

APPENDIXES

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Table A.1: Economic Indicators

Item	1995	1996	1997	1998	1999	2000	2001 estimates ^a
A. Income and Growth							
1. GDP per Capita (\$, current)	1,043	1,155	691	472	704	755	710
2. GDP Growth (% , in constant prices)	8.2	7.8	4.7	(13.0)	0.3	4.8	3.5
Agriculture	4.4	3.1	1.0	(0.7)	2.1	1.7	2.8
Industry	10.4	10.7	5.2	(11.4)	1.4	5.9	3.9
of which manufacturing	10.9	11.6	5.3	(13.1)	2.6	7.5	5.5
Services	7.6	6.8	5.6	(3.9)	1.8	6.0	3.5
B. Saving and Investment (current)							
	(percent of GDP)						
1. Gross National Saving	28.6	27.4	29.4	23.1	15.2	29.3	n.a
2. Gross Domestic Investment	31.9	30.8	31.8	20.0	13.1	25.8	n.a
C. Money and Inflation							
	(annual percent change)						
1. Consumer Prices (average)	9.4	7.9	6.6	58.4	20.5	9.3	11.6
2. Broad Money (M2)	27.6	29.6	23.2	60.4	13.3	6.5	n.a
D. Government Finance							
	(percent of GDP)						
1. Revenues	15.5	15.8	15.7	15.1	14.2	20.7	19.5 ^c
2. Expenditures	14.9	15.6	15.7	18.8	14.9	22.4	23.2 ^c
3. Overall Surplus/Deficit (-)	0.6	0.2	0.0	(3.7)	(0.7)	(1.6)	(3.7)
E. Balance of Payments							
1. Merchandise Trade Balance (% of GDP)	3.2	2.6	4.9	18.9	13.7	16.3	16.8
2. Current Account Balance (\$ million)	(6,760)	(8,174)	(4,692)	4,097	6,168	7,694	5,585
3. Current Account Balance (% of GDP)	(3.3)	(3.4)	(2.3)	4.2	4.1	5.0	3.5
4. Exports, \$ (annual percent change)	13.4	9.7	7.3	(8.6)	(0.4)	27.4	(5.0) ^d
5. Imports, \$ (annual percent change)	27.0	5.7	(2.9)	(34.4)	(12.2)	(39.8)	(16.8) ^e
F. External Payments Indicators^b							
1. Gross Foreign Assets (\$ million)	18,787	25,529	21,418	23,762	27,054	29,394	n.a
(months of nonoil imports)	5.9	7.0	4.6	10.1	8.4	7.4	n.a
2. External Debt Service (% of exports of goods & services)	30.3	35.9	44.5	57.8	56.8	44.8	n.a
3. External Debt (% of GDP)	53.3	48.5	62.2	146.3	103.3	84.3	n.a
G. Memorandum Items							
1. GDP (current, Rp trillion)	455	533	628	990	1,119	1,291	1,496
2. Exchange Rate (Rp per \$, middle rates at BI)		2,383	4,650	8,025	7,100	9,595	9,394
3. Population (million)	195.3	198.3	201.4	204.4	206.5	203.5	204.1

GDP = gross domestic product; o/w = of which; na = not available.

^a Staff estimates.

^b Fiscal year starts April 1, e.g. 1995 data refers to FY1995/96, until 2000. FY 2000 is March to December 2000, FY 2001 is a calendar year.

^c From Planned State Budget - Last Revision (June 2001)

^d fob, for 2001 = total growth Jan - May (BPS data)

^e cif, for 2001 = total growth Jan - May (BPS data)

Table A.2.1: Population and Social Indicators

Items	1985	1990	Latest Year
Population Indicators			
Total Population (millions)	164.6 ^b	179.4 ^b	203.5 (2000) ^a
Annual Population Growth Rate (%)	2.22 ^b	1.98 ^b	1.35 (2000) ^a
Social Indicators			
Total Fertility Rate (births per woman) ^c	4.1 (1980-85)	3.3 (1985-90)	2.8 (1997) ^b
Maternal Mortality Ratio (per hundred thousand live births) ^c	360 (1984-88)	390 (1989-94)	-
Infant Mortality Rate (below 1 year, per 1,000 live births) ^b	71 (1986) ^d	71	46 (1999)
Life Expectancy at Birth (years) ^b	61 (1983) ^e	60 ^b	66 (1999)
Female	-	62	68 (1999)
Male	-	58	64 (1999)
Adult Literacy Rate (10+ years; in %)	69 (1980) ^c	84	89.8 (1998) ^b
Primary School Enrollment Rate (Gross) ^d			
Female	92 (1980)	105.0 (1993) ^d	108 (1999)
Male	81 (1980)	105.2 (1993) ^d	108 (1999)
Junior Secondary School Enrolment Rate (Gross) ^d			
Female	53 (1980)	60.0 (1993) ^d	76 (1999)
Child Malnutrition (percent of under 5 years) ^d	51 (1986)	44 (1989)	39 (1999)
Population with Access to Safe Water (%)	38 ^c	63 (1992) ^e	74 (1999) ^d
Population with Access to Sanitation (%)	-	51 (1992) ^e	74 (1999) ^d
Public Education Expenditure as % of GDP ^c	1.5	1.0	0.8 (1995)
Public Health Expenditure as % of GDP ^e	-	0.6	0.8 (1994)
Population Below Poverty Line (%)	21.6 (1984) ^c	15.1 ^d	18.2 (1999) ^f
Expenditure Ratio of Highest 20 % to Lowest 20% ^e	5.2 (1984)	4.7	4.7 (1999)
Human Development Index ^f	0.591 (1987)	0.515	0.670 (1998)
Human Development Ranking ^f	77	108	109 (1998)

^a Berita Resmi Statistik Volume 3/IV, January 3, 2001

^b CBS, Welfare Indicator, various issues.

^c CBS, Health and Demographic Survey.

^d CBS, Statistics in 50 Years of Indonesian Independence.

^e CBS, Welfare Statistics

^f August 1999

^g UNDP, Human Development Report.

n.a. Not available

Table A.2.2: Environmental Indicators

Items	Latest Year
Annual Rate of Deforestation	1600 km2 (1999)
Crop Land (ha per capita) ¹	0.157 (1999)
Extent of Forest and Woodland (%of total land area)	0.48 (1999)
Protected Areas (ha) ²	22,430,384.07 (1997)
Per Capita Carbon Dioxide Emission from Motorized Vehicles ³ (metric tons)	1.2 (1997)
Per Capita Commercial Energy Consumption (tons of oil equivalent) ⁴	0.693 (1997)

¹ BPS, Stats of Indonesia, 1999. Calculated for certain crops

² Protection and Conservation of Statistics 1999/2000

³ UNDP, Human Development Report, 2001

⁴ UNDP, Human Development Report, 2000

ADB PORTFOLIO PERFORMANCE INDICATORS
Table A3.1 : Implementation, Disbursement Performance and Postevaluation Results
Public Sector Projects only
(as of 31 December 2000)

A. Project Portfolio	Net Loan Amount \$ million %		Rating (No.) ^a									
			Total		Implementation Progress				Development Objectives			
			No.	%	HS	S	PS	U	HS	S	PS	U
Agriculture and Natural Resources	1,075.52	15.1	25	35.7	0	18	7	0	0	23	2	0
Energy	1,155.30	16.2	6	8.6	1	2	3	0	0	3	3	0
Industry and Nonfuel Minerals	221.00	3.1	2	2.9	0	1	1	0	0	1	1	0
Finance	1,497.00	21.0	3	4.3	0	1	1	1	0	3	0	0
Social Infrastructure	2,358.81	33.1	25	35.7	0	19	5	1	0	22	3	0
Transport and Communications	760.19	10.7	7	10.0	0	4	3	0	0	5	2	0
Others	56.08	0.8	2	2.9	0	1	0	1	0	1	1	0
Total	7,123.90	100.0	70	100.0	1	46	20	3	0	58	12	0

B. Disbursements ^b	OCR	ADF	Total
(1) Total funds available for withdrawal (\$ mn, active loans only)	8,128.04	376.02	8,504.06
(2) Disbursed amount (\$ mn, cumulative, active loans only)	4719.19	97.43	4,816.62
(3) Percentage disbursed [(2)/(1)] (%)	58.06	25.91	56.64
(4) Disbursements (\$mn, active loans only, latest year)	714.78	33.60	748.38
(5) Disbursement ratio (%) ^c	18.34	21.88	18.47
C. Net Transfer of Resources (\$ million) ^d	OCR	ADF	Total
Net transfer in 1996	(1,200.38)	15.50	(1,184.89)
Net transfer in 1997	(117.32)	10.39	(106.92)
Net transfer in 1998	591.80	(7.43)	584.36
Net transfer in 1999	686.11	(6.36)	679.76
Net transfer in 2000	19.70	11.28	30.98

D. Post-Evaluated Projects (By Year of PPAR Circulation) ^e 1. Postevaluation Rating (as of 31 December 2000)	1996 - 2000											
	No.		%		No.		%		No.		%	
Highly Successful (HS)	4	21.1										
Successful (S)	11	57.9										
Partly Successful (PS)	2	10.5										
Unsuccessful (U)	2	10.5										
No Rating (NR)	-	0.0										
Total	19	100.0										
2. Postevaluation Rating by Sector 1996-2000 (as of 31 December 2000)	HS		S		PS		US		NR		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Agriculture and Natural Resources	0	0.0	5	45.5	0	0.0	2	100.0	0	0.0	7	36.8
Energy	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Finance and Industry	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Social Infrastructure	1	25.0	3	27.3	2	100.0	0	0.0	0	0.0	6	31.6
Transport and Communications	3	75.0	2	18.2	0	0.0	0	0.0	0	0.0	5	26.3
Multisector	0	0.0	1	9.1	0	0.0	0	0.0	0	0.0	1	5.3
Total	4	100.0	11	100.0	2	100.0	2	100.0	0	0.0	19	100.0

^a HS: Highly satisfactory; S: Satisfactory; PS: Partly satisfactory; U: Unsatisfactory

^b Includes loans closed during the year.

^c Ratio of disbursement during the year over the undisbursed net loan balance less cancellations at the beginning of the year. Effective loans during the year have also been added to the beginning balance of undisbursed loans.

^d Public sector loans only.

^e Source: OED

Table A3.2: Status of Project Implementation of Public Sector Projects
(As of 31 December 2000)

Sector	Loan No.	Project Title	Net Loan Amount		Approval		Effectivity		Closing Date		Project Progress (% complete)	Cum Contract Awards (\$ million)	Cumulative Disbursement (\$ million)	Project Performance Rating	
			OCR (\$ million)	ADF (\$ million)	Date	Date	Date	Revised	Implementation Progress	Development Objective					
AGR	1118	TREE CROP SMALLHOLDER SECTOR	112.78		14-Nov-91	05-Mar-92	30-Sep-98	30-Sep-00			94	90.95	105.45	S	S
AGR	1184	UPLAND FARMER DEVELOPMENT PROJECT		28.02	05-Nov-92	18-May-93	30-Apr-99	30-Apr-01			95	21.87	19.76	S	S
AGR	1186	SMALLHOLDER TREE CROP PROCESSING PROJECT	57.74		12-Nov-92	14-Sep-93	30-Sep-99	30-Sep-01			60	35.63	30.22	S	PS
AGR	1258	SUSTAINABLE AGRICULTURE DEVELOPMENT PROJECT IN IRIAN JAYA		19.49	26-Oct-93	28-Dec-93	30-Sep-00	31-Dec-01			50	14.76	12.81	PS	PS
AGR	1296	SECOND INTEGRATED IRRIGATION SECTOR PROJECT	60.00		20-Jan-94	07-Jun-94	31-Oct-00	31-Dec-00			91	39.38	43.70	S	S
AGR	1327	MICROCREDIT PROJECT		23.07	25-Oct-94	21-Jul-95	30-Jun-00	30-Jun-01			75	7.00	15.33	S	S
AGR	1339	CAPACITY BUILDING PROJECT IN THE WATER RESOURCES SECTOR	21.40		06-Dec-94	03-Apr-95	30-Jun-00	31-Mar-01			67	13.13	12.15	S	S
AGR	1351	SULAWESI RAINFED AGRICULTURE DEVT. PROJECT	26.24		31-Jan-95	29-May-95	30-Sep-02	30-Sep-02			85	17.98	18.82	S	S
AGR	1378	FARMER MANAGED IRRIGATION SYSTEMS PROJECT	16.47		21-Sep-95	06-Mar-96	31-Mar-03	31-Mar-03			70	8.21	7.83	S	S
AGR	1425	NORTH JAVA FLOOD CONTROL SECTOR PROJECT	28.82		18-Jan-96	06-Mar-96	31-Mar-02	31-Mar-02			45	7.54	12.06	PS	S
AGR	1426	NORTH JAVA FLOOD CONTROL SECTOR PROJECT	39.57		18-Jan-96	06-Mar-96	31-Mar-02	31-Mar-02			45	14.80	11.39	PS	S
AGR	1469	INTEGRATED PEST MANAGEMENT FOR SMALLHOLDER ESTATE CROPS PROJECT	40.16		26-Sep-96	07-Jan-97	30-Sep-04	30-Sep-04			31	9.85	8.35	S	S
AGR	1475	SEGARA ANAKAN CONSERVATION AND DEVELOPMENT PROJECT	19.12		17-Oct-96	06-Jan-97	30-Sep-02	30-Sep-02			31	5.91	6.91	PS	S
AGR	1476	SEGARA ANAKAN CONSERVATION & DEVELOPMENT PROJECT		20.44	17-Oct-96	06-Jan-97	30-Sep-02	30-Sep-02			31	0.00	1.04	PS	S
AGR	1479	SOUTH JAVA FLOOD CONTROL SECTORPROJECT	88.21		07-Nov-96	27-Jan-97	30-Sep-03	30-Sep-03			27	21.84	15.76	PS	S
AGR	1526	PARTICIPATORY DEV OF AGR. TECHNOLOGY	60.24		01-Jul-97	27-Aug-97	30-Sep-04	30-Sep-04			21	9.39	8.82	S	S
AGR	1570	COASTAL COMMUNITY DEV & FISHERIES RESOURCE MGMT PROJ	21.50		04-Nov-97	21-Apr-98	31-Dec-03	31-Dec-03			29	2.47	2.22	S	S
AGR	1571	COASTAL COMMUNITY DEV & FISHERIES RESOURCE MGMT PROJ	14.37		04-Nov-97	21-Apr-98	31-Dec-03	31-Dec-03			29	1.51	1.19	S	S
AGR	1579	NORTHERN SUMATRA IRRIGATED AGRICULTURE PROJECT	113.73		13-Nov-97	23-Feb-98	31-Oct-04	31-Oct-04			2	0.00	1.14	PS	S
AGR	1583	RURAL INCOME GENERATION	62.25		25-Nov-97	18-Jun-98	30-Sep-05	30-Sep-05			33	11.53	13.98	S	S
AGR	1605	CENTRAL SULAWESI INT GRATED AREA DEV & CNSRVTN PROJECT	28.94		27-Jan-98	15-May-98	30-Sep-05	30-Sep-05			20	4.72	3.54	S	S
AGR	1613	CORAL REEF REHABILITATION & MANAGEMENT	7.00		26-Mar-98	06-Aug-98	31-Oct-01	31-Oct-01			44	2.97	2.36	S	S
AGR	1765	COMMUNITY EMPOWERMENT FOR RURAL DEVELOPMENT PROJECT	65.00		19-Oct-00	-	30-Jun-07	30-Jun-07			0	0.00	0.00	S	S
AGR	1766	COMMUNITY EMPOWERMENT FOR RURAL DEVELOPMENT PROJECT			19-Oct-00	-	30-Jun-07	30-Jun-07			0	0.00	0.00	S	S
AGR	1770	MARINE AND COASTAL RESOURCES MANAGEMENT PROJECT	50.49		26-Oct-00	-	30-Jun-07	30-Jun-07			0	0.00	0.00	S	S
ENE	1271	POWER XXIII PROJECT	201.89		25-Nov-93	26-May-94	31-Dec-00	31-Dec-04			60	101.53	89.06	PS	PS
ENE	1320	SUMATRA POWER TRANSMISSION PROJECT	158.80		27-Sep-94	27-Apr-95	30-Apr-99	31-Dec-00			90	150.77	138.36	S	PS
ENE	1357	GAS TRANSMISSION AND DISTRIBUTION PROJECT	218.00		08-Jun-95	23-Feb-96	31-Mar-99	31-Dec-02			60	111.25	130.57	PS	S
ENE	1397	POWER DEVELOPMENT AND EFFICIENCY ENHANCEMENT PROJECT	176.61		24-Oct-95	06-Jun-96	30-Jun-01	30-Jun-01			40	59.55	34.47	S	PS
ENE	1673	POWER SECTOR RESTRUCTURING PROGRAM	380.00		23-Mar-99	23-Mar-99	30-Sep-00	30-Jun-01	program loan			200.00	200.00	PS	S
ENE	1674	CAPACITY BLDG FOR ESTABLISHMENT OF A COMPETITIVE ELECTRICTY MKRT	20.00		23-Mar-99	23-Mar-99	01-Oct-02	01-Oct-02	5			3.75	1.50	HS	S
F&I	1618	FINANCIAL GOVERNANCE REFORMS: SECTOR DEV. PROGRAM	1,400.00		25-Jun-98	26-Jun-98	31-Dec-99	31-Dec-00	program loan			1,050.00	1,050.00	U	S
F&I	1619	FINANCIAL GOVERNANCE REFORM-SUPPORT PROGRAM	47.00		25-Jun-98	26-Jun-98	31-Dec-01	31-Dec-01	DFI loan			0.00	0.00	PS	S
F&I	1620	CAPACITY BUILDING FOR FINANCIAL GOVERNANCE	50.00		25-Jun-98	26-Jun-98	14-Feb-02	14-Feb-02	32			18.36	12.60	S	S
F&I	1433	INDUSTRIAL TECHNOLOGY & HUMAN RESOURCE DEVELOPMENT PROJECT	21.00		28-Mar-96	16-Jul-96	30-Jun-01	30-Jun-01	95			16.16	17.86	PS	PS
F&I	1738	INDUSTRIAL COMPETITIVENESS OF SMALL & MEDIUM ENTERPRISE DEV PROG	200.00		16-Mar-00	29-Mar-00	31-Mar-02	31-Mar-02	program loan			98.00	100.00	S	S
OTH	1449	BAPEDAL REGIONAL NETWORK PROJECT	39.08		27-Jun-96	16-Sep-96	01-Oct-01	01-Oct-01	20			7.49	6.90	U	PS
OTH	1501	REGIONAL DEVELOPMENT ACCOUNT PROJECT	17.00		05-Dec-96	08-Apr-97	30-Sep-02	30-Sep-02	45			5.06	3.32	S	S
SOC	1253	HIGHER EDUCATION PROJECT	110.20		21-Sep-93	29-Apr-94	30-Apr-00	30-Apr-00	88			86.78	99.38	S	S
SOC	1292	EASTERN ISLANDS URBAN DEVELOPMENT SECTOR	75.47		21-Dec-93	12-Apr-94	30-Sep-99	31-Jul-00	99			57.55	64.60	PS	S
SOC	1299	RURAL HEALTH AND POPULATION PROJECT	40.00		26-May-94	24-Aug-94	31-Dec-00	31-Dec-00	99			28.71	23.24	S	S
SOC	1319	VOCATIONAL AND TECHNICAL EDUCATION PROJECT	63.80		29-Sep-94	03-Apr-95	30-Jun-00	30-Jun-00	85			51.85	58.21	S	S

Note: Excludes loans closed during the year.

