the community of Handil Negara Village that only one drainage channel was constructed where there used to be two.

Not Sustainable

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The abandonment of several of the 2002 project target villages demonstrates a complete disregard for the principle of sustainability, not to mention the many problems left behind by the CERD Project target villages for 2002 in particular, related to the quality of project implementation and the failure to implement the full complement of project components.

Did Not Increase the Capacity of Women

Implementation of the CERD Project in 2002 in no way promoted an increase in the capacity of women. Not one activity in this project involved women in a formal or structured way.

- **Violation of the Selection of the Area of Project Implementation**

Selection of the project target villages for 2002 was not done properly, through identification of needs with the community. The tendency for selection of target villages for 2002 to made be randomly is evident from the fact that only a proportion of the 2002 target villages are included among the project beneficiaries for 2004. The villages that are no longer included among the project target villages have received no confirmation about what action will now be taken, despite the fact that the quality of project implementation has had long-term impacts in the communities. This discriminatory treatment demonstrates that there has been a violation of the selection of the area of project implementation.

B. VIOLATION OF LOCAL KNOWLEDGES AND PRACTICES

The CERD Project does not respect local knowledges and practices that have been built, tested and recognized by the community as appropriate to the local context. This is evident from the fact that from the very outset of the project process the local communities were not involved.

The case of the drainage channels in Handil Negara Village is one form of this lack of respect for local knowledge. On the basis of their knowledge of the conditions of the local area – the local geographical and hydrological condition – the local community decided that it would be necessary to install two drainage channels in the road sections to ensure proper drainage of water from the paddy fields. However, the CERD Project contractor, after constructing the road made only one drainage channel, with fatal implications for the community. The contractor did not carry out any mapping with the community before making the plans for construction of physical infrastructure, for example regarding the number and location of drainage channels. The same condition occurred in Kiram Village. Due to an insufficient number of drainage channels the community was forced to cut into the body of the road to allow water to drain and not flood the road.

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Another instance is the subsiding of several sections of the road as a result of the *galam*^{III} wood for the *siring*^{IV} being too short. This condition occurred in the villages of Handil Baru, Handil Negara, and Kali Besar. The measurements of the *galam* wood used for *siring* were not compatible with local practices.

In yet another case, in Baru Handil and Kali Besar villages, bridges were constructed without *suai*^V. According to the local inhabitants, without these *suai* the bridges would not last long. And if they do not last long, then it is the local community that ultimately bears the brunt.

C. VIOLATION OF HUMAN RIGHTS AND THE PRINCIPLES OF GOOD GOVERNANCE

Unscrupulous project management have taken measures to obstruct the growth of a critical stance being taken by communities that wish to have clarification about the project. Evidence of this is intimidation of the community in an attempt to make them keep quiet about any problems in implementation of the project. Also, threats have been made when problems arising have been communicated to another party, to the effect that the location of the project would be moved to another village or that the village concerned would have difficulties becoming the target of other development projects.

This condition arose because unscrupulous project management do not understand and have no respect for human rights. The right to a feeling of security and the right to freedom from fear are basic human rights.

This intimidation by unscrupulous project management also shows an ignorance of and failure to adopt the principles of good governance. If the local community takes a critical stance, they are seen as a threat or as enemies, despite the fact that this critical stance is assumed in the effort to pursue project transparency and accountability. In fact, this critical attitude is characteristic of the growth of democratization towards civil society, which will at the same time support the achievement of the goals of the CERD Project itself.

The various causes of the problem as described above arise from placing the community as the object of the project, while it is project management that takes the role of subject. It is this condition that has resulted in the violations that have occurred in implementation of the CERD Project that have caused harm to project beneficiaries.

4. SOLUTION

FORUM MASYARAKAT PEDULI CERDP

A. ADB TAKES RESPONSIBILITY FOR COMPLETING THE CERD PROJECT COMPONENTS THROUGH PROJECT RECONSTRUCTION^{VI}

The project should have been implemented in full, adopting the approaches and principles established by the project itself. This means that in the case of implementation of the CERD Project in South Kalimantan for the 2002 target villages it is necessary to carry out **project reconstruction** by implementing **systematically** the full complement of components **as per the project design**. This process of completing the components must be carried out via the following steps:

- Project implementation must be based on the principles of public participation, transparency of information and accountability in each stage of its implementation, from assessment of needs through planning, implementation and evaluation.
- Performance of needs assessments for each component that will be implemented must be participatory and transparent. Through these needs assessments, the principle of acceptability, which is promoted by the project, will be fulfilled.
- Implementation of project reconstruction must be performed in compliance with the concept of community empowerment for rural development. This requires that the full complement of project components be implemented in sequence as per the project design.

Component A must be implemented first to increase the capacity of the community. This capacity building must be complemented by improving local access to capital (Component B). Achievement of the aims of these two components will require supporting infrastructure (Component C). The entire implementation process is to be managed and monitored by facilitators and consultants (Component D). To maximize management and monitoring towards achievement of project goals demands optimal performance from Component D.

Through these stages, the principle of project sustainability will be fulfilled.

B. THE SPF CONDUCTS INVESTIGATION OF CERD PROJECT STAKEHOLDERS IN THE CONTEXT OF ACCOUNTABILITY

The trend towards frequent changes in project management in Jakarta and at the district level is an indication that there is no accountability for past performance. We recognize that there is not much information about the reasons for the changes made in project organizational structure and evaluation of project management. However, we recommend that the SPF conduct an investigation into the performance of all stakeholders in the

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CERD Project since the project began, at the village level, the subdistrict level, the district level, the provincial level, the national level, and at the level of ADB itself. We hope that investigation by the SPF will promote a culture of accountability, especially for the mistakes made by project management in project implementation in 2002.

C. ADB TAKES ACTION TO REHABILITATE INFRASTRUCTURE CONSTRUCTED IN IMPLEMENTATION OF THE CERD PROJECT IN 2002

Although operational & maintenance funds for infrastructure constructed in the 2002 target villages was made available at the end of 2004 (source of funds: ADB loan and district budget), the RRP for the CERD Project issued in September 2000 (paragraph 44 page 15) states that **operational & maintenance funds will be made available for infrastructure that has been properly constructed.**

But infrastructure built in the 2002 CERD Project target villages was far from properly constructed. If the infrastructure is not properly constructed then it should be repaired first, and only then maintained using operational & maintenance funds. What in fact happened, however, was that the operational & maintenance funds were used by the communities to repair and improve the existing infrastructure. As a result, these funds for maintenance of infrastructure were spent on repairs, not on maintenance.

The infrastructure condition in each of the villages must be reviewed in a participatory way by involving the local inhabitants. During this process, the local community can decide whether this improvement of infrastructure takes the form of re-building, finishing, rehabilitation or maintenance.

5. RECOMMENDATION: PERFORMANCE REVIEW OF THE CERD PROJECT IN ALL LOCATIONS IN INDONESIA

These impacts of the 2002 CERD Project have also been felt in general by CERD Project beneficiaries in other provinces. Therefore, we recommend that the ADB SPF also conduct a comprehensive investigation of the CERD Project in Indonesia.

6. EFFORTS MADE TO SOLVE THE PROBLEM

To solve the problems that arose in the implementation of the CERD Project in the target village in South Kalimantan for 2002, the local communities have made many and varied efforts, engaging project management at the subdistrict, district, and provincial levels, and right up to the level of the ADB IRM. These efforts include:

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- A seminar to expose the results of monitoring performed by the community on 27 March 2003 in Banjarmasin, attended by all project stakeholders, local MPs, the press and academics.
- Meetings between the community and project management at the subdistrict level (16 April 2003, 17 April 2003, 26 April 2003)
- Meeting between the community and the Banjar district head (27 May 2003)
- Meeting between the community and project management at the district level (11 March 2004)
- Delivery of letters to CERD project management in Jakarta and to the ADB IRM communicating the community's demands regarding resolution of the problems.
- Public hearing with Banjar district parliament on 24 June 2004, attended by the community, district project leader and the chairs of district parliamentary commissions A and B.
- Meeting between the community and the ADB IRM mission review team on 1 December 2004

See appendices for a more detailed description of the efforts made by the community and their results.

7. RECOMMENDATIONS FOR IMPLEMENTATION OF THE CONSULTATION PROCESS

We desire a consultation process with regard to implementation of the CERD Project in South Kalimantan in 2002 in the five target villages with which we are associated as the reporter, to be carried out in the form of three stages of meetings:

A. FIRST STAGE

Consultation at the provincial level attended by *Forum Masyarakat Peduli CERDP* and the SPF. The expected output of this meeting is a consensus on general problems related to implementation of the CERD Project in 2002 in South Kalimantan. In addition, it is expected that this meeting will produce a **consultation schedule for each village, and present stakeholders' recommendations about what needs to be investigated by the SPF.**

2. SECOND STAGE

Consultation at the village level will be carried out in each village proposing this mechanism. These meetings will be attended by the village community and the SPF. During this process, presentations will be made of **the specific problems of each village and specific solutions**, for the purposes of subsequent investigation into these problems.

3. THIRD STAGE

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Consultation at the provincial level attended by **multi stakeholders associated with the CERD Project**, which *include Forum Masyarakat Peduli CERDP*, the SPF and project management at the national, provincial and district levels, and ADB IRM. This multi-stakeholder consultation is intended as **media for clarification of all problems associated with the 2002 CERD Project**.

Through these stages, we believe that the SPF will be able to gain a full understanding of the problems that have occurred, which can be used as input for formulating recommendations for resolution of these problems.

8. AVAILABILITY OF INFORMATION

We have available all important information. Please contact us for any information required.

9. SUPPORTING DOCUMENTS

We enclose supporting documents with this letter for reference in assessing the viability of the consultation process we recommend. These documents are:

- Map of the location
- Appendices
 - Official translation (in English)
 - Details about the advocacy process
 - Signatures of support
 - RRP, 2002 General Guidelines, monitoring report, related newspaper articles
 - Letters to ADB-IRM and responses
 - Photographs and captions

10. WE CONSIGN TO THE SPF PUBLICATION OF INFORMATION ABOUT THIS CONSULTATION

11. WE REQUEST THAT THE IDENTITIES OF ALL SIGNATORIES TO THIS DOCUMENT BE KEPT CONFIDENTIAL TO ENSURE THE SAFETY OF THE REPORTERS FROM THE POSSIBILITY OF INTIMIDATION AND PRESSURE.

