



Technical Assistance Report

Project Number: 43304-022
Capacity Development Technical Assistance (CDTA)
November 2011

Republic of Indonesia: Water Supply and Sanitation Sector Development Project (Financed by the Republic of Korea e-Asia and Knowledge Partnership Fund)

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 14 November 2011)

Currency Unit	–	rupiah (Rp)
Rp1.00	=	\$0.00011
\$1.00	=	Rp8,945

ABBREVIATIONS

ADB	–	Asian Development Bank
AusAID	–	Australian Agency for International Development
BAPPENAS	–	Badan Perencanaan dan Pembangunan Nasional (National Development Planning Agency)
MDG	–	Millennium Development Goal
PDAM	–	perusahaan daerah air minum (government-owned water supply enterprise)
PDPAL	–	perusahaan daerah pengelola air limbah (government-owned wastewater enterprise)
TA	–	technical assistance
USAID	–	United States Agency for International Development
WOP	–	water operators' partnership

TECHNICAL ASSISTANCE CLASSIFICATION

Type	–	Capacity development technical assistance (CDTA)
Targeting classification	–	Targeted intervention – Millennium Development Goals
Sector (subsector)	–	Water supply and other municipal infrastructure and services (water supply and sanitation)
Themes (subthemes)	–	Capacity development (institutional development, organizational development); social development (human development); environmental sustainability (urban environmental improvement)
Location (impact)	–	Rural (medium), urban (medium), national (medium)
Partnership	–	Republic of Korea e-Asia and Knowledge Partnership Fund

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. Public enterprises that provide basic urban services to the populace in Indonesia's rapidly expanding urban centers are in crisis, failing to keep up with the pace of development in the country. This is particularly acute in the water supply and sanitation sector where less than 40% of the urban population is connected to piped water systems, and less than 20% countrywide when rural water supply is included. Government efforts to improve the situation have produced some relief, but progress has been slower than expected and much remains to be done if the 2015 targets of the Millennium Development Goals (MDGs) are to be achieved.

2. Discussions with the National Development Planning Agency (BAPPENAS) in 2010 resulted in the signing of a memorandum of understanding with the Asian Development Bank (ADB) for the provision of technical assistance (TA) to develop the capacity of BAPPENAS in the planning and development of the water supply and sanitation sector in Indonesia. Through consultation with the major stakeholders in the sector and supported by expert consultants, BAPPENAS would prepare a realistic and harmonized road map and project pipeline for rural and urban water supply and sanitation in Indonesia. The design and monitoring framework for the TA is in Appendix 1.¹

II. ISSUES

3. Indonesia is urbanizing rapidly, but most urban public enterprises, tasked to provide basic services to urban dwellers, are in crisis. Government-owned water supply enterprises (PDAMs) have connected only about 39% of the urban population to piped water supply, and less than 20% of the population is connected countrywide. Investment in new piped water infrastructure has come to a standstill, and many PDAMs and local governments have loan arrears with the central Ministry of Finance. In 2006, the ministry issued new regulation to restructure the loan arrears of PDAMs. The program called for writing off 70% of PDAM debt, while 30% was restructured. To qualify, PDAMs needed to put in place a valid business plan, including a plan to raise tariffs to full-cost recovery, and appoint a qualified professional to run their operations. Of more than 300 PDAMs, only 90 submitted business plans, of which only 30 were of acceptable standard and are awaiting approval. The Australian Agency for International Development (AusAID) has been assisting 16 PDAMs (of the 30 with acceptable proposals) in preparing their business plans.

4. In 2009, the central government announced that it would prioritize a program for accelerating the connection of 10 million households to piped water supply. The government is also actively promoting improvement of sanitation countrywide, and a number of related donor-supported programs have been completed or are ongoing, including the completed ADB-financed TA for Preparing the Metropolitan Sanitation Management and Health Project² and the recently approved loan;³ the Environmental Services Program (phases 1 and 2) financed by the United States Agency for International Development (USAID); and the Water and Sanitation Program⁴-managed Indonesia Sanitation Sector Development Program. In addition, new initiatives—such as the capacity development TA to support water operators' partnerships in Indonesia,⁵ funded by

¹ The TA first appeared in the business opportunities section of ADB's website on 18 April 2011.

