



Executive Summary

CDD Gender Review and PNPM Strategy Formulation

Working Paper on the Findings of
Joint Donor and Government Mission



Executive Summary

Background

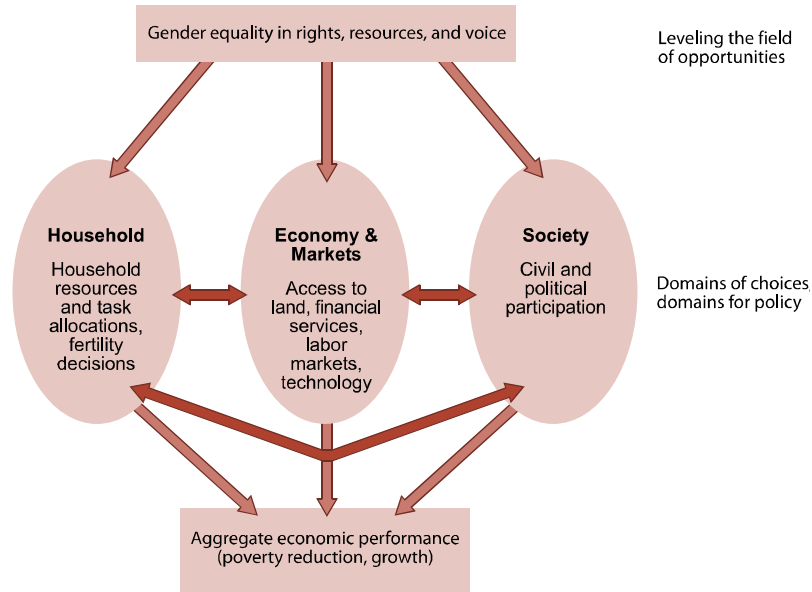
In September 2006, in response to increasing levels of poverty in the country, the President of Indonesia announced the government's decision to implement a new policy on poverty reduction and job creation. The target is to reduce poverty to become 8 percent in 2009 from 18 percent in March 2006 and to reduce unemployment rate from 10 percent in 2006 to 5 percent in 2009 through unified community driven development and labor intensive activities in 2007, moving to just two models of community empowerment (urban and rural) in 2008 with conditional cash transfers integrated into this. Together these will make up the Program Nasional Pemberdayaan Masyarakat (PNPM) - the National Community Empowerment Program. The PNPM presents a unique opportunity to address some of the constraints to women's empowerment and through this, to increase the effectiveness of poverty reduction efforts. The preparation of PNPM will draw heavily on the experiences of the Kecamatan Development Program (KDP) and the Urban Poverty Program (UPP) and hence a starting point for this review was to look at how gender has been addressed, and at what has and has not worked in these and other community driven development projects.

Rationale for A Focus on Gender Equality and Empowerment of Women

Ensuring equal opportunities across population groups, including between men and women, is an important instrument for achieving poverty reduction and growth. (World Bank 2005). The framework for linking the different elements of gender equality, and poverty reduction and growth is presented in the figure below.



Gender Equality, Domains of Choice, and Economic Performance: A Framework



Source: World Bank, 2007

Despite a national policy framework for promoting gender equality and improvement in some of the social indicators including reducing gaps in education, significant gaps and barriers to gender equality still exist: Progress in reducing maternal mortality has been slow, and women's potential economic role is only slowly being realized. Political participation of women is low at a national level, and is lowest at the district level – the level which has become the focus of decision-making since decentralization.

The overall slow progress towards gender equality has an economic cost. For example, persistent inequalities in the labor market have been estimated to cost Indonesia US\$2.4 billion each year (UNESCAP, 2007). In general terms, Indonesia now lags behind many of the countries in East Asia where progress in promoting gender equality has been more dynamic. The persistence of the barriers to gender equality, despite the obvious benefits that removing them would bring, indicates a market failure which justifies active state intervention.

The nature of the PNPM makes it arguably the most important instrument that the government has to actively remove some of the barriers to gender equality and in so doing improve the effectiveness of poverty reduction. The importance of PNPM lies in the country-wide potential to: **(a) respond to women's practical needs**: by funding, for example, water supply, health and education facilities, which help to remove practical barriers of time and capacity that constrain women's involvement in

development. **(b) increase potential for women's economic activity:** by investment in local infrastructure such as roads and bridges which help to remove some of the obstacles to women's access to markets and resources; and supporting microfinance activities which help women engage in income-generating activities and expand their businesses; and **(c) ensure women are active participants in planning and decision-making:** through the emphasis on broad-based participation that helps to break down some of the barriers to women's participation in local planning and decision-making, and ensure that their voice is heard and that they can influence the processes and decision to be more responsive to their concerns.

