

Work-in-Progress: Not for Quotation**PROJECT PERFORMANCE EVALUATION REPORT
METROPOLITAN BOGOR, TAGERANG AND BEKASI
URBAN DEVELOPMENT (SECTOR) PROJECT
Loan 1511-INO****OUTLINE TERMS OF REFERENCE****A. Background**

1. 19 December 1996, the Asian Development Bank (ADB) approved the Metropolitan Bogor, Tegarang and Bekasi (Metro Botabek) Urban Development (Sector) Project, consisting of a \$80.0 million loan to the Republic of Indonesia for relending to the participating local governments and their enterprises through subsidiary loan agreements with terms and conditions satisfactory to ADB. The Directorate General of Human Settlements of the Ministry of Public Works was the executing agency and implementing agencies included other central, provincial, and local government agencies and their enterprises. The scope of the Project included the rehabilitation and expansion of infrastructure services such as water supply, roads and bridges, drainage, solid waste sanitation, kampung and market infrastructure improvement, and bus terminals.

2. The Metro Botabek Project was closed on 4 March 2004 and the project completion report (PCR) circulated in November 2005. The PPER will assess the relevance, effectiveness, efficiency, sustainability, and institutional development and other impacts of the Project. It will focus on both the positive and negative aspects raised in the PCR, and identify lessons and follow-up actions for future ADB operations. The evaluation will cover, among others, the issues identified in the evaluation approach paper and will be undertaken by a team consisting of (i) a senior evaluation specialist (team leader), (ii) an experienced urban development specialist (international consultant), and (iii) an urban infrastructure specialist (domestic consultant). A research associate may be recruited to strengthen the data compilation and linkage between this PPER and the succeeding SAPE for Urban Development and Water Supply Sector which are planned for initiation in mid 2009.

B. Specific Tasks of the IEM

3. The IEM will perform the following tasks, in light of the preparation of a project performance evaluation report (PPER):

- (i) Provide a historical perspective and factual description of the Project – revisiting particularly the rationale, formulation, objective and outputs intended costs, financing and executing arrangements, and Asian Development Bank (ADB) and executing agency (EA) completion reports;
- (ii) Analyze the consistency of the Project with ADB's development objectives, and the extent to which outputs were achieved, including their performance;
- (iii) Gather all information needed for subsequent assessment of relevance, effectiveness, efficiency, and sustainability in achieving the project objectives, including issues of operational performance of the water organizations involved, possibilities in the context of possible privatization, and the Project's impact (including environmental and health);
- (iv) Analyze any unintended benefits of or costs to the Project; and
- (v) Analyze wider issues of urban development in the Project provinces.

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C. Detailed Terms of Reference

4. The tasks of the international consultant will be the following:

- (i) Prepare for the Operations Evaluation Mission (IEM) by reviewing a number of documents provided by IED and going through the files in ADB's Resident Mission in Jakarta, Indonesia, prior to the arrival of the mission leader (3-5 days depending on the need for socio-economic survey, which will be determined by mid-February). Depending on the schedule of the IEM in Indonesia, the international consultant will have 8 days for pre- and post-IEM work in ADB HQ in Manila or his/her base at home address.
- (ii) Participate in the IEM (2 weeks to 20 days in Greater Jakarta), and assist in the preparation of a mission Aide Memoire submitted to the Directorate General of Urban and Rural Development in the Ministry of Settlements and Regional Development, the Executing Agency for the Project, by the end of the IEM.
- (iii) Prepare a report for the Operations Evaluation Department (IED) based on a review of ADB documents related to the Project, including the Report and Recommendation of the President (RRP), appraisal report, loan and project agreements, PCR, consultant report outputs, and IEM findings. The structure of the report is to follow that of IED's standard PPER and the contents are to follow that of IED's guidelines on PPERs.¹ The draft report needs to among others critically evaluate the lessons learned and the recommendations sections in the PCR, and based on findings of the IEM, validate and strengthen these sections in the PPER with more rigor. The Consultant's draft report needs to be submitted within two weeks after the end of the IEM and needs to give adequate attention to the following issues:
 - (a) Follow up on recommendations of the PCR;
 - (b) Pros and cons of urban development projects in Indonesia;
 - (c) Pros and cons of urban infrastructure subsectors under the Project including urban roads, drainage, piped water supply, processing facilities for clean drinking water, *Kampung* (neighborhood) improvement, market improvement, public transportation terminals, solid waste management, and sanitation.
 - (d) Implementation of the ADB's safeguards policies in environmental and resettlement processes;
 - (e) Advantages and disadvantages of the sector lending modality in Indonesia;
 - (f) Institutional development and capacity development achieved;
 - (g) Contribution of the Project to ADB's overarching goal of poverty reduction;
 - (f) Economic and financial sustainability analysis of the Project;
 - (g) Technical, operational and institutional sustainability of the Project;
 - (h) Effects of the decentralization laws in Indonesia on project implementation processes;
 - (i) Advantages and disadvantages of foreign funding, through multilateral development banks, of urban development projects in Bogor, Tangerang, and Bekasi; and
 - (j) Positive lessons that were already drawn from the Project for the use of other projects, and that might still be drawn from the infrastructure

¹ ADB. 2006. *Guidelines for Preparing Performance Evaluation Reports for Public Sector Operations*. Manila.

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improvements made through the Project, of relevance to other urban projects in Indonesia and elsewhere.

- (iv) With guidance from the Mission Leader, the international Urban Development Specialist will coordinate and liaise with the team of enumerators which will be carrying out the initial pilot survey, and the succeeding socioeconomic survey, and in the distribution, collection and initial tabulation of the results. The target number of household is minimum 100 households in one district
- (v) The international consultant, who will report directly to the Mission Leader, will prepare a report as specified in the detailed tasks section, which needs to be submitted within two weeks from the end of the IEM.

D. Detailed Terms of Reference for Domestic Urban Infrastructure Specialist
(4 weeks)

5. The tasks of the domestic consultant would be the following:

- (i) Prepare for the IEM by reading a number of documents supplied by IED prior to the start of the field missions (3 days).
- (ii) Search and collect all necessary government data and statistics relevant to indicators which should have been collected in the BME reports but not been gathered during the Project implementation period. Visit and collect all relevant statistics at town-disaggregated level on public health, socio-economic survey, water supply and sanitation, and PDAM financial standing (including tariff, revenue and NRW data).
- (iii) Focus on the water supply and sanitation components of the Project in the project towns to be visited (including the selection of non-Project towns), gather views of beneficiaries, and conduct visits to the urban public services stakeholders. The consultant will propose potential non-Project towns to be visited by IEM to the IED Evaluation Specialist (via e-mail) based on discussion with IRM staff and MPW officials.
- (iv) With guidance from the Mission Leader and the international Urban Development Specialist, the domestic Urban Infrastructure Specialist will assist in the coordination of the socio-economic survey and take the lead in local arrangements for the survey.
- (v) Act as translator for the IEM mission members, when in need of local translation between English and Bahasa Indonesia during meetings, and analysis of reports and findings. In addition, the domestic consultant will do the translation of the prepared English socioeconomic survey questionnaire.
- (vi) Prepare a report for IED within 1 week of completion of the mission focusing on the water supply and sanitation components. The structure of the report is to be determined in consultation with the mission team leader.