² ADB. 2006. *Technical Assistance to the Republic of Indonesia for Preparing the Metropolitan Sanitation Management and Health Project*. Manila (TA 4763-INO).

³ ADB. 2011. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to the Republic of Indonesia for the Metropolitan Sanitation Management and Health Project*. Manila (Loan 2654-INO, TA 7562-INO).

⁴ A multi-donor partnership administered by the World Bank to support poor people in obtaining affordable, safe, and sustainable access to water and sanitation services.

⁵ ADB. 2010. *Technical Assistance to the Republic of Indonesia for Supporting Water Operators' Partnerships*. Manila (TA 7739-INO).

AusAID and administered by ADB (para. 14)—are implementing twinning partnerships between water utilities to provide peer-to-peer knowledge exchange aimed at achieving operational and/or financial performance improvements of PDAMs and their sanitation counterparts, PDPALs (government-owned sanitation agencies).

5. Development of capacity through the sharing of knowledge and experience is essential for the PDAMs and PDPALs to make progress and work toward meeting MDG 7, target 10, which calls for halving, by 2015, the proportion of people without sustainable access to safe drinking water and sanitation. The adoption of best practices from around the region based on recent experience will be key to the development of water supply and sanitation in Indonesia. Improving the capacity of BAPPENAS for water supply and sanitation will provide the basis for better national planning in the sector, and for the development of a road map and pipeline of priority interventions and projects that will contribute to achieving tangible results toward meeting the MDGs.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

6. The impact of the TA will be that planning and implementation of water supply and sanitation services in Indonesia are improved. Coverage of urban and rural water supply and sanitation is increased in line with national and MDG targets. Baselines will be established for 2011 and MDGs are the target for 2015 and onward.

7. The outcome will be stronger technical and planning capacity of BAPPENAS in water supply and sanitation. The preparation of a high-quality sector strategy and road map, the development of an agreed project pipeline and improved portfolio, and endorsement of these products by the Government of Indonesia and major stakeholders may help to ensure performance in the sector against MDG targets.

B. Methodology and Key Activities

8. The TA will support BAPPENAS in reviewing and assessing the water supply and sanitation sector; defining key issues and bottlenecks and how to overcome these; developing a sector road map; and contributing to the development of a stronger project pipeline for urban and rural water supply and sanitation projects, all of which will help achieve MDG targets. The sector road map will also discuss potential social and environmental safeguards, along with gender strategy and education, especially given the important role that women can play in ensuring household hygiene once water and sanitation are provided.

9. BAPPENAS, as the executing agency, will establish stronger coordination and collaboration in water supply and sanitation with the Ministry of Public Works, the Ministry of Home Affairs, the National Water Supply Association, PDAMs and PDPALs and local governments. As the major government entities in the sector responsible for implementation and service delivery, their input and cooperation will be vital for the preparation of a realistic and sustainable road map and project pipeline. In addition, collaboration with other development partners involved in the sector—such as AusAID, Japan International Cooperation Agency, USAID, and the World Bank—is essential in ensuring that a harmonized approach to water supply and sanitation initiatives is maintained and the results of their ongoing projects or programs are incorporated into the overall strategy proposed.

10. The operational and financial performance of PDAMs, PDPALs, and local governments is crucial for the long-term sustainability of the water supply and sanitation sector. Therefore, an

outline assessment will be undertaken to illustrate the financial and economic benefits that can be achieved through greater autonomy, the setting of appropriate tariff levels, and more efficient billing and revenue collection; and how better financial control relates to and can complement operational improvements. This will bolster the government in setting economic criteria for the development, selection, and sequencing of the water supply and sanitation project pipeline.

