



**ADB RESPONSE AND PLANS
INDONESIA EARTHQUAKE AND TSUNAMI JOINT DAMAGE AND LOSS ASSESSMENT**

- ADB is committed to working with the Government to meet its urgent priorities and long term development goals in Aceh and North Sumatra.
- The release of the Preliminary Damage and Loss Assessment by Bappenas and the international donor community on 19 January 2005 marks a key milestone in the Aceh-North Sumatra rehabilitation and reconstruction initiatives. The assessment is preliminary, but would provide a solid basis for moving forward. Further focused and indepth work at the sector and individual project levels will be needed to reconfirm the needs.
- **ADB’s Support to the Assessment:** In the immediate aftermath of the tragedy, ADB established an Aceh Reconstruction Team (ART) of 20 experts in various sectors contributed to the joint assessment and the sector reconstruction notes. ART had expertise in almost all the sectors covered in the preliminary assessment. In the two affected provinces, ADB has had a strategic presence in agriculture, irrigation, fisheries, coastal resource management, health, higher education, and energy sectors. This involvement facilitated ART’s working closely with the Government in contributing effectively to the joint assessment process. ART effectively contributed to the assessment in several ways:
 - ✓ Analysis of pre-disaster village-level socio-economic data to draw up a baseline picture
 - ✓ Assessment of damage to ongoing projects, to form the basis of broader sector assessments
 - ✓ Obtaining satellite imageries to map the damage to property, agricultural lands and coastal areas;
 - ✓ Dispatching local consultants to the affected regions quickly for assessment, supported by international consultants in selected sectors; an ADB team visited affected educational facilities subsequently;
 - ✓ Estimating damages at the sector level and taking the lead in several sectors within the joint donor team.
- In parallel, in order to enhance ADB’s preparedness to provide immediate support, on 5 January, the Government and ADB signed a memorandum of understanding (MOU) with a three-step approach to: reprogram existing projects in priority sectors to facilitate support for immediate rehabilitation and reconstruction efforts; provide new support through projects at an advanced stage of preparation in water supply, sanitation and road rehabilitation sectors; and to plan for a new multi-sector emergency assistance project, to be financed from ADB’s concessional Asian Development Fund.
- In line with the scope of projects that can be reprogrammed, ADB in consultation with the Government, will focus on rehabilitation of health and educational facilities, roads, and power distribution. Restoration of livelihood opportunities, particularly through support projects for poor fishermen and farmers, would receive priority.
- **Scope of ADB’s Support:** In all sectors, ADB will support the Government in reconfirming the damages and assessing the needs through further indepth work and local-level consultations. In all its efforts, ADB will focus on key cross-cutting issues such as restoring human resource capacity and ensuring sound fiduciary management. Subject to further reconfirmation with the Government, ADB will focus on the following needs in the rehabilitation and reconstruction phases:

Priority Sectors	Scope of Support in 2005-06	Scope of Support in 2007-09
Health	<ul style="list-style-type: none"> • Initial rehabilitation and reconstruction of health facilities • Provision of equipments and medical kits and supplies • Support for spatial planning, supplemented by strategic planning in the health sector 	<ul style="list-style-type: none"> • Rebuilding of health infrastructure, and health systems to strengthen health service delivery in the second phase after spatial planning is completed
Education	<ul style="list-style-type: none"> • Rehabilitation and reconstruction of basic and higher educational institutions (number of facilities to be confirmed) 	<ul style="list-style-type: none"> • Align support with comprehensive long-term rebuilding plan of Ministry of National Education • Long-term rebuilding of educational

Priority Sectors	Scope of Support in 2005-06	Scope of Support in 2007-09
	<ul style="list-style-type: none"> • Support the coordinating role to be played by University of Syah Kuala (Unsyah) in Banda Aceh • Provision of equipments • Scholarship support to study in other provinces, if required • Recruitment of teachers from other provinces 	institutions, and restoring the human resource base in Aceh and North Sumatra <ul style="list-style-type: none"> • Teacher recruitment, training and capacity building
Agriculture/Irrigation/ Coastal Resources	<ul style="list-style-type: none"> • Rehabilitation of farmland and agriculture infrastructure • Restoration of irrigated agriculture • Rehabilitation of flood protection infrastructure • Rehabilitation of fish-landing and marketing facilities • Support for spatial planning • Assessment of coastal ecosystems and adoption of a rehabilitation strategy • Restoration of Government support services across all sectors 	<ul style="list-style-type: none"> • Upgrading of agriculture and irrigation infrastructure • Support for full restoration of coastal communities • Rural and coastal-area livelihood opportunities through sector projects or targeted microfinance/microenterprise support initiatives
Water and Sanitation	<ul style="list-style-type: none"> • Rehabilitation of piped water distribution system in urban areas • Immediate initial provision of sanitation facilities • Control of communicable diseases 	<ul style="list-style-type: none"> • Upgrading of rural and urban water supply infrastructure (including support for full restoration of well and deep-well sources) • Help affected regions upgrade their basic facilities
Livelihood Restoration (Including support through Finance/SME Sectors)	<ul style="list-style-type: none"> • Community participation and empowerment in the rebuilding of social and physical infrastructure • Improving access to markets through small employment general projects such as rural feeder roads etc. • Provision of microfinance support through grants • Support for restoration of payment systems 	<ul style="list-style-type: none"> • Provision of medium-term livelihood opportunities through various innovative means • Upgrading of rural infrastructure through such opportunities • Reestablishment of rural banks and non-bank financial institutions
Roads/Bridges	<ul style="list-style-type: none"> • Rehabilitation of affected East and/or West Coast Roads • Rebuilding of bridges 	<ul style="list-style-type: none"> • Possible support for restoration of full road network in Aceh and Sumut
Energy	<ul style="list-style-type: none"> • Restoration of low and medium-voltage distribution lines • Rebuilding facilities 	<ul style="list-style-type: none"> • Support for full restoration and provision of rural electrification facilities
Shelter	<ul style="list-style-type: none"> • Launching of community based housing programs • Funding for local governments to provide sites and services, including basic structures • Provision of microfinance for incremental shelter upgrading 	<ul style="list-style-type: none"> • Long-term support for affordable housing for the poor

• **Size and Modalities of Support:** ADB has initially pledged \$675 million for rehabilitation and reconstruction in Indonesia, the Maldives and Sri Lanka. ADB's support to Indonesia will be based on the Government's requirements. The MOU provides for initial support of \$126 million through reprogramming of current projects. New support from ADB will be in the form of highly concessional loans and grants. ADB will also effectively mobilize cofinancing support through bilateral development partners. ADB's Disaster and Emergency Assistance Policy provides for simplified and expedient procedures to support the immediate rehabilitation and reconstruction needs.