ADF = Asian Development Fund, AGR = Agriculture & Natural Resources, ENE = Energy, F&I = Finance and Industry, OCR = ordinary capital resources, OTH = Others/Multisector, PS = partly successful, S = Successful,

SOC = Social Infrastructure, T&C = Transport and Communications

Table A3.3: Status of Project Implementation of Public Sector Projects
(As of 31 December 2000)

Sector	Loan No.	Project Title	Net Loan Amount OCR (\$ million)	Approval Date	Effectivity Date	Closing Date Original	Revised	Project Progress (% complete)	Cum Awards (\$ million)	Disbursement (\$ million)	Project Performance Rating Implementation	Development Objective
SOC	1352	RURAL WATER SUPPLY AND SANITATION SECTOR	85.00	02-Feb-95	10-Apr-95	30-Sep-00	30-Sep-00	99	68.34	59.17	S	S
SOC	1359	PRIVATE JUNIOR SECONDARY EDUCATION PROJECT	42.71	18-Jul-95	03-Oct-95	30-Apr-01	30-Apr-01	80	24.04	20.70	PS	PS
SOC	1360	SENIOR SECONDARY EDUC PROJECT	94.52	18-Jul-95	03-Oct-95	30-Apr-01	30-Apr-01	90	60.43	52.24	S	S
SOC	1383	SUMATRA URBAN DEVELOPMENT SECTOR PROJECT	122.00	26-Sep-95	08-May-96	30-Jun-02	30-Jun-02	64	53.91	48.22	S	PS
SOC	1384	WEST JAVA URBAN DEV. SECTOR PROJECT	63.00	26-Sep-95	08-May-96	30-Jun-02	30-Jun-02	64	31.86	27.13	S	PS
SOC	1432	ENGINEERING EDUCATION DEVELOPMENT PROJECT	82.15	06-Feb-96	07-May-96	01-Oct-01	01-Oct-01	75	55.88	41.50	S	S
SOC	1442	BASIC EDUCATION PROJECT	82.50	06-Jun-96	05-Sep-96	30-Apr-02	30-Apr-02	35	40.79	29.07	S	S
SOC	1471	FAMILY HEALTH AND NUTRITION PROJECT	39.57	27-Sep-96	16-Jan-97	30-Sep-02	30-Sep-02	27	14.72	11.38	S	S
SOC	1511	METROPOLITAN BOGOL, TANGERANG & BEKASI URBAN DEV (SECT) PROJ	52.10	19-Dec-96	13-Mar-97	30-Sep-02	30-Sep-02	48	17.49	13.40	PS	S
SOC	1519	DEVELOPMENT OF MADRASAH ALIYAHSPROJECT	82.50	25-Mar-97	19-Jun-97	30-Apr-03	30-Apr-03	23	22.31	21.53	S	S
SOC	1523	IDENTIFIED COMMUNICABLE DISEASES CONTROL	81.40	19-Jun-97	17-Sep-97	01-Mar-03	01-Mar-03	25	19.29	12.00	PS	S
SOC	1572	CAPACITY BUILDING IN URBAN INFRASTRUCTURE	35.00	04-Nov-97	04-Mar-98	31-Oct-02	31-Oct-02	43	16.98	6.53	S	S
SOC	1573	2ND JR. SECONDARY EDUCATION PROJECT	139.31	06-Nov-97	11-Jun-98	31-Aug-03	31-Aug-03	20	26.09	11.94	S	S
SOC	1574	2ND JR. SECONDARY EDUCATION PROJECT	14.35	06-Nov-97	11-Jun-98	31-Aug-03	31-Aug-03	20	1.45	2.08	S	S
SOC	1587	METROPOLITAN MEDAN URBAN DEVELOPMENT	87.40	08-Dec-97	30-Mar-98	30-Sep-03	30-Sep-03	11	9.32	3.70	U	PS
SOC	1623	SOCIAL PROTECTION SECTOR DEVELOPMENT PROJECT	200.00	09-Jul-98	14-Jul-98	31-Jan-01	31-Jan-01	90	154.41	176.88	S	S
SOC	1676	HEALTH & NUTRITION SECTOR DEVELOPMENT	200.00	25-Mar-99	25-Mar-99	31-Dec-01	31-Dec-01	22	26.71	39.62	S	S
SOC	1677	CMNTY & LOCAL GOV'T SUPPRT SECTOR DEV PROG (CLGSSDP)	200.00	25-Mar-99	25-Mar-99	30-Sep-00	30-Sep-01	program loan	140.00	140.00	PS	S
SOC	1678	COMMTY & LOCAL GOV'T SUPPORT SECT DEV PROGRAM (CLGSSDP)	120.00	25-Mar-99	25-Mar-99	30-Sep-03	30-Sep-03	21	2.80	0.58	S	S
SOC	1792	TECHNOLOGICAL AND PROFESSIONAL SKILLS DEVELOPMENT SECTOR PROJECT	180.00	29-Nov-00	-	30-Jun-07	30-Jun-07	0	0.00	0.00	S	S
SOC	1810	DECENTRALIZED HEALTH SERVICES PROJECT	65.84	14-Dec-00	-	30-Sep-06	30-Sep-06	0	0.00	0.00	S	S
T&C	1157	TELECOMMUNICATION PROJECT	74.98	04-Feb-92	30-Jul-92	30-Jun-97	31-Dec-01	100	62.15	74.98	S	S
T&C	1220	EAST INDONESIA AIRPORTS PROJECT	103.70	25-Mar-93	29-Jul-93	31-Dec-97	30-Jun-01	75	91.35	68.62	PS	PS
T&C	1233	SECOND TELECOMMUNICATIONS PROJECT	89.51	01-Jun-93	23-Dec-93	31-Dec-98	31-Mar-00	100	66.41	75.40	S	S
T&C	1335	EASTERN ISLANDS ROADS (SECTOR) PROJECT	116.59	29-Nov-94	20-Jun-95	31-Dec-99	31-Dec-00	87	73.12	70.49	PS	S
T&C	1428	NORTH JAVA ROAD IMPROVEMENT PROJECT	82.42	23-Jan-96	21-May-96	30-Nov-00	31-Dec-01	49	61.16	42.44	S	S
T&C	1586	EASTERN ISLANDS AIR TRANSPORT DEVELOPMENT	103.00	08-Dec-97	25-Nov-98	31-Dec-02	31-Dec-02	8	9.12	2.01	PS	PS
T&C	1798	ROAD REHABILITATION (SECTOR) PROJECT	190.00	11-Dec-00	-	31-Mar-05	31-Mar-05	0	0.00	0.00	S	S
Total			6,755.08						3,538.35	3,436.46		

Note: Excludes loans closed during the year.
ADF = Asian Development Fund, AGR = Agriculture & Natural Resources, ENE = Energy, F&I = Finance and Industry, OCR = ordinary capital resources, OTH = Others/Multisector, PS = partly successful, S = Successful,
SOC = Social Infrastructure, T&C = Transport and Communications

LOAN AND TECHNICAL ASSISTANCE PROGRAM

Table A4.1: Lending Program 2002

Sector/Project Name	Poverty Classification ^a	Thematic Priority ^b	Responsible Division ^c	Year of PPTA	Project Cost (\$ million)					
					Total	ADB		Total	Govt	Cofinancing/ Others
						OCR	ADF ^d			
2002 Firm Loans										
Agriculture and Natural Resources										
1 Rural Micro Finance	CPI	PSD	AEAR	2001		150		150		
2 Participatory Irrigation Development and Management Sector Project		ENV	AEFN	2001		80	20	100		
3 Coral Reef Rehabilitation and Management II		ENV	AEFN	2001 ^e		25		25		
Industry and Finance										
4 Non Bank Financial Governance Program		GG	IEFI	1999		150		150		
Energy										
5 Power Transmission for Regional Development		PSD/ECO	IEEN	2001		150		150		
Transport										
6 Road Rehabilitation (Sector) II ^f		PSD/ECO	IETC	2001		150		150		
Social Infrastructure										
7 Urban Poverty Reduction	CPI	HD	AEWU	2001		100	50	150		
8 Water Supply and Sanitation	CPI	HD	AEWU	2001		100		100		
9 Decentralized Health Service II	CPI	HD	AEEH	2001		100	50	150		
Others										
10 Sustainable Capacity Building for Decentralization		HD/GAD	IRM	2001		-	30	30		
Total						1,005	150	1,155		

a CPI = Core Poverty Intervention.

b ECO = Economic Growth. ENV = Environmental Protection. GAD = Gender and Development. GG = Good Governance. HD = Human Development, and PSD = Private Sector Development.

c AEAR = Agriculture and Rural Development Division (East); AEEH = Education, Health and Population Division (East); AEFN = Forestry and Natural Resources Division (East); AEWU = Water Supply, Urban Development and Housing Division (East); IEEN = Energy Division (East); IEFI = Financial Sector and Industry Division (East); IETC = Transport and Communications Division (East); and IRM = Indonesia Resident Mission.

d Project preparation carried out in the frame of COREMAP I.

e ADF allocations are tentative at this stage.

f Will include support for developing a policy and institutional framework for private sector participation.

Table A4.2: Lending Program 2003

Sector/Project Name	Poverty Classification ^a	Thematic Priority ^b	Responsible Division ^c	Year of PPTA	Project Cost (\$ million)					
					ADB			Govt	Cofinancing/ Others	
					Total	OCR	ADF ^d			Total
2003 Firm Loans										
Agriculture and Natural Resources										
1 Poverty Reduction through Land Rehabilitation and Management (GEF)	PI	ENV	AEFN	2002		150		150		
2 Community Empowerment for Rural Devt. II	PI	HD	AEAR	2002		150		150		
Industry and Finance										
3 Financial Sector Support ^e		GG /ECO	IEFI	2002		150		150		
Transport										
4 Inter Island Transport		PSD/ECO	IETC	2002		150	-	150		
Energy										
5 Cleaner Energy Use for Blue Skies		ENV	IEEN	2002		100		100		
6 Power Sector SDP II		PSD	IEEN	2002		150	-	150		
Social Infrastructure										
7 Secondary Cities Urban Mgt. & Devt Sector	PI	HD	AEWU	2002		150		150		
8 Decentralized Basic Education II ^f	CPI	HD	AEEH	2002		100		100		
9 Local Government Infrastructure Development Facility (TA Loan)		PSD	AEWU	2002		10		10		
Others										
10 Support for Government Audit Reforms		GG	IRM	2002		75		75		
Total						1,185	-	1,185		

a CPI = Core Poverty Intervention, PI = Poverty Intervention.

b ECO = Economic Growth, ENV = Environmental Protection, GG = Good Governance, HD = Human Development, and PSD = Private Sector Development.

c AEAR = Agriculture and Rural Development Division (East); AEEH = Education, Health and Population Division (East); AEFN = Forestry and Natural Resources Division (East); AEWU = Water Supply, Urban Development and Housing Division (East); IEEN = Energy Division (East); IEFI = Financial Sector and Industry Division (East); IETC = Transport and Communications Division (East); and IRM = Indonesia Resident Mission.

d ADF allocations are tentative at this stage.

e Could include housing financing reforms.

f Will include support for the Ministry of Religious Affairs.

Table A4.3: Lending Program 2004

Sector/Project Name	Poverty Classification ^a	Thematic Priority ^b	Responsible Division ^c	Year of PPTA	Project Cost (\$ million)					
					Total	ADB		Govt	Cofinancing/ Others	
						OCR	ADF ^d			Total
2004 Firm Loans										
Agriculture and Natural Resources										
1 Rural Poverty Reduction	CPI	HD	AEAR	2003		150		150		
2 Marine and Coastal Resources Management II		ENV	AEFN	2003		100		100		
3 Poor Fishermen Income Improvement Project	CPI	HD/ENV	AEFN	2003		50		50		
Industry and Finance										
4 SME Development II		PSD	IEFI	2002		150		150		
Transport										
5 Local Roads Development Sector		PSD	IETC	2003		150		150		
Energy										
6 Local Grids Development	PI	PSD	IEEN	2003		100		100		
Social Infrastructure										
7 Sustainable Social Protection	CPI	HD	AEEH	2002		150	..	150		
8 Decentralized Health Services III	PI	HD	AEEH	2003		100		100		
9 Slum Upgrading and Shelter for Urban Poor	CPI	HD/ENV	AEWU	2002		150		150		
10 Community Based Water Supply and Sanitation Sector	CPI	HD	AEWU	2002		100	..	100		
Total						1,200	-	1,200		

a CPI = Core Poverty Intervention, PI = Poverty Intervention.

b ENV = Environmental Protection, HD = Human Development, and PSD = Private Sector Development.

c AEAR = Agriculture and Rural Development Division (East); AEEH = Education, Health and Population Division (East); AEFN = Forestry and Natural Resources Division (East); AEWU = Water Supply, Urban Development and Housing Division (East); IEEN = Energy Division (East); IEFI = Financial Sector and Industry Division (East), and IETC = Transport and Communications Division

d ADF allocations are tentative at this stage.

Table A4.4: Technical Assistance Program 2002

Sector/Project Name	Responsible Division ^a	Type of TA ^b	Amount (\$'000)		
			ADB	Others	Total
2002					
Agriculture and Natural Resources					
1 Community Empowerment for Rural Development	AEAR/IRM	PP	500		500
2 Poverty Reduction Through Land Rehabilitation and Management (GEF)	AEFN	PP	800		800
Subtotal			1,300	-	1,300
Industry and Finance					
3 Financial Sector Support ^c	IEFI	AD/PP	1,000		1,000
4 Restructuring of Pension and Insurance Sectors	IEFI	AD	1,000		1,000
5 SME Development II ^d	IEFI	PP	800		800
Subtotal			2,800	-	2,800
Transport					
6 Inter Island Transport ^e	IETC	PP	500		500
Subtotal			500	-	500
Energy					
7 Cleaner Energy Use for Blue Sky	IEEN	PP	600	-	600
8 Power Sector SDP II	IEEN	PP	800	-	800
Subtotal			1,400	-	1,400
Social Infrastructure					
9 Sustainable Social Protection	AEEH	PP	600	-	600
10 Support for Decentralized Education Management I ^f	AEEH	AD	700		700
11 Decentralized Basic Education II	AEEH	PP	300		300
12 Public Health and Nutrition	AEEH	AD	500		500
13 Secondary Cities Urban Management and Development	AEWU	PP	800	-	800
14 Regulatory Framework for the Water Supply Sector	AEWU	AD	500		500
15 Slum Eradication and Shelter Delivery for the Urban Poor ^g	AEWU	PP	1,000		1,000
16 Private Sector Participation in Infrastructure under Decentralization	IRM/PE1	AD	150		
17 Community Based Water Supply and Sanitation	AEWU	PP	750		750
Subtotal			5,300	-	5,150

(continuation)

Sector/Project Name	Responsible Division ^a	Type of TA ^b	Amount (\$'000)			
			ADB	Others	Total	
Others						
18	Improving Environmental Performance through Cleaner Production	ENVD	AD	500	-	500
19	Gender Mainstreaming in Policy and Program Planning	IRM/PE1	AD	400	-	400
20	Managing Regional Disparity on Economic and Poverty Program under Decentralization	IRM/PE1	AD	400	-	400
21	Financing Mechanism for Local Government Development	AEWU/IRM	AD	500	-	500
22	Support for Government Audit Reforms	IRM/PE1	AD/PP	400	-	400
23	Anticorruption (Attorney General's Office)	OGC	AD	500	-	500
24	Support for Civil Society Monitoring of ADB Projects	IRM/PE1	AD	200	-	200
25	Development of Proxy Indicators for Poverty Measurement	IRM/PE1	AD	150	-	150
Subtotal				3,050	-	3,050
Total				14,350	-	14,200

a AEAR = Agriculture and Rural Development Division (East); AEEH = Education, Health and Population Division (East); AEFN = Forestry and Natural Resources Division (East); AEWU = Water Supply, Urban Development and Housing Division (East); ENVD = Environment Division; IEEN = Energy Division (East); IEFI = Financial Sector and Industry Division (East); IETC = Transport and Communications Division (East); IRM = Indonesia Resident Mission; OGC = Office of the General Counsel, and PE1 = Programs Division East 1.

b AD = advisory, PP = project preparatory.

c Could include housing financing reforms.

d Will include Environmental Performance Management for Cleaner Production (ENVD to participate).

e Including multimodal transportation.

f Will include support for education policy reform (National Committee & Commission).

g Could include support for housing for the poor.

