

Independent Review of the first phase of the Australia-Indonesia Facility for Disaster Reduction (AIFDR) MANAGEMENT RESPONSE

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Activity Objective/s

The Australia-Indonesia Facility for Disaster Reduction (AIFDR) commenced operations in April 2009 and formally concluded on 30 June 2013. AIFDR is currently in a transition period prior to an anticipated second phase commencing in 2015. The stated goal of the first phase of AIFDR was to “strengthen national and local capacity in disaster management in Indonesia, and promotion of a more disaster resilient region”. In August 2014, an independent review of AIFDR identified a number of recommendations and lessons learned, including:

- the importance of establishing agreed partnership principles between parties, outlining roles and responsibilities of parties, and how the program will be effectively and jointly governed;
- the importance of a strong program narrative and logic (including a shared understanding of how to target capacity development initiatives);
- the need to develop and implement clear criteria for program initiatives that align with the program logic; and
- the importance of clear and well-understood progress indicators for effective program management, which align with Indonesian and Australian accountability requirements.

Activity Summary

AidWorks initiative/ Activity number	Initiative number: INI422 Activity numbers: O9A003, O9A140, O9A141, O9A142, O9A144		
Commencement date	April 2009	Completion date	30 June 2013
Total Australian \$	67 million		

Independent Review Summary

Review Objective/s	<p>The Independent Review of AIFDR was undertaken in late 2014. The review had a three-fold purpose:</p> <ul style="list-style-type: none"> • to assess key program deliverables and key development outcomes of relevance to the Government of Indonesia (GoI) and the Government of Australia (GoA); • to evaluate and assess AIFDR's partnership with Indonesia's National Disaster Management Agency (BNPB) and other key partners (such as ASEAN, UNDP, NGOs and CSOs) in terms of relevance, effectiveness and efficiency; • to support the implementation of Australia's new disaster risk management program for Indonesia (AIFDR 2), including the science program delivered by Geoscience Australia, by capturing and documenting key lessons learned.
Review Completion Date	August 2014
Review Team	<p>Lisa Roberts (an independent DRR and DM consultant)</p> <p>Steve Darvill (DFAT's Director for Disaster Risk Reduction and Humanitarian Adviser)</p>

Management Response

The review team provided four (4) recommendations. DFAT Development, Jakarta agrees with all of them. We have also provided management comments against the nine (9) lessons learned identified by the review team.

Recommendation One

Develop a facility level narrative for Phase 2 to provide clarity of purpose. The narrative should provide direction for partners and activities and ensure alignment with national and BNPB plans. It will be important the facility narrative spells out the facility's program logic, and documents any changes made to it over the course of Phase 2. This recommendation relates to Lesson Learnt 1 and 2.

Response: DFAT agrees with the recommendation.

Actions: In line with Australian and Indonesian national interests, the overarching goal of AIFDR-2 as described in the approved design is to "save lives and reduce the economic impact of natural disasters on communities in Indonesia". The design also articulates a detailed investment logic and theory of change, which will be reviewed in the preparatory stage and during AIFDR-2 implementation. This will ensure all stakeholders have a clear and shared understanding of the program purpose, and how to gauge progress (capturing successes and failures) during implementation.

In addition, policy alignment has been conducted throughout the AIFDR-2 design process and will continue during implementation. A review of high-level and sectoral policy frameworks is currently being conducted to ensure continuing relevance of the AIFDR-2 program under the Indonesian Government's new Medium Term Development Plan (RPJMN 2015-19) and complementary National Disaster Management Plan – this analysis and policy alignment review will be endorsed by the AIFDR Executive Committee as a preparatory task before the commencement of AIFDR-2 and will be reviewed regularly during implementation.

Ongoing monitoring through improved and robust AIFDR-2 governance mechanisms, and coordinated by the AIFDR-2 Program Secretariat, will ensure that the program logic is constantly reviewed and refined in line

with evidence and knowledge generated through improved monitoring and evaluation systems and by broader sector learning.

The AIFDR-2 Program Secretariat will have responsibility for documenting management decisions, including the rationale for any refinements made to the program logic.

Recommendation Two

Develop a Partnership Strategy jointly with BNPB to guide the AIFDR-BNPB Phase 2 partnership. The strategy should articulate the type of partnership, partnership principles, and criteria for measuring the partnership. A partnership strategy could be developed through a facilitated workshop between the partners in the lead up to Phase 2. There are a range of international and domestic examples of partnership principles that can inform the development of AIFDR specific principles. This recommendation relates to Lesson Learnt 4, and BNPB's request for greater clarity around the role and responsibilities of co-directors in Phase 2.

