

ASIAN DEVELOPMENT BANK

**FINAL REPORT
OF THE
SPECIAL PROJECT FACILITATOR
ON
COMMUNITY EMPOWERMENT FOR RURAL DEVELOPMENT
IN INDONESIA
ADB Loan 1765(SF)/1766-INO (19 October 2000)
(complaint received 21 February 2005)**

December 2005

ABBREVIATIONS

ADB	Asian Development Bank
BPD	Badan Perwakilan Desa
CERDP	Community Empowerment for Rural Development Project
DGRCE	Directorate General of Rural Community Empowerment
IRM	Indonesia Resident Mission
JFF	joint fact finding
LK3	Lembaga Kajian Keislaman & Kemasyarakatan, an NGO
MSC	multi-stakeholder consultation
NGO	nongovernment organization
OSPF	Office of the Special Project Facilitator
PAU	Project Administration Unit
PIU	Project Implementation Unit
PMO	Project Management Office
POKLAK	KelomPOK PeLaKsanaan
RAR	review and assessment report
RT	Rukun Tetangga
SPF	Special Project Facilitator
YCHI	Yayasan Cakrawala Hijau Indonesia, an NGO
YDA	Yayasan Duta Awam, an NGO

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EXECUTIVE SUMMARY

A. Background

The Community Empowerment for Rural Development Project (CERDP) in Indonesia, now in its fifth year of implementation, comprises (i) capacity building for community development with various subcomponents (component A), (ii) community-based savings and loan organizations (component B), (iii) support for the construction of rural infrastructure (component C), and (iv) support for project management and monitoring (component D). The Directorate General of Rural Community Empowerment (DGRCE) of the Ministry of Home Affairs is the Executing Agency. Loans 1765(SF)/1766-INO for \$170.2 million were approved on 19 October 2000, the Loan Agreements were signed on 15 December 2000, and the loans took effect on 12 March 2001. Project administration was transferred to the Indonesia Resident Mission (IRM) in July 2002. A midterm review was conducted from 29 November to 15 December 2004.

The nongovernment organizations (NGOs) Yayasan Cakrawala Hijau Indonesia, Lembaga Kajian Keislaman & Kemasyarakatan, and Yayasan Duta Awam, together with villagers from the five villages of Kiram, Mandiangin Barat, Handil Baru, Handil Negara, and Kali Besar in South Kalimantan, submitted a complaint to the Special Project Facilitator on 18 February 2005. In the complaint, the NGOs and the villagers pointed out that CERDP had put infrastructure in place (component C) before components A and B, which had not been provided to the communities, that capacity building should have been provided first, and that, as a consequence, harm had been caused to the five communities. The Special Project Facilitator (SPF) registered the complaint on 9 March 2005, and declared it eligible on 23 March 2005.

B. Review and Assessment

The review and assessment included a desk review of documents, interviews with Asian Development Bank (ADB) staff, discussions with the different parties, and a field assessment. The review and assessment report (RAR) was sent to the President of ADB on 26 April 2005, and a version in both English and Bahasa Indonesia was sent to the complainants and ADB-IRM on 5 May 2005.

The RAR identified the stakeholders involved in the Project as (i) the five communities; (ii) the three NGOs; (iii) the Government of Indonesia, in particular DGRCE, local governments, and consultants from the central and regional consulting teams; and (iv) ADB-IRM, which is responsible for project administration. The five communities comprise a large and diverse set of stakeholders. The three NGOs have taken on a role as intermediaries between the representatives of the villagers and the Office of the Special Project Facilitator (OSPF). The complaint, as synthesized in the RAR, centered on four concerns: infrastructure, sequencing of project components, participation in decision making, and information.

Stakeholders at the village level focused on the infrastructure issues (component C), but were confused about details of the infrastructure provided. Some thought that the villagers were insufficiently empowered because component A had not been provided, and that the lack of village consultations and overall information about the Project had contributed to deficiencies in the infrastructure and to direct material and adverse effects. The Government, the consultants, and IRM agreed that capacity building for

decentralized development planning should have preceded the infrastructure interventions.

C. Course of Action

The course of action taken consisted of preparatory meetings, village-level joint fact-finding activities, and multi-stakeholder consultations facilitated by a local facilitator. A cross-section of representatives from villages, the Government, project officers, ADB-IRM as parties, NGOs as intermediaries, and OSPF took part in the discussions. Agreements within the scope of the Project were signed for each village at multi-stakeholder consultations from 26 to 28 September 2005. At the time of the consultations, the implementation of components A and B had begun.

D. Monitoring of Agreements

As the CERDP complaint mechanism is in place, components A and B have begun to be implemented, and the parties have declared themselves willing to implement the agreements, a smooth transition from complaint to project implementation is expected. ADB-IRM, which is administering the Project, should closely monitor the implementation of the agreements and ensure that it is done to the satisfaction of all parties. The parties agreed to submit a joint progress report to OSPF by the end of January 2006.

I. BACKGROUND

A. The Project

1. The Community Empowerment for Rural Development Project (CERDP) in Indonesia,¹ which is supported by the Asian Development Bank (ADB), has four components. Component A supports (i) institutional development to improve community-based planning, (ii) human resource development to support formal degree training for 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 supports the establishment of community-based savings and loan organizations in the targeted areas of Kalimantan and Sulawesi. (The location map is in Appendix 1.) Component C supports the construction of rural infrastructure for the targeted communities. Component D provides project management and monitoring assistance. 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. The Loan Agreements were signed on 15 December 2000 and the loans took effect on 12 March 2001. The Project is in its fifth year of implementation. Project administration was transferred to ADB's Indonesia Resident Mission (IRM) in July 2002. A midterm review was conducted from 29 November to 15 December 2004.

B. The Complaint

2. The nongovernment organizations (NGOs) Yayasan Cakrawala Hijau Indonesia (YCHI) in Banjarbaru, Lembaga Kajian Keislaman & Kemasyarakatan (LK3) in Banjarmasin, and Yayasan Duta Awam (YDA)² with offices in Solo, Central Java, started participatory monitoring of CERDP in eight villages in South Kalimantan in 2002. The effort was funded by the Ford Foundation and resulted in a report published in 2003.³ Workshops and seminars were held to disseminate the results and learning. It was pointed out at this time that CERDP had put infrastructure in place without first building capacity. On 18 February 2005 the Forum Masyarakat Peduli CERDP, consisting of the three NGOs and villagers from the five villages of Kiram, Mandiangin Barat, and Handil Baru in district Banjar, and Handil Negara and Kali Besar in district Tanah Laut, South Kalimantan, submitted a complaint to the Office of the Special Project Facilitator (OSPF). The OSPF registered the complaint on 9 March 2005. Eight persons, three of them representing NGOs and five from the villages, had signed the complaint and requested confidentiality. The English version of the complaint letter is in Appendix 2; a complete set of the complaint letter in English and Bahasa Indonesia and attachments can be found at www.adb.org/spf.

3. The main issues reported in the complaint were the following: (i) infrastructure, mainly rural roads, bridges, and water supply, put in place in 2002 under component C of CERDP had been constructed with no regard for CERDP's sequencing of components and without the villagers' participation in planning and design; some of this infrastructure was faulty, and improvements made in some locations were unsatisfactory; and (ii) the five villages had not yet received components A, B, and D. As

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

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

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

a consequence of faulty design and construction, the villagers said, agricultural production had declined and they had suffered loss of income and time, transportation problems, and decreasing motivation to participate. In some instances, conflicts between different neighborhoods (*rukun tetangga*, or RTs)⁴ were reported.