11. To aid the much-needed development of the PDAMs and PDPALs, the TA will include workshops and seminars to introduce best practices from around the region, including case studies on how similar situations have been overcome in neighboring countries and the lessons that could be successfully applied to Indonesia. Such events will also provide an opportunity to consult and liaise with national and local government agencies, with development partners, and representatives of civil society to ensure that experiences and knowledge are shared effectively among the main stakeholders. The workshops will be scheduled to coincide with the completion of major project achievements, i.e., (i) the sector strategy and road map, and (ii) the proposed project pipeline. Feedback from the workshops will be incorporated into succeeding documents, up to the final report and knowledge products.

12. The project team will prepare a knowledge and communications plan as well as two knowledge products (one rural, one urban) with peer review by the ADB Institute and/or Korea Water Resources Corporation and ADB units such as the Regional and Sustainable Development Department. The subject matter for the knowledge products will be determined during implementation, based on actual need and after discussions with BAPPENAS, PDAMs, and PDPALs, the National Water Supply Association, and other major stakeholders. The TA will also prepare an ADB publication, based on the findings of the TA and the sector road map for Indonesia.

13. The TA will help promote long-term knowledge partnerships, particularly between utilities, that will continue after TA completion, such as those developed under the AusAID-funded program (para. 14). To assist in the knowledge development activities and in the dissemination of knowledge and experience, the project team will collaborate with ADB's Water Community of Practice and the ADB Institute to develop the workshops to be implemented by ADB. Opportunities for synergies with ADB's proposed TA for Promoting an Asia-Pacific Wastewater Management Revolution⁶ will also be investigated, as will opportunities to contribute to and gain from ongoing ADB-supported water supply and sanitation initiatives in Indonesia and the region.

14. Since January 2011, ADB has been implementing the TA Supporting Water Operators' Partnerships in Indonesia where twinning partnerships are established between an international expert utility and a recipient PDAM. The TA uses AusAID funding to provide peer-to-peer knowledge exchange based on the successful model established under the regional TA Supporting Water Operators' Partnerships in Asia,⁷ under which 19 partnerships have been established since 2007. Under the WOPs program in Indonesia, seven international twinning partnerships will be established, five in water supply and two in sanitation. A domestic twinning program will also be piloted with at least two partnerships. Feedback from the partnerships in Indonesia will inform this TA and the establishment of the road map. USAID's ECO-Asia program is implementing a similar WOPs program, including twinning in Indonesia, and has, together with ADB and the International Water Association, established the WaterLinks⁸ network to coordinate WOPs in Asia. This will be another source of information for the project team.

⁶ Regional capacity development TA expected to be approved in 2011.

⁷ ADB. 2007. *Technical Assistance for Supporting Water Operators' Partnerships in Asia*. Manila (TA 6396-REG).

⁸ The WaterLinks was established in 2008 and held its first Annual Forum in Bangkok in September 2009. A second forum was held at ADB headquarters in May 2010, and the third forum will be held in Kuala Lumpur in November 2011. The WaterLinks secretariat is currently being registered as a non-profit organization in Metro Manila.

C. Cost and Financing

15. The TA is estimated to cost \$500,000 equivalent. The TA will be financed on a grant basis by the Republic of Korea e-Asia and Knowledge Partnership Fund and administered by ADB. The TA will be used to pay for consultants, travel costs, training, and workshops, as well as development and dissemination of knowledge products. The government will provide counterpart support in the form of counterpart staff, office accommodation, administrative services as needed, and other in-kind contributions. See Appendix 2 for details of the cost estimates and financing plan.

D. Implementation Arrangements

16. The Directorate General of Housing and Settlements of BAPPENAS will be the executing agency and the TA will be implemented over 12 months, starting in November 2011. Consultants will assist the executing agency in preparing (i) sector studies and road map reports, (ii) relevant sections of project preparation documentation, (iii) brief monthly progress reports, and (iv) other reports as required. To best assist the executing agency, the consultants will be based at the offices of BAPPENAS in Jakarta, but will spend approximately 40% of their input time at the Indonesia Resident Mission in Jakarta to liaise with ADB's project officer and keep ADB updated on developments.

