

**Enhancing the National Recovery Framework: Strengthening Recovery Governance
FINAL PROGRAMME¹ NARRATIVE REPORT
REPORTING PERIOD: FROM April 2015 TO August 2016**

<p>Programme Title & Project Number</p> <ul style="list-style-type: none"> • Programme Title: Enhancing the National Recovery Framework: Strengthening Recovery Governance. • Programme Number (if applicable) • MPTF Office Project Reference Number:³ 00095797 	<p>Country, Locality(s), Priority Area(s) / Strategic Results²</p> <p>Country: Indonesia</p> <p>Priority area/ strategic results Post-disaster recovery governance</p>
<p>Participating Organization(s)</p> <ul style="list-style-type: none"> • United Nations Development Programme 	<p>Implementing Partners</p> <ul style="list-style-type: none"> • National Disaster Management Authority – BNPB • Ministry of Development Planning - Bappenas
<p>Programme/Project Cost (US\$)</p> <p>Total approved budget as per project document: MPTF /JP Contribution⁴:</p> <ul style="list-style-type: none"> • 75,000 <p>Agency Contribution</p> <ul style="list-style-type: none"> • by Agency (if applicable) <p>Government Contribution (if applicable)</p> <p>Other Contributions (donors) (if applicable)</p> <p>TOTAL: 75,000</p>	<p>Programme Duration</p> <p>Overall Duration: 14 Months Start Date: 15 April 2015</p> <p>Original End Date: 14 April 2016</p> <p>Actual End date: 31 August 2016</p> <p>Have agency(ies) operationally closed the Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Programme in its (their) system?</p> <p>Expected Financial Closure date⁵: August</p>
<p>Programme Assessment/Review/Mid-Term Eval.</p> <p>Evaluation Completed</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No Date: dd.mm.yyyy</p> <p>Evaluation Report - Attached</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No Date: dd.mm.yyyy</p>	<p>Report Submitted By</p> <ul style="list-style-type: none"> ○ Name: Rachmat Irwansjah ○ Title: Coordination Officer ○ Participating Organization (Lead): ○ Email address: rachmat.irwansjah@one.un.org

¹ The term “programme” is used for programmes, joint programmes and projects.

² Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;

³ The MPTF Office Project Reference Number is the same number as the one on the Notification message. It is also referred to as “Project ID” on the project’s factsheet page on the [MPTF Office GATEWAY](#).

⁴ The MPTF/JP Contribution is the amount transferred to the Participating UN Organizations – see [MPTF Office GATEWAY](#)

⁵ Financial Closure requires the return of unspent balances and submission of the [Certified Final Financial Statement and Report](#).

FINAL PROGRAMME REPORT FORMAT

EXECUTIVE SUMMARY

The Recovery Framework comprises of the phases of recovery actions, namely preparation, assessment, planning, implementation, monitoring and evaluation. These are stipulated in several regulations serving as the guidance for implementing recovery activities in post-disaster areas, such as Regulation of the Head of BNPB (*Peraturan Kepala/Perka BNPB*) No. 17/2010 on the General Guidelines for the Implementation of Rehabilitation and Reconstruction, *Perka* No. 15/2011 on Post Disaster Needs Assessment, *Perka* No.5/2012 on Monitoring and Evaluation of Rehabilitation and Reconstruction.

In practice, each of the phases have been addressing imperatives within the following domains of Policy/Regulations, Institutional Arrangement, Technology/Methodology, Management Information System, and Funding Scheme. The domains may and will grow along with the growing sophistication of the framework. Among the five domains within the recovery framework, the policy/regulations domain is quite advanced since the Indonesian Government has enacted a number of policy/regulations governing Recovery. Any more work to be pursued in this domain will be taken up by the Government of Indonesia utilizing its own budget. On the domain of technology/methodology for recovery, Indonesia has invented home grown instruments for assessment (PDNA and ERNA), planning (Action Plan for Rehabilitation and Reconstruction), and monitoring (Longitudinal Study and prototype of Disaster Recovery Index). These products are invented out of recovery measure practices and empirical evidences in Indonesia and incorporating international insights. Accumulatively these products will make up knowledge in recovery whose management is strengthened by a separate project implemented by the World Bank.

