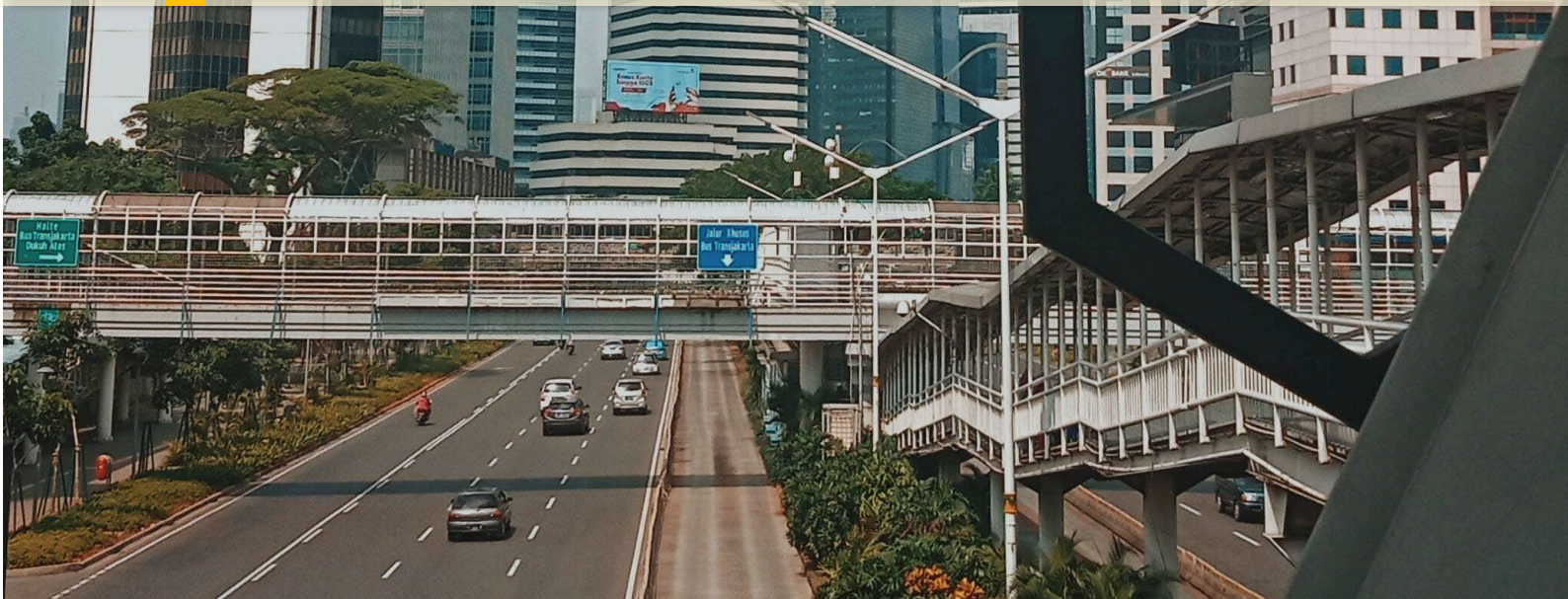


# Final Report

## Mid Term Review (MTR) of the Sustainable Infrastructure Assistance Program, Phase 2 (SIAP2)

July 2023



Conducted on behalf of the  
Australian Government by:



**Adam Smith  
International**



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# Acronyms

ABIP	The Australia-World Bank Indonesia Partnership
ADB	Asian Development Bank
AFD	Agence Française de Développement
AIIB	Asian Infrastructure Investment Bank
BNPB	Badan Nasional Penanggulangan Bencana
CISP	Citywide Inclusive Sanitation Project
CITA	Competitiveness, Industrial Modernization and Trade Acceleration Program
CSOs	Civil Society Organizations
DED	Detailed Engineering Design
DG	Directorate General
DLIs	Disbursement Linked Indicators
DMCs	Development Member Countries
DMF	Design and Monitoring Frameworks
DRIP	Disaster Resilience Improvement Program
EARR	Emergency Assistance for Rehabilitation and Reconstruction
EIB	European Investment Bank
EOIO	End of Investment Outcome
ESDM	Ministry of Energy and Mineral Resources
ESP	Accelerating Infrastructure Delivery through Better Engineering Services Project
FGD	Focus Group Discussion
GAP	Gender Action Plans
GDE	Geo Dipa Energi
GEDSI	Gender Equality, Disability and Social Inclusion
GPGP	Geothermal Power Generation Project
GOA	Government of Australia
GOI	Government of Indonesia
IPDMIP	Integrated Participatory Development and Management of Irrigation Program
KIAT	Kemitraan Indonesia Australia untuk Infrastruktur (DFAT program)
KII	Key Informant Interview
LCR	Local Content Requirements
M&E	Monitoring and Evaluation
MOF	Ministry of Finance
MPWH	Ministry of Public Works and Housing
MSOE	Ministry of State-Owned Enterprises
MSMIP	Metropolitan Sanitation Management Investment Project
MTR	Mid Term Review
Bappenas	Ministry of National Development Planning/National Development Planning Agency
MDB	Multi-lateral Development Bank

PAP	Program Action Plans
PBLs	Policy-based Loans
PLN	Perusahaan Listrik Negara
PMU	Program Management Unit
PTSMI	PT Sarana Multi Infrastruktur [Persero]
PPP	Public Private Partnership
RBL	Results-based Loans
RM	Resident Mission
RPJMN	Rencana Pembangunan Jangka Menengah Nasional (The National Medium-Term Development Plan)
SC	Steering Committee
SEAEI	Sustainable Energy Access in Eastern Indonesia
SIEP3	Sustainable and Inclusive Energy Program - Subprogram 3
SIAP2	Sustainable Infrastructure Assistance Program, Phase II
SOEs	State-owned Enterprises
SREAP	Sustainable and Reliable Energy Access Program – Western and Central Java
SIO-GFF	Sustainable Development Goals Indonesia One - Green Finance Facility
TA	Technical Assistance
TASF	Technical Assistance Special Fund
ToR	Terms of Reference
VfM	Value for Money

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# Executive Summary

## Overview of SIAP2 and purpose of the MTR

The Sustainable Infrastructure Assistance Program Phase II (SIAP2) is a partnership between Australia, Indonesia and the Asian Development Bank (ADB), which provides technical assistance to the Government of Indonesia (GOI) to strengthen the investment climate, government policies, and institutional capacity. It runs from 2019 to 2024. SIAP2 builds on the achievements and lessons of the earlier SIAP Phase 1 which ran from 2013 to 2019.

SIAP2's end of investment outcome (EOIO) is **supporting the identification, preparation, implementation and financing of infrastructure projects, particularly in accessing concessional loans**. This is to be achieved in line with the Government of Indonesia infrastructure development priorities.<sup>1</sup> Below the outcome statement, SIAP2 has three outputs:

- Output 1: Infrastructure projects identified and prepared
- Output 2: Enhanced project implementation support
- Output 3: Knowledge support for infrastructure planning and financing and effective program management

SIAP2's focus is on the GOI strategic priorities related to infrastructure in **energy, transport, urban services, and water resources** sectors. SIAP2 contributes to Indonesia's efforts to address the infrastructure deficit and plays an active and influential policy role in infrastructure. SIAP2 comprises seven approved sub-projects to date, which are further divided into 26 loan-specific projects. SIAP2 is governed by an overarching governance structure namely the Steering Committee (SC) that provides strategic direction to the program and is co-chaired by the ADB, DFAT and the Ministry of National Development Planning/National Development Planning Agency (Bappenas).

The Mid Term Review (MTR) of SIAP2 is designed to help provide an assessment of progress towards the achievement of the end of investment outcome and recommend any adjustments to improve its performance for the remaining period. It will also inform decisions to extend SIAP2 beyond 2024.

## Methodology and limitations

The MTR employed a qualitative-cross-sectional design that includes desk review, literature and primary data collection through interviews and group discussions. The review draws on the OECD DAC framework to measure the evaluation criteria, with some adaptation to meet DFAT's reporting criteria. These aligned with seven Review Questions (RQs) on Effectiveness, Efficiency, GEDSI, Risks and Safeguards, Relevance, Sustainability and Operational Learning. A stratified purposeful sampling method was used to ensure that the MTR used its resources to assess the RQs in an appropriate sample of loan-specific projects across sectors and cities and regions in Indonesia.

There are a number of limitations to the MTR methodology that should be acknowledged. An MTR of a large and complex program, such as the SIAP-2, will always be limited by the time and budget available. The review was also unable to interview sub-national government stakeholders and representatives of civil society and beneficiaries related to the sampled sub-projects. Overall, the methodology is considered robust and proportional to the needs of assessing the performance and value for money of SIAP2.

## Key Findings

The high-level MTR findings are presented below, structured to address the seven key review questions and their sub-questions.

**RQ1: Effectiveness - To what extent has SIAP2 achieved its end of investment outcome?**

Approximately two thirds of the SIAP2 budget has been allocated to preparation and implementation of loan projects for infrastructure across a wide range of sectors including energy, water, transport and urban

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<sup>1</sup> DFAT (2018) DFAT IDS Attachment A – Investment Design Summary for SIAP 2.

services. The remaining third of the SIAP2 budget has been allocated to knowledge support and technical assistance, helping to implement institutional reform and develop the capacity of GOI and State-Owned Enterprise (SOE) counterparts. Three indicators of the Monitoring & Evaluation (M&E) Framework targets of the program have been met and most of the others are on track to be achieved by the end of the program in June 2024, such as *'100% of relevant projects being included in the Blue Book'* and *'Full alignment with the RPJMN 2020-2024'*.

However, there are two targets in particular – i) achieving the US\$ 8 billion leverage target of ADB loans and co-financing from public and private sector sources, and ii) launching two innovative infrastructure financing products as a result of SIAP2 support, that will be challenging in the short time available. At least one of the innovative infrastructure financing projects is likely to come from sub-project 7 - Sustainable Development Goals Indonesia One – Green Finance Facility (SIO-GFF) – which has only recently launched. ADB state that they will be able to achieve leverage of US\$ 7.7 billion by 2025, based on the current and anticipated pipeline of loan projects that can be supported by SIAP2.

**RQ2: Efficiency - Has SIAP2 made appropriate use of time and resources to achieve outcomes?**

The MTR finds that the partnership with the ADB continues to be a very appropriate financing modality, compared to alternatives such as direct financing of TA and infrastructure construction, which would not be able to achieve the leverage of ADB loans and co-financing. SIAP2 utilises ADB's strong GOI and SOE relationships and strong capacity to deliver capacity building.

The SIAP2 SC process is generally working well, although greater visibility could be given to Bappenas in several areas. While briefing material is provided to Bappenas prior to SC meetings, ADB should review the process of providing subsequent updates on specific project progress and challenges. The PMU structure and processes are working well, enabling strong links with ADB's sector and thematic teams. However, disbursement of SIAP2 funds remains lower than anticipated and should be accelerated, if possible, for the remaining period of SIAP2. The slow disbursement is due in part to a slower than anticipated pipeline of infrastructure projects to fund and a robust process by ADB to use funds where they are likely to be most effective. To maximize efficiency, SIAP2 subprojects have the same set of consultants supporting preparation and/or implementation multiple loan projects within the same sector. There is a strong level of coordination by ADB with other development partners as part of the country coordination and sector specific activities and processes.

In terms of areas for improvement, the learning process for SIAP2 could be more proactive. Some isolated incidents were reported to the MTR team of a lack of proactive communications and updates to relevant government entities. However, this does not reflect the overall view, supported by strong evidence, that ADB teams are generally doing a good job in engagement and relationship building with GOI and SOEs.

**RQ3: GEDSI - To what extent has SIAP2 made progress in addressing gender equality, disability and social inclusion (GEDSI) risks and making the outcomes of the program inclusive?**

SIAP2 has increased attention and technical assistance for gender mainstreaming in loan preparation and implementation compared to SIAP1. Good progress has been made in systematically addressing the risk of SIAP2 supported project loans reproducing gender inequality and supporting GOI and partners to integrate gender considerations into policy reforms and project actions. The breadth of SIAP2 sectors and modalities of work has generated considerable diversity in the gender actions supported via projects. Limited progress has been made on disability inclusion which reflects the difference between gender equality and disability inclusion in ADB's corporate priorities and internal accountability systems, and limited ADB engagement with organisations of persons with disabilities on inclusive infrastructure. The focus of the M&E system on measuring the gender mainstreaming classification of project loans at preparation stage, and the absence of a SIAP2 GEDSI and infrastructure strategy make it difficult to identify the coherence of project-focused gender actions across the portfolio, and strategic direction of GEDSI in SIAP2. While SIAP2 funding of GEDSI TA has been important to supplement ADB's in-house GEDSI capacity, the level of input will need to be enhanced to achieve more strategic and GEDSI focused opportunities which are presenting themselves. In line with Indonesia's increased political commitment to advance women's economic empowerment and leadership and commitment to inclusive and accessible infrastructure, there is opportunity to raise the level of ambition on GEDSI in SIAP2 and move from a project specific mode to a programmatic approach.

**RQ4: Risks and Safeguards - To what extent have risks to the achievement of the EOIO been actively managed, as well as the risks to the environment, people and resources?**

ADB is vigilant of the changing political context and economic governance and impact on infrastructure investments. At the program level, ADB has actively managed risks and made adaptations, such as in response to Covid-19. The more stringent implementation of the Local Content Requirement since 2018 has impacted several loans in the pipeline, and projects in implementation. ADB is actively engaged with the GOI to try to resolve the situation and this will be crucial for SIAP2 to achieve its financial leveraging target. At the project level, ADB has robust systems in place to assess risks, identify mitigation measures and develop risk management plans during loan preparation. ADB's environmental and social safeguards processes have been methodically implemented across SIAP2 supported loans. GOI and SOE safeguarding systems have generally been strengthened as part of this process or identified gaps have been targeted in order to meet ADB or agreed standards. ADB communication of program and project specific risks with DFAT and GOI has been via Steering Committee meetings and through SIAP2 semi-annual reports. This has sometimes resulted in delayed communication on risks. As such, more frequent communication with GOI and DFAT on risks and mitigating actions outside of Steering Committee meetings could help to keep partners abreast of risks and their management.

**RQ5: Relevance - Does the outcome and the modality remain relevant?**

Overall, there is very strong evidence that ADB's use of SIAP2 funding is well-aligned with GOI strategy and policy. This is ensured by a robust process of screening possible SIAP2 projects against GOI policy and strategy as part of the preparation for Steering Committee approval, among other things. Flexible TA provided by SIAP2, such as the knowledge solutions window, continues to be a valuable tool in supporting the government's short-term needs to advance the energy transition and other infrastructure priorities. SIAP2 is also helping to improve the enabling environment and opportunities for international investment and business, including from Australia, although investment opportunities in the infrastructure sector remain limited due to risks related to long timeframes for return on investment and currency exchange risks.

**RQ6: Sustainability - To what extent are SIAP2 activities designed to ensure sustainability?**

ADB applies robust due diligence and long-term planning to loan preparation, including for SIAP2 supported projects, which helps to design each loan and TA project to be sustainable beyond the project support. There is strong SIAP2 focus on using local systems and processes to strengthen the capacity of local institutions. This is supported by the use of mechanisms such as Policy-based Loans (PBLs) which link institutional reform targets, supported by ADB capacity building, to disbursement of payment milestones to the GOI and SOE counterparts. There is also evidence of sub-national government institutional reform and capacity development as a result of SIAP2 activities, such as the local government institutional capacity to implement a wastewater infrastructure tariff. SIAP2 enabled reform is working as planned, but there are a number of challenges and risks, such as changing political priorities, and staff turnover in counterpart organisations. The review identified a number of challenges faced by SIAP2 in developing GOI and SOE capacity, such as incentivising some local governments to collect sex disaggregated data on Integrated Participatory Development and Management of Irrigation Program (IPDMIP). The SIAP2 supported components on innovative infrastructure financing are ambitious, but with high potential impact. However, there are risks that insufficient progress and sustainable impact will be made in the limited time available before the completion of the program. Finally, there are many examples of potential for scaling and replication from SIAP2 projects and some examples of this happening in practice. ADB should continue to proactively seek opportunities to facilitate scaling and replication.