C. Determination of Eligibility

4. An eligibility check by the OSPF was made from 14 to 21 March 2005. It included a visit to the project area, discussions with central, provincial, district, and sub-district governments, the implementation consultants, NGOs supporting the complaint, and the complainants. The OSPF declared the complaint eligible on 23 March 2005. The signatories from the five villages were deemed to be the complainants. YCHI, LK3, and YDA were the intermediaries between the representatives of the villagers and OSPF.

II. REVIEW AND ASSESSMENT

A. Methodology

5. The review and assessment, step 4 of the consultation process, included (i) a desk review of documents; (ii) interviews with ADB staff who have been with the Project;⁵ (iii) discussions with the three NGOs; (iv) a field assessment, consisting of on-site visits to 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 regional consulting teams. The review and assessment report (RAR) of the OSPF was sent to the ADB President on 26 April 2005, and a version in English and Bahasa Indonesia was sent to the complainants and ADB-IRM on 5 May 2005.

B. Identification of Stakeholders

6. The RAR identified the stakeholders of the Project as (i) the five communities; (ii) the three NGOs; (iii) the Government of Indonesia, in particular DGRCE, local governments, and consultants from the central and regional consulting teams; and (iv) ADB-IRM.

7. The five communities comprised a large and diverse set of stakeholders: the signatories of the complaint and a list of persons supporting the complaint; village heads, members of the village parliament (Badan Perwakilan Desa, BPD), and some members of the so-called village apparatus consisting of staff supporting the village head; members of the implementation group, POKLAK;⁶ and other villagers. Key stakeholders at the village level varied considerably in professional and educational background, and poverty levels.

8. YCHI, LK3, and YDA took themselves to be supporters of the communities, committed to assisting the villagers in getting their CERDP-related problems solved and ultimately enjoying benefits from the Project. The NGOs' relationship with CERDP

⁴ A *rukun tetangga* is a unit below the village level.

⁵ A position paper provided to the OSPF by IRM is quoted in the RAR.

⁶ Short for KelomPOK PeLAKsanaan, the group tasked with the implementation of project infrastructure activities.

started in 2002 when they assisted the communities in participatory monitoring in an initial group of eight villages in South Kalimantan. The signatories seemed to trust the NGOs and wanted them involved as intermediaries in the consultation phase. The NGOs, for their part, felt that they had contributed considerably to empowering the communities and needed to remain engaged.

9. The Ministry of Home Affairs and Regional Autonomy, DGRCE, local governments, and consultants from the central and regional consulting teams comprised a large number of government staff and consultants at different administrative levels. In the spirit of decentralization, OSPF had suggested conducting the consultation at the local level and involving the local representatives. ADB-IRM was involved through the project officer responsible for CERDP administration.

C. Findings and Recommendations

10. The RAR synthesized and organized the views expressed by the various stakeholders around a manageable set of four concerns: (i) infrastructure, (ii) sequencing of project components, (iii) participation in decision making, and (iv) information.

11. **Infrastructure.** Most of the stakeholders at the village level were clearly focused on infrastructure issues and expected these to be rectified. Many villagers were confused about the details of the infrastructure provided, e.g., specifications of roads (length, width, materials) and bridges, and number of culverts. Hence, their complaints related mostly to the quality of design and construction. Villagers also mentioned enjoying a wide range of benefits from the infrastructure, like better access to markets, better inter-village connections, and faster, cheaper, and more reliable transport of people and goods. The villagers acknowledged that traders now had better access to the villages, that their children could get more easily and quickly to school, and that the ready availability of clean drinking water from taps saved considerable time that used to be spent fetching water. The project management office (PMO) and the engineers involved in the Project were of the opinion that the infrastructure provided to the five villages was generally good. There was agreement among the parties that any problems should be fixed within the scope of the Project, provided they were technically feasible. The RAR recommended joint fact-finding activities (JFF) for all parties to verify the types, specifications, contracts, and current status of the infrastructure in the field.

12. **Sequencing of Project Components.** Some villagers thought that without component A, in particular, they were insufficiently empowered and that the provision of community-based planning mechanisms would have helped them plan and implement component C. According to them, lack of village-level consultations may have contributed to the perceived deficiencies in the infrastructure, which led to direct material and adverse effects. The Government, the consultants, and IRM agreed that capacity building for decentralized development planning should have preceded the infrastructure interventions. The Government and the project management gave their assurance that components A, B, and D would be carried out in the remaining four villages in 2005 (implementation of the components had begun in 2004 in the fifth village, Handil Baru).

13. **Participation in Decision Making.** Villagers, including representatives from BPD, complained that the infrastructure had been designed and constructed without their participation. They felt that they should have had a say in selecting infrastructure

but that they had been overruled by the village elite. The different stakeholders agreed that participation in decision making needed to be improved.

14. **Information.** Many village-level stakeholders considered the lack of access to information as the second most important and most complex area of concern. Villagers complained that they had learned about the Project only when the contractor's vehicles showed up and bulldozers started to excavate the soil or tear down old structures in preparation for construction. In their view, the lack of information had led to distrust. The RAR pointed out that information dissemination had also been hampered by distance and poor road connections between RTs.

15. The PMO believed that not enough information about CERDP was disseminated in 2001/2002. IRM and the PMO said that they had offered to provide additional information in meetings with NGOs. The project implementation unit (PIU) at the district level added that it had explained the project framework and its restrictions a number of times, but the villagers would not accept the explanations.

D. Proposed Course of Action

16. The RAR recommended a village-by-village approach consisting of JFFs and multi-stakeholder consultations (MSC). It proposed ground rules, and requested the participation of a cross-section of villagers, representing the different RTs, as well as the village heads, village apparatus, and BPD.

17. OSPF explained the RAR to the communities to give them an opportunity to clarify issues and to consider the next steps and their consequences. Having decided to pursue the issues further, the communities gave their comments on the RAR. The RAR was posted on OSPF's Web site on 9 May 2005, and the complainants' and ADB-IRM's comments were posted on the site on 9 August 2005.⁷ The complainants requested preparatory meetings with the other parties to jointly agree on the specifics of the proposed course of action. The parties also agreed to recruit a local facilitator for the course of action.

III. COURSE OF ACTION

18. **Preparatory Meetings.** Two preparatory meetings (one for each district)⁸ were held on 29 and 30 August 2005, to allow the complainants to harvest their rice crop before the meetings. There were 90 participants from the different parties: ADB-IRM, the Government, implementation consultants, village representatives, and NGO intermediaries. The local facilitator, together with a co-facilitator and a documenter, handled the detailed planning for the JFFs and MSCs, including setting objectives and agreeing on issues, participants, and dates. The issues listed in the RAR were reexamined. The parties agreed that the remaining infrastructure issues pertained to the persistent flooding of the roads in Handil Baru and Handil Negara, the asphaltting of the road in Kiram, and the width and culverts of the road in Kali Besar. The group from Mandiangin Barat agreed eventually that their physical infrastructure was in good condition and that the remaining issues related to fund disbursements and the provision

⁷ <http://adb.org/SPF/cerd-complaint-registry.asp>,
<http://adb.org/SPF/Documents/complainants-comments-rar.pdf>,
<http://adb.org/SPF/Documents/irm-comments-rara.pdf>

⁸ Three villages in Banjar district and two villages in Tanah Laut district had signed the complaint.

of components A and B should be discussed during the MSC. The Government agreed to provide the technical specifications for the infrastructure in question 3 days before the JFF. Non-infrastructure issues were to be discussed at the MSCs.

