Complaint Handling in the Rehabilitation of Aceh and Nias

Experiences of the Asian Development Bank and Other Organizations

Asian Development Bank
Complaint Handling in the Rehabilitation of Aceh and Nias

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Asian Development Bank
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# Abbreviations and Acronyms

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<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>ANSSP</td>
<td>Aceh-Nias Settlements Support Program</td>
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<tr>
<td>BDL</td>
<td><em>Bantuan Dana Lingkungan</em> (block grants for priority, small-scale community infrastructure)</td>
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<td>BDR-T</td>
<td><em>Bantuan Dana Rumah Tambahan</em> (house grant fund and supplemental house grant)</td>
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<td>BKM</td>
<td><em>Badan Keswadayaan Masyarakat</em> (community self-help organization)</td>
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<td>BPK</td>
<td><em>Badan Pameriksa Keuangan</em> (Supreme Audit Agency)</td>
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<td>BPN</td>
<td><em>Badan Pertanahan Nasional Republik</em> (National Land Agency)</td>
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<tr>
<td>BRI</td>
<td><em>Bank Rakyat Indonesia</em> (People’s Bank of Indonesia)</td>
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<td>BRR</td>
<td><em>Badan Rehabilitasi dan Rekonstruksi NAD Nias</em> (Agency for the Rehabilitation and Reconstruction of NAD and Nias)</td>
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<td>BRRD</td>
<td><em>badan rehabilitasi dan rekonstruksi desa</em> (housing development coordinating committee)</td>
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<tr>
<td>CGU</td>
<td>Complaints and Grievance Unit</td>
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<td>CHM</td>
<td>complaint-handling mechanism</td>
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<td>CHU</td>
<td>complaint-handling unit</td>
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<td>CMS</td>
<td>community mobilization specialist</td>
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<td>CMT</td>
<td>community mobilization team</td>
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<td>CNT</td>
<td>community negotiation team</td>
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<td>DIU</td>
<td>district implementation unit</td>
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<td>DPR</td>
<td><em>Dewan Perwakilan Rakyat</em> (House of Representatives of Parliament)</td>
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<td>DPRD</td>
<td><em>Dewan Perwakilan Rakyat Daerah</em> (Regional People’s Representative Assembly)</td>
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<tr>
<td>EMS</td>
<td>Extended Mission in Sumatra</td>
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<td>ERM</td>
<td>external resettlement monitoring</td>
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<td>ETESP</td>
<td>Earthquake and Tsunami Emergency Support Project</td>
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<tr>
<td>FPM</td>
<td><em>formulir pengadual masyarakat</em> (public complaint form)</td>
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<tr>
<td>GAA</td>
<td>Welthungerhilfe/German Agro Action</td>
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<tr>
<td>GAM</td>
<td><em>Gerakan Aceh Merdeka</em> (Free Aceh Movement)</td>
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<td>GFU</td>
<td>Grievance Facilitation Unit</td>
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<td>IRM</td>
<td>Indonesia Resident Mission</td>
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<tr>
<td>KDP</td>
<td><em>Kecamatan</em> Development Project</td>
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<tr>
<td>KPK</td>
<td><em>Komisi Pemberantasan Korupsi</em> (Anticorruption Commission)</td>
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<tr>
<td>KPR</td>
<td><em>kelompok pembangun rumah</em> (house reconstruction cluster)</td>
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<tr>
<td>KTPP</td>
<td><em>koordinator tenaga pendamping petani</em> (irrigation facilitator coordinator)</td>
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<tr>
<td>LAC</td>
<td>Land Acquisition Committee</td>
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<tr>
<td>LARAP</td>
<td>land acquisition and resettlement action plan</td>
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<td>LARPFPFG</td>
<td>Land Acquisition and Resettlement Policy Framework and Procedural Guidelines</td>
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<td>LKMD</td>
<td><em>lembaga ketahanan masyarakat desa</em> (village community resilience council)</td>
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<td>LMS</td>
<td>Livelihood Management Support</td>
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<tr>
<td>LSM</td>
<td><em>lembaga swadaya masyarakat</em> (self-reliant community institution, NGO)</td>
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<tr>
<td>M&amp;E</td>
<td>monitoring and evaluation</td>
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<td>MDF</td>
<td>multidonor trust fund</td>
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<td>MIS</td>
<td>management information system</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>NAD</td>
<td>Nanggro Aceh Darussalam Province</td>
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<tr>
<td>NGO</td>
<td>nongovernment organization</td>
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<td>NMC</td>
<td>national management consultant</td>
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<td>NSSP</td>
<td>Nias Settlements Support Program</td>
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<td>OSPF</td>
<td>Office of the Special Project Facilitator</td>
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<td>Ox fam</td>
<td>Oxford Committee for Famine Relief</td>
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<tr>
<td>P2KP</td>
<td>Proyek Penanggulangan Kemiskinan Perkotaan (Urban Poverty Project)</td>
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<tr>
<td>PDAM</td>
<td>Perusahaan Daerah Air Minum (Water Utility Agency)</td>
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<tr>
<td>PIC</td>
<td>project implementation consultant</td>
</tr>
<tr>
<td>PIU</td>
<td>project implementation unit</td>
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<tr>
<td>PJOK</td>
<td>penanggung jawab operasional kegiatan (local project manager)</td>
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<tr>
<td>PMC</td>
<td>provincial management consultant</td>
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<td>PMD</td>
<td>Directorate General of Community and Village Empowerment</td>
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<td>PNPMP-Rural</td>
<td>Program Nasional Pemberdayaan Masyarakat Mandiri Pendesaan (National Community Empowerment Program for Self-Reliant Villages)</td>
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<tr>
<td>PP</td>
<td>penyuluh pendamping (extension worker)</td>
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<td>PCC</td>
<td>project preparation consultant</td>
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<td>PPK</td>
<td>pejabat pembuat komitmen (satker/PIU subunit)</td>
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<td>PPRG</td>
<td>panitia pembangunan rumah gampong (committee for village house construction)</td>
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<td>RALAS</td>
<td>Reconstruction of Aceh Land Administration System</td>
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<td>S3P</td>
<td>Simeuleu Settlements Support Program</td>
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<td>SAK</td>
<td>Satuan Anti Korupsi (Anticorruption Unit)</td>
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<td>SERD</td>
<td>Southeast Asia Department</td>
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<tr>
<td>SHG</td>
<td>self-help group</td>
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<td>SMS</td>
<td>short message service</td>
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<tr>
<td>Sorak</td>
<td>Solidaritas Rakyat Anti Korupsi (Anti Corruption Solidarity)</td>
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<td>SP4</td>
<td>ETESP Roads and Bridges subproject 4 (Ulee Lheue Road Subproject)</td>
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<td>SPADA</td>
<td>Support for Poor and Disadvantaged Areas</td>
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<td>SPPR</td>
<td>subproject preparation report</td>
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<tr>
<td>TI-I</td>
<td>Transparency International Indonesia</td>
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<td>TNI</td>
<td>Tentara Nasional Indonesia (Indonesian Armed Forces)</td>
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<tr>
<td>TOR</td>
<td>terms of reference</td>
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<tr>
<td>TPK</td>
<td>Tim Pelaksana Kegiatan (implementation team)</td>
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<td>TPP</td>
<td>tenaga pendamping petani (irrigation facilitator)</td>
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<tr>
<td>UEP</td>
<td>mixed microcredit group</td>
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<tr>
<td>ULR</td>
<td>Ulee Lheue Road</td>
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<tr>
<td>UNORC</td>
<td>United Nations Office of the Recovery Coordinator for Aceh and Nias</td>
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<tr>
<td>UNSYIAH</td>
<td>University of Syiah Kuala</td>
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<tr>
<td>UPK</td>
<td>kecamatan activity unit</td>
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<td>VDF</td>
<td>village development forum</td>
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<td>VMF</td>
<td>village mobilization facilitator</td>
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<tr>
<td>WUAF</td>
<td>water user association federation</td>
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## Local Terms

- **adat** – culturally and ethnically specific forms of law and custom
- **bappeda** – district planning unit
- **bawasda** – *badan pengawasan daerah* (district internal audit body)
- **berita acara rapat** – minutes
- **bupati** – district head
- **camat** – subdistrict head
- **Cipta Karya** – Human Settlements
- **Dewan Pengawas** – BRR supervisory board
- **dusun** – hamlet
- **femanga zato** – ritual of eating and drinking together
- **gampong** – village
- **Gerakan Aceh Merdeka** – Free Aceh Movement
- **geuchik or keucik** – village head
- **gowasa** – *adat* ritual to restore peace
- **imeum mukim** – village cluster head
- **kabupaten** – district
- **kecamatan** – subdistrict
- **kelompok pembangun rumah** – house reconstruction cluster
- **kepala desa** – village head
- **keplor** – subhamlet head
- **ketua** – chairman
- **kejureun** – traditional organization in Aceh
- **koordinator tenaga pendamping petani** – irrigation facilitator coordinator
- **korbab** – *koordinator kabupaten* (district coordinator)
- **korkot** – *koordinator kota* (city coordinator)
- **korwil** – *koordinator wilayah* (area coordinator)
- **kota** – town, city
- **lembaga ketahanan masyarakat desa** – village community resilience council
- **meunasah** – small village mosque
- **mukim** – cluster of villages
- **musyawarah** – discussion to reach consensus
- **orang tua desa** – village elders
- **panglima loot/lhok** – sea commander
- **penyuluh pendamping** – extension worker
- **peusijuk** – *adat* purification ritual
- **satker** – *satuan kerja* (project implementation unit)
- **satua hada** – highly respected *adat* leaders
- **seckdes** – village secretary
- **syariah** – Islamic law
- **teungku** – Islamic leader
tuha peut – adat leaders and community figures, or village elders
ujong kafan – adat special forum
Wanrah – Dewan Pengarah (BRR advisory board)
Wanwas – Dewan Pengawas (BRR supervisory board)
warong – roadside shop
Accountability in development projects requires obtaining and responding to feedback from beneficiaries, key stakeholders, and the public. Project planners and implementors have a duty to inform, consult with, and respond to people who may be benefited or adversely affected by project activities and outputs. At the same time, feedback and complaints can help reduce gaps, cut costs, and improve the outcomes and development effectiveness of projects.

An effective system for complaint handling is one of the key elements of a good development project, especially if the project is complex and has broad social and environmental impacts. Recognizing and properly dealing with complaints can be one of the most effective ways of resolving problems in development projects. However, experience and capacity in complaint handling in Asian Development Bank-assisted projects is still generally limited.

The Office of the Special Project Facilitator (OSPF) handles formal complaints from project-affected people but also has a mandate to provide generic support and advice to ADB’s operations departments in their problem-solving activities. In providing generic support, we have been attempting to encourage and guide the establishment of grievance mechanisms in projects, and to that end we are making available in this book the experiences and lessons learned in handling complaints under the ADB-assisted Earthquake and Tsunami Emergency Support Project (ETESP) in Indonesia, and similar initiatives supported by other organizations, in the rehabilitation of Aceh and Nias following the earthquake and tsunami of December 2004 and March 2005. With respect to the large and complex effort represented by the ETESP, it is interesting to note that OSPF did not receive a single formal complaint. The extensive efforts to identify and resolve problems as they arose at the project level no doubt contributed to this.

