## Indonesia: Metropolitan Sanitation Management Investment Project

### Project Name
Meteoropolitan Sanitation Management Investment Project

### Project Number
43251-025

### Country
Indonesia

### Project Status
Active

### Project Type / Modality of Assistance
Grant
Loan

### Source of Funding / Amount
- **Grant:** Metropolitan Sanitation Management Investment Project
  - Government of Australia
  - US$ 48.83 million
- **Loan 3123-INO:** Metropolitan Sanitation Management Investment Project
  - Ordinary capital resources
  - US$ 80.00 million
- **Loan 8280-INO:** Metropolitan Sanitation Management Investment Project
  - ASEAN Infrastructure Fund
  - US$ 40.00 million

### Strategic Agendas
- Environmentally sustainable growth
- Inclusive economic growth
- Regional integration

### Drivers of Change
- Governance and capacity development
- Knowledge solutions
- Partnerships
- Private sector development

### Sector / Subsector
- Health
  - Disease control of communicable disease
- Water and other urban infrastructure and services
  - Urban sewerage

### Gender Equity and Mainstreaming
Effective gender mainstreaming

### Description
The Project will provide improved urban wastewater services in the cities of Cimahi, Jambi, Makassar, Palembang, and Pekanbaru in the Republic of Indonesia. These cities currently lack any piped sewerage and wastewater treatment facilities. The Project will respond to the needs of urban communities, including low-income households, by constructing new separate sewerage systems and wastewater treatment plants (WWTPs), setting up local wastewater infrastructure management institutions and strengthening the relevant departments of respective regional governments.

### Project Rationale and Linkage to Country/Regional Strategy
Indonesia has one of the lowest coverage rates of conventional off-site urban sewerage in Asia. Only 11 out of its 330 cities have partial sewerage systems with only 2% of the national urban population connected to central wastewater treatment plants. The remaining urban population depends on poorly constructed and maintained septic tanks and unlined pit latrines with leachates penetrating the aquifers. Some 80% of greywater drains directly to surface waters. The present sanitation services are inadequate and those that exist are not integrated, due to the lack of regulations and enforcement resulting in limited desludging of septic tanks, inadequate septage treatment facilities and a fragmented operational responsibility. Improved access to safe water and basic sanitation is part of the Government of Indonesia’s effort to achieve its 2015 Millennium Development Goal (MDG) targets. Whilst reports suggest good progress is achieved with sanitation, in practice, the facilities now available are substandard and rely on septage removal and treatment facilities which are unsustainable. As a result, there is significant environmental pollution, widespread contamination of surface and ground water with the associated spread of water-related diseases and high infant mortality. The inadequacies of this sanitation systems and resulting environmental and health impacts equate to economic opportunity losses of approximately $5.6 billion annually, equaling 2.3% of the country’s gross domestic product. These issues can be solved by the introduction of (i) public sewerage and wastewater treatment facilities; (ii) an institutional framework for their effective operation and maintenance (O&M); and (iii) by public awareness of good sanitation practices.

### Impact
- Reduced pollutant discharges to the environment in the participating cities.

### Project Outcome
- **Description of Outcome:** Increased connection of the population to improved wastewater services in the participating cities.
- **Progress Toward Outcome:** As of September 2017, no civil works contract have been awarded, and no disbursement has been made. Contract for the project implementation support consultant (PISC) is expected for signing in late 2017.

### Implementation Progress
- **Description of Project Outputs:** Infrastructure development for Off-Site Wastewater Systems completed. Project Implementation Support institutionalized.
- **Status of Implementation Progress (Outputs, Activities, and Issues):**
  - being assessed.
  - no progress to be reported at the moment.

### Geographical Location

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**Note:** The contents are a summary of the project details and do not include the full text. For more information, please refer to the original project document.
Safeguard Categories

Environment: B
Involuntary Resettlement: B
Indigenous Peoples: C

Summary of Environmental and Social Aspects

Environmental Aspects: Initial environmental examinations were conducted in accordance with the ADB’s SPS 2009 and government regulations. Stakeholder consultations were conducted from May to November 2012. Issues raised during the consultation are addressed in the Environmental Management Plans (EMPs). Subprojects will not cause irreversible environment impacts. Mitigation measures are included in the EMPs and cost estimates for implementing them are identified. The EMPs will be updated at the detailed design stage and, once approved by ADB, will form part of the contract bidding documents. Implementation of the EMP will be enforced by an Environment Officer in the PMU. A hydrology and flooding study shall be conducted during the design phase for the WWTPs to ensure that occurrence of flooding is properly evaluated. Adverse impacts during operation will be minimized by specified O&M procedures and environmental monitoring.

Involuntary Resettlement: Three resettlement plans (RPs) have been prepared for the subprojects which have land acquisition: (i) Cimahi, (ii) Palembang, and (iii) Pekanbaru. A total land area of 21.129 hectare will be acquired and 70 households (202 persons) will be affected. The subproject in Pekanbaru will have significant impacts with 22 households (97 persons) losing more than 10% of their productive land. Palembang will have 24 households (75 persons) requiring relocation. Due diligence reports for Jambi and Makassar have been prepared. Land acquisition for these subprojects was carried out in accordance with the provisions of prevailing local laws and regulations and, was in compliance with the ADB’s Safeguard Policy Statement (SPS) (2009) requirements. Therefore, no corrective action plans/resettlement plans are considered necessary. All other impacts are partial and temporary. The total land acquisition and resettlement cost estimated to be $9.502 million, including base costs, allowances, and contingencies. A cut-off date was established with stakeholder consultation and participation. Information was disclosed to affected persons throughout the project preparation and a public information booklet was distributed in February 2013.

Indigenous Peoples: There are no indigenous peoples affected by the subprojects and land already acquired, or to be acquired, is not part of any ancestral domain. Field investigations conducted in the project area did not find existence of any indigenous peoples/ethnic minorities.

Stakeholder Communication, Participation, and Consultation

During Project Design: The Ministry of Public Works, through the Directorate General of Human Settlements (DGHS), is the EA of the Project. DGHS will establish a central project management unit (CPMU) composed of technical and administrative staff. MPW will establish a PIU at the provincial level (SATKER) in Cimahi, Jambi, Makassar, and Pekanbaru to implement monitor progress and manage the contracts. In each city, a technical team will support the PIU. In Palembang, the local government will establish the PIU.

During Project Implementation: The implementation arrangements are summarized in Table 3 of the RRP and described in detail in the project administration manual of the RRP. Project implementation assistance will be provided through a consultancy firm procured through Quality-and-Cost-Based Selection (QCBS) method. The consultants will be engaged by the DGHS according to ADB’s Guidelines on the Use of Consultants (2010, as amended from time to time). Equipment and works will be procured according to ADB’s Procurement Guidelines (2010, as amended from time to time).

Responsible ADB Officer: van Etten, Joris G. P.
Responsible ADB Department: Southeast Asia Department
Responsible ADB Division: Indonesia Resident Mission
Executive Agencies: Directorate General of Human Settlements, MOPW
Jl. Pattimura No. 20
Kebayoran Baru
Jakarta, Indonesia

Timetable

Concept Clearance: 13 Dec 2011
Fact Finding: 23 Apr 2013 to 03 May 2013
MRM: 04 Jul 2013
Approval: 31 Mar 2014
Last Review Mission: -
Last PDS Update: 19 Sep 2017

Loan 3123-INO

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Loan 8280-INO

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Project Page https://www.adb.org/projects/43251-025/main
Request for Information http://www.adb.org/forms/request-information-form?subject=43251-025
Date Generated 10 June 2019

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