

Independent Evaluation of the Australia-Indonesia Facility for Disaster Reduction

MANAGEMENT RESPONSE

Aid Activity Objective

The objective of the Australia-Indonesia Facility for Disaster Reduction (AIFDR) is "To strengthen national and local capacity in disaster management in Indonesia, and promotion of a more disaster resilient region".

- Outcome 1 – Better understanding of risk and vulnerability: Disaster managers in priority areas of Indonesia and the region have an improved understanding of disaster risk and vulnerability.
- Outcome 2 – Better able to reduce disaster risk in practice: Disaster managers and vulnerable communities in demonstration provinces of Indonesia are better prepared to reduce impacts through disaster management planning and practice.
- Outcome 3 – Partnerships with national, community and international organisations: Partnerships enable sustainable disaster reduction in Indonesia and the region.

Aid Activity Summary

Aid Activity Name			
AidWorks initiative number	Initiative: INI422		
Commencement date	July 2008	Completion date	June 2013
Total Australian \$	Announced \$67 million from AusAID		
Total other \$	\$800,000 from ARC Linkages Program; A\$600,000 from French and Australian Red Cross; other counterpart contributions in cash and kind from BNPB, BMKG, <i>Badan Geologi</i> , LIPI, ITB, NU, Muhammadiyah and Oxfam.		
Delivery organisation(s)	AusAID, BNPB and Geoscience Australia		
Implementing Partner(s)	Regional BPBDs, BMKG, <i>Badan Geologi</i> , LIPI, ITB, Nahdlatul Ulama, Muhammadiyah, ASEAN Secretariat, Oxfam and civil society organisations		
Country/Region	Indonesia and ASEAN region		
Primary Sector	Disaster Risk Reduction		

Independent Evaluation Summary

Evaluation Objective: The purpose of the evaluation is to conduct an Independent Progress Review (a mid-term evaluation) of the Australia-Indonesia Facility for Disaster Reduction (AIFDR). Lessons learned will refine the AIFDR work program, work plans, and considerations for future partnerships between Australia and Indonesia in disaster risk reduction.

In speaking to a range of key stakeholders in Indonesia and Australia, the independent evaluation team identified disaster reduction and disaster management as an increasing focus for the Government of Indonesia and its local governments. The disaster management law was developed in 2007, while the Indonesian Disaster Management Agency (BNPB), the main partner of AIFDR, was established in 2008. As a result, both the development of BNPB is nascent but has high level commitment, both budgetary and politically, from the President of Indonesia.

Evaluation Completion Date: Final report submitted to AusAID on 15 September 2011

Evaluation Team: The team consisted of an international specialist evaluation consultant, an Indonesian institutional strengthening consultant, an Indonesian disaster management consultant, an AusAID Indonesia Program desk officer, and two Government of Indonesia officials.

Key Messages

The Independent Progress Review assessed the Australia-Indonesia Facility for Disaster Reduction against aid effectiveness criteria. The review identified 6 recommendations and associated lessons learned. Key findings and recommendations are outlined below:

- The review found that the relevance of AIFDR is strong. It is strongly aligned to the policies and priorities of both the Governments of Indonesia and Australia. The review found that disaster risk reduction is sound development practice and in a country as disaster prone as Indonesia, it makes humanitarian and economic sense to invest in disaster risk reduction.
- AIFDR's approach to activity evaluations and scoping missions are successful mechanisms for building new relationships, and assessing effectiveness and capacity. Activity evaluations, including the Build Back Better and Community Based Disaster Risk Management activities, undertaken by independent teams and in partnership with civil society and government are effective and sustainable ways of working together. Further, small grant based scoping missions to civil society organisations have proven effective and sustainable in determining capacity and appropriately shaping disaster risk reduction activities.
- Areas for improvement were also highlighted in the review. These included the need to establish an Executive Committee to strengthen governance arrangements and, because disaster risk reduction will remain a priority for Indonesia, provide strategic direction to future activities. The Executive Committee will assess matters of efficiency, effectiveness and programming directions. In January 2012 the Governments of Australia and Indonesia agreed to form an AIFDR Executive Committee and it is expected to first meet in March 2012.
- The review also indicated a need to better integrate matters of gender equality into activities. While some partners, including NGOs and faith-based organisations do integrate gender into their activities, AIFDR will ensure that gender and broader issues of social vulnerability are a greater focus for future activities. To support this, a gender and social vulnerability officer was engaged by AIFDR in November 2011.
- AIFDR has numerous smaller scale activities that the review found successfully supported early engagement with partners but also had a tendency to create a fragmented portfolio. The review found that this has been a useful approach to date but in moving ahead, a more targeted focus in selected high-risk provinces would create greater sustainability. This is influencing final programming of AIFDR, which will take a greater focus on sub-national engagement in the final two years of operation.
- The review found that some costs of AIFDR were high, including the office establishment and use of Geoscience Australia short-term advisors. The establishment of the AIFDR office and the engagement of Geoscience Australia short-term advisors followed due process and are within current office establishment and adviser remuneration framework parameters. As recommended in the review, an assessment of cost efficiencies will be presented to the Executive Committee for their consideration.
- The review found that the program has made good use of Australian technical assistance to initiate and develop new relationships with the Government of Indonesia. The scientific activities undertaken by Australia and Indonesia in the area of risk assessments and risk modelling were assessed to be of a high quality and an effective way of establishing new relationships. In moving ahead, the program should ensure that the scientific activities determined through this relationship are more demand driven.
- The quality of outputs and relationships developed by AIFDR were found to be high and effective. Partnerships with Government of Indonesia, multi-lateral agencies, Indonesian civil-society organisations including faith-based organisations, universities and NGOs were found to be performing well and of benefit to BNPB. It was found that a greater focus at the sub-national level by AIFDR would contribute to enhanced sustainability of disaster risk reduction activities. In December 2011, AIFDR commenced a Sub-National Development Strategy to support this.

Management Response

AusAID agrees with recommendations 2, 3, 4, 5, 6 and partially agrees with recommendation 1.

Recommendation 1: With support from AIFDR staff, senior officers of BNPB and AusAID should establish good practice governance arrangements consistent with the intent of Clause 7 of the Subsidiary Arrangement – including an Executive Committee and a Joint Monitoring Group. These changes should occur by late 2011 for the Executive Committee to approve the 2012 work plan as early and meaningful engagement of the Executive Committee – including oversight of the AIFDR budget, activities and the design of any subsequent initiative – is essential to AIFDR effectiveness.

Response: AusAID **partially agrees** with the recommendation.

Actions: Following this recommendation, the Australian and Indonesian Governments agreed in January 2012 to establish an Executive Committee. However, following a request from the Government of Indonesia, the membership of the Executive Committee is different to that proposed in the independent progress review. The AIFDR Executive Committee membership agreed to by the Governments of Australia and Indonesia is comprised of: two officials from BNPB (Head of Agency and Secretary General), two officials from AusAID (Head of AusAID Jakarta and Chief of Operations) and a member of the BNPB Steering Committee (Government of Indonesia agency). It is expected that the first meeting will take place in March 2012.

Recommendation 2: With reference to Clause 14 of the Subsidiary Arrangement, GoI and GoA should continue implementation of AIFDR from July 1, 2011 to June 30, 2013 subject to effective governance arrangements being established and the strategic direction of on-going AIFDR implementation and the design process for any subsequent initiative being actively driven by an Executive Committee.

Response: AusAID **agrees** with the recommendation.

Actions: As per recommendation one, the Australian and Indonesian Governments have agreed to establish an AIFDR Executive Committee. This Executive Committee will set the strategic direction for the current implementation of the AIFDR and guide the design of a future disaster management program, as recommended.