19. **Joint Fact-Finding Activity.** JFFs in the four villages of Handil Baru, Handil Negara, Kali Besar, and Kiram took place on 13 and 14 September 2005, and involved the village heads or a representative, the BPD chairman, the POKLAK chairman, signatories of the complaint, RT heads, the PIU head, the district coordinator, the district infrastructure engineer, NGO representatives, the project administration unit (PAU) head from ADB-IRM, and OSPF. Small teams consisting of two villagers and three engineers (PAU head from IRM and two project engineers) inspected each infrastructure, checked it against design specifications, technical drawings, or contracts, described its condition, and assessed the prospects of improving it. They also discussed long-term maintenance needs, and the required commitment from villagers and the district and local government. The local facilitator made sure that the team members worked together and reached agreement, and that their views were documented in a matrix, signed by the team members, photocopied, and distributed to the various parties involved. The JFF results were presented in plenary sessions to other participants in the activity. Copies of the signed matrices are attached to the individual village reports (Appendix 3).

20. **Multi-stakeholder Consultations.** MSCs were held in the five villages from 26 to 28 September 2005. Infrastructure issues, and solutions discussed during JFF, were reaffirmed and explained, and the required activities were clarified. Infrastructure maintenance, including shared responsibilities, priority setting within a district, and justifications for investments from ADB's point of view, was explained. Non-infrastructure issues, mostly relating to components A and B of the Project, information dissemination, participation in decision making, and transparency, were thoroughly explained by the CERDP consultants and the local government. It became clear that CERDP would be able to establish mechanisms to improve information dissemination, participation, and monitoring, to the communities' satisfaction and within the scope of the Project. The CERDP complaint system was explained to give the villagers further opportunities for recourse, if needed. The villagers requested the use of simple, easy-to-understand language, additional project information boards,⁹ village meetings, and more systematic communication through village representatives. Agreements were represented visually on posters and transcribed into matrices for signing and easier dissemination. The local facilitator made sure that the villagers had ample opportunities to ask questions, raise concerns, and receive explanations from the project staff. Copies of the signed agreements are attached to the individual village reports (Appendix 3).

21. At the time of the MSCs, there was evidence that CERDP component A had already started: village facilitators attended the MSCs, and project information boards been set up in Kali Besar and Handil Negara. Also, the village of Handil Baru had reached an agreement with the previous contractor, and road, embankment, and culvert improvements had begun.

IV. MONITORING OF AGREEMENTS

22. As the CERDP complaint mechanism is in place, the implementation of components A and B has started, and the parties have declared themselves willing to

⁹ ADB-IRM promised to include this request in its aide-mémoire.

implement the agreements, a smooth transition from complaint to project implementation is expected. The CERDP staff have done their best to explain the CERDP concepts and tools, to ensure participation and transparency of information. The Project must create greater awareness and knowledge of the Project especially among poorer villagers. IRM, which is in charge of project administration, should closely monitor the implementation of the agreements to the satisfaction of all parties. OSPF made it clear during the MSCs that any party can report issues related to the implementation of the agreements. The parties agreed to submit a joint progress report to OSPF by the end of January 2006.

23. Enabling communities to solve their own problems is inherent in CERDP's approach and should be pursued. OSPF is confident that future complaints will be dealt with efficiently through CERDP's complaint mechanism at the local level.

LOCATION MAP



LETTER OF COMPLAINT
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 project implementation, 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 project implementation, 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 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 Subdsitriect, 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

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 2002, 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.

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 3-5 *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 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 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 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 Project^l**

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.

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

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.

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 Handil Baru 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

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 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:

- 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 (8 April 2004) 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 complainants, 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

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.

^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.

**Forum Masyarakat Peduli CERDP
CERDP Complaint List of Appendixes**

- Appendix 1: Map of Location
- Appendix 2: Official translation Request for Consultation with SPF-ADB
- Appendix 3: Detail process of advocacy toward CERD Project in South Kalimantan 2002
- Appendix 4: Tanda tangan dukungan/Signatures of support (**Confidential**; hardcopy in Bahasa Indonesia)
- Appendix 5: RRP: INO 32367 Report and Recommendation of the President to the Board of Directors on Proposed Loans and Technical Assistance Grant to the Republic of Indonesia for the Community Empowerment for Rural Development Project, September 2000 (softcopy in English)
- Appendix 6: Pedoman Umum Proyek Pemberdayaan Masyarakat untuk Pembangunan Desa/Guideline of Community Empowerment for Rural Development (CERD), Dirjen Bina Pemberdayaan Masyarakat, Depdagri Otda, Republik Indonesia. 2001
- Appendix 7: Rakyat Memantau Proyek Utang, Laporan Pelaksanaan Monitoring Partisipatif terhadap Community Empowerment for Rural Development Project. 2003/Report of Participatory Monitoring on CERD Project in South Kalimantan year 2002
- Appendix 8: Letter to ADB-IRM and the reply
- Appendix 9: Photographs and the caption

Additional Information:

Additional Information sought by OSPF, 01 March 2005

KIRAM: COURSE OF ACTION AND AGREEMENTS

A. Background

1. On 18 February 2005 the Forum Masyarakat Peduli CERDP submitted to the Office of the Special Project Facilitator (OSPF) a complaint on the Community Empowerment for Rural Development Project (CERDP), which is supported by the Asian Development Bank (ADB). The Forum Masyarakat consists of three nongovernment organizations (NGOs) and villagers from five villages in the districts of Banjar and Tanah Laut, South Kalimantan. The NGOs are Yayasan Cakrawala Hijau Indonesia, Lembaga Kajian Keislaman & Kemasyarakatan, and Yayasan Duta Awam. The five villages are Handil Negara and Kali Besar in district Tanah Laut, and Kiram, Mandiangin Barat, and Handil Baru in district Banjar. The complaint was that CERDP had built infrastructure in the villages before providing capacity building for community-based planning. According to the complainants, the lack of village-level consultations had contributed to deficiencies in the infrastructure and had led to direct material harm and adverse effects.

2. CERDP has four components. Component A supports (i) institutional development to improve community-based planning, (ii) human resource development to support formal degree training for the Directorate General of Rural Community Empowerment and local governments involved in community development, and (iii) a village grant to support the community training program. Component B supports the establishment of community-based savings and loan organizations. Component C supports the construction of rural infrastructure, and component D project provides management and monitoring assistance. ADB's Indonesia Resident Mission (IRM) in Jakarta is responsible for project administration.

3. The OSPF conducted a review and assessment of the complaint and confirmed the four main concerns: (i) infrastructure, (ii) sequencing of project components, (iii) participation in decision-making, and (iv) information. It recommended a village-by-village approach and a course of action consisting of joint fact-finding activities (JFF) and multi-stakeholder consultations (MSC). The communities commented on OSPF's review and assessment report (RAR). The RAR and the complainants' and ADB-IRM's comments are posted on OSPF's Web site. The communities also requested preparatory meetings with the other parties to jointly agree on the specifics of the proposed course of action.

B. The Course of Action

4. **Preparatory Meeting.** A preparatory meeting for the three villages of Handil Baru, Kiram, and Mandiangin Barat was held in Banjar district on 30 August 2005. Representatives from Kiram, including the complainants, attended. The list of participants at the preparatory meeting is in Attachment 1 of the Bahasa Indonesia version of this report. The issues listed in the RAR and the comments from the communities were reexamined. The parties agreed that JFF in Kiram should check the condition of the road built with CERDP support. According to the villagers, the asphalt had not been laid down properly. The parties agreed that the problem initially raised regarding the water supply system was due to natural causes and did not need to be reexamined. The remaining issues to be discussed during MSC were sequencing of project components, and project transparency. The parties also agreed on the dates, timing, and composition of the team for the JFF (*tim perumus*) and the MSC.