The articles in this book describe a wide range of experiences in dealing with complaints in a difficult situation following a major disaster. Reflecting the practical intent of this compilation, most contributions include a section on lessons learned or recommendations that can be applied in other contexts. We hope that making this information available will improve understanding and appreciation of the importance and benefits of properly handling complaints and contribute to developing the capacity to design and implement complaint-handling systems in the future.

Robert C. May  
Special Project Facilitator  
Asian Development Bank
Preface

This book is intended to serve as a basis for further capacity building within local governments in Aceh and Nias to mainstream and integrate complaint handling into their regular governance procedures. Beyond that, the compilation of the approaches, learning, feedback, and impacts involved in the introduction of complaint-handling mechanisms by the different institutions seeks to support a wider sharing of experiences with governments and with nongovernment organizations in Indonesia and beyond.

The book aims to reflect

- experiences of different Earthquake and Tsunami Emergency Support Project (ETESP) implementors, the Agency for the Rehabilitation and Reconstruction of Nanggroe Aceh Darussalam (NAD) and Nias, and other agencies involved in the rehabilitation of Aceh and Nias, including their lessons learned and recommendations for other institutions;
- Office of the Special Project Facilitator (OSPF) experience with capacity building for complaint handling in Aceh; and
- experience with traditional (adat) complaint-handling systems in NAD and Nias.

The contents of this book are based on articles contributed by those involved in complaint handling; lessons drawn from a series of workshops in Aceh organized by OSPF from 2006 to 2008; review of recent research and similar assessments; and supplemental interviews with beneficiaries, project implementors, and traditional leaders in Aceh and Nias.

A consultant was engaged to approach and follow up with various groups and individuals about preparing articles on the specific experiences of their organizations or groups in complaint handling. Some articles written in Bahasa Indonesia were translated into English and sent back to the contributors for them to fill in gaps and check for accuracy. A team of interviewers and writers under the consultant was mobilized to help prepare draft articles for certain experiences, including those related to adat complaint handling. Discussions with possible contributors on the preparation of articles started in December 2008, and contributions were translated and revised from February to April 2009.

This book is thus the work of many who are deeply involved in the practice of complaint handling, and ADB is grateful for their dedication and diligence.

Pieter M. Smidt
Head
ADB Extended Mission in Sumatra
Summary of Lessons and Recommendations

by Robert C. May

Nearly every paper in this book includes a section on lessons learned or recommendations, sometimes both, which contain summaries of the most useful experiences and guidelines for complaint handling to emerge from the rehabilitation efforts in Aceh and Nias. These add up to an extensive compilation of knowledge and ideas that will be valuable to anyone interested in designing and implementing systems to identify and respond to grievances and solve problems before they escalate. The interested reader can refer to those sections for details of the practical suggestions embodied in each paper. Also, many papers include case studies (presented in boxes) that give the flavor of actual field situations and illustrate the types of concrete issues encountered in implementing this large rehabilitation effort.

The following summary draws together common strands from the lessons and recommendations in the 18 papers and highlights items of broader interest and more general applicability. The lessons and recommendations parallel and extend those described in earlier publications that concentrated on the Asian Development Bank (ADB) experience.

Start Early and Prepare Well

A clear lesson from these experiences is the importance of starting early to implement complaint-handling systems (5, 8). The complaint-handling unit should be established when the project begins (9). Early issuance and dissemination of construction standards and guidelines to partner organizations and communities help to avoid complaints about variations in the quality of construction (1). Complaint-handling systems need to be built into standard operating procedures or made an integral part of a project’s field manual (10). Careful planning is essential: limited planning and social preparation in some sectors enabled an earlier start but resulted in huge delays and protracted conflicts during implementation (1). Planning that is community-based will help ensure success. Where communities were involved in design and monitoring of house construction, ownership was increased, and conflicts and problems minimized. Targeting rehabilitation activities that were identified as priorities in the community created goodwill, an invaluable asset, and helped build relationships with stakeholders (10). Planning should include an understanding of the social interactions and relationships among the people in the village or area; a complaint-handling system can empower a community and give people the courage to ask questions and be more critical (10).

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1 Robert C. May is the special project facilitator of the Asian Development Bank.
3 Numbers in parentheses refer to the chapter numbers (see Contents).
Interest and support from funding agencies is another key requisite. Implementing agencies and nongovernment organizations (NGOs) are more responsive to community feedback and complaints when the sources of funds are seen as equally interested in having these issues addressed and resolved (1). In the case of the Earthquake and Tsunami Emergency Support Project (ETESP), the commitment of staff and management made the difference (2). Clear support and direction from the head of the agency will ensure that the complaint-handling system is accepted and supported by consultants and project staff (13).

Similarly, the attitude and political will of government is extremely important (2). Some government staff were wary of NGO field workers receiving and facilitating complaints from beneficiaries (11). Close monitoring by implementation consultants was needed to ensure that district government and Badan Rehabilitasi dan Rekonstruksi NAD Nias (BRR) staff followed agreed-upon provisions of the aid agency’s land acquisition and resettlement policy; otherwise they might continue to apply Indonesian regulations only (12). The response from government institutions to the complaint-handling mechanism was relatively good, and the offices felt they were helped by the program. The presence of government representatives in public consultation meetings and mediation had a positive impact. One of the main requirements for applying a complaint-handling mechanism is the willingness of all parties to be involved in the process of public consultation and mediation (17). It is important to clarify roles in the terms of reference of various organizations and units, and to clarify which unit takes the lead and is responsible for monitoring and facilitating when the system is faced with constraints (11).

Stakeholder analysis is necessary to identify vested interests, leaders, and key individuals. But it is not good to rely solely on village leaders and influential persons—it is important to ensure inputs from others, including vulnerable groups (6). The social assessment done during project preparation should identify and assess key stakeholders including traditional leaders who may affect project implementation (18).

Government institutions like project implementation units and local project managers need training and orientation to improve their understanding of duties, responsibilities, and functions (15). Some staff may not have sufficient skills in complaint handling or be afraid to facilitate and report complaints for fear of reprimand by superiors (11); this needs to be overcome by orientation and training. With the commitment of project management, training can be designed, adapted, and tailored when training modules are replicated. Training should clarify the roles and responsibilities of implementors and the need for providing information to communities (2). It is best to equip field staff with training in communications skills at the start and at regular intervals during the course of a project (10). Facilitators should be given adequate training so they can understand the vision and mission of the project and perform their functions effectively (15).

Establishing and implementing an effective complaint-handling system requires time and resources. A budget should be prepared and made available for informing communities and the public of their right to ask questions and give feedback, and informing them how they can register complaints (11), and additional resources and staff need to be allocated for media advertisements, flyers, and pamphlets, especially where communities are not easy to locate (12). Resources should be provided for orienting consultants and project staff on the complaint-handling system (13). The system for paying field staff needs careful attention: a complicated system for paying honorarium, transportation allowance, etc. was found to affect performance, especially when the area covered was widespread (15). It is also good to have a budget for social and cultural costs (9). Where traditional (adat) systems are still strongly adhered to, a budget should be allocated for utilizing and supporting adat processes that may
benefit project implementation. This will help reduce the financial burden on project staff and beneficiaries and hasten conflict resolution (18).

Set Up an Effective Complaint-Handling Mechanism

One salient feature of the rehabilitation work in Aceh and Nias was the availability of multiple channels for submitting complaints. The government and many of the agencies working in the rehabilitation effort recognized the importance of grievance mechanisms and instituted their own systems for activities under their supervision (1, 3, 4, 14, 15, 16, 17). The grievance mechanisms related to the ETESP fell into three categories: the primary sector-specific mechanisms, the Grievance Facilitation Unit (GFU) in BRR Dewan Pengawas, and the system of ADB’s Extended Mission in Sumatra (3). While the sector-specific systems handled most complaints, the GFU provided an alternative avenue for the public to air concerns and demonstrated the usefulness of an independent and supplemental complaint-handling mechanism (4). The complaint-handling system managed by the funding agency provided another avenue, supplementing the sector-specific mechanisms, and was especially valuable when redress from others was perceived as inadequate. Having alternative grievance points increased the chances that grievances would be identified and addressed in time; otherwise local government units might simply apply national guidelines (not those of the funding agency)–e.g., in paying compensation (12). It was observed, however, that some beneficiaries engaged in “forum shopping” (selecting the mechanism most likely to act favorably on their case) (11).

Most of the complaint systems had multiple levels, so that issues not resolved at one level could be elevated for handling at the next higher level (3, 5, 6, 7, 8, 11, 15). In general, it is preferable for a complaint to be dealt with at the lowest possible level. Muslim Aid (7) gave authority to field monitors and site engineers, and this proved to be a practical method of addressing complaints, with 60% of complaints being resolved at these levels. German Agro Action found that 70% of complaints and queries could be clarified or resolved at the lowest two levels (6), and in the work of UN-HABITAT, 80% of problems in the field were handled on the spot or through community meetings (8).

Different organizations placed the complaint-handling function in different positions within the organization. ADB’s Extended Mission to Sumatra found that the grievance mechanism needed a full-time grievance focal point, a person familiar with local norms and institutions and speaking the local language, to support the units involved in complaint handling and to follow up on cases referred to executing and implementing agencies (13). The Multi-Donor Trust Fund (MDF) made the complaint mechanism an integral part of its overall communications strategy to inform communities about MDF projects and contact points for inquiries or complaints. The outreach officer served as the focal point for communications and for complaints (14). The National Community Empowerment Program for Self-Reliant Villages (PNPM-Rural) (16) imbedded its grievance mechanism in the project’s monitoring and evaluation system, and consultants were engaged to supervise and oversee reporting at the districts and provinces. Transparency International Indonesia (TI-I) found that a public role in monitoring was necessary, as systems had been damaged by the disaster. A community-based complaints committee was established as a grassroots civil society organization and improved public participation in the control of projects (17).
Experiences in dealing with and solving complaints can provide useful lessons for the future and serve as indicators of development in the area. For purposes of recording and later analysis, a proper and systematic log of complaints is needed, employing a complaint form as a record and for future reference (10). The MDF maintained a database with information on questions and complaints, and serious complaints were followed up by the partner implementing agencies (14).

Assure Proper Functioning of the Mechanism

The post-conflict situation in Aceh, combined with tsunami devastation and the large amounts of incoming aid, affected relationships in the community and social dynamics and added to the complexity of understanding the area (10). The post-conflict situation had not yet become conducive to open public participation from the security point of view, and protecting identities was sometimes not enough to convince people to file complaints. Sixty percent of those complaining to TI-I did not provide identities (17), and more than a quarter of the complaints received by Dewan Pengawas were anonymous (4). A commitment is needed from authorities to provide a sense of security to people who want to file reports (17).