**RQ7: Operational Learning - What key issues should be considered in planning a future partnership with the ADB in infrastructure development in Indonesia?**

A number of operational learning points have been covered in the previous sections, including the need to manage the risks posed by local content requirements (LCR) when considering future program design and the need for more proactive collation and dissemination of learning material from SIAP2. Beyond these points, two additional operational learning points are pertinent. First, there is clear value and mutual benefit in the partnership between ADB, GOI and DFAT. Second, it will be important to align future programming with changing GOI and GOA policy, particularly in light of the upcoming elections in Indonesia and new and soon to be released GOA strategies such as the new International Development Policy.

## Recommendations

Based on the findings of the MTR, recommendations are provided on aspects for immediate consideration under the remaining period of SIAP2 and then for longer-term future programming. These are briefly summarised below.

### ***Recommendations for immediate consideration***

**Strengthen learning and dissemination:** ADB, GOI and DFAT to review the learning and dissemination processes under SIAP2 and consider how insights and learning points could be more effectively gathered and disseminated to a broad audience. This could include creating SIAP2 learning material, or a series of co-facilitated events designed to disseminate learning.

**Strengthen gender equality and disability inclusion:** ADB to **i)** shift from a project focused gender mainstreaming approach to a programmatic approach to GEDSI that includes GEDSI specific and targeted activities as well as gender mainstreaming in project loans, and transition to a stronger gender equality indicator in the M&E framework; **ii)** develop a GEDSI and infrastructure strategy to provide coherence and strategic direction to SIAP2 GEDSI activities including both GEDSI specific and mainstreaming activities, and the intersectionality of gender, disability and social exclusion as it impacts access to infrastructure and related inclusive policy reform agendas; **iii)** review the adequacy of SIAP2 resourcing of gender and disability in view of the demand from implementing agencies and the opportunity to respond to GOI's policy commitments to women's economic empowerment and leadership, and accessible and inclusive development in the infrastructure space; **iv)** DFAT to share learning on disability inclusion in Indonesia, and facilitate ADB access to organisations and networks of people with disability that DFAT is working with; and **v)** ADB to track the collection of disability disaggregated data across the portfolio and monitor disability indicators that measure the accessibility of physical infrastructure.

**SIAP2 resourcing:** ADB to review the adequacy of safeguards, gender, disability, and M&E resourcing in terms of capability and available budget, in the core team related to SIAP2 projects, as well as on loan specific project teams and to ensure that comprehensive support in these aspects can be provided to SIAP2 projects.

**Recommendation on SIAP2 continuation beyond 2024:** Based on the findings of this MTR, it is recommended that SIAP2 should be extended beyond June 2024, to enable the M&E Indicators, including Indicator 4 on leverage, to be achieved to the fullest extent possible. At the same time, SIAP2 funding is enabling effective institutional reform and infrastructure development in critical sectors across Indonesia.

### ***Recommendations for longer-term programming considerations***

**Policy:** Take into account relevant GOI's changing political priorities and GOA's updated policy on international development and infrastructure financing, as well as other relevant projects in Indonesia, such as the Climate and Infrastructure Partnership with Indonesia.

**GEDSI:** the current gender indicator in the M&E framework be revised to meet DFAT standards, noting that any new investment will require a gender equality objective and meet related OECD DAC requirements.

**Risks:** ADB to strengthen role in advocating with GOI on local content requirements and their impacts on projects including those supporting energy transition.

**M&E:** review the appropriateness of SIAP2 M&E targets including those that have been achieved, helping to define new and more robust indicators for subsequent programming. These could include clear targets for cross-cutting aspects and to enable wider replication of program approaches and outcomes.



# 1. Introduction to the SIAP2 MTR

## 1.1 Overview of SIAP2 and its operating context

The Sustainable Infrastructure Assistance Program Phase II (SIAP2) is a partnership between Australia, Indonesia and the Asian Development Bank (ADB), which provides technical assistance to the Government of Indonesia (GOI) to strengthen the investment climate, government policies, and institutional capacity across the infrastructure sector. It runs from 2019 to 2024. SIAP2 builds on the achievements and lessons of the earlier SIAP Phase 1 which ran from 2013 to 2019.

Infrastructure development is a very important part of the current national strategy to encourage economic transformation, helping to meet Indonesia's stated aim to become a developed country by 2045. This strategy also aims to support food security and connectivity. While the Indonesian Government's budget for infrastructure development is significant – the Ministry of Public Works and Housing (MPWH) will receive a budget allocation of IDR 125.18 trillion (US\$8.33 billion) in 2023 alone<sup>2</sup> - there is still a significant financing deficit, as well as many institutional and regulatory constraints that continue to hold back infrastructure development and private sector investment. For example, a joint sector assessment by the Indonesian Government and the ADB identified a number of constraints in the energy sector, including weak governance which has resulted in an inefficient energy sector, and slow and inadequate private investments to meet infrastructure needs because of cumbersome licensing processes. Barriers to the promotion of sustainable energy and energy efficiency measures include ineffective regulations, restrictive rules on local content and ownership, long delays in approvals for new investments or expansion, and lack of domestic bank financing for renewable energy and energy efficiency.<sup>3</sup>

SIAP2 is designed to play a significant role in supporting the accelerated planning and investment in high-quality infrastructure across Indonesia, as described in Box 1.

### Box1. SIAP2's End of Investment Outcome

SIAP2's end of investment outcome is **supporting the identification, preparation, implementation and financing of infrastructure projects, particularly in accessing concessional loans**. This is to be achieved in line with the Government of Indonesia infrastructure development priorities. Below the outcome statement, SIAP2 has three outputs:

- Output 1: Infrastructure projects identified and prepared
- Output 2: Enhanced project implementation support
- Output 3: Knowledge support for infrastructure planning and financing and effective program management

SIAP2's focus is on the GOI strategic priorities related to infrastructure in **energy, transport, urban services, and water resources** sectors. SIAP2 contributes to efforts to address Indonesia's infrastructure deficit and plays an active and influential policy role in infrastructure.

SIAP2 comprises seven sub-projects to date, which are further divided into 26 loan-specific projects, as listed in **Annex 1**. A further two sub-projects are identified but yet to be prepared. Sub-projects are generally windows that enable well-coordinated disbursement of project preparation funding and technical assistance (TA) to the GOI. The subprojects comprise one or more loan-specific projects, which generally include SIAP2 technical assistance for project preparation to enable downstream ADB loans and/or technical assistance to project implementation. SIAP2 has seven cross-cutting themes including (i) innovation and new technologies to enhance linkages between and among public and private sector players; (ii) private sector development (iii) innovative infrastructure financing (iv) sound public sector management (v) climate resilience (vi) gender equity and (vii) promoting and building on partnerships with key players in the sector. SIAP2 is governed by an overarching governance structure namely the Steering Committee (SC) that provides strategic direction

<sup>2</sup> Ministry of Finance (2023) *Pembangunan Infrastruktur Jadi Salah Satu Fokus APBN 2023* ([Link](#))

<sup>3</sup> ADB (2022) *Report and Recommendation of the President to the Board of Directors: Proposed Policy-Based Loans for Subprogram 3 to the Republic of Indonesia for Sustainable and Inclusive Energy Program (SIEP-3)*. Manila.

to the program and is co-chaired by the ADB, DFAT and the Ministry of National Development Planning/National Development Planning Agency (Bappenas). Implementation is delivered by the ADB. The COVID-19 pandemic started a year into SIAP2 implementation and has impacted implementation progress of the program. While it has provided opportunities for SIAP2 to pivot and respond flexibly to GOI priorities it has also slowed down implementation of activities and expenditure.

## 1.2 Purpose and Scope of the SIAP2 MTR

The Mid Term Review (MTR) of SIAP2 is designed to help provide an assessment of progress towards the achievement of the end of investment outcome and recommend any adjustments to improve its performance for the remaining period. It will also inform decisions on the future of SIAP2 beyond 2024. As per the MTR objectives in Box 2, the MTR will reflect on the program's effectiveness and efficiency, relevance, including the appropriateness of the modality as a partnership on infrastructure development in Indonesia.

### Box 2. The SIAP2 MTR Objectives

1. Assess the progress and achievements of SIAP2 to date against its intended outcome, giving particular attention to the following performance and quality criteria: – effectiveness, efficiency, gender equality, disability inclusion, risk management and safeguards, relevance, monitoring & evaluation, and sustainability;
2. Identify lessons learned during implementation and recommend any adjustments necessary to improve operations, performance and quality for the remainder of the implementation period;
3. Inform decision making on future engagement with the ADB, taking into consideration emerging GOI and GOA policy priorities.

The MTR assesses the performance of SIAP2 via seven review questions (RQs), listed below. These RQs and their related sub-questions are used to structure the findings of the MTR in **Section 3**.

- **RQ1: Effectiveness - To what extent has SIAP2 achieved its end of investment outcome?**
  - To what extent SIAP2 is on track to deliver against its key priorities of project preparation and implementation, financing and policy reform?
  - To what extent is the M&E system fit-for-purpose and effective in tracking performance progress against effectiveness, efficiency, cross-cutting themes and sustainability?
  - To what extent has SIAP2 been adaptive to the evolving contexts, including responding to emerging priorities and Covid -19?
- **RQ2: Efficiency - Has SIAP2 made appropriate use of time and resources to achieve outcomes?**
  - To what extent has SIAP2 been an appropriate financing modality and provide value for money?
  - Has the governance structure of SIAP2 allowed for an efficient implementation and decision-making process?
  - To what extent is SIAP2 coordinating and harmonising its activities internally and with other development partners?
  - What have been important enabling factors or inhibiting factors in implementation?
- **RQ3: GEDSI - To what extent has SIAP2 made progress in addressing gender equality, disability and social inclusion (GEDSI) risks and making the outcomes of the program inclusive?**
  - To what extent have gender-related risks and barriers to women's participation been identified and mitigation strategies implemented?
  - To what extent has the SIAP2 M&E system collected sex-disaggregated data, tracked at least one gender indicator, and analysed this data to improve performance on gender equality?
  - What are the lessons learned of implementing GEDSI as a cross-cutting issue during SIAP2 implementation?
- **RQ4: Risk and safeguards - To what extent have risks to the achievement of the EOIO been actively managed, as well as the risks to the environment, people and resources?**
  - How well are program level and sub-project level risks anticipated in advance and mitigated appropriately?

- How well are social and environmental safeguarding processes implemented across SIAP2?
- **RQ5: Relevance - Does the outcome and the modality remain relevant?**
  - To what extent is SIAP2 aligned with the needs and priorities of GOI infrastructure policy priorities?
- **RQ6: Sustainability - To what extent are SIAP2 activities designed to ensure sustainability?**
  - Does SIAP2 use local systems and processes and strengthen the capacity of local institutions and will the benefits of SIAP2 support last?
- **RQ7: Operational learning - What key issues should be considered in planning a future partnership with the ADB in infrastructure development in Indonesia?**
  - (No sub-questions)

Section 2 of this report sets out the MTR methodology, including the sampling, data collection, analysis and triangulation processes, as well as limitations and assumptions. Section 3 presents the findings of the MTR, structured in line with the RQs and sub-questions above and Section 4 sets out the immediate and longer-term recommendations arising from the review.

## 2. MTR Methodology

The MTR employed a qualitative-cross-sectional design that includes desk review, literature and primary data collection through interviews and group discussions. The review draws on the OECD DAC framework to measure the evaluation criteria, with some adaptation to meet DFAT's typical reporting criteria (Effectiveness, Efficiency, GEDSI, Risks and Safeguards, Relevance, Sustainability and Operational Learning). The MTR methodology is outlined below.

### 2.1 Sampling method

SIAP2 is a complex program with seven approved sub-projects, at the time of the MTR, made up of a further 26 loan-specific projects. A stratified purposeful sampling method was therefore necessary to ensure that the MTR used its resources to assess the RQs in an appropriate sample of loan-specific projects across sectors and cities and regions in Indonesia. This sampling method enabled the MTR team to understand what is working well and what challenges there are across a range of project and sector types. Combined with programme level findings, the sampled sub-project findings helped to respond to the review questions and make programme level recommendations in a robust way.

The sampling criteria were:

- **Project maturity:** Sampled sub-projects will include those that are completed or in advanced state of implementation, as well as one or two that have been dropped or are progressing slowly.
- **Sector coverage:** A robust mix of Energy, Water Resources, Urban Services and Transportation, as well as cross cutting themes such as disaster resilience and green finance.
- **Areas of specific interest:** Specific focus on energy, SOE reform and innovative financing approaches.
- **Geographies within Indonesia:** Most sub-projects apply to all geographies across Indonesia, but there are several with a more specific focus. One or two of the specific focus projects will be sampled.
- **Type of SIAP 2 support:** A mix of projects receiving/received SIAP2 **preparation support, implementation support;** and **knowledge support** for infrastructure planning and financing and effective program management.
- **ADB gender classification of sub-projects:** Out of the loan-specific projects to be sampled, the aim is to include a mix of projects classified as effective gender mainstreaming (EGM) and some gender elements (SGE).
- **Loan amount:** The value of the subsequent ADB loan that the SIAP2 support has helped to prepare.

Applying these criteria to the 26 loan-specific projects, the following **nine loan-specific projects** across **seven sub-projects** were explored in more depth for the MTR. Project details, including gender mainstreaming classification, are provided in Annex 1:

- **Sub-project 1:** Innovative Infrastructure Financing, Infrastructure Planning and Program Management Support (Knowledge Solutions Window)
  - 3. Metropolitan Sanitation Management Investment Project (MSMIP)
  - 6. State-Owned Enterprises' Reform Program, Subprogram 1
- **Sub-project 2:** Supporting Sustainable and Efficient Energy Policies and Investments
  - 10. Affordable and Sustainable Energy Transition Program (previously Clean and Efficient Energy Reform Program for Energy Equity and Security)
- **Sub-project 3:** Supporting Sustainable and Universal Electricity Access Phase 2
  - 11. Geothermal Power Generation Project (GPGP)
  - 13. Sustainable and Reliable Energy Access Program – Western and Central Java (SREAP)
- **Sub-project 4:** Supporting Water Security Investments Facility
  - 22. Integrated Participatory Development and Management of Irrigation Program (IPDMIP)
- **Sub-project 6:** Due Diligence for Road Projects in Kalimantan and Capacity Development.
  - 25. Phase II Trans South-South Java Road Project
- **Sub-project 7:** Supporting the Sustainable Development Goals Indonesia One – Green Finance Facility

- 26. Sustainable Development Goals Indonesia One – Green Finance Facility (SIO-GFF)
- **Sub-project 8: Supporting Innovative Housing Finance**
  - 27. Innovative Low Income Housing Finance Project.

Once the sampling had been completed, the MTR process was undertaken as described in the following sub-sections.

## 2.2 MTR Process

### Document Review

The review included all of the program-level reporting such as Annual and Semi-annual Progress Reports, Steering Committee meeting minutes and the Core Strategy Documents, such as for GESI and M&E, as well as the 2018 Final Evaluation Report of the Multilateral Development Bank Infrastructure Assistance Programme, of which SIAP Phase 1 was a component. Documentation related to specific sampled projects were explored in further detail during the MTR, in line with the sampling method set out above. Documentation relating to project design, overall implementation, TA support, gender and social assessments, Gender Action Plans (GAP) and six-monthly progress reports on GAP implementation, GEDSI case studies, and safeguards was made available to the MTR team for each sampled project.

The Desk Review has also provided the MTR team with a strong understanding of how SIAP2 fits into the wider context of DFAT, GOI and ADB strategic infrastructure priorities in Indonesia, including DFAT's Covid 19 Recovery Program, the ADB Country Strategy for Indonesia, Rencana Pembangunan Jangka Menengah Nasional (RPJMN – The National Medium-Term Development Plan), and complementarity with other Australian infrastructure programs such as the Indonesia-Australia Partnership for Infrastructure (KIAT) and The Australia-World Bank Indonesia Partnership (ABIP). The list of key documents is available in **Annex 2**.

### Primary Data Collection

Primary data was collected remotely and in person, through 27 semi-structured qualitative key informant interviews (KIIs) with a total of 52 individuals (25 men and 27 women). For most of the interviews, more than one interviewee was present. Interviews were conducted with purposively selected individuals including key representatives of the ADB Project Management Unit (PMU), representatives of DFAT, ADB sector teams and Government of Indonesia (GOI) counterparts in Bappenas, Ministry of Public Works and Housing, Ministry of Transport, PT. Perusahaan Listrik Negara (PLN) the state electricity corporation, Ministry of State-Owned Enterprises and other relevant agencies and complementary programs such as the DFAT-funded Indonesia-Australia Partnership for Infrastructure (KIAT).

