

## Management Response to the Independent Evaluation of the Community-based Rural Water Supply and Sanitation (PAMSIMAS) Program (July – December 2022).

An independent evaluation (IE) of the Community-based Rural Water Supply and Sanitation (PAMSIMAS) Program was conducted from September to December 2022 to summarize the evolution of PAMSIMAS (from phase 1 to 3) and DFAT support to the program; identify the evidence (and its robustness) of the development results of PAMSIMAS at the end of Phase 3; and assess the development results specifically related to the Australian government contribution.

The evaluation report assessed the overall findings of PAMSIMAS achievements and DFAT's contribution to the program implementation as outlined below.

### A. Findings on overall PAMSIMAS achievements

- i. Based on the MIS Key Performance Indicator (KPI) data, PAMSIMAS phase 3 exceeded targets and fully met the Program Development Outcome (PDO). There are, however, gaps in the MIS data, for example on functionality of water supply systems that could lead to overcounting. DFAT acknowledges that for a program considered the largest of its type in the world, information management would be a challenge. Overall, the PAMSIMAS MIS, now transferred to the Ministry for Public Works and Housing, has been very useful to manage and track progress.
- ii. PAMSIMAS has performed well from an economic and financial perspective. Economic Internal Rate of Return (EIRR) analysis conducted by the program and adjusted by the IET gives an EIRR of 30.8% which is considerably above the 12% benchmark used by the World Bank. Cost Benefit analysis conducted in 2022 delivered a positive ratio of 1.78, indicating a significant increase in community income where PAMSIMAS systems have been installed. Average cost per connection in PAMSIMAS also compares favourably with national and regional benchmarks.
- iii. PAMSIMAS, with DFAT support, has successfully strengthened intra and inter-government collaboration; influenced the development of the 2014 Village Law; demonstrated the relevance of the Community Driven-Development (CDD) approach; and elevated PAMSIMAS to a national platform program. DFAT, by working within the structure of a government-owned country-wide program, has left a substantial legacy on Indonesia's water and sanitation sector. As a national program with reach across the archipelago, the IET found strong support for PAMSIMAS at the village level.
- iv. Less success was achieved in promoting the quality of engagement of women in program or wider village development; and promoting village governments to commit to prioritising and budgeting for water and sanitation developments in the longer-term. This has ramifications on the sustainability of existing infrastructure and any future rural WATSAN programs.
- v. Going forward and without external financial assistance, it is most unlikely that the level of TA and capacity building support applied in the current programme will continue. In this case the IET assessed that many marginal Water Supply and Sanitation Systems (WSS) will not be able to sustain a regular supply of water that meets basic household needs and are in danger of eventually failing.

- vi. Nevertheless, the IET concludes that PAMSIMAS now has a clear government mandate and the high percentage of government financing for PAMSIMAS III (77%) suggests continued available budget.
- vii. In terms of standard operating procedures (SOPs), guidelines and action plans, both gender equality and disability inclusion received a high level of attention. Beyond these documents, however, routine monitoring of the performance in these areas was cursory, focusing entirely on the numbers - women and men in meetings and other fora, and the number of “accessible” facilities built. Like gender equality, and particularly since disability inclusion posed challenges to all levels of government, it is difficult to envisage that any benefits accrued from inclusive WATSAN facilities will last in the longer-term now that DFAT’s funding and involvement has ended.

## **B. Findings on DFAT's contribution to PAMSIMAS**

- i. DFAT has been proactive and highly flexible throughout the programme in its use of grant funds to support PAMSIMAS. This has enabled DFAT to alter the focus of its financial support when the need was identified and facilitated the introduction of new and innovative projects into the parent programme.
- ii. Over the first two phases of the programme, DFAT focused chiefly on expanding the coverage of improved water, sanitation, and hygiene behaviours, and on maintaining high quality delivery through TA and capacity building. In Phase 3, DFAT focused attention on cross-cutting themes such as disability inclusion and stunting, whilst maintaining emphasis on quality delivery and sustainability.
- iii. Without DFAT’s involvement, and due to constraints on the use of the World Bank loan, the high-level of community engagement, local capacity building and TA necessary for CDD to gain traction on such a scale would not have been achieved to the extent it has. DFAT’s flexible financial contribution, experiences and know how has, in the opinion of the IET, played a seminal role in supporting a successful CDD approach that is the foundation of all PAMSIMAS achievements.
- iv. Villages directly supported by DFAT funds have a significantly higher coverage compared to national figures – about one and a half times higher for both sanitation and water.
- v. DFAT has leveraged 1.6 times the value of its contribution to PAMSIMAS. With 6% of total program expenditure, DFAT funding supported 12 per cent of the population reached (about 2.4 million people for sanitation and 2.6 million for water across 3,400 villages). This represents ‘excellent value for money’.

## **C. Management Response**

DFAT agrees with the overall findings of the evaluation and will:

- i. Ensure key GOI partners and World Bank Indonesia are aware of the impending publication of the evaluation documents on the DFAT website in the coming weeks.
- ii. Once published, disseminate the final evaluation documents to key GOI partners, World Bank Indonesia, and relevant DFAT Canberra areas;

- iii. Support a formal presentation by Bappenas on PAMSIMAS, drawing on the evaluation results, at the Water and WASH Futures Conference in Brisbane, February 2023. DFAT will help:
  - a. facilitate discussions and inputs from global water and sanitation experts at the conference; and
  - b. summarise discussion points and share with the PAMSIMAS Next Gen design team.
- iv. Conduct highly focused meetings and workshops on the lessons of the evaluation with:
  - a. key GOI partners, in particular, Bappenas and Ministry of Public Works and Housing;
  - b. the PAMSIMAS Next Gen design team, supported by DFAT and managed by Bappenas, to feed directly into the design process of this follow-on national rural WATSAN program; and
  - c. World Bank, relevant DFAT Canberra areas.

When socialising lessons learnt and providing input to the GOI design process for the next national rural water, sanitation and hygiene program (called PAMSIMAS Next Gen), DFAT will focus on the key issues identified by the IET for DFAT going forward:

- **Maintain quality delivery and improve the prospects of sustainability and growth in coverage** of WATSAN in existing and new villages. Sustainability and poor growth of water coverage should be key concerns going forward.
- **Improve M&E at the village level by increasing the capacity of facilitators, sanitarians, and others** involved in collecting programme data, particularly associated with baselining and WSS functionality.
- **Pilot and share effective strategies to promote women's influence, empowerment, and inclusive development** based on an understanding of the intersectionality of women's various identities.
- **Continue to improve the Disability Inclusive Development (DID) model**, which includes enhancing strategies to engage people with disability/Organisations for People with Disabilities in all stages of the DID; capacity and technical support to facilitators to meet DID standards; and improve monitoring of built facilities against accessibility standards.