Complaints were often resolved through discussions and explanations. People preferred to meet rather than to submit complaint forms. In Simeulue, UN-HABITAT found that problems could usually be solved through community meetings (8), and this was an approach that other agencies also found effective (9, 10, 17). In some cases, a solution required only simple and private gestures of reconciliation (9). Complaining also should be seen as a right of expression: complainants sometimes came just to vent without having valid demands or complaints, and this should be viewed as building goodwill or trust. Small or trivial complaints can cause aggravation if not addressed properly or in a timely manner. Grievances may be the result of complex issues involving human behavior, character, or background (10). The complaint-handling mechanism can be built into the existing local culture or practices and village structure. It is best to strengthen and develop the capacity of the present structure or existing best practices and habits rather than creating new ones (10).

A large part of the assistance provided to Aceh and Nias comprised the reconstruction of houses that had been destroyed by the earthquake and tsunami. Poorly performing contractors, especially in the housing sector, were a recurring problem and the source of numerous complaints (7). Contractors who could not be held accountable (e.g., because they had already been paid in full) led to unresolvable complaints (5). Quality control policies should be established and a quality control program implemented to prevent substandard work, though this may delay house construction, and an adequate number of management staff should be made available to avoid delays in decision making about quality control (15). Many complaints about quality issues in housing could have been avoided with proper supervision and control by the project implementation unit (satker) and strict sanctions on poorly performing contractors (1). Penalties (like delaying disbursement of funds) are necessary where there is a lack of financial accountability and where a community-based approach is not followed (15).

Resettlement specialists played a critical role in grievance facilitation in projects and for ensuring open dialogue between affected persons and various units with regard to land acquisition and resettlement. Their early and continued mobilization was needed to ensure that policies were followed, to ensure consultation with affected persons, and to set up accessible grievance and information systems (12).

Housing and other facilitators should not be assigned geographical areas that are too large, as this may slow down completion and compromise quality. Threats and pressure can result in resignations among housing facilitators. It is important to provide operational technical support for satkers and local project managers (15).

TI-I found that one third of complaint reports came from women, and two complaints committees were headed by women. They conclude that “as long as room and opportunity are
provided, women’s participation will emerge” (17). Women can make important contributions, but this may require separate meetings with women (6). Traditional (adat) conflict resolution gives some space for women’s participation, but effort is still needed to ensure that women are given an opportunity to be heard in the community. The existence of parallel women-specific adat practices in conflict resolution appears invisible or weak in most cases. During project preparation, a social assessment should be made that includes parallel traditional grievance resolution involving women. Based on an assessment of women’s participation in adat conflict resolution, a gender plan should be developed that strengthens women’s participation and benefits from adat conflict resolution (18).

Certain experiences showed that the complaint-handling system may not work as planned (5) and may require revision as the project progresses. Some implementors found that the approach to complaint handling developed gradually as lessons were learned in the course of implementation, and adjustments had to be made (9). Reporting of complaints also improved over time (7).

Avoid or Minimize Complaints through Timely Communication

Experience around the world shows that many of the problems that arise in development projects are due to faulty communication and a lack of information. The experience of rehabilitation efforts in Aceh and Nias bolsters this conclusion. Clearly, it is extremely important that people understand the project and are kept informed (8). Many complaints or grievances were found to be the result of lack of time invested in communication. Information dissemination about the project and its approaches should be conducted regularly in a manner that is sensitive to the local culture and the backgrounds of the community and individuals (10). Simple information should be provided that can be used by the public to register complaints and learn who will provide feedback (11). Media advertisements, flyers, and pamphlets should be prepared. Effective communication and disclosure (including additional resources and staff) are needed where communities and landowners are not easy to locate; otherwise information easily gets distorted and rumors spread, which creates fertile ground for complaints and conflicts (12). It was time consuming to hold meetings and verify facts (5), and staff members from outside Aceh found it difficult to communicate with local people (15).

Media campaigns and communications facilities enabled people living in areas far from the capital city of Banda Aceh to be aware of grievance mechanisms and report complaints or feedback. Eighty percent of reports received by Dewan Pengawas came through short message service (SMS), telephone, or facsimile (1). Complaints increased after advertisements were published in newspapers (4). A public complaint-handling unit should establish a hotline, email address, SMS number, or post office box for receiving complaints and feedback from the public. The complaint mechanism should be disclosed through the agency’s website, dissemination of flyers, and other outreach activities (13). The MDF complaint-handling mechanism was part
of an overall communications strategy for informing communities about MDF projects. MDF began a radio talk show series, and radio stations could receive and report on complaints and questions from beneficiaries and the general public (14). PNPM-Rural employed a web-based system for management information systems and complaint handling for greater transparency (16).

Project staff also need access to information. Bina Swadaya found that NGO field workers were sometimes not adequately informed of resolutions, agreements, and decisions made at the consultant and satker levels, and hence were unable to provide feedback and clarification to complainants (11). Coordination and synchronization meetings should be organized on a regular basis among all involved at the villages, districts, and subdistricts to follow up on issues and problems (15).

Work with Traditional Conflict Resolution Systems when Appropriate

An important feature of Aceh and Nias, where the rehabilitation effort was undertaken, is the presence in some locales of traditional (adat) systems for resolving conflicts.

Adat systems can be an effective way of dealing with complaints where indigenous structures are still very strong (5, 9, 18). Working with adat institutions helped resolve many issues that could have escalated into more serious conflicts (18), including intervillage issues and disagreements (11). This approach has the advantages of cooling tempers and avoiding lengthy legal processes. Many complainants preferred to work with adat leaders, and the agreed-upon solutions were more binding when such leaders participated as witnesses (18). But involvement of adat leaders provided little advantage in situations where traditional institutions had been fractured or weakened by the disaster or where new leaders had not yet fully earned the respect and trust of the community. The lack of written records was a disadvantage, although adat leaders themselves served as a memory bank, and project staff should ensure that agreements or decisions are recorded and signed and copies provided to the village head and other key parties to the conflict (18).

A social assessment should be conducted during project preparation that includes the existence and importance of traditional conflict resolution in the area and associated practices and important rituals (9, 18). The consultant or head of unit should have adequate experience and seniority to understand the state legal system and local adat norms and be able to synergize the two systems (9). Projects should integrate adat into the project complaint-handling mechanism and provide orientations for project staff so they understand the strengths and weaknesses of working with adat institutions and how to overcome the limitations (18).
1. Complaint Handling at the Agency for the Rehabilitation and Reconstruction of NAD and Nias

by Zahrul Fuady, Fajri Jakfar, and Jose T. Nicolas

Background

The Agency for the Rehabilitation and Reconstruction of Nanggre Aceh Darussalam (NAD) and Nias (BRR) was established by the Government of Indonesia on 17 April 2005 to rebuild the regions hit by the tsunami and earthquake on 26 December 2004 and 28 March 2005 in NAD and Nias. Based on Government Regulation No. 2/2005, which was then endorsed as Law No. 10/2005, BRR is tasked with carrying out rehabilitation and reconstruction programs, and organizing and coordinating the implementation of rehabilitation and reconstruction activities implemented by the central government, local governments, nongovernment organizations (NGOs), and other parties.

BRR is expected to ensure that the rehabilitation and reconstruction of Aceh and Nias are in accordance with and supportive of the vision and mission of the regions affected by the disaster. BRR has formulated the following vision statement:

“Building reliable, dignified, prosperous, and democratic Aceh and Nias”

BRR consists of three important boards—an advisory board (Dewan Pengarah or Wanrah), a supervisory board (Dewan Pengawas or Wanwas), and an executive board (Bapel or steering committee). These boards play complementary roles and share responsibilities. The executive board plans and implements rehabilitation and reconstruction activities in NAD and Nias. The steering committee ensures that the aspirations of various groups are represented in the rehabilitation and reconstruction activities. The supervisory board supervises the process of rehabilitation and reconstruction implemented by the executive board.

The BRR structure has been set up following the four principles of good governance: transparency, participation, accountability and enforcement. These

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1 This article is based on interviews conducted with Satuan Anti Korupsi (SAK) and Dewan Pengawas staff in February 2009 and on earlier presentations made by SAK and Dewan Pengawas representatives in Office of the Special Project Facilitator-organized workshops in Banda Aceh in November 2008.

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3 Fajri Jakfar served as one of the experts at BRR Dewan Pengawas until its closure in April 2009. He is a vice dean at Syiah Kuala University.

4 Jose T. Nicolas worked as social safeguard specialist for the ADB Extended Mission in Sumatra from November 2005 until July 2009. He was also engaged by the Office of the Special Project Facilitator to coordinate with the contributors for this book.
principles are imbedded in all planning, procurement, hiring, supervision, and implementation activities under BRR.

Part of the accountability mechanism within BRR is the establishment of a system for receiving and acting on feedback and complaints from the public. BRR requires agencies implementing projects related to the rehabilitation of NAD and Nias to receive all grievances and inputs from all levels of the community with regard to the implementation and performance of the program by the implementing agency or other parties under its coordination, i.e., government offices, ministries, local governments, NGOs, the private sector, and others.

Under the BRR executive board, the Anti-Corruption Unit (Satuan Anti Korupsi or SAK) was established to receive and facilitate complaints, whether corruption related or not. Complaints can be submitted through the “Public Voices” section of BRR’s website, the grievances post office box, or the toll-free telephone line managed by SAK. Although supervision of SAK was transferred to the BRR Supervisory Board on 27 June 2007, SAK has remained autonomous in most of its operations.

The BRR supervisory board has two main functions: (i) supervise the rehabilitation and reconstruction process; and (ii) receive, review, and follow up complaints submitted by members of the community. It also has the authority to

- appoint and utilize the services of independent professional auditors or other specialists,
- request explanations from the BRR executive board and other parties in relation to the implementation of rehabilitation and reconstruction, and
- prepare recommendations to the president based on the findings of supervisory activities concerning the implementation of rehabilitation and reconstruction.

Figure 1 shows the relationship among the three BRR boards and their interaction with other audit and integrity organizations and the public.

**Figure 1: Coordination among BRR, Audit and Integrity Agencies, and the Community**

BPK = Supreme Audit Agency, BRR = Badan Rehabilitasi dan Rekonstruksi, DPR = House of Representatives of Parliament

DPRD = Regional People’s Representative Assembly, KPK = Anticorruption Commission, SAK = Anticorruption Unit (Satuan Anti Korupsi).
Anticorruption Unit

SAK started operations in September 2005 under the head of BRR Bapel with the following general objectives:

- to maintain the trust of countries and agencies that have contributed to the rehabilitation and reconstruction program of Aceh and Nias,
- to ensure that the victims of the tsunami receive their entitlements in accordance with the blueprint, and
- to monitor development sectors that were targeted for rehabilitation and reconstruction.

SAK’s scope of work includes (i) supervising budget expenditures totaling Rp67 trillion, (ii) maintaining accountability of 124 project implementation units (satkers) and their subunits, and (iii) monitoring the implementation of some 24,000 contracts and/or projects. Its activities are divided into three integrated components:

- prevention, which involves reviewing systems to identify potential areas of weakness that may give rise to corrupt practices, and recommending improvements to strengthen the integrity of these systems; this covers issues as diverse as procurement and gratuities;
- investigation, which includes review of specific activities to ensure that they comply with BRR procedures and, to the maximum extent possible, to prevent the loss of resources caused by corruption; and
- education, which operates at two levels: the first is to provide specific advice to staff and the wider community on how to comply with ethical standards; the second and wider task is to strengthen citizen rejection of corrupt and unethical practices within the public domain.