Table A4.5: Technical Assistance Program 2003

Sector/Project Name	Responsible Division ^a	Type of TA ^b	Amount (\$'000)		
			ADB	Others	Total
2003					
Agriculture and Natural Resources					
1 Rural Poverty Reduction	AEAR	PP	700		700
2 Research and Extension in a Decentralized Context	AEAR	AD	600		600
3 Assessment of Natural Resources Mgt. in a Decentralized Env't.	AEFN	AD	200		200
4 Marine and Coastal Resources Management II	AEFN	PP	600		600
5 Poor Fisherman Income Improvement Project	AEFN	PP	600		600
Subtotal			2,700	-	2,700
Industry and Finance					
6 Improving Competition in Financial and Industrial Sectors	IEFI	AD/PP	800		800
Subtotal			800		800
Energy					
7 Local Grids Development	IEEN	PP	600		600
8 Gas Generation from Waste	IEEN	AD	500		500
Subtotal			1,100	-	1,100
Transport					
9 Local Roads Development	IETC	PP	600		600
10 Subregional Transport Cooperation	PE1	AD	400		400
Subtotal			1,000	-	1,000
Social Infrastructure					
11 Support for Decentralized Education Management II	AEEH	AD	500		500
12 IT Development Strategy	IRM	AD	800		800
13 Decentralized Health Services III	AEEH	PP	500		500
14 Intergrated Social Service Delivery in Irian Jaya	AEEH	AD/PP	600	-	600
15 Institutional Structure and Regulatory Framework for Private Sector Participation in Local Government Development	AEWU	AD	1,000		1,000
Subtotal			3,400		3,400
Others					
16 Implementation of Fiscal Decentralization	PE1	AD	600		600
17 Support to Governance Partnership	IRM	AD	500		500
Subtotal			1,100	-	1,100
Total			10,100		10,100

a AEAR = Agriculture and Rural Development Division (East); AEEH = Education, Health and Population Division (East); AEFN = Forestry and Natural Resources Division (East); AEWU = Water Supply, Urban Development and Housing Division (East); IEEN = Energy Division (East); IEFI = Financial Sector and Industry Division (East); IETC = Transport and Communications Division (East); IRM = Indonesia Resident Mission; and PE1 = Programs Division East 1.

b AD = advisory, PP = project preparatory.

Table A4.6: Technical Assistance Program 2004

Sector/Project Name	Responsible Division ^a	Type of TA ^b	Amount (\$'000)		
			ADB	Others	Total
2004					
Agriculture and Natural Resources					
1 Rural Infrastructure for Tree Crops	AEAR	PP	700	-	700
2 Improving Market Access for Agricultural Products	AEAR	AD	600		600
Subtotal			1,300		1,300
Energy					
3 Institutionalizing the Clean Development Mechanism	IEEN	AD	600		600
Subtotal			600		600
Transport					
4 Interisland Transport II	IETC	PP	1,000		1,000
Subtotal			1,000		1,000
Social Infrastructure					
5 Urban Poverty Reduction II	AEWU	PP	500		500
6 Water Supply and Sanitation Sector II	AEWU	PP	800		800
7 Waste Management & Environmental Protection for Urban Poor Communities	AEWU	AD	600		600
8 Management & Development of Metropolitan Cities to Benefit the Urban Poor	AEWU	PP	1,000		1,000
9 Decentralized Basic Education III	AEEH	PP	300		300
10 Decentralized Health Monitoring	AEEH	AD	500		500
11 Technical and Vocational Education	AEEH	PP	600		600
Subtotal			4,300	-	4,300
Others					
12 Gender Issues in Public Policy and Administration	PE1/IRM	AD	700		700
13 Policy Issues in Decentralization	IRM/PE1	AD	500		500
14 Legal Empowerment for the Poor	OGC	AD	700		700
Subtotal			1,900	-	1,900
Total			9,100	-	9,100

a AEAR = Agriculture and Rural Development Division (East); AEEH = Education, Health and Population Division (East); AEWU = Water Supply, Urban Development and Housing Division (East); IEEN = Energy Division (East); IEFI = Financial Sector and Industry Division (East); IETC = Transport and Communications Division (East); IRM = Indonesia Resident Mission; OGC = Office of the General Counsel; and PE1 = Programs Division East 1.

b AD = advisory, PP = project preparatory.

ECONOMIC AND SECTOR WORK PROGRAM 2002-2004

Type of ESW	Strategic or Operational Objective	Modality (staff, staff consultant, ADTA, RETA)
1. Economic Work (includes macro- and microeconomic studies and country-level economic studies)		
A. Annual Economic Report	Annual Update of Country Economic and Social Performance	Staff Study
B. Geographic Focus for Country Operations	Synergizing Investment, Maximizing Operation Efficiency, and Reducing Poverty	Staff Study
2. Thematic Work (includes studies that cut across sectors or countries and are related to ADB thematic and operational priorities)		
A. Poverty Reduction Development of Proxy Indicators for Poverty Measurement	Poverty Reduction	ADTA
B. Good Governance Good Governance and Anticorruption Reforms Support for Audit Reforms Anticorruption Support Legal Empowerment for the Poor Institutions and Regulations for Private Sector Participation in Local Development Country Financial Accountability Strengthening	Good Governance Good Governance Good Governance Good Governance Good Governance and Private Sector Development Good Governance	Staff Study ADTA ADTA ADTA ADTA ADTA
C. Economic Growth and Supporting Recovery Action Plan to Reduce the Impact of Droughts Energy Policy Restructuring and Liberalization in the Financial and Industrial Sectors Support to IT Development Restructuring Strategy for the Power Sector	Economic Recovery, Rural Development Economic Recovery, Good Governance Economic Recovery, Good Governance Economic Recovery, Human and Social Development Economic Recovery, Corporate Governance, Competitive Economy	Staff Study Staff Study Staff Study Staff Study Staff Study
D. Human and Social Development Sustainable Social Protection Strategy	Human and Social Development	Staff Study
E. Gender and Development Gender Issues in the Civil Service following Decentralization Gender Issues in Public Policy and Administration	Gender and Development Gender and Development, Decentralization	Staff Study ADTA
F. Regional Development and Regional Equity Central-Local Government Financial Relations Policy Issues in Decentralization Designing and Implementing Decentralization: Lessons from Indonesia	Decentralization and Good Governance Decentralization Decentralization	Staff Study Staff Study Staff Study

Type of ESW	Strategic or Operational Objective	Modality (staff, staff consultant, ADTA, RETA)
<p>Development Financing under Decentralization Options of Fund Channeling Mechanisms for Local Government Infrastructure Financing Mechanisms for Local Government Development Managing Regional Disparities on Economic and Poverty Programs under Decentralization</p> <p>G. Environmental Protection and Natural Resource Management Cleaner Energy Use of Technologies for “Blue Skies” Environmental Degradation and the Poor Implementation of ADB Water Policy Prevention of Land Degradation and Productive Use of Degraded Land Improving Environmental Performance through Cleaner Production Urban Degradation and Environmental Protection Institutionalizing the Clean Development Mechanism Waste Management and Environmental Protection for the Urban Poor Assessment of Natural Resources Management in a Decentralized Environment</p> <p>H. Private Sector Development Corporate Governance Strategy Private Sector Participation in Transport Projects Private Sector Participation in Provision of Health and Education Services Private Sector Participation in Infrastructure under Decentralization</p>	<p>Decentralization Decentralization and Infrastructure Investment Decentralization Decentralization Environmental Protection Environmental Protection Environmental Protection Environmental Protection Environmental Protection and Human and Social Development Environmental Protection Environmental Protection and Human and Social Development Natural Resource Management and Decentralization Private Sector Development and Good Governance Competitive Economy through Private Sector Development and Infrastructure Investment Strengthening Private Sector Development and Human and Social Development Private Sector Development, Decentralization, and Infrastructure Investment</p>	<p>Staff Study Staff Study ADTA ADTA Staff Study Staff Study Staff Study ADTA Staff Study ADTA ADTA ADTA Staff Study Staff Study Staff Study ADTA</p>
3. Sector Work (includes sector-specific analytical work)		
<p>A. Agriculture and Rural Development Agriculture and Rural Development Strategy Issues in Tree Crops Development Improving Market Access for Agricultural Products Research and Extension in the Newly Decentralized Context</p> <p>B. Forestry and Natural Resources Increasing and Sustaining Income from Fishing</p>	<p>Rural Development Rural Development Rural Development, Competitive Economy Rural Development, Human and Social Development, and Decentralization Human and Social Development</p>	<p>ADTA Staff Study ADTA ADTA Staff Study</p>

Type of ESW	Strategic or Operational Objective	Modality (staff, staff consultant, ADTA, RETA)
C. Education and Health Public Health and Nutrition Implementation of ADB Education Sector Policy	Human and Social Development Human and Social Development	ADTA Staff Study
D. Water Supply and Urban Development Regulatory Framework for Water Supply Sector Reform of Water Enterprises Sector Public-Private-Community Partnerships in Urban Services for the Poor Urbanization and Shelter Provision Approaches and Options E. Transport Strategy for Local Roads Development Subregional Transport Cooperation Interisland Transport Development F. Energy Energy for Rural Development Gas Generation from Waste G. Finance and Industry Restructuring Pension and Insurance Sectors Financial Sector Support SME Development Strategy Improving Competition in the Financial and Industrial Sectors	Human and Social Development, Good Governance Human and Social Development, Corporate Governance Human and Social Development Human and Social Development Transport System and Rural Development Transport System Development, Subregional Cooperation Transport System and Infrastructure Investment Energy Development, Rural Development Energy Development, Natural Resource Management Good Governance, Corporate Governance Good Governance, Competitive Economy SME Development and Private Sector Development Good Governance, Competitive Economy	ADTA ADTA RETA Staff Study Staff Study RETA Staff Study Staff Study ADTA ADTA ADTA/PPTA Staff Study ADTA

ADB = Asian Development Bank, ADTA = advisory technical assistance, ESW = economic and sector work program, IT = information technology, RETA = regional technical assistance, SME = small- and medium-scale enterprise.

PROJECT SELECTION BRIEFS AND TA CONCEPT PAPERS

Table A6.1: Rural Microfinance

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture
Subsector:	Agriculture Support Services
Project Division:	AEAR
Contact Person in Projects Division:	A. Rijk
Programs Division:	PE1, IRM
Tentative Loan Amount According to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Rural Microfinance (2001)
Proposed PPTA Amount:	\$1 million
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Pre-design Phase:	
Start Design Phase:	
Approval Year According to CSP:	2002
Proposed Executing Agency:	Ministry of Agriculture Bank Rakyat Indonesia
Contact Person in Proposed Executing Agency:	
B. Description	
Brief Rationale of Project	<p>The rural population, about 68 percent of the total population, receives only 8 percent of total credit allocated. The project will address the lack of access to financial services of rural communities and the business sector by (i) identifying rural communities' need for financial services, and demand-supply gaps; (ii) strengthening the capacity of existing formal or semiformal financial institutions in rural areas to provide services to the poor; (iii) broadening the spectrum of activities of rural financial institutions to move beyond the provision of credit to include savings and insurance, and to create conditions for profitable production; and (iv) helping the poor mobilize their own resources and gain access to financial services.</p> <p>The project will (i) determine the extent and nature of demand and supply for rural financial services, and review their institutional framework; (ii) identify key constraints that prevent the development of financial services for small rural enterprises and for the poor; (iii) critically review and evaluate the performance of existing formal and semiformal financial institutions; and (iv) propose strategic options for the Government. The project will carry out a variety of participatory activities, including surveys, workshops, focus group discussions, and in-depth analysis of existing formal and semiformal financial institutions. Specific project locations will be selected during project formulation.</p>

(continuation)

Summary of Preparatory Work by DMC and/or ESW by ADB or Others	Rural Development Strategy ADTA, 2001
Comparative Advantage of ADB in Proposed Project	<p>The ongoing Community Empowerment for Rural Development TA, approved in 2000, gives support to rural credit in six provinces, providing ADB with new ideas and pilot mechanisms, as well as an understanding of the rural financing system's shortcomings.</p> <p>ADB has a generally good record of financial sector assistance and restructuring, most recently under the ongoing financial and SME SDPs and related ADTAs.</p>
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Human Development, Gender and Development, Good Governance, Private Sector Development, Growth Intervention
Environmental Classification:	TBD
Social Issues:	Poverty, gender, equitable access to rural credit

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEAR = Agriculture and Rural Development Division (East), CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, SME = small and medium enterprise, SDP = sector development program.

Table A6.2: Participatory Irrigation Development and Management Sector

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture and Natural Resources
Subsector:	Irrigation
Project Division:	AEFN
Contact Person in Projects Division:	P. King
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$100 million
Proposed Lending Modality:	Sector Loan
PPTA:	Participatory Irrigation Development and Management Sector Project (2001)
Proposed PPTA Amount:	\$500,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	July 2001
Start Design Phase:	November 2001
Approval Year According to CSP:	2002
Proposed Executing Agency:	Directorate General of Water Resources
Contact Person in Proposed Executing Agency:	Ir. Napitupulu, Director for Technical Guidance
B. Description	
Brief Rationale of Project:	<p>Irrigated agriculture is a major economic activity and source of income for the rural poor. About 80 percent of water usage in the country is devoted to irrigation. Increasing demand and competition for water from other sectors such as industries and urban and rural water supply requires rational sectoral policies and a holistic approach in water resources development. While substantial sectoral policy reform has begun in recent years, the reforms' successful implementation requires (i) stronger national and regional institutions, (ii) an investment program to improve existing irrigation systems, and (iii) selective development of new irrigation systems. Small- and medium-scale irrigation systems that can be operated and managed by farmer institutions without much Operation & Maintenance (O&M) support by the Government should be rehabilitated and developed.</p> <p>The proposed project aims to (i) strengthen national and regional institutional capacity for sustainable development of water resources, (ii) improve water-use efficiencies in irrigated agriculture, and (iii) increase agricultural production and productivity. The project inputs will include technical and advisory support to national and regional agencies, and rehabilitation and development of small- and medium-scale irrigation systems with direct participation of farmers in planning, implementation, and O&M.</p>

(continuation)

Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	Development of water resources, particularly of irrigation, has been the subject of major studies by the Government and a number of bilateral and multilateral development financing institutions, including ADB. A comprehensive study was conducted in 1998-1999 under ADB-financed TA for Irrigation Development Options.
Comparative Advantage of ADB in Proposed Project:	ADB has been closely involved in irrigation development through its loans and TA , totaling about \$1.28 million. ADB has provided important support to the Government through Loan 1339: Capacity Building Project for Water Resources, which initiated major reforms in sectoral policies and institutional frameworks.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Sustainable Management of Natural Resources, Environmental Protection
Environmental Classification:	TBD
Social Issues:	Poverty, ethnic conflicts, and access to rural credit

ADB = Asian Development Bank, ADF = Asian Development Fund, ADTA = advisory technical assistance, AEFN = Forestry and Natural Resources Division (East), CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, GEF = Global Environmental Facility, IRM = Indonesia Resident Mission, OCR = ordinary capital resources, NGO = nongovernment organization, O&M = Operations and Maintenance, PPTA = project/program preparatory technical assistance.

Table A6.3: Coral Reef Rehabilitation and Management Project 2

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture and Natural Resources
Subsector:	Forestry and Natural Resources
Project Division:	AEFN
Contact Person in Projects Division:	W. Zhou
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$25 million
Proposed Lending Modality:	Project Loan
PPTA:	Coral Reef Rehabilitation and Management Project 2
Proposed PPTA Amount:	\$250,000 (TA 3001-INO, approved on 4 March 1998)
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	Fourth quarter, 2001
Start Design Phase:	2002
Approval Year According to CSP:	2002
Proposed Executing Agency:	Indonesia Institute of Sciences (LIPI)
Contact Person in Proposed Executing Agency:	A. N. Apu, Project Director, COREMAP
B. Description	
Brief Rationale of Project:	<p>Coral reef degradation is serious throughout Indonesia. Nationwide surveys by LIPI have found that less than 30 percent of coral reefs are in good condition. Millions of coastal inhabitants rely on the coral reefs for food, income, construction material, tourism, protection from coastal storms and erosion, and pharmaceuticals and other chemicals. The coral reefs are also of educational and scientific interest.</p> <p>The proposed project will help the Government (i) implement a national policy, management strategy, and master plan for coral reef rehabilitation and management; (ii) strengthen the legal framework and develop implementation guidelines and procedures for coral reef conservation; (iii) strengthen and improve the capabilities and governance of national and local government agencies, non government organizations, and communities in coral reef management and social development; (iv) conduct social and coral reef resource assessment, and improve the coral reef research, information-gathering, and monitoring system; (v) implement community-based coral reef management programs in Riau, and north and west Sumatra; (vi) organize coastal communities to participate in microenterprise and livelihood development; and (vii) provide TA and social services to poor coastal communities.</p>

(continuation)

Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	The Coral Reef Rehabilitation and Management Project is a three-phase, 15-year multifunder, multisectoral program of the Government, with funding from ADB, World Bank, GEF, and AusAID. The first phase was to create a viable framework to expand the program in phase 2. Outputs of phase 1, including resource studies and policy development, will be major inputs and basis for the proposed project phase 2.
Comparative Advantage of ADB in Proposed Project:	Among international development organizations, ADB has the most experience in designing and implementing coastal and marine resource management for rural development projects in Indonesia and a wide range of other member countries.
Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Core Poverty Intervention, Environmental Improvement
Environmental Classification:	B
Social Issues:	Indonesia's extensive coastal areas are home to many poor communities. Millions of coastal inhabitants rely on the coral reefs for food, income, and construction material. Participatory consultation will involve target beneficiaries, people's organizations, nongovernment organizations, and local governments.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEFN = Forestry and Natural Resources Division (East), AusAID = Australian Agency for International Development, COREMAP = Coral Reef Rehabilitation and Management Project, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, GEF = global environmental facility, IRM = Indonesia Resident Mission, LIPI = Indonesia Institute of Sciences, NGO = nongovernment organization, PO = people's organization, PPTA = project/program preparatory technical assistance

Table A6.4: Nonbank Financial Governance Program (Cluster Program Loan)

