

LP3ES



EVALUATION OF COMMUNITY-BASED RURAL INFRASTRUCTURE PROGRAMS

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PURPOSE OF EVALUATION

- To review the process of program implementation, from planning to evaluation, which includes the results, benefits and impacts of program.
- To assess the effectiveness of the three infrastructure programs (P2MPD, PPIP and PMPD) in achieving their planned objectives .
- To propose steps required for improving the programs based on best practices/lessons-learned and also to recommend strategies for future rural infrastructure programs, especially in the PNPM framework.

SCOPE OF EVALUATION

- Achieving of results
- Program evaluation and quality control
- Selection of location and poverty targeting
- Cost effectiveness and budget structure
- Fund flow and leakages
- Technical review of infrastructure built
- Community organization
- Capacity building
- Program satisfaction
- Program sustainability

Methodology

1. Document Review
2. Interview with Key Informant
3. Field Observation and Rapid Appraisal (indepth interview, FGD and direct observation)

Study Location

- Study location : 6 districts (9 villages)

Project	District	Number of villages and category
CLGS/P2MPD	Sleman	1 village (good)
	OKI	2 village (average , good)
CERD/PMPD	Banjar	1 village (good)
	Minahasa	2 village (average , bad)
RISP/PPIP	Pangkep	1 village (good)
	Bangkalan	2 village (good , bad)

- Field visits: 18 – 26 Juni 2007

Project Description : P2MPD

1. Project name: Community and Local Government Support (CLGS/P2MPD)
2. Implementer: National Development Planning Board (BAPPENAS)
3. Location: 6 provinces, 48 districts
4. Project duration: 25 March 1999-31 March 2005
5. Project budget: US\$ 120 million
6. Purpose: Develop and strengthen the process of implementing regional autonomy and more specifically to help accelerate resolving of crisis impacts
7. Components:
 1. Development of Rural Infrastructure
 2. Capacity Development

Project Description : PMPD

1. **Project name:** Community Empowerment for Rural Development (CERD/PMPD)
2. **Implementor :** Ministry of Home Affairs, Direktorat General for Village and Community Empowerment (PMD)
3. **Project duration:** 12 March 2001-30 June 2007
4. **Location:** 6 provinces, 13 districts, 77 subdistricts and 568 villages
5. **Project budget:** US\$ 115 million
6. **Purpose:** Eradicate poverty in rural areas by improving their economy and raising the income of poor villages, notably those residing near growth centers
7. **Components:**
 - Increasing of capacity for decentralizing development program implementation
 - Development of financial institutions and the rural economy (LSPBM) and the development of micro and small-scale businesses in rural areas.
 - Increase in rural infrastructure including infrastructure leading to growth centers, infrastructure that supports the rural economy, and infrastructure for resettlement.
 - Management and monitoring

Project Description : PPIP

1. **Project name:** Rural Infrastructure Support Project (RISP/PPIP)
2. **Implementor:** Ministry of Public Works, Directorate General of Cipta Karya
3. **Project duration:** 20 June 2006-31 March 2009
4. **Project budget:** US\$ 60.8 million
5. **Location:** 4 provinces, 45 districts, 571 subdistricts and 1,840 villages
6. **Purpose:** Improve the welfare of rural communities through the improvement of poor villagers' access to rural basic infrastructure.
7. **Project components:**
 - Infrastructure work that supports accessibility, namely rural roads and bridges
 - Infrastructure work that supports food production namely rural irrigation
 - Infrastructure work that supports local people's basic needs namely drinking water supply and rural sanitation

Projects Design (1)

- The three projects have relatively same components, namely:
 - capacity building or community empowerment
 - physical development
 - For PMPD: village financial institution
- In terms of handling the impacts of economic crisis through infrastructure development, all projects have been designed appropriately.
- For CERD (PMPD), the project design is quite good because it already takes into account the strengthening of social institutions prior to development of supporting infrastructure.
- On the other hand, in CLGS (P2MPD), the project design appears to be too bureaucratic (complicated and less practical) in terms of implementation process, especially considering the small volumes and short duration of the projects.

Projects Design (2)

- All three projects also incorporated some basic principles such as participation, democracy, transparency, accountability, sustainability and women's involvement that aim to promote good governance in line with their efforts to support the effectiveness of regional autonomy
- However, in reality, existing empowerment efforts are still limited to participation/roles of the community in project implementation, esp. projects that involves the local community at all level of implementation (example: CLGS in OKI). Other aspects such as awareness promotion, dissemination of information, empowering community to plan their own development are still lacking.
- Projects that use contractual approaches (using contractors) such as CLGS type B has very limited community participation.