Although SAK’s mandate centers primarily on preventing and investigating corruption in rehabilitation activities, its work actually covers issues beyond corruption concerns. SAK has adopted the following policies in receiving complaints:

- no case or complaint is too small or too large,
- acceptance of cases and/or complaints that are anonymous, and
- protection of complainants through nondisclosure of identity.

These policies have encouraged the public to report a wide variety of complaints to the unit, even those that are not directly related to corruption.

SAK classifies complaints received according to their gravity and to the time needed to resolve them. Complaints related to legal matters are classified as high, issues concerning behavior or ethics are categorized as medium, while general complaints are categorized as low.

The Supreme Audit Agency (BPK) assigned some of its provincial staff to assist in SAK’s prevention, investigation, and education activities, as well as in the maintenance of data and management information reporting. SAK also works with the Indonesian Transparency Society, Transparency International Indonesia, Indonesian Corruption Watch, People’s Movement for Anti-Corruption, university groups, and international institutions in carrying out its tasks.

From its establishment until the end of 2008, SAK received a total of 1,530 reports and/or complaints. Most of these (70.3%) were received in 2005–2006, when the rehabilitation projects were in their initial implementation stages and there was much confusion about implementation arrangements, budgeting, and eligibility for assistance. Figure 2 shows the reports and/or complaints received by SAK from September 2005 until December 2008.
While SAK accepts anonymous complaints and information, 9 of every 10 complainants or reporters chose to identify themselves. Reports and/or complaints come from internal BRR staff, private individuals, contractors, other government agencies, project staff, and NGOs and civil society groups. The most common complaints received are about tendering activities, possible cheating or corruption, concerns about project implementation, and complaints about staff. Other complaints relate to various issues such as general inquiries about regulations, complaints about rules and procedures, issues of ethical guidance, and advice and concerns from victims that their needs are not being met.

SAK’s Information Processing Unit collects all reports received by SAK from various stakeholders (individuals, vendors, government offices, media, and journalists, BRR, NGOs, etc.). It studies each report and prepares a first information report. In some cases, follow-up calls are made to the complainant to seek clarification or additional information. Simple queries are clarified by staff from the Information Processing Unit or are referred to the BRR unit concerned. Reports without sufficient substance or information are archived. There have also been instances when SAK facilitated meetings to mediate between contending parties.

In case there are indications of loss or misappropriation, the SAK Monitoring Unit issues a work order for monitoring. This can be either routine monitoring, special monitoring, or an operational audit, depending on the nature of the case. The outcome of the monitoring is prepared in the form of an audit finding. If the audit finding does not indicate monetary loss by the state through corruption, collusion, or nepotism, the report is submitted to the provincial office of BPK. Complaints involving possible state loss are submitted to government law enforcement agencies (police, attorney’s office, and also the provincial BPK).

Upon delivery of the audit finding from SAK to BPK and investigators, SAK’s mission is deemed completed (it has no authority to interfere with the work of government agencies). However, at times, if the BPK and investigators’ audit finding results in a formal court proceeding, SAK may be called as a witness.

Figure 2: Reports and/or Complaints Received by SAK from September 2005 to December 2008
Actions taken by SAK on complaints involving funds misappropriation or corruption have resulted in:

- cancellation of tender result and termination of contract (90 cases with potential loss of Rp715,139,356,755);
- blacklisting of 129 business entities and/or legal entities and banning them from participating in BRR projects;
- 11 cases submitted to BPK involving funds totaling Rp39,904,441,218;
- 15 cases submitted to the Anticorruption Commission involving funds amounting to Rp62,938,565,164; and
- 22 cases submitted to the Public Attorney’s Office involving funds amounting to Rp2,941,373,824.

BRR Supervisory Board (Dewan Pengawas)

To perform its mandate of supervising the rehabilitation and reconstruction process and of receiving and/or reviewing complaints from the public, the BRR supervisory board formed two secretariats—one in Banda Aceh and one in Jakarta. It engaged a number of experts and outsourced personnel to help in field monitoring, evaluation, and obtaining feedback from beneficiaries and the public. See Figure 3.

Dewan Pengawas is headed by a 7-member board. Although the board is supported by the two secretariats, the bulk of its work is done by the Banda Aceh-based one including receiving and recording complaints, feedback, and queries from the public. Dewan Pengawas has seven sector experts, who undertake field visits to monitor the progress of the rehabilitation projects and to get feedback from beneficiaries and communities. Each expert is assisted by outsourced staff hired for specific monitoring tasks and field activities. Areas covered by the sector experts are divided as follows:

- communication and public participation;
- infrastructure, housing, and land administration;
- agriculture and natural resources;
- religious, social, and cultural affairs;
- legal and legal institutional affairs;
- education, health, and gender; and
- economic development and business.

Figure 3: Organizational Structure of BRR Supervisory Board
Complaint Handling at Dewan Pengawas

Dewan Pengawas receives complaints through letters, facsimile, telephone, and short message service (SMS), and by walk-in complainants. Complaints from anonymous sources are welcomed. Dewan Pengawas has developed a one-page complaint form that is distributed in the field during monitoring activities by its outsourced staff. To inform the public on how to report complaints, Dewan Pengawas advertises in newspapers and conducts orientation sessions in the different districts of Aceh province and in Nias island.

Most people prefer to report their complaints to Dewan Pengawas through SMS (67%). A considerable number of complaints have also been received from those who visit the Dewan Pengawas office in Banda Aceh to verbally report or register their complaints (12%). A few others report their complaints via letter, facsimile, or telephone or during field monitoring (Figure 4).

Complaints received are recorded and sorted by the Dewan Pengawas secretariat and referred to appropriate sector experts. For instance, complaints or feedback related to housing construction, irrigation, power, road development, and ports are referred to the expert on infrastructure, housing, and land administration; issues related to the construction of schools and health centers are referred to the expert on education, health, and gender.

Based on the complaint received, the sector expert will contact the BRR deputy, the implementing agency, or the NGO that is responsible for the project. Field visits are done to validate the complaint. In some cases, the sector expert sends outsourced staff to conduct the field validation.

After field validation and/or follow-up calls with the complainant and other parties concerned, the expert handling the case may consult the other experts at Dewan Pengawas during their weekly coordination meetings to identify possible solutions to the complaint. To the extent possible, Dewan Pengawas contacts the complainants to inform them of the findings and actions taken. This is done by the sector expert handling the case.

Highlights of Complaints Received

From 2005 to 2008, Dewan Pengawas received a total of 563 complaints. Unlike in SAK, where most complaints were received in 2005 and 2006, Dewan Pengawas received the highest number of complaints in 2007 at the height of the implementation of rehabilitation and/or reconstruction work (Figure 5). In a number of cases, complaints received by Dewan Pengawas had been earlier reported to the project implementation unit (satker) responsible or BRR department but had not been satisfactorily resolved.

Most of the complaints received by Dewan Pengawas are related to infrastructure, housing, and land administration problems (37%), which also represent the biggest part of the rehabilitation activities (Figure 6). In the housing sector, complaints revolve around
the delay and quality of house construction, poor conditions in temporary communal housing, confusion concerning rehabilitation grants, and prioritization of beneficiaries. In terms of infrastructure, some people complain of delays in road rehabilitation works, especially in the West Coast area; lack of control and supervision of consultants and contractors; and land acquisition concerns.

Challenges Encountered in Complaint Handling

Although most of the complaints received by Dewan Pengawas have been responded to and resolved, a number of factors have made it difficult to resolve certain complaints from the public:

- **Nonresponsiveness or inaccessibility of the organization implementing or funding the subproject.** Some complaints cannot be resolved because the NGO or organization undertaking the project has already left or cannot be contacted.

- **Different construction designs and materials used for house construction among aid organizations and/or NGOs, leading to jealousy among beneficiaries.** Although housing designs and materials are agreed upon with beneficiaries before construction, some beneficiaries demand to be provided with the same assistance as the other people in the village, even if such was provided by a different organization.

- **Lack of quality control and sanctions given by implementing units to poorly performing contractors and consultants.** Some complaints about poor quality of construction cannot be remedied, because the contractor has been fully paid even if the work has not
been fully completed. The sanctions that are supposed to be applied to a contractor in default are stipulated in Article 35 clause (1) of Presidential Decree No. 80, but the regulation has not been strictly applied by those managing and implementing projects.

- **Unresolved land disputes and compensation issues.** Some infrastructure projects continue to be held up by unresolved land disputes and compensation issues as a result of disagreement among BRR, local governments, and other agencies on cost sharing, and disagreements on compensation rates. In some areas, disputes about land ownership and inheritance claims have not been resolved.

- **Jealousy and confusion on assistance for house rehabilitation.** Changes in BRR policy on how to assist those with partly damaged houses have created confusion and jealousy in many communities.

### Lessons Learned

The following lessons can be learned from the experience of Dewan Pengawas in complaint handling:

#### Poor Planning Results in More Issues During Implementation

The limited planning and social preparation done by some consultant teams may have enabled some projects to start earlier but resulted in huge delays and protracted conflicts during project implementation. This can be seen in the poor selection of subproject sites, leading these subprojects to be non-operational and non-beneficial to intended beneficiaries; in delayed road rehabilitation work as a result of unresolved claims for land compensation; in reading centers and community facilities that are not used by the communities; and in community conflicts brought about by poor targeting and/or selection of beneficiaries.

#### Importance of Supervision and Sanctions

Many of the complaints concerning quality issues could have been prevented or minimized with proper supervision and control by the satker and through strict imposition of sanctions on poorly performing contractors and consultants. Although SAK was able to blacklist some firms involved in funds misappropriation, many more could have been given sanctions for poor performance. Even in reconstruction and/or rehabilitation work, the sanctions stipulated in Article 35, clause (1) of Presidential Decree No. 80 should be applied to motivate contractors to improve the quality of their work. Final payment should be made only after beneficiaries have certified that the work is acceptable. If the mechanism of sanction and contract termination against contractors had been implemented since the early period, state losses and delays in the rehabilitation work could have been prevented much earlier.

#### Need for Early Issuance and Dissemination of Standards and Guidelines

Complaints resulting from variations in the quality of construction and jealousy among beneficiaries could have been minimized if minimum design and quality standards had been issued early and disseminated to partner organizations and the communities. The building code could be used as the starting point in the development of such guidelines, which could be refined further as experience is gained. Beneficiaries should also be oriented early on the relative autonomy and individual constraints of various funding and implementing partners that may lead to differences in assistance provided.
Interest and Support from Funding Agencies Is Critical

Implementing units and NGOs tend to be more responsive to community feedback and complaints when their sources of funds are seen as equally interested in having these issues resolved and addressed. Feedback from coordinating bodies like BRR has a limited effect on how independent units respond to observations and comments that BRR forwards to them for action if their respective funding agencies do not appear to heed these comments.