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Finance
Subsector:	Nonbank Financial Sector (NBFS)
Project Division:	IEFI
Contact Person in Projects Division:	N. Chakwin, J. Rogers
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$350 million total, of which: \$200 million, first cluster (2001) \$150 million, second cluster (2002)
Proposed Lending Modality:	Program Loan
PPTA:	
Proposed PPTA Amount:	
Attached ADTA:	
Proposed ADTA Amount:	
Start Pre-design Phase:	2000
Start Design Phase:	2001
Approval Year According to CSP:	2002 for the second cluster
Proposed Executing Agency:	TBD
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	To strengthen and develop the NBFS, financial market problems due to prolonged bank and corporate restructuring must be solved, and capital to support economic growth provided. Regulatory and supervisory structures must be strengthened in line with international best practices and standards to gain public confidence and attract foreign capital.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	Background ADTAs in the pension and insurance sectors (TA 3116-INO: Reform of Pension and Provident Funds; and TA 3119-INO: Regulatory Reform of the Insurance Industry) and ESW by staff consultants
Comparative Advantage of ADB in Proposed Project:	ADB focused extensively on the NBFS, as reflected in ADB's lead role in relation to international financial institutions as addressed in recent letters of intent with the International Monetary Fund.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Enhanced economic growth and good governance, and a sound and diversified financial sector resulting from a broad-based NBFS with good governance

(continuation)

Environmental Classification:	B
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IEFI = Financial Sector and Industry Division (East), IRM = Indonesia Resident Mission, NBFS = non bank financial sector, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.5: Power Transmission for Regional Development

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Power Sector
Subsector:	
Project Division:	IEEN
Contact Person in Projects Division:	A. Terway
Programs Division:	IRM, PE1
Tentative Loan Amount According to CSP:	\$150 million from ADB, \$100 million from cofinancing
Proposed Lending Modality:	Project Loan
PPTA:	Power Transmission for Regional Development (2001)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	None
Proposed ADTA Amount:	None
Start Predesign Phase:	
Start Design Phase:	
Approval Year According to CSP:	2002
Proposed Executing Agency:	State Electricity Company (PLN)
Contact Person in Proposed Executing Agency:	H. Situmeang, Director, Corporate Planning
B. Description	
Brief Rationale of Project	<p>Central Java's power demand outstrips the capacity of transmission and distribution substations, hampering geographically balanced economic development. The proposed project will include high-priority components of PLN's least-cost transmission development plan, mainly in Java and Bali. These transmission subprojects are essential for unconstrained power flows from surplus to deficit regions. The subprojects will also help power from IPP-built power plants and promote private participation. The project will promote regional development by augmenting power supply to poor regions.</p> <p>The project consists of (i) part A: transmission lines and associated substations in Central Java; (ii) part B: transmission lines for power evacuation from Tanjung Jati B Power Plant; (iii) part C: transmission lines for geothermal-based IPPs; and (iv) part D: regional human resource development.</p>
Summary of Preparatory Work by DMC and/or ESW by ADB or Others	PLN's power generation and transmission capacity addition plan
Comparative Advantage of ADB in Proposed Project	ADB has extensive experience in power projects in Indonesia. ADB has long involvement with power sector restructuring and has good working relationships with sector agencies.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Economic Growth

(continuation)

Environmental Classification:	A
Social Issues:	Resettlement of people at sites selected for transmission substations, procurement of land for constructing transmission towers, and right-of-way for stringing transmission lines

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IEEN = Energy Division (East), Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PLN = Perusahaan Listrik Negara (State Electricity Company), PPTA = project/program preparatory technical assistance.

Table A6.6: Road Rehabilitation Sector 2

A. Data	
Country:	Indonesia
Sector:	Transport and Communication
Subsector:	Roads and Road Transport
Project Division:	IETC
Contact Person in Projects Division:	P. Giraud
Programs Division:	IRM, PE1
Tentative Loan Amount According to CSP:	\$150 million
Proposed Lending Modality:	Sector Loan
PPTA:	Road Rehabilitation 2 (2001)
Proposed PPTA Amount:	\$610,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Pre-design Phase:	2001
Start Design Phase:	2001
Approval Year According to CSP:	2002
Proposed Executing Agency:	Directorate General of Regional Infrastructure, Ministry of Human Settlements and Regional Development
Contact Person in Proposed Executing Agency:	
B. Project Description	
Brief Description of Rationale of Project	Due to the 1997-1999 financial crisis, the road sector has received insufficient allocation of public expenditures, and the road network has suffered considerably from lack of adequate routine and periodic maintenance. The project is the second sector loan formulated to help the Government (i) rehabilitate high-priority links of the road network to facilitate economic recovery and reduce poverty, and (ii) implement road traffic and transport policies formulated under the first sector loan.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others	(i) PPTA outputs (ii) ESW on private sector participation in transport projects (iii) Outputs from the ADB-financed Road Rehabilitation 1 Sector Loan (iv) Close coordination between the World Bank and JBIC
Comparative Advantage of ADB in Proposed Project	ADB has established a satisfactory record of support to road transportation. The proposed second road rehabilitation project directly builds on achievements of the first.
In Case its attached ADTA is Proposed, Indicate Rationale and Scope	n.a.
Development Objective (thematic priority)	Other Development Intervention, Private Sector Development
Environmental Classification Project	B
Social Issues	No resettlement is anticipated. However, the project will be closely supervised to prevent possible social disturbance.

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, GOI = Government of Indonesia, IETC = Transport and Communications Division (East), IRM = Indonesia Resident Mission, JBIC = Japan Bank for International Cooperation, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, WB = World Bank.

Table A6.7: Urban Poverty Reduction Project

A. Data	
Project Number:	33401-01
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Urban Development
Project Division:	AEWU
Contact Person in Projects Division:	C. Andrews, A. Williams
Programs Division:	IRM, PE1
Tentative Loan Amount According to CSP:	\$150 million
Proposed Lending Modality:	Sector Loan
PPTA:	3646-INO: Urban Poverty Reduction (2001)
Proposed PPTA Amount:	\$800,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	III 2001
Start Design Phase:	I 2002
Approval Year According to CSP:	2002
Proposed Executing Agency:	Ministry of Settlements and Regional Infrastructure (MSRI) Directorate General of Urban and Rural Development (DGURD)
Contact Person in Proposed Executing Agency:	B. Arief, Director General, DGURD
B. Description	
Brief Rationale of Project	The speed at which the urban poverty rate rose from late 1997 to early 1999, and then fell during the subsequent six months, underscores the vulnerability of the large overhang of near-poor who lie just above the poverty line. The sector project will help district governments establish poverty reduction systems and programs in partnership with the Government, civil society, and private sector to reduce this vulnerability in a sustainable manner.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others	Recently completed ADB TA 3326-INO on Guidelines for Urban Sector Development in a Decentralized Environment represents a substantial and directly relevant preparatory ESW effort. Other preparatory work includes (i) the Urban Sector Profile Study-INO (ADB staff consultant, January 2001), (ii) Housing Finance for the Poor-INO (ADB staff consultant, Jan 2001), and the Regional Development Account and Alternative for Financing Urban Infrastructure-INO (ADB staff consultant, Jan 2001).
Comparative Advantage of ADB in Proposed Project:	ADB has a long and relatively successful record of supporting urban development in large and medium-size cities in Indonesia, particularly using the Government's integrated urban development program (UDP) approach. ADB is also a major external contributor to the Government's decentralization program, giving policy development support.

(continuation)

Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	The sector project will reduce urban poverty in large and medium-size cities throughout the southern regions of Central and West Java, and the whole of Sumatra. Local governments, in partnership with the Government, civil society, and the private sector, will improve and expand the choices of the urban poor, specifically for income opportunities, basic urban services, and shelter.
Environmental Classification:	B
Social Issues	<p>The project will be a core poverty intervention. While incomes had been increasing for years in urban Indonesia, a large proportion of the population remained just above the poverty line. Urban poverty incidence increased markedly after the 1997 financial crisis.</p> <p>The project will develop a poverty reduction strategic framework that focuses on issues determined by the poor themselves. The process of identifying, planning, and implementing urban poverty reduction systems and programs will be highly participatory. The urban poor are expected to benefit from improved access to basic urban services and improved local environmental conditions, improved and more secure livelihood and income opportunities, and conducive conditions for investing in shelter upgrading and housing. Inclusive local decision-making processes will be established and/or strengthened.</p>

ADB = Asian Development Bank, ADF = Asian Development Fund, ADTA = advisory technical assistance, AEWU = Water Supply, Urban Development, and Housing Division (East), CSP = country strategy and program, DGURD = Directorate General of Urban and Rural Development, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, MSRI = Ministry of Settlements and Regional Infrastructure, OCR = ordinary capital resources, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.8: Water Supply and Sanitation Sector

A. Data	
Project Number:	29448-01
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Water Supply and Sanitation
Project Division:	AEWU
Contact Person in Projects Division:	A. Williams, A. Weitz
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$100 million
Proposed Lending Modality:	Sector Loan
PPTA:	TA3137-INO: Water Supply and Sanitation Sector Project (2000)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	December 1998
Start Design Phase:	September 2001
Approval Year According to CSP:	2002
Proposed Executing Agency:	Ministry of Settlements and Regional Infrastructure (MSRI) Directorate General of Urban and Rural Development (DGURD)
Contact Person in Proposed Executing Agency:	B. Arief, Director General, DGURD
B. Description	
Brief Rationale of Project:	Many water and sanitation entities have dilapidated physical facilities and have difficulty providing safe, reliable, and adequate drinking water and sanitation services to customers, particularly the urban poor. The recent unprecedented economic and social crisis has exacerbated this situation. The proposed water supply and sanitation sector project is needed to strengthen the water supply and sanitation systems and prevent further deterioration. By rehabilitating infrastructure and improving the operational and management capabilities of water and sanitation enterprises, the project will make services more efficient and reliable.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	ADB provided PPTA for the project. The TA was designed before the financial crisis affected Indonesia and was completed in March 2000 before the Government introduced devolution through Law 22 on Regional Autonomy. Much more project preparation needs to be done to reflect Indonesia's current economic and financial circumstances and the new institutional framework that has, among others, devolved authority for the provision and management of water and sanitation services to the local governments. ADB is helping the Government prepare the water supply and sanitation policy framework, the first draft of which is expected by July 2001.

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Comparative Advantage of ADB in Proposed Project:	ADB has a long and relatively successful track record of working in the Indonesian water supply and sanitation sector for rural and urban areas. ADB is engaged in policy dialogue for the sector and has established good working relationships with national and local sector agencies.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	The project aims to improve public health standards, living conditions, and the environment by providing water supply and environmental sanitation services. The project will help local governments and water enterprises enhance their capability and capacity to deliver and expand their services, especially to the urban poor. The physical scope will include rehabilitation of water supply and sanitation facilities in high-poverty regional and secondary cities. Emphasis will be on improving services, operational procedures, and management of water enterprises (PDAMs).
Environmental Classification:	B
Social Issues:	<p>The project will provide better access to safe and reliable water supply and effective wastewater disposal, leading to improved living standards, better public health, quality of life, and productivity.</p> <p>Benefits will include better access to reliable and adequate supplies of good quality water, improved health, better quality of life, and a cleaner environment for the residents of participating medium-size and small towns. Local governments in high-poverty areas will be included in the project.</p>

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEWU = Water Supply, Urban Development, and Housing Division (East), CSP = country strategy and program, DGURD = Directorate General of Urban and Rural Development, DMC = developing member country, ESW = Economic and sector work, IRM = Indonesia Resident Mission, MSRI = Ministry of Settlements and Regional Infrastructure, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.9: Decentralized Health Services 2

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Health and Nutrition
Project Division:	AEEH
Contact Person in Projects Division:	J. Jeugmans
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project or Sector Loan
PPTA:	Decentralized Health Services 2 (2001)
Proposed PPTA Amount:	\$1 million
Attached ADTA:	TBD
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2001
Start Design Phase:	2001
Approval Year According to CSP:	2002
Proposed Executing Agency:	Ministry of Health and Social Welfare (MOHSW) District Governments
Contact Person in Proposed Executing Agency:	E. Soetarto, Secretary General, MOHSW Heads of District Governments
B. Description	
Brief Rationale of Project:	<p>On 1 January 2001, the Government decentralized health services management to local governments (districts). While decentralization allows better targeting of resources to the poor, the technical and managerial capacities of local governments and the degree of community participation must be improved to fully realize this potential.</p> <p>ADB's Decentralized Health Services (DHS) Project (approved 14 December 2000) will support operational management and service quality improvements in 50 districts and 12 cities in seven provinces.</p> <p>DHS-2 will support more districts and provinces through similar strategies, incorporating lessons learned from implementation of the first DHS.</p> <p>To strengthen local capacity in social sectors and to integrate social services planning and management at the local level, geographical coverage of DHS-2 will consider poverty incidence and complementarity with ongoing and/or future ADB-financed health and education sector projects.</p>

(continuation)

Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	<ul style="list-style-type: none"> ♦ Health Strategy in a Postcrisis, Decentralizing Indonesia (World Bank) ♦ PPTA outputs ♦ Outputs of ongoing ADB-financed TA ♦ Decentralized social services delivery ♦ Monitoring and evaluation of the Social Protection Sector Development Program (SPSDP) ♦ Monitoring and evaluation of the Health and Nutrition Sector Development Program (HNSDP) ♦ Lessons learned from ongoing DHS and other health sector projects ♦ Close coordination among GTZ, JICA, WHO, UNICEF, World Bank
Comparative Advantage of ADB in Proposed Project:	Through the Social Protection and Health and Nutrition Sector Development programs, ADB pioneered direct transfer of loan funds to districts and health centers as block grants. The proposed project directly builds on achievements of SPSDP and HNSDP.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Poverty Intervention, Human Development
Environmental Classification:	C
Social Issues:	

ADB = Asian Development Bank, ADF = Asian Development Fund, ADTA = advisory technical assistance, AEEH = Education, Health, and Population Division (East), CSP = country strategy and program, DHS = Decentralized Health Services, DMC = developing member country, ESW = economic and sector work, GTZ = Deutsche Gesellschaft für Technische Zusammenarbeit, (German Agency for Technical Cooperation), HNSDP = Health and Nutrition Sector Development Program, IRM = Indonesia Resident Mission, JICA = Japan International Cooperation Agency, MOHSW = Ministry of Health and Social Welfare, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, SPSDP = Social Protection Sector Development Program, UNICEF = United Nations Children's Fund, WB = World Bank, WHO = World Health Organization.

Table A6.10: Sustainable Capacity Building for Decentralization

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Governance
Subsector:	Decentralization
Project Division:	IRM
Contact Person in Projects Division:	S. Chatterjee
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$30 million
Proposed Lending Modality:	Project Loan
PPTA:	Capacity Building for Decentralization (2001)
Proposed PPTA Amount:	\$800,000
Attached ADTA:	
Proposed ADTA Amount:	
Start Predesign Phase:	July 2001
Start Design Phase:	March 2002
Approval Year According to CSP:	2002
Proposed Executing Agency:	Directorate General of Regional Autonomy, Ministry of Home Affairs and Regional Autonomy
Contact Person in Proposed Executing Agency:	Sударsono, Director General M. Suwandi, Director for Capacity Building
B. Description	
Brief Rationale of Project:	With decentralization, all developmental and administrative responsibilities have been devolved to local governments. Local government staff need to upgrade their capacities considerably to discharge their functions effectively.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	The project will support the National Framework for Capacity Building, which has been developed as a combined Government-funded effort, supported principally by studies conducted by GTZ, USAID, AusAid, etc.
Comparative Advantage of ADB in Proposed Project:	ADB has been involved in capacity building for local governments and is a lead funder in the area.
Rationale and Scope of attached ADTA:	
Development Objective (thematic priority)	Good Governance, Human Development
Environmental Classification:	C
Social Issues:	Provision of basic services for poverty reduction following decentralization.

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = Economic and sector work, GTZ = Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation), IRM = Indonesia Resident Mission, PE1 Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, USAID = United States Agency for International Development.

Table A6.11: Poverty Reduction through Land Rehabilitation and Management

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture and Natural Resources
Subsector:	Forestry and Natural Resources
Project Division:	AEFN
Contact Person in Projects Division:	S. Sahajanathan
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Poverty Reduction through Land Rehabilitation and Management (2002)
Proposed PPTA Amount:	\$800,000
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	2001 (Fourth quarter)
Start Design Phase:	2002 (First quarter)
Approval Year According to CSP:	2002
Proposed Executing Agency:	Ministry of Forestry
Contact Person in Proposed Executing Agency:	TBD, Director General of Forestry
B. Description	
Brief Rationale of Project:	Indonesia has about 20 million hectares of degraded land, mostly forests and watersheds, and failed transmigration areas in the outer islands. Many of these areas are in or near critical ecosystems. The continuing degradation threatens the livelihood of forest communities, forcing them to engage in illegal logging or slash-and-burn agriculture. Rehabilitation and management of these lands will provide local communities with opportunities to generate sustainable income and conserve critical ecosystems. The primary project objective is reduction in poverty among people living on degraded forestlands. The scope will include (i) increasing the resource potential of selected degraded forestlands, (ii) creating appropriate agriculture-based livelihood activities, (iii) facilitating community-led integrated spatial planning and management of degraded forestlands and critical ecosystems, and (iv) building capacity for fire fighting and prevention and for efficient decentralized administration. Because this project will help conserve critical forest ecosystems, it should also qualify for Global Environment Fund (GEF) financing.