Project Design (3)

- Implementation structure for the three programs are quite big and complete at all levels as follows:
 - Project Officer at national and district levels
 - Consultant and facilitator at district/subdistrict and village levels
 - Community group and community cadres
 - Supporting team (TKK- District's Coordination Team, Monitoring Team)

Finding: Achievement of Results (1)

- All three programs have achieved their objectives in rural infrastructure provisions and in helping people to resolve their economic crisis.
- Facilities built are quite varied but focus mainly on basic infrastructure such as bridges and roads. This is based on following considerations:
 - Equal distribution of project benefits to as many villagers as possible (vs the need of certain groups of people – irrigation for land owners)
 - Ability to absorb many workers (labor-intensive)
 - Simple in construction – can be built by local people
- The infrastructure built have been able to:
 - Increase people's economic access
 - Increase the value of assets (land) owned
 - Facilitate better communication and interaction between villagers
 - Increase access to clean water supply and sanitation.
 - Increase participation of local people as workers for the programs

Achievement of Results (2)

- At this time, the aim of promoting good governance, which serve as basic principle of all programs, has not been fully achieved. However, as a new approach, the programs' efforts have been quite positive as learning processes for the local government.
- At the community level, good governance practices have been practiced albeit in simple and small scale forms such as giving access to all community members to the book-keeping of the community groups and in providing clear information about project activities
- In addition to that, local community have been involved in monitoring the programs progress through regular meetings to evaluate the development of the physical condition of projects (although the frequency is still limited)

Achievement of Results (3)

- Another issue with achieving the empowerment objective is the short phase of project implementation: most programs were planned for one year but in fact, on average, projects were conducted in 3-4 months (usually due to lateness in issuing DIPA and preparing facilitators).
- As the result, programs implementation were focused on finishing the infrastructure building. Community empowerment aspects were done in hurried merely to fulfill programs requirements (usually only in the form of community meetings).

Finding: Programs evaluation & Quality Control

- By concept, each project has monitoring and evaluation systems (M&E) that are quite complete because they cover M&E at the community, district, provincial and national level. Some programs also have external (independent) evaluations.
- M&E results have been documented on a regular basis in the form of report. However, the follow-up of the results remains unclear. Also, projects tend to give priority to administrative accountability while the quality of substantial aspects in field such as community participation and capacity building were given less attention.

Finding: Selection of location village/poverty targeting

All programs have problems in the selection of village locations:

- Despite the requirement of selecting poor villages as project location, some villages with worse social and economic conditions are not selected as project location (eg. P2MPD in Sleman District)
- Location proposed by the districts did not follow the requirements set by the implementing Department (eg. PPIP case in Bangkalan, project guidelines said that location selected should not have similar ongoing project such as PPK, but in fact the location chosen already has PPK)
- There are cases of local elites influence in selecting project location (eg. influence from DPRD, cultural consideration, etc found at PMPD Project in Banjar & P2MPD Project in Sleman)

Finding: Selection of location/poverty targeting

- In terms of poverty targeting, most programs guidelines did not specifically target poorest communities as beneficiaries of the programs.
- Most facilities built were basic facilities that benefit population in general, not the poorest communities – usually to avoid potential conflict at the village level
- Although poor people have been involved as workers for the programs, many of them are not ready to work with the contractor models (type B of CLGS program)

Finding: Cost Effectiveness/ Budget Structure

- Infrastructure building in all three programs, especially those carried out by the local community, in general has high cost-effectiveness (measured from the costs and benefits of the project)
 - Pangkep case > enlargement of fish ponds and intensification of their management by the local people led to the increase in land usage and production

Finding: Fund Flow/ Leakages

- All programs channeled fund directly to community organizations formed by the local people
- There have been case where the funds received by the community organizations are lower than planned (P2MPD project at OKI for type A)
- There are also cases where the project fund that are directly managed by community was charged with 10% Value Added Tax (PPN) although the project guidelines mentioned that the fund should be exempted from PPN
- Audit were conducted regularly by BPK or BPKP
- Some audit findings:
 - Building volume is lower than contracts (PMPD Projek Minahasa); contractors have to return some amounts of fund
 - Budget plan (RAB) is not detailed in accordance with types of activities and is questioned by BPK