The MTR carried out 11 remote 'scene-setting' interviews with DFAT, ADB, KIAT representatives prior to the field trip, during April. The main data collection period was held during the week of 8<sup>th</sup> May, during which all MTR team members were present in Jakarta. An additional 12 interviews were held in Jakarta. A further 4 interviews were conducted remotely following the Jakarta field trip. The list of key informant interviewees is included in **Annex 3**.

A strong GEDSI focus was applied to the data collection as set out in Box 3.

#### **Box 3. GEDSI aspects of the MTR data collection**

We interviewed Gender leads in government/implementing agencies as available (with variation due to the different nature of each sampled sub-project and loan-specific project), ADB Gender Specialists in the Indonesia Resident Mission and Headquarters, and ADB hired Gender Specialists/TA that have been engaged in community consultations, preparation of project specific gender assessments and Gender Action Plans, and provision of TA to government/implementing agencies. In addition, **GEDSI related questions were integrated into core interviews/FGDs** with ADB and GOI so as to mainstream GEDSI across the MTR delivery and avoid putting it into a silo.

### Analysis of findings

Following the completion of the document review, literature review and primary data collection, the MTR team compiled and analysed all findings. To support this process, an excel tool was developed to compile all the interview responses, by common questions. Progress against the indicators in SIAP2's Monitoring and

Evaluation Framework were also assessed in light of desk review and interview findings. The team also drew on findings from across many of the RQ sub-question responses to arrive at a position on cross-cutting aspects such as value for money (VfM), based on the principles in Box 4.

#### **Box 4. DFAT's guiding principles on VfM**

DFAT has eight guiding principles on VfM: 1) cost consciousness, 2) encouraging competition, 3) evidence-based decision making, 4) proportionality, 5) performance and risk management, 6) results focus, 7) experimentation and innovation, and 8) accountability and transparency. These aspects were assessed as part of RQ3 on Efficiency, in line with the ToR, by taking a broader range of findings into account from the other RQs.

The team then drafted a concise Aide Memoire, which enabled rapid communication of initial findings, as well as comments that could be addressed in the MTR Report. This was followed by the preparation of the MTR Report.

#### **Ethical Research Considerations**

All review work and deliverables were aligned with DFAT's M&E Standards for Independent Evaluation Reports (Standard 10 and *DFAT's Ethical Research and Evaluation Guidance Note*. The main concerns for this MTR were ensuring a safe and ethical process for arranging and conducting interviews and FGDs. All interviewees were informed of the objectives of the interview and provided with the opportunity to give or withhold their informed consent to proceed with the interview or FGD.

#### **Quality Assurance**

Quality assurance (QA) of all MTR outputs was carried out via Adam Smith International's internal QA process as well as following submission of deliverables, through engagement with the Reference Group, comprising DFAT staff from across a range of roles in Indonesia and in Australia.

## **2.3 Limitations and assumptions of the MTR**

Limitations of the MTR are as follows:

**Size and complexity of the program:** An MTR of a large and complex program, such as SIAP2, will always be limited by the time and budget available. The approach to sample selection (outlined in Section 2.1), coupled with a selection of related key informant interviews with programme staff and associated government and SOE stakeholders, enabled detailed insights that sufficiently informed the review questions outlined in Section 1.

**Beneficiary views:** A particular limitation is the MTR was unable to interview representatives of civil society and beneficiaries of the sampled sub-projects. The MTR focused on consultations with DFAT, ADB and national government stakeholders and did not go to project sites. The implications are that the MTR has not been able to explore and assess impact of SIAP2 supported loan projects on their intended beneficiaries, whether related to project preparation and design or implementation stages. The MTR is therefore unable to assess the social legitimacy of SIAP2 supported projects beyond the viewpoint of ADB, GOI and SOEs.

**Lack of resources to consult sub-national government stakeholders:** With more resources, the MTR would have been able to interview some of the relevant sub-national government stakeholders on sampled SIAP2 projects, to help ascertain the extent to which SIAP2 enabled projects are performing from the perspective of sub-national stakeholders.

**Qualitative methodology:** The methodology is primarily qualitative and is not intended to evaluate inferences and generalization through statistical tests. Nevertheless, the MTR findings provide a robust basis to identify learning and to guide program improvements and course-correction.

An important assumption should also be noted:

**The data/evidence provided for SIAP2-supported projects are correct:** Data used in the MTR were provided by SIAP2. The MTR did not conduct data quality audit/assessment of the provided data.

# 3. Review Findings

The detailed MTR findings are presented below, structured to address the seven key review questions and their sub-questions.

## 3.1 Effectiveness

### **RQ1: To what extent has SIAP2 achieved its end of investment outcome?**

Approximately two thirds of the SIAP2 budget has been allocated to preparation and implementation of loan projects for infrastructure across a wide range of sectors including energy, water, transport and urban services. The remaining third of the SIAP2 budget has been allocated to knowledge support and technical assistance, helping to implement institutional reform and develop capacity of GOI and SOE counterparts. Three indicators of the Monitoring & Evaluation (M&E) Framework targets of the program have been met and most of the others are on track to be achieved by the end of the program in June 2024, such as ‘100% of relevant projects being included in the Blue Book’ and ‘Full alignment with the RPJMN 2020-2024’. However, there are two targets - achieving the US\$ 8 billion leverage target of ADB loans and co-financing from public and private sector sources - that will be challenging in the short time available. At least one of the innovative infrastructure financing projects is likely to come from sub-project 7 - Sustainable Development Goals Indonesia One – Green Finance Facility (SIO-GFF) – which has only recently launched. ADB state that they will be able to achieve leverage of US\$ 7.7 billion by 2025, based on the current and anticipated pipeline of loan projects that can be supported by SIAP2. A detailed breakdown of this review question is provided below, structured by the sub-questions.

### ***To what extent SIAP2 is on track to deliver against its key priorities of project preparation and implementation, financing and policy reform?***

**SIAP2 is generally on track to achieve its Monitoring and Evaluation (M&E) indicators by June 2024, although there are two indicators that will be challenging to meet in the remaining timeframe.** SIAP2’s M&E Framework was agreed by the Steering Committee in October 2019 and an updated version was approved by the Steering Committee in February 2023. As summarised in Table 1, SIAP2 is making good progress against the targets in the M&E Framework and has already achieved three of them. Most indicators are on track to be achieved by June 2024, although there are some that may be challenging to meet in the remaining timeframe, such as:

- Indicator 4: Value of ADB loans and co-financing approved with preparation and/or implementation support from SIAP2 until 2024 (US\$ 8billion)
- Indicator 9: Number of innovative infrastructure financing products launched as a result of SIAP2 support (2)

**Table 1. Overview of progress against the SIAP2 M&E Framework**

Indicators	Targets	Progress against targets / MTR comments
1. Percentage of SIAP2 prepared projects and programs included in Blue Book. <sup>4</sup>	100%	<b>SIAP2 is on track to meet the target.</b>  Six of the 16 projects and programs prepared/being prepared under SIAP2 by end of 2022 were relevant to inclusion in the Blue Book. The remaining 10 projects/programs are not required to be in the Blue Book because the project/program is either a loan directly under the Ministry of Finance (MOF) or involves direct lending to an SOE with a sovereign guarantee. <b>Five of the six</b>

<sup>4</sup> Development financing in Indonesia is managed through a “Blue book” and “Green book” system: The “**Blue book**” lists projects eligible for external foreign bilateral and multilateral financing to make sure they align with the country’s development planning. The “**Green book**” lists projects included in the GOI budget for year n+1.

Indicators	Targets	Progress against targets / MTR comments
		<b>projects/programs (83%) are already included in the Blue Book.</b>
2. Percentage of SIAP2 knowledge activities for infrastructure planning and financing that are aligned with RPJMN	100%	<b>SIAP2 is on track to meet the target.</b> As of 31 December 2022, <b>all 17 activities (100%)</b> under the knowledge solutions window (infrastructure planning = 12, infrastructure financing = 5) that the Steering Committee has endorsed <b>are aligned with the RPJMN 2020-2024</b> in accordance with the SIAP2 selection criteria.
3. Percentage of SIAP2 subprojects preparing projects or programs with leveraging efficiency of 1:100 or higher	90%	<b>SIAP2 is on track to meet the target.</b> <b>Three out of five (60%) of SIAP2 subprojects preparing projects or programs have met the targeted leveraging efficiency ratio of 1:100 or higher.</b> SIAP2 is confident that it will meet the indicator before its completion date in June 2024.
4. Value of ADB loans and co-financing approved with preparation and/or implementation support from SIAP2 until 2024	\$8 billion  (With Steering Committee preference to meet a US\$ 9 billion target if ADB/GOI unlock progress on local content requirements)	<b>SIAP2 is very unlikely to meet the target by June 2024</b> As of 31 December 2022, <b>SIAP2 has leveraged \$4.33 billion</b> , composed of \$3.33 billion from ADB approval of projects/programs that received preparation support from SIAP2 and \$1.0 billion from projects/programs that are receiving implementation support. ADB state that they will be able to achieve a leverage figure of US\$ 7.7 billion by 2025, if the SIAP2 program duration is extended.
5. Number of projects and programs approved by ADB	At least 7 by 2024	<b>SIAP2 has achieved the target.</b> <b>Seven (100%) projects/programs</b> that were prepared under SIAP2 <b>have been approved by ADB</b> from 2020-2022. SIAP2 expects to exceed the target by 2024 as more projects/programs are being prepared to date.
6. Projects whose implementation is being supported by SIAP are “on track” or PCRs are rated “successful”	At least 75%	<b>SIAP2 has faced challenges in achieving the target but is now on track.</b> Based on assessment of the 11 ongoing projects/programs receiving implementation support from SIAP2 (excluding the policy-based loans and <i>Loan 4283-INO: Infrastructure Improvement for Shrimp Aquaculture Project (IISAP)</i> that was approved in December 2022) <sup>5</sup> , eight are “on track” (73%), two are “for attention” and one project ( <i>Loan 3840-INO: Leveraging Private Infrastructure Investment Project</i> ) is rated as “at risk.”
7. Contribution to RPJMN, spatial, land-use or sector plans	Planning support extended to at least 2 ministries or SOEs	<b>SIAP2 has achieved the target.</b> In 2020, SIAP2 achieved the target with the planning support provided to: 1. The Ministry of Energy and Mineral Resources (ESDM) through the knowledge solutions activity for the energy sector support in strategic planning to implement the guidelines of the RPJMN 2020-2024 in the annual work plan for ESDM. 2. DGWR through the knowledge solutions activity for the water resources sector support in updating the strategic sector plan (RENSTRA) and improving the delivery and implementation of the water security program for DG Water Resources.

<sup>5</sup> ADB stopped providing ratings for policy-based lending projects in Q4 2020. Thus, the following policy-based loans do not have an overall performance rating and are excluded from the assessment, (i) DRIP; (ii) CITA Program, Subprogram 1; (iii) SOE Reform Program, Subprogram 1; and (iv) SIEP3. Also, IISAP has no rating yet as the loan was approved in December 2022 and is awaiting to be declared effective.



Indicators	Targets	Progress against targets / MTR comments
		It is expected that SIAP2 will exceed the target by 2024 as support for the new RPJPN and RPJMN for the energy and water resources sectors were endorsed by the Steering Committee in November 2022.
8. Number of policy and regulatory improvements related to infrastructure financing approved as initiated/ supported by SIAP2	At least 3 by 2024	<p><b>SIAP2 has achieved the target.</b></p> <p>SIAP2 achieved the target in 2022. The SIAP2 supported policy and regulatory improvements to infrastructure financing that have been approved are:</p> <ol style="list-style-type: none"> <li><b>Supporting Sustainable and Universal Electricity Access Phase 2 and Knowledge Solutions Activity: Support for the Energy Sector.</b> The energy sector subproject and activity supported Perusahaan Listrik Negara (PLN's) Sustainable Financing Strategy that commits PLN to increase sustainable financing via bond issuance for green projects. The framework was finalized and launched by PLN, MOF, and ADB in November 2020, and published on PLN's website.</li> <li><b>Supporting Sustainable and Efficient Energy Policies and Investments.</b> Policy and regulatory reforms have been undertaken to (i) boost private investments in the electricity sector, (ii) expand access to clean energy, and (iii) improve energy efficiency, as set forth in policy matrix for Sustainable and Inclusive Energy Program (Subprogram 3) (SIEP3).</li> </ol>
9. Number of innovative infrastructure financing products launched as a result of SIAP2 support	At least 2 by 2024	<p><b>SIAP2 can potentially meet the target, although it may be challenging in the current timeframe.</b></p> <p>SIAP2 has partially achieved this target with the approval of the Disaster Resilience Improvement Program (DRIP) under Subproject 1, by the ADB Board in September 2020. The target would have been achieved in 2022 if the PLN green bond resulting from PLN's Sustainable Financing Strategy was brought to the market in 2022 as planned. However, this has been placed on hold due to the changes in bond market conditions through 2022. There are additional opportunities to meet this target through the Green Finance Facility (GFF) in Subproject 7 and the Innovative Housing Finance in Subproject 8.</p>
10. ADB projects/programs approved with support from SIAP2 classified as at least "some gender elements"	100%	<p><b>SIAP2 is on track to meet the target</b></p> <p>To date, 100% of projects/program approved by ADB with SIAP2 preparation support are categorized as either "some gender elements" (the third out of four categories) or "effective gender mainstreaming" (the second highest category of gender focus).</p>

Source: ADB PMU with verification and inputs from the MTR team.

**SIAP2 is allowing a wide range of innovative approaches to be explored, although there is limited time to realise some of the results before the program end date.** Several 'pathfinder' projects are being implemented by SIAP2, such as the SIO Green Finance Facility (GFF) in Subproject 7, which is working with PT Sarana Multi Infrastruktur [Persero] (PTSMI) to explore and test new instruments such as guarantees, bonds as well as the necessary institutional frameworks and wider enabling environment. Another example is the solar rooftop financing models and its enabling environment - a new topic for Indonesia – that is being addressed as part of Project 13: Sustainable and Reliable Energy Access Program – Western and Central Java (SREAP). The Sustainable Development Goals Indonesia One - Green Finance Facility (SIO-GFF) and affordable low-income housing finance (Subprojects 7 and 8 respectively) are other strong examples of SIAP2 providing the ADB and GOI with space to explore innovative infrastructure financing models.

There are inherent risks in some of these SIAP2 approaches, which are necessary in order to experiment with innovative approaches. These do not always come to fruition, such as the green bond experience with PLN, although it should be noted that this did result in the issuance of green loans by PLN instead. The bond has been placed on hold due to the changes in bond market conditions through 2022. However, valuable learning is available, which can be drawn on by other SIAP2 projects such as SIO-GFF as well as other government counterparts and donors in Indonesia. It should also be noted that many are still at an early

stage, which is a reason for concern that the target of two innovative finance instruments launched during SIAP2 may not be achieved by June 2024.

**SIAP2 will not be able to meet the original leverage target of US\$11 billion, but the leverage achieved still represents a strong value for money.** The term ‘leverage’ applies to the value of ADB loans and co-financing (public and sometimes private sector) approved with preparation and/or implementation support from SIAP2. As mentioned in the M&E Framework above, the leverage ratio should be at least 1:100, between SIAP2 grant funding and the leveraged loan and co-financing amounts. In February 2023, the Steering Committee endorsed the reduction of the leverage target from \$11 billion to \$8 billion but urged the SIAP Secretariat to aim for leverage of \$9 billion.<sup>6</sup> The leverage figure was at US\$4.3 billion as of December 2022 and reaching the revised target still represents a significant challenge. ADB state that they would be able to achieve leverage of US\$ 7.7 billion by 2025, if the duration of SIAP2 is extended, based on the current and anticipated pipeline of loan projects that can be supported by SIAP2.

**Less progress is evident against some of the seven cross-cutting priorities.** SIAP2 has seven cross-cutting priorities as summarised in Section 1. While there is strong evidence of effective SIAP2 enabled support in cross-cutting aspects such as sound public sector management, catalysing private sector investment in infrastructure, innovative infrastructure financing, climate resilience, and promoting and building on partnerships with key players in the sector, there is limited evidence of progress in the other areas, particularly:

- **Innovation and new technologies to enhance linkages between and among public and private sector players:** There are some notable examples of innovation, such as the promotion of earth observation services for mapping floods, land subsidence, in partnership with the European Space Agency (ESA) under Subproject 4. SIAP2 also disseminated robust climate change analysis to support the planning of resilient water infrastructure. However, ADB could put more emphasis on digital innovation and new technologies to enhance public and private sector linkages under SIAP2 projects.
- **Being more disability inclusive:** This was set out in the M&E Framework for SIAP2, but there is little evidence of progress in this area. This is elaborated in Section 3.3 on GEDSI.
- **Being more sensitive to *masyarakat hukum adat* (customary law communities).** This was set out in the M&E Framework for SIAP2 and ADB state that this is covered under the typical safeguarding process for an ADB-financed loan project supported by SIAP2. However, while all SIAP2 projects comply with safeguard processes, there is little evidence of this being implemented in a more proactive way in the projects sampled for the MTR, although this is likely to be due to the loan-project locations not being in proximity to customary law community sites.