(continuation)

Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	Much of the preparatory work for the project has been done under various economic and sector work carried out by ADB, particularly AEFN, in Indonesia and in the region. The work includes ADTA 2999-INO on Fire Prevention and Drought Management, regional TA by CIFOR on Planning for Sustainability of Forests through Adaptive Co-management, and the regional TA by ICRAF on Policy Analysis for Sustainable Agroforestry Systems.
Comparative Advantage of ADB in Proposed Project:	ADB has extensive experience in implementing forestry, rural development, and biodiversity conservation projects in Indonesia. Projects include the First and Second Land Resource Evaluation and Planning Loans (730-INO and 1099-INO), Forestry Development Project (Loan 762-INO), Segara Ankan Conservation and Development Project (Loan 1475), and Biodiversity Conservation Project. Lessons learned from these projects will be considered in formulating the project.
Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Core Poverty Intervention, Environmental Improvement
Environmental Classification:	B
Social Issues:	The targeted project areas include a number of communities living near the forest margins. Social issues include (i) resource accessibility and management by local communities, (ii) control of illegal logging and shifting cultivation, and (iii) enforcement of regulatory measures in resource management.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEFN = Forestry and Natural Resources Division (East), CSP = country strategy and program, DMC = developing member country, ESW = Economic and sector work, ICRAF = International Center for Research in Agroforestry, IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.12: Community Empowerment for Rural Development 2

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture
Subsector:	Rural Development
Project Division:	AEAR
Contact Person in Projects Division:	
Programs Division:	IRM, PE1
Tentative Loan Amount According to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Community Empowerment for Rural Development (2002)
Proposed PPTA Amount:	\$500,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2001
Start Design Phase:	2002
Approval Year According to CSP:	2003
Proposed Executing Agency:	Directorate General of Rural Community Empowerment Ministry of Home Affairs and Regional Autonomy
Contact Person in Proposed Executing Agency:	
B. Description	
Brief Rationale of Project	<p>The project aims to increase real incomes of the poor, particularly of rural communities on the periphery of regional growth centers. The project's objectives are to (i) empower rural communities by strengthening their capacity to plan and manage their own development activities; and (ii) support investments, foster rural-urban linkages, and establish rural infrastructure to promote agricultural productivity and off-farm business enterprises. The project is an expansion of the Phase 1 Project (Loans 1765-INO and 1766-INO), approved on 20 October 2000 for \$115 million.</p> <p>The Phase 1 Project covers 11 districts in 6 provinces, while the Phase 2 Project will cover 40 districts in 20 provinces. Phase 1 supports community-based savings and loan organizations and trains personnel to support micro- and small enterprises. Rural infrastructure is provided in these districts to develop rural urban linkages to support a dynamic rural development process. Phase 1 devolves development resources to local governments and strengthens the institutional and human resource capacity to enable rural communities to plan and manage local development initiatives. A PPTA will prepare the expanded investment project foreseen under phase 1. The PPTA will (i) assess the feasibility of expanding the development model to more provinces, (ii) identify additional capacity-building needs, and (iii) recommend changes in project design. The investment project will be undertaken in 2003 or 2004.</p>
	<p>The project will directly increase the incomes of poor families through rural microenterprise and small-scale enterprise development, and improve linkages to markets and social and health services by improving rural infrastructure.</p>

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Summary of Preparatory Work by DMC and/or ESW by ADB or Others	(i) PPTA outputs (ii) Outputs from the ADB-financed Community Empowerment for Rural Development 1 (iii) ADTA rural development strategy
Comparative Advantage of ADB in Proposed Project	
In Case its attached ADTA is Proposed, Indicate Rationale and Scope	n.a.
Development Objective (thematic priority)	Human Development, Gender and Development, Good Governance, Private Sector Development, Growth Intervention
Environmental Classification Project	TBD
Social Issues	Poverty, ethnic conflicts, and access to rural credit

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEAR = Agriculture and Rural Development Division (East), CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.13: Financial Sector Support

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Finance
Subsector:	Nonbank Financial Sector
Project Division:	IEFI
Contact Person in Projects Division:	J. Rogers
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	TBD
PPTA:	Financial Sector Support (2002)
Proposed PPTA Amount:	\$1 million
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	2001
Start Design Phase:	2002
Approval Year According to CSP:	2003
Proposed Executing Agency:	TBD
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	<p>In 2001–2002, ADB is to extensively support the strengthening of financial regulatory and supervisory structures according to international best practices and standards. Support includes a planned nonbank financial governance cluster program loan, and TA to establish an integrated financial services supervisory institution (FSSI).</p> <p>The new stringent regulatory and supervisory standards will focus on weakness already evident in the nonbank finance sector (NBFS). A number of insurance companies are weak financially and have difficulty meeting minimum capital requirements. The opening of the ASEAN market in 2003 will pressure insurance companies to compete internationally. Government-managed pension and social insurance schemes' insufficient reserves and funds threaten to undermine the viability of several schemes. The Government's extensive ownership and management roles in the insurance and pension sectors mean that Government must help resolve the difficulties in a number of individual institutions as well as ensure the operation of the enhanced regulatory and supervisory structure.</p> <p>The project will help restructure the NBFS and thereby introduce enhanced regulation and supervision standards in the sector.</p>

(continuation)

Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	(i) ESW by staff and staff consultants (ii) Development of Financial Services Supervisory Institutions, ADTA 2001 (iii) Restructuring of Pension and Insurance Sectors, ADTA 2002 (iv) Coordination with the International Monetary Fund (IMF) and World Bank
Comparative Advantage of ADB in Proposed Project:	Besides improving NBFS regulation and supervision, ADB is the leading funding agency in this area as stated in recent letters of intent with IMF.
Rationale and Scope of attached ADTA:	
Development Objective (thematic priority)	The project aims to (i) enhance economic growth and good governance, (ii) support the Government's ownership and management of selected nonbank financial institutions, (iii) facilitate their privatization where appropriate, and (iv) enhance prudential standards under the strengthened regulatory and supervisory structure in the financial sector.
Environmental Classification:	
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, ASEAN = Association of Southeast Asian Nations, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, FSSI = financial services supervisory institution, IEFI = Financial Sector and Industry Division (East), IMF = International Monetary Fund, IRM = Indonesia Resident Mission, LOI = letter of intent, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, WB = World Bank.

Table A6.14: Interisland Transport

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Transport and Communication
Subsector:	Ports and Shipping, Airport and Civil Aviation
Project Division:	IETC
Contact Person in Projects Division:	P. Giraud, M. Rehman
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Interisland Transport (2002)
Proposed PPTA Amount:	\$500,000
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	2001
Start Design Phase:	2002
Approval Year According to CSP:	2003
Proposed Executing Agency:	Ministry of Communications
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	Interisland transport services, which serve poor, remote areas, lack maintenance funds and have many unprofitable routes. To accommodate increasing port and airport traffic, the Government must (i) reorganize transport services, (ii) rehabilitate infrastructure, and (iii) develop new facilities. The project will help the Government reorganize interisland transport services and their connection to intransland transport networks, and rehabilitate and develop small ports and airports to facilitate economic recovery and reduce poverty in selected provinces. The project may include preparation of public-private partnerships, combining, for example, private sector provision of interisland transport services and public sector capital investment. The project should also include institutional strengthening and capacity building of port and airport authorities.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	Discussions with Government and a staff study on interisland transport development are to be conducted.
Comparative Advantage of ADB in Proposed Project:	ADB has good knowledge of, and ongoing and previous involvement in, the port and airport subsectors. No other important funders are involved in the sector.
Rationale and Scope of attached ADTA:	TBD
Development Objective(thematic priority)	Economic Growth

(continuation)

Environmental Classification:	TBD
Social Issues:	Provide better access to national economic centers for poor, remote island populations

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IETC = Transport and Communications Division (East), IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.15: Clean Energy for Blue Sky

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Energy
Subsector:	
Project Division:	IEEN
Contact Person in Projects Division:	H. Wang
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Cleaner Energy Use for Blue Sky (2002)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	
Proposed ADTA Amount:	
Start Predesign Phase:	
Start Design Phase:	
Approval Year According to CSP:	2003
Proposed Executing Agency:	TBD
Contact Person in Proposed Executing Agency:	
B. Description	
Brief Rationale of Project:	Deteriorating air quality is impairing the health and welfare of the population, in particular the 10 million residents of Jakarta. The primary causes of air pollution - emissions from vehicles and industrial processes - continue to grow with economic development. Emissions caused by the increasing use of petroleum fuels need to be controlled to avoid erosion of the gains of economic and social development. The objective of the project is to promote the use of clean fuels and improve air quality through abatement of mobile and stationary sources of air pollution. The project may be designed to (i) promote the use of LNG for public transport vehicles in urban areas and along busy highways connecting important cities; (ii) reduce air pollution from industry and power generation through the use of clean energy and improvement of fuel quality; (iii) provide basic infrastructure and services; (iv) strengthen capacity of the institutions involved, including to monitor emissions and air quality; and (v) engage the Government in policy dialogue on regulatory issues.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	
Comparative Advantage of ADB in Proposed Project:	
Rationale and Scope of attached ADTA:	

(continuation)

Development Objective (thematic priority)	Sound management of environment
Environmental Classification:	TBD
Social Issues:	

ADB = Asian Development Bank, ADB = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, LNG = liquefied natural gas, PPTA = project/program preparatory technical assistance.

Table A6.16: Power Sector Development 2

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Energy
Subsector:	Power
Project Division:	IEEN
Contact Person in Projects Division:	A. Terway
Programs Division:	PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Sector Loan
PPTA:	Power Sector Development Program 2 (2002)
Proposed PPTA Amount:	\$800,000
Attached ADTA:	
Proposed ADTA Amount:	
Start Pre-design Phase:	
Start Design Phase:	
Approval Year According to CSP:	2003
Proposed Executing Agency:	Directorate General of Electricity and Energy Utilization Ministry of Mines and Energy and State Electricity Company (PLN)
Contact Person in Proposed Executing Agency:	L. Sumiarso, Director General, Electricity and Energy Utilization
B. Description	
Brief Rationale of Project:	The power sector needs to be restructured to maximize efficiency gains and provide benefits to consumers, including the poor. Small consumers, including poor households, are most vulnerable to any market structural weakness, so it has to be identified and rectified at an early stage. The proposed project would promote the ongoing power sector reforms and ensure support to the Government in establishing a well-structured, competitive electricity market. The strategic objectives of the proposed program loan are to support power sector reforms by (i) enhancing private sector participation in the power sector by preparing the framework for privatization of PLN successor companies; (ii) strengthening the capability of the newly established regulatory body to supervise the electricity market and participating companies' practices; and (iii) rectifying other structural weakness, including lack of transparency and consultation. The project loan aims to remove constraints on transmission and distribution of power. The components will be determined after the release of the second tranche of the ongoing program loan.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	

(continuation)

Comparative Advantage of ADB in Proposed Project:	ADB has extensive experience in power projects in Indonesia, long involvement in power sector restructuring, and good working relationships with sector agencies.
Rationale and Scope of attached ADTA:	
Development Objective (thematic priority)	Economic Growth
Environmental Classification	TBD
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IEEN = Energy Division (East), IRM = Indonesia Resident Mission, PLN = Perusahaan Listrik Negara (State Electricity Company), PPTA = project/program preparatory technical assistance.

Table A6.17: Secondary Cities Urban Management and Development Sector

A. Data	
Project Number:	35141 (PPTA and Loan)
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Urban Development
Project Division:	AEWU
Contact Person in Projects Division:	C. Andrews, A. Williams
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Sector Loan
PPTA:	Secondary Cities Urban Management and Development (2002)
Proposed PPTA Amount:	\$800,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2003 (First Quarter)
Start Design Phase:	2003 (Third Quarter)
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Settlements and Regional Infrastructure (MSRI) Directorate General of Urban and Rural Development (DGURD)
Contact Person in Proposed Executing Agency:	B. Arief, Director General, DGURD
B. Description	
Brief Rationale of Project:	The project will help local governments provide efficient municipal services and facilitate urban infrastructure and economic development programs and processes, in partnership with the Government, civil society, and the private sector. The country strategy and program identifies the following as major constraints to urban and national economic development and poverty reduction: (i) weaknesses in urban local governments and (ii) inadequate private sector investment in urban utility services.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	The draft final urban sector profile study identifies the need and opportunity for ADB assistance to secondary cities.
Comparative Advantage of ADB in Proposed Project:	ADB has a long and relatively successful track record of working in the rural and urban Indonesian water supply and sanitation sector. ADB is engaged in policy dialogue with the Government on the sector and has good working relationships with national and local sector agencies.
Rationale and Scope of attached ADTA:	
Development Objective (thematic priority)	Urban residents, businesses, and other stakeholders will be participating in and benefiting from urban development and management decisions to increase access to urban basic services and income and business opportunities.
Environmental Classification:	B

Table A6.18: Decentralized Basic Education 2

A. Data	
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Education
Project Division:	AEEH
Contact Person in Projects Division:	I. Matsumoto, A. Inagaki
Programs Division:	IRM, PE1
Tentative Loan Amount According to CSP:	\$100 million
Proposed Lending Modality:	Project or Sector Loan
PPTA:	Decentralized Basic Education Project 2 (2002)
Proposed PPTA Amount:	300,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2002
Start Design Phase:	2002
Approval Year According to CSP:	2003
Proposed Executing Agency:	Ministry of National Education (MONE) and Ministry of Religious Affairs (MORA)
Contact Person in Proposed Executing Agency:	I. Djati, Director General for Primary and Secondary Education, MONE H. Husni Rahim, Director General for Islamic Schools, MORA
B. Project Description	
Brief Rationale of Project	<p>On 1 January 2001, the Government decentralized education sector management to local governments (districts). For decentralization to better extend resources to the poor, the local governments' technical and managerial capacities must be improved and community participation increased. The National Development Program (PROPENAS) 2001–2005 prioritizes reducing inequity in basic education provision and underscores introducing school boards as the key local entities for education governance.</p> <p>Through the Decentralized Basic Education Project–1 (DEBP–1), ADB will support 21 districts in three provinces. DBEP–2 will support more districts and provinces through similar strategies, which will be improved based on lessons from DBEP–1. To strengthen local capacity in social sectors and integrate social services planning and management at the local level, geographical coverage of DBEP–2 will consider poverty factors and complementarity with ongoing and/or future ADB-financed health sector projects.</p>
Summary of Preparatory Work by DMC and/or ESW by ADB or Others	<ul style="list-style-type: none"> (i) Education Sector Review (from crisis to recovery, by the World Bank) (ii) PPTA outputs (iii) Outputs from ongoing ADB-financed TAs (Decentralized Social Services Delivery; Monitoring and Evaluation of SPSDP) (iv) Lessons learned from ongoing basic education projects (v) Close coordination between GTZ, JICA, UNESCO, UNICEF, and World Bank
Comparative Advantage of ADB in Proposed Project	ADB supported the direct transfer of loan funds to schools through a crisis response program—the Social Protection Sector Development Program (SPSDP). The proposed project of DBEP–1 and –2 directly builds on achievements of the SPSDP
In Case its attached ADTA is Proposed, Indicate Rationale and Scope	n.a.
Development Objective (thematic priority)	Core Poverty Intervention, Human Development

(continuation)

Environmental Classification Project	C
Social Issues	

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DBEP = Decentralized Basic Education Project, DMC = developing member country, ESW = economic and sector work, GTZ = Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation), IRM = Indonesia Resident Mission, JICA = Japan International Cooperation Agency, MONE = Ministry of National Education, MORR = Ministry of Religious Affairs, PPTA = project/program preparatory technical assistance, SDSDP = Social Protection Sector Development Program, UNESCO = United Nations Educational, Scientific, and Cultural Organization, UNICEF = United Nations Children's Fund

Table A6.19: Local Government Infrastructure Development Facility

A. Data	
Project Number:	35134
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Urban Development
Project Division:	AEWU
Contact Person in Projects Division:	K. Decker, A. Weitz
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$10 million
Proposed Lending Modality:	Project Loan
PPTA:	Local Government Infrastructure Development Facility (2001)
Proposed PPTA Amount:	\$500,000
Attached ADTA:	n.a.
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	TBD
Start Design Phase:	TBD
Approval Year According to CSP:	2002
Proposed Executing Agency:	Ministry of Settlements and Regional Infrastructure (MSRI) Directorate General of Urban and Rural Development (DGURD)
Contact Person in Proposed Executing Agency:	B. Arif, Director General, DGURD
B. Description	
Brief Rationale of Project:	The project would include a loan facility for local government units (LGUs) to finance the provision of consulting services for project preparatory and bidding assistance for infrastructure projects with private sector participation. The project will (i) promote good governance, (ii) facilitate private sector development, and (iii) enhance the capacity of LGUs to prepare and bid infrastructure projects for private sector participation.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	No preparatory work has been undertaken. ADB is helping the Government prepare the water supply and sanitation sector policy framework. The first draft is expected by July 2001. ADB is preparing a TA for the regulatory framework, which is urgently needed to facilitate private investment in the sector. The result of this TA would provide the foundation for projects to be prepared under the LGU–Private Urban Sector Project Development Facility.
Comparative Advantage of ADB in Proposed Project:	ADB has a long and relatively successful track record in the Indonesian water sector. ADB is engaged in strong policy dialogue with the Government on the sector and has established good working relationships with national and local sector agencies.
Rationale and Scope of attached ADTA:	n.a.

(continuation)

Development Objective (thematic priority)	Private Sector Development and Good Governance
Environmental Classification:	C
Social Issues:	Many communities have inadequate, unsafe, unreliable, often expensive water supply and sanitation services. Projects to be prepared under the facility should include service provision to the poor.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEWU = Water Supply, Urban Development and Housing Division (East), CSP = country strategy and program, DGURD = Directorate General of Urban and Rural Development, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, LGU = local government unit, MSRI = Ministry of Settlements and Regional Infrastructure, PPTA = project/program preparatory technical assistance.

Table A6.20: Support for Government Audit Reforms

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Finance
Subsector:	Governance
Project Division:	IRM, IEFI
Contact Person in Projects Division:	M. Ryan, S. Chatterjee
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$75 million
Proposed Lending Modality:	Project Loan
PPTA:	Support for Government Audit Reforms (2002)
Proposed PPTA Amount:	\$400,000
Attached ADTA:	
Proposed ADTA Amount:	
Start Pre-design Phase:	2001
Start Design Phase:	2002
Approval Year According to CSP:	2003
Proposed Executing Agency:	Financial and Development Supervisory Agency (BPKP)
Contact Person in Proposed Executing Agency:	S. Hoesodo, Deputy Chairman
B. Description	
Brief Rationale of Project:	Under TA Loan 1620 (Capacity Building for Financial Governance, for \$50 million, approved in June 1998), ADB has supported capacity building in the Government's National Audit Agency (BPK) as one of seven components under the loan. Subsequent political changes, together with decentralization, have focused attention on the respective roles and functions of the External Government Auditor (BPK) and BPKP. As the larger agency with extensive involvement at the provincial level, BPKP is to redefine and refocus its role and activities.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	In addition to capacity building by ADB in BPKP, the World Bank has helped conduct a strategic review of BPK. ADB has participated in preparing the World Bank's Country Financial Accountability Assessment for Indonesia, completed in January 2001, which highlights issues and options for resolving and streamlining Government's audit functions.
Comparative Advantage of ADB in Proposed Project:	ADB's capacity-building work with BPKP shows that ongoing ADB involvement with this institution has merit, while the World Bank addresses BPK as the external government auditor.
Rationale and Scope of attached ADTA:	
Development Objective (thematic priority)	Good Governance

(continuation)

Environmental Classification:	
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, BPKP = Badan Pengawas Keuangan dan Pembangunan (Finance and Development Supervisory Board), CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IEFI = Financial Sector and Industry Division (East), IRM = Indonesia Resident Mission, PPTA = project/program preparatory technical assistance.