Usefulness of Media Campaigns and Availability of Communications Facilities

The use of media campaigns and the availability of communications facilities like wireless phone services have enabled people living in areas far from Banda Aceh to also be aware of the existing grievance mechanisms and to report complaints or feedback on the rehabilitation program. Almost four of every five reports received by Dewan Pengawas from the public came through SMS, telephone, or facsimile.
2. Capacity Building for Complaint Handling: The OSPF Experience in Aceh

by Karin Oswald

A Complex Project and a Challenging Environment

The Office of the Special Project Facilitator (OSPF) is an independent office established by the Board of Directors of the Asian Development Bank (ADB) on 29 May 2003 as a part of ADB’s accountability mechanism. In addition to its task of assisting project-affected people with specific problems caused by ADB-assisted projects, OSPF provides generic support and advice to ADB’s operations departments in their problem-solving activities and conducts outreach activities.

Since 2003, OSPF has been undertaking various activities aimed at increasing awareness and appreciation within ADB and among its partners of the value of effective and responsive grievance mechanisms in development projects.

Among ADB-assisted projects, the Earthquake and Tsunami Emergency Support Project (ETESP) was particularly challenging in terms of establishing a grievance mechanism. While the ETESP grant agreement defined the basic mechanism for handling complaints related to ETESP operations, the nature of the project and the environment in which it operated presented several challenges. First, the ETESP was a complex project consisting of 12 sectors at different stages of preparation and implementation. Second, the social, political, and physical environment in which the ETESP operated was severely fractured and remained fragile as a result of both the 2004 and 2005 earthquakes and the several decades of conflict in the region. Third, the great number of simultaneous activities by various agencies supporting rehabilitation efforts was fertile ground for confusion and conflict in the community.

OSPF saw these challenges as learning opportunities for ADB, other development agencies, and the Government of Indonesia. Hence, in March 2006, OSPF offered to organize a workshop with key units involved in ETESP implementation to discuss approaches for setting up a streamlined complaint-handling system for the project.

The first workshop was conducted in May 2006. This was followed in November 2006 by training for ETESP nongovernment organization (NGO) housing conduits and by pilot training on village-level complaint handling based on initial assessments and requests for assistance by different units involved in the ETESP.

In October 2007, OSPF reviewed the progress made after its inputs. Finally, in November 2008, OSPF organized a series of workshops and exhibits to look back on and share the experiences learned by various ETESP units and partner organizations in Aceh in terms of complaint handling. This article presents the highlights of the capacity-building assistance provided by OSPF for the ETESP and lessons learned from such assistance.

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1 Karin Oswald is the principal project facilitation specialist at the ADB Office of the Special Project Facilitator.
Building on Existing Initiatives

When OSPF offered in March 2006 to help the ETESP set up a streamlined complaint-handling system, many activities were already taking place in the affected regions of Aceh and Nias. A number of international NGOs such as Oxfam, Care International, and World Vision had already initiated their own accountability mechanisms in their projects. Several governance and anticorruption NGOs such as Transparency International Indonesia (TI-I), Gerakan Anti Korupsi, Solidaritas Rakyat Anti Korupsi (Sorak), and Lambaga Swadaya Masyarakat Forum had also developed means for receiving complaints from the public and for holding accountable implementers of rehabilitation projects. Even Badan Rehabilitasi dan Rekonstruksi (BRR) already had a functioning accountability mechanism managed by Satuan Anti Korupsi (SAK, the Anticorruption Unit) and Dewan Pengawas. At the same time, various units implementing ETESP subprojects were already facing a number of complaints from beneficiaries, as they had begun implementation without any system for complaint processing, recording, and feedback. The initial challenge, therefore, was how to draw lessons from these first initiatives and experiences and to develop a simple system for complaint handling for the ETESP with clear responsibilities, thresholds, a referral system, and process flow.

The initial workshop in May 2006 attempted to do a rapid scanning of initiatives from different organizations and ETESP implementers and to build on these existing approaches towards a more systematic and streamlined system for the ETESP.

Working with Diverse Implementors

The initial workshop targeted representatives from project implementation units (satkers); Extended Mission in Sumatra (EMS) advisors; sector consultants from the agriculture, fisheries, housing, community water and sanitation, health, education, livelihood, and finance sectors; Bina Swadaya; and ADB’s Indonesia Resident Mission (IRM). A total of 32 people participated in the 2-day workshop.

OSPF presented the principles, advantages, and logic behind having an effective grievance mechanism in projects and shared its own experiences in complaint handling. Resource persons from Oxfam’s Accountability Unit, BRR Dewan Pengawas, the BRR Anticorruption Unit, and the World Bank’s Kecamatan Development Project were also invited to share their experiences. In a separate session, OSPF facilitated a discussion with key officials of BRR to discuss their ideas about complaint mechanisms.

Participants were divided into groups to discuss current practices in complaint handling, from information dissemination and initiation to processing to feedback. This was followed by another group session on the drafting of complaint flow charts for various groups and activities under the ETESP.

An open forum followed each presentation in the workshop.

Participants engaged in lively discussion during the workshop.
There was an active exchange of ideas among the participants during the open forum and buzz groups. At the end of the 2 days, draft complaint process charts were prepared for each component. The role of EMS and the interaction between the ETESP and the existing grievance mechanisms at BRR (SAK and Dewan Pengawas) were also clarified. Participants agreed to undertake follow-up discussions to fill in gaps in the complaint path.

The workshop was followed by a separate session with BRR heads and satker representatives, in which they also shared their views and experiences in handling complaints in projects. The BRR and satker representatives emphasized the importance of providing simple and sufficient information to communities and of managing expectations in minimizing grievances. They also noted the role of village facilitators in providing feedback to the affected people and in educating people on how to file complaints. They recommended that village facilitators be trained on how to handle and manage complaints.

Given the strategic role of consultants in subproject preparation and implementation, BRR representatives aired their expectation that consultants would help bridge information gaps among BRR, ADB, local governments, and the communities. The participants reiterated the need for the satkers and consultants to work together in setting up a system for complaints and investigation. The satkers should discuss with the consultants each one's roles and responsibilities in handling complaints about the ETESP. In addition, the satkers and BRR agreed to meet with the sector directors and ADB consultants to talk about a more suitable setup for Aceh regarding organization, roles, responsibilities, and flexibility concerning ADB procedures. The participants suggested organizing regular meetings by sector to clarify how to act on complaints and to foster teamwork.

Although both the BRR satkers and the ETESP sector consultant teams recognized and appreciated the value of more systematic focus on complaint handling, consensus was not reached on

- confidentiality, i.e., “How confidential is confidential?”;
- approach to village-level complaint handling and the use of existing traditional systems; and
- combining efforts at the village level to set up “one-stop-shops” rather than using different mechanisms or committees for each agency operating in the same village.

The serious complaints we had are those related to project design, where community preference on the house design changed when they saw other agencies building a different design from what they have agreed on.

We consult with the beneficiaries. We involve them as much as possible in all phases of the project, and we negotiate. However, people do insist on what they want, and field staff have to be patient in discussing these issues until an agreement is reached.

Oxfam’s Accountability Officer, Aceh

The Oxfam presentation and workshop discussions highlighted the value of having a complaint-handling system in the villages. However, the workshop also surfaced the huge challenge of establishing a functioning system in the villages, particularly in Aceh.
This was due to
- Aceh’s long years of conflict, and communities being afraid of repercussions when speaking out;
- an environment of systemic corruption and mistrust vis-a-vis local authorities; and
- the need for trust- and capacity-building at the local level.

Given this challenge, OSPF recognized the need to support pilot training on complaint handling in the villages.

**Formalizing the System**

As an immediate impact of the initial workshop, the EMS head of mission formally established a complaint-handling system at EMS and designated one of its national advisers as the grievance focal point. EMS also requested consultant sector teams to designate grievance focal points in their core teams and at the district level. Likewise, EMS pushed for the establishment of the Grievance Facilitation Unit (GFU) at Dewan Pengawas by engaging the University of Syiah Kuala (UNSYIAH). On 9 October 2006, BRR concurred with the engagement of UNSYIAH to manage the ETESP GFU at Dewan Pengawas. And on 14 November 2006, BRR also designated grievance focal points for the various sectors covered under the ETESP.

**Building NGO Partners’ Capacity for Complaint Handling**

Responding to keen interest in pilot training on village-level complaint handling, OSPF proposed a 1-day training for Bina Swadaya-hired village facilitators in Banda Aceh and Aceh Besar. The goal was to develop a simple training module that could be used for training village facilitators in other districts covered by Bina Swadaya and in other ETESP sectors.

In July 2006, ADB engaged four international NGOs (Cordaid, Hilfe zur Selbsthilfe e.V., German Agro Action, and Muslim Aid) and United Nations HABITAT to implement certain of the ETESP’s housing schemes. Since the NGOs operated independently from BRR’s implementation system (with satkers being responsible for supervision and monitoring), and they were still in the subproject planning stage, OSPF agreed to EMS’s request to assist the ETESP NGO housing partners in setting up their complaint-handling systems.

The workshop with NGOs occurred on 7–8 November 2006, while the pilot training for village-level complaint handling was on 9–11 November 2006. Consistent with OSPF’s approach of building on previous experiences and initiatives, both training programs started with the sharing of actual experiences with various types of grievances and conflicts in subproject implementation, with inputs on the basic principles of and approaches to effective complaint handling. Based on the inputs and discussion, each NGO prepared and presented its systems for complaint handling for different types of grievances. The village facilitators role played coaching and critiquing various approaches in resolving grievances.

The NGO workshop participants agreed to include in their subproject preparation reports a description of their respective complaint-handling systems and how these related to the overall complaint handling for the ETESP. The support role of the housing oversight consultants on complaint handling was also clarified. The level of appreciation of the need to deal with “Type A” grievances (comments/queries) and the importance of having village-level facilitation of issues improved among the participants.

The pilot training on village-level complaint handling clarified the roles of the village mobilization facilitators (VMFs)/community mobilization specialists (CMSSs), sector consultants, and satkers in dealing with issues confronting them in the field. The participants discussed the process and the “rules of engagement,” including the need for equipping the VMFs with the necessary information.
However, replication of the orientation in the other 14 districts covered by the ETESP in agriculture, fisheries, and irrigation was a challenge, given the logistical requirements for training VMFs in a wide geographic area. OSPF consultants, EMS, and the Bina Swadaya training officer had a mini planning session on how this could be done, given Bina Swadaya’s limited training budget. One of the recommendations was to conduct a training-of-trainors involving the CMSs in the other districts, who would then be responsible for training the VMFs under them. Also, the second training module planned by Bina Swadaya for the VMFs included a module on complaint handling.

Gathering and Sharing Lessons

A year after the OSPF pilot training on village-level complaint handling and the training for the ETESP NGO partners in the housing sector, ADB’s special project facilitator conducted a brief field visit to evaluate how well the complaint-handling mechanisms were working, check on their impact, determine if changes or adjustments had been made, and draw lessons from the experience.

At that time, the GFU was in place and working closely with the sector teams’ respective grievance focal points. Coordination had also been established with the kecamatan (subdistrict)-based grievance committees supported by TI-I in 18 subdistricts.