***To what extent is the M&E system fit-for-purpose and effective in tracking performance progress against effectiveness, efficiency, cross-cutting themes and sustainability?***

**The M&E system is clear and well aligned with partner reporting requirements.** The SIAP2 Secretariat, also known as the Project Management Unit (PMU) has established a simple and effective system of semi-annual reporting across the SIAP2 portfolio, which enables sub-project teams and loan-specific projects to collect and report data in a well-coordinated manner. PMU has also aligned SIAP2 M&E targets to partner M&E criteria and adjusted the reporting to provide a relevant performance narrative in the six-monthly reporting cycle.

**Some indicators in the expanded M&E Framework lack relevant targets, which makes measurement more qualitative and subjective.** For example, ‘Evidence that good implementation practices introduced through SIAP2 subprojects are being replicated more broadly in relevant ministries and agencies’ is challenging to demonstrate. Evidence of leveraging private sector investment into relevant infrastructure projects is also not captured, despite a wide range of policy reforms and PPPs that have been enabled with SIAP2 funding. Strengthening the targets and tracking of specific cross-cutting objectives could be

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<sup>6</sup> ADB (2023) Sustainable Infrastructure Assistance Program Phase II: Status of Program Implementation. Internal SIAP2 Document.

considered for future infrastructure programming. M&E Framework design for a subsequent phase of SIAP could take these learning points into account.

**The gender indicator in the M&E framework measures the degree of gender mainstreaming into loan projects/programs at the preparation stage using the ADB classification and does not capture outcomes.** It does not capture ADB's transformative gender objectives, project performance in implementing the gender mainstreaming classification given or any gender focused work under the knowledge solutions window. The indicator speaks to ADB corporate targets rather than measuring what SIAP2 funding is doing to improve or close a gap in gender responsive and inclusive infrastructure. Given the breadth of gender activities supported by SIAP2 as explained in more detail below, the indicator undersells SIAP2's gender performance and is not easily translated to have relevance to GOI or DFAT stakeholders. In 2022, Australia introduced the requirement that all Overseas Development Assistance investments at AUD 3 million and over include a gender equality objective at End of Program or Intermediate Outcome level. Therefore, the gender indicator will require strengthening in any future program. During the remainder of SIAP2 especially in view of the recommended shift to a programmatic approach to GEDSI and infrastructure, it is proposed that the project transition to a stronger gender equality indicator in the M&E framework.

### ***To what extent has SIAP2 been adaptive to the evolving contexts, including responding to emerging priorities and Covid-19?***

**The SIAP2 governance system enables a flexible and adaptive approach in use of funds.** ADB's Indonesia Resident Mission (IRM) has a well-developed process of frequently engaging with GOI stakeholders and discussing areas of possible support that are raised and which align with ADB's Country Strategy for Indonesia.<sup>7</sup> The Steering Committee process that enables discussion with Bappenas and Ministry of Finance (MOF) also supports a clear communication channel from GOI to ADB on arising needs and priorities. The PMU also has a well-developed process to discuss possible projects informally, before an official proposal is presented to a six-monthly steering committee meeting. This streamlines the process and generally prevents wasted efforts.

**The review has found that SIAP2 supported project have responded well to evolving priorities.** It should be noted that some DFAT priorities have shifted in line with the new Australian Government elected in 2022, particularly with regards to stronger focus on low-carbon and resilient cities and infrastructure. ADB was already well aligned on these topics and is positioning itself to be a climate focused bank for the region. Therefore, ADB focus on climate was particularly valuable to maintaining a focus on climate action even before GOA's policy change.

**SIAP2 has enabled a wide range of loan preparation and TA support to meet the evolving priorities of GOI.** All of the ADB sector teams interviewed for the MTR, and the energy sector in particular, highlighted the importance of the availability of SIAP2 TA funding to accommodate the government's urgent requests to support its ongoing strategic work and to accommodate changes in government priorities and personnel. For example, under Subproject 1, SIAP2 was able to quickly respond to demand from the Ministry of State-Owned Enterprises (MSOE) for training of SOE Chief Financial Officers by bringing in INSEAD experts. Another example is that, during the Covid-19 pandemic, SIAP2 provided partial preparation support, via the Subproject 1 Knowledge Solutions Window, for the formulation of optimal disbursement triggers under the \$500 million program Disaster Resilience Improvement Program (DRIP). This enabled rapid disbursement of the loan in the aftermath of disasters including flooding, landslides, tornadoes, and high-tide waves in South Kalimantan; earthquakes in West Sulawesi; and tropical cyclones (typhoons), flooding, landslides, tidal wave vulnerability and erosion in East Nusa Tenggara.<sup>8</sup>

**Ongoing SIAP2 projects are also generally able to adapt and respond to evolving contexts.** For example, Project 22: Integrated Participatory Development and Management of Irrigation Program (IPDMIP) provides flexibility of a more programmatic approach rather than just targeting specific locations. If one location is not ready, they can shift the funds to another location. SREAP is an example of a Results-based Loan (RBL) that is designed to be flexible as long as PLN achieve the development outcomes. This in turn

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<sup>7</sup> ADB (2020) Indonesia: Country Partnership Strategy (2020 – 2024) ([Link](#))

<sup>8</sup> ADB (2023) Sustainable Infrastructure Assistance Program Phase II: Status of Program Implementation. Internal SIAP2 Document.

builds in the flexibility for PLN and allows them to respond to evolving GOI priorities, such as the changing national electricity plan, while still meeting the project objectives.

**Covid-19 has had an impact on the timing of many of the SIAP2 projects but the overall impact on project preparation and implementation is not significant.** Covid-19 has had an impact on the timing of many of the SIAP2 projects. Much of the impact has been related to travel restrictions for international consultants and ADB staff, as well as more limited capacity to engage with stakeholders. This has contributed to a slower disbursement of SIAP2 funds and slower rates of project preparation and implementation. To address the challenges, SIAP2 projects made use of (i) technology, such as Google Street View, Google Forms, LIDAR, and drones, to help replace in-person field visits and surveys; and (ii) virtual meetings for stakeholders' coordination and project preparation/review missions.<sup>9</sup> These helped to maintain progress in some projects, such as IPDMIP, although it wasn't suitable for many projects. The pandemic also exacerbated the lack of in-person interaction between the ADB, GOI and DFAT. However, over the past year, the timelines have been regained in many cases and the overall impact on project preparation and implementation is not too significant.

**Covid-19 pivot or adaptation has also been demonstrated across several loans.** For some of the loans that were in earlier stages of implementation during the pandemic, they have been able to pivot some of their sub-component activities to support Indonesia's Covid-19 recovery efforts. For example, IPDMIP was able to place over 80,000 people in labour intensive jobs, in line with the GOI's national program "Padat Karya Tunai Desa (PKTD)" (Village Cash Labor Intensive)<sup>10</sup>, which encourages labour-based job creation to enable economic recovery during and after the pandemic. SIAP2 also provided loan preparation support for the Disaster Resilience Improvement Program (DRIP) project via Subproject 1, which was designed to boost economic development in the post-disaster context, providing support to GOIs depleted finances due to the pandemic response in Indonesia.

## 3.2 Efficiency

### **RQ2: Efficiency - Has SIAP2 made appropriate use of time and resources to achieve outcomes?**

The MTR finds that the partnership with the ADB continues to be a very appropriate financing modality. SIAP2 benefits from ADB's strong GOI and SOE relationships and strong capacity to deliver capacity building. The SIAP2 steering committee (SC) process is generally working well, although greater visibility could be given to Bappenas in several areas. While briefing material is provided to Bappenas prior to SC meetings, ADB should review the process of providing subsequent updates on specific project progress and challenges.

The PMU structure and processes are working well, enabling strong links with ADB's sector and thematic teams. However, disbursement of SIAP2 funds remains lower than anticipated and should be accelerated, if possible, for the remaining period of SIAP2. To maximize efficiency, SIAP2 subprojects have the same set of consultants supporting preparation and/or implementation multiple loan projects within the same sector. There is a strong level of coordination by ADB with other development partners as part of the country coordination and sector specific activities and processes. In terms of areas for improvement, the learning process for SIAP2 could be more proactive, allowing valuable information to be disseminated to a wider audience. Also, some isolated incidents were reported to the MTR team of a lack of proactive communications and updates to relevant government entities. However, this does not reflect the overall view, supported by strong evidence, that ADB teams are generally doing a good job in engagement and relationship building with GOI and SOEs.

### ***To what extent has SIAP2 been an appropriate financing vehicle and provide value for money?***

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<sup>9</sup> ADB (2023) Sustainable Infrastructure Assistance Program Phase II: Status of Program Implementation. Internal SIAP2 Document.

<sup>10</sup> "Ringkasan Kebijakan – Pengutamaan Penggunaan Dana Desa: Padat Karya Tunai Pencegahan Covid-19", TNP2K and Australian Government. <https://www.tnp2k.go.id/download/23818PB%20PengutamaanPKTDFINAL.pdf> Accessed 20/06/2023.

**The partnership with the ADB continues to be a very appropriate financing modality, compared to alternatives.** SIAP2 is a model that allows investments to leverage the much larger funds of a multilateral development bank (MDB), in this case ADB. Channelling SIAP2 investment through ADB enables in-depth technical expertise; broad knowledge and networks in country to support policy at national level; financing resources to develop infrastructure and effect change at scale. Overall, these aspects equate to SIAP2 enabling very strong value for money.

From ADB's point of view, the grant funding provided by SIAP2 is enabling them to undertake more comprehensive work on loan preparation and institutional capacity building, as well as explore higher risk but potentially very rewarding development challenges, that could accelerate private sector investment in infrastructure, such as the work demonstrated in the SIO-GFF or the low-income housing finance concept. It is also important to note that none of the DFAT, ADB or GOI and SOE representatives interviewed during the review expressed a desire to see a different modality in place. There was widespread support among all interviewees for SIAP2 to continue doing what it is doing.

**SIAP2 is benefitting from ADB's strong GOI and SOE relationships and strong capacity to deliver capacity building.** ADB have excellent relationships with many GOI counterparts, allowing close coordination and co-design and delivery of loan projects. For example, ADB have been engaging with and supporting PLN for over 10 years and as such have a very detailed understanding of the organisation's institutional framework, strengths, and gaps, as well as strong relationships with key staff members. This is a particularly strong attribute for the efficient implementation of activities under SIAPs Knowledge Solutions Window, as well as relevant policy reform under specific projects such as the Sustainable and Inclusive Energy Program, Sub-program 3 (SIEP3).

ADB offer excellent capacity to deliver capacity building. For example, ADB's capacity building capacity is demonstrated in IPDMIP in which ADB developed template guidelines for preparing master plan, feasibility study and detailed engineering designs (DED) for irrigation, flood risk management and water supply investments. The Directorate General of Water Resources (DGWR) is using those templates for projects prepared under the *Accelerating Infrastructure Delivery through Better Engineering Services Project (ESP)* under Subproject 1, with quality control of documents provided through SIAP2-funded consultants enabling more robust planning. Additional capacity building examples are included in **Section 3.6** below. ADB also has well-developed and efficient procurement systems to identify and hire the most appropriate consultants to support loan preparation and capacity building activities.

### ***Has the governance structure of SIAP2 allowed for an efficient implementation and decision-making process?***

**The steering committee process is generally working well, although greater visibility could be given to Bappenas in several areas.** The steering committee (SC) processes are generally working well and have been refined over the project duration. Six-monthly SC meetings allow discussion and approval of new projects, discussion of key risks and challenges, stakeholder coordination and any changes to overall SIAP2 targets and objectives. An efficient and timely review process for new proposals has been implemented. However, beyond the project steering activities, greater visibility of SIAP2 processes and progress should be given to Bappenas, who would benefit from project progress updates for SIAP2 activities that have been approved in previous SC meetings, during the subsequent loan preparation and implementation.

**The PMU structure and processes are working well, enabling strong links with ADB's sector and thematic teams.** Aside from the steering committee, daily SIAP2 decision-making powers are largely delegated to the PMU, which comprises of half a dozen permanent staff members and consultants based in Jakarta and Manila. Many GOI counterparts appreciate the presence of some PMU members in Jakarta to enable rapid collaboration in person. The PMU coordinates with ADB's sector teams, which are also aligned with management of the nine sub-project windows under SIAP2. There is strong evidence that the PMU is operating as a lean and efficient team, enabling the smooth-running application of SIAP2 funds to relevant ADB sector teams to support loan project preparation and implementation as well as the knowledge services activities. The only program management proposal highlighted at the PMU level is that for small funding amounts requiring SC approval, there could be more autonomy on ADB's side rather than going back to the SC for approval of items below a certain threshold.

**Disbursement of SIAP2 funds remains lower than anticipated and could be accelerated.** The slow disbursement is due in part to a slower than anticipated pipeline of infrastructure projects to fund and a robust process by ADB to use funds where they are likely to be effective. A more proactive mechanism could be

considered that interacts well with ADB systems and stages of approval, to encourage ADB colleagues to propose TA activity to support projects identification, preparation and implementation, that fit within the parameters of SIAP2. DFAT and GOI require more visibility of all possible projects under consideration by PMU. DFAT and GOI could then identify projects of interest from among the concepts/proposals submitted.

**SIAP2 subproject structures allow efficiencies for use of expertise across similar topics.** There are currently seven approved subproject windows, such as the energy Subprojects 2 and 3, the water related subproject 4 and transport focused Subproject 6. Separate project windows allow efficiencies for use of consultant expertise across similar topics. For example, consultants have been recruited to support SIAP2 activities comprising several loan projects under Subprojects 2 and 3 relating to energy. The subproject structure also helps ADB to coordinate with different parts of GOI / SOEs. Evidence from interviews with ADB sector teams shows that this is working well and offers a well-defined structure for SIAP2 to be integrated into ADB sector teams.

**The learning process for SIAP2 could be more proactive, allowing valuable information to be disseminated to a wider audience.** Valuable learning is available from SIAP2, including on more innovative approaches that are being applied and tested, such as the unsuccessful but enlightening green bond process with PLN. Many other program management and sector specific learning points have arisen and have been captured by the PMU. There is current reliance on ADBs internal system for gathering learning from SIAP2-supported activities, including end of project Completion Reports and regular meetings, such as portfolio review meetings, to also discuss lessons learned and good practices. There is also some evidence of ADB sharing relevant approaches and learning from SIAP2 projects, such as from Integrated Participatory Development and Management of Irrigation Program (IPDMIP) under Subproject 4, at events or fora in Indonesia or the wider ASEAN region and via the project website.<sup>11</sup> Indeed, ADB facilitate and participate in a significant network of knowledge sharing events and communities of practice (CoP) to disseminate information. However, findings from the review suggest that a more proactive mechanism to collect learning across SIAP2, including success stories and challenges, during the implementation of activities, followed by dissemination, would add significant value and visibility.

A suite of knowledge sharing products and events arising from SIAP2 activities could be developed during the remaining phase of SIAP2 and for future programming. For example, ADB's transport sector mentioned developing a possible knowledge product on the climate and GEDSI aspects in transport infrastructure projects, specific to Indonesia's context. This and similar pieces could be amplified via an efficient learning and dissemination approach. The PMU are best-placed to facilitate this but have limited resources to implement it, so may need to be supported with additional staffing allocation from the SIAP2 budget.

**Some isolated incidents were reported to the MTR team of a lack of proactive communications and updates to relevant government entities.** There is limited evidence of communication issues in some areas of SIAP2, between ADB and GOI counterparts, leading to loss of momentum on specific loan preparation projects. This is particularly evident on the Kalimantan Roads Project under Subproject 6, where the project team in the Directorate General (DG) of Highways, in the Ministry of Public Works & Housing, was not aware if the ADB's decision to halt SIAP2 funding to the project was final or not. ADB's decision arose due to environmental screening, which raised the risk of the road projects contributing to increasing deforestation in the Kalimantan region and thus failing to align with ADB's climate change principles. While this is a valid reason for bringing project support to a close, it appeared that the final decision had not been clearly communicated to DG Highways. However, this does not reflect the overall view, supported by strong evidence, that ADB teams are generally doing a good job in engagement and relationship building with GOI and SOEs. It is important for ADB to review its communications processes within ADB to ensure that there is always mutually clear communications on SIAP2 projects.