Table A6.21: Rural Poverty Reduction

A. Data	
Project Number:	34143
Country:	Indonesia
Sector:	Agricultural Support Services
Subsector:	
Project Division:	AEAR
Contact Person in Projects Division:	TBD
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Rural Poverty Reduction (2003)
Proposed PPTA Amount:	\$700,000
Attached ADTA:	n.a.
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2003
Start Design Phase:	2003
Approval Year According to CSP:	2004
Proposed Executing Agency:	TBD
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	The proposed investment project will form part of the Poor Farmer Income Improvement Project, which aims to help poor farmers increase sustainable agricultural productivity, improve their access to competitive markets, and reduce risks. The project will focus on poor farmers in selected target rural areas having a high poverty incidence.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	
Comparative Advantage of ADB in Proposed Project:	ADB is processing the first phase project, Poor Farmer Income Improvement Project, for 2001. It will cover Central Java, Central Kalimantan, Central Sulawesi, and East Nusa Tenggara.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Core Poverty Intervention, Human Development
Environmental Classification:	
Social Issues:	n.a.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEAR = Agriculture and Rural Development Division (East), CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, OCR = ordinary capital resources, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.22: Marine and Coastal Resources Management Project 2

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture and Natural Resources
Subsector:	Marine and Coastal Resources
Project Division:	AEFN
Contact Person in Projects Division:	M. Jamilur Rahman
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$100 million
Proposed Lending Modality:	Project Loan
PPTA:	Marine and Coastal Resources Management Project (MCRMP) 2 (2003)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	September 2002
Start Design Phase:	July 2003
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Marine Affairs and Fisheries
Contact Person in Proposed Executing Agency:	I. Idris, Project Director, MCRMP
B. Description	
Brief Rationale of Project:	<p>Indonesia's marine and coastal resources are of national and global importance because of their rich biological diversity. However, resource use and exploitation have resulted in widespread environmental degradation due to the lack of (i) an integrated approach to coastal zone planning and management, (ii) information and data upon which to base resource management decisions, (iii) transparency in resource allocation, and (iv) local government and community involvement in resource management. Resource depletion and environmental degradation have adversely affected coastal communities, particularly the artisanal fishers.</p> <p>The current decentralization process, whereby natural resource management responsibilities are being devolved to regional and local governments, has ushered in a new phase of resource management and environmental protection. The process increases the sense of ownership of resources at the local level, provides opportunities for community participation, and enhances the prospect for transparency in resource allocation. However, local governments lack the capacity for sustainable management of resources, and a delay in establishing a system for planning and managing resources may lead to rampant exploitation of resources to generate more revenue.</p>

(continuation)

	In October 2000, ADB approved the MCRMP, which aims to strengthen the capacity of selected provincial and district governments to plan and manage marine and coastal resources, and address related issues in the context of decentralization. The proposed MCRMP-2 will build on the experience of the MCRMP, help consolidate the project gains, and expand activities to new provinces and districts. The proposed project will be consistent with the sector objectives outlined in the COS, which emphasizes mainstreaming environmental management and sustainable use of natural resources, including marine and coastal resources.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	The sector has been the subject of intensive Government study in recent years with assistance from ADB and other development financing institutions. Sectoral problems and issues are now well understood and priorities well defined.
Comparative Advantage of ADB in Proposed Project:	ADB has provided important assistance to the sector through seven projects with a total loan amount of \$257.9 million. Most of the projects were approved in the 1990s, and were largely successful in establishing a sense of urgency among the planners and policymakers on resource assessment, conservation, and management. The projects' success is reflected in the creation of the Ministry of Marine Affairs and Fisheries, which was an important recommendation of the TA to prepare the MCRMP.
Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Sustainable management of natural resources and environmental protection
Environmental Classification:	TBD
Social Issues:	Poverty, access to resources, and enforcement of laws and regulations

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEFN = Forestry and Natural Resources Division (East), COS = Country Operational Strategy CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, MCRMP = Marine and Coastal Resources Management Project, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.23: Poor Fishermen Income Improvement Project

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Agriculture and Natural Resources
Subsector:	Forestry and Natural Resources
Project Division:	AEFN
Contact Person in Projects Division:	W. Zhou
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$50 million
Proposed Lending Modality:	Project Loan
PPTA:	Income Generation for Poor Coastal Communities (2003)
Proposed PPTA Amount:	\$ 600,000
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	2003 (Third quarter)
Start Design Phase:	2003
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Marine Affairs and Fisheries Directorate General of Capture Fisheries (DGCF)
Contact Person in Proposed Executing Agency:	H. Marwoto, Secretary, DGCF
B. Description	
Brief Rationale of Project:	<p>Indonesia has over 17,000 islands and an 81,000-kilometer coastline. A significant portion of the country's population is dependent on marine and coastal resources for its livelihood. However, coastal zone areas are now beset by resource and habitat degradation and pervasive poverty.</p> <p>The proposed project will aim to improve the incomes and quality of life of disadvantaged coastal communities. The project will (i) organize coastal communities to participate in microenterprise and livelihood development and natural resource management; (ii) provide communities with technical and financial assistance and social services; and (iii) strengthen and improve the capabilities and governance of national and local government agencies, NGOs and communities in social and rural development. The project will be implemented nationwide.</p>
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	Coastal Community Development Project and Marine Resource Evaluation and Planning and lessons learned from implementing these ADB projects will be major inputs and the basis for the proposed project.
Comparative Advantage of ADB in Proposed Project:	More than other international development organizations, ADB has extensive experience in implementing coastal community and rural development projects in Indonesia and a wide range of other member countries.

(continuation)

Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Core Poverty Intervention, (Environmental Improvement)
Environmental Classification:	B
Social Issues:	More than 60 percent of coastal municipalities in Indonesia are classified as poor. Participatory consultation will involve target beneficiaries, people's organizations, nongovernment organizations, and the local governments.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEFN = Forestry and Natural Resources Division (East), CSP = country strategy and program, DGCF = Directorate General of Capture Fisheries, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.24: Small and Medium-Size Enterprise Development 2

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Finance, Industry
Subsector:	Small and Medium-Size Enterprises
Project Division:	IEFI
Contact Person in Projects Division:	E. Rodriguez
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Small and Medium-Size Enterprise (SME) Development 2 (2002)
Proposed PPTA Amount:	\$800,000
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	2002
Start Design Phase:	2002
Approval Year According to CSP:	2003
Proposed Executing Agency:	TBD
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	Although 99 percent of all enterprises in Indonesia are SMEs, they have access to only 10 percent of the outstanding credit in the banking system. SMEs can become more productive if they have access to a different set of financial products. However, banks are unable or unwilling to provide them to SMEs. The project aims to overcome this constraint and improve SMEs' access to finance on market-based terms.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	In 2000, ADB approved Loan 1738-INO: Industrial Competitiveness and Small and Enterprises Development to address policy reforms for industry and SMEs. The loan is supported by attached ongoing TAs 3416-INO: Promoting Deregulation and Competition, and 3417-INO: SME Development.
Comparative Advantage of ADB in Proposed Project:	ADB plays a lead role in coordinating aid to SMEs, proposed the SME Export Development Project in 2001
Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Economic Growth
Environmental Classification:	B
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = Economic and sector work, IEFI = Financial Sector and Industry Division (East), IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, SME = small and medium-size enterprise.

Table A6.25: Local Roads Development (Sector)

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Transport and Communication
Subsector:	Road and Road Transport
Project Division:	IETC
Contact Person in Projects Division:	P. Giraud, M. Rehman
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Sector Loan
PPTA:	Local Roads Development (2003)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	TBD
Proposed ADTA Amount:	TBD
Start Predesign Phase:	2002
Start Design Phase:	2003
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Regional Infrastructure and/or Local Governments
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	In the context of the ongoing decentralization, and in the aftermath of the Asian financial crisis, local governments of poor areas need technical and financial external assistance to maintain, upgrade, and develop their road network. The project will improve governance in the road sector by helping local governments strengthen their road-related institutions, and develop and implement road sector policies. The project will examine the use of low-cost innovative road construction technologies and prepare a manual for routine and periodic maintenance. The project will reduce poverty by improving and developing (i) the local road network in poor areas, thereby providing jobs to underemployed rural workers and facilitating access of the rural population to markets; (ii) education; and (iii) health facilities.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	Discussion with the Government and staff study on strategy for local road development to be conducted
Comparative Advantage of ADB in Proposed Project:	Good knowledge of, and ongoing and previous involvement in, the road subsector
Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Economic Growth
Environmental Classification:	TBD

(continuation)

Social Issues:	TBD
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ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, IETC = Transport and Communications Division East, IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.26: Local Grids Development

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Energy, Power
Subsector:	Transmission
Project Division:	IEEN
Contact Person in Projects Division:	
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$100 million
Proposed Lending Modality:	Project Loan
PPTA:	Local Grids Development (2003)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	
Proposed ADTA Amount:	
Start Predesign Phase:	
Start Design Phase:	
Approval Year According to CSP:	2004
Proposed Executing Agency:	TBD
Contact Person in Proposed Executing Agency:	TBD
B. Description	
Brief Rationale of Project:	A continuation of the 2002 outer island electrification project, the proposed project will make electricity more available. The project will also promote balanced regional development by furthering the ongoing power sector reforms at the local level to (i) optimally use generation capacity by promoting the development of local grids, (ii) build long-term institutional capacity, and (iii) improve efficiencies by facilitating private sector participation. The objectives of the project are to (i) support rural electrification, (ii) reinforce local distribution and transmission systems, and (iii) facilitate sector restructuring at the provincial and regional levels. The project scope may include (i) rural electrification for new households, (ii) local grids reinforcement to serve load growth, (iii) transmission and distribution system development in certain locations, and (iv) consulting assistance for institutional strengthening.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	PLN's power generation and transmission capacity addition plan
Comparative Advantage of ADB in Proposed Project:	ADB has extensive experience in power projects in Indonesia. ADB has long involvement in power sector restructuring and has good working relationships with sector agencies.
Rationale and Scope of attached ADTA:	
Development Objective (thematic priority)	Economic Growth

(continuation)

Environmental Classification:	TBD
Social Issues:	Resettlement of people at sites selected for transmission substations, procurement of land for construction of transmission towers, and right-of-way for stringing of transmission lines

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = country strategy and program, DMC = developing member country, ESW = Economic and sector work, IEEN = Energy Division (East), IRM = Indonesia Resident Mission, PE1 = Programs Department (East), Division 1, PLN = Perusahaan Listrik Negara (State Electricity Company), PPTA = project/ program preparatory technical assistance.

Table A6.27: Sustainable Social Protection

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Social Protection
Project Division:	AEEH
Contact Person in Projects Division:	TBD
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Sector Development Program (SDP) or Program Loan to be determined
PPTA:	Sustainable Social Protection (2002)
Proposed PPTA Amount:	\$600,000
Attached ADTA:	TBD
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2001
Start Design Phase:	2002
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Finance Ministry of Health and Social Welfare (MOHSW) Ministry of National Education (MONE) Ministry of Religious Affairs (MORA) District Governments
Contact Person in Proposed Executing Agency:	Central Agencies: TBD Heads of District Governments
B. Description	
Brief Rationale of Project:	<p>The financial crisis exposed a large proportion of Indonesia's population to extreme financial and social risks that overwhelmed the informal social safety net. The crisis highlighted the importance of developing a robust and sustainable social protection system to cushion the impact of future economic shocks.</p> <p>While ADB crisis-related assistance focused on maintaining access to basic social services, social protection includes policies and programs designed to promote efficient and effective labor markets, protect individuals from the risks inherent in earning a living from small-scale agriculture or the labor market, and provide a floor of support to individuals when market-based approaches fail. Social protection as defined by ADB encompasses the following:</p> <ul style="list-style-type: none"> (i) labor market policies and programs designed to facilitate employment and promote efficient labor markets; (ii) social insurance programs to cushion the risks associated unemployment, health, disability, work injury, and old age; (iii) social assistance and welfare service programs to provide a floor to the most vulnerable groups with no other means of support;

(continuation)

	<p>(iv) micro and area-based schemes to address reduction of risk and vulnerability at the community level; and</p> <p>(v) child protection.</p> <p>The proposed TA will examine Indonesia's social protection portfolio in terms of</p> <p>(i) Coverage;</p> <p>(ii) Sustainability, financing, and good governance;</p> <p>(iii) Comprehensive, integrated assessment to ensure consistency of programs and appropriate prioritization of social protection needs;</p> <p>(iv) Institutional issues;</p> <p>(v) the needs of special populations (including gender aspects, indigenous and other vulnerable populations) to ensure that social protection systems are inclusive and nondiscriminatory. Scope of consequent ADB assistance will be based on the initial inventory of programs and identified Government priorities.</p> <p>On 1 January 2001, the Government began to decentralize social services management to district governments. The TA will study the implications of decentralization on development and operation of a comprehensive social protection framework. While decentralization allows better targeting of resources at the poor, the technical and managerial capacities of local governments and the degree of community participation must also be improved to fully realize this potential.</p>
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	<p>(i) APEC Social Safety Nets—Lessons and Guidelines</p> <p>(ii) TA REG 5897—Strategies for Improved Social Protection</p> <p>(iii) ADB Social Protection Strategy</p> <p>(iv) PPTA outputs</p> <p>(v) Outputs of ongoing ADB-financed TA:</p> <ul style="list-style-type: none"> - Decentralized Social Services Delivery - Monitoring and Evaluating the Social Protection Sector Development Program (SPSDP) - Monitoring and Evaluating the Health and Nutrition Sector Development Program (HNSDP)
Comparative Advantage of ADB in Proposed Project:	<p>Through the SPSDP and HNSDP, ADB helped implement basic social safety nets to mitigate the impact of the crisis on the poor. The proposed project will build on achievements of the programs and integrate priority pro-poor interventions into a sustainable social protection system.</p> <p>ADB has also participated in the APEC-sponsored study, Social Safety Nets—Lessons and Guidelines from Asia and Latin America.</p>
Rationale and Scope of attached ADTA:	TBD
Development Objective (thematic priority)	Core Poverty Intervention, Human Development
Environmental Classification:	C
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEEH = Education Health, and Population Division (East), APEC = Asia-Pacific Economic Cooperation, CSP = country strategy and program, DMC = developing member country, ESW = economic and sector work, HNSDP = Health and Nutrition Sector Development Program, IRM = Indonesia Resident Mission, MOHSW = Ministry of Health and Social Welfare, MONE = Ministry of National Education, MORA = Ministry of Religious Affairs, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, SPSDP = Social Protection Sector Development Program.

Table A6.28: Decentralized Health Services 3

A. Data	
Project Number:	
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Health and Nutrition
Project Division:	AEEH
Contact Person in Projects Division:	J. Jeugmans
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$100 million
Proposed Lending Modality:	Project or Sector Loan
PPTA:	Decentralized Health Services 3 (2003)
Proposed PPTA Amount:	\$500,000
Attached ADTA:	TBD
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2003
Start Design Phase:	2003
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Health and Social Welfare (MOHSW) District Governments, Provincial Governments
Contact Person in Proposed Executing Agency:	E. Soetarto, Secretary General, MOHSW District Government Heads, Provincial Governors
B. Description	
Brief Rationale of Project:	<p>On 1 January 2001, the Government began to decentralize health services management to district governments. While decentralization allows better targeting of resources at the poor, the technical and managerial capacities of local governments and the degree of community participation must be improved to fully realize this potential.</p> <p>ADB's Decentralized Health Services (DHS) Project (approved 14 December 2000) supports operational management and service quality improvement in 50 districts and 12 cities in seven provinces. The processing of DHS-2 has started. DHS-2 will support more districts and provinces through similar strategies, incorporate lessons learned from the DHS Project, and have a final project proposal ready for Board consideration in mid-2002.</p> <p>To strengthen local capacity in social sectors and integrate social services planning and management at the local level, geographical coverage of DHS-3 will consider poverty incidence and complementarity with ongoing and/or future ADB-financed health and education sector projects.</p>

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Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	<ul style="list-style-type: none"> (i) Health Strategy in a Post-Crisis, Decentralizing Indonesia (World Bank paper) (ii) Outputs of ongoing ADB-financed TAs <ul style="list-style-type: none"> - Decentralized Social Services Delivery - Monitoring and Evaluating the Social Protection Sector Development Program - Monitoring and Evaluating the Health and Nutrition Sector Development Program - Lessons learned from DHS-1, DHS-2, and other health sector projects - Close coordination with GTZ, JICA, WHO, UNICEF, and World Bank
Comparative Advantage of ADB in Proposed Project:	ADB has experience in the health sector. Before 1997, ADB health projects promoted health sector reforms, and improved efficiency, service quality, and participation by decentralizing health services management. In 1997–1998, ADB supported the development of a safety-net program that introduced the block grant to finance district activities. ADB remained deeply involved in the decentralization process with the Government and MOHSW through DHS-1 (approved in December 2000) and DHS-2 (processing of which has started, for Board consideration in mid-2002).
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Poverty Intervention, Human Development
Environmental Classification:	C
Social Issues:	

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEEH = Education Health, and Population Division (East), CSP = country strategy and program, DHS = Decentralized Health Services, DMC = developing member country, ESW = economic and sector work, GTZ = Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation), HNSDP = Health and Nutrition Sector Development Program, IRM = Indonesia Resident Mission, JICA = Japan International Cooperation Agency, MOHSW = Ministry of Health and Social Welfare, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, SPSDP = Social Protection Sector Development Program, UNICEF = United Nations Children's Fund, WHO = World Health Organization.