17. The TA will require about 25 person-months of consulting services (14 international person-months and 11 national). Given the limited budget, intermittent inputs, and the need to be seconded to BAPPENAS, it is important to have a flexible TA team that can be responsive to the demands of the TA. Consultants will therefore be recruited individually. The outline terms of reference are in Appendix 3. ADB will recruit consultants in accordance with its Guidelines on the Use of Consultants (2010, as amended from time to time). Disbursements under the TA will be carried out in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time).

18. The executing agency will provide the consultants with suitable office space; a sufficient number of standard desks, chairs, shelves, and closets; lighting; electricity; air conditioning; and access to phone lines. The consultants will cover the cost of phone services and internet access, and the executing agency will cover electricity costs. The consultants will be given free access to relevant government information, studies, reports, and data as applicable.

19. Formal reporting will be semiannual to the Southeast Asia Department. Wider communication will be provided through ADB's Water Community of Practice and the dissemination of information through the ADB website.

IV. THE PRESIDENT'S DECISION

20. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$500,000 to the Government of Indonesia to be financed on a grant basis by the Republic of Korea e-Asia and Knowledge Partnership Fund for the Water Supply and Sanitation Sector Development Project, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact Planning and implementation of water supply and sanitation services in Indonesia are improved</p>	<p>Coverage of urban and rural water supply and sanitation is increased in line with national and MDG targets. Baselines to be established for 2011 and MDGs to be the target for 2015 onward</p>	<p>Government demographic, economic, and water supply and sanitation statistics</p> <p>Annual reports by BAPPENAS. Independent studies by universities, research institutions, and donors; and reports from civil society organizations</p>	<p>Assumptions The government adopts and implements road map and project pipeline in a timely manner</p>
<p>Outcome The technical and planning capacity of BAPPENAS for water supply and sanitation will be improved</p>	<p>Preparation of a high-quality sector strategy and road map, the development of an agreed project pipeline and improved portfolio, and endorsement of these products by the government and major stakeholders</p> <p>Agreed project pipeline and improved portfolio</p>	<p>Reports and feedback from government</p> <p>Project pipeline consistent with national priorities</p>	<p>Assumptions Improving water and sanitation services to meet MDG targets remains a priority for the government</p> <p>PDAMs and PDPALs stay committed to developing business plans</p> <p>Risks Unforeseen changes in government policies and priorities</p>
<p>Outputs</p> <ol style="list-style-type: none"> 1. Knowledge and communications plan developed 2. Sector strategy and road map established 3. Stakeholder workshop conducted 4. Project pipeline developed 5. Knowledge products prepared 	<p>Submitted by end of month 2</p> <p>Sector strategy and road map approved by BAPPENAS by end of month 6</p> <p>Workshop for circa 60 participants to be conducted in month 7 on strategy and road map and best practices from around the region</p> <p>Project pipeline approved by BAPPENAS by the end of month 10</p> <p>Draft knowledge products on water supply and sanitation prepared by the end of month 9 (one urban and one rural)</p>	<p>Consultants' progress reports</p> <p>Data from existing reports by government and development agencies. Consultants' project reports</p> <p>Feedback on workshop from participants. Consultants' progress reports</p> <p>Consultants' project reports</p> <p>Consultants' progress reports</p>	<p>Assumptions Effective participation and continued commitment of all stakeholders</p> <p>Risks Coordination between stakeholders, including central and local government agencies, could possibly slow down implementation</p> <p>Extensive consultations at level delay the decision-making process</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
6. Knowledge dissemination workshop conducted	In month 12, workshop for circa 60 participants held on progress made and the proposed project pipeline. Final versions of knowledge products distributed	Feedback on workshop from participants and consultants' progress reports	
Activities with Milestones <ol style="list-style-type: none"> 1. Knowledge and communications plan (end of month 2). 2. Sector strategy and road map (months 1–6) <ol style="list-style-type: none"> 2.1 Review available data and studies for urban and rural water supply and sanitation (months 1–4) 2.2 Review and assess the legal, regulatory, and financial frameworks and specify areas for improvement (months 2–5) 2.3 Assist BAPPENAS in preparing sector road map and strategy (months 4–6) 2.4 Sector strategy and road map (month 6) 3. Stakeholder workshops and/or seminars (month 7) 4. Project pipeline (months 7–10) <ol style="list-style-type: none"> 4.1 Assist BAPPENAS in developing projects for the expansion of urban and rural water supply and sanitation (months 7–9) 4.2 Help BAPPENAS identify and assess potential loan and TA packages (month 9) 4.3 Define capacity development needs for government agencies (month 9) 4.4 Recognize potential risks and recommend suitable mitigation measures (month 9) 4.5 Assist BAPPENAS in preparing a project pipeline (month 10) 5. Prepare knowledge products (month 9) <ol style="list-style-type: none"> 5.1 Prepare draft knowledge product on rural water supply and sanitation 5.2 Prepare draft knowledge product on rural water supply and sanitation 6. Knowledge dissemination workshop (months 11–12) <ol style="list-style-type: none"> 6.1 Finalize knowledge products (month 11) 6.2 Conduct knowledge dissemination workshop (month 12) 			Inputs \$500,000 Republic of Korea e-Asia and Knowledge Partnership Fund Consultants: \$398,000 Training, seminars and conferences: \$75,000 Miscellaneous administrative and support services: \$5,000 Contingencies: \$22,000 The government will provide counterpart support in the form of counterpart staff, office accommodation, administrative services as needed, and other in-kind contributions.