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^I See attachment on details of the advocacy process on the CERD Project in South Kalimantan, 2002.

^{II} General Guidelines of the Community Empowerment for Rural Development (CERD) Project, Director General of Community Empowerment, Department of Home Affairs - Regional Autonomy, Republic of Indonesia, 2001.

^{III} **Galam** is the name of a type of wood that grows on peat land, commonly used as props when constructing buildings, and also to prevent landslides/erosion of soil by water.

^{IV} **Siring** is a wooden construction embedded flush to the edge of the body of the road to reinforce the road to prevent the road subsiding at the edges, commonly used in villages, especially in areas of paddy field where the land is not stable or is often flooded with water.

^V **Suai** are wooden blocks installed under the drainage channels that function as props or braces to reinforce or strengthen the structure.

^{VI} Based on information we obtained during participatory monitoring of the CERD Project in South Kalimantan for 2002, ADB disbursed loan funds even though not all the project components had been prepared. This demonstrates ADB's contribution to the abominable implementation of this project, for which, of course, it must be accountable.

Interview Guide for Kepala Desa & Ketua BPD

Date of Interview:

District:

Sub-district:

Name of Interviewer:

Village:

Introduction/Objective of Visit:

Introduce yourself and the translator, explain where you come from and that you are there to discuss the complaint, which has been sent to ADB's Office of the Special Project Facilitator—explain that OSPF is a special office ADB has set up to deal with complaints from project-affected people.

Objective of the Visit: *You want to make sure that the complaint is reflecting the villagers' concerns and that OSPF gets a good idea of what the villagers think are the appropriate actions to solve the problems.¹*

Name of Interviewee:

Gender:

Position/Function in Village:

Since when:

I. General Project/Complaint Issues:

1. What do you know about CERDP?

2. When and how did/do you get involved in planning CERDP activities in the village?

3. What is your opinion of the complaint (and of the villagers supporting the complaint)?

Familiarize him with the list of people, stakeholders and "supporters" (to be drawn from the list of supporters) to be interviewed – do not provide any names!!!

4. Apart from the list of stakeholders that we have prepared, do you think there are other people, which should be interviewed? If yes, please explain why?

II. History of Infrastructure Component:

5. Please explain what happened in 2002/2003 when the infrastructure was being constructed in the village. What do you remember from that time when the road/bridge/water supply was done? How was it done (by whom, quality)?

III. Present Situation of Infrastructure:

6. What are the benefits of the infrastructure today?

7. In what condition is the infrastructure today? How good is it?

8. If it is not in good condition, explain why?

¹ Comments in *italics* are instructions for the interviewer

9. What has been done to remedy the problems?

10. Were these measures satisfactory? Why/not?

11. What other problems have been caused due to project activities?

IV. Envisaged Improvements/Problem Solving:

12. What do you think needs to be done to improve the situation of the infrastructure/to solve the problem?

13. What if the government does not agree to your suggested solution(s) of the problem?

14. What if you have to take the money for the infrastructure remedial action from the maintenance fund?

15. What if your village will be included in components A, B, and C? Would that be good enough?

16. Would you be ready to meet with project management to negotiate a solution to the problem in your village?

17. Who should be the persons representing the village in negotiations?

V. Components A & B (Question for kepala desa in Handil Baru only)

18. What is your opinion on CERDP having included Handil Baru last year in project activities for components A² and B³? Have these components been provided? If not, do you know why?

VI. Other Issues

19. Is there anything you would like to add concerning the complaint/problem?

20. Is there anything you would like to ask me/us/ADB concerning the issue/future proceedings?

² CB for decentralized development planning

³ Development of rural financial institutions

Interview Guide for Members of LPM/VIG⁴

Date of Interview:

District:

Sub-district:

Name of Interviewer:

Village:

RT:

Introduction/Objective of Visit:

Introduce yourself and the translator, explain where you come from and that you are there to discuss the complaint, which has been sent to ADB's Office of the Special Project Facilitator—explain that OSPF is a special office ADB has set up to deal with complaints from project-affected people.

Objective of the Visit: *You want to make sure that the complaint is reflecting the villagers' concerns and that OSPF gets a good idea of what the villagers think are the appropriate actions to solve the problems.⁵*

Name of Interviewee:

Gender:

Position/Function in Village:

Since when:

I. General

0. Kindly explain what the general tasks/responsibilities of your organization/group are.

II. General Project/Complaint Issues:

1. What do you know about CERDP?

2. Did/do you get involved in planning CERDP activities in the village? If yes, how?

3. Did you know about the complaint and if yes, what is your opinion of the complaint?

Familiarize him with the list of people, stakeholders and "supporters" (to be drawn from the list of supporters) to be interviewed – do not provide any names!!!

4. Apart from the list of stakeholders that we have prepared, do you think there are other people, which should be interviewed? If yes, please explain why?

II. History of Infrastructure Component:

5. Please explain what happened in 2002/2003 when the infrastructure was being constructed in the village. What do you remember from that time when the road/bridge/water supply was done? How was it done (by whom, quality)?

III. Present Situation of Infrastructure:

6. What are the benefits of the infrastructure today?

7. In what condition is the infrastructure today? How good is it?

8. If it is not in good condition, explain why?

⁴ VIG stands for village implementing group

⁵ Comments in *italics* are instructions for the interviewer

9. What has been done to remedy the problems?

10. Were these measures satisfactory? Why/not?

11. What other problems have been caused due to project activities?

IV. Envisaged Improvements/Problem Solving:

12. What do you think needs to be done to improve the situation of the infrastructure/to solve the problem?

13. What (actions/approach) would best meet your interests in solving the problems (methodological question)?

14. Do different groups in the village have different opinions on the problem solving mechanism (*how* to solve the problems)? Why is that?

15. What does this mean for the problem solving process?

16. What role should OSPF have in such a process?

17. What if the government does not agree to your suggested solution(s) of the problem?

18. What if you have to take the money for the infrastructure remedial action from the maintenance fund?

19. What if your village will be included in components A, B, and C? Would that be good enough?

20. Would you be ready to meet with project management to negotiate a solution to the problem in your village?

21. Who should be the persons representing the village in negotiations?

V. Other Issues

22. Is there anything you would like to add concerning the complaint/problem?

23. Is there anything you would like to ask me/us/ADB concerning the issue/future proceedings?

Interview Guide for Villagers/Beneficiaries

Date of Interview:

District:

Sub-district:

Name of Interviewer:

Village:

RT:

Introduction/Objective of Visit:

Introduce yourself and the translator, explain where you come from and that you are there to discuss the complaint, which has been sent to ADB's Office of the Special Project Facilitator explain that OSPF is a special office ADB has set up to deal with complaints from project-affected people.

Objective of the Visit: *You want to make sure that the complaint is reflecting the villagers' concerns and that OSPF gets a good idea of what the villagers think are the appropriate actions to solve the problems.⁶*

Name of Interviewee:

Gender:

Position/Function in Village:

Since when:

I. General Project/Complaint Issues:

1. What do you know about CERDP?

2. Did/do you get involved in planning CERDP activities in the village? If yes, how?

3. Did you know about the complaint and if yes, what is your opinion of the complaint?

Familiarize him with the list of people, stakeholders and "supporters" (to be drawn from the list of supporters) to be interviewed – do not provide any names!!!

4. Apart from the list of stakeholders that we have prepared, do you think there are other people, which should be interviewed? If yes, please explain why?

II. History of Infrastructure Component:

5. Please explain what happened in 2002/2003 when the infrastructure was being constructed in the village. What do you remember from that time when the road/bridge/water supply was done? How was it done (by whom, quality)?

III. Present Situation of Infrastructure:

6. What are the benefits of the infrastructure today?

7. In what condition is the infrastructure today? How good is it?

8. If it is not in good condition, explain why?

⁶ Comments in *italics* are instructions for the interviewer

9. What has been done to remedy the problems?
10. Were these measures satisfactory? Why/not?
11. What other problems have been caused due to project activities?

IV. Envisaged Improvements/Problem Solving:

12. What do you think needs to be done to improve the situation of the infrastructure/to solve the problem?
13. What (actions/approach) would best meet your interests in solving the problems (methodological question)?
14. Do different groups in the village have different opinions on the problem solving mechanism (*how* to solve the problems)? Why is that?
15. What does this mean for the problem solving process?
16. What role should OSPF have in such a process?
17. What if the government does not agree to your suggested solution(s) of the problem?
18. What if you have to take the money for the infrastructure remedial action from the maintenance fund?
19. What if your village will be included in components A, B, and C? Would that be good enough?
20. Would you be ready to meet with project management to negotiate a solution to the problem in your village?
21. Who should be the persons representing the village in negotiations?

V. Other Issues

22. Is there anything you would like to add concerning the complaint/problem?
23. Is there anything you would like to ask me/us/ADB concerning the issue/future proceedings?

HANDIL NEGARA— ASSESSMENT OF COMPLAINT AND PROPOSED COURSE OF ACTION

1. Introduction

1. Handil Negara lies in Kurau sub-district, Tanah Laut district and has a population of 604 people in 3 RTs (RT 1 - 246 inhabitants, RT 2 - 194 inhabitants, RT 3 - 164 inhabitants). The population consists of mostly farmers, with some being traders, labourers and civil servants. OSPF conducted fifteen one-on-one in-depth interviews on 1 and 7 April 2005 with the Kepala Desa, Ketua BPD, Ketua Poklak and villagers, including the signatory of the complaint and signatories of the supporting list. The signatory of the complaint letter showed OSPF the CERDP infrastructure on 1 April 2005.