Considering the above and the limited amount of available funding and time frame, this Strengthening Recovery Governance project focused on the domains of Funding Scheme and Institutional Arrangement of recovery to enhance Government of Indonesia's overall recovery framework. The strengthening of recovery funding scheme has taken into account of the experiences in mobilizing funds from various sources, including the government, international aid institutions, and other non-government domestic entities. The experiences and lessons learned from running the IMDFF-DR/IDF (Indonesia Multi Donor Fund Facility for Disaster Recovery/ Indonesia Disaster Fund) and financing the Action Plan for Rehabilitation and Reconstruction for each of the disaster-stricken areas were valuable and informative in search of feasible and sustainable funding scheme. It also learned from the implementation of a number of regulations issued to guide the recovery funding scheme, in which problems were found in the decision-making process of funding allocation and fund disbursement which often delay, disrupt, and slow down the recovery process. The project has also invested in strengthening the IDF especially its secretariat to facilitate and lend support for addressing the issues of recovery institutional arrangement and recovery funding scheme within the overall recovery framework. The provided capacity development assistances to IDF Secretariat were focusing to strengthen the Secretariat in carrying out its role as a facilitator for policy advisory, by assigning the documenting and reporting tasks to the secretariat personnel and by the process of producing recommendations for the recovery governance and funding scheme.

I. Purpose

The expected outcome of the project is the Government of Indonesia is prepared for implementing efficient and effective recovery measures. The achievement of outcome is contributed by the following outputs:

1. The roles and responsibilities of recovery stakeholders from the government, civil society, private sector, and international aid community are prescribed in writing which is open for improvement and updating when required.
2. The recovery financing scheme by the Government of Indonesia is formulated presenting recommendations to related stakeholders.
3. The documentation and reporting system of the IDF Secretariat are operational and functional.

II. Assessment of Programme Results

Output 1. The roles and responsibilities of recovery stakeholders from the government, civil society, private sector, and international aid community are prescribed in writing which is open for improvement and updating when required.

Building on the previous institutional scanning on the proponents of disaster management, especially in the area of recovery in Indonesia, the mapping exercise be expanded to include international aid organizations active in Indonesia. One consultant recruited to develop the paper on recovery governance and underwent desk study, field visit to recovery project sites, and interview with disaster risk management stakeholders at national and sub-national. The scope of work for this study on recovery governance are as follows:

1. Providing complete information on policy, planning, institutional and financing aspects of disaster risk management in Indonesia
2. Conduct analysis on those aspects in post-disaster governance in Indonesia
3. Providing option/recommendation for strengthening governance in disaster risk management
4. Identify potentials and recommendations to improve the role of Indonesia Disaster Fund as one of the efforts to strengthen the governance of disaster risk management in Indonesia.

The final paper on recovery governance has been produced and presented in series of public consultation workshop organized by the project and IDF Secretariat. The paper provides more detail decryption on the analytical process and specific recommendations on policy, planning, institutional arrangement, and financing in recovery governance.

Summary of Paper

The substantive assessment and analysis process of recovery governance were done by identifying the policy, planning, institutional and financing aspects of disaster risk management in the country, especially for pre-disaster and post-disaster recovery phases. This approach was employed considering the abovementioned aspects are closely inter-connected even though in applied in different phases (pre-disaster and post-disaster). Moreover, those aspects are also interconnected with regular development initiatives thus ideally able to provide feedback to national and local development planning agendas as the mean of mainstreaming DRM. Emphasis is also given to analyze the roles of IDF as a financing/trust fund facility managed by the Government of Indonesia and utilized foreign grants as post-disaster recovery funding resource to complement the government funding and/or facilitate quick-wins interventions to set the foundation for government recovery programme (catalytic role). IDF has been active in assisting post-disaster management since 2010 and focusing on early recovery initiatives, which aims to address gaps, catalyze recovery activities and complement recovery intervention finance by state budget.

Output 2. The recovery financing scheme by the Government of Indonesia is formulated presenting recommendations to related stakeholders.