Objectives

The review was undertaken to look at how gender and women's issues had been addressed in other CDD projects to understand about what worked, and why in order to help influence the PNPM design. Specific objectives of the review were:

- (i) **To review the role of women in the entire project cycle and their longer-term sustainable impact-**socialization, planning, decision-making, implementation, monitoring and maintenance.
- (ii) **To recommend ways forward for future gender programming in CDD-type programs –** Based upon lessons learned and results from this study, what can be applied to future programming for CDD?

The focus of the mission was to look forward. The mission identified the elements that make for successful gender integration amongst the various CDD programs and how those design features could be scaled up for incorporation into national programming.

Five projects were included in the review:

Kecamatan Development Program (KDP): The KDP is a Government of Indonesia program with the objective of alleviating poverty, strengthening local government and community institution, and improving local governance. It aims to achieve this through the delivery of block grants to *kecamatan*s for productive infrastructure and social and economic investments identified through a participatory planning process. KDP is a government program funded in part through the World Bank, and under implementation since 1998. The program covers 34,233 villages in over 2,000 of the poorest kecamatan in 252 kabupaten, in 30 provinces.



Urban Poverty Project (UPP): The objective of UPP is to provide improved services for the urban poor and strengthen community and government institutions for responsive service delivery. The objectives are achieved through the establishment of representative and accountable community organizations, making local governments responsive to the needs of the poor, and provision of funds to communities. The project began in 1999 and has been funded in part through World Bank, it covers 6,409 of the poorest villages in 238 municipalities/kabupaten, in 33 provinces.

Neighbourhood Upgrading and Shelter Sector Project (NUSSP): The aim of this project is to help improve the living conditions of the urban poor, who will participate in, and benefit from, improved shelter development, management, and financing processes that will increase their assets and improve their well being. Funded in part by Asian Development Bank (ADB) loan, the project began implementation in 2005 and works in 32 municipalities across Indonesia.

Water Supply and Sanitation in Low Income Communities (WSLIC-2): The objective of this project is to improve the health status, productivity and quality of life for low income communities. Funds are channeled direct to villages, and communities have full responsibility for managing and maintaining their water supply and sanitation service. The program works in 8 provinces covering 35 districts and 2,500 villages with funding from World Bank, AusAID, GOI, and the communities.

Australian Community Development and Civil Society Strengthening Scheme (ACCESS): The objectives of the project are to assist in alleviating poverty by directly supporting community empowerment and civil society strengthening in 8 districts in eastern Indonesia. Through capacity building for civil society organizations and community based organizations the project aims to enable them to more effectively support the communities they serve. A community grants program aims to improve the overall quality of life for the most traditionally marginalized. The 5 year program, which started in 2003, was funded by AusAID.

The review was undertaken by a team of 22 staff and consultants from government, project offices, and donor agencies. Workshops were undertaken for the whole team before and after the team broke into three groups and visited five provinces. A field guide was developed in the first workshop and ratings given by each team during the field visits on several indicators for each project. In addition to the fieldwork and workshops, the methodology also used document review, key informant interviews, and initial stakeholder consultations in reaching the recommendations contained herein.