***To what extent is SIAP2 coordinating and harmonising its activities internally and with other development partners?***

**There is a strong level of coordination by ADB with other development partners as part of the country coordination and sector specific activities and processes.** Guided by the ADB Country Partnership

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<sup>11</sup> IPDMIP website. Accessed 19/06/2023. <https://www.ipdmip.org>

Strategy for Indonesia, the PMU and ADB sector teams generally have a comprehensive understanding of the donor landscape related to infrastructure planning, financing and implementation. Mapping other relevant GOI, multilateral development bank (MDB) and donor activities is also an important part of scoping and design for each new loan project and TA activity. A comprehensive mapping process is undertaken for each activity proposed to the SIAP2 Steering Committee and as part of the subsequent loan preparation process. We conclude the coordination is strong because most of informants in the KIIs show shared understanding of the donor landscape, the planning documents shows multi-stakeholder mapping, and there is collective decision making with GOI counterparts.

In some cases, ADB could be more proactive in coordinating donors working to similar objectives. For example, SIAP2 is supporting the SIO-GFF under Subproject 7. SIO, hosted by PTSMI, was set up with funding from ADB and several other donors and MDBs including German investment bank KfW and the European Investment Bank (EIB). At the same time Agence Française de Développement (AFD) and the World Bank have separate facilities with PTSMI. There have been no coordination opportunities so far with ADB, but PTSMI could play a role in facilitating coordination. Finally, ADB assert that many of their internal teams, such as from ADB's Private Sector Operations are tapping into the SIAP2 to understand the context in Indonesia and to gain insights on specific approaches.

### ***What have been important enabling factors or inhibiting factors in SIAP2 implementation?***

#### **Enabling factors across SIAP2 implementation include:**

- **The ability for ADB to rapidly disburse SIAP2 grant funds as the needs arise:** The availability of grant funding from SIAP2 enables ADB to flexibly respond to GOI needs and to prepare loans for relevant and high impact project support, including for institutional reform, capacity development, planning and construction of infrastructure and disaster emergency response.
- **ADB's strong relationships with many of the GOI counterparts:** ADB have excellent relationships with many GOI counterparts, such as PLN, who they have been supporting for over a decade, allowing close coordination and co-design and delivery of loan projects. ADB also have the ability to carry out high quality planning and engineering works with consulting partners, as part of loan project preparation and implementation.
- **A strong understanding by GOI or SOE entities of ADB procedures and safeguards and gender mainstreaming aspects through previous ADB projects:** Many of the GOI and SOE counterparts have been supported previously by ADB and are well-placed to implement the ADB safeguard requirements. This allows projects to be implemented more rapidly and efficiently.
- **A collaborative approach on working with GOI and SOE counterparts:** A collaborative approach on working with GOI and SOE counterparts is important to enable effective implementation. For example, under SREAP, ADB and PLN designed the DLIs together and then agreed on the most appropriate implementation and monitoring processes.

#### **Inhibiting factors across SIAP2 implementation include:**

- **The challenge of Local Content Requirements (LCR) in the energy sector.** As part of its initiative to support the growth of the domestic manufacturing industry, the government has required contractors of energy service projects, since 2009, to source a proportion of their components from local manufacturers. The government's tightening of local content restrictions is presenting a barrier to project financing. The local content considerations will increase costs for renewable and energy efficiency projects as local content is typically more expensive and of lesser quality due to limitations in the local manufacturing industry.<sup>12</sup> Due to the local content requirements, two SIAP2 related projects, the Sustainable Energy Access in Eastern Indonesia – Power Generation Sector Project, a \$375 million ADB loan, and the Sustainable Energy Access in Eastern Indonesia (SEAEI) – Power Transmission Sector Project, a \$650 million loan, both had to be removed from ADB's lending

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<sup>12</sup> ADB (2023) Sustainable Infrastructure Assistance Program Phase II: Status of Program Implementation. Internal SIAP2 Document.

pipeline. LCR is also causing delays on ongoing SIAP2 projects including the Geothermal Power Generation Project (GPGP).

- **The capacity constraints of local government entities involved in loan project preparation or implementation:** Local government entities that are involved in loan project preparation or implementation can be slow moving on approving things, including aspects related to SIAP2 affiliated projects. For example, such local bureaucracy has recently delayed the planning of the new local urban sanitation departments under the Metropolitan Sanitation Management Investment Project (MSMIP). Strong collaboration with national level government, such as with DG Human Settlements in the case of MSMIP, is usually effective in helping influence the local government.

### 3.3 Gender Equality, Disability and Social Inclusion (GEDSI)

#### **RQ3: To what extent has SIAP2 made progress in addressing gender equality, disability and social inclusion (GEDSI) risks and making the outcomes of the program inclusive?**

In summary, SIAP2 has increased attention and technical assistance for gender mainstreaming in loan preparation and implementation compared to SIAP1. Good progress has been made in systematically addressing the risk of SIAP2 supported project loans reproducing gender inequality, and supporting GOI and partners to integrate gender considerations into policy reforms and project actions as described below. The breadth of SIAP2 sectors and modalities of work has generated considerable diversity in the gender actions supported via projects. Limited progress has been made on disability inclusion and this reflects the higher prioritisation of gender equality in ADB's corporate strategy. The focus of the M&E system on measuring the gender classification of project loans at preparation stage and the absence of a SIAP2 GEDSI and infrastructure strategy, make it difficult to identify the coherence of project-focused gender actions across the portfolio and strategic direction of GEDSI in SIAP2. While SIAP2 funding of GEDSI TA has been important to supplement ADB's in-house GEDSI capacity, the level of input will need to be enhanced to achieve more strategic and GEDSI focused opportunities which are presenting themselves. In line with Indonesia's increased political commitment to advance women's economic empowerment and leadership and ADB's corporate gender objectives, there is opportunity to raise the level of ambition on GEDSI in SIAP2 and move from a project specific mode to a programmatic approach.

#### ***To what extent have gender-related risks and barriers to women's participation been identified and mitigation strategies implemented?***

**SIAP2 has increased attention and technical assistance for gender mainstreaming in loan preparation and implementation compared to SIAP1.** For example, ADB reported that out of the nine loan projects processed since 2019 with SIAP2 support, seven were classified by ADB as Effective Gender Mainstreaming and two as Some Gender Elements; see footnote for explanation of ADB's gender mainstreaming classification system and requirements<sup>13,14</sup>. This was reported to be an improvement in the gender mainstreaming classification of projects compared to SIAP1 though data on SIAP1 was not available to the MTR team to verify. While gender is a criterion for deciding on which loan projects receive TA under SIAP2, concerns related to gender equality, disability inclusion or Indigenous/customary law communities are not spelled out in applications under the Knowledge Solutions Window (Subproject 1). This is a missed opportunity to integrate GEDSI considerations into strategic pieces of knowledge work. For example, the Terms of Reference for consultant support for the strategic environmental assessment of the new capital, Nusantara, presented at the Steering Committee in June 2022 did not include meaningful attention to gender equality, disability and social inclusion.

**Increased attention to gender in SIAP2 aligns with ADB's corporate gender objectives and increased resourcing and reflects the shared values of GOI and GOA to gender equality and women's empowerment.** ADB's Strategy 2030 Vision (July 2018) includes Operational Priority #2 of accelerating

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<sup>13</sup> The ADB gender mainstreaming classification is Gender Equity Theme (GEN), Effective Gender Mainstreaming (EGM), Some Gender Elements (SGE) and No Gender Elements (NGE).

<sup>14</sup> <https://www.adb.org/sites/default/files/institutional-document/33623/guidelines-gender-mainstreaming-categories-adb-projects.pdf>



progress in gender equality, and a corporate target that by 2030 at least 75% of ADB's committed operations will promote gender equality. At the country level, ADB's Country Partnership Strategy 2020-2024 presents advancing gender equality as a salient and innovative feature, as shown in Box 5.

#### **Box 5. ADB's Indonesia Country Partnership Strategy 2020-2024**

“ADB will work with stakeholders, including the private sector, towards gender outcomes. It will use TA to incorporate transformative gender actions into the design of programs and projects. Its programs will specifically target the empowerment of women and girls. ADB will strengthen gender expertise in the resident mission to support CPS implementation while ensuring that project teams have adequate gender expertise to enable effective monitoring and reporting on gender action plans. ADB will support the government's programs to help the poor and vulnerable recover from COVID-19.” [page 13].<sup>15</sup>

For the projects receiving funding under the umbrella of SIAP2, gender and social assessments have been partially funded by SIAP2 and other ADB technical assistance funding streams. For the MTR sample projects, the main source of gender TA in the period 2019-2021 was the ADB Enhancing Gender Equality Results in Southeast Asian Developing Member Countries (Phase 2) which was funded by an ADB Technical Assistance Special Fund (TASF). SIAP2 funding of gender TA for the sample MTR projects began to be leveraged in 2022, although the SIAP2 funded gender consultant has been mobilized since 2020.

**The primary gender focus of SIAP2 remains mainstreaming gender into projects rather than GEDSI specific initiatives or knowledge services.** Results-based loans via Disbursement Linked Indicators (DLI) and Program Action Plans (PAP) or through Gender Action Plans (GAP) in more traditional projects. Under policy-based loans, gender actions may appear under the policy matrix. Gender actions, activities and targets are negotiated with government and SOE partners and range in level of ambition. Some of the agreed gender actions support significant policy, systems and leadership areas of change.

- The SOE Reform Program (Sub-program 1), for example, included policy actions for 2020-2022 of increasing the percentage of women on SOE Boards of Directors from 9% in 2020 to at least 15% in 2024, and preparation and implementation of a respectful workplace policy to create a work environment free from discrimination, violence and harassment. The respectful workplace policy was passed in April 2022. Since the 15% target has been achieved, the policy actions for Subprogram 2 (2022-2024) will increase the target to 25%. Subprogram 2 prior actions will also include (i) prepare and implement a policy on closing gender pay gaps and providing flexible working hours to support the new respectful workplace policy, (ii) use corporate social responsibility mandates to support women-owned businesses, and (iii) report annually on the progress toward achieving the gender target on SOE Boards of Directors.

In other investments the gender actions are more modest although still important in terms of promoting women's participation and mitigating the risk that women are marginalised.

- The Integrated Participatory Development and Management of Irrigation Program (IPDMIP) which is a results-based loan, classified as Some Gender Elements on ADB's gender mainstreaming index, has gender mainstreaming included in the Program Action Plan but some of the actions are loosely defined or low in ambition. For example, the PAP states mainstreaming 'gender in the SETIP and integrate findings into the irrigated agriculture management plan to ensure women smallholders' interests related to location, alignment, and access to irrigation infrastructure are addressed and their access to commercial crops and access to value chain services for enhancing productivity and diversification of produce are improved' but lacks a SMART indicator for improvement. It also sets low benchmarks for women's participation in local committees at a 30% quota for women farmers representation in Water User Association executive committees, and a 20% target for women's participation in local construction committees involved in the planning and design of local irrigation infrastructure investments.

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<sup>15</sup> ADB (2020) Indonesia: Country Partnership Strategy (2020 – 2024) ([Link](#))

**The breadth of SIAP2 sectors and modalities of work has generated considerable diversity in the gender actions supported via projects.**

- **Women's economic opportunities and leadership:** gender policy actions of the SOE Reform Program, the support to SOE women leadership development and networking, and inputs via various SIAP2 related projects<sup>16</sup> to corporate gender policy development and capacity building<sup>17</sup> present a body of work on women's economic empowerment and leadership. In addition, in the Competitiveness, Industrial Modernization and Trade Acceleration Program (CITA) Sub-Program 1 to 3, key policy actions underpin systems changes which will support women owned businesses participate in government procurement and global value chains in line with the GOI's National Women's Financial Inclusion Strategy. Women's economic opportunities are also encouraged via various Gender Action Plans in physical infrastructure projects that set targets for women in project related jobs and capacity building<sup>18</sup>.
- **Inclusive physical designs:** A second area of focus in SIAP2 is development and support for gender responsive and socially inclusive physical designs. The Jakarta Mass Rapid Transit East-West Line Project which is under preparation will include universal design in the construction of 21 stations to ensure accessibility and safety of women, people with disabilities, the aged and other vulnerable populations.
- **Gender inclusive community participation and engagement:** Physical infrastructure projects with Gender Action Plans include detailed activities and quotas to ensure women's participation in community forums, awareness-raising activities and decision-making committees as relevant to the project. Some projects, further target vulnerable women such as female headed households.

**SIAP2 has given much less attention to disability inclusion than gender.** Out of the MTR's nine sampled project loans, the MSMIP is the strongest example of how inclusion of people with disability has been considered. MSMIP which aims to improve household connections to the central sewer system in target cities, has a target for poor and vulnerable households and strong community engagement. While people with disability are not a specific target group and there is no quota for their participation and benefit, the definition of vulnerable households included in the Gender Action Plan lists households with persons with disability as one example of several. Beyond the MTR sampled loan projects, there are examples of universal design of physical infrastructure and two projects (DRIP<sup>19</sup> and EARR<sup>20</sup>) have consulted with organisations representing people with disability to strengthen accessibility of the infrastructure designed. Under the Emergency Assistance for Rehabilitation and Reconstruction, the project notes "inclusive designs refer to buildings that are accessible by people with disabilities, e.g. accessible routes, curb ramp, ramp/lift/stair lift, accessible toilets, dedicated parking, and signs. Also refer to Regulation of Minister of Public Works and Housing No. 45/PRT/M/2007 on State Buildings, Regulation of Minister of Public Works and Housing No. 14/PRT/M/2017 on Ease-of-Access Requirements to Building, and Law No. 8/2016 on Persons with Disabilities." For port and airport rehabilitation and reconstruction, the Gender Action Plan states that ports and airport infrastructure will "include gender responsive and inclusive facilities: (i) well-lit waiting room with priority seating for pregnant women, children, the elderly, PWDs; (ii) separate restrooms for men, women and PWDs (with adequate female: male toilet ratio); (iii) priority ticketing counters for pregnant women, the elderly and PWDs; (iv) installation of CCTV at strategic locations; (v) instruction boards with helpline numbers, and color-coded directional signs in local languages strategically placed, and (vi) visible reporting desks to address incidents of gender-based violence and other crimes." ADB and DFAT acknowledge that the enabling environment for disability inclusive development is challenging especially vis-à-vis meeting GOI employment targets. ADB's less developed corporate system for monitoring of disability inclusion likely also contributes to the limited resources and attention it receives. However, ADB values the expertise and experience that DFAT brings on disability inclusion and is keen to learn from DFAT and KIAT in the disability

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<sup>16</sup> Including PLN, GDGP and DAMRI bus company.

<sup>17</sup> Including capacity building support for Srikundi BUMN, the SOE Women's Professional Network.

<sup>18</sup> For example MSMIP and GDGP.

<sup>19</sup> National Public Accessibility Movement - [Gerakan Aksesibilitas Umum Nasional \(GAUN\)](#) was consulted on JAKI 2.0 which is a road damage reporting application developed by Bina Marga, Ministry of Public Works and Housing.

<sup>20</sup> The Indonesian Association of Women with Disabilities - Himpunan Wanita Disabilitas Indonesia - Palu was consulted regarding accessible design for the rehabilitation and reconstruction of Muhamad Sis Al Jufri Airport, Palu.

and infrastructure space. There is appetite for greater sharing of lessons on disability inclusive development and networking with local organisations of persons with disabilities. There is potential for SIAP2 to support ADB's more systematic engagement with organisations of persons with disabilities throughout the project cycle and to create opportunities for their participation in accessible and inclusive infrastructure policy dialogue and the application of universal design principles<sup>21</sup>.

**The project specific gender mainstreaming approach makes it difficult to identify coherence on GEDSI across the portfolio or SIAP2's strategic direction to GEDSI and infrastructure.** ADB has established processes in place to undertake gender assessments and integrate gender into project design and implementation but in the absence of a SIAP2 GEDSI and infrastructure strategy or an ADB Country Gender Strategy this tends towards fragmented GEDSI actions across the portfolio. The ADB team reported limited sharing of GEDSI experience across the sub-project windows or individual loans or formal knowledge generation and learning on GEDSI. The limited number of ADB gender staff in the IRM and increasing attention to gender by ADB and its corporate gender target, likely contribute to the situation.