2. Identification and Description of Issues

2. **Infrastructure.** CERDP infrastructure activities in Handil Negara started in August 2002. A project report states that one road (1,100m long)¹ with the total cost of Rp 175,519,000² was improved in 2002 (photo 1). It seems that the road was originally planned to be 1,500m, but 400m were left undone by the contractor. According to a list of infrastructure OSPF received from PIU in Tanah Laut also three bridges were improved. The community was involved in putting the rocks and spreading the soil. They were paid for their services. Some culverts – the information varies between one and three - were closed during road construction (photos 10 & 11). Two of them were shown during OSPF's field visit. Reportedly, the contractor promised to open them again, but never did so. Initially, in 2002, the road was covered with big rocks, which made transport difficult (2002) and expensive. But in 2003 the road was finally covered with pebbles and soil and the remaining 400 m were completed in 2004 using O+M funds. Villagers complain that the 400m stretch of the road is still not as elevated as the rest of the road and therefore gets regularly flooded. They are also of the opinion that the roadside 'siring' are of low quality (photos 3 to 9). Villagers also think that O+M funds are insufficient to cover costs for major repair and should be used for 'regular' maintenance only. Since 2003 when the stone surface had finally been covered with red soil the benefits of the road became evident: (i) better access to markets; (ii) better inter-village connection; (iii) road is larger than before allowing two vehicles to pass without problem; (iv) transport of people, and goods became easier, cheaper and faster.

3. **Sequencing of Project Interventions.** Complainants feel that starting with component C, instead of providing A and B first was wrong and has violated the project's design and implementation standards. However, some of the villagers did not know exactly what A and B stands for. Those stakeholders, who are better informed about the project consider this to be an area of concern and expressed dissatisfaction and lack of understanding why until now components A and B have not been provided to Handil Negara, whereas other villages have received the entire project package.

4. **Social Issues.** The majority of stakeholders (except the signatory and villagers who have not signed the complaint letter) mention that social conflict arose among

¹ Some villagers say that two roads were constructed (one 1,100m and another one 3,125m long), but project reports only list one. The long road is said to be in good condition (KD) and is not part of the complaint.

² Departemen Dalam Negeri Republik Indonesia, *Pemberdayaan Masyarakat untuk Pembangunan Desa, Tahun 2003*, Jakarta 2003:74

villagers who had been involved in project implementation. It is said that some villagers undermined the price policy of the contractor by showing willingness to work for less than the set rate (Rp 6,000 instead of Rp 7,500/day), thus leading to a conflict initially. The majority of interviewees however states, that it was a misunderstanding between the villagers and the contractor.

5. **Information.** All interviewees including the KD stated that they were not informed about CERDP and its different components before the infrastructure activities started. Villagers only learned about the project when it was already half completed and when the contractor was searching for labour in the village. Several villagers do not know what the other components of CERDP are. Members of the village apparatus state that they did not receive an explanation why the other components were not provided. The responsibilities of the POKLAK vis-à-vis contractors seem to be unclear. Responsibilities for fund management or even the continuation of the project after 2002 were apparently equally unclear to most of the villagers.

6. **Participation in Decision Making.** Stakeholders are dissatisfied with the fact that they were not involved in making decisions concerning their own village. Reportedly the decision on infrastructure selection for Handil Negara was taken on sub-district level, but the villagers did not have a chance to express their wishes or to forward a list of priorities. However, the KD says that he still would have chosen the same infrastructure and therefore did not mind too much that he was not involved in the selection process. It is considered unfortunate that villagers did not have a chance to give advice on the placement of culverts along the road in order to ensure proper drainage of paddy fields.

3. **Agreements/Disagreements among Stakeholder Groups**

7. Interviewees especially those holding positions in the village including signatories of the complaint considered issues on infrastructure, incomplete project package, lack of information and participation in village decision making processes as main areas of concern. Except for the incomplete project package which less informed villagers considered less important, they agreed with the other major concerns. Stakeholders seem generally very supportive of the complaint. There do not appear to be major discrepancies among different stakeholder groups. Relationships within the village and between the village head, the village apparatus and the villagers seem to be conducive for problem-solving.

4. **Proposed Remedial Action**

8. Improvements as suggested and summarizing the comments from all stakeholders include:

- The road needs to be elevated to reduce risk of flooding;
- Culverts need to be improved/replaced and/or new ones added to improve drainage;
- Road needs to be asphalted;
- 'Siring' has to be placed along the road to make the construction more solid and to avoid erosion;
- 400m stretch of road needs to be adjusted to same level as rest of road to avoid flooding;
- Components A and B need to be implemented.

9. The majority of stakeholders' focus clearly on rectifying infrastructural issues. The KD suggests to use Rp 50 Million from the village grant to be provided under component A once Handil Negara is included. Most interviewees are not sure whether there are still O+M funds available in 2005. The Ketua BPD feels that additional CERDP funds have to be provided to implement the above mentioned improvements.

10. Stakeholders expect OSPF to push PIMPRO to provide project components A and B as soon as possible, but also make clear that it would not be sufficient to implement A and B only. They stress that all their problems need to be addressed. Furthermore, OSPF is expected to provide support during the problem-solving process and ensure the participation of villagers.

5. Proposed Course of Action

11. The support to the complaint in Handil Negara seems to be rather strong, but so is the willingness to constructively work on the issues as put forward by the community. Expectations regarding OSPF's role and capacity need to be clarified. It is not OSPF's role also to look into issues of alleged corruption. OPSF in its next step will explain the Review and Assessment Report (RAR) including the specific results for Handil Negara. This will further provide communities an opportunity to clarify issues and consider their next steps and its consequences. As part of the consultation process, the community will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed.

12. A cross-section of villagers, representing the different RTs should be willing to participate in the consultation process. For sustainability reasons it is mandatory that the village head, village apparatus and BPD are willing to participate in consultations. Personal issues between individuals should not interfere in deliberations. Blaming individuals, and blaming what lies in the past should be left in the past and everybody should make efforts to look forward in order to solve the issues in a sustainable way.

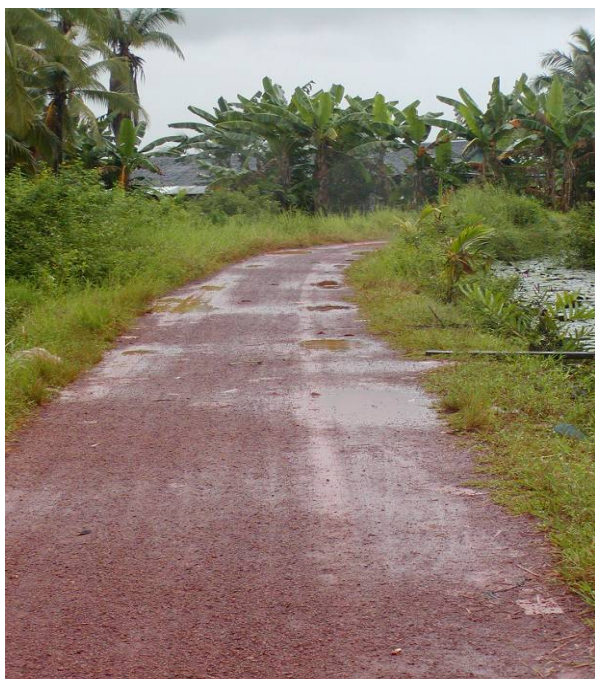
13. The course of action will be agreed for each village separately. Following the confirmation of the respective village to pursue the complaint, it will be worked out through (i) a joint fact-finding activity to clarify the infrastructure under discussion, assess the problems related to this infrastructure, and propose sustainable, appropriate and realistic solutions that are within the frame of CERDP; and (ii) a multi stakeholder consultation at village level to agree on the issues and action to be taken, responsibilities and a time frame for the implementation of the course of action.

14. **Joint Fact Finding Activity.** It will involve (i) from the respective village - the village head, the chairman ('Ketua') BPD, chairman ('Ketua') POKLAK, the signatory of the complaint, one signatory of the supporting list and the heads of RTs; (ii) from CERDP – the PIU head, ("Pimpro"), the district coordinator, the District Infrastructure Engineer; (iii) from the NGOs – two representatives; (iv) from IRM – the project implementation officer and the head of the Project Administration Unit (PAU); (v) the contractor; and (vi) OSPF. The joint fact finding will be undertaken under the overall guidance of OSPF. Parties involved will have to cover their costs. The results from the

joint fact finding activity will be fed back immediately into the ensuing stakeholder consultation. It is expected that this joint fact finding activity will take about two hours per village. The fact finding activity will be jointly prepared by representatives from the three NGOs and the district coordinators from Tanah Laut and Banjar respectively. They will be responsible for the invitations to the participants involved and the overall organization of the activity. Output of the joint fact finding activity should be: (i) a list of infrastructure-related issues as inspected in the field; (ii) a rapid assessment of the feasibility to repair/improve the problem under discussion with CERDP funds; (iii) long-term requirements for the maintenance of the respective infrastructure; and (iv) implications regarding commitments from villagers, sub-district and district level governments during, and beyond the project duration; the District Infrastructure Engineer and the IRM PAU-Head, who is an infrastructure engineer will provide their expertise and jointly prepare the outputs (i) to (iv).

15. **A Multi-Stakeholder Consultation** will be held in each village and immediately follow the joint fact finding activity. It will involve the same people as the joint fact finding activity and include the heads of RTs. It will be facilitated by a team consisting of an experienced local facilitator and a documenter– to be suggested and agreed among the parties – under the guidance of and paid by OSPF. The summary of results will be documented in Bahasa Indonesia and serve as the basis for the implementation of the agreed course of action. OSPF will be responsible for the translation into English and dissemination of both the Bahasa Indonesia and of the English version to all parties involved. A proposed schedule for the consultation process is in Appendix 5 of the RAR.

Photographic Documentation Handil Negara



1. Road (1,100m long)
Stretch of CERDP road constructed in area surrounded by paddy fields



2. Road (same as 1.)
Same road as 1. showing minor potholes in rainy season



3. Road (same as 1.)
'Siring' used for road construction is not long enough or insufficient, thus allegedly causing erosion. (OSPF team members are inspecting the 'siring'.)