ADB = Asian Development Bank; BAPPENAS = *Badan Perencanaan dan Pembangunan Nasional* (National Development Planning Agency); MDG = Millennium Development Goal; PDAM = *perusahaan daerah air minum* (government-owned water supply enterprise); PD PAL = *perusahaan daerah pengelola air limbah* (government-owned wastewater enterprise); TA = technical assistance.

Source: Asian Development Bank

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost (\$'000)
Republic of Korea e-Asia and Knowledge Partnership Fund^a	
1. Consultants	
a. Remuneration and Per Diem	
i. International consultants (14 person-months)	308.0
ii. National consultants (11 person-months)	55.0
b. International and Local Travel	30.0
c. Reports and Communications	5.0
2. Training, Seminars, and Conferences ^b	
a. Facilitation	5.0
b. Workshops ^c	40.0
c. Knowledge products and publication	20.0
d. Research assistance ^d	10.0
3. Miscellaneous Administration and Support Costs	
a. Translation services	5.0
4. Contingencies	22.0
Total	500.0

Note: The government will provide counterpart support in the form of counterpart staff, office accommodation, administrative services as needed, and other in-kind contributions.

^a Administered by the Asian Development Bank.

^b Implemented by the Asian Development Bank but administered by the team leader (consultant).

^c Workshop details to be agreed during implementation of the technical assistance based on actual needs.

^d Provisional sum for research assistance, as needed.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Introduction

1. Consultant support is required to assist Indonesia's National Development Planning Agency (BAPPENAS) in the development of a program for urban and rural water supply and sanitation, including sector policy dialogue with the government, the donor community, and other stakeholders, and processing of loan and technical assistance (TA) projects. There should be an emphasis on best practices from around the Asia and Pacific region, and stakeholder participation will be ensured through workshops and seminars, where knowledge and experience will be shared.

2. The Directorate General of Housing and Settlements of BAPPENAS will be the executing agency for this TA, which is administered by the Asian Development Bank (ADB). To ensure effective assistance to the executing agency, the international and local consultants will be based at the offices of BAPPENAS in Jakarta. However, the consultants will be required to spend approximately 40% of their input time (2 days per week on average) at the Indonesia Resident Mission in Jakarta to (i) work and liaise directly with the ADB project officer, (ii) ensure good coordination with other ADB initiatives, and (iii) keep ADB informed of all developments in a timely manner.

3. During implementation of the TA the consultants shall take into consideration ADB's ongoing initiatives in Indonesia and coordinate with the team that is undertaking the country sector assessment, strategy, and road map, which will be ongoing when the TA commences. Account must be taken of other existing sector road maps and initiatives.