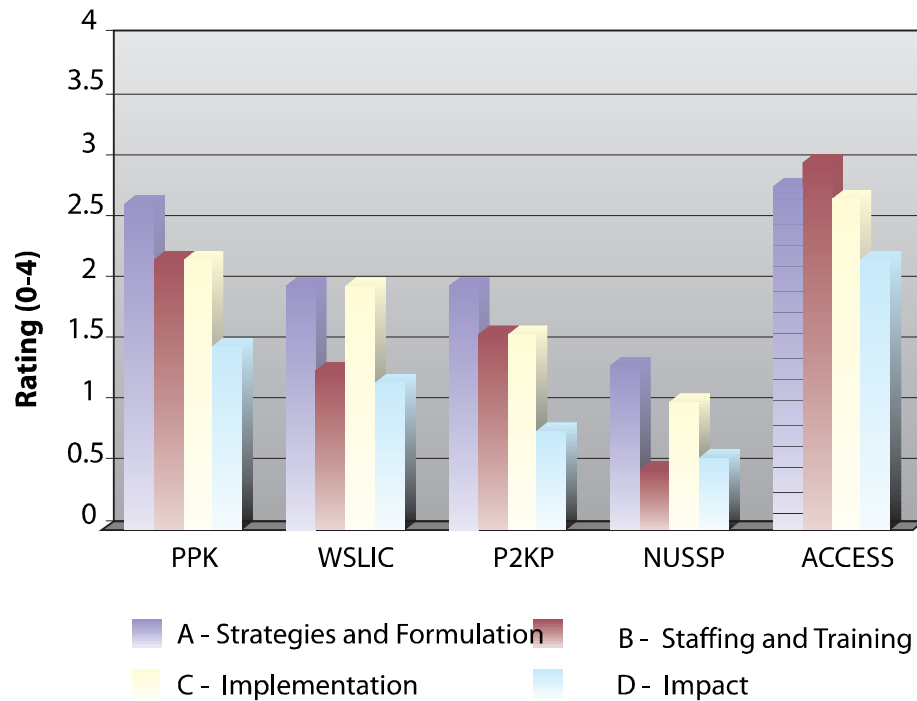
Promoting Gender Equality in CDD: Learning from Experience

A summary of the average ratings given by the teams for each project are shown in the figure below. Four aspects of the projects were reviewed : (i) Strategies Institutions and Accountability, (ii) Project Implementation and Requirements, (iii) Staffing and Training, and (iv) Sustainability and Impact. Although the methodology used was subjective and the findings do not try to be robust in any way, there are still some interesting observations that can be made from the graph:

- Only ACCESS is rated above average on all scores, and KDP is the only other project to score above average on some ratings.
- The high scores for ACCESS reflect important differences with other projects: the area covered is much smaller and funding per district is higher, it is bi-lateral funded, and it works with local civil society organizations (CSOs).
- The most consistent relationship is between the indicator for project implementation procedures and that for impact, suggesting that prescribed procedures and monitoring have greatest influence on impact.
- The relationship with staffing and (staff) training is less consistent suggesting that even staff who are less gender sensitive, or have not received gender training can implement procedures that impact gender outcomes when required to.
- However, the ACCESS experience shows that when attention is paid to strategy, procedures, and staffing, the outcomes are much greater.
- The low scores for NUSSP may be a reflection of its recent start up compared to the other projects which have all improved their integration of gender over time.



Summary of Average Ratings from the Field Visit



Key Findings

Strategies, Institutions and Accountability

- Having a gender strategy articulated during project preparation is a necessary first step, but this must then be reflected in clear performance indicators against which progress can be monitored.
- When gender strategies are reflected in the government project guidelines and implementation manuals they are more likely to be implemented. Progress also needs to be monitored by including gender indicators and disaggregated data in the management information system (MIS) and reporting systems
- The cumulative effect of projects with “rules” about participation of women (whilst often donor driven), are having an impact on local Government decision makers, increasing awareness/ acknowledgement of the value of women’s participation and the need for affirmative action strategies/activities
- Even within the same government or donor agencies, the attention to gender, especially during implementation, varies

Project Requirements and Implementation

Women's Economic Empowerment

- *Simpan Pinjam* and economic activities in which women participate do not significantly change their economic participation and opportunities, and are rarely open for poor women.
- Where it is included, capacity building and skills development is well received and appreciated by communities. However, the links to the external providers of the training are weak and the opportunities are not being well used.

Women's Political Empowerment

- Socialization is most effective at reaching women when standard prescribed requirements are combined with flexibility to adapt and innovate locally.
- Separate meetings for women are an important step towards ensuring that women's priorities are identified, however, there are still challenges to ensuring that their needs are i) identified properly, and ii) do not drop out at later stages.
- Project procedures can influence the number of women standing for selection to project implementation or decision-making teams, however they often do not appear in the same percentages in the final selection, and the higher level (from dusun to village to kecamatan) the lower the percentage of women getting through.