4. Road (same as 1.)
Stretch of the road lacking 'siring'; existing 'siring' is too short allegedly causing erosion



5. Road (same as 1.)
Stretch lacking 'siring' allegedly causing erosion along the sides of the road



6. Road (same as 1.)
Stretch of the road lacking 'siring' allegedly causing erosion along the sides of the road



7. Road (same as 1.)
Existing 'siring' is too short allegedly causing erosion along the sides of the road



8. Road (same as 1.)
Existing 'siring' is too short allegedly causing erosion along the sides of the road



9. Road (same as 1.)
Stretch of the road lacking 'siring'; existing 'siring' is too short allegedly causing erosion along the sides of the road



10. Culvert 1
Location of a previous culvert which was closed during road construction hampers drainage of paddy fields and causes decreased yields and less income.



11. Culvert 2
Location of a previous culvert, which allegedly was closed during road construction, and hampering drainage of paddy fields leading to decreased yields and less income.

KALI BESAR—ASSESSMENT OF COMPLAINT AND PROPOSED COURSE OF ACTION

1. Introduction

1. Kali Besar lies in Kurau sub-district, Tanah Laut District, and is bordering Handil Negara. The village had 807 inhabitants (5 RTs and 2 Dusun) in 2002. The village area consists mainly of flat land and swamps and thus often gets flooded in rainy season. RTs are widely spread and connection with RTs 4 and 5 is more difficult. Agriculture provides the main income; some people are traders, factory workers and civil servants. OSPF conducted 20 one-on-one in-depth interviews on 2 and 7 April 2005 with the Kepala Desa, former Kepala Desa, Ketua BPD, BPD Member, Ketua Poklak, Ketua Dusun, Ketua RT4 and villagers. The Kepala Desa (KD) showed OSPF the CERDP infrastructure on 2 April 2005.

2. Identification and Description of Issues

2. **Infrastructure.** CERDP infrastructure activities started with the construction of a new road leading from RT1 to RT3 in December 2002 (2,360m) for a total of Rp 281,227,000 (photo 20)¹. RT4 and RT5 do not benefit from the road. Reportedly, three bridges and six culverts were also constructed along the road. The work was done by a contractor with involvement of the community to place and spread the soil. According to the KD, the road is in good condition, because O+M funds were used in 2003 and 2004 to put 'siring' to avoid erosion. He also states that two of the three bridges are in good condition. Some of the culverts allegedly caused erosion because they were not properly closed along the sides. Later the O+M fund was used to close the sides of two culverts with soil and 'siring' made out of 'galam'² wood (photos 5-8). Interviewees think that O+M funds should not have been used for "major repair work".

3. The benefits of the road as expressed by the different stakeholders include: (i) better inter-village linkage; (ii) easier transport of crops; (iii) easier access to markets; (iv) easier access for traders to bring products to the village; (v) direct access of children to the school; (vi) time and money saved because of the good new road; (vii) better time management possible as irregular transport by boat is no longer needed.

4. The main areas of concern presently are: (i) road is not evenly wide (photo 9); (ii) culverts are still not solid enough due to improvised repair, and 'siring along the culverts is not sufficiently strong (photos 5-8); (iii) one bridge (leading to the cemetery) shows cracks in the wooden fundaments and there is a fear that it might collapse with heavy vehicles using it. Some villagers think that the bridge is also not well positioned, as it is difficult for bigger vehicles to turn (photos 1-4); (iv) lack of bridge road to RT4 (photo 11); (v) road to RT5 (not built by CERDP) is in bad condition, villagers find it difficult to access the other RTs and feel that this road should have been a priority under CERDP and not the road which leads from RT1 to RT3 (photo 12).

5. **Sequencing of Project Interventions.** This is not a major area of concern. Wrong sequencing of project interventions is the concern of a few better informed villagers, including the KD. Other stakeholders do not seem to be aware that other components should have been provided first.

¹ Departemen Dalam Negeri Republik Indonesia, Pemberdayaan Masyarakat untuk Pembangunan Desa, Tahun 2003, Jakarta 2003: 74

² 'Galam' is a type of wood that grows on peat land. It is commonly used in South Kalimantan to prevent erosion of soil by water.

6. **Social Issues.** Imbalanced distribution of benefits to RTs is a major area of concern in Kali Besar. Villagers in RT4 feel neglected because they do not have a road at all (photo 11). They have to cross the river by boat to reach the other RTs and feel that the construction of a bridge road to RT4 should have been a priority under CERDP. One interviewee said “*RT4 has been treated like a step child*”. Villagers in RT5 have a road connection (the road was built under a previous Government project) but the road is said to be in bad condition and needs to be properly maintained (photo 12). They feel extremely disadvantaged and considered ‘their’ road more important than the road construction from RT1 to RT3. The dissatisfaction over the road also led to conflict among villagers in RT5 and the people in charge of monitoring CERDP activities because villagers in RT 5 did not feel themselves well represented.

7. **Information.** Due to difficult connection between RTs information seems to be by far the most important issue in Kali Besar. Communication and information between different RTs is not good. Villagers stay within the borders of their own RTs. All levels of stakeholders complained about the lack of information on CERDP (*‘CERDP is a secret’*) in general and some villagers said that project information was only available in some but not all RTs. Villagers from different RTs, who have not signed the complaint feel that only the village elite is involved in planning and implementing of project work and that the same applies to the CERDP complaint. They complain that they were not invited when CERDP meetings were organised by the village elite to discuss the complaint and no information was made available about the results of the meetings and further actions to be taken.

8. **Participation in Decision Making.** This issue is closely related to information dissemination and another important concern in Kali Besar. Due to the lack of project information the interviewees stated that there was no community involvement before or during construction of infrastructure.

3. Agreements/Disagreements among Stakeholder groups

9. It appears that a deep feeling of mistrust characterizes the relationship between villagers and the village government and apparatus, and the village monitor. Interviewees agree that the unequal distribution of benefits and the lack of information and participation in decision making processes have contributed to this situation and are a major area of concern. There are varying opinions, however, concerning the infrastructure, with some mentioning minor problems, while others think there are no problems and the complaint is exaggerated.

4. Proposed Remedial Action

10. Problem solving in Kali Besar will be rather complex and difficult to achieve. The expectations of the villagers are high and there is an urgent need for CERDP to clarify the framework for infrastructural interventions. A bridge-road, connecting RTs for example would most probably be beyond the means of the project. CERDP will have to explain, what benefits RT 4 and RT5 could realistically expect.

11. Villagers, however, provided many suggestions regarding improvements needed to satisfy all different stakeholders at village level:

- Existing road has to be elevated, hardened with rocks and asphalted
- ‘Siring’ along culverts has to be replaced by cement to provide sufficient stability to resist erosion

- Bridge to cemetery to be extended/widened and fundament strengthened to allow bigger vehicles to pass
- A bridge road to RT4 to be constructed, ideally out of 'ulin' wood to provide sufficient stability
- Road to RT5 needs to be elevated, potholes covered with soil (to avoid flooding in rainy season)
- Monitoring of funds to be more transparent
- Creation of a repair fund to cater for major repair work
- Components A & B to be implemented

12. Although not everybody had a clear idea what OSPF's role should be during the problem solving process, some said that OSPF should conduct negotiations (together with the signatory) and the *'government should listen to what OSPF has to say'*. Villagers hope that OSPF will represent their interests in negotiations and their expectations are high because ADB initiated this project.

5. Proposed Course of Action

13. The complaint in Kali Besar does not seem to be strongly supported. Mistrust and factions might be too strong and not really related to CERDP and the complaint. A strong commitment from the village on their readiness to solve the problems needs to be made. Expectations regarding OSPF's role and capacities need to be clarified. It is not OSPF's role to represent the villagers. It is not OSPF's role also to look into issues of alleged corruption. Through appropriate meeting arrangements and setting of rules, however, OSPF will try to create an environment encouraging the villagers to voice their opinions. OPSF in its next step will explain the Review and Assessment Report (RAR) including the specific results for Kali Besar. This will further provide communities an opportunity to clarify issues and consider their next steps and its consequences. As part of the consultation process, the community will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed.

14. A cross-section of villagers, representing the different RTs should be willing to participate in the consultation process. For sustainability reasons it is mandatory that the village head, village apparatus and BPD are willing to participate in consultations. Personal issues between individuals should not interfere in deliberations. Blaming individuals, and blaming what lies in the past should be left in the past and everybody should make efforts to look forward in order to solve the issues in a sustainable way.

15. The course of action will be agreed for each village separately. Following the confirmation of the respective village to pursue the complaint, it will be worked out through (i) a joint fact-finding activity to clarify the infrastructure under discussion, assess the problems related to this infrastructure, and propose sustainable, appropriate and realistic solutions that are within the frame of CERDP; and (ii) a multi stakeholder consultation at village level to agree on the issues and action to be taken, responsibilities and a time frame for the implementation of the course of action.

16. **Joint Fact Finding Activity.** It will involve (i) from the respective village - the village head, the chairman ('Ketua') BPD, chairman ('Ketua') POKLAK, the signatory of the complaint,

one signatory of the supporting list and the heads of RTs; (ii) from CERDP – the PIU head, (“Pimpro”), the district coordinator, the District Infrastructure Engineer; (iii) from the NGOs – two representatives; (iv) from IRM – the project implementation officer and the head of the Project Administration Unit (PAU); (v) the contractor; and (vi) OSPF. The joint fact finding will be undertaken under the overall guidance of OSPF. Parties involved will have to cover their costs. The results from the joint fact finding activity will be fed back immediately into the ensuing stakeholder consultation. It is expected that this joint fact finding activity will take about two hours per village. The fact finding activity will be jointly prepared by representatives from the three NGOs and the district coordinators from Tanah Laut and Banjar respectively. They will be responsible for the invitations to the participants involved and the overall organization of the activity. Output of the joint fact finding activity should be: (i) a list of infrastructure-related issues as inspected in the field; (ii) a rapid assessment of the feasibility to repair/improve the problem under discussion with CERDP funds; (iii) long-term requirements for the maintenance of the respective infrastructure; and (iv) implications regarding commitments from villagers, sub-district and district level governments during, and beyond the project duration; the District Infrastructure Engineer and the IRM PAU-Head, who is an infrastructure engineer will provide their expertise and jointly prepare the outputs (i) to (iv).