Response: DFAT agrees with the recommendation.

Actions: Responsibilities between parties, appropriate governance mechanisms and roles and responsibilities have all been addressed throughout the design period for AIFDR-2, and have been outlined in the approved design document.

As a preparatory task for AIFDR-2, BNPB and DFAT will develop an AIFDR-2 Partnership Strategy that includes: an AIFDR-2 Program Subsidiary Arrangement, which incorporates key partnership principles and high-level responsibilities of involved parties; and Terms of Reference for the AIFDR-2 Executive Committee, Steering Committee, and Co-Directors. All outputs of this preparatory work will be endorsed by the AIFDR Executive Committee before AIFDR-2 implementation.

Recommendation Three

Include a DRR research agenda in Phase 2 whereby AIFDR funds research into issues such as:

- (1) Research into the sustainability of DRR initiatives particularly at sub-national level.
- (2) Documenting good community disaster resilience practices/approaches.

These examples are indicative only, as part of the development of a DRR research agenda will be the identification of research priorities that align with AIFDR's goal, and GoI policies and workplans. This recommendation relates to Lessons Learnt 8.

Response: DFAT agrees with the recommendation.

Actions: The AIFDR-2 Program Design includes a competitive grants component, the Community Resilience and Appropriate Technology Innovation Fund (CREATIF), which intends to replicate successful community-based disaster risk management (CBDRM) approaches. CREATIF will do this by funding community resilience initiatives that demonstrate to local government effective and cost-efficient ways to engage with at-risk communities for better disaster preparedness and for identifying, implementing and coordinating disaster risk mitigation programs.

CREATIF specifically targets research and technology for community resilience as one of five thematic approaches to grant delivery, and it is expected research institutions will participate in AIFDR-2 through this component. AIFDR-2 will also support research institutes and selective CREATIF grant recipients through GA-TAP (AIFDR's science and technology component), with an emphasis on strengthening education programs and supporting scientific research that leads to an enhanced scientific base for improved planning and decision-making in disaster management.

All grant recipients will be expected to explore and pilot approaches that demonstrate how national government policy – particularly the 'Resilient Village' (Desa Tangguh) indicators – can be integrated into local village planning and institutionalised into local government planning processes.

It is hoped a focus on replication of successful pilot initiatives across the broader AIFDR-2 program, bringing together sub-national level CBDRM pilot initiatives with strengthened capacity for governing and developing effective DRM policy at the national level, will demonstrate sustainable approaches to DRR and CBDRM.

As previously mentioned, a dedicated Program Secretariat will be responsible for drawing together and documenting lessons learned (as well as all program monitoring data) across the Program, as well as

synthesising lessons learned from broader domestic and international experience in CBDRM for AIFDR-2 implementation. This will ensure knowledge generated through AIFDR-2 is documented and communicated to program stakeholders.

Recommendation Four

AIFDR Phase 2 should actively seek to leverage resources and collaborate with the broader bi-lateral program to help build a constituency for integrated DRR across the program. The most obvious entry point is DFAT's other investments supporting Indonesia's decentralisation agenda. AIFDR Phase 2 should strategically approach this task by exploring obvious synergies with programs with a footprint in AIFDR's five target provinces. This recommendation relates to Lesson Learnt 9.

Response: DFAT agrees with the recommendation.

Actions: The new AIFDR-2 design has also drawn on lessons from other Australian Government programs in Indonesia in order to understand how best to support community resilience and local government DRM service delivery. The Australian Government has been actively programming in the decentralisation environment in Indonesia for more than a decade, and a review of independent assessments of key programs such as Australian Community Development and Civil Society Strengthening Scheme (ACCESS), Local Governance Innovations for Communities in Aceh (LOGICA-2), the Australia Nusa Tenggara Assistance for Regional Autonomy (ANTARA) program and the Australia Indonesia Partnership for Decentralisation (AIPD) has pointed to the need to engage all levels of government – national, provincial and district – for strong outcomes.