5. **Joint Fact-Finding Activity.** JFF in Kiram took place on 13 September 2005. The team saw that the asphalt had indeed come off in some places, although the road had been built according to specifications, and that rehabilitation was desirable. The team said that the operation and maintenance team would have to be trained, funds would have to be raised, and villagers would have to take responsibility for maintenance. The English translation of the results of JFF is in Table A3.1 of the English version of this report. The original handwritten, signed matrix with the JFF results and the attendance sheet are in Attachment 2 of the Bahasa Indonesia version of this report.

6. **Multi-stakeholder Consultation.** The MSC took place on 28 September 2005. The villagers agreed to form an operation and maintenance (O&M) team. The CERDP committed to train the villagers in O&M. ADB, however, said that the road did not have to be rehabilitated. The consultants confirmed that the implementation of components A and B had started in Kiram and that groups would be trained under component A in September. Thorough information dissemination, with the use of billboards and other means, will enhance project transparency. A village plan was to be completed by the end of September 2005. Training for component B will start before December 2005.

7. The English translation of the agreements reached during the MSC is in Table A3.2 of the English version of this report. The original handwritten, signed agreements and the attendance sheet are in Attachment 3 of the Bahasa Indonesia version of this report.

C. Monitoring of Agreements

8. A report on the implementation of the agreements signed by all the stakeholders and facilitated by the project consultants and the project implementation unit will be submitted to the OSPF by the end of January 2006.



Joint Fact Finding: Kiram road according to specifications



Joint Fact Finding: Kiram *Tim perumus* checks road condition



Multi-Stakeholder Consultation: Visualized agreement



Multi-Stakeholder Consultation: Village representative signing agreement

Table A3.1
Results of Joint Fact Finding Activity
Village: Kiram
Tim Perumus:
1. Ir.Hendro, 2. Ir. Fathurrahim, 3. J.M. Lacombe (ADB-IRM)
4. Fitriyani and 5. Arbain (villagers)
Facilitator: Ir.Wahyu Hariadi

Infrastructure Problems/Issues	Present Condition	Assessment as to the Prospects of Solving the Problem	Long Term Needs for Infrastructure Maintenance	Implications for the Commitment of the Villagers, District, and Local Government
Asphalt not done properly	<ul style="list-style-type: none"> - Asphalt has come off in some places - STA 1 = 600 → 1 + 700, no 5/7 - 3,400m of ditch (right and left) 	Rehabilitation	<ul style="list-style-type: none"> - Optimize O&P team - Fundraising by villagers 	<ul style="list-style-type: none"> - Community is responsible - Community can contribute in the form of labor
Cross-check with design specifications: Asphalt not done properly	<ul style="list-style-type: none"> - Physical infrastructure as per design specifications Length = 1,700m Width = 2.75m Depth = 2 cm (asphalt) Culverts = 2 units 	<ul style="list-style-type: none"> - As per real condition, and agreed by villagers. 		

Kiram, 13 September 2005

Ir.Hendro

Ir. Fathurrahim

J.M.Lacombe

Villager

Villager

Facilitator

.....

.....

.....

.....

.....

.....

Table A3.2
Agreements on Remedial Action for CERDP Infrastructure Issues
Kiram, 28 September 2005

Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Asphalt not done properly	Asphalt road now as per design specifications	-	-	-
	Activate/form O&M team	Villagers	Before training	O&M team formed
	Train O&M team	Consultant	November 2005	Training done in November 2005
	Operationalization of O&M team	Villagers	After training	O&M plan prepared
	Village fundraising/collective work	Villagers	After training	Collective work happening
	ADB does not recommend rehabilitation of the road to RT2, and suggests that new infrastructure proposals be submitted via the project planning mechanism			

Kiram, 28 September 2005

Yusron Yacob

Jaelani

Arbain Kardi

Turkimin

Soewartono

.....
PIU representative

.....
Village Head
Kaur Permerintahan

.....
Village Council

.....
Complainant

.....
ADB-IRM

Table A3.2
Agreements on Remedial Action for CERDP Non-Infrastructure Issues
Kiram, 28 September 2005

Non-Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Project transparency	Project to be socialized to the villagers and to the village government apparatus	Consultant	Began in September 2005	
Provision of components A and B	Villagers to be informed of project plans, including their implementation	Consultant		
	CERDP information boards are to be put up in strategic location (minimum of one board, preferably one in each RT)	Project	No later than December 2005	
	Components A and B will be provided	Consultant		Development training for groups under component A carried out
	Training in formation of groups done. Formation of component B group	Consultant	Began in September 2005	
	Motivation for setting up credit union, forming groups into a credit union		Starting October 2005	Proposed village plan completed at the end of September 2005
	Village facilitator will stay in a villager's home in Kiram/Mandiangan	Consultant	Before December 2005	Credit union formed by December 2005
	District project unit will be opened for the villages (Kiram, Mandiangan, Awang Bangka Timur, Padang Panjang)	Consultant	October 2005 October 2005	Facilitator is living in the village Project unit is functioning

Kiram, 28 September 2005

Yusron Yacob

Jaelani

Arbain Kardi

Turkimin

Soewartono

.....
PIU representative.....
Village Head
Kaur Pemerintahan.....
Village Council.....
Complainant.....
ADB-IRM

MANDIANGIN BARAT: COURSE OF ACTION AND AGREEMENTS

A. Background

1. On 18 February 2005 the Forum Masyarakat Peduli CERDP submitted to the Office of the Special Project Facilitator (OSPF) a complaint on the Community Empowerment for Rural Development Project (CERDP), which is supported by the Asian Development Bank (ADB). The Forum Masyarakat consists of three nongovernment organizations (NGOs) and villagers from five villages in the districts of Banjar and Tanah Laut, South Kalimantan. The NGOs are Yayasan Cakrawala Hijau Indonesia, Lembaga Kajian Keislaman & Kemasyarakatan, and Yayasan Duta Awam. The five villages are Handil Negara and Kali Besar in district Tanah Laut, and Kiram, Mandiangan Barat, and Handil Baru in district Banjar. The complaint was that CERDP had built infrastructure in the villages before providing capacity building for community-based planning. According to the complainants, the lack of village-level consultations had contributed to deficiencies in the infrastructure and had led to direct material harm and adverse effects.

2. CERDP has four components. Component A supports (i) institutional development to improve community-based planning, (ii) human resource development to support formal degree training for the Directorate General of Rural Community Empowerment and local governments involved in community development, and (iii) a village grant to support the community training program. Component B supports the establishment of community-based savings and loan organizations. Component C supports the construction of rural infrastructure, and component D provides project management and monitoring assistance. ADB's Indonesian Resident Mission (IRM) in Jakarta is responsible for project administration.

3. The OSPF conducted a review and assessment of the complaint and confirmed the four main concerns: (i) infrastructure, (ii) sequencing of project components, (iii) participation in decision making, and (iv) information. It recommended a village-by-village approach and a course of action consisting of joint fact-finding activities (JFF) and multi-stakeholder consultations (MSC). The communities commented on OSPF's review and assessment report (RAR). The RAR and the complainants' and ADB-IRM's comments are posted on OSPF's Web site. The communities also requested preparatory meetings with the other parties to jointly agree on the specifics of the proposed course of action.