Social Empowerment

- Separate women's proposal can ensure greater responsiveness to women's needs, but may marginalize women from a more general, mixed process.
- Sometimes the project procedures and processes seem to build on and reinforce a more traditional role of elite women and in all but the most intensively facilitated cases, poor women do not participate actively.
- The roles of both men and women at village and other levels, are defined and constrained by norms and attitudes which are shaped by various factors such as tradition, religion, state ideology on gender. Project rules and requirements can help to change these and open new opportunities for women and men.
- When the opportunity is opened, women participate actively and enthusiastically in the project and their impact on the success and sustainability of the activity is often noticeable, but there needs to be a gender balance in both voluntary and paid positions.



- Monitoring and Evaluation systems are improving the amount of data collected on women's participation though this focuses on numbers of women and there is little evaluation of changes in gender equality or impacts of women's participation.

Staffing and Training

- Gender aware project staff or consultants can have a significant impact on outcomes, however, the percentage of staff and consultants who can be considered in this category is very low.
- Some projects had been more successful than others in ensuring good understanding and consistent messages about gender, women's empowerment, or the project's gender strategies from the management down.
- Although quotas and affirmative action had been somewhat effective at lower levels in ensuring some gender balance in teams, the percentage of women being recruited at higher levels, or being promoted to higher levels is still very low.
- There is no empirical evidence to show that impacts on women or gender aspects of the project are different with female facilitators, however, women in the community, and project staff and consultants agree that as role models, their impact is probably significant but unmeasured.
- Most women working as facilitators are of child-bearing age and pregnancy and childbirth are a fact of life. Projects need to take account of this in their staff conditions and in their budgets.
- Local government staff, especially those who had been involved in project activities, had a better understanding and awareness of the importance of project procedures and of training and capacity building than national government staff.

Sustainability and Impact

- Women can be actively involved in Operation & Maintenance (O&M) committees and can have positive impacts on the sustainability of sub-projects.
- Ensuring that opportunities were opened up through the project for women to participate gave them the chance to demonstrate their capabilities to the community. Several cases were seen where this led to them being elected or chosen for other positions outside the project including in the village governments.
- There were several opportunities for expanding the linkages outside the projects and women's participation in these which were not exploited.

Moving Towards a Gender Strategy for PNPM

Starting points for a PNPM Gender strategy

The first step, is to achieve broad consensus on what exactly the goal for gender equality and women's empowerment should be and identify the options, opportunities and issues in integrating processes and activities in the PNPM formulation that would contribute to the empowerment of women.

The concept of women's empowerment used in the proposed strategy is aligned to the empowerment focus of PNPM which focuses on economic empowerment through job creation and income generation, and political empowerment through decision-making by communities. A third dimension – social empowerment – is added in for the gender strategy and looks at the social aspects of creating an enabling environment for women's participation.

The gender strategy for PNPM should be developed around three guiding principles:

- it should fit within the existing government policy framework for gender equality and women's empowerment (e.g. Medium Term Development Plan, Inpres on Gender Mainstreaming etc);
- it should be driven from within the country and not imposed from outside; and
- it should take as the starting point things that have already been introduced successfully in other projects or through the work of Indonesian NGOs or civil society groups.

Strategies, Institutions, and Accountability

Building on Good Practice

From previous experience two things are essential:

- A strategy with objectives goals and targets needs to be clearly articulated; and
- the gender strategy needs to be translated into project documents and guidelines.

Addressing Lessons Learned

Previous experience of strategies, institutions and accountability for gender equity also shows the need for greater leadership in implementing the strategy, clearer messages from the top, and improved accountability. In this respect the following recommendations are made:



- Identify an agency, probably Menkokesra, that can take the lead and coordinate with the other agencies and civil society.
- Undertake an institutional and stakeholder mapping exercise to identify the gender equity champions to form the core group and the potential roles and responsibilities of different organizations.
- Build consensus with stakeholders around a gender equity strategy for PNPM with agreed gender equity goals, and objectives for promoting gender inclusion and equality. Several regional consultations could be organized that bring together local government and civil society. One option for the consultation process is for it to be carried out through the universities. Results from the regional workshops could be brought to a high level meeting of national stakeholders to develop the overall goals and policy for gender mainstreaming and women's empowerment in PNPM.
- Identify a simple message that can easily be understood by government staff, project implementers, and communities, and can be easily relayed and reinforced from the top to all other levels, for example:
“Empowering women economically, politically, and socially.”
- Nominate a team to regularly review implementation guidelines and manuals as they are prepared to ensure the gender strategy is translated into these, and that incremental costs of implementation are included in budgets.
- Improve accountability for implementing the gender strategy by preparing a supervision schedule for following up on the progress in implementation and regularly review monitoring reports or pilots relating to gender aspects to decide on changes of direction, modifications to implementation procedures, or new initiatives to be adopted.