Based on AIFDR inter-program partnerships and discussions with other DFAT program teams in Indonesia, a number of natural areas of collaboration have been identified. The Managing Contractor will be required to produce a Cross-Sectoral Coordination Strategy within the first four months of AIFDR-2, describing how it will coordinate with other DFAT and donor projects to enhance the end of program outcomes. This may include co-location of program offices and joint programming, joint planning, analysis and performance frameworks at the local level where appropriate, in accordance with the approved Cross-Sectoral Coordination Strategy

Identifying, building and improving these linkages will be a continuous part of the AIFDR-2 implementation strategy, and will be integrated into program monitoring and planning processes. Indicators for collaborative outcomes will be included in the overall monitoring and evaluation framework, and have been explicitly identified in the Contractor Performance Assessment Criteria. Establishing opportunities for the mutual sharing of information and lessons will be reflected in the AIFDR-2 Knowledge-to-Policy Strategy.

Lessons Learned One

Lack of facility level narrative: AIFDR lacked a facility level narrative until the production in mid 2012 of the facility's Development Strategy. This document sets out AIFDR's overall purpose, and what AIFDR's strategy for achieving success in the DRM & DRR space in Indonesia would look like. Four out of AIFDR's five years (Phase 1) its facility level purpose was not well documented and unclear to many of its project partners. It will be important AIFDR develop a clear facility level narrative for Phase 2 to ensure other donors and partners are clear about its overall purpose thereby supporting good coordination and harmonisation.

Management Comment: See management response to Recommendation 1

Lessons Learned Two

Changing goal posts creating confusion: The review team identified 4 different sets of expected outcomes for AIFDR. As previously mentioned, the first set of expected outcomes appear in the initial design commissioned in 2009; a second set were developed by AIFDR's Management Team in 2011 drawing on lessons learnt from the previous two years; a third set appears in AIFDR's Development Strategy (mid 2012); and a fourth set are contained in AIFDR's Quality at Implementation Report (dated 13 Jan 2012). The result is enormous confusion in terms of what AIFDR was trying to achieve. In Phase 2 it will be important the AIFDR team better manage any change to the program logic by ensuring changes are well documented and the rationale for change clearly recorded and communicated to relevant parties.

Management Comment: See management response to Recommendation 1

Lessons Learned Three

AIFDR took a long time to integrate its components: Evidence suggests AIFDR components were not well integrated until late 2011-2012. With more time spent upfront on design, and drawing on the right technical skill sets earlier, AIFDR would have delivered a stronger program logic sooner. A large investment has been made in the design for Phase 2 that should reduce the risk of weak connectivity between components.

Management Comment: AIFDR originated as a political initiative of the ex-Prime Minister of Australia, Kevin Rudd, and the ex-President of Indonesia, Susilo Bambang Yudhoyono. We acknowledge that AIFDR's initial design, governance arrangements and first program logic were established quickly and did not establish a sound understanding of existing sectoral and counterpart institution capacity, particularly the capacity of partners to plan and implement programs. As a result a broad suite of activities was initially undertaken that were not particularly well integrated. AIFDR management reacted quickly to the independent mid-term review, conducted in 2011, to better integrate all AIFDR components and reduce the number of activities undertaken. These issues have been fully addressed in the design for AIFDR-2.

Lessons Learned Four

A partnership strategy is needed for Phase 2: AIFDR has established a range of partnerships with government and non-government organisations. Its key partner is BNPB. The facility has no partnership strategy, or agreed criteria for measuring partnership success. It is critically important in Phase 2 AIFDR confirm the type of partnership it aims to have with BNPB, and criteria for measuring partnership success.

Management Comment: See management response to Recommendation 2

Lessons Learned Five

Weak monitoring of AIFDR by AusAID Senior Management: The evidence gathered by the review team suggests AIFDR was not closely monitored by AusAID Senior Management at Post in Jakarta and in Canberra. From an organisational management perspective AIFDR, appears to have been treated more as a 'stand-alone' or outlier program than as a component of the broader Australian Aid Program portfolio. Consequently, AIFDR appears to have not been required to comply with standard AusAID program design, management and quality assurance processes.

Management Comment: We acknowledge that AIFDR's initial design, governance arrangements and first program logic were established quickly and did not establish a sound understanding of existing sectoral and counterpart institution capacity, particularly the capacity of partners to plan and implement programs. As the program evolved, processes and mechanisms were put in place to address governance issues and strengthen program implementation. Governance, accountability and monitoring systems were a focus of the AIFDR independent mid-term review, conducted in 2011, and a number of improvements were made to these systems in line with that review's findings. These governance, accountability and monitoring and evaluation issues have been fully addressed in the design for AIFDR-2.