Recommendation 3: Under the active strategic direction of the Executive Committee, AIFDR management and staff should work with BNPB and other stakeholders to develop and actively use a Development Strategy based on the agreed facility logic, goal, purpose and end-of-facility outcomes to communicate the AIFDR strategic direction and inform allocation of AIFDR resources from July 1, 2011 to June 30, 2013. This recommendation should be implemented through 4 specific sets of actions:

- **Recommendation 3a** – the Development Strategy should be developed in draft form by AIFDR management based on strategic direction from the Executive Committee, experience in the past 2 years and anticipated needs in the remaining period of the Facility.
- **Recommendation 3b** – the Development Strategy should be formally approved by the Executive Committee. In approving the strategy, the Executive Committee should consider issues including: AIFDR regional engagement; efficiency of the AIFDR modality; development effectiveness principles; AIFDR portfolio balance and appropriate expertise; AIFDR engagement with development partners; how AIFDR can focus on building partners' capacity; and the AIFDR role in civil-military engagement.
- **Recommendation 3c** – the Development Strategy should be used by AIFDR management to prepare the July 2011-December 2012 work plan and subsequent work plans as 18-month rolling plans, to be reviewed by the Executive Committee each 6 months, so that planning processes, plans and budgets are aligned with the GoI Financial Year and compatible with GoA budgeting requirements.

- **Recommendation 3d** – in preparing 18-month rolling work plans, AIFDR management should integrate gender equality principles, particularly through consideration of gendered vulnerabilities and resilience to natural hazards.

Response: AusAID **agrees** with the recommendation.

Actions: In support of recommendations 3a and 3b, AIFDR will draft a Sub-National Development Strategy to present to the Executive Committee. This draft strategy will focus the final two years of AIFDR at the sub-national level and will focus on capacity development, gender and social inclusion, consolidation of existing portfolio activities and will guide future activities. 18-month rolling work plans will be instituted as per recommendations 3c and 3d.

Recommendation 4: AIFDR management and staff should support BNPB to develop a strategic framework for institutional strengthening and capacity development of BNPB, informed by the capacity assessment and related roadmap prepared by UNDP in 2010. This framework should inform the AIFDR Development Strategy and allocation of resources to capacity building including technical assistance, internships, coaching, mentoring, training and twinning.

Response: AusAID **agrees** with the recommendation.

Actions: AIFDR commenced a Capacity Development Support Program within BNPB in late 2011, involving the recruitment of 15 specialist Indonesian advisors to work within BNPB to build technical capacity (eg disaster management, logistics) and institutional capacity (eg governance, financial management). While this Capacity Development Support Program will address some immediate gaps in BNPB capacity, it is not yet established as a higher level institutional strengthening framework for BNPB. Rather, AIFDR will propose this specific recommendation for an institutional strengthening framework to the Executive Committee.

Recommendation 5: The Executive Committee should appraise the efficiency of the AIFDR modality to ensure AIFDR resources deliver optimal results that contribute to the Facility purpose and goal. As part of this, the Executive Committee might choose to require AIFDR management to use open market and competitive processes for sourcing expertise to implement AIFDR activities where there are opportunities to source different inputs through contestable procurement processes for goods and services.

Response: AusAID **agrees** with the recommendation.

Actions: AIFDR will propose this recommendation to the Executive Committee. Further, matters of efficiency, in addition to the other main Development Assessment Criteria (including effectiveness, gender, sustainability and relevance) will be included in future Australia and Indonesia program designs in disaster management.

Recommendation 6: Under the direction of the Executive Committee, BNPB and AusAID should initiate the process to develop a concept note, and if agreed develop a design document, for a DRR partnership to commence after the completion of AIFDR in June 2013. To align with Indonesian and Australian budget planning processes any design process should be well progressed by late 2012.

Response: AusAID **agrees** with the recommendation

Actions: Following discussion with BNPB in late 2011, AIFDR commenced a draft concept note for an Australian and Indonesian partnership for disaster management after the completion of AIFDR in June 2013. This concept note will be presented to the Executive Committee in early 2012 for direction.