Although problems continued to emerge as part of the normal course of subproject implementation, OSPF was satisfied with the efforts and gradual progress in the handling of grievances in the ETESP.

The visit reconfirmed the major lessons that OSPF had seen in other projects, namely that it is vital that project beneficiaries participate in and be consulted on all aspects of project planning and implementation, and that it is important to address issues raised by project beneficiaries as soon as possible. It was also clear from some of the interviews that it is important to retain a portion of a contractor’s payment until the beneficiaries have inspected the works or goods provided, so that the project still has leverage to require repairs or other changes that may be needed if there are deficiencies.

Related to its mandate of providing generic support and advice to the operations departments in their problem-solving activities and outreach activities, OSPF organized a series of presentations in ADB headquarters. The EMS grievance focal point, Izziah Hasan, presented the ETESP’s experiences with complaint handling.

As a follow-through outreach activity, OSPF supported the web disclosure, printing, and dissemination of a paper on the ETESP’s complaint-handling experiences. Moreover, OSPF organized a series of workshops and exhibitions in Banda Aceh in November 2008 to share experiences and lessons on complaint handling by the ETESP.

Overall, I found that the complaint-handling mechanisms are in place and working well. There are some differences in the details of the mechanisms from sector to sector, but they all share basic objectives and approaches.

The project beneficiaries know that they can complain if they are dissatisfied. I am glad to note that systems of record keeping and reporting are in place, and that the workshops OSPF organized last year have been helpful. Our office often makes the point that complaints are valuable inputs for project management, and this message seems to be accepted in the ETESP.

Robert C. May, special project facilitator, after the review mission in November 2007

3 www.adb.org/Documents/Brochures/ETESP-Indonesia/brochure.pdf
Three 1-day workshops were held at UNSYIAH’s Academic Activity Center in Banda Aceh. The first involved the ETESP’s partner NGOs and aimed at sharing experiences and formulating best practices and lessons learned in complaint handling. The result was a descriptive outline of:

- lessons learned in complaint handling,
- specific recommendations to the local government, and
- specific recommendations to the local and international NGOs that would continue to implement development projects after the transition from the management of programs by BRR.

The recommendations were further refined by a small elected group of representatives in a follow-up meeting and discussed during the subsequent workshops.

The second workshop was with other local and international NGOs; it focused on sharing models of complaint procedures and practical hints for establishing appropriate mechanisms. A total of 33 participants attended. Local and international NGOs represented were the United Nations Office of the Recovery Coordinator for Aceh and Nias, multidonor trust fund, Mama Mia, Re-Kompak, Sorak Aceh, and TI-I. In addition, government representatives from the Anticorruption Unit and the provincial government of Nanggroe Aceh Darussalam attended the workshop.

The result was a lively exchange of experiences—joys as well as woes in complaint handling. Toward the end of the workshop, participants drew up their perceived roles as NGOs in ensuring that implementation processes adequately provide the space and opportunity for involving beneficiaries in ensuring transparency and delivery of quality program services through a complaint mechanism.

The third and culminating workshop on 6 November 2008 involved representatives of local governments and national agencies. As in the second workshop with the local and international NGOs, the resource persons shared tested models and good practices.
and portrayed some of the experiences in photographs. The exhibition also featured experiences in various sectors: housing, irrigation, agriculture, and fisheries, as well as traditional complaint-handling practices.

The workshop participants and exhibition guests gave favorable feedback on the activities conducted. The participants noted the importance of incorporating complaint handling in projects, from the planning to the implementation and monitoring phases. It was clear that capacity building is required so that responsible persons can perform complaint handling efficiently.

A Personal Reflection

Capacity building for setting up grievance mechanisms and handling complaints was OSPF’s objective when it all started in 2005. And we were probably not fully aware how challenging and how complex the ETESP was when we offered support. What were the ingredients for making it work? I think what really made the difference was the commitment of the staff and management of the ETESP. Convincing them that grievance mechanisms help provide better services and assure good quality outputs was not difficult. We were able to tailor our inputs and appropriate training for the diverse groups because the ETESP support, guidance, and requests for what they wanted for the key players and partners allowed us to design the training sessions accordingly. All OSPF did was provide the start-up gear, a platform to learn, awareness creation, pilot training, training modules, and advice. We encouraged the implementors to learn from already existing experiences; we used complaints they were facing on a daily basis as case studies; we trained different levels differently. We clarified that linkages with existing mechanisms are important, since grievance mechanisms do not exist in a void. The political will of the government was there. EMS sent the essential memo to confirm the management’s support, and the dedicated EMS team focused on trust building at the local level, integrating traditional ways of problem solving into the grievance mechanisms, and adapting and replicating OSPF training modules. And last but not least, the training sessions helped over and over again to clarify roles and responsibilities of implementors and the need for thorough, clear, and timely information to communities.
3. Grievance Mechanisms under the Earthquake and Tsunami Emergency Support Project

by Pieter Smidt

The Project

The earthquake in Aceh on 26 December 2004 resulted in massive loss of life and damage to both public and private infrastructure. Another strong earthquake in March 2005 resulted in further damage in Aceh and Nias.

Response by the Government of Indonesia and the international community to assist the affected regions of Aceh and Nias has been unprecedented, reaching a total of about $7 billion. The Earthquake and Tsunami Emergency Support Project (ETESP) is among several projects implemented as part of the post-tsunami reconstruction program in Aceh and Nias. It covers 12 sectors: agriculture, fisheries, microfinance and livelihood, health, education, rural water supply and sanitation, housing, irrigation, roads, power, spatial planning and environmental management, and fiduciary oversight.

The ETESP grant agreement between the Government of Indonesia and the Asian Development Bank (ADB) was signed and became effective in April 2005. Implementation of the ETESP started in April 2005 and is expected to be completed by December 2009. The total ADB grant for the reconstruction of Aceh and Nias consists of:

- $294.5 million for the ETESP, including $290 million from ADB’s internal resources, $3.5 million from the Government of the Netherlands, and $1 million from the Government of Luxembourg;
- $16.5 million of complementary grants for the rural water supply and sanitation component;
- $10 million contribution for the Multidonor Fund; and
- $8 million in Japan Fund for Poverty Reduction grants.

About $65 million in 12 ongoing ADB reprogrammed loans was also made available for the reconstruction efforts.

The Agency for the Rehabilitation and Reconstruction of Nanggroe Aceh Darussalam and Nias (Badan Rehabilitasi dan Rekonstruksi or BRR) was designated as the executing agency for the ETESP, with responsibility for its overall management and coordination. Implementation of the project is done through project implementation units (called satuan kerja or satkers) established by BRR for specific sectors and some major road subprojects. Separate satkers were also set up for subprojects in Nias Island. The satker plans, designs, and supervises civil works; and manages financial matters related to subproject implementation. It processes and signs contracts, and monitors and/or evaluates subproject activities. In certain sectors, the mandate of a satker is limited to one budget year. Satkers are dissolved after activities under their responsibility have been completed or discontinued.

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1 Pieter Smidt served as head of the ADB Extended Mission in Sumatra. He is a principal project specialist in the ADB Southeast Asia Department (SERD).
With concurrence from BRR, ADB hired sector consultants to provide technical support to BRR and the implementing agencies in identifying and preparing subprojects. Sector consultants work closely with the satkers.

On the side of ADB, the Extended Mission in Sumatra (EMS) was established in Banda Aceh and Medan, the latter serving as the hub and backup for coordinating ADB support. EMS is headed by an ADB professional staff, who is supported by a team of international and national advisors responsible for day-to-day coordination and monitoring of the ETESP components in coordination with the sector division staff of the Southeast Asia Regional Department and with the support of the Indonesia Resident Mission (Figure 1).

**Figure 1: ETESP Overall Implementation Arrangements**

ADB = Asian Development Bank, BRR = Badan Rehabilitasi dan Rekonstruksi, ETESP = Earthquake and Tsunami Emergency Support Project, IRM = Indonesia Resident Mission, SERD = Southeast Asia Regional Department.
Grievance Mechanisms in the ETESP

The ETESP has three interrelated complaint-handling mechanisms:
- a primary sector-specific complaint-handling mechanism managed by the sector consultants in close partnership with the satkers and with a village-level complaint-handling component,
- an independent and supplemental grievance mechanism handled by the Grievance Facilitation Unit at BRR Dewan Pengawas, and
- an EMS-managed grievance mechanism.

The legal basis for establishing a grievance mechanism for the project is contained in the ETESP grant agreement, which requires the Government of Indonesia to establish a grievance review and resolution mechanism within BRR. The agreement stipulates that the mechanism will involve
- reviewing and addressing grievances of citizens, beneficiaries, and other stakeholders of the project, in relation to either the project, any of the service providers, or any person responsible for carrying out any aspect of the project; and
- establishing the threshold criteria and procedures for handling such grievances, for proactively and constructively responding to them, and for providing the public with notice of such mechanism, including publishing notices in newspapers.

The grant agreement identifies the BRR Supervisory Board (Dewan Pengawas) as responsible for the mechanism. It was expected that a facilitation unit would be established in coordination with civil society organizations and/or nongovernment organizations. In addition to the ETESP grant requirement, ADB’s Office of the Special Project Facilitator (OSPF) recommended the setting up of complaint-handling mechanisms at the sector and subproject level, with an emphasis on resolving conflicts and grievances in the villages. The goal is to address issues as early as possible and avoid them escalating into major problems. The sector consultants took the lead role in setting up and managing the complaint-handling mechanisms in the sectors. Grievance focal points or units were designated for this purpose. Village facilitators were given the added role as grievance intakes for the communities covered by ETESP subprojects.

OSPF also recommended that EMS develop a system for responding and following up on issues that are brought to its attention. A grievance focal point was designated from among EMS national advisors, who was given the task of following up on complaints referred to EMS. A system for recording and reporting complaints was also established and formalized through a memorandum from the EMS head.

As a result, three interrelated grievance mechanisms were established for the ETESP. A diagram of the ETESP grievance mechanisms is presented in Figure 2. The common objectives of these three mechanisms are
- to help people who are adversely affected by subproject implementation;
- to help resolve disputes and conflicts arising from the preparation and implementation of subprojects;
- to help ensure that resources under the project are used well and for the intended purposes; and
- to help ensure open communication and feedback among project implementors, communities, and beneficiaries.

2 Schedule 5 – Execution of Project and Operation of Project Facilities, ETESP Grant Agreement, 29 April 2005, pp. 41–42.
BRR Operations Departments and BRR Grievance Focal Points

Sector Consultant Core Teams/Housing NGO Partner

ETESP Satker

Site Advisors/ Site Engineers

Community Facilitators

District Implementation Unit Technicians

Village-level complaint handling

Grievance, comments, queries from communities, private individuals, civil society organizations, etc. forwarded directly or through existing community leadership, e.g., religious leaders, village leaders, subdistrict heads, or by partner NGOs.