B. The Course of Action

4. **Preparatory Meeting.** A preparatory meeting for the three villages of Handil Baru, Kiram, and Mandiangan Barat was held in Banjar district on 30 August 2005. Representatives from Mandiangan Barat, including the complainants, attended. The list of participants at the preparatory meeting is in Attachment 1 of the Bahasa Indonesia version of this report. The issues listed in the RAR and the comments from the communities were reexamined. The parties agreed that no JFF was necessary in Mandiangan Barat because the physical infrastructure was in reasonably good condition. The remaining issues to be discussed during MSC were (i) sequencing of project components, (ii) participation in decision making, and (iii) information, particularly in relation to fund disbursement mechanisms. The parties also agreed on the dates and timing for the MSC.

5. **Multi-stakeholder Consultation.** The MSC took place on 28 September 2005. The CERDP committed to improve transparency, calling for village forums to report on

village activities. The consultants gave assurance that the amount of funds accumulated in component B would be reported monthly. They also assured the MSC participants that there would be more systematic information dissemination, and that a monitoring group and a women's enterprise group would be formed and an information board put up.

6. The English translation of the agreements reached during the MSC is in Table A3.3 of the English version of this report. The original handwritten, signed agreements and the attendance sheet are in Attachment 2 of the Bahasa Indonesia version of this report.

C. Monitoring of Agreements

7. A report on the implementation of the agreements signed by all the stakeholders and facilitated by the project consultants and the project implementation unit will be submitted to the OSPF by the end of January 2006.



Multi-Stakeholder Consultation: Mandiingin Barat participants in MSC



Multi-Stakeholder Consultation: Mandiingin Barat participants in MSC



Multi-Stakeholder Consultation: Villager signing agreement



Multi-Stakeholder Consultation: Local government representatives to sign agreement

Table A3.3
Agreements on Remedial Action for CERDP Non-Infrastructure Issues
Mandiingin Barat, 28 September 2005

Non-Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Improving transparency between village administration and villagers	Project groups will report on activities at village forums and on the information board The amount of funds accumulated by the credit union will be reported monthly and on the information board.	Consultant A Managers and supervisors of the credit union	Began in September 2005 December 2005	Village forums begin in October 2005 Credit union formed in December 2005
Project monitoring needs improving	Monitoring of the use of grant funds managed by the villagers monitoring group	POKLAK	To begin when funds are disbursed	A monitoring group is established and functioning
Better information and communication		Component B helps groups to obtain the information they need on enterprise development.		

Mandiingin Barat, 28 September 2005

Yusron Yacob

Budianisyah

Pade Lannor

Nurul

Soewartono

.....
PIU representative

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Village Head/
Village Secretary

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Village Council

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Complainant

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ADB/IRM

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Table A3.3 – Continued

Non-Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Participation in decision making	RT representatives to attend village meetings about the CERDP project, assisted by the village facilitator	Consultant A	Starting October 2005	RT representatives, women, and village apparatus understand the components (A, B, C) of CERDP
Components A, B and D need to be implemented	The equivalent of a development working group (KKPS) representing each RT Women's enterprise group to be formed and involved in the project	Consultant A Consultant B	September 2005 Starting October 2005	Poor villagers represented in the KKPS Women's group involved in the project
Better financial transparency	Project information board to be put up providing information about project activities Weekly use of funds from the project to be reported on the information board	Consultant Consultant & POKLAK	October – December 2005 Starting when funds are disbursed	Information board has been put up providing information about project activities, including use of funds

Mandiingin Barat, 28 September 2005

Yusron Yacob

Budianisya

Pade Lannor

Nurul

Soewartono

.....
PIU representative

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Village Head/
Village Secretary

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Village Council

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Complainant

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ADB/IRM

HANDIL BARU: COURSE OF ACTION AND AGREEMENTS

A. Background

1. On 18 February 2005 the Forum Masyarakat Peduli CERDP submitted to the Office of the Special Project Facilitator (OSPF) a complaint on the Community Empowerment for Rural Development Project (CERDP), which is supported by the Asian Development Bank (ADB). The Forum Masyarakat consists of three nongovernment organizations (NGOs) and villagers from five villages in the districts of Banjar and Tanah Laut, South Kalimantan. The NGOs are Yayasan Cakrawala Hijau Indonesia, Lembaga Kajian Keislaman & Kemasyarakatan, and Yayasan Duta Awam. The five villages are Handil Negara and Kali Besar in district Tanah Laut, and Kiram, Mandiangin Barat, and Handil Baru in district Banjar. The complaint was that CERDP had built infrastructure in the villages before providing capacity building for community-based planning. According to the complainants, the lack of village-level consultations had contributed to deficiencies in the infrastructure and had led to direct material harm and adverse effects.

2. CERDP has four components. Component A supports (i) an institutional development process to improve community-based planning mechanisms, (ii) human resource development to support formal degree training for the Directorate General of Rural Community Empowerment 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. Component C supports the construction of rural infrastructure, and component D provides project management and monitoring assistance. ADB's Indonesian Resident Mission (IRM) in Jakarta is responsible for project administration.

3. The OSPF conducted a review and assessment of the complaint and confirmed the four main concerns: (i) infrastructure, (ii) sequencing of project components, (iii) participation in decision making, and (iv) information. It recommended a village-by-village approach and a course of action consisting of joint fact-finding activities (JFF) and multi-stakeholder consultations (MSC). The communities commented on OSPF's review and assessment report (RAR). The RAR and the complainants' and ADB-IRM's comments are posted on OSPF's Web site. The communities also requested preparatory meetings with the other parties to jointly agree on the specifics of the proposed course of action.

B. The Course of Action

4. **Preparatory Meeting.** A preparatory meeting for the three villages of Handil Baru, Kiram, and Mandiangin Barat was held in Banjar district on 30 August 2005. Representatives from Handil Baru, including the complainants, attended. The list of participants at the preparatory meeting is in Attachment 1 of the Bahasa Indonesia version of this report. The issues listed in the RAR and the comments from the communities were reexamined. The parties agreed that the JFF in Handil Baru should check the elevation of the road built with CERDP support, and the condition of the wooden poles (*siring*) on the embankment. The aforementioned bridge was no longer an issue: the parties agreed that the bridge was outside the scope of CERDP. The remaining issues to be discussed during the MSC were (i) community capacity, (ii) participation in decision making, and (iii) information and communication. The parties

also agreed on the dates, timing, and composition of the team for the JFF (*tim perumus*) and the MSC.

5. **Joint Fact-Finding Activity.** The JFF in Handil Baru took place on 13 September 2005. The JFF team found that 600m of road had subsided by about 30cm because of natural causes, but that the road was otherwise in reasonably good condition. The wooden poles (*siring*) were slanted toward the river; several had been burned. The team recommended the elevation of the road and the replacement of *siring*. A group of villagers had agreed to provide the former contractor with soil for the elevation and wood for the *siring*. The JFF team agreed that the infrastructure maintenance needed to be optimized, with the villagers taking responsibility. The English translation of the JFF results is in Table A3.4 of the English version of this report. The original handwritten, signed matrix with the JFF results and the attendance sheet are in Attachment 2 of the Bahasa Indonesia version of this report.

6. **Multi-stakeholder Consultation.** The MSC took place on 27 September 2005. The contractor had delivered the soil and the *siring*, and construction work to elevate the road and rehabilitate the embankment was scheduled to be finished before the start of the fasting period (in early October). The CERDP committed to train the operation and maintenance team. The CERDP facilitator will strive to elicit more dynamic responses at village meetings. The villagers agreed to take a more active role. They agreed to clear the road of trees, and to maintain the *siring*. The CERDP consultants committed to start component A in October 2005 as scheduled, and to explain the project thoroughly to the villagers. The villagers requested the consultants to convey the information in simple, easily understandable language.