This output intends to support the Government of Indonesia to adopt a recovery financing scheme that is handy, agile, and yet accountable for financing timely recovery measures. Noting the complexity of financial arrangement and delivery, a scheme is proposed at this stage to be further elaborated in time into policy and technical guidelines, mechanism and its derivative instruments. One consultant recruited to develop the paper on recovery financing and worked together with the consultant for recovery governance as financing is part of governance. The scope of work for this study on recovery financing are as follows:

1. Reviewed the existing institutional scanning document,
2. Conducted bilateral discussions and consultations with relevant stakeholders to produce the draft document, which prescribes the roles and responsibilities of stakeholders in recovery,
3. Conducted focus group discussions, and a workshop of larger audience to provide feedbacks and inputs to improve the draft document;

4. Finalized the draft document based on relevant feedbacks and comments from the FGDs and workshop. Submitted the report to IDF Secretariat for their deliberation and processing.

The paper on recovery governance has been produced and presented in series of public consultation workshop organized by the project and IDF Secretariat. It provides more detail decryption on the analytical process of recovery financing management, which also includes the aspects of institutional arrangement and budget planning mechanism, and the proposed recommendations.

Summary of Paper

The Government of Indonesia has set up institutions and sufficient funds for disaster management that are supported with financing instruments ranging from regulations and policies for implementation, monitoring and evaluation. However, many stakeholders still consider improvements to the existing funding instrument are needed in order to address the emerging issues in disaster risk management such as the agility to provide recovery funds, regulation overlaps and dependency to national government funding assistance. Therefore, the assessment and analysis for recovery financing were emphasized to identify improvement for government recovery financing system that ideally able to 1) adapt to the characteristics of disasters in Indonesia, 2) be processed swiftly and correctly to maintain agility, and 3) meet the administration and accountability in accordance with the regulations.

In order to provide a clear picture of the expected improvement for recovery financing system, the study for this output has underwent the processes; 1) review and analyze the disaster management funding application in Indonesia including the relevant legislation and issues surrounding the implementation practices and 2) identify the suitable recommendations for improvement in terms of regulation and implementation. Based on the findings and analysis, recommendations for recovery financing have been formulated and emphasized on the following key aspects:

1. Mechanism to accelerate funding distribution for post-disaster rehabilitation and reconstruction initiatives.
2. Synchronization regulations that guide the operational of disaster management funding e.g. financial management, procurement of goods and services, decentralized local government regulations, and others.
3. Optimize and encourage contribution from local government annual budget particularly for rehabilitation and reconstruction.
4. Develop insurance scheme as an alternative to the government funding for post-disaster management.

Output 3. The documentation and reporting system of the IDF Secretariat are operational and functional.

The project hired support staff to design and implement the guidelines and manual of documentation and reporting as part of the overall IDF operating procedure. Three consultants recruited and each responsible to:

1. facilitate the refinement of administrative proses in IDF Secretariat,
2. develop monitoring and reporting framework of IDF supported project, and
3. develop the communication and publication strategy for IDF.

On the administrative proses, it highlighted that IDF has continuously strengthen its operation following the expansion of IDF scope to cover all phases in disaster risk management. Yet at the same time IDF need to maintain its operation flexible yet accountable to cope with the changes of policies and typology of disaster risk management in country and strengthen its capacity to provide advisory roles in term of enabling synergy between programmes and ensuring the application of policies in adequate manner.

Analysis of the current monitoring, reporting and evaluation framework for IDF supported projects has been developed. It observed the structure and flow in money processes, division of functions within

internal IDF and external parties engaged with IDF funding, and reporting mechanism. Formats of data collection and monitoring for the 2 funding windows in IDF have been formulated as well.

A guideline to undertake better communication and publication material has been produced. It provides standard information on IDF's organization identity and guidance on publication and communication such as the use of IDF logo and its partners, ethics on publication and communication, management of digital media services, and dealing with persons. The consultant also produced outlines of IDF publication material consisting of website content, profile/portfolio, and campaign on DRR targets including the actions plan to produce the materials. It is expected the materials will be used in a donor conference event to promote IDF as an effective trust fund facility to support disaster risk management initiatives in Indonesia.

ii) Indicator Based Performance Assessment:

Using the **Programme Results Framework from the Project Document / AWPs** - provide details of the achievement of indicators at both the output and outcome level in the table below. Where it has not been possible to collect data on indicators, clear explanation should be given explaining why.