Project Requirements and Implementation

The recommendations are presented under the three empowerment pillars proposed for the PNPM gender strategy: economic empowerment, political empowerment, and social empowerment.

A. Women's Economic Empowerment

Women have a vital role to play in the family economy and studies have shown that increasing women's income has greater impacts on family welfare than increasing men's incomes therefore there is justification for making women's economic empowerment a focus of PNPM. However, given the findings of this and other reviews regarding the generally weak impact of the support to credit groups

through CDD programs, much work needs to be done to identify an effective design that would increase the effectiveness of the activities including linking with other resources, such as the sector departments and civil society service providers of skills training.

Building on Good Practice

Good practice examples of support to credit groups or *Simpan Pinjam* are few and far between but there are just three points worth noting here:

- Ensuring demand from women for support for economic activities and small savings and loans schemes is heard and considered in the decision-making;
- Where possible, linking with other resources such as training and capacity building, or with existing cooperatives, credit unions, or other providers;
- If credit is provided through the project the financial management systems, procedures, and training modules which have been developed over the years need to be further improved and adapted.

Addressing Lessons Learned

However, the experience of the review team was in line with previous reviewers and evaluation results which find three issues: (i) the *simpan pinjam* groups rarely include the poor/poorest unless this was a project rule; (ii) there are no economies of scale through improved networking/collaboration between the groups; and (iii) a limited range of enterprises are financed and these largely build on women's traditional roles (cooking, sewing, kiosks) instead of opening new opportunities. In short, the CDD projects, with a few exceptions, have not been effective in reducing poverty through delivery of credit.

Moving forward, there needs to be serious consideration of whether continuing to support credit groups or *Simpan Pinjam* through PNPM is feasible. Any continuation of support will need a change of design to draw more extensively on the wealth of experience that exists in Indonesia outside of the CDD projects.

A first step should be to use the forthcoming study of credit provision and options to look more in depth at some of the issues that have been raised and to identify options for strategies to include in PNPM. Input will be provided separately into the Terms of Reference for the credit study.



B. Women's Political Empowerment

The very low participation of women in decision-making and politics at all levels is one of the key areas holding back progress towards gender equality in Indonesia. The emphasis in PNPM on participation and inclusion, and on decentralized decision-making is an opportunity that can not, and should not, be missed to work from the bottom up to address this.

Building on Good Practice

Existing good practice which has been developed and proved successful in existing projects:

- Including quotas for women's participation in meetings;
- Holding separate women's meetings at key stages in planning and decision-making process;
- Including targets for women's participation in decision-making bodies;
- Opening up a range of positions on implementing and monitoring committees at community level and encouraging women's selection for these committees so that they can demonstrate their skills and capabilities.

Addressing Lessons Learned

However, while this has increased participation of women in the projects, and the projects responsiveness to women, the impact outside the projects is limited. Specific issues are: (i) Selection/election processes bias against women's selection even when there are capable candidates; (ii) Women lack the confidence and experience to compete against men, or be substantively involved; (iii) The project planning process tends to be a separate process from the regular village bottom-up planning process so it is not automatic that if women participate in the project-planning they will participate in village planning; (iv) Women's participation rarely extends outside the village and is especially weak at the Kabupaten level.

These issues need to be addressed through:

- Implementing **controlled experiments** to identify which methods of selection give women the best opportunity. The experiments could test results, perceptions, and satisfaction of different selection methods.
- Include additional support and training to potential women leaders and candidates, either built into **project design**, or else through a **parallel or add-on program** to build their confidence and increase their competitive edge. An add-on program could provide special

support to women in several areas beyond one-off training sessions including special confidence building activities, training in local governance, public speaking, etc. One possibility that might be considered in order to reach the most women throughout the country could be to partner with existing leadership groups such as PKK.