17. **A Multi-Stakeholder Consultation** will be held in each village and immediately follow the joint fact finding activity. It will involve the same people as the joint fact finding activity and include the heads of RTs. It will be facilitated by a team consisting of an experienced local facilitator and a documenter– to be suggested and agreed among the parties – under the guidance of and paid by OSPF. The summary of results will be documented in Bahasa Indonesia and serve as the basis for the implementation of the agreed course of action. OSPF will be responsible for the translation into English and dissemination of both the Bahasa Indonesia and of the English version to all parties involved. A proposed schedule for the consultation process is in Appendix 5 of the RAR.

Photographic Documentation Kali Besar



1. Bridge
Bridge leading to cemetery



2. Bridge (same as 1; different angle)
Bridge leading to cemetery (villagers say it is not well positioned, which makes it difficult for bigger vehicles to pass and to turn left or right immediately after the bridge)



3. Bridge (same as 1)
Wooden fundament showing minor cracks. Villagers fear that the bridge might collapse when heavy vehicles pass.



4. Bridge (same as 1)
Wooden fundament showing minor cracks. Villagers fear that the bridge might collapse when heavy vehicles pass.



5. Culvert 1

Improvised 'siring' construction along the sides of culvert, which was placed in 2003 and 2004 using O+M funds. Originally, the culverts were not properly closed by the contractor



6. Culvert 1 (different angle)



7. Culvert 2

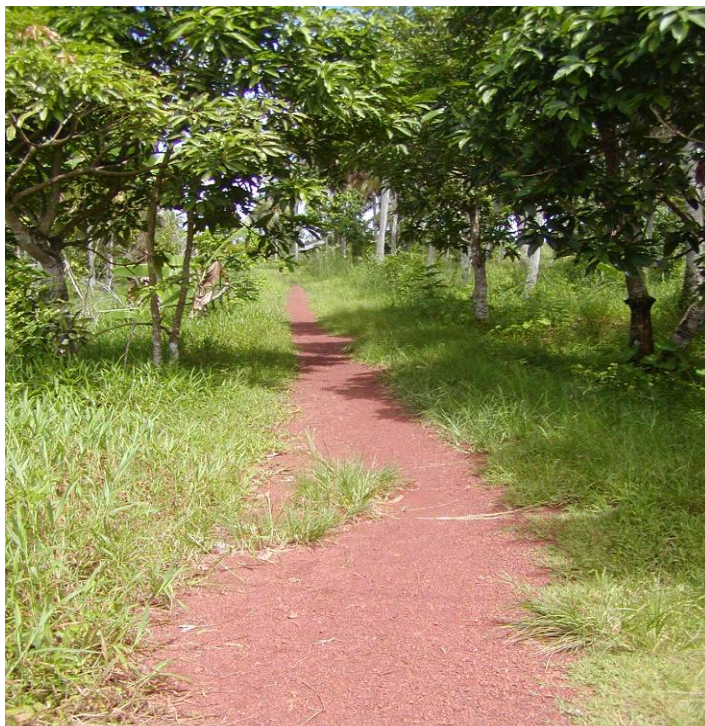
Improvised 'siring' construction along the sides of culvert, which was placed in 2003 and 2004 using O+M funds. Originally the culverts were not properly closed by the contractor



8. Culvert 2 (different angle)



9. Road
End of CERDP road unevenly wide



10. Undone Stretch of Road (Path)
According to the KD, this path is said to be the continuation of the road built by CERDP, which was left undone. No clear information was available, as to where this path leads to.



11. Lack of Bridge Road to RT4



12. Road (NOT CERDP) to RT5
This road was built by another Government project some years ago and leads to RT5.

KIRAM—ASSESSMENT OF COMPLAINT AND PROPOSED COURSE OF ACTION

1. Introduction

1. Kiram is located in Karang Intan sub-district, Banjar district, and borders Mandiangan Barat, 12km from the sub-district capital and 20km from the district capital. It used to be divided into 5 RTs. They were merged into 3 RTs in October 2004: RT1 comprises the former RTs of Jarak (2 RTs were named Jarak) and Guntung Nua, RT2 is Kiram and RT3 is Sungai Tabuk.¹ The main sources of income are livestock raising, farming, wood industry and logging; and gold and gem mining particularly in RT 2, Kiram. Other villagers work as labourers on rubber plantations. Having no road and no electricity, RT 2, Kiram seems to be the most disadvantaged of the RTs. OSPF conducted 16 one-on-one in-depth interviews with the Kepala Desa, Ketua BPD, Ketua Poklak, Kaur Pembangunan and villagers on 05 and 08 April 2005.² One of the signatories of the supporting list showed OSPF the CERDP infrastructure on 5 April 2005.

2. Identification and Description of Issues

2. **Infrastructure.** One road (1,700 m) was rehabilitated and asphalted by a contractor connecting RT1 to RT3 (Jarak; photos 1-4), and costing Rp 149,755,000.³ A complete water supply system including a catchment system at the source of the spring, one water post and 3 tanks (2x 1200 l and 1 x 600 l), including water pipes (2,240m) were installed in RT1 and RT2. The total costs for the water supply were Rp 40,244,000⁴. The installation of the water supply was entirely done by the community under supervision of POKLAK. Signatories of the supporting list of the complaint letter claim that the O+M funds were used to repair water supply in RT2 only. Main areas of concern presently are: (i) signatories of the supporting list feel that the asphalt was not done properly; rough road surface, uneven coating (photos 1-4); and (ii) water supply is still insufficient in RT1 (Jarak) during dry season according to signatories of the supporting list and other villagers. A major concern, not only of villagers in RT 2 (Kiram) is that only RT1 and 3 benefit from the infrastructure, although RT2 is economically quite prosperous. Village government and a few others think that there is nothing to complain. Stakeholders in RT 1 and 3 consider the following benefits of the provided water tank and road to be: (i) easy access to drinking water; (ii) school children have access to school in RT1; and (iii) easy access to paddy fields.

3. **Sequencing of Project Interventions.** This issue was only mentioned by few interviewees. The majority of stakeholders do not perceive the wrong sequencing of project interventions to be a major problem. Communities, however, request provision of components A and B from CERDP.

¹ Sungai Tabuk can only be reached by a small bridge and a forest path. Nobody in this RT had ever heard about CERDP, despite the fact that CERDP had constructed the road leading to the bridge and connecting to the foot path.

² The signatory of the complaint was away on business and could not be interviewed.

³ Departemen Dalam Negeri Republik Indonesia, Pemberdayaan Masyarakat untuk Pembangunan Desa, Tahun 2003, Jakarta 2003

⁴ Ibid.

4. **Social Issues.** The majority of stakeholders state that the fact that unequal distribution of benefits among RTs has created jealousy and disappointment among villagers from RT2.

5. **Information.** Overall, stakeholders in village Kiram were not very knowledgeable about the project and information dissemination is generally difficult due to the geographical situation. Some villagers are confused whether infrastructure was constructed under CERDP or with the assistance of other government projects. In contrast, a few other people claim that they were well informed about CERDP. Some also say that they were not informed about the complaint letter, but simply told to sign a request for components A and B of CERDP. There is disagreement between villagers and village government on appropriateness of complaint.

6. **Participation in Decision Making.** Signatories of the supporting letter as well as other villagers (from different RTs) complain that the community was not involved in the selection process of the built infrastructure. They think the construction of a road to RT2 should have been prioritized. Village apparatus seems to remember that a community meeting took place to decide on the infrastructure. Some villagers allege that decisions were taken by the village elite only without any involvement of other villagers. Some villagers, however, explained that they would not have time to attend any meetings.

3. **Agreements/Disagreements among Stakeholder Groups**

7. There are varying opinions concerning the issues in the village. When most of the village leaders say that villagers are well informed and participate in village decision making processes; majority of the villagers does not feel well informed and not part of decision making processes. Most stakeholders consider the infrastructure as an area of concern. All stakeholders agree that the lack of components A and B is an issue. Quite a number of people apparently had signed the supporting list, but did not seem to be well informed about the content of the complaint letter. It is unclear, how strong the support to the complaint really is.

4. **Proposed Remedial Action**

8. Problem solving in Kiram is assumed to be complex and a challenge. There is disagreement and there are factions among the villagers. Also mistrust in the village government was expressed. Willingness of village government to participate in the consultation process needs to be re-assured. Overall, the only issue that all stakeholder groups agree on is their dissatisfaction about the provision of the incomplete project package.

9. Improvements as summarized from the comments of all stakeholders include:

- Provision of connecting road to RT2
- Provision of electricity for RT2
- RT1 needs an additional water tank and bigger pipe to ensure sufficient water supply also in dry season
- More project transparency is needed
- Provision of components A, B and D

10. Signatories of the supporting list say that they expect OSPF to represent the interests of the community and not the one of the village apparatus. Other villagers did not have a clear idea of what OSPF's role could be during the problem solving process.

3. Proposed Course of Action

11. The support to the complaint in Kiram seems to be rather weak and the willingness to constructively work on the issues needs to be re-confirmed. Expectations regarding OSPF's role and capacity need to be clarified. It is not OSPF's role to represent villagers or to look into issues of alleged corruption. OPSF in its next step will explain the Review and Assessment Report (RAR) including the specific results for Kiram. This will further provide communities an opportunity to clarify issues and consider their next steps and its consequences. As part of the consultation process, the community will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed.

12. A cross-section of villagers, representing the different RTs should be willing to participate in the consultation process. For sustainability reasons it is mandatory that the village head, village apparatus and BPD are willing to participate in consultations. Personal issues between individuals should not interfere in deliberations. Blaming individuals, and blaming what lies in the past should be left in the past and everybody should make efforts to look forward in order to solve the issues in a sustainable way.