	<u>Achieved Indicator Targets</u>	Reasons for Variance with Planned Target (if any)	Source of Verification
Outcome 1⁶ Government of Indonesia is prepared for implementing efficient and effective recovery measures			
Output 1 The roles and responsibilities of recovery stakeholders from the government, civil society, private sector, and international aid community are prescribed in writing which is open for improvement and updating when required			
	Option Paper on Recovery Governance at the National Level and Sub-National Level prescribing options and recommendations for the institutional arrangement governing the recovery work in Indonesia	N/A	<ul style="list-style-type: none"> • Recovery Governance Study Report • Workshop material
Output 2 The recovery financing scheme by the Government of Indonesia is formulated presenting recommendations to related stakeholders.	The recovery financing scheme by the Government of Indonesia is formulated presenting recommendations to related stakeholders.	N/A	<ul style="list-style-type: none"> • Recovery Financing Study Report • Workshop material
Output 3 The documentation and reporting system of the IDF Secretariat are operational and functional	IDF Guidelines and Manual on Documentation and Reporting and the Reports	N/A	<ul style="list-style-type: none"> • Reporting Format • Guideline for Communication and Publication

⁶ Note: Outcomes, outputs, indicators and targets should be **as outlines in the Project Document** so that you report on your **actual achievements against planned targets**. Add rows as required for Outcome 2, 3 etc.

iii) Evaluation, Best Practices and Lessons Learned

In general, the papers on Recovery Governance and Recovery Financing have been able to indicate some areas of improvement needed in both domains as the recommendation. This recommendation need to be transformed into a concrete follow up actions involving various technical and coordinating government agencies. To do so, it is perceived that the Government of Indonesia need to address a commitment building process across relevant sectoral government agencies/ministries first then later continued with the exercise to develop collective inter-government actions plan. This approach need to be maintained strategically by IDF Secretariat/Bappenas and within the right time frame such as during the early stage of sectoral ministry fiscal budget planning process. Bappenas as the coordinating ministry for planning together with IDF Secretariat should take the lead in advocating the importance of strengthening recovery governance as a collective work of relevant line ministries with clear contribution of resources. Dependency toward donor contribution should be minimize because it will less in the future following the status of Indonesia as middle-income country.

iv) A Specific Story (Optional)

Problem / Challenge faced:

- Delays occurred in undertaking the dissemination of project outputs to wider stakeholder. The delays occurred mostly between Q4 2015 and Q1 2016 where securing the proposed agenda has been challenging due to conflicting schedule with National government planning cycle where most of the government officials were occupied with the finalization of Mid-term National Development Planning (RPJMN) for 2014-2019, preparation of Line Ministry's Strategic Plan (Renstra), and Annual Programme Work Plan (RKP).
- Challenge in aligning the project intervention with other project for Knowledge Management Support implemented by World Bank due to different operational timeline (pace), modality (on budget or treasury) and grant partnership issue of WB with GoI.
- Challenge faced by IDF Secretariat personnel with regards to their dual roles to serve the Ministry and secretariat. The IDF Secretariat is attached to Bappenas (Ministry of Development Planning) and in many cases ad-hoc assignments from the Ministry to the personnel were more dominant compare to their actual assignment.

Programme Interventions:

- Proposed extension of project document from May 2016 to August 2016.
- Organized and participated in IDF coordination meetings to present the progress and discuss the subsequent follow actions that should be accommodated by the Knowledge Management Support project.
- Advocated IDF Technical Committee to establish assignment of dedicated personnel for IDF Secretariat personnel

Result (if applicable):

- The IDF Steering Committee granted the project time extension with no cost-implication
- The WB has confirmed to undertake follow actions as recommended by the IDF technical committee and allocated financial resource. Yet the distribution of funding is subject to the finalization of their umbrella partnership agreement with GoI.

- IDF Technical committee undertook follow up action with BNPB to finalize the institutional framework arrangement of IDF Secretariat.

Lessons Learned:

The nature of this project is closely related with the Knowledge Management Support project implemented by WB. Yet following the different modality between UN (of budget on treasury) and WB (on budget on treasury) that resulted in different pace of implementation and grant agreement issue of WB, the integration of both initiatives was ineffective and partial. In the future, it would be better if the designation of similar initiatives from IDF is given to one funding i.e. UN or WB.