**The growing client demand for TA to support women leadership, corporate gender policies and workplaces beyond project boundaries but within the scope of GOI policy, and the priority gender areas under ADB's 2030 vision of women's economic empowerment and leadership<sup>22</sup> presents the basis for shifting to a programmatic approach to gender equality, disability and social inclusion.** This would allow SIAP2 more flexibility in how it responds to opportunities to advance GEDSI in the SIAP2 space. Guided by a strategic objective for GEDSI and infrastructure, a GEDSI specific window under SIAP2 could initiate GEDSI specific work including capacity building and knowledge services on GEDSI and infrastructure, as well as support gender mainstreaming into projects as currently done. This would open up the opportunity for a twin-track approach to GEDSI with gender and disability specific programming as well as GEDSI mainstreaming.

**Measurement of impact and who benefits (for example, the poor, female headed households, persons with disability, remote populations etc.) from project loans is varied.** Government agencies are interested to do more on impact assessment, and this could be an area for grant funding to nudge forward. For example, PLN's EDGE2 loan includes Japanese grant funding and additional SIAP2 funding<sup>23</sup> to assess beneficiary impact but in the absence of grant funding this methodology is not being used by PLN under SREAP.

***To what extent has the SIAP2 M&E system collected sex-disaggregated data, tracked at least one gender indicator, and analysed this data to improve performance on gender equality?***

**Sex disaggregated data is being collected to meet project data needs including the data needs of gender targets in DLIs and Gender Action Plans.** Disability disaggregated data is collected for measuring accessibility and safeguarding affected populations of physical infrastructure loans rather than result and policy-based loans. For example, the Jakarta Mass Rapid Transit East-West Line Project which is under preparation will be collecting disability disaggregated data, as is the Emergency Assistance for Rehabilitation and Reconstruction project. While sex disaggregated data is being collected to report on project progress when required for project design and monitoring frameworks (DMF) and Gender Action Plans, this is not always institutionalised into government/agency information systems. Directorate General Water Resources reported that though project sex disaggregated and female headed household data was being collected for IPDMIP reporting, the capacity of districts to institutionalise disaggregated data into information systems and the pace at which this could be achieved, varied.

**Analysis of gender performance data at project level is regularly undertaken but this does not inform the SIAP2 M&E system.** Analysis of gender performance data is regularly undertaken for project loans that have a gender-based Program Action Plan, Disbursement Linked Indicator or Gender Action Plan. ADB does not prepare Disability Action Plans though physical infrastructure projects with a Gender Action Plan such as the EARR does include gender responsive and inclusive infrastructure actions; with inclusive referring to

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<sup>21</sup> See CBM-global.org for lessons learned of working in partnership with organisations of persons with disabilities.

<sup>22</sup> Women's economic empowerment, gender equality in human development, gender equality in decision-making and leadership, reduced time poverty of women, and women's resilience to external shocks.

<sup>23</sup> SIAP2 Steering Committee Minutes, 30 June 2022.

responding to the needs of people with disability. During project implementation, analysis of data and performance against gender targets is happening at the project level, but this is not monitored as part of SIAP's M&E system. The M&E system does not require progress on gender or disability and other areas of social inclusion across the portfolio to be tracked and in the absence of a gender/GEDSI portfolio strategy this learning is falling through the gap. The heavy demands on the internal Indonesia Resident Mission gender staffing [just 1 Social Development Officer (Gender), supported by two gender consultants, one of whom is funded by SIAP2.] is likely a contributing factor.

### ***What are the lessons learned of implementing GEDSI as a cross-cutting issue during SIAP2 implementation?***

**Project funding of GEDSI TA has been important to supplement ADB's in-house GEDSI capacity but the level of input will need enhancing to achieve more strategic and GEDSI focused opportunities.** The lack of a dedicated program of GEDSI and infrastructure specific work and related budget has impacted the level of ambition of SIAP2, and kept the focus on gender mainstreaming within project loans. The absence of disability and social inclusion targets and monitoring in ADB's corporate systems in a comparable way to gender has contributed to limited visibility and attention to disability and social inclusion in SIAP2. This business-as-usual approach has contributed to increasing the proportion of project loans classified as having at least some gender elements than in SIAP1, but has not enabled a more forward leaning agenda. For example, SIAP2 has not been leveraged to inform GOI's transformative gender and inclusive infrastructure agenda through the gender equality and social inclusion (GESI) focus of the Just Energy Transition or the G20 principles for Quality Infrastructure Investment which include principle #5, 'integrating social considerations in infrastructure investment'. Without portfolio-wide learning on gender and GEDSI it is difficult to connect the dots between SIAP2 gender actions to inform policy dialogue on gender and inclusive infrastructure.

**Clarity of ADB funding and TA resources for gender and GEDSI in the SIAP2 space could identify opportunities for synergy and greater impact.** One of the strengths of SIAP2 is the blending of DFAT resources with other ADB grant and loan funding streams. In the SIAP2 GEDSI space, other TA initiatives have supported gender work but it is not always clear how these different streams converge and the complementarities and added value they bring. For example, with areas of ADB transitioning to an intersectional approach to gender equality and social inclusion<sup>24</sup>, and this being adopted by the transport sector in Indonesia, this may be an area for SIAP2 assistance.

## **3.4 Risks and Safeguards**

### **RQ4: To what extent have risks to the achievement of the EOIO been actively managed, as well as the risks to the environment, people and resources?**

Overall, the ADB risk management and safeguard processes are reliable. ADB is vigilant of the changing political context and economic governance and impact on infrastructure investments. At the program level, ADB has actively managed risks and made adaptations, such as in response to Covid-19. The serious risk caused by the more stringent implementation of the Local Content Requirement since 2018 has impacted several loans in the pipeline, and projects in implementation. ADB is actively engaged with the national procurement agency and Bappenas to try to resolve the situation and this will be crucial for SIAP2 to achieve its financial leveraging target. At the project level, ADB has robust systems in place to assess risks, identify mitigation measures and develop risk management plans during loan preparation. ADB's environmental and social safeguards processes have been methodically implemented across SIAP2 supported loans and are of international standing and equivalent to those of other multilateral development banks. GOI and SOE safeguarding systems have generally been strengthened as part of this process or identified gaps have been targeted in order to meet ADB or agreed standards. ADB communication of program and project specific risks with DFAT and GOI has been via Steering Committee meetings and through SIAP2 semi-annual reports. This has sometimes resulted in delayed risk communication to partners. As such, more frequent

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<sup>24</sup> Including South Asia region and various TA facility grants.

communication with Bappenas and DFAT on risks and mitigating actions outside of Steering Committee meetings could help to keep partners abreast of risks and their management.

***How well are program level and sub-project level risks anticipated in advance and mitigated appropriately?***

**On balance, ADB is vigilant of the changing political context and economic governance and anticipating the impact on infrastructure investments.** ADB's strong relationships with a wide spectrum of GOI stakeholders, and the financing modalities that ADB brings, contributes to their rich understanding of how to do business and the political risks involved.

The serious risks associated with the more stringent implementation of the Local Content Requirement since 2018 has impacted the viability of some of the energy sector loans, as discussed earlier in Section 2.2. This is a serious bottleneck that ADB and Government have not yet resolved and could impact SIAP2's financial leveraging target. ADB is working closely with the national procurement agency (LKPP) and other development partners to address the local content issue and raising the challenges it creates with counterpart agencies such as Bappenas. Also, ADB has recruited internationally recognized lawyers to give legal advice on the use of local content under ADB financed projects considering the ADB Loan Agreement with the government. Bappenas is also continuing to discuss the local content issue with PLN and the Ministry of Industry.<sup>25</sup> As discussed in **Section 3.2**, the Covid-19 pandemic impacted project preparation and implementation timelines and required a pivoting of several loans. ADB managed the impact of Covid-19 on SIAP2 reasonably well. SIAP2 contributed to ADB's capacity to respond to the emergency conditions with the preparation of the DRIP loan.

**Risk assessments and identification of mitigating measures are standard requirements in the preparation of ADB loans.** Risks are also presented in ADB SIAP2 project reports and at Steering Committee meetings.

***How well are social and environmental safeguarding processes implemented across SIAP2?***

**ADB's environmental and social safeguard processes are methodically implemented across SIAP2 supported loans.** Environmental and social safeguard assessments prepared during project preparation are publicly disclosed and grievance redressal mechanisms established. All loans are classified for their impact on the environment, involuntary resettlement and Indigenous Peoples. ADB's Safeguard Policy Statement requires any projects classified as impacting on Indigenous People to prepare a separate Action Plan that is monitored as part of the safeguards process. This is to ensure the project is designed and implemented in a way that fosters full respect for Indigenous Peoples' identity, dignity, human rights, livelihood system, and cultural uniqueness and that affected Indigenous persons (i) receive culturally appropriate social and economic benefits, (ii) do not suffer adverse impacts as a result of the project, and (iii) can participate actively in the project. ADB reported that of the SIAP2 supported project loans classified as affecting Indigenous People, there are no non-compliance issues. There is evidence that screening of projects is effective and meaningful. For example, the Kalimantan Roads project was dropped during the project preparation phase due to environmental concerns around deforestation and the project not fitting in with DFAT and ADB's climate action priorities. Environmental management and social safeguard and resettlement monitoring reports are prepared every six months, and were reported by government stakeholders to be a significant area of focus of implementation missions.

**ADB's Safeguard Policy Statement (2009) does not mention people with disabilities or sexual and gender-based violence;** this policy is currently under review<sup>26</sup>. This further underlines the importance of ensuring regular engagement with organisations of persons with disabilities during the project cycle to protect the interests and prevent harm to people with disabilities. Prevention of sexual exploitation, abuse and harassment (PSEAH) in civil works projects is currently covered via health and safety requirements. PSEAH was reported by ADB to be written into ADB contracts with firms and capacity building provided to

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<sup>25</sup> ADB (2023) Sustainable Infrastructure Assistance Program Phase II: Status of Program Implementation. Internal SIAP2 Document.

<sup>26</sup> See <https://bankinformationcenter.org/en-us/update/how-can-the-adb-better-safeguard-persons-with-disabilities/>

government, SOEs and contractors. Examples of how ADB supports implementing agencies strengthen and protect against sexual exploitation, abuse and harassment via loans include the development of PLN's corporate gender policy which includes PSEAH, and secondly, the occupational health and safety training provided to drilling companies under the Geothermal Power Generation Project.

**GOI safeguarding processes are often strengthened as a result of projects supported by SIAP2.** ADB safeguarding standards are perceived by GOI stakeholders to be high, of international standard and align with those of other multilateral banks. ADB's safeguarding standards and required community engagement are valued by government and SOE stakeholders (such as Geo Dipa Energi - GDE) and felt to have strengthened their own safeguarding systems and performance. In some projects such as IPDMIP, strengthening environmental and social safeguarding processes of the implementing agency (DG Water Resources) are included in the Program Action Plan with identified gaps and areas of technical support. For IPDMIP, the safeguard assessment found that the Government's Program Safeguard System was broadly aligned with ADB's and the project chose to strengthen and apply the Government system. DG Water Resources noted that the gap between the two systems is still being negotiated and this is causing some delays. In the Palu work under the *Emergency Assistance for Rehabilitation and Reconstruction (EARR)* in Subproject 1, safeguarding is causing delays and GOI counterparts would like to streamline the relevant processes. In the case of PLN, the organisational restructuring has yet to allocate responsibility for social safeguards and no one is responsible for land agreements, which is hindering the work of safeguard teams. It is suggested that more consideration and discussion is needed between DFAT, ADB and GOI counterparts on achieving high quality ADB processes within a shorter timeline, and potential increase in the safeguard budget for SIAP2 projects if considered necessary.

**SIAP2 is filling critical gaps in ADB's safeguarding resources.** There are two ADB staff safeguards specialists in the IRM, supported by two independent safeguards consultants funded by SIAP2 who ensure project compliance with ADB's social and environmental safeguards. This includes reviewing safeguard documents for project preparation, monitoring progress of project safeguard plans through the six-monthly safeguards monitoring reports prepared by the implementing agency and building the capacity of executing and implementing agencies and loan funded safeguards consultants. Implementation of safeguard plans is the responsibility of the implementing agency who are often supported by loan-funded consultants. The SIAP2 PMU reports on the activities of the consultants hired by SIAP2 rather than the more detailed coverage of safeguarding processes on each loan-specific project. This means that communication of safeguarding incidents for projects supported by SIAP2 may be slow to reach partners. DFAT may wish to explore further with ADB how it could be kept abreast of safeguard risks and events in a timelier way.

## 3.5 Relevance

### **RQ5: Does the outcome and the modality remain relevant?**

Overall, there is very strong evidence that ADB's use of SIAP2 funding is well-aligned with GOI strategy and policy. This is ensured by a robust process of screening possible SIAP2 projects against GOI policy and strategy as part of the preparation for Steering Committee approval, among other things. Flexible TA provided by SIAP2, such as the knowledge solutions window, continues to be a valuable tool in supporting the government's short-term needs to advance the energy transition and other infrastructure priorities.

### ***To what extent is SIAP2 aligned with the needs and priorities of GOI infrastructure policy priorities?***

**ADB use of SIAP2 funding is well-aligned with GOI strategy and policy.** Infrastructure development is a core objective of the current GOI administration, as demonstrated in its prominence in the RPJMN – The National Medium-Term Development Plan. Furthermore, there is strong evidence that SIAP2 is well aligned with specific GOI policy objectives, due to several program mechanisms. Firstly, ADB sector teams propose to the PMU possible projects that could be supported by SIAP2, based on what they think aligns with the ADB Country Partnership Strategy, which is developed to meet the needs of GOI across a range of agreed sectors. Secondly, there is a robust process of screening possible SIAP2 projects against GOI policy and strategy as part of the preparation for Steering Committee approval. Thirdly, the SC processes allows GOI stakeholders such as Bappenas and sector specific Ministries, to comment on the proposed approach and suggest amendments, in order to further align with specific GOI needs and priorities.

As such, SIAP2 demonstrates strong alignment with aspects such as infrastructure financing, including leveraging private sector investment across relevant sectors such as energy, transport, water and urban

services, as well as cross-cutting aspects such as climate resilience. SIAP2 is also addressing capacity gaps in GOI which have generally been well identified and agreed in detailed discussion with relevant counterparts.

**Flexible TA provided by SIAP2, such as the knowledge solutions window, continues to be a valuable tool in supporting the government's short-term needs to advance the energy transition.** GOI's targets on sustainable energy and energy efficiency have increased under its net zero carbon emission scenarios, it will be key to be able to deploy technical assistance and knowledge flexibly and timely to support the government's new targets and technology solutions.

## 3.6 Sustainability

### **RQ6: To what extent are SIAP2 activities designed to ensure sustainability?**

ADB applies robust due diligence and long-term planning to loan preparation, including for SIAP2 supported projects, which helps to design each loan to be sustainable beyond the project support. There is strong SIAP2 focus on using local systems and processes to strengthen the capacity of local institutions. This is supported by the use of mechanisms such as Policy-based Loans (PBLs) which link institutional reform targets, supported by ADB capacity building, to loan disbursement. There is also evidence of sub-national government institutional reform and capacity development as a result of SIAP2 activities, such as the local government institutional capacity to implement a wastewater infrastructure tariff. SIAP2 enabled reform is working as planned, but there are a number of challenges and risks, such as changing political priorities, and staff turnover in counterpart organisations. The review identified a number of challenges faced by SIAP2 in developing GOI and SOE capacity, such as incentivising some local governments to collect sex disaggregated data on IPDMIP. The SIAP2 supported components on innovative infrastructure financing are ambitious, but with high potential impact. However, there are risks that insufficient progress and sustainable impact will be made in the limited time available before the completion of the program. Finally, there are many examples of potential for scaling and replication from SIAP2 projects and some examples of this happening in practice. ADB should continue to proactively seek opportunities to facilitate scaling and replication.

### ***Does SIAP2 use local systems and processes and strengthen the capacity of local institutions and will the benefits of SIAP2 support last?***

**ADB applies robust due diligence and long-term planning to loan preparation, including for SIAP2 supported projects.** Failing to plan properly for long-term financing, maintenance and overall durability of infrastructure projects would reflect very poorly on ADB as a development partner. Therefore, sustainable impact is one of their key concerns when processing loans, as part of ADB's typical due diligence process. For example, as part of the Subproject 6 roads projects, such considerations may be manifested in economic analysis for financing road infrastructure or looking at lifecycle aspects such as maintenance. Such analysis and decisions made at the preparation level as well as covenants put into loan agreements to reflect these considerations, help to create the right conditions for long-term success and sustained impact of infrastructure projects.