BRR = Badan Rehabilitasi dan Rekonstruksi, EMS = ADB Extended Mission in Sumatra, ETESP = Earthquake and Tsunami Emergency Support Project, NGO = nongovernment organization.
4. The ETESP Grievance Facilitation Unit: Benefits, Challenges, and Lessons Learned

by Jose T. Nicolas1 and Sofyan2

Introduction

The Earthquake and Tsunami Emergency Support Project (ETESP) grant agreement with the Asian Development Bank (ADB) requires the Government of Indonesia to establish a grievance review and resolution mechanism for the ETESP within the Agency for Rehabilitation and Reconstruction of Nanggroe Aceh Darussalam (NAD) and Nias (BRR) Supervisory Board (Badan Pengawas).3 To comply with this legal requirement, BRR concurred with ADB's Extended Mission in Sumatra's (EMS) proposal to engage the University of Syiah Kuala (UNSYIAH) in Banda Aceh to provide staff to operate a Grievance Facilitation Unit (GFU) under the supervision of Badan Pengawas. In June 2007, UNSYIAH mobilized three staff to manage the GFU for the ETESP.

The GFU forwards and follows up on complaints or queries on the ETESP received from the public. The limited number of staff provided was based on the assumption that the GFU would work with existing Badan Pengawas staff (its sector experts and administration staff) in identifying, responding to, and following up on issues related to the ETESP. Moreover, the GFU is expected to work closely with the BRR ETESP project implementation units (satkers), ETESP consultants, and village facilitators.

The goal of the GFU is to supplement the existing sector-specific grievance mechanisms managed by the satkers and ETESP consultant teams and to provide an alternative avenue to the public for airing their concerns. It is expected to conduct regular consultations with EMS to ensure that it is kept abreast and updated on concerns or complaints encountered, and actions taken.

Various means of informing the public about the GFU have been used. Advertisements in local newspapers (Serambi in Aceh, and Waspada and Suara Indonesia Baru in Nias) on the existence of the GFU were effective in encouraging people to register their complaints and queries about the ETESP. Reports received by the GFU from the public increased markedly after placement of the ads. Figure 1 is an example.

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1 Jose T. Nicolas worked as social safeguard specialist for the ADB Extended Mission in Sumatra from November 2005 until July 2009. He was also engaged by the Office of the Special Project Facilitator to coordinate with the contributors for this book.
2 Sofyan worked as facilitation specialist of the ETESP Grievance Facilitation Unit until its closure in March 2009. Sofyan is a member of the faculty at the University of Syiah Kuala.
3 Schedule 5 – Execution of Project and Operation of Project Facilities, ETESP Grant Agreement, 29 April 2005, pp. 41–42.
Community orientations were also conducted in Banda Aceh, Meulaboh, Gunung Sitoli-Nias, and Simeuelue. Flyers that contain information on the complaint-handling system and whom to contact in case of complaints or questions on the ETESP were distributed in these orientation sessions and during field work. Figure 2 is an example.

**Figure 1: One of the Newspaper Ads on the GFU**

**GFU Experience with Complaint Handling**

From its establishment in June 2007 until February 2009, the GFU received 135 queries and complaints. Of these, 113 (84%) were ETESP related; the other 22 were referred to the Badan Pengawas Secretariat for follow-up.

**Wireless Communications Technology: A Key Tool in Complaint Handling**

Although several options are available to the public for submitting complaints, most communications received by the GFU are through telephone (34%) and short message service (SMS) (38%). Other complaints were filed by walk-in complainants, sent through letters, raised during consultations, or referred by EMS (Figure 3). To some extent, the fieldwork conducted also provided an opportunity for the public to raise their concerns about the project.

The accessibility of the public to mobile phones has enabled people living outside Banda Aceh to report grievances to the GFU.

**Figure 2: Flyer on the ETESP Complaint-Handling Mechanism and the GFU**
Of the 113 ETESP-related cases received by the GFU, only 18% came from Banda Aceh (Figure 4). The rest came from 10 other districts in Aceh province (including the Islands of Sabang and Simeulue), as well as from Nias and Nias Selatan.

### Primary and Supplementary Complaint Handling

Sector consultant teams and ETESP partner nongovernment organizations (NGOs) have established their respective complaint-handling mechanisms. Each team has its grievance focal point and has established procedures for addressing complaints and conflicts related to subproject planning and implementation.

Compared with complaints received and resolved at the village level under the different sector-specific complaint-handling systems, the number of issues and concerns that are brought to the attention of the GFU are relatively few. For instance, the ETESP housing oversight consultant reported receiving more than 700 queries and complaints since it established its grievance system in early 2006. The housing NGOs and Bina Swadaya have also handled and resolved several cases at the village level, although recording has been limited. Moreover, some complaints reported to the GFU have previously been referred to the village facilitators and sector teams but were not resolved to the satisfaction of
the complainants. This is due partly to the late establishment of the GFU. Moreover, since the GFU has been set up to provide a supplemental and alternative mode for complaint handling, those directly involved in subproject implementation still have the primary role in grievance resolution. Nevertheless, the reporting of complaints by the public to the GFU despite the existence of sector-specific complaint-handling mechanisms confirms the necessity of having a supplemental mechanism in addition to the complaint-handling mechanism managed by staff who are directly involved in subproject implementation.

Anonymous Complaints and Queries

A considerable number of complaints and queries received by the GFU (26.5%) were from anonymous sources. The bulk of these were received through SMS. A few other anonymous complaints were made by people who visited the GFU office or raised their concerns to GFU staff in the field.

An Anonymous Complaint

In October 2007, the Grievance Facilitation Unit (GFU) received a short message service (SMS) message from an anonymous source complaining that the site advisor had threatened to remove their village from the list of villages that would receive a village grant from the ETESP. The GFU contacted the site advisor, who confirmed that he had made such statement so that they would stop squabbling in their group and work together so that activities could proceed. The GFU informed the complainant through SMS that their village would not be removed if they would exert more effort and work together. The complainant thanked the GFU for the clarification given.

Efforts were made to respond to anonymous complaints. In the case of complaints received through SMS, replies and follow-ups were made by the GFU through SMS as well. Two thirds of anonymous complaints and/or queries were clarified, resolved, or referred to other units for follow-up action (see Box). The remaining third had to be dropped due to lack of information and non-response from the complainant.

Strengths and Challenges in Complaint Handling by the GFU

Being an independent unit providing supplemental complaint-handling support has its advantages, limitations, and challenges. The GFU’s institutional attachment with the BRR supervisory board, its endorsement by and direct communication with the funding agency (through EMS), and composition by members of the academe contribute to the more serious response given by project staff to complaints raised by the public and create easier access to information and officers within the BRR structure. This encourages more people to come forward.
Satkers respond more quickly when the GFU follows up on people’s complaints. As a result, complaints received by Dewan Pengawas related to the ETESP are generally resolved faster than in other projects.

Naimah Hasan, acting head, BRR Badan Pengawas

We report our complaints to the GFU because we believe it is objective, independent, and truly concerned about our welfare.

An ETESP beneficiary

and raise their concerns about ETESP-related activities. In some cases, the GFU is able to obtain the participation of various units, including EMS, the district government, and BRR officials, to help resolve complex issues. Of the 113 queries and/or complaints received by the GFU, 73% were resolved or clarified. Another 12% were dropped due to non-response from the complainant during follow-up.

On the other hand, the delayed establishment of the GFU and its non-involvement in subproject activities has limited its ability to facilitate the resolution of certain issues, especially when the satker and contractors involved have already demobilized or when the budget under which the activity was being funded has already been closed. Most of the pending cases at the GFU remain unresolved due to these factors.

In a few cases, it also took some time before the GFU obtained the needed information from project staff, especially among those who perceive the GFU staff as “auditors” or “inspectors” who can put them in trouble.

The GFU refers allegations of corruption or extortion to the BRR Anticorruption Unit (SAK) and the Anticorruption Commission. Follow-up of these cases is beyond the mandate of the GFU. In such instances, the GFU advises the complainant that the issue has been referred to these institutions, which will be responsible for informing them about the status of their complaint. Action by SAK on the corruption issues referred by the GFU has been rather slow. Of the five cases referred to SAK by the GFU, none has been resolved or has been taken to court.

Follow-up or verification of complaints in the field is a key task of the GFU. However, the mobility of the GFU has sometimes been hampered by delays in budget approvals. In late 2008, operational support for the GFU from Badan Pengawas was also restricted as a result of BRR’s transition activities. Delay in the issuance of a contract variation that includes operational support for the GFU in early 2009 also affected its mobility.

It would be difficult to undertake the repair works being asked by the beneficiary, because the 6-month period provided for repair works has lapsed, the unit has been turned over to them, and the contractor has already demobilized.

Housing oversight consultant on a request for additional repair works in Merduati

GFU staff interviewing a complainant during field validation.
Lessons Learned and Recommendations

The GFU experience has demonstrated the usefulness of having an independent and supplemental complaint-handling mechanism in projects. The complaint handling provided by the GFU supplements the grievance mechanisms established by those directly involved in subproject implementation and provides the public with an alternative avenue for voicing concerns to project implementors.

Moreover, the GFU experience has shown the importance of the following in developing and implementing an effective supplemental complaint-handling mechanism in projects:

- appropriate position of the unit within the organization that will give it sufficient power to follow up on cases, access information, and call on other units to participate in the facilitation of complaints;
- endorsement and explicit support provided by the funding agency to its mandate and operations; this could be in the form of an endorsement letter to implementation units, occasional participation in activities, review and action on its reports, and/or other similar efforts;
- inclusion in the legal requirement (through the grant or loan agreement) of the establishment of a supplemental grievance mechanism and allocation of funds for its operations under the communications and/or accountability budget for the project;
- timely and sufficient budget allocation for the conduct of media disclosure and outreach activities related to the grievance mechanism to ensure public awareness of its existence;
- establishment of the complaint-handling unit preferably at the same time as the establishment of the project management and/or implementation unit;
- in areas where wireless communication facilities exist, encouraging the public to report grievances or comments through texting, phone calls, or the internet; the unit should establish relationships with reputable local partners with access to wireless communication facilities and tools who can also serve as grievance intakes for the public;
- welcoming comments and reports from anonymous sources, and exerting effort to validate and respond to these; and
- orienting project staff on the purpose of the supplemental complaint-handling mechanism so that they will not see it as a threat, but as an ally in moving the project towards reaching its objectives.
5. Complaint Handling in the ETESP Housing Sector: Experience of the Housing Oversight Consultant’s Complaint and Grievance Unit

by Herman Soesangobeng

Introduction

The Earthquake and Tsunami Emergency Support Project (ETESP) grant included an original provision of $72,500,000 under the housing sector for the rehabilitation and/or reconstruction of housing units affected by the tsunami. In November 2005, the Asian Development Bank (ADB) engaged a project preparation consultant (PPC) team to design and undertake preparatory activities for the sector. A project implementation consultant (PIC) team and an oversight consultant team were engaged in January 2006.

When the PPC started work, there was no special unit or staff specifically assigned to handle complaints and grievances from the beneficiaries. All complaints and conflicts were brought directly by the community to the PPC team leader. Questions were discussed at the PPC office, and decisions and/or clarifications were disseminated in the village by the PPC team.

The PPC also invited people to its office or held community meetings in the village to explain the scope and draft policies in the implementation of the ETESP housing sector. However, changes in policies and regulations at the beginning of the project resulted in confusion among some beneficiaries and created lingering conflicts in subsequent months.