Finding: Technical aspect of facilities

- In general, the quality of facilities built have met the specifications originally planned. But, in certain cases, the quality of facilities are below technical standard (eg. case of the CLGS project in OKI District)
- The quality of facilities built under contract system (type B CLGS) tend to be average due to less supervision by local people and are margin-oriented.
- The quality of facilities built by the local community are moderate to good, and even in some cases are exceptional due to:
 - Better quality of construction than planned
 - Larger volume than planned
 - However, in certain cases, the finishing touch is less satisfactory due to skill problems
- Generally, facilities built have been functioned as originally planned. But, in certain areas, such as the case of rice barns in Banjar, the facilities have not been utilized optimally

Finding: Community Organizations

- All projects formed community groups at village level. However, in many cases community empowerment processes took place only to fulfill programs procedures. Institutional capacity development carried out in the projects still tends to serve administrative purposes and the interests of project management.
- Preparation of community to play role after the project was not done intensively → the community groups do not function well in maintaining the project.
- Project cadres and community groups who helped during the project implementation were not encouraged enough to be involved more intensively in maintaining the project.

Finding: Capacity Building

- Capacity building for local community is limited in terms of target, type and time
 - Except for the financial management of financial institutions (PMPD Project)
- Trainings provided in programs usually are more focused on supporting the needs of the project management and not on increasing self-reliance capacity of community organizations
- Capacity development for local government officials through scholarships for S1 & S2 students, in the views of government officials, are quite positive for long-term development investment (PMPD Project) . However:
 - Admittance criteria are not clear
 - Indirect benefits for poor people

Finding: Beneficiaries Satisfaction

- Local communities in general are satisfied with the facilities built, especially those built by the local people themselves. Their satisfaction include:
 - The physical quality of facilities
 - Direct functions of the facilities built
- But people are less satisfied with budget transparency, fund disbursement, procurement of materials, and complaints handling (people's complaints about the quality of the facilities built were not properly responded)

Finding: Project Sustainability

- Although at the community level project beneficiary groups and project maintenance groups were formed according to project designs, in reality these groups are not yet functional. Some of the problems:
 - The groups are not sustainable because their formation was merely to fulfill formal requirements of projects
 - Facilities built are controlled by certain groups (eg. case of jetties in Bangkalan)
- In some cases beneficiary groups and maintenance groups are well functioned because the groups are solid and sustainable (eg. Pangkep case for clean water facilities: groups use margins of clean water sale to cover O&P costs)
- Credit groups (LSPBM) have been functioning quite well; some of them can already accumulate own assets.
- Components of infrastructure projects that are linked with economy productive activities tend to be more sustainable than the ones that are socially oriented (example: LSPBM (CERD Project))

Conclusions (1)

1. Rural infrastructure projects are quite positive in supporting people's accessibility in social and economic sectors, and should be further developed to help the growth of rural areas.
2. Community-based rural infrastructure projects are very effective and efficient from the cost aspect, and thus it is advisable that the amounts of funds and volumes of facilities be increased.
3. Rural infrastructure projects using community development approaches basically are proceeding well, but in order to optimize their outputs and outcomes (especially in community empowerment), the programs need to work with NGOs as partners/facilitators, not with commercial companies who have no expertise in community empowerment

Conclusion (2)

4. Although the rural infrastructure projects in general are functional and local people are satisfied with their technical performance, the sustainability aspect is still low. Projects need to focus more on increasing community organizations' capacity (including women's involvement), both in technical and financial aspects, as exit strategy. In most cases, community groups formed by the project are not ready to maintain the infrastructure, except for productive ones.
5. Rural infrastructure projects will become even more effective in pushing community development and rural village development if they take into account community empowerment and economy programs (such as PMPD design).

Recommendation (1)

1. Community empowerment programs to build rural infrastructure should be integrated with programs to improve local management. In implementation process, the two programs could be carried out by different consultants in accordance with their own competence but still in one project management (PIU).
2. Observations show that in accelerating rural development process, infrastructure development approach alone is not enough. Rural development should be viewed from the context of integrated rural development. Accordingly, it needs to follow a framework of integrated development approach as follows:
 - a. Strategic plan of rural development
 - b. Village zoning
 - c. Village action plan
 - d. Legal framework (village government regulations)
 - e. Program implementation
 - Institutional strengthening (good governance)
 - Infrastructure development
 - People's economy development

Recommendation (2)

3. For the PNPM program:
 - No need to develop a new model. Existing model could be used with better targeting and strict selection of villages and beneficiaries.
 - Project cycle: year one for community preparation and year two to physical development (CERD model)
 - Non sectoral approach → the project should be integrated with holistic village development plan