**There is strong SIAP2 focus on using local systems and processes to strengthen the capacity of local institutions.** In terms of loan preparation supported by SIAP2, it is important to understand that the loans, once approved and implemented, are what will make the difference in terms of capacity and systems, rather than the initial TA to prepare the loans for ADB approval. Within this context, there is strong evidence that SIAP2 supported projects are building on local systems and processes, helping to achieve lasting institutional reform and develop capacity of staff. Policy-based loans (PBL) and Results-based loans (RBL) are an important mechanism through which SIAP2 is enabling government reform and capacity building. They take advantage of being implemented within the country system, with disbursement linked indicators (DLIs) linked to tangible and measurable institutional development and reform objectives.

There are a number of loan-specific projects that have been prepared and implemented with support from SIAP2 that are specifically focused on policy reform and institutional reform of government and state-owned entities. The most obvious example is the *State-Owned Enterprises' Reform Program*, under Subproject 1. There are other projects, such as IPDMIP, which combine a wider range of technical solutions and development of infrastructure with institutional reform and capacity development. IPDMIP is the first RBL for Indonesia in water sector. Both ADB and DG Water Resources in the Ministry of Public Works and Infrastructure agree that SIAP2 enabled technical support via the PBL has enabled many positive institutional changes in the past few years. This is manifested in areas such as standardised templates for technical

studies and templates for master planning for water resources management. These are now being used on other, non DFAT or ADB supported projects. When ADB applies an innovative approach, it can sometimes turn into a regulation. With the RBL modality, IPDMIP is working on regulations during implementation, which are likely to last beyond the program duration. IPDMIP has also enabled a noticeable shift in understanding and enthusiasm for nature-based solutions related to river works, supported by SIAP2 advocacy and capacity development in this area.

The Metropolitan Sanitation Management Investment Project (MSMIP) is another example of institutional reform to create a suitable enabling environment to support sustained impact of the project objectives. To ensure longer term sustainability under MSMIP there are two important aspects: i) Institutional, whereby SIAP2 is enabling local governments to become more independent and able to collect tariffs, which should allow maintenance and management of wastewater infrastructure in the future; and ii) design of the tariff mechanism itself, to balance the high upfront costs of developing and maintaining waste water treatment infrastructure, the fiscal capacity and policy of local city governments such as Makassar and Jambi, and the willingness to pay of customers. The tariff design should enable long lasting impact and should be scalable in Indonesia. With these recommendations, as the wastewater treatment plant starts operation in 2023, the cities will be ready to manage the first ever city scale off-site centralised sanitation system.

It is important to note that capacity building work is often conducted by consultants (national and international independent experts or firms) enabling the right mix of expertise, experience and support to be provided to the GOI or SOE counterparts. There is some evidence that this process also builds the capacity of the national consultant talent pool in Indonesia. For example, under DRIP, to support Indonesia's disaster management agency, Badan Nasional Penanggulangan Bencana (BNPB), ADB paired a national independent expert and an Australian consultant on how to improve post-disaster needs assessment methodology used by the agency. This process, replicated among other SIAP2 projects, is likely to be building sustained expertise among Indonesian consultants.

**There is evidence of local government institutional reform and capacity development as a result of SIAP2 activities.** The review of sampled SIAP2 projects also showed evidence of institutional reform and capacity development at the local government level. Firstly, many reform projects at the national level will be cascaded down to sub-national governance units. For example, many functions that are reformed and performed in head office of PLN, under SIAP2-supported RBLs and the PBL, are then cascaded to whole of Indonesia. Furthermore, ADB teams and their related consultants have engaged directly with local government units in a number of projects. For example, under IPDMIP, a number of measures have been implemented to build local government systems and maximise sustained impact. One of the project's 8 DLIs is to establish the units and continued inclusion in the fiscal budget for the region/ which has been established by setting up technical units within local governments. IPDMIP also demonstrates strong coordination and project ownership among 4 Ministries and 74 districts across 16 provinces.

Another example of capacity building of local government enabled by SIAP2 is shown under the Sustainable and Reliable Energy Access Program (SREAP). Consultation meetings between PLN regional offices and the units below, have been conducted with selected Provincial and District Governments in handling environmental issues. PLN also organizes consultation meetings with the communities and local leaders including customary leaders and village offices, civil society organizations (CSOs), and relevant local government agencies such as Regional Land Offices (KATR), in handling social welfare and indigenous people in locations covered by selected programs. This has also occurred on three or four other non-sampled loan projects supported by SIAP2.

**There are no indications that SIAP2 enabled reform is not working as planned, but there are a number of challenges and risks.** As outlined above, there are many aspects of institutional and policy reform and capacity building taking place under SIAP2 supported projects. There are a number of risks to the sustainability of policy reform, including the sustainability of capacity development conducted by SIAP2. Staff movement within GOI and SOE can detract from institutional capacity. ADB maintains that SIAP2 supported projects are aiming to lock in systems and processes rather than support just to individuals and this generally seems to be the case. For example, under the SREAP and several other SIAP2 supported projects, ADB are building capacity of PLN in environmental and social safeguards, among many other topics. As well as training, ADB are creating a set of Guidelines, which PLN can use to conduct their own internal training on a regular basis. SIAP2 will need to be prepared to respond should GOI's priorities further evolve, including in the context of a change in administration following Indonesia's 2024 elections.



**The review identified a number of challenges faced by SIAP2 in developing GOI and SOE capacity.** For example, it has been difficult to collect sex disaggregated data on IPDMIP through some local governments. Another challenge identified is that the organisational restructuring of PLN has not yet clearly defined where the social safeguards responsibility lies. As such, when the ADB team are building capacity around social safeguards and related aspects such as land agreement there is no team or group of individuals that have so far been allocated responsibility for these topics. Thus, there is a great risk that the institutional knowledge in PLN will not be effectively established and thus will not be sustained.

**Innovative infrastructure financing work is ambitious with high potential impact, although there are risks that insufficient progress and sustainable impact will be made before the completion of the program.** Via several of the loan preparation and implementation projects, SIAP2 is exploring and aiming to enable innovative infrastructure financing enabling environment frameworks and models. For example, the innovative housing finance under Sub-project 8 will aim to unlock mortgage solutions for those with irregular income, which would solve housing finance for a large number of lower-income citizens with more informal livelihoods. Under SIAP2's *Energy Efficient Street Lighting project*, ADB is supporting the Ministry of Energy and Mineral Resources (ESDM) with the development of a public private partnership (PPP) model for energy efficient streetlighting in Denpasar, which could be scaled to many other cities in Indonesia.

While it is clear that SIAP2 is correct in pursuing these critical infrastructure financing solutions, there are concerns that insufficient progress and sustainable impact on innovative infrastructure financing may be achieved by the end of SIAP2, within the current timeframe. The experience of supporting PLN to design and issue the first green bond in the energy sector in Indonesia, which didn't end as expected as explained above, has demonstrated the related risks. Also, while PTSMI are technically sound, if looking at past projects in topics of green bonds and securitization, they are innovative but haven't continued beyond the initial trial or pilot. There are concerns that, as achieving institutional change in these areas requires complex stakeholder coordination and buy-in, there is insufficient time to realise this in the current SIAP2 timeframe.

Furthermore, the review identified that infrastructure projects are prepared for private sector participation, but often become available just for SOEs rather than the wider private sector. This limits the utility of SIAP2's efforts to improve the enabling environment and open up opportunities for international investment, including from Australia. Private sector investment in many sectors could also be strengthened with robust metrics around rates of return.

**There are many examples of potential for scaling and replication from SIAP2 projects and some examples of this happening in practice.**

Some examples of scaling include, firstly, the improved processes introduced by IPDMIP for irrigation infrastructure asset management including the information system and related processes, that are now part of the government program and secondly, the tools introduced through SIAP2 for planning and engineering (feasibility study/masterplan/detailed engineering design guidelines) have been used to guide project preparation being undertaken by Ministry of Public Works and Housing under ADB's ESP loan. Replication is seen where ADB is now applying lessons learned from MSMIP in designing the new Citywide Inclusive Sanitation Project (CISP) loan. There is also additional replication value provided to GOI on learning how to prepare projects for other multilateral banks with similar safeguard processes, such as the World Bank Group and Asian Infrastructure Investment Bank (AIIB).

There are many other good examples of strong potential for scaling and replication of processes and models developed under SIAP2 supported projects, although these have not yet happened in practice. For example, IPDMIP is implementing some very scalable approaches and reforms, such as the tariff and institutional enabling environment for water services; the wastewater treatment plant institutional setting that has been developed under MSMIP and the suitable financing models for street lighting across the country under the *Energy Efficient Street Lighting project* supporting Denpasar are suitable for widespread replication.

In terms of replication across the ASEAN region, some of the SIAP2 project approaches are less likely to work for similar projects in low-income countries, where government systems are less effective. However, a range of other approaches supported by SIAP2 are replicable across ASEAN member states, including the SIAP2 program model itself, whereby bilateral donors such as DFAT can enable more effective multi-lateral project loans and capacity building. Several project specific approaches such as the geothermal work under GPGP which could also actively be shared with the Philippines, another leading geothermal market in the region, and the contingent disaster financing facility, demonstrated by DRIP, has great potential to be

replicated as an effective tool to support post disaster recovery while government resources are depleted from an ongoing crisis, such as a pandemic.

Many of the ADB and GOI stakeholders interviewed during the MTR expressed a strong willingness to engage with peers to help share and replicate such approaches. Considering these points, replication objectives could be more intentional under SIAP2, with greater emphasis in the M&E Framework. This could be considered for future programming by DFAT and ADB. Tied to the learning point under RQ2 on Efficiency, there is also perhaps a role for DFAT and ADB to pick up some of the key best practice that can enable replication of approaches tested under SIAP2 and disseminate them more widely.

## 3.7 Operational Learning

### **RQ7: What key issues should be considered in planning a future partnership with the ADB in infrastructure development in Indonesia?**

A number of operational learning points have been covered in the previous sections, including:

- **Managing the risks posed by local content requirements (LCR) will be important for future programming:** A large volume of financing leveraged by SIAP2 is being disrupted or delayed by LCR. This is also likely to be a risk for DFAT's new Climate and Infrastructure Partnership in Indonesia and other infrastructure related investments.
- **There is a need for more proactive collation and dissemination of learning material from SIAP2:** More could be done to disseminate learning points from the SIAP2 portfolio, including during the loan preparation and implementation phases rather than just upon completion. This would also enable greater visibility of DFAT and GOI and development partners.

Beyond these points, two additional operational learning points are pertinent:

**There is clear value and mutual benefit in the partnership between ADB, GOI and DFAT.** As outlined in the sections above, ADB and its sector teams greatly value the modality of SIAP2. Furthermore, there is expectation and demand by GOI entities, particularly those involved in the steering committee, that SIAP support can be continued beyond the current phase. ADB's new country strategy in 2025 will also recast priorities and any future partnership will need to sit within these frameworks.

**It will be important to align future programming with changing GOI and GOA policy.** Future programming will need to align with Indonesia's next medium-term national plan. How this should be coordinated with Bappenas and other relevant GOI stakeholders is an important consideration. Forthcoming presidential elections are likely to herald in new policy priorities and a possible repositioning of infrastructure. Future programming will also need to align with Australia's new development policy (and related Indonesia country strategy) as well as the Australia development finance review and subsequent policy.<sup>27</sup>

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<sup>27</sup> Government of Australia (2022) Australia's Development Program: Development Finance Review ([Link](#))

# 4. Recommendations

## 4.1 Recommendations for the current program

Based on the above findings, this review suggests the following recommendations for the remaining period of SIAP2 implementation.

### Strengthen learning and dissemination

- ADB, GOI and DFAT to review the learning and dissemination processes under SIAP2 and consider how insights and learning points could be more effectively gathered and disseminated to a broad audience. This could include:
  - learning material from across the SIAP2 portfolio.
  - a series of events designed to disseminate learning and inspirational examples from the SIAP2 portfolio to relevant audiences in Indonesia and the wider ASEAN region.

### Strengthen gender equality and disability inclusion

- ADB to shift from a project focused gender mainstreaming approach to a programmatic approach to GEDSI that includes GEDSI specific and targeted activities as well as gender mainstreaming in project loans and transition to a stronger gender equality indicator in the M&E framework.
- ADB to develop a GEDSI and infrastructure strategy to provide coherence and strategic direction to SIAP2 GEDSI activities including both GEDSI specific and mainstreaming activities, and the intersectionality of gender, disability and social exclusion as it impacts access to infrastructure and related inclusive policy reform agendas.
- ADB to review the adequacy of SIAP2 resourcing of gender and disability in view of the demand from implementing agencies and the opportunity to respond to GOI's policy commitments to women's economic empowerment and leadership, and accessible and inclusive development in the infrastructure space.
- DFAT to share learning on disability inclusion in Indonesia, and facilitate ADB access to organisations and networks of people with disability that DFAT is working with.
- ADB to track the collection of disability disaggregated data across the portfolio and monitor disability indicators that measure the accessibility of physical infrastructure.

### SIAP2 resourcing

- ADB to review the adequacy of safeguards, gender, disability and M&E resourcing in terms of capability and available budget, in the core team related to SIAP2 projects, as well as on loan specific project teams and to ensure that comprehensive support in these aspects can be provided to SIAP2 subprojects.

### Recommendation on SIAP2 continuation beyond 2024

- Based on the findings of this MTR, it is recommended that the program duration for SIAP2 should be extended beyond June 2024, to enable the M&E Indicators, including Indicator 4 on leverage, to be achieved to the fullest extent possible. SIAP2 offers the ability to leverage investments to a much greater extent through ADB loans and co-financing than via independently implemented programs. At the same time, SIAP2 funding is enabling effective institutional reform and infrastructure development in critical sectors across Indonesia.

## 4.2 Recommendations for future SIAP programming

The following recommendations apply to longer term programming considerations for SIAP2 and other similar programs that may be implemented in Indonesia.

### Policy

- Take into account relevant GOI's changing political priorities and GOA's updated policy on international development and infrastructure financing, as well as other relevant projects in Indonesia, such as the Climate and Infrastructure Partnership with Indonesia.

#### **GEDSI**

- ADB and DFAT to revise the current gender indicator in the M&E framework to meet DFAT standards, noting that any new investment will require a gender equality objective and meet related OECD DAC requirements.

#### **Risks**

- ADB to strengthen role in advocating with GOI on local content requirements and their impacts on projects including those supporting energy transition.

#### **M&E**

- Review the appropriateness of SIAP2 M&E targets including those that have been achieved, helping to define new and more robust indicators for subsequent programming. These could include clear targets for cross-cutting aspects and to enable wider replication of program approaches and outcomes.

# Annex 1: SIAP-2 Sub-Projects

SIAP-2 comprises the following seven approved sub-projects and two proposed sub-projects to date.