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14. **Joint Fact Finding Activity.** It will involve (i) from the respective village - the village head, the chairman ('Ketua') BPD, chairman ('Ketua') POKLAK, the signatory of the complaint, one signatory of the supporting list and the heads of RTs; (ii) from CERDP – the PIU head, ("Pimpro"), the district coordinator, the District Infrastructure Engineer; (iii) from the NGOs – two representatives; (iv) from IRM – the project implementation officer and the head of the Project Administration Unit (PAU); (v) the contractor; and (vi) OSPF. The joint fact finding will be undertaken under the overall guidance of OSPF. Parties involved will have to cover their costs. The results from the joint fact finding activity will be fed back immediately into the ensuing stakeholder consultation. It is expected that this joint fact finding activity will take about two hours per village. The fact finding activity will be jointly prepared by representatives from the three NGOs and the district coordinators from Tanah Laut and Banjar respectively. They will be responsible for the invitations to the participants involved and the overall organization of the activity. Output of the joint fact finding activity should be: (i) a list of infrastructure-related issues as inspected in the field; (ii) a rapid assessment of the feasibility to repair/improve the problem under discussion with CERDP funds; (iii) long-term requirements for the maintenance of the respective infrastructure; and (iv) implications regarding commitments from villagers, sub-district and district level governments during, and beyond the project duration; the District Infrastructure Engineer and the IRM PAU-Head, who is an infrastructure engineer will provide their expertise and jointly prepare the outputs (i) to (iv).

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include the heads of RTs. It will be facilitated by a team consisting of an experienced local facilitator and a documenter– to be suggested and agreed among the parties – under the guidance of and paid by OSPF. The summary of results will be documented in Bahasa Indonesia and serve as the basis for the implementation of the agreed course of action. OSPF will be responsible for the translation into English and dissemination of both the Bahasa Indonesia and of the English version to all parties involved. A proposed schedule for the consultation process is in Appendix 5 of the RAR.

Photographic Documentation Kiram



1. Road constructed under CERDP
Beginning of road; signatory of supporting list says it is in good condition



2. Road (same as 1; different section of the road)
Road surface considered rough and uneven (also see 4-5)



3. Road (same as 1; different section of the road)
Road surface considered rough and uneven



4. Road (same as 1; different section of the road)
Road surface is considered rough and uneven



5. Water Tank 1 (in Jarak)

One of three installed water tanks providing water to several households in one neighbourhood, in good condition;



6. Water Tank 1 (in Jarak)

MANDIANGIN BARAT—ASSESSMENT OF COMPLAINT AND PROPOSED COURSE OF ACTION

1 Introduction

1. Mandiangin Barat is located in Karang Intan sub-district Banjar district. Originally, it included Kiram village as well, but the village was divided in 1978. Mandiangin Barat consists of 3 RTs with a population of 2,100 inhabitants (2001). The population consists of mostly farmers and workers on rubber plantations. The distances between RTs are considerable, communication among RTs is difficult, and social activities most often are restricted to RTs. OSPF conducted 17 one-on-one in-depth interviews on 3, 8 and 9 April 2005 with the Kepala Desa, Ketua BPD, Ketua Poklak, Ketua PKK, Kaur Pembangunan, Kaur Pamarintahan Desa and villagers. The signatory of the complaint letter showed OSPF the CERDP infrastructure on 3 April 2005.

2. Identification and Description of Issues

2. **Infrastructure.** CERDP infrastructural activities were finished in December 2002. Three water tanks with pipes (1,720m; photo 7 shows one of the built tanks), and one road (500m, newly built from a foot path before; photos 1-3) were built by the community, and one bridge (photos 4-6) was constructed by a contractor. According to project reports the total costs for the water supply were Rp 29,303,000, Rp 44,047,000 for the road and Rp 111,274,000 for the bridge.¹ O+M budget was used in 2003 to maintain the water supply (Rp 3,5 Million, mainly to repair pipes) and in 2004 to repair the bridge and the water supply (Rp 25 Million). The road was not maintained. The KD says that there was sufficient money available to maintain the CERDP infrastructure. The community is said to have made a genuine effort to implement the majority of the infrastructure and Mandiangin Barat was awarded for having constructed the best quality infrastructure among the four selected villages in the district. However, budgetary allocations had been delayed at the time causing temporary dissatisfaction and grievance. All villagers, who had advanced money to assure completion of the infrastructure, were reimbursed albeit with delay. Some villagers complain that the water supply is insufficient in dry season, and that only RT3 benefits. Only few villagers mention that the constructed road has potholes and gets flooded in rainy season. Some of them think that the O+M budget is insufficient. But villagers also highlighted the following benefits of the infrastructure: for the water supply—(i) access to clean water supply; (ii) saving time because no long distances to water source have to be made; (iii) access to drinking water also in dry season. For the bridge/road—(i) easy access to paddy fields and plantations; (ii) people do not have to walk through water to get to their fields; (iii) distance to plantations has been shortened; (iv) traders can bring their products directly to the village; and (v) easy access to forests.

3. **Sequencing of Project Interventions.** Seemingly better informed than other communities on CERDP an important issue for most of the stakeholders interviewed is the lack of provision of components A and B.

¹ Departemen Dalam Negeri Republik Indonesia, Pemberdayaan Masyarakat untuk Pembangunan Desa, Tahun 2003, Jakarta 2003:73

4. **Social Issues.** Only few people mentioned social concerns to play a role within the context of the complaint. The majority of stakeholders said that the advancement of funds during the construction of the infrastructure did not really create a problem as wealthy people were very willing to advance funds for a good cause. It appears also that everybody was reimbursed after a period of maximum 40 days and there are no further outstanding funds.

5. **Information.** Many stakeholders, in particular villagers who have not signed the complaint letter and women do not feel well informed about CERDP. Information about financial management, particularly fund flows need to become more transparent. Some interviewees stated that they signed a support letter, but did not know what was the content of the complaint letter.

6. **Participation in Decision Making.** The signatories of the supporting list, members of the village apparatus and a few villagers mention that there was lack of community involvement in planning the CERDP project, especially women seem excluded.

3. **Agreements/Disagreements among Stakeholder Groups**

7. All stakeholders agree that the project package is still incomplete. On information management and participation in village decision making processes, the views are divided. Almost all except one agree that there are remaining concerns on the infrastructure. There seems to be some distrust related to financial transparency.

4. **Proposed Remedial Action**

8. All stakeholders are united in their request for provision of the remaining components of CERDP. The relationship between the village monitor, the community, representatives of the village apparatus and village government is characterized by trust and respect. All stakeholders seem to generally support the complaint.

9. The following provides a list of improvements considered necessary to satisfy all stakeholders in Mandiangin Barat:

- Provision of other project components
- More transparency between village government and community has to be established
- Financial transparency needs to be assured (e.g. Ketua BPD could become counter-signatory in bank transactions)
- Community participation/involvement needs to be assured
- Project monitoring needs to be improved
- Better balanced CERDP project activities (including all RTs)
- Road should be asphalted
- Additional water pipe is needed in RT1 and RT2

10. According to the interviewees OSPF should help to push for full implementation of the project package and should ensure transparency between government and the community.

5. Proposed Course of Action

11. The support to the complaint in Mandiangan Barat is strong with the major focus on provision of package A and B. There is willingness to constructively work out solutions. Expectations regarding OSPF's role and capacity need to be clarified. It is not OSPF's role to look into issues of alleged corruption. OPSF in its next step will explain the Review and Assessment Report (RAR) including the specific results for Mandiangan Barat. This will further provide communities an opportunity to clarify issues and consider their next steps and its consequences. As part of the consultation process, the community will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed.

12. A cross-section of villagers, representing the different RTs should be willing to participate in the consultation process. For sustainability reasons it is mandatory that the village head, village apparatus and BPD are willing to participate in consultations. Personal issues between individuals should not interfere in deliberations. Blaming individuals, and blaming what lies in the past should be left in the past and everybody should make efforts to look forward in order to solve the issues in a sustainable way.

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14. **Joint Fact Finding Activity.** It will involve (i) from the respective village - the village head, the chairman ('Ketua') BPD, chairman ('Ketua') POKLAK, the signatory of the complaint, one signatory of the supporting list and the heads of RTs; (ii) from CERDP – the PIU head, ("Pimpro"), the district coordinator, the District Infrastructure Engineer; (iii) from the NGOs – two representatives; (iv) from IRM – the project implementation officer and the head of the Project Administration Unit (PAU); and (v) OSPF. The joint fact finding will be undertaken under the overall guidance of OSPF. Parties involved will have to cover their costs. The results from the joint fact finding activity will be fed back immediately into the ensuing stakeholder consultation. It is expected that this joint fact finding activity will take about two hours per village. The fact finding activity will be jointly prepared by representatives from the three NGOs and the district coordinators from Tanah Laut and Banjar respectively. They will be responsible for the invitations to the participants involved and the overall organization of the activity. Output of the joint fact finding activity should be: (i) a list of infrastructure-related issues as inspected in the field; (ii) a rapid assessment of the feasibility to repair/improve the problem under discussion with CERDP funds; (iii) long-term requirements for the maintenance of the respective infrastructure; and (iv) implications regarding commitments from villagers, sub-district and district level governments during, and beyond the project duration; the District Infrastructure Engineer and the IRM PAU-Head, who is an infrastructure engineer will provide their expertise and jointly prepare the outputs (i) to (iv).

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Photographic Documentation Mandiangin Barat



1. Road
Uneven surface with pebbles and stones; potholes



2. Road (same as 1)
Uneven surface with pebbles and stones



3. Road (same as 1)
Uneven surface with pebbles and stones



4. Bridge 1
In good condition according to signatory of complaint letter



5. **Bridge 1 ('Titian', same as 4)**
In good condition according to signatory of complaint letter



6. **Bridge 1 ('Titian', same as 4)**
In good condition according to signatory of complaint letter



7. **Water Tank**
One of the three constructed water tanks.

HANDIL BARU—ASSESSMENT OF COMPLAINT AND PROPOSED COURSE OF ACTION

1. Introduction

1. Handil Baru is located in Aluh-Aluh sub-district, Banjar district. It is the remotest of the five villages not in terms of distance from Banjarmasin, but in terms of access. Handil Baru cannot be accessed by road, but by boat only. The entire village is constructed on stilts. Small bridges connect neighbourhoods, and others have to be accessed by boat. The population consists of about 570 villagers (268 men and 302 women) with the main income being farming, livestock raising and fan/hat production. The village head (kepala desa, KD) lives in Handil Bujur another village about 20 minutes away by boat. OSPF conducted 15 one-on-one interviews with the Kepala Desa, Ketua BPD, Ketua Poklak, Pengulu, village facilitator, Ketua RT1 and villagers on 4 and 6 April 2005. The signatory of the complaint letter showed OSPF the CERDP road on 5 April 2005, and the Kepala Desa showed the bridges and culverts on 7 April 2005.