4. The consultants should also consider the content of the sector assistance performance evaluation for Indonesia (and perhaps that of other countries), which was undertaken by ADB's Independent Evaluation Department. This may identify issues and/or lessons that could enrich the formulation of the sector road map. Should the sector road map proceed to the level of spatial planning, sociocultural aspects and environmental sensitivity will be important considerations to take into account, so as to minimize the "NIMBY" (not in my backyard) syndrome commonly encountered in this sector.

B. Team Leader and Urban Water Supply and Sanitation Specialist (international, 10 person-months, intermittent)

5. The urban water supply and sanitation specialist (on an intermittent basis over 12 months) will be a senior expert in urban water supply and sanitation,¹ including experience in sector policy dialogue, sector development and finance, water utility management, utility financial and operational performance improvement, nonrevenue water reduction and utility asset management, identification of loan and TA projects, and investment program preparation, with at least 15 years' experience. The consultant should have pertinent experience in the Asia and Pacific region, preferably in Indonesia, and possess a good command of Bahasa Indonesia.

6. The consultant will carry out the following tasks:

- (i) liaise effectively with government agencies (e.g., BAPPENAS, Ministry of Public Works, Ministry of Finance, Ministry of Home Affairs); provincial and local

¹ Sanitation refers to wastewater collection and treatment, provided by utilities as well as community-based solutions. Experience in solid waste management and drainage will be considered.

governments; the National Water Supply Association; water and sanitation companies, the donor community (including Australian, Japanese, and United States international cooperation agencies, and the World Bank), the Forum for Wastewater Management (FORKALIM), and other relevant stakeholders like civil society and nongovernment organizations;

- (ii) support and advise missions, lead and participate in meetings, carry out field visits, consult with local governments, and draft sector-related reports as required;
- (iii) review and assess sector studies, and other related documentation readily available for urban water supply and sanitation;
- (iv) review and assess the legal, regulatory, and financial framework for the sector, and determine areas for improvement in urban water supply and sanitation;
- (v) provide support, advice, and recommendations for strengthening (a) urban water supply and sanitation policy development; (b) sector economics and finance (including tariff setting); (c) governance; (d) utility performance improvement; and (e) private sector participation;
- (vi) assist the executing agency in preparing sector road maps and strategies;
- (vii) assist the executing agency in developing the government's urban water supply and sanitation program for the country, including identification and initial assessment of loan and TA projects;
- (viii) advise the executing agency on sector-related capacity development needs for central and local government agencies;
- (ix) locate hindrances, risks, and bottlenecks in program development and recommend mitigation measures;
- (x) contribute to loan and TA processing missions, including preparation of relevant sections of related processing documentation; develop terms of reference and budget for consultant support as needed;
- (xi) lead workshops and/or seminars on urban water supply and sanitation;
- (xii) prepare at least one knowledge product in urban water supply and sanitation that will benefit the stakeholders;
- (xiii) determine, agree, and coordinate any proposed activities with the ADB Institute, as appropriate;
- (xiv) lead the team and be responsible for overall project management, deliverables, and liaison with ADB and the Government of Indonesia;
- (xv) prepare a brief inception report and work plan for the TA;
- (xvi) prepare a knowledge and communications plan and ensure knowledge and information are collated and shared through various mediums to be agreed with the executing agency and the ADB project officer;
- (xvii) prepare the semiannual report;
- (xviii) prepare ad hoc reports as may reasonably be requested;
- (xix) prepare the draft final and final reports; and
- (xx) undertake other TA activities that may reasonably be requested.

C. Rural Water Supply and Sanitation Specialist (international, 4 person-months, intermittent)

7. The rural water supply and sanitation specialist (intermittently over 12 months) will be a senior expert in rural water supply and sanitation, including experience in sector policy dialogue and development, community-based water and sanitation, social development, identification and preparation of loan and TA projects, and capacity development, with a minimum of 15 years' experience. The consultant, who will report to the team leader, should have experience in the Asia and Pacific region, preferably in Indonesia, and possess a good command of Bahasa Indonesia.