Ref	Project Title, City/Region	Sector	Start Date	End Date	Value
1	<p><b>Innovative Infrastructure Financing, Infrastructure Planning and Program Management Support (Knowledge Solutions Window)</b></p> <p>Outcome: To enhance capacity of government agencies and SOEs for effective identification, preparation, implementation, and financing of infrastructure projects, which aligns fully with outcome of SIAP2.</p>	Multisector	July 2019	Jun 2024	\$10.8 million
2	<p><b>Supporting Sustainable and Efficient Energy Policies and Investments</b></p> <p>Outcome: To support the preparation of the following projects on renewable energy and energy efficiency: the Sustainable and Inclusive Energy Program Policy-Based Loan subprogram 3 (SIEP3), the Renewable Energy Development Project, and a Sustainable and Efficient Sector Development Program (SESDP), the policy-based loan Affordable and Sustainable Energy Transition Program.</p>	Energy	Aug 2019	Jun 2024	\$3.5 million
3	<p><b>Supporting Sustainable and Universal Electricity Access Phase 2</b></p> <p>Outcome: To prepare and support a range of sovereign project, sector, and results-based loans aimed to enhance access to sustainable and universal electricity services across Indonesia.</p>	Energy	Nov 2019	Jun 2024	\$5 million
4	<p><b>Supporting Water Security Investments Facility</b></p> <p>Outcome: To support project preparation, project implementation, and capacity building and policy advice to a series of ongoing and ensuing projects on water management and water security in Indonesia during 2020–2023</p>	Water and Sanitation	Feb 2020	Jun 2024	\$2.4 million
5	<p><b>Capacity Development of Ministry of Transportation in Project Preparation and Implementation</b></p> <p>Outcome: To support implementation for the airport and ports component under Emergency Assistance for Rehabilitation and Reconstruction (EARR) and deliver capacity building program to accelerate the development and strengthen the resilience of airports and ports.</p>	Transport	Feb 2020	Sep 2023	\$1 million
6	<p><b>Due Diligence for Road Projects in Kalimantan and Capacity Development</b></p> <p>Outcome: To support the preparation of a loan focused on quality road project design and transport sector development in Kalimantan, Indonesia and due diligence for the Trans South-South Java Road Project..</p>	Transport	May 2020	Sep 2023	\$1.5 million
7	<p><b>Sustainable Development Goals Indonesia One – Green Finance Facility (SIO-GFF)</b></p> <p>Outcome: To accelerate the achievement of Indonesia’s SDGs and climate targets by strengthening the capacity and systems of PT SMI for SIO-GFF subproject screening, development, appraisal, monitoring, and reporting.</p>	Multisector	Feb 2022	May 2024	\$1.56 million
8	<p><b>Supporting Innovative Housing Finance</b></p> <p>Outcome: Being processed</p>	Housing	TBC	TBC	\$0.5 million
9	<p><b>Support for Indonesia Citywide Inclusive Sanitation Project</b></p> <p>Outcome: Being processed</p>	Water and Sanitation	TBC	TBC	\$0.5 million

**Loan-specific projects:** SIAP2 sub-projects comprise one or more loan-specific projects. Sampled loan-specific projects are highlighted in green in table A2 below.

**Table A2. SIAP-2 Sub-projects and loan-specific projects**

**Subproject 1: Innovative Infrastructure Financing, Infrastructure Planning and Program Management Support (known as the Knowledge Solutions Window)**

<https://www.adb.org/sites/default/files/project-documents/52152/52152-006-tasp-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
1. Disaster Resilience Improvement Program	500.0	Multisector	Yes Approved in 2020	Yes	EGM
2. Accelerating Infrastructure Delivery Through Better Engineering Services Project (ESP) <sup>a</sup>	148.2	Multisector	No	Yes	NGE
3. Metropolitan Sanitation Management Investment Project (MSMIP)	120.0	Urban services	No	Yes	EGM
4. Leveraging Private Infrastructure Investment Project	100.0	Multisector	No	Yes	NGE
5. Competitiveness, Industrial Modernization, and Trade Acceleration (CITA) Program, Subprogram 1	600.0	Multisector	No	Yes	SGE
6. State-Owned Enterprises' Reform Program, Subprogram 1	500.0	Multisector	Yes Approved in 2022	No	EGM
7. Flood Management in Selected River Basins Sector Project	108.7	Water resources	No	Yes	EGM

**Subproject 2: Supporting Sustainable and Efficient Energy Policies and Investments**

<https://www.adb.org/sites/default/files/project-documents/52152/52152-002-tar-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
8. Sustainable and Inclusive Energy Program, Subprogram 3 (SIEP3)	867.0	Energy	Yes Approved in 2022	No	EGM
9. Sustainable Energy Transition – DAMRI E-bus Project	15.6	Energy	Yes	No	EGM (proposed)
10. Affordable and Sustainable Energy Transition Program (previously Clean and Efficient Energy Reform Program for Energy Equity and Security)	300.0	Energy (Policy)	Yes	No	TBD

**Subproject 3: Supporting Sustainable and Universal Electricity Access Phase 2**

<https://www.adb.org/sites/default/files/project-documents/52152/52152-003-tar-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
11. Geothermal Power Generation Project	335.0	Energy	Yes Approved in 2020	Yes	EGM

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
12. Sustainable Energy Access in Eastern Indonesia (SEAEI) – Electricity Grid Development Program Phase 2 (EGDP2)	606.0	Energy	Yes Approved in 2020	Yes	EGM
13. Sustainable and Reliable Energy Access Program – Western and Central Java (SREAP)	600.0	Energy	Yes Approved in 2021	Yes	EGM
14. Accelerated Decarbonization of Indonesia's Power Sector Program	300.0	Energy	Yes	TBD	TBD
15. Electricity Grid Strengthening – Sumatra Program (EGSS)	600.0	Energy	No	Yes	NGE
16. SEAEI – EGDP Phase 1	910.0	Energy	No	Yes	NGE
17. SEAEI—Power Generation Sector Project (PGSP) <sup>b</sup>	Dropped	Energy	Yes	No	-

#### Subproject 4: Supporting Water Security Investments Facility

<https://www.adb.org/sites/default/files/project-documents/52152/52152-007-tar-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
18. Infrastructure Improvement for Shrimp Aquaculture Project (IISAP)	93.0	Water resources	Yes Approved in 2022	No	EGM
19. Flood Management and Coastal Protection in North Java (FMCPNJ, formerly Enhanced Water Security Investment Project)	250.0	Water resources	Yes	No	SGE
20. Horticulture Development of Dryland Areas Project (formerly Dryland Agriculture Development Project)	125.0	Water resources	Yes	No	EGM
21. Rongkong and Pelosika Irrigation Development Project (Asahan Irrigation Development in North Sumatera, formerly Irrigation Development Project)	200.0	Water resources	Yes	No	TBD
22. Integrated Participatory Development and Management of Irrigation Program (IPDMIP)	628.0	Water resources	No	Yes	SGE

#### Subproject 5: Capacity Development of Ministry of Transportation in Project Preparation and Implementation

<https://www.adb.org/sites/default/files/project-documents/52152/52152-008-tar-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
23. Emergency Assistance for Rehabilitation and Reconstruction (EARR)	297.75	Transport	No	Yes	EGM

#### Subproject 6: Due Diligence for Road Projects in Kalimantan and Capacity Development

<https://www.adb.org/sites/default/files/project-documents/52152/52152-004-tar-en.pdf>

<https://www.adb.org/sites/default/files/project-documents/52152/52152-004-tar-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
24. National Roads Development Project (Kalimantan)	300.0	Transport	Yes	No	SGE (proposed)
25. Phase II Trans South-South Java Road Project	300.0	Transport	Yes	No	TBD

### Subproject 7: Supporting the Sustainable Development Goals Indonesia One – Green Finance Facility

<https://www.adb.org/sites/default/files/project-documents/54152/54152-001-tar-en.pdf>

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
26. Sustainable Development Goals Indonesia One – Green Finance Facility (SIO-GFF)	150.0	Multisector	No	Yes	SGE

### Subproject 8<sup>c</sup> - Supporting Innovative Housing Finance

### Subproject 9<sup>c</sup> - Support for Indonesia Citywide Inclusive Sanitation Project

Associated Loan (SIAP2 loan-specific project)	Loan Amount (in \$ million)	Sector	SIAP2 Preparation Support	SIAP2 Implementation Support	Gender class. <sup>d</sup> (GEN, EGM, SGE, NGE)
27. Innovative Low Income Housing Finance Project	150.00	Urban services	Yes	No	TBD
28. Citywide Inclusive Sanitation Project	310.00	Urban services	Yes	No	TBD

<sup>a</sup> Implementation support to ESP is provided by the knowledge solutions activity as well as the Supporting Water Security Investments Facility (Subproject 4).

<sup>b</sup> Preparation support (i.e., technical due diligence and project documents) for PGSP was completed by Subproject 3. However, due to the local content requirements issue, PLN requested ADB to remove PGSP from the lending pipeline and PLN will explore other suitable financing sources for this project.

<sup>c</sup> Subprojects 8 and 9 are being prepared for ADB management approval.

<sup>d</sup> Gender classifications are as follows: GEN is Gender Equity Theme; EGM is Effective Gender Mainstreaming; SGE is Some Gender Mainstreaming; NGE is No Gender Mainstreaming.



# Annex 2: SIAP-2 Documents Reviewed

The following documents have been reviewed to inform the MTR Plan.

**Table A3. Documents Reviewed**

Ref	Title	Date	Owner	Category
1	DFAT IDS Attachment A – Investment Design Summary	2018	DFAT	Design Document
2	Republic of Indonesia: Sustainable Infrastructure Assistance Program Phase II	Nov 2018	ADB	TA Report
3	Semi-Annual Report January to June 2018	2018	ADB	Semi-Annual Report
4	Semi-Annual Report July to December 2018	2018	ADB	Semi-Annual Report
5	Sustainable Infrastructure Assistance Program Phase II: Semi-Annual Report for January to June 2019	2019	ADB	Semi-Annual Report
6	Sustainable Infrastructure Assistance Program Phase II (SIAP2) — Six-Monthly Report for January to June 2020	2020	ADB	Semi-Annual Report
7	Sustainable Infrastructure Assistance Program Phase II: Semi-Annual Report July to December 2020	2020	ADB	Semi-Annual Report
8	Sustainable Infrastructure Assistance Program Phase II (SIAP2) — Six-Monthly Report for January to June 2021	2021	ADB	Semi-Annual Report
9	Sustainable Infrastructure Assistance Program Phase II: Semi-Annual Report July to December 2021	2021	ADB	Semi-Annual Report
10	Sustainable Infrastructure Assistance Program Phase II: Semi-Annual Report January to June 2022	2022	ADB	Semi-Annual Report
11	Evaluation of The Multilateral Development Bank – Infrastructure Assistance Program	Feb 2018	DFAT/ MDB-IAP	Final Report
12	Combined Minutes of SIAP2 Steering Committee Meetings	June 2020	SIAP PMU / ADB	Minutes
13	SIAP2 Cluster Monitoring and Evaluation Plan	-	SIAP	TA Report
14	SIAP2 Key Evaluation Questions, Indicators, Targets, Data Collection Methods, Responsibilities, and Reporting Frequency	-	SIAP	Guidelines
15	ADB Response to DFAT comments on SIAP Gender Approach	Sept 2020	ADB	Internal Strategy
16	SIAP2 GESI Plan Presentation	Aug 2020	ADB	Internal Strategy
17	SIAP2: Stocktaking of Disaggregated Data Reporting	Mar 2022	ADB	Internal Strategy
18	SIAP2 Status of Grant (Financial Status)	Dec 2022	ADB	Internal Strategy
19	Sustainable Infrastructure Assistance Program Phase II: Status of Program Implementation	Mar 2023	ADB	Report for MTR Team
20	Subproject 1: Innovative Infrastructure Financing, Infrastructure Planning, and Program Management Support	July 2019	ADB	TA Report
21	Subproject 2: Supporting Sustainable and Efficient Energy Policies and Investments	August 2019	ADB	TA Report
22	Subproject 3: Supporting Sustainable and Universal Electricity Access Phase 2	Nov 2019	ADB	TA Report
23	Subproject 5: Capacity Development of Ministry of Transportation in Project Preparation and Implementation	Feb 2020		TA Report
24	Subproject 6: Due Diligence for Road Projects in Kalimantan and Capacity Development	May 2020	ADB	TA Report
25	Subproject 7: Republic of Indonesia: Sustainable Development Goals Indonesia One – Green Finance Facility (Phase 1)	Jan 2022	ADB	TA Report
26	Climate and Infrastructure Partnership with Indonesia (KIAT) Terms of Reference for Design	Feb 2023	DFAT	ToR
27	KIAT Gender Equality, Disability and Social Inclusion Strategy 2022-2026	2022	KIAT / DFAT	Internal Strategy

**Note:** Additional documentation has been reviewed for each sampled sub-project, including GEDSI related documentation such as Gender Action Plans.

# Annex 3: Interview List

The following key informants have been interviewed to inform the findings of the MTR.

**Table A4. List of interviewees**

	Name	Role	Organisation	Male / Female
1	Piter Edwards	Unit Manager, Infrastructure. Jakarta Post	DFAT	M
2	Esther Ewagata	First Secretary, Infrastructure	DFAT	F
3	Vicko Vicaksono	SIAP2 Team	DFAT	M
4	Octavia Purwanintyas	SIAP2 Team	DFAT	F
5	Sam Porter	Counsellor Economic Governance and Infrastructure	DFAT	M
6	Tim Stapleton	Minister Counsellor, Economic Investment and Infrastructure	DFAT	M
7	Jiro Tominaga	Country Director, Indonesia Resident Mission	ADB	M
8	Amr Qari	Program Lead, SIAP-2 PMU	ADB	M
9	Cynthia Rosario Razon	SIAP-2 PMU	ADB	F
10	Erlina Tasmania	SIAP-2 PMU	ADB	F
11	Dina Manurung	SIAP-2 PMU	ADB	F
12	Veronica Menizabal Joffre	ADB GEDSI Lead for Southeast Asia	ADB	F
13	Riana Puspasari	Gender Focal Person, Resident Mission in Jakarta	ADB	F
14	Julia Immajati	SIAP2 GEDSI Consultant	ADB / Consultant	F
15	Lilis Boston	SIAP2 GEDSI Consultant	ADB / Consultant	F
16	Dini Isla Iljati	SIAP2 GEDSI Consultant	ADB / Consultant	F
17	Dennie Mamonto	Environmental Safeguards	ADB	M
18	Naning Mardiniah	Social Safeguards	ADB	F
19	Yurendra Basnett	Former Team Leader of the SOE Reform Project	ADB	M
20	Aekapol Chongvilaivan	Current Team Leader of the SOE Reform Project	ADB	M
21	Eric Quincieu	Team Leader, Subproject 4 and the IPDMIP Team	ADB	M
22	Jamaica S. Vinluan	IPDMIP Team	ADB	F
23	Junko Sagara	IPDMIP Team	ADB	M
24	Racel S. Verdillo	IPDMIP Team	ADB	F
25	Karen L. Chua	IPDMIP Team	ADB	F
26	Benita Ainabe	Team Leader of SP7	ADB	F
27	Loretta C. Jovellanos	Analyst for SP7	ADB	F
28	Fernando Situngkir	Associate Project Analyst	ADB	M
29	Daniel Miller	Senior Energy Specialist, Team Leader for Subproject 2 and 3	ADB	M
30	Yuki Inoue	Senior Energy Specialist, Subproject 2 & 3	ADB	M
31	Geraldine Grace G. Reside	Project Analyst, Subproject 2 & 3	ADB	F

32	Andri Heriawan	Subproject 6 Team Leader	ADB	M
33	Pinta Lizti Irene	Associate Project Officer (Infrastructure)	ADB	F
34	Mohammad Nazrul Islam,	Transport Specialist, Subproject 6	ADB	M
35	Vivek Rao	Economist, Subproject 8	ADB	M
36	Ahmad Syaifuddin	Loan and Grant Planning Manager	PT. Perusahaan Listrik Negara (PLN)	M
37	Mr Darwin Djajawinata	Director of Operations and Finance and Chief Financial Officer	PT Sarana Multi Infrastruktur (Persero) - PTSMI	M
38	Made Cynthia Rini	Team Leader, Strategic Planning	PTSMI	F
39	Yani Parasti Siregar	Head of SDG Indonesia One Blended Finance Platform	PTSMI	F
40	Ibu Renalia Iwan	Staff of Directorate of Sanitation	DG Human Settlements (MPWH).	F
41	Ms Tyas Andarini	Member of CPMU	Directorate General of Human Settlements	F
42	Ms. Retno Kustati	Consultant for the MSMIP project.	Directorate General of Human Settlements	F
43	Deri Yuddiandri	Head of Corporate Financing and Budget Division	PT Geo Dipa Energi (GDE)	M
44	Supremlehaq Taqwim	Head of Business Development Division	PT Geo Dipa Energi (GDE)	M
45	Akhmad Fanani Akbar	Project Control Assistant Manager	PT Geo Dipa Energi (GDE)	M
46	Mr. Wilan	Director	Directorate General of Highways, MPWH	M
47	Ms Rindy Farrah	Staff of Directorate of Roads and Bridges Development System and Strategy	Directorate General of Highways, MPWH	F
48	Ms. Andriyani Sartika	Staff of Directorate of Roads and Bridges Development System and Strategy	Directorate General of Highways, MPWH	F
49	Ms. Ayu	Staff of Directorate of Roads and Bridges Development System and Strategy	Directorate General of Highways, MPWH	F
50	Pak Irwan Wahyu Kurniawan	Sub-coordinator for Energy Conservation Investment	Ministry of Energy and Mineral Resources (ESDM)	M
51	Ms. Ari	Deputy Director of Management of Foreign Loans and Grants	Directorate General of Water Resources, MPWH	F
52	Mr Budi Hidayat	Principal Planner for Infrastructure	Bappenas	M
				Male = 25 Female = 27

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