2. Identification and Description of Issues

2. **Infrastructure.** One road was constructed (2,950 m) by a contractor costing Rp 376,127,000 (photos 1-9).¹ The community was involved in placing the 'siring' along the sides of the road. Seven (7) culverts initially not of good quality, have been replaced in the meantime. The condition of the present culverts is said to be good (photo 18). It is unclear whether one or two bridges were constructed. Most interviewees and the KD confirmed that two bridges were constructed (photos 10-11). During road construction two bridges were disconnected to allow excavators to pass (photos 12 and 13-15). Both were re-connected after completion of the road construction. However, one bridge is slanted and there is a big hole in the platform of that bridge (photos 16-17). The second bridge is said of having collapsed, has been reconstructed after one year and is in good condition now. Some villagers at the time had launched an article in a local newspaper to get attention for the situation. O+M funds in 2003 and 2004 were used to add two more culverts and to change and add 'galam' wood as 'siring' where needed along the road. The O+M funds were also used to fix other bridges, which were not built under CERDP. Main areas of concern presently are (i) road is not elevated enough, which causes flooding (photos 5 and 7); (ii) the road is overgrown and muddy in rainy season because the construction used sand only, no stones (photos 1, 5, 8); (iii) 'siring' is made from 'galam' wood, not 'ulin', too short, not properly placed, or lacking, which also causes erosion (photos 2-4, 6-7); (iv) in some stretches of the road 'siring' lacks altogether because the funds were insufficient to place it (photo 9); and (v) reconnected bridge is slanted (photos 12-15) and the fundament of its platform has a hole (photos 16-17). O+M funds are considered insufficient to cover the costs for the major repair work, which is needed to rectify the multiple problems (signatory). Overall, villagers are dissatisfied that what they got is not what they wanted. Some villagers who agreed to donate land for the road are particularly dissatisfied with its condition.

3. **Sequencing of Project Interventions.** Not many interviewees are aware of the other project components. The wrong sequencing of project interventions does not seem

¹ Departemen Dalam Negeri Republik Indonesia, Pemberdayaan Masyarakat untuk Pembangunan Desa, Tahun 2003, Jakarta 2003: 72

to have posed a major problem to those few villagers who know about it. Handil Baru has also been included in the remaining components since 2004.

4. **Social Issues.** Social jealousy arose among villagers during road construction because only a few selected villagers could work as labourers. Nowadays, there seem to be frictions and disagreement between complainants and the village government.

5. **Information.** Information in Handil Baru is uneven and does not work well. Villagers are concerned that only the village elite are informed about the project, while other villagers are excluded. Communication between the villagers and the village government needs to be improved. It seems also that financial transactions need to be more transparent. Some members of the village apparatus claim that they had no information on the project. Reportedly also the POKLAK did not function well between 2002 and 2004.

6. **Participation in Decision Making.** The KD remembers that a community meeting held with 35 people representing the villagers (KD, village apparatus, LKMD, some villagers) to discuss on the selection of appropriate infrastructure in the village in 2002. He concludes: *'What the villagers wanted is what they got.'* Other villagers claim that they were not involved and that this was the reason why they had established the village monitoring group.

3. **Agreements/Disagreements among Stakeholder Groups**

7. Remaining issues on infrastructure, lack of information and participation in decision making processes stand out as three main areas of concern for those interviewed. It seems that there are frictions and rifts between village government and villagers. Whether these are related to the project or have different sources remains unclear. Open discussions, apparently, have been absent in the past. Village government sees a tendency to complain to the outside rather than discussing grievances directly within the village. Some feel that the complaint is exaggerated.

Mistrust and perceptions seem to guide daily interactions, rather than an effort to deal with the issues internally. Problem-solving will therefore be rather challenging and only possible, if the different parties are genuinely agreeable to discuss the issues.

4. **Proposed Remedial Action**

8. Stakeholders' suggestions on what needs to be done in order to remedy the problems are summarized as follows:

- The road needs to be elevated and hardened with sand and stones to stop grass and paddy from overgrowing and to prevent the road from being flooded, some villagers even suggested to put asphalt.
- Good quality 'siring' has to be placed along the sides of the road to avoid erosion
- The slanted bridge needs to be repaired
- Grass on road needs to be regularly cut (regular maintenance)
- Information needs to be improved

9. OSPF is expected to support the villagers *'with money or material'*. There are high expectations that OSPF is solving the conflict.

5. Proposed Course of Action

10. Opinions on the complaint and its relevance are divided. Expectations regarding OSPF's role and capacity need to be clarified. It is not OSPF's role to provide money or material. It is also not its task to look into issues of alleged corruption. OSPF can only help solve the villagers' problems if the disagreeing parties genuinely make an effort and are ready for open discussions. OPSF in its next step will explain the Review and Assessment Report (RAR) including the specific results for Handil Baru. This will further provide communities an opportunity to clarify issues and consider their next steps and its consequences. As part of the consultation process, the community will be required to decide, whether they want to pursue the issues further. If they decide to do so, they will be required to provide comments to OSPF on the content of the report, in particular the proposed course of action, priority issues, proposed steps to be taken, acceptance of ground rules and suggestions on a realistic and feasible schedule to be followed.

11. A cross-section of villagers, representing the different RTs should be willing to participate in the consultation process. For sustainability reasons it is mandatory that the village head, village apparatus and BPD are willing to participate in consultations. Personal issues between individuals should not interfere in deliberations. Blaming individuals, and blaming what lies in the past should be left in the past and everybody should make efforts to look forward in order to solve the issues in a sustainable way.

12. The course of action will be agreed for each village separately. Following the confirmation of the respective village to pursue the complaint, it will be worked out through (i) a joint fact-finding activity to clarify the infrastructure under discussion, assess the problems related to the infrastructure, and propose sustainable, appropriate and realistic solutions that are within the frame of CERDP; and (ii) a multi stakeholder consultation at village level to agree on the issues and action to be taken, responsibilities and a time frame for the implementation of the course of action.

13. **Joint Fact Finding Activity.** It will involve (i) from the respective village - the village head, the chairman ('Ketua') BPD, chairman ('Ketua') POKLAK, the signatory of the complaint, one signatory of the supporting list and the heads of RTs; (ii) from CERDP – the PIU head, ("Pimpro"), the district coordinator, the District Infrastructure Engineer; (iii) from the NGOs – two representatives; (iv) from IRM – the project implementation officer and the head of the Project Administration Unit (PAU); (v) the contractor; and (vi) OSPF. The joint fact finding will be undertaken under the overall guidance of OSPF. Parties involved will have to cover their costs. The results from the joint fact finding activity will be fed back immediately into the ensuing stakeholder consultation. It is expected that this joint fact finding activity will take about two hours per village. The fact finding activity will be jointly prepared by representatives from the three NGOs and the district coordinators from Tanah Laut and Banjar respectively. They will be responsible for the invitations to the participants involved and the overall organization of the activity. Output of the joint fact finding activity should be: (i) a list of infrastructure-related issues as inspected in the field; (ii) a rapid assessment of the feasibility to repair/improve the problem under discussion with CERDP funds; (iii) long-term requirements for the maintenance of the respective infrastructure; and (iv) implications regarding commitments from villagers, sub-district and district level governments during, and beyond the project duration; the District Infrastructure Engineer and the IRM PAU-Head, who is an infrastructure engineer will provide their expertise and jointly prepare the outputs (i) to (iv).

14. **A Multi-Stakeholder Consultation** will be held in each village and immediately follow the joint fact finding activity. It will involve the same people as the joint fact finding activity and include the heads of RTs. It will be facilitated by a team consisting of an experienced local facilitator and a documenter– to be suggested and agreed among the parties – under the guidance of and paid by OSPF. The summary of results will be documented in Bahasa Indonesia and serve as the basis for the implementation of the agreed course of action. OSPF will be responsible for the translation into English and dissemination of both the Bahasa Indonesia and of the English version to all parties involved. A proposed schedule for the consultation process is in Appendix 5 of the RAR.

Photographic Documentation Handil Baru



1. Road
Road constructed along river and paddy fields; overgrown by grass



2. Road (same as 1)
'Siring' construction along the river side of the road



3. Road (same as 1)
'Siring' along the river side of the road



4. Road (same as 1)
Detail of 'siring' along the river side of the road



5. **Road (same as 1)**
Road overgrown by grass and muddy in rainy season



6. **Road (same as 1)**
'Siring' not sufficiently high allegedly causing erosion



7. **Road (same as 1)**
'Siring' placed towards the river side of the road



8. **Road (same as 1)**
Road overgrown by paddy



9. Road (same as 1)
Lack of 'siring' allegedly causing erosion



10. Bridge 2
The village head says it is in good condition. There were also no complaints about this bridge from other villagers



11. Bridge 3
This bridge was dismantled by the contractor, when the road construction started, so that the excavator could pass. Later it was badly replaced and collapsed. It took one year before the contractor rebuilt it again. It is said to be in good condition presently.