7. The English translation of the agreements reached during the MSC is in Table A3.5 of the English version of this report. The original handwritten, signed agreements and the attendance sheet are in Attachment 3 of the Bahasa Indonesia version of this report.

C. Monitoring of Agreements

8. A report on the implementation of the agreements signed by all the stakeholders and facilitated by the project consultants and the project implementation unit will be submitted to the OSPF by the end of January 2006.



Joint Fact Finding: Villagers, NGOs, Government, Engineer checking the condition of the road



Joint Fact Finding: The *Tim Perumus* signs off on the agreed results



Road Improvements already started



Multi-Stakeholder Consultation:
Signing and stamping of agreements

Table A3.4
Results of Joint Fact Finding Activity
Village: Handil Baru
Tim Perumus:
1. Ir.Hendro, 2. Ir. Fathurrahim, 3. Lacombe (ADB-IRM)
4. ABD Gani and 5. M. Arsyad. (villagers)
Facilitator: Ir.Wahyu Hariadi

Infrastructure Problems/issues	Present Condition	Assessment as to the Prospects of Solving the Problem	Long Term Needs for Infrastructure Maintenance	Implications for the Commitment of the Villagers, District, and Local Government
Road is not elevated enough	<ul style="list-style-type: none"> - has subsided ± 30 cm along 600 meters due to natural causes - in reasonable condition 	Elevate soil surface using red soil filler, but might subside again naturally	<ul style="list-style-type: none"> - optimize maintenance team - villagers raise own funds - new to build 1 new culvert and rehabilitate 1 other 	<ul style="list-style-type: none"> - contractor to supply the red soil - contractor to build the culverts - subsequent maintenance by the villagers
'Siring'	<ul style="list-style-type: none"> - slanted towards the river that has been excavated, length = 30m ('ulin' wood), length = 95m ('galam' wood) - several 'siring' have been burnt 	<ul style="list-style-type: none"> - replace with 30m of 'ulin' wood for the anchor, 'ulin' wood needed for 31 'siring' - 195m of 'galam' wood 	<ul style="list-style-type: none"> - optimize maintenance team - villagers raise own funds 	<ul style="list-style-type: none"> - contractor to supply 'ulin' and 'galam' wood
Cross-check with design specifications: a) Road is not elevated enough b) 'Siring'	<ul style="list-style-type: none"> - no design specifications - just contract document and photos - length of road = ~ 850m, width = 4m - material, 'galam' wood 			

Handil Baru, 13 September 2005

Ir.Hendro	Ir.Fathurrahim	J.M.Lacombe	Villager	Villager	Facilitator
.....

Table A3.5
Agreements on Remedial Action for CERDP Infrastructure Issues
Handil Baru, 27 September 2005

Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Road is not elevated enough	Elevate road using red soil	Villagers	To be completed before the 2005 fasting month	600m stretch of the road is elevated 30cm and is usable
	Red soil to be made available	Contractor		
	Road to be maintained collectively	Villagers	In the future	O&M team received training as part of components A & C before the end of 2005
	Provision of training for O&M team	Components A & C		
	Villagers agree not to plant plants on the road, other than coconut trees at the edge of the road	Villagers	Before the end of 2005	Road is clear of trees, except for coconut trees at the edge of the road
	One additional culvert to be constructed of ulin wood and concrete	Contractor	Starting now October 2005	Culvert built and functioning
	2 culverts to be rehabilitated	Contractor	Done	Culverts functioning

Handil Baru, 27 September 2005

Yusron Yacob

Masrani

H. Arman

Abdul Gani

Soewartono

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PIU representative.....
Village Head.....
Village Council.....
Complainant.....
ADB-IRM

Continued on next page

Table A3.5 – Continued

Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Siring	Repair siring with ulin and galam wood soil	Villagers	October 2005	siring are not slanted
	Will maintain and not burn siring	Villagers	Starting now	siring are maintained
	Training for O&M team	Components A & C	Before the end of 2005	O&M team have been trained
	Provision of 31 pieces of ulin wood and 195m of galam wood	Contractor	Done	Materials available and used for siring, which are properly installed

Handil Baru, 27 September 2005

Yusron Yacob

Masrani

H. Arman

Abdul Gani

Soewartono

.....
PIU representative

.....
Village Head

.....
Village Council

.....
Complainant

.....
ADB-IRM

Table A3.5
Agreements on Remedial Action for CERDP Non-Infrastructure Issues
Handil Baru, 27 September 2005

Non-Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Community capacity	Component A to be stepped up and human resources readied	Component A	Starting October 2005, as per schedule	O&M team understand the technical aspects of maintenance and are able to explain these to the villagers.
Information and communication	Plans for the village to be socialized in language that is easy to understand			Information and input to village is easy for the villagers to understand
Participation	Facilitator to help generate more active response at village meetings by giving input as needed	Component A and villager	October 2005	Meetings held in the village on CERDP activities

Handil Baru, 27 September 2005

Yusron Yacob

Masrani

H. Arman

Abdul Gani

Soewartono

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PIU representative

.....
Village Head

.....
Village Council

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Complainant

.....
ADB-IRM

HANDIL NEGARA: COURSE OF ACTION AND AGREEMENTS

A. Background

1. On 18 February 2005 the Forum Masyarakat Peduli CERDP submitted to the Office of the Special Project Facilitator (OSPF) a complaint on the Community Empowerment for Rural Development Project (CERDP), which is supported by the Asian Development Bank (ADB). The Forum Masyarakat consists of three nongovernment organizations (NGOs) and villagers from five villages in the districts of Banjar and Tanah Laut, South Kalimantan. The NGOs are Yayasan Cakrawala Hijau Indonesia, Lembaga Kajian Keislaman & Kemasyarakatan, and Yayasan Duta Awam. The five villages are Handil Negara and Kali Besar in district Tanah Laut, and Kiram, Mandiangin Barat, and Handil Baru in district Banjar. The complaint was that CERDP had built infrastructure in the villages before providing capacity building for community-based planning. According to the complainants, the lack of village-level consultations had contributed to deficiencies in the infrastructure and had led to direct material harm and adverse effects.

2. CERDP has four components. Component A supports (i) institutional development to improve community-based planning, (ii) human resource development to support formal degree training for the Directorate General of Rural Community Empowerment and local governments involved in community development, and (iii) a village grant to support the community training program. Component B supports the establishment of community-based savings and loan organizations. Component C supports the construction of rural infrastructure, and component D provides project management and monitoring assistance. ADB's Indonesia Resident Mission (IRM) in Jakarta is responsible for project administration.

3. The OSPF conducted a review and assessment of the complaint and confirmed four main concerns: (i) infrastructure, (ii) sequencing of project components, (iii) participation in decision making, and (iv) information. It recommended a village-by-village approach and a course of action consisting of joint fact-finding activities (JFF) and multi-stakeholder consultations (MSC). The communities commented on OSPF's review and assessment report (RAR). The RAR and the complainants' and ADB-IRM's comments are posted on OSPF's Web site. The communities also requested preparatory meetings with the other parties to jointly agree on the specifics of the proposed course of action.

B. The Course of Action

4. **Preparatory Meeting.** A preparatory meeting for the two villages of Handil Negara and Kali Besar was held in Tanah Laut district on 30 August 2005. Representatives from Handil Negara, including the complainants, attended. The list of participants at the preparatory meeting is in Attachment 1 of the Bahasa Indonesia version of this report. The issues listed in the RAR and the comments from the communities were reexamined. The parties agreed that the JFF in Handil Negara should check the condition of the road built with CERDP support. The road elevation, a culvert, and the wooden poles (*siring*) on the embankment were the concerns. The remaining issues to be discussed during MSC were (i) sequencing of project components, (ii) participation in decision making, and (iii) information. The parties also

agreed on the dates, timing, and composition of the team for the JFF (*tim perumus*) and the MSC.