Table A6.29: Slum Upgrading and Shelter for the Urban Poor

A. Data	
Project Number:	35143-01 (PPTA and Loan)
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Housing
Project Division:	AEWU
Contact Person in Projects Division:	M. Lindfield
Programs Division:	PE1, IRM
Tentative Loan Amount according to CSP:	\$150 million
Proposed Lending Modality:	Project Loan
PPTA:	Slum Eradication and Shelter Delivery for the Urban Poor (2002)
Proposed PPTA Amount:	\$1 million
Attached ADTA:	n.a.
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2002 (Third Quarter)
Start Design Phase:	2003 (Third Quarter)
Approval Year According to CSP:	2004
Proposed Executing Agency:	Ministry of Settlements and Regional Infrastructure (MSRI), Directorate General of Human Settlements Development (DGHSD)
Contact Person in Proposed Executing Agency:	D. Kirmanto, Director General, DGHSD, MSRI
B. Description	
Brief Rationale of Project:	The loan will help reduce poverty by focusing on building housing and other assets of the poor to lift them out of poverty and provide them with a buffer against adverse circumstances. The improved shelter and neighborhood environment will enhance human development. Support to financial institutions to initiate forms of lending appropriate to such shelter upgrading will strengthen the financial sector and thus the economy as a whole.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	INO: Housing Finance for the Urban Poor Study, by a staff consultant, completed December 2000. The TA reviewed potential for assistance in the sector and provided a sound basis for design of the PPTA.
Comparative Advantage of ADB in Proposed Project:	ADB has long been involved with urban sector institutions and has implemented over 20 projects, which have built capacity in slum upgrading. ADB has also been involved in rehabilitation of financial sector institutions, which will be an important component of the project. The project builds on this experience, improving the delivery of shelter and housing, especially to the poor. Shelter provision and improvement are issues of great importance to the Government and community, but have not been addressed in a coordinated manner. The project will act as a catalyst for institutional coordination in the sector and provide the resources to reduce poverty. The project will augment the impact of ADB's

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	Urban Poverty Reduction Project and support initiatives of other development agencies in the field.
Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Poverty Intervention, Human Development
Environmental Classification:	B
Social Issues:	Individual subprojects must be formulated carefully to engage and mobilize the community and to ensure that no group is excluded from project benefits or disadvantaged by the project.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEWU = Water Supply, Urban Development, and Housing Division (East), CSP = country strategy and program, DGHSD = Directorate General of Human Settlements Development, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission, MSRI = Ministry of Settlements and Regional Infrastructure, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.30: Community-Based Water Supply and Sanitation Sector

A. Data	
Project Number:	34152-01 (PPTA and Loan)
Country:	Indonesia
Sector:	Social Infrastructure
Subsector:	Water Supply and Sanitation
Project Division:	AEWU
Contact Person in Projects Division:	A. Williams, C. Andrews.
Programs Division:	IRM, PE1
Tentative Loan Amount according to CSP:	\$100 million
Proposed Lending Modality:	Sector Loan
PPTA:	Community-Based Water Supply and Sanitation Sector (2002)
Proposed PPTA Amount:	\$750,000
Attached ADTA:	None
Proposed ADTA Amount:	n.a.
Start Predesign Phase:	2002 (Second Quarter)
Start Design Phase:	2002 (Fourth Quarter)
Approval Year According to CSP:	2003
Proposed Executing Agency:	Ministry of Settlements and Regional Infrastructure (MSRI) Directorate General of Urban and Rural Development (DGURD)
Contact Person in Proposed Executing Agency:	B. Arief, Director General, DGURD
B. Description	
Brief Rationale of Project:	The project will help Government develop and implement community-based water supply and sanitation services for small, high-poverty rural and peri-urban communities that are not being served by water supply and sanitation enterprises. The project will help communities develop service delivery mechanisms and plan, provide, operate, and maintain affordable and appropriate water and sanitation systems.
Summary of Preparatory Work by DMC and/or ESW by ADB or Others:	No project preparatory work has been done. ADB is helping the Government prepare the water supply and sanitation sector policy framework. The first draft is expected by July 2001.
Comparative Advantage of ADB in Proposed Project:	ADB has a long and relatively successful track record of working in the Indonesian water supply and sanitation sector for rural and urban areas. ADB is engaged in strong policy dialogue for the sector and has established good working relationships with national and local sector agencies.

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Rationale and Scope of attached ADTA:	n.a.
Development Objective (thematic priority)	Supply small, high-poverty rural and peri-urban communities with safe and reliable water and sanitation sufficient to protect public health, at an affordable price.
Environmental Classification:	B
Social Issues:	Many rural and peri-urban communities have inadequate, unsafe, and unreliable water supplies and sanitation services, which are often expensive. The project is demand responsive, and carefully targeted to meet specific, identified community needs and demands for services, particularly for the poor. To ensure project sustainability, community representatives, especially women, must participate in project planning, design, and implementation as well as operation, management, and maintenance of completed facilities.

ADB = Asian Development Bank, ADTA = advisory technical assistance, AEWU = Water Supply, Urban Development, and Housing Division (East), CSP = country strategy and program, DGURD = Directorate General of Urban and Rural Development, DMC = developing member country, ESW = economic and sector work, IRM = Indonesia Resident Mission; MSRI = Ministry of Settlements and Rural Infrastructure, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance.

Table A6.31: Restructuring of Pension and Insurance Sectors

A. Profile	
Department, Division, RM, Officer Concerned:	IED, IEFI, J. Rogers
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Finance
Poverty Classification and Thematic Priorities: ¹	Economic Growth, Good Governance
Program Year: ²	2002
Expected Approval Date (mo/yr):	June 2002
Estimated Completion Date:	March 2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	<p>In 2001–2002, ADB is to provide extensive support to Indonesia to help strengthen the regulatory and supervisory structures in the financial sector to bring them up to international best practices and standards. Support includes a planned non bank financial governance cluster program loan, and TA to establish an integrated financial services supervisory institution.</p> <p>The introduction and enforcement of more demanding regulatory and supervisory standards will focus attention on weakness already evident in the non bank finance sector (NBFS). A number of insurance companies are financially weak and find it difficult to meet minimum capital requirements. The opening of the ASEAN market in 2003 will place insurance companies under even more pressure as they meet international competition. Under-reserving and unfunded liabilities in Government-managed pension and social insurance schemes threaten to undermine their viability. The Government's extensive ownership and management roles in the insurance and pension sectors mean that Government must help resolve problems in some institutions as well as ensure the operation of the enhanced regulatory and supervisory structure.</p> <p>The project will facilitate the resolution and restructuring of the NBFS and thereby enable the introduction of enhanced regulation and supervision standards in the sector.</p>
2. Relation to Strategic Objectives (How the TA addresses the following.)	The TA will address good governance and promote private sector ownership in the insurance sector.
<ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	
3. Scope (specific major components, e.g. capacity building)	The TA will help the Government formulate restructuring and privatization proposals for insurance companies and selected pension funds in which the Government has a major ownership or management role.

¹ Economic growth, human development, gender and support for ADB operations.

² Year of inclusion in CSP for transition period.

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4. Expected Outcome and Monitorable Indicators	Improved governance, financial health, and stability of selected NBFS institutions and reduced Government role in the sector
5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	(i) TA 3116-INO: Reform of Pension and Provident Funds (approved 1998) (ii) TA 3119-INO: Regulatory Reform of the Insurance Industry (approved 1998) The TAs helped formulate the Nonbank Financial Governance Program Loan (standby for 2001, which addresses the policy and regulatory framework for the sector.
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Ministry of Finance
7. Cost and Financing Plan <ul style="list-style-type: none"> (i) ADB Financing (JSF, TASF) (ii) Sources other than JSF/TASF 	\$1 million (ACCSF)
8. Country, RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ACCSF = Asian Currency Crisis Support Facility, ADTA = advisory technical assistance, ASEAN = Association of Southeast Asian Nations, CSP = country strategy and program, FSSI = financial services supervisory institution, IED = Infrastructure, Energy, Finance, and Industry Sectors Department, IEFI = Financial Sector and Industry Division (East), JSF = Japan Special Fund, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.32: Decentralized Education Management 2

A. Profile	
Department, Division, RM, Officer Concerned:	AED, AEEH, I. Matsumoto, A. Inagaki
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Education
Poverty Classification and Thematic Priorities: ³	Human Development
Program Year: ⁴	2001
Expected Approval Date (mo/yr):	2001
Estimated Completion Date:	2004
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	For decentralization to make education services more efficient and effective, local governments must build capacity to plan, finance, and manage education service delivery.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	The TA will help improve local education service delivery and achieve greater equity in education service provision and quality as prioritized by the ADB country operational strategy, and National Development Program (PROPENAS).
3. Scope (specific major components, e.g. capacity building)	Capacity building encompassing <ul style="list-style-type: none"> ▪ Education management information system (EMIS), • Financial and human resource planning and management, • Management of education program quality, and • Support for school improvement
4. Expected Outcome and Monitorable Indicators	<ul style="list-style-type: none"> • Provision by EMIS of information required to monitor performance of education services and make management decisions • Sufficient, efficient, and equitable allocation of financial and human resources to education (budget and staff data)
5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	Decentralized Education Management 1 \$1 million For approval in July 2001
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Ministry of Education Local Governments

³ Economic growth, human development, gender and support for ADB operations.

⁴ Year of inclusion in CSP for transition period.

(continuation)

7. Cost and Financing Plan (i) ADB Financing (JSF,TASF) (ii) Sources other than JSF/TASF	\$700,000 (JSF)
8. Country/RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ADB = advisory technical assistance, AED = Agriculture and Social Sectors Department (East), AEEH = Education, Health, and Population Division (East), CSP = country strategy program, EMIS = Education Management Information System, JSF = Japan Special Fund, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.33: Public Health and Nutrition

A. Profile	
Department, Division, RM, Officer Concerned:	AED, AEEH, J. Hunt
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Health
Poverty Classification and Thematic Priorities: ⁵	Human and Social Development
Program Year: ⁶	2002
Expected Approval Date (mo/yr):	2002
Estimated Completion Date:	2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	The sector study will examine the best strategies for the public health service to link public nutrition and public health in the postcrisis decentralized environment. The study's objectives are to (i) build upon the lessons of the crisis period, institutionalize steps taken to revitalize the district nutrition surveillance system, and monitor populations at risk from life-threatening nutrition and health problems; (ii) design management systems around life-cycle public nutrition issues (e.g., maternal and infant undernutrition, nutrition- and diet-related chronic diseases and over-nutrition problems of school-age children and adolescent girls); (iii) analyze how the public and private sectors can collaborate to assure affordable dietary quality for the poor, and prevent diet-related chronic diseases; (iv) develop survey instruments, possibly through the national census (SUSENAS), to examine dietary patterns and chronic diseases (such as diabetes, obesity, hypertension, heart disease, and cancer) and the potential for behavioral change through price and production policies, as well as public health surveillance, and information, education, and communication; and (v) prepare a sectoral assessment and set of recommendations on resource use and capacity building for life-cycle public nutrition to promote life-long health and productivity.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	
3. Scope (specific major components, e.g. capacity building)	Indonesia has worked with ADB on related activities: (i) integrating maternal and infant health concerns into the two sector development program (SDP) loans (Social Protection SDP, and Health and Nutrition SDP) by paying attention to supplementary feeding and primary health care, from which useful lessons can be drawn; and (ii) advising ADB and other Asian countries on life-cycle approaches to nutrition and health protection in REG 5824: Nutrition Trends, Policies and

⁵ Economic growth, human development, gender and support for ADB operations.

⁶ Year of inclusion in CSP for transition period.

(continuation)

	<p>Strategies in Asia and the Pacific. Problems of undernutrition persist and may be increasing because of the financial crisis, and not enough attention has been given to the escalating burden of midlife chronic disease.</p> <p>Accordingly, the TA will formalize the experiences by conducting policy and operations research that will define a comprehensive strategy for management of public nutrition problems, requiring multisectoral collaboration. Four kinds of research will be conducted under the TA: (i) survey research, on the link between diet and preventable illness; (ii) program research (with a pilot test), on integrating nutrition (food, health care) into maternal, infant, adolescent, and adult health programs; (iii) management research, on integrating public nutrition planning, management, and resource use, with defined roles for central and local governments, covering nutrition in early childhood programs, school health, and adult health promotion; and (iv) economic policy research, on the economic costs of malnutrition to GDP and families; cost-effectiveness of alternative public nutrition interventions; and impacts (positive and negative) of price and subsidy policies, regulatory and trade policies, and incentives to raising dietary quality at affordable prices. A national steering committee and a set of technical working groups will be instituted to manage and review all research outputs, and will prepare a set of national policy recommendations to be debated at the next Widakarya Pangan dan Gizi and perhaps to be endorsed for inclusion in the next GBHN. The TA findings will probably be incorporated as components in future ADB projects on decentralized health management, early childhood development, basic education, and others.</p> <p>The TA must set up a consultation process in selected provinces with district parliamentary bodies and Bupatis, women's and consumer groups and selected civil-society NGOs, and public civil service coalitions led by MOHSW but including other relevant sectors such as agriculture and industry. From beginning to end, the relevance of TA findings on policies and programs will be tested through focus groups.</p>
4. Expected Outcome and Monitorable Indicators	<p>The main benefits will be (i) assimilation of lessons learned from Indonesia's solid progress in reducing undernutrition since the 1960s, (ii) adoption of innovations that averted death and permanent cognitive impairment of young children during the financial crisis, and (iii) development of long-term systems for linking food and industrial policy to health protection and nutrition security. The strategy is profoundly pro-poor and directed at vulnerable women and children. The TA findings will be used to strengthen equity-focused and targeted programs that will disproportionately benefit the poor. The expected benefits will be (i) reduction of mortality and disability among the poor, and (ii) improved learning and earning capacity through preventive and promotive strategies in public nutrition and health.</p>

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<p>5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years)</p> <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	
<p>6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)</p>	<p>Ministry of Health and Social Welfare Coordinating Ministry of the Economy</p>
<p>7. Cost and Financing Plan</p> <ul style="list-style-type: none"> (i) ADB Financing (JSF,TASF) (ii) Sources other than JSF/TASF 	<p>(i) \$500,000</p>
<p>8. Country, RETA IPF for relevant year</p>	<p>\$11 million</p>

ADB = Asian Development Bank, ADTA = advisory technical assistance, AED = Agriculture and Social Sectors Department (East), AEEH = Education, Health, and Population Division (East), CSP = country strategy program, GDP = gross domestic product, JSF = Japan Special Fund, MOHSW = Ministry of Health and Social Welfare, NGO = nongovernment organization, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, SDP = sector development program, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.34: Regulatory Framework for the Water Supply Sector

A. Profile	
Department, Division, RM, Officer Concerned:	AED, AEWU K. Decker, A. Weitz
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Social Infrastructure, Water Supply and Sanitation
Poverty Classification and Thematic Priorities: ⁷	Good Governance and Private Sector Development
Program Year: ⁸	2002
Expected Approval Date (mo/yr):	January 2002
Estimated Completion Date:	December 2002
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	The project will help the Government develop and implement a regulatory framework and establish regulatory bodies for the water sector. A transparent regulatory framework and the establishment of independent regulatory bodies are urgently needed, not only to facilitate private sector participation and attract private sector investment but also to improve the public sector. The regulatory framework will include guidelines for autonomy, accountability, and transparency, and will aim to increase efficiency and service quality at affordable prices.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	The TA will address good governance and private sector development. The TA is part of ADB's program to help the Government create and/or amend the policy and regulatory environment, in particular to encourage private sector participation in infrastructure development in local areas, as stated in the CSP.
3. Scope (specific major components, e.g. capacity building)	The scope of the TA will cover <ul style="list-style-type: none"> - assessment of existing laws and regulations related to the water sector; - Analysis of options for different institutional setups of regulatory bodies (national, provincial, and/or local); - Examination of legal requirements to establish the proposed regulatory bodies; - Stakeholder consultation at the national, provincial, and local levels to develop a concept acceptable to all; and - Based on the above, establishment of a regulatory framework and preparation of a time-bound action plan for establishment and operation of regulatory bodies.
4. Expected Outcome and Monitorable Indicators	The regulatory framework and action plan will aim to establish an independent regulatory system for the water sector. Improving accountability, transparency, and autonomy of water enterprises will lead to better service provision, and increased private sector interest in the sector as a whole.

⁷ Economic growth, human development, gender and support for ADB operations.

⁸ Year of inclusion in CSP for transition period.

(continuation)

<p>9. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years)</p> <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	
<p>10. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)</p>	<p>Ministry of Settlements and Regional Infrastructure (MSRI) Directorate General of Urban and Rural Development (DGURD), in close cooperation with Indonesia Water Supply Association (PERPAMSI)</p>
<p>11. Cost and Financing Plan</p> <p>(i) ADB Financing (JSF, TASF)</p> <p>(ii) Sources other than JSF/TASF</p>	<p>(i) \$500,000</p>
<p>12. Country, RETA IPF for relevant year</p>	<p>\$11 million</p>

ADB = Asian Development Bank, ADTA = advisory technical assistance, AED = Agriculture and Social Sectors Department (East), AEEH = Education, Health, and Population Division (East), CSP = country strategy program, JSF = Japan Special Fund, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.35: Private Sector Participation in Infrastructure under Decentralization

A. Profile	
Department, Division, RM, Officer Concerned:	PED, IRM, S. Chatterjee
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Private Sector Development
Poverty Classification and Thematic Priorities: ⁹	Economic Recovery, Private Sector Development
Program Year: ¹⁰	2002
Expected Approval Date (mo/yr):	January 2002
Estimated Completion Date:	September 2002
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	Encouraging private sector participation in infrastructure development continues to be a major challenge, particularly after decentralization. The Government needs assistance in developing a framework and mechanisms and for handling individual project proposals in a transparent manner.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	The TA supports several country operational strategy areas. The TA will help economic recovery by encouraging private sector participation in infrastructure development and play an important role in private sector development.
3. Scope (specific major components, e.g. capacity building)	The TA is to fund 2–3 experts to the Ministry of Settlements and Regional Infrastructure. The experts will enable Government to handle build-operate-transfer (BOT) proposals for infrastructure projects in a transparent manner and will advise Government to develop the framework for administering BOT projects.
4. Expected Outcome and Monitorable Indicators	The main outcome is better Government capacity to manage BOT projects. Monitorable indicators are (i) number of BOT projects directly assisted by ADB experts hired under the TA, and (ii) number of new regulations or guidelines that experts have helped formulate.
5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	None
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Ministry of Settlements and Regional Infrastructure

⁹ Economic growth, human development, gender and support for ADB operations.