12. Bridge 4
This bridge was dismantled by the contractor during road construction to enable excavators to pass. It was later reconstructed but was not replace properly. Its position is slanted (see photos 13-15)



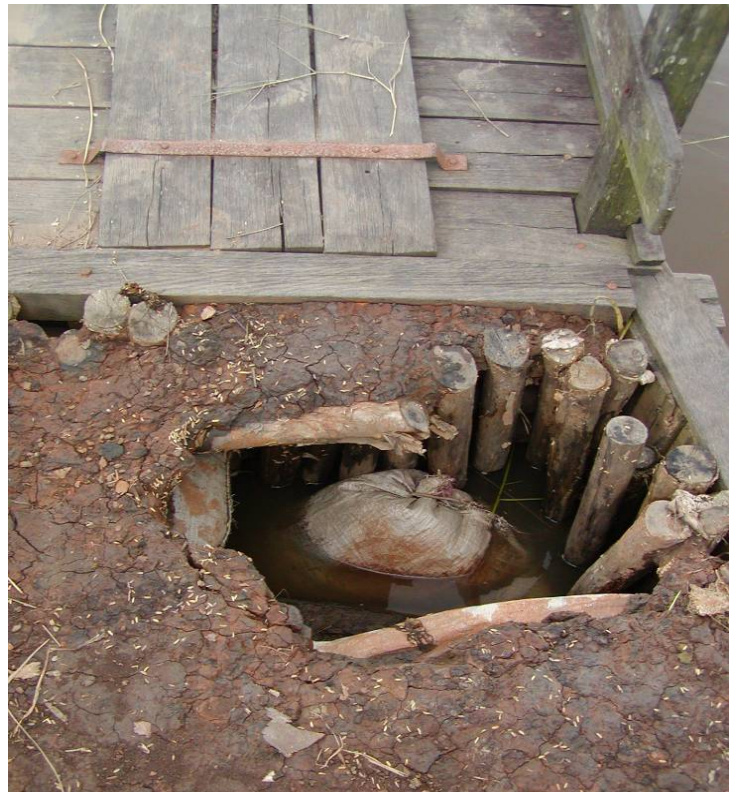
13. Bridge 4 (same as 12)
Detail of slanted bridge



14. Bridge 4 (same as 12)
Detail of slanted bridge



15. Bridge 4 (same as 12)
Detail of slanted bridge



16. Bridge 4 (same as 12)
Hole in slanted bridge platform



17. Bridge 4 (same as 12)
Hole in slanted bridge platform



18. Culvert 1
The Kepala Desa says it is in good condition

Issues and Agreements/Disagreements of Stakeholders

| Stakeholder Groups | Infrastructure | Sequencing of Project Components | Information | Participation in Decision Making |
|--------------------|--|--|--|---|
| Five Villages | Handil Negara <ul style="list-style-type: none"> Closed culverts (number not certain) Road not elevated enough causing floods 'siring' not long enough and lacking along some stretches of the road causing soil erosion | Component C received first | Lack of information is a major concern | Insufficient participation of communities in deciding on infrastructure |
| | Kali Besar <ul style="list-style-type: none"> Road not evenly wide Culverts not solid enough due to improvised repair Bridge leading to the cemetery is weak and might collapse due to cracks in its wooden fundaments Non-inclusion of RT4 and RT5 in the village infrastructure | Component C received first | Lack of information is a major concern | Insufficient participation of communities in deciding on infrastructure |
| | Kiram <ul style="list-style-type: none"> Rough road surface and uneven coating of black asphalt Water supply still insufficient in RT1 especially in dry season | Component C received first | Conflicting claims of informed villagers and villagers not informed at all leading to misunderstanding | Insufficient participation of communities in deciding on infrastructure |
| | Mandiingin Barat <ul style="list-style-type: none"> Water supply insufficient in dry season RT1 and RT2 not benefiting from water supply | Component C received first | Conflicting claims of informed villagers and villagers not informed at all leading to misunderstanding | Insufficient participation of communities in deciding on infrastructure |
| | Handil Baru <ul style="list-style-type: none"> Road not elevated enough causing floods. Gets muddy in rainy season Sand (no pebbles) was used in the construction Road overgrown with grass and paddy 'Siring' too short and not properly placed causing erosion; some stretches no 'siring' at all Use of substandard wood ('galam') instead of 'ulin' Reconstructed bridge is slanted and the fundament of its platform | Component C received first - included for components A and B in 2004 | Lack of information is a major concern | Insufficient participation of communities in deciding on infrastructure |

| Stakeholder Groups | Infrastructure | Sequencing of Project Components | Information | Participation in Decision Making |
|---|---|---|--|---|
| | not solid enough | | | |
| <p>Government and Consultants</p> <p>Note: Consultants were recruited mostly in April 2002 for the Central Consultants Team (CCT) and mid-2003 for the Regional Consultants Team (RCT)</p> | <p>Infrastructure recently checked through PMO, condition considered as generally good- confirmed by local government and consultants at district level</p> <p>Handil Negara</p> <ul style="list-style-type: none"> Road in good condition, different versions on numbers and conditions of culverts No proposal made to CERDP when maintenance work was prepared in 2004 on repair/opening of culverts, one culvert improved by owner of adjacent paddy field on own initiative and with own money <p>Kali Besar</p> <ul style="list-style-type: none"> Road and bridge in good condition 'Siring' changed from galam to ulin wood during O+M activities, condition of galam siring still in place seems soft, should be replaced with ulin siring <p>Kiram—according to PIU and consultants no infrastructural problems</p> <p>Mandiingin Barat</p> <p>Major concern of villages earlier cash advances and contributions during construction – all advances repaid according to PIU and consultants no infrastructural problems</p> <p>Handil Baru</p> <ul style="list-style-type: none"> Road condition generally good, but overgrown with grass, some removed by villagers themselves, wet because of rain, requested to layer with coral sand 10 cm thick and 2300m long Bridge found in good condition | <p>Agreed – components A and B should have been implemented first</p> | <p>Agreed – expected to improve considerably with the villages included in components A, B, and D in 2005</p> <p>PIU went to villages to explain project and procedures, e.g. Handil Baru, villagers did not seem to accept explanations</p> <p>PIUs: NGOs should crosscheck information received from villagers with PIUs</p> | <p>Generally agreed – participation was limited to MUSBANDGES. Some have different opinion – depending on understanding of the meaning of 'participation.' Expected to improve considerably with inclusion of villages in components A, B, and D.</p> |

| Stakeholder Groups | Infrastructure | Sequencing of Project Components | Information | Participation in Decision Making |
|--------------------|--|--|--|---|
| ADB | IRM reviewed PMO's report and has requested DGRCE to include 4 villages in components A, B and D in 2005 | Agree that components A and B should have been implemented first | Agreed – expected to improve considerably with the villages included in components A, B, and D in 2005 | Agreed - Minimum participation through MusBanDes before - Expected to improve considerably with inclusion of villages in components A, B, and D |

Consultation Process and Schedule

- updated 18 April 2005 -

STEP 4: Review and Assessment

| | |
|---|---|
| Community level interviews | 1 April - 10 April 2005 |
| Interviews with Government and Consultants | 12 April - 15 April 2005 |
| Indonesia Resident Mission (IRM) - Write-up position and suggested remedial actions | 14 April 2005 |
| IRM assists in setting up mission schedules, provides information, explanations to OSPF, government | Since complaint came in |
| NGOs assist in communicating with communities | Since complaint was prepared |
| Review and Assessment Report (RAR), English Version | 25 April 2005 |
| Translation into Bahasa Indonesia approx. 10 days | 5 May 2005 |
| OSPF sends RAR to ADB President, cc VP; to complainants and IRM | Approx. 5 May 2005 <i>Note: Government does not get report at that stage</i> |
| OSPF goes back to communities to explain report | 16 – 21 May 2005 |
| NGOs assist in organizing meetings in the five villages | agreed |

STEP 5: Complainants' Decision to Carry on with Consultation Process or File for Compliance Review - 7 days according to policy

| | |
|--|--|
| Complainants decide to continue | 28 May 2005 |
| NGOs communicate complainants' decision to OSPF in Bahasa Indonesia by e-mail | 28 May 2005 |
| OSPF gets translation and informs IRM | immediately |
| IRM informs government of complainants' decision to continue | Upon receiving the information from OSPF |
| OSPF provides RAR to government, if government expresses interest and IRM and complainants consent | Upon receiving consent |

STEP 6: Comments on SPF's Findings from OD and Complainant – 14 days SPF's Recommendation to President – 7 days from receipt of comments –

| | |
|--|--------------|
| Complainants provide comments on report | 13 June 2005 |
| NGOs assist complainants in formulating their comments (Bahasa Indonesia); send comments to OSPF | |

| | |
|--|--|
| OSPF gets translation of comments into English | 15 June 2005 |
| IRM might want to discuss report with government | Between 28 May and 13 June 2005 |
| IRM provides comments on report | 13 June 2005 |
| OSPF recommends to President <ul style="list-style-type: none"> ➤ decision on continuation purposeful or not ➤ if purposeful – work out a course of action, suggestions for this course of action to be drawn from RAR, comments from complainants and ODs, OSPF's suggestions | By 2nd week June 2005 |
| OSPF facilitates working out the Course of Action <ul style="list-style-type: none"> ➤ all parties involved (IRM, Government & Consultants, complainants, NGOs) | Second week June 2005 Course of Action to include: <u>Facilitated Consultation(s)/Community Workshops, village-by-village with all Stakeholders</u> – Objective: to agree on course of action and modalities for its implementation – combined with <u>Joint Fact Finding</u> – Objective: to verify the status of the infrastructure, assess and cost remedial action - if needed Other activities to be agreed |

STEP 7: Implementation of the Course of Action – time frame depending on agreed activities and to be agreed by all stakeholders

STEP 8: Termination of Consultation Process

GROUND RULES

Interactions of all parties involved in the dialogue process are as follows. The parties to the dialogue process are asked to suggest revisions, or add other rules, important to them:

- (i) only one person will speak at a time and no one will interrupt when another person is speaking;
- (ii) each participant will wait to be recognized by the facilitator before speaking;
- (iii) each person will express his or her organization's and constituents' views rather than speaking for others;
- (iv) in view of time constraints and in order to allow for maximum participation participants will commit to keeping their comments short and to the point;
- (v) each participant will refrain from making personal attacks, will make every effort to stay on track with the agenda, and avoid grandstanding and digressions in order to keep the discussion focused and constructive;
- (vi) the multi stakeholder consultation is an open event and its record will be publicly available – unless the participants decide otherwise. However, to encourage a frank and uninhibited discussion no media members will be invited to the consultation itself;
- (vii) the facilitation team will help implement the ground rules once they are accepted by all participants. The facilitation team will be impartial and neutral in its facilitation;
- (viii) following the multi stakeholder consultation the facilitation team under the guidance of OSPF will produce and circulate a report on the results in English and Bahasa Indonesia to all parties.