5. **Joint Fact-Finding Activity.** The JFF in Handil Negara took place on 14 September 2005. It dealt with the following infrastructure issues: (i) of the 1.100 meters of road constructed under CERDP, 400m was not high enough and was prone to flooding during the rainy season, (ii) a culvert was closed, and (iii) wooden poles (*siring*) used for the embankment were too short. The JFF team confirmed the road elevation and the closure of the culvert. The former village head had reportedly received Rp150,000 to reopen the culvert. The team found that *siring* had been delivered in the right length but had been cut by the villagers. Some of the *siring* had been burned. The team agreed that infrastructure maintenance needed to be optimized, with villagers taking responsibility. The English translation of the JFF results is in Table A3.6 of the English version of this report. The original handwritten, signed matrix with the JFF results and the attendance sheet are in Attachment 2 of the Bahasa Indonesia version of this report.

6. **Multi-stakeholder Consultation.** The MSC took place on 26 September 2005. The CERDP committed to train the villagers in operation and maintenance, and to help clarify the payment reportedly made to the former village head for the reopening of the culvert. If necessary, as discussed during the MSC, other funds could be used to pay for the reopening of the culvert. The villagers were also urged to discuss whether future funds should be used to elevate the road or to meet priority needs. The agreements reached on non-infrastructure issues were as follows: (i) the implementation of components A and B has started, and the village facilitator is already in Handil Negara; and (ii) the facilitator will begin the discussion process with the objective of improving the villagers' participation in decision making, and in the entire information and communication process.

7. The English translation of the agreements reached during the MSC is in Table A3.7 of the English version of this report. The original handwritten, signed agreements and the attendance sheet are in Attachment 3 of the Bahasa Indonesia version of this report.

C. Monitoring of Agreements

8. A report on the implementation of the agreements signed by all the stakeholders and facilitated by the project consultants and the project implementation unit will be submitted to the OSPF by the end of January 2006.



Tim Perumus checks road and "siring"



Visualization of agreement with Local Facilitator



Signing of village agreements



Information Board in Handil Negara

Table A3.6
Results of Joint Fact Finding Activity
Village: Handil Negara
Tim Perumus:
1. Ir.Hendro, 2. Ir.Paimun, 3. J.M. Lacombe (ADB- IRM)
4. Abdul Sidik and 5. Yusran (villagers)
Facilitator: Ir.Wahyu Hariadi, MM

Infrastructure Problems/Issues	Present Condition	Assessment as to the Prospects of Solving the Problem	Long Term Needs for Infrastructure Maintenance	Implications for the Commitment of the Villagers, District, and Local Government
'Siring'	<ul style="list-style-type: none"> - villagers feel that the 'siring' are too short - some 'siring' have been burned 	<ul style="list-style-type: none"> - 'siring' as per design specifications - villagers request that 'siring' be fixed on the right-hand side of the road/ditch (outside design specifications) 	- optimize maintenance operations	- villagers responsible for maintenance
Culverts	<ul style="list-style-type: none"> - During road construction, culverts made from 'ulin' wood were closed by piles of soil 	- culverts need to be re-opened	- optimize maintenance operations	as above
Road (1,100m of the road is not elevated enough)	<ul style="list-style-type: none"> - During the rainy season from January through April, 400m of the road is under water 	The ± 400m of road that is not elevated enough needs to be elevated	- optimize maintenance operations	as above
Cross-check with design specifications: a) 'Siring' b) Culverts c) Road	<ul style="list-style-type: none"> - 'Galam' wood 'siring', 2m long - No culverts were constructed <p>Length = 1,100 m Width = 4m Depth = 43cm</p>			

Handil Negara, 14 September 2005

Ir.Hendro

Ir.Paimun

J.M.Lacombe

Villager

Villager

Facilitator

Notes: 1. Material for 'siring' provided by the contractor was as per design specifications, length = 2m, cut by villagers when they built the 'siring'
2. Remuneration (Rp 150,000) for opening the closed culvert was given to the former village head Pak Badun

Table A3.7
Agreements on Remedial Action for CERDP Infrastructure Issues
Handil Negara, 26 September 2005

Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Siring	Community received the 'siring' according to the conditions at this time Optimalization of O&M team Optimalization of siring maintenance, as per component A training in 2005	- CERD Project Components A & C	- November 2005	- O&M team participates in O&M training for new villages no later than November 2005
Culvert	Culvert needs to be re-opened Optimalization of O&M team Funds of Rp 150,000 received by Pak Badrun need to clarified with contractor and reported to villagers and ADB OSPF	Villagers to make recommendations RCT consultants A, C, D PIU	December 2005 November 2005 End of October 2005	Construction of culvert paid for from Program <i>Kompensasi Pengurangan Subsidi Bahan Bakar Minyak, PKPS-BBM</i> , no later than December 2005 O&M team participates in O&M training for new villages no later than November 2005 PIU facilitates clarification and communicates results
Roadway (1,100m stretch of road)	Elevate 400m stretch of road that is not elevated enough Optimalization of O & M team Elevation of 1,100 m roadway as per design specifications Elevating the 400-m stretch of road will be discussed with the villagers to get ideas about future funding.	 Component A facilitates discussions. The villagers are the ones who make the decision		

Jahidin

 PIU representative

Syarkarni

 Village Head

Hamsam

 Village Council

Abdul Sidik

 Complainant

Soewartono

 ADB-IRM

Handil Negara, 26 September 2005

Table A3.7
Agreements on Remedial Action for CERDP Non-Infrastructure Issues
Handil Negara, 26 September 2005

Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Components A and B need to be implemented	Components A and B need to be implemented	Project	October 2005	Facilitator for components A & B is in the village
Participation and decision making	Community participation in decision making needs to be increased	Village head, village council, and villagers	After October 2005	Facilitator will begin the discussion process
Better information and communication	Information will be provided via an information board and through the village facilitator	Facilitator to put up board	No later than December 2005	Village apparatus, including heads of RTs will be involved in discussions initiated by the facilitator

Handil Negara, 26 September 2005

Jahidin

Syarkarni

Hamsam

Abdul Sidik

Soewartono

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PIU representative

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Village Head

.....
Village Council

.....
Complainant

.....
ADB-IRM

* Implementation of all agreements will be monitored by all stakeholders

* The facilitator must stay in one of the two villages

* Report on implementation of agreements will be signed by the stakeholders and will be facilitated by the relevant consultant and the PIU, January 2006

KALI BESAR: COURSE OF ACTION AND AGREEMENTS

A. Background

1. On 18 February 2005 the Forum Masyarakat Peduli CERDP submitted to the Office of the Special Project Facilitator (OSPF) a complaint on the Community Empowerment for Rural Development Project (CERDP), which is supported by the Asian Development Bank (ADB). The Forum Masyarakat consists of three nongovernment organizations (NGOs) and villagers from five villages in the districts of Banjar and Tanah Laut, South Kalimantan. The NGOs are Yayasan Cakrawala Hijau Indonesia, Lembaga Kajian Keislaman & Kemasyarakatan, and Yayasan Duta Awam. The five villages are Handil Negara and Kali Besar in district Tanah Laut, and Kiram, Mandiangin Barat, and Handil Baru in district Banjar. The complaint was that CERDP had built infrastructure in the villages before providing capacity building for community-based planning. According to the complainants, the lack of village-level consultations had contributed to deficiencies in the infrastructure and had led to direct material harm and adverse effects.