Lessons Learned Six

AIFDR-BNPB Partnership potentially restrictive: Close alignment with BNPB's priorities and work program restricts AIFDR's capacity to engage with a range of Gol line ministries (BAPPENAS; Finance and Urban Planning etc) to support implementation of the Hyogo Framework priority areas for action for disaster resilient nations and communities. The Hyogo Framework advocates for a shift from a sectoral approach (confined to NDMO's) to a whole of government approach to DRR ie, DRR is a cross cutting issue that requires cross sectoral engagement. It will be important for AIFDR in Phase 2 to support BNPB to mobilise interest in DRR within Gol line ministries.

Management Comment: As noted in the management response to Recommendation 1, policy alignment to ensure AIFDR-2's program supports the Indonesian Government's new Medium Term Development Plan (RPJMN 2015-19) and the complementary National Disaster Management Plan is ongoing, and the nature of the Australia-Indonesia partnership in this sector necessitates close alignment with BNPB's priorities and work program. We acknowledge the potentially restrictive nature of this engagement but note that BNPB is Gol's dedicated national disaster management agency, reports directly to the President, and is responsible for coordinating with other line ministries to coordinate all Gol efforts in the sector. During the first phase of AIFDR, we undertook a number of programs with partners such as UNDP to help strength BNPB's capacity to better engage with other Gol line ministries. Efforts to further build BNPB capacity in this area will continue under AIFDR-2.

Suggestions that we do not engage with other Gol players in the sector are incorrect. BAPPENAS for example, is an integral part of the AIFDR Executive Committee that approves AIFDR work plans and will continue to be under AIFDR-2. Our strong and effective relationships with Indonesian science agencies such as Badan Geologi (the Geological Agency within the Ministry of Energy and Resources) and BMKG (Bureau of Meteorology and Geophysics) has not only strengthened their capacity but has influenced Gol policy formulation in the sector. These efforts will continue under AIFDR-2.

Lessons Learned Seven

Weak facility-level monitoring and evaluation: AIFDR's facility level M&E was poor throughout Phase 1. As previously mentioned, AIFDR's Senior Management Team should have addressed problems with the facility's M&E system, but did not. The design for Phase 2 addresses AIFDR's weak M&E. It will be important in Phase 2 that quality systems are not only developed, but are used to track performance, and measure aid impact.

Management Comment: We are currently designing a knowledge-to-policy strategy for AIFDR-2 that will be reviewed with the incoming Managing Contractor (when selected). In addition to general monitoring and evaluation, AIFDR-2 will require additional emphasis on the generation of credible information (knowledge) to inform policy and practice decisions. An iterative and adaptive learning process will be adopted by AIFDR-2, taking advantage of sub-national demonstrator model supported by AIFDR-2 and learning from other relevant DFAT programs. Mixed methodologies will be promoted drawing upon quantitative and qualitative approaches. In addition, sufficient budget will be allocated over the life of AIFDR-2 for the design and implementation of the AIFDR-2 M&E system. During the first six months of AIFDR-2, an M&E specialist will be engaged to develop the M&E Plan for the broader AIFDR-2 investment. This will meet the DFAT M&E Standard.

M&E findings that are relevant to replicating or leveraging DRM policies or practice through the knowledge-to-practice strategy will be fed into the Annual M&E Reviews. The Annual M&E Review is a synthesis of all information generated from the M&E system and will provide evidence to support claims of achievement or analyses of performance. This review will be submitted in time for the generation of the AIFDR-2 Annual Report and consequently the DFAT quality and reporting frameworks. The AIFDR-2 annual report will meet the DFAT M&E Standard.

Lessons Learned Eight

Missed opportunities for facility learning due to weak knowledge management: As previously discussed, AIFDR's knowledge management was poor, and opportunities for more effective facility level learning were lost. It will be critically important in Phase 2 that knowledge management systems and processes are firmly in place and a culture of learning is fostered.

Management Comment: See management comment to lessons learned 7

Lessons Learned Nine

Leveraging resources and collaborating with the broader bi-lateral program is also critical for achieving results: AIFDR Phase 1 appears to have not been well integrated within the broader bi-lateral development program. Increased effort should be made in Phase 2 to foster cooperative and mutually beneficial relationships with other programs to help build a constituency for integrated DRR across the entire program.

The most obvious entry point is DFAT's other investments supporting Indonesia's decentralisation agenda. AIFDR has commenced some small scale joint programming with ACCESS – hopefully this can be built upon in Phase 2.

Management Comment: See management response to Recommendation 4