8. The consultant will carry out the following tasks:
- (i) assist the team leader in liaising effectively with government agencies;
 - (ii) participate in meetings, carry out field visits, consult with provincial and local governments, and draft sector-related reports as required;
 - (iii) review and assess sector studies, and other related documentation readily available for rural water supply and sanitation;
 - (iv) review and assess the legal, regulatory, and financial framework for the sector, and determine areas for improvement for rural water supply and sanitation;
 - (v) provide support, advice and recommendations for strengthening (a) rural water supply and sanitation policy development; (b) sector finance; and (c) governance;
 - (vi) assist the executing agency in preparing sector road maps and strategies for rural water supply and sanitation;
 - (vii) help the executing agency develop the government's rural water supply and sanitation program for Indonesia, including identification and initial assessment of loan and TA projects;
 - (viii) advise the executing agency on sector-related capacity development needs of central and local government agencies for rural water supply and sanitation;
 - (ix) pinpoint hindrances, risks, and bottlenecks in rural water supply and sanitation program development and recommend mitigation measures;
 - (x) lead workshops and/or seminars on rural water supply and sanitation;
 - (xi) prepare one suitable knowledge product on rural water supply and sanitation that will benefit the stakeholders;
 - (xii) help the team leader with inputs for the inception report, knowledge and communications plan, and other reports and deliverables; and
 - (xiii) undertake other TA activities that may reasonably be requested.

D. Water Supply and Sanitation Specialist (national, 11 person-months, intermittent)

9. The water supply and sanitation specialist (intermittently over 12 months) will be a senior expert in urban and rural water supply and sanitation, including experience in sector policy dialogue, sector development and finance, water utility management, community-based water and sanitation, identification of loan and TA projects, and investment program preparation, with at least 15 years of experience. The consultant will report to the team leader and provide all necessary assistance to both the team leader and the rural water supply and sanitation specialist. The consultant must be fluent in written and spoken English.

10. The consultant will carry out the following tasks:
- (i) assist the international consultants in liaising effectively with government agencies, provincial and local governments, water and sanitation companies, the donor community, and other stakeholders such as civil society and nongovernment organizations;
 - (ii) closely collaborate with the international consultants;
 - (iii) assist the international consultants in the review and assessment of sector studies, and other related documentation readily available
 - (iv) assist the international consultants in reviewing and assessing the legal, regulatory, and financial framework for the sector, identify areas for improvement;
 - (v) assist the international consultants in preparing recommendations for strengthening sector policies, finance, and governance;

- (vi) provide local knowledge and advice on (a) urban and rural for rural water supply and sanitation policy development; (b) sector finance; (c) governance; (d) utility performance improvement; and (e) private sector participation;
- (vii) assist the international consultants in preparing sector road maps and strategies;
- (viii) assist the international consultants in developing the government's urban and rural water supply and sanitation program for Indonesia, including identification and initial assessment of loan and TA projects;
- (ix) provide local knowledge on sector-related capacity development needs of central and local government agencies;
- (x) help the international consultants locate hindrances, risks, and bottlenecks to program development and recommend mitigation measures;
- (xi) assist with workshops and/or seminars;
- (xii) support the preparation of knowledge products on urban and rural water supply and sanitation, particularly with respect to local conditions;
- (xiii) give the team leader inputs for the inception report, knowledge and communications plan, and other reports and deliverables; and
- (xiv) undertake other TA activities that may reasonably be requested.

E. Deliverables

11. The consultants will prepare the following deliverables and other reports as may reasonably be requested:

- (i) inception report (end of month 1)
- (ii) knowledge and communications plan (end of month 2)
- (iii) monthly progress reports
- (iv) draft sector strategy and road map report (end of month 6)
- (v) stakeholder workshops or seminars (as agreed at inception)
- (vi) draft final report and knowledge products (end of month 10)
- (vii) knowledge dissemination workshop with the ADB Institute (end of month 11)
- (viii) final report and knowledge products (end of month 12)

12. All of the above reports and workshop materials shall be prepared in both the English language and Bahasa Indonesia.