- Adapt the planning procedures adopted in **project design** to be more participatory and inclusive and bring the project planning and the village planning together. Some attempts are already being made to do this.
- PNPM will be looking at how to link the village planning process with the kabupaten level, hence there is a good opportunity to build in processes in the **project design** to bring women's participation up to *kecamatan* and *kabupaten* levels that level as well. It may take many years before women are participating fully in the formal decision-making bodies such as the DPRD or at senior government levels.

C. Women's Empowerment: Social

Progress in empowering women economically and politically is constrained by norms and attitudes. This section looks at things that can be done to improve the enabling environment for women to access economic and political opportunities.

Building on Good Practice

As with the other forms of empowerment, this is not a blank sheet. Already there are good practices seen in the projects that are slowly helping to change the attitudes and norms and creating an enabling environment for women. In particular the team noted the following which had been effective and should form the basic minimum for inclusion in PNPM:

- Women staff and facilitators are role models, especially for women, and can give women the confidence to follow in their footsteps and take on challenging positions.
- Organizing meetings at times convenient for women, and encouraging them to bring their children, means that more women can attend.
- Providing space in separate women-only meetings for women to discuss issues important to them without men around gives them confidence and helps to reach consensus before facing a mixed group.
- Including specific activities in the socialization and planning that help both men and women analyze and discuss gender roles.



- Requiring women's attendance at meetings, or participation in committees or as facilitators, through quotas and targets helps to normalize this and makes it easier for women to attend other meetings and participate in other activities.

Addressing Lessons Learned

However, there were still several persistent social constraints on women's participation that could be addressed through more pro-active measures, for example, (i) attitudes of male leaders in the villages limited women's involvement and kept them in their traditional roles; (ii) recruitment process, and employment procedures which do not give sufficient attention to the importance of bringing women in as project implementers. (iii) Monitoring and Evaluation (M&E) systems which focus on quantity without sufficiently identifying gaps and disparities and researching causes and solutions more; (iv) Women's traditional ("new order") role in community management which tends to encourage women in the volunteer positions, while paid positions go to men.

- Several people at local level stressed the importance of including male leaders and tokoh agama in gender training and gender analysis activities at local level to build their understanding as their support is essential for bringing about change. This can be done within a capacity building framework in the **project design**.
- More **research** is needed to better understand the different gender aspects of men and women's participation in voluntary and paid roles
- Increase the focus on **capacity building** of women and women leaders in the community so that they are better able to understand and facilitate social change, and especially with regard to becoming the agents that remove the barriers for the poorer women in the community.

Monitoring and Evaluation

Monitoring and evaluation are essential to monitoring the impacts of the project as a whole as well as the effectiveness of different project rules or strategies for staffing and training. This was an aspect that could have been improved significantly in all of the projects and the size of PNPM offers an opportunity to build up understanding and knowledge on women's participation and the impact on women.

Building on good practice

- Collecting quantitative information on women's participation is now incorporated into most monitoring systems.

Addressing Lessons Learned

- Specific reports and studies need to be identified at the outset and incorporated into the **project design**. This should include indicators for including in regular periodic reports, as well as occasional specific analysis of the MIS databases, and studies on qualitative aspects.
- So far none of the projects have undertaken research on the impact of the projects on women or gender relations. The MIS plan in **project design** could include a baseline survey with a follow up survey two or three years into the program.
- Impact studies should also include the impact of women facilitators. Staffing and Training

Staffing and Training

The quality of the staff and consultants that deliver the project has a major impact on the outcomes. The following recommendations were made with respect to staffing and training:

Building on good practice

- Recruitment of women in sufficient numbers is possible when efforts are made and affirmative action is taken;
- It is easier to recruit consultants with experience of facilitation and gender than it is to train them in these things.

Addressing Lessons Learned

An important message that was consistently heard was that staff and consultants, whatever their background, will respond positively when the messages from the management are strong and consistent, they have the tools and procedures, and there are incentives for them to do so. Therefore the following recommendations are made:

- The central level core group needs to “market” the gender strategy in a user friendly and positive way.
- Review HR practices in projects and prepare best practice note on recruitment procedures and employment conditions including recruitment processes and working conditions that actively encourage women to apply, be selected, and stay in the project staff and consultant teams.
- Where the project has particular challenges in recruiting women, such as for engineering positions, an **add on program** for internships should be considered.