¹⁰ Year of inclusion in CSP for transition period.

(continuation)

<p>7. Cost and Financing Plan</p> <p>(i) ADB Financing (JSF, TASF) (ii) Sources other than JSF/TASF</p>	<p>(i) \$150,000</p>
<p>8. Country, RETA IPF for relevant year</p>	<p>\$11 million</p>

ADB = Asian Development Bank, ADTA = advisory technical assistance, BOT = build-operate-transfer, CSP = country strategy program, IRM = Indonesia Resident Mission, JSF = Japan Special Fund, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.36: Improving Industrial Environmental Performance through Cleaner Production

A. Profile	
Department, Division, RM, Officer Concerned:	OESD, ENVD, J. Warren Evans
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Others
Poverty Classification and Thematic Priorities: ¹¹	Environment Protection
Program Year: ¹²	2002
Expected Approval Date (mo/yr):	
Estimated Completion Date:	
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	Large manufacturing industries contribute significantly to Indonesia's economy, while small- and medium-size enterprises (SMEs) dominate employment. The SMEs' contribution to exports cannot be ignored: SME exports grew by 3.8 in 1998 and 5.8 percent in 1999. SME exporters produce mainly labor-intensive products and goods (e.g., garments, handicrafts). A 1998 Ministry of Trade and Industry (MOIT) study showed that aside from difficulties in accessing financial resources, SMEs' opportunities to expand and penetrate the global market are also hindered by their inability to meet emerging environmental management standards (e.g., eco-labeling). The ADTA aims to help SMEs improve their environmental performance by promoting the adoption of cleaner production approaches to improve SMEs' productivity and working environment, and reduce their waste generation or pollution.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	Cleaner production is a proven strategy to increase the efficiency of natural resource use, and minimize waste. Therefore, this ADTA will address a major thematic objective of ADB's CSP for Indonesia: improvement of environmental protection and natural resources management.
3. Scope (specific major components, e.g. capacity building)	The scope will include: (i) developing a model for adoption of cleaner production practices in 3–4 types of SMEs, which will enable them to align their environmental performance with their trading partners and meet eco-labeling requirements; (ii) promoting the tested model among SMEs; (iii) developing a link with information centers to sustain the effort to improve SMEs' productivity and reduce environmental problems.
4. Expected Outcome and Monitorable Indicators	The ADTA will significantly contribute to enhancing SMEs' productivity and competitiveness, and to improving their working environment, which will lead to increased income and reduced poverty.

¹¹ Economic growth, human development, gender and support for ADB operations.

¹² Year of inclusion in CSP for transition period.

(continuation)

5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	None
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Small Enterprise and Cooperation and Development Agency (SMECDA), in close coordination with MOIT with the Chamber of Commerce and Industry, and SME associations
7. Cost and Financing Plan (i) ADB Financing (JSF, TASF) (ii) Sources other than JSF/TASF	\$500,000
8. Country, RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ADB = advisory technical assistance, CSP = country strategy program, CP = cleaner production, ENVD = Environment Division, JSF = Japan Special Fund, MOIT = Ministry of Industry and Trade, OESD = Office of Environment and Social Development, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, SME = small- and medium-size enterprise, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.37: Gender Mainstreaming in Policy and Program Planning

A. Profile	
Department, Division, RM, Officer Concerned:	PED, IRM, D. Hakim
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Human and Social Development
Poverty Classification and Thematic Priorities: ¹³	Gender and Development
Program Year: ¹⁴	2002
Expected Approval Date (mo/yr):	2002
Estimated Completion Date:	2004
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	Reduce inequalities between men and women, including access and benefits from services, and enhance the participation, role, and responsibilities of women in national and subnational development programs
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	The TA will contribute to a policy shift to more efficient and effective gender and development programs emphasizing women's empowerment, poverty reduction, and sustainable development. The subject matter is a major focus area of the country operational strategy.
3. Scope (specific major components, e.g. capacity building)	(i) Research training program (ii) Policy and program planning training (iii) Reports and publications (iv) Civil society participation in monitoring and evaluation
4. Expected Outcome and Monitorable Indicators	The TA has the following readily monitorable outcomes: (i) Research training program Province and/or district level: - Interregional profiles of gender disparities - District profiles on gender disparities (ii) Policy and program planning training Central level: - Sector-specific action plans Province and/or district level: - Revised Regional Development Plan (PROPEDA) (Regional Planning Agencies [BAPPEDA] 1, 2) from key regional government sector agencies (DINAS) (iii) Women's caucus at the Regional House of Representatives advocating the elimination of gender disparities and issues

¹³ Economic growth, human development, gender and support for ADB operations.

¹⁴ Year of inclusion in CSP for transition period.

(continuation)

5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	RETA 5700–REG: Socio Legal Status of Women in Indonesia (1998, completed). The results will be used in the proposed TA.
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Executing Agency: National Development Planning Agency (BAPPENAS), and the State Ministry for Women’s Empowerment Implementing Agency: Central Bureau of Statistics and District Regional Government
7. Cost and Financing Plan (i) ADB Financing (JSF,TASF) (ii) Sources other than JSF/TASF	(i) \$400,000
8. Country, RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ADTA = advisory technical assistance, BAPPEDA = Regional Planning Agency, BAPPENAS = National Development Planning Agency, CSP = country strategy program, DINAS = regional government sector agencies, DPRD = Regional House of Representatives, IRM = Indonesia Resident Mission, JSF = Japan Special Fund, PED = Programs Department (East), PPTA = project/program preparatory technical assistance, PROPEDA = Regional Development Plan, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.38: Managing Regional Disparity on Economic and Poverty Program under Decentralization

A. Profile	
Department, Division, RM, Officer Concerned:	PED, IRM, PE1 , S. Chatterjee, N. Usui
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Others
Poverty Classification and Thematic Priorities: ¹⁵	Good Governance, Regional Development/Decentralization
Program Year: ¹⁶	2002
Expected Approval Date (mo/yr):	May 2002
Estimated Completion Date:	February 2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	Decentralization has left the local governments with the main responsibility for development and poverty reduction. Local governments have different financial capacities to handle development and poverty reduction programs. The project will address the Government's role in managing such disparities to strengthen national development and poverty reduction.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	The TA will address a major focus of Country Operational Strategy (COS): regional development and equity with particular reference to decentralization, and poverty reduction.
3. Scope (specific major components, e.g. capacity building)	The major components are expected to include (i) consultancy inputs for recommending changes to the planning and development financing structure to accommodate the needs of development with particular focus on regional equity, and (ii) workshops for consultations with stakeholders
4. Expected Outcome and Monitorable Indicators	The main outcome will be ADTA recommendations in the form of a report that is generally acceptable to all stakeholders.
5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	None
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Ministry of Home Affairs and Regional Autonomy, National Development Planning Agency (BAPPENAS)

¹⁵ Economic growth, human development, gender and support for ADB operations.

¹⁶ Year of inclusion in CSP for transition period.

(continuation)

7. Cost and Financing Plan (i) ADB Financing (JSF,TASF) (ii) Sources other than JSF/TASF	(i) \$400,000
8. Country, RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ADBA = advisory technical assistance, BAPPENAS = National Development Planning Agency, COS = Country Operational Strategy, CSP = country strategy program, IRM = Indonesia Resident Mission, JSF = Japan Special Fund, PE1 = Programs Department (East), Division 1, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.39: Financing Mechanism for Local Government Development

A. Profile	
Department, Division, RM, Officer Concerned:	AED, AEWU, A. Weitz
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Social Development, Urban Development
Poverty Classification and Thematic Priorities: ¹⁷	Economic Growth and Good Governance
Program Year: ¹⁸	2002
Expected Approval Date (mo/yr):	March 2002
Estimated Completion Date:	January 2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	The performance of financing mechanisms for local government development—especially the regional development account (RDA) and subsidiary loan agreements (SLAs)—has largely been unsatisfactory, with a high percentage of loans in arrears and new loans progressing at an extremely slow pace, and a large backlog of applications. With the introduction of local autonomy, the system is likely to cease working. System reform is urgently needed, taking into account new local financial and developmental responsibilities.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> poverty reduction/thematic priorities country strategy (where applicable) regional cooperation 	The TA is part of ADB's ongoing assistance to the recently introduced decentralization process. The lack of an appropriate funding mechanism is adversely affecting local investment financing, and will be addressed as a multisectoral issue.
3. Scope (specific major components, e.g. capacity building)	The TA will help the Government reform the financing mechanism through: <ul style="list-style-type: none"> restructuring of the RDA and SLA portfolio; options for the institutional structure (new institution vs. a window in a financial institution); grant and loan mechanisms (coordination and consolidation vs. separation); establishment of creditworthiness at the local level; establishment of an effective local credit-rating methodology; and building an effective municipal credit market, including bank finance and bond issuance.
4. Expected Outcome and Monitorable Indicators	The long-term objective is the establishment of an effective municipal credit market in which local governments can finance their infrastructure projects through public and private borrowing as well as by issuing bonds.
5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> name, amount, status assessment of outcome 	

¹⁷ Economic growth, human development, gender and support for ADB operations.

¹⁸ Year of inclusion in CSP for transition period.

(continuation)

6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Ministry of Finance
7. Cost and Financing Plan (i) ADB Financing (JSF, TASF) (ii) Sources other than JSF/TASF	(i) \$500,000
8. Country, RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ADB = advisory technical assistance, AED = Agriculture and Social Sectors Department (East), AEWU = Water Supply, Urban Development, and Housing Division (East), CSP = Country Strategy Program, JSF = Japan Special Fund, PPTA = project/program preparatory technical assistance, RDA = regional development account, RETA = regional technical assistance, RM = resident mission, SLA = subsidiary loan agreement, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.40: Support for Anticorruption (Attorney General's Office)

A. Profile	
Department, Division, RM, Officer Concerned:	OGC, C.C. Fong
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	n.a.
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Others
Poverty Classification and Thematic Priorities: ¹⁹	Good Governance, Human Development
Program Year: ²⁰	2002
Expected Approval Date (mo/yr):	September 2002
Estimated Completion Date:	September 2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	<p>The Attorney General's Office (AGO) is one of the principal institutions responsible for law enforcement and fighting corruption. AGO helps formulate policy for criminal justice, determining whether to prosecute, and undertakes all prosecutions in the country.</p> <p>Like other public institutions and because of its prominent role in law enforcement, AGO may be especially vulnerable to corruption, collusion, and nepotism.</p> <p>Enhancing AGO's credibility and efficiency is essential for effective law enforcement and for the administration of justice generally. The review of AGO's organization, operations, and processes carried out under the ADB Governance Audit of Public Prosecution Service TA (approved in 2000) identified key issues and strategies in implementing reforms in a systematic and strategic manner.</p>
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	<p>The TA will directly support Government anticorruption and good governance efforts. Good governance is the main anchor of the new country strategy, since corruption disproportionately affects the poor, depriving them of access to basic services and to justice.</p> <p>The strategy emphasizes strengthening government institutions to improve governance, reduce corruption, and continue support for public sector financial management. All these priorities will be addressed by the TA.</p>
3. Scope (specific major components, e.g. capacity building)	<p>Based on the findings of the earlier TA, assistance to set up anticorruption enforcement mechanisms and procedures for AGO, the TA scope includes</p> <ul style="list-style-type: none"> (i) capacity building; and (ii) dissemination seminars to increase awareness of anticorruption reforms and to facilitate participation from government agencies, civil society organizations, and other stakeholders.

¹⁹ Economic growth, human development, gender and support for ADB operations.

²⁰ Year of inclusion in CSP for transition period.

(continuation)

4. Expected Outcome and Monitorable Indicators	<ul style="list-style-type: none"> i. Implementation of various reforms in AGO ii. Development of AGO's capacity iii. Efficient and effective identification and prosecution of corruption cases
5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years) <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	<ul style="list-style-type: none"> i. Establishment of an anticorruption commission—TA 3381-INO; 1999; \$1 million; ongoing. ii. Governance Audit of the Public Prosecution Office—TA 3472-INO; 2000; \$1 million; ongoing.
6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)	Attorney General's Office
7. Cost and Financing Plan <ul style="list-style-type: none"> (iii) ADB Financing (JSF,TASF) (iv) Sources other than JSF/TASF 	(i) \$500,000
8. Country, RETA IPF for relevant year	\$11 million

ADB = Asian Development Bank, ADTA = advisory technical assistance, AGO = Attorney General's Office, CSP = Country Strategy Program, GOI = Government of Indonesia, JSF = Japan Special Fund, OGC = Office of the General Counsel, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.41: Support for Civil Society Monitoring of ADB Projects

A. Profile	
Department, Division, RM, Officer Concerned:	PED, IRM, S. Chatterjee, S. Luddin
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Other
Poverty Classification and Thematic Priorities: ²¹	Human and Social Development
Program Year: ²²	2002
Expected Approval Date (mo/yr):	August 2002
Estimated Completion Date:	April 2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	Many NGOs have a solid understanding of local development needs due to their in-depth knowledge and understanding of the local community and culture. Therefore, NGOs can help ensure that all ADB projects are designed and implemented to give maximum benefit the poor.
2. Relation to Strategic Objectives (How the TA addresses the following.) <ul style="list-style-type: none"> • poverty reduction/thematic priorities • country strategy (where applicable) • regional cooperation 	The TA will increase good governance by empowering civil society in development planning. The TA will also enhance the monitoring and accountability process of development funds. The TA's long-term objective is to improve ADB project performance and development objectives as consistent with ADB's overarching goal of poverty reduction.
3. Scope (specific major components, e.g. capacity building)	The NGOs included in this TA will monitor and hence improve the performance of ADB projects. Therefore, NGOs must be selected based on specialty and network. Once ADB's geographic focus strategy has been implemented (scheduled for 2002), NGO committees will be set up in selected provinces. NGO capacity building will thus be focused on establishing effective monitoring mechanisms and enhancing civil-society participation in ADB projects.
4. Expected Outcome and Monitorable Indicators	(i) Active involvement of NGOs at every stage of project design, implementation, and monitoring (ii) Significant involvement of civil society in ADB projects (iii) Regular dialogue on projects between NGOs and ADB staff and missions from headquarters (iv) NGO understanding of ADB operations and business processes (v) Overall improvement in ADB project performance

²¹ Economic growth, human development, gender and support for ADB operations.

²² Year of inclusion in CSP for transition period.

(continuation)

<p>5. Previous TA(s) on the Same Theme, in the sector, country, or region (last five years)</p> <ul style="list-style-type: none"> • name, amount, status • assessment of outcome 	<p>No TA has specifically provided capacity building for NGOs. In many past projects, however, such as the Farmer-Managed Irrigation System Project, NGOs facilitated relations between the project implementers and the local community.</p> <p>This project is scheduled to be completed in 2001, one year ahead of schedule.</p>
<p>6. Executing agency, implementing agency, counterpart agency (for RETAs as applicable)</p>	<p>National Development Planning Agency (BAPPENAS) will be the Executing Agency. Selected NGOs will be the implementing agencies.</p>
<p>7. Cost and Financing Plan</p> <p>(i) ADB Financing (JSF, TASF) (ii) Sources other than JSF/TASF</p>	<p>\$200, 000 (JSF)</p>
<p>8. Country, RETA IPF for relevant year</p>	<p>\$ 11 million</p>

ADB = Asian Development Bank, ADTA = advisory technical assistance, CSP = Country Strategy Program, IRM = Indonesia Resident Mission, JSF = Japan Special Fund, NGO = nongovernment organization, PPTA = project/program preparatory technical assistance, RETA = regional technical assistance, RM = resident mission, TA = technical assistance, TASF = Technical Assistance Special Fund.

Table A6.42: Developing Proxy Indicators for Poverty Monitoring

A. Profile	
Department, Division, RM, Officer Concerned:	IRM, PE1, L. Kulp
Type of TA (ADTA, PPTA, RETA):	ADTA
Name of Loan Project to follow (if PPTA):	
Country/Region (as applicable):	Indonesia
Sector/Subsector:	Others
Poverty Classification and Thematic Priorities: ²³	Poverty Intervention
Program Year: ²⁴	2002
Expected Approval Date (mo/yr):	July 2002
Estimated Completion Date:	June 2003
B. Concept and Design	
1. Rationale (specific problem/issues to be addressed in TA)	<p>Developing leading indicators of poverty is important for central and local government in their efforts to develop policies and monitor their implementation and impact in a timely fashion. Antipoverty policies and programs are developed with highly aggregated information on the situation 1–3 years ago. Providing a current poverty index (leading indicators of poverty) to the central and local governments is also important to focus their attention on poverty.</p> <p>The proposed leading indicators of poverty will reveal information about the condition of the poor and vulnerability of the near-poor during the year. The existing expenditure-based poverty measures provide a medium-term trend of changes in welfare without revealing short-term intertemporal changes that have a profound impact on the ability of households to accumulate wealth and educate their young. Knowledge of these seasonal fluctuations will be useful for the design and timely execution of interventions to reduce vulnerability to such fluctuations.</p>
2. Relation to Strategic Objectives (How the TA addresses the following.)	<p>Under the Poverty Partnership Agreement with the Government, signed in April 2001, ADB is committed to support improvement of poverty-monitoring systems. This TA will strengthen the capacity of the Central Bureau of Statistics to produce and disseminate relevant and reliable poverty indicators regularly and in a timely fashion to support better policy and program design.</p>
3. Scope (specific major components, e.g. capacity building)	<p>Leading indicators will be developed from existing wage data that are sound correlates of urban and rural poverty. A consumer price basket will be developed to reflect the basket of goods and services used by the unskilled urban and rural poor and to enable more sensitive monitoring of the effect of price changes on urban and rural low-income households. Factors explaining changes in the indicators will be analyzed and forecasting and explanatory models tested to assess the effects of policy and other economic changes on the poor. Improvements to the existing content, including gender disaggregation, and timeliness of price and wage data will be</p>

²³ Economic growth, human development, gender and support for ADB operations.

²⁴ Year of inclusion in CSP for transition period.