2. CERDP has four components. Component A supports (i) institutional development to improve community-based planning, (ii) human resource development to support formal degree training for the Directorate General of Rural Community Empowerment and local governments involved in community development, and (iii) a village grant to support the community training program. Component B supports the establishment of community-based savings and loan organizations. Component C supports the construction of rural infrastructure, and component D provides project management and monitoring assistance. ADB's Indonesia Resident Mission (IRM) in Jakarta is responsible for project administration.

3. The OSPF conducted a review and assessment of the complaint and confirmed the four main concerns: (i) infrastructure, (ii) sequencing of project components, (iii) participation in decision making, and (iv) information. It recommended a village-by-village approach and a course of action consisting of joint fact-finding activities (JFF) and multi-stakeholder consultations (MSC). The communities commented on OSPF's review and assessment report (RAR). The RAR and the complainants' and ADB-IRM's comments are posted on OSPF's Web site. The communities also requested preparatory meetings with the other parties to jointly agree on the specifics of the proposed course of action.

B. The Course of Action

4. **Preparatory Meeting.** A preparatory meeting for the two villages of Handil Negara and Kali Besar was held in Tanah Laut district on 30 August 2005. Representatives from Kali Besar, including the complainants, attended. The list of participants at the preparatory meeting is in Attachment 1 of the Bahasa Indonesia version of this report. The issues listed in the RAR and the comments from the communities were reexamined. The parties agreed that JFF in Kali Besar should check the width of the road and the culverts. The remaining issues to be discussed at the MSC were (i) sequencing of project components, (ii) participation in decision making, and (iii) information. The parties also agreed on the dates, timing, and composition of the team for the JFF (*tim perumus*) and the MSC.

5. **Joint Fact-Finding Activity.** The JFF in Kali Besar took place on 14 September 2005. The JFF team found that the length of the road was 2,620 meters (against 2,360 m in the contract), and that it was not wide enough at one end. The team also found that the contractor had built eight culverts (instead of seven, as provided in the contract) and that the road was overgrown. The team agreed that infrastructure maintenance needed to be optimized, with the villagers taking responsibility for the infrastructure. The English translation of the JFF results is in Table A3.8 of the English version of this report. The original handwritten, signed matrix with the JFF results and the attendance sheet are in Attachment 2 of the Bahasa Indonesia version of this report.

6. **Multi-stakeholder Consultation.** The MSC took place on 26 September 2005. It was explained during the MSC that the contractor had provided the additional culvert and the narrower part of the road free of charge. The parties agreed that the operation and maintenance team needed to be trained. The agreements reached on non-infrastructure issues were as follows: (i) the implementation of components A and B will start with the mobilization of the village facilitator in October 2005; (ii) the facilitator will begin the socialization process; and (iii) information will be posted on the project information board, and the complaint box will be moved to a more accessible place. Additional information boards and complaint boxes need to be considered.

7. The English translation of the agreements reached during MSC is in Table A3.9 of the English version of this report. The original handwritten, signed agreements and the attendance sheet are in Attachment 3 of the Bahasa Indonesia version of this report.

C. Monitoring of Agreements

8. A report on the implementation of the agreements signed by all the stakeholders and facilitated by the project consultants and the project implementation unit will be submitted to OSPF by the end of January 2006.



Joint Fact Finding: *Tim Perumus* checks the width of the road



Joint Fact Finding: *Tim Perumus* documents results



CERDP Information Board strategically placed near the village mosque



Multi-Stakeholder Consultation: Signing of agreement

Table A3.8
Results of Joint Fact Finding Activity
Village: Kali Besar
Tim Perumus:
1. Ir.Hendro, 2. Ir.Paimun, 3. J.M. Lacombe (ADB- IRM)
4. Jumaidi and 5. Abdussamad (villagers)
Facilitator: Ir.Wahyu Hariadi

Infrastructure Problems/Issues	Present Condition	Assessment as to the Prospects of Solving the Problem	Long Term needs for Infrastructure Maintenance	Implications for the Commitment of the Villagers, District, and Local Government
Width of road	<ul style="list-style-type: none"> - Road is not wide enough - Length of road (measured together) = 2,620m - 8 culverts built by contractor - Road is overgrown 	None	Optimize maintenance team	Post project maintenance by villagers
Gorong-gorong (deleted)				
Cross-check with design specifications: a) Width of road b) Culverts	<ul style="list-style-type: none"> - No data available (no drawings) - Length of road as per contract 2,360m - Culverts as per contract (7 units) 			

Kali Besar, 14 September 2005

Ir.Hendro

Ir.Paimun

J.M.Lacombe

Villager

Villager

Facilitator

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Table A3.9
Agreements on Remedial Action for CERDP Infrastructure Issues
Kali Besar, 26 September 2005

Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Road is not wide enough Length of road measured as 2,620 m Additional culverts built by the contractor Road is overgrown No drawings available Length of road as per contract (2,360m)	Optimalization of O&M team No problem with the length of the road No problem with the width of the road	Villagers		Post project maintenance by villagers
Culverts: 7 units, as per contract				

Kali Besar, 26 September 2005

Jahidin

Abdul Hamid

Mustaini

Soewartono

Sanderi

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PIU/PIU representative

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Village Head

.....
Complainant

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ADB/IRM

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Village Council Chair

Table A3.9
Agreements on Remedial Action for CERDP Non-Infrastructure Issues
Kali Besar, 26 September 2005

Non-Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
Implementation of components A and B	Socialization of CERDP components A & B will be carried out, village facilitators will be mobilized (1 facilitator for 2 villages)	Project	October 2005	Post project maintenance by villagers
Participation in decision making	Plan the steps for socialization of the project.			
Better information and communication	A board will be put up with information about CERDP in language that is easy for the villagers to understand. The content of the board will be decided by the facilitator with the assistance of the village head and the village council. Component D to be examined. Complaints to be maintained.	Facilitator and village head to post information on the board. Village head and villagers. PO box address for complaints will be posted on the information board	An information board and complaints are installed close to the house of the village head by October 2005.	

Kali Besar, 26 September 2005

* additional information boards and complaints boxes need to be considered (component D)

- there is an address for complaints from villagers
- the complaints box will be moved close to the house of the village head.

Jahidin

Abdul Hamid

Mustaini

Soewartono

Sanderi

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PIU/PIU representative

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Village Head

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Complainant

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ADB/IRM

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Village Council Chair

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Table A3.9 – Continued

Non-Infrastructure Issues	Agreement	Person Responsible	When	Indicators of Implementation of Agreement
More transparent monitoring of funds	<p>Monitoring of implementation from the project (village monitoring team)</p> <p>Amount of funds for activities to be socialized to the villagers (funds for contractors, POKLAK, etc), including non-infrastructure activities LSPBM</p> <p>Accountability reports to village development forum, information board, monthly reports, LSPBM, etc, to be a part of the project</p>	<p>ADB/IRM to note recommendation for additional box in an aide memoire</p> <p>Project monitoring team <i>Lembaga Simpan Pinjam Berbasis Masyarakat, LSPBM</i> (Community-Based Saving and Loans Organisation) supervisor</p>	To begin when there is a facilitator	Monitoring team formed and trained, first quarter of 2006

Kali Besar, 26 September 2005

Jahidin

Abdul Hamid

Mustaini

Soewartono

Sanderi

.....
PIU/PIU representative

.....
Village Head

.....
Complainant

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ADB/IRM

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Village Council Chair