As suggested by the Office of the Special Project Facilitator (OSPF), a Complaint and Grievance Unit (CGU) for the housing sector was set up under the oversight consultant in April 2006. The Extended Mission in Sumatra (EMS) housing advisor assigned the oversight consultant land/legal specialist, assisted by the oversight consultant community development consultant, as the CGU. The legal/land specialist had background in both national and customary law and anthropology, while the community development consultant had background in sociology and community facilitation.

As an initial step, the CGU studied the current practice of conflict resolution in Aceh. The assessment noted that many people in Aceh are devout Muslims and still adhere to their adat (customary) practices and systems. Hence, the approach to complaint handling considered both Islamic and adat principles, procedures, and structures. This required working with both adat institutions (i.e., gampong [village] and mukim [cluster of villages]) and Islamic/ syariah courts and observing adat processes and rituals associated with grievance resolution.

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1 Herman Soesangobeng worked as legal specialist/grievance focal point for the ETESP housing oversight consultants until the end of his engagement in August 2009. He is an anthropologist and expert in adat land laws in Indonesia.
Complaint-Handling Procedures and Structures

In line with the community-driven approach adapted under the ETESP housing sector, the CGU established a complaint mechanism that promoted the active involvement of beneficiaries. Related to this, complaint handling was integrated among the roles of the committee for village house construction or panitia pembangunan rumah gampong (PPRG).

A PPRG was established by and among the beneficiaries themselves during the training sessions in each village conducted by the oversight consultant with the involvement of the PIC. The committee consisted of eight persons. The tasks of receiving and recording issues, holding meetings, and monitoring actions taken were divided among its members. The CGU supervised and suggested ideas or facilitated bringing the case to Badan Rehabilitasi dan Rekonstruksi (BRR) attention for action.

The PPRG had three sections: construction, labor, and complaints. The construction and labor sections helped supervise and monitor the main core business in housing. The complaints section was provided in anticipation of potential conflicts or complaints during implementation. The PPRG coordinated and supervised several groups of beneficiaries, each group numbering 10–15 depending on the size of the village. Figure 1 shows the PPRG structure.

The PPRGs, however, did not work as planned for three reasons:

- Most PPRG members lost interest when their request for honorarium was not granted.
- Some beneficiaries felt that PPRG members were not impartial in handling complaints or conflicts.
- Most beneficiaries and PPRG members preferred to simply forward complaints to the CGU.

As a result, the CGU was forced to take a more central role in administering complaints.

Figure 1: PPRG Structure

OC = oversight consultant, PIC = project implementation consultant, PPRG = panitia pembangunan rumah gampong.
and conflicts in ETESP housing. It received complaints from beneficiaries during field visits, and collected reports from the PIC field facilitators and inspectors. It also responded to complaints received through SMS or telephone calls from beneficiaries. During weekly PPC/PIC/oversight consultant meetings with EMS, the CGU reported on the status of complaints received and sought guidance on unresolved issues.

The oversight consultant and PIC agreed to work together in handling beneficiaries’ complaints and conflicts. Since the CGU had no field facilitators for receiving, recording, and collecting evidence in the field, the PIC community facilitators and field inspectors were asked to do the job. The CGU trained the PIC community facilitators and field inspectors.

The CGU also provided the PIC with forms as tools for recording and reporting to the CGU. However, the facilitators and field inspectors did not use the provided tools but simply wrote complaints in their field notes and verbally reported cases or complaints to the CGU. They felt that the form was too complicated and time consuming.

Hence, the CGU was forced to accept verbal reports from the PIC, record these in a log book, and compile information in a recapitulation (recap) form. The recap form contained the following information:

- whether the case was about land, house construction, or others;
- hamlet or village where the complaint or conflict happened;
- date when the issue emerged;
- date when the case was recorded;
- category of the case, whether urgent or not;
- parties involved;
- degree of sensitivity;
- whether it was about a boundary dispute, inheritance, or building materials;
- who was responsible for resolving the case (i.e., oversight consultant, PIC, adat leaders, or BRR); and
- target number of days needed to solve the case.

The recap form was used as a means to monitor the progress of solving the case.

Annex A shows the format of the recap form.

The CGU conducted field verification, collected evidence, recommended solutions, explained the result to the relevant parties, and monitored in the field the outcome of the agreed upon actions. All recommendations made by the CGU were well received by the beneficiaries and the community except for one case in Ruyung, Aceh Besar. Figure 2 shows the flow chart for complaint handling managed by the CGU.

Issues were classified into four main categories: social, construction, land/legal, and management. Solutions could be either social, administrative, or legal. There were seven levels of complaint handling: the community, ETESP consultants, adat institutions, BRR, administrative tribunal, Islamic court, and state court. When the conflict involved private and criminal cases, the case was elevated to a legal level at one of three forums: administrative tribunal, Islamic court, or state court.

Before a case was referred to BRR or elevated to formal legal levels, efforts were made to resolve it using the adat or customary mode of resolution as depicted in the third level of the flow chart.

The CGU targeted resolving each case within a week. In practice, however, it took more than a week to solve a case because of the time required to verify facts and evidence, meet with the parties and village officials or contractors, and invite adat leaders and community figures (altogether called tuha peut) or BRR staff to discuss the case.

After the CGU conducted field verification and gathered evidence, an internal discussion between the oversight consultant and the PIC consultant was held to evaluate the data and find the best approach to deal with the case. Thereafter, relevant parties were invited to a meeting to find an acceptable solution to the issue. When a decision or agreement was reached, it was recorded in a form and disseminated to the relevant parties. Annex B shows the form used by the CGU for recording the decision, agreement, or action in a complaint.
The process of complaint handling was first introduced in the facilitator training and PPRG establishment for Gampong Pande and Lamdingin on 3 May 2006. It was also presented in the 10 May 2006 seminar-workshop on complaint handling for ETESP-partner NGOs sponsored by OSPF.
Summary of Cases Facilitated by the CGU

From August 2006 to October 2008, the CGU received 701 queries and complaints. Most of the issues (74%) were related to construction. Those related to management accounted for 24%. Land and/or legal issues and social issues each comprised 1%. These are depicted in Figure 3. Further details are shown in Annex C.

Only 245 or 35% of the queries and/or complaints received had been solved. The remaining 65% were still pending resolution (Figure 4). Most of the unresolved cases were related to construction; only 13% of construction-related issues had been solved; the rest (87%) were still pending resolution (Figure 5).

The high percentage of unresolved cases in construction was caused by the noncompliance by some contractors with the construction requirements, resulting in construction delays. Some contractors also ran into financial and managerial problems that affected their performance.
Some of the winning contractors violated the rule of not subcontracting civil works. Instead of doing the work themselves, they subcontracted the work and simply collected a profit. The subcontractors then had to contend with a reduced budget. This was apparent in the case of six subcontractors who went bankrupt.

The issue on double grants happened because, during initial data collection, the coordination system among BRR, nongovernment organizations (NGOs), aid agencies, and the local government had not been established yet. As a result, aid agencies and NGOs based their activities on their own respective data collection without cross checking with other agencies.

Although social-legal cases were comparatively few, they were complex and difficult to solve. Moreover, issues related to construction delay also became social or legal once the frustrations from beneficiaries reached a point where they might resort to threats or inflict physical harm on staff or contractors.

Solutions and decisions made related to land claim issues were also not assured, since these decisions were not issued by a state court judge. This was the case in the relocation site in Blang Tunong, Sabang, when the owner of a 30-square meter plot used as an access road to the resettlement site blocked the road even though he had already received payment. Another case in Meulaboh involved a landowner who claimed ownership of land already purchased by the district government as a relocation site for ETESP beneficiaries; he demanded that ETESP construct eight houses for him within the site to fully compensate him for his land.

Experiences with Adat Mode of Grievance Resolution

In daily life, people in Aceh adhere to adat norms called hukom adat, and their mode of conflict resolution is still dominated by adat principles, combined with State law procedures. For secular issues in the village (gampong) concerning government, land, criminal acts, politics, or security, the geuchik, as the secular administrator, takes a central role. A group of adat leaders and community figures called tuha peut, who are considered as the elders of the village or orang tua desa, are also involved in complaint and conflict resolution. The following are three examples in the ETESP housing sector involving adat principles, leaders, and processes.

The case of the orphan with a small plot (Box 1) shows strong adherence to adat in terms of reluctance to give up land inherited from ancestors, the nondominant roles played by adat leaders during negotiations, and the observance of peusijuk.

On the other hand, the case on the widow’s rights to her husband’s land (Box 2) demonstrates the adat mode and norms of solving conflict, conflict in adat and Islamic law provisions on land rights, nature of participation of the adat leaders, and the adat norm of ujong kafan. It also highlights the ritual of peusijuk.

The case of the recalcitrant beneficiaries (Box 3) highlights the limitations of adat leaders in resolving certain issues, even when the majority of the community members respect and look to them for advice. It also shows that one traditional way of solving grievance is to let time pass until the parties involved come to their senses or find additional proofs to strengthen their position.

Lessons Learned

The ETESP housing sector’s experience in complaint handling demonstrates the importance of establishing a complaint-handling system at the early stage of a project. At the same time, issues can be minimized if the basic policies, scope, and guidelines of the project have been fixed and disseminated effectively among the beneficiaries before the project starts. Promises that cannot be fulfilled afterwards should also be avoided.

The complaint-handling unit should also have sufficient authority in the project structure to obtain cooperation and support from the other units and partners, and power
Box 1: An Orphan with a Small Plot

Khadafi was among the Earthquake and Tsunami Emergency Support Project housing beneficiaries in Lamdingin, Banda Aceh. Both his parents died during the tsunami and earthquake of 26 December 2004, when Khadafi was only 8 years old. Hence, one of his uncles (Khaidil) served as his guardian.

When the contractor began building the house for Khadafi, he encountered two problems: (i) the access to the plot was too narrow; and (ii) land filling was needed, because a portion of the plot was inundated with water. Khaidil, on behalf of Khadafi, approached the adjoining plot owners (Yusuf and Gade) and offered to purchase a portion of their plot. However, after consulting their other co-heirs, Yusuf and Gade refused to sell their land in accordance with the will of their great grandfather.

The Complaints and Grievance Unit was asked by the panitia pembangunan rumah gampong (PPRG) to help solve the conflict. After conducting a field investigation, the Complaints and Grievance Unit invited Yusuf and Gade to a meeting at the village office, along with the tuha peut, the head of the PPRG, and the project implementation consultant. When asked if they could agree to sell a portion of their property for Khadafi’s sake, they both responded that they would reconsult their other family members.

When the group met 2 days later, Yusuf and Gade reiterated their family’s decision not to sell any portion of their property. However, to enable Khadafi to still have a house, Yusuf agreed to provide landfilling for Khadafi’s plot. The house design for Khadafi had to be modified to fit into his small plot.

Khaidil, on behalf of Khadafi, shook hands with Yusuf and Gade, followed by the other participants in the meeting. Khaidil explained that the ritual ceremony of peusijuk would be observed once Khadafi moved into his new house. Yusuf and his family would also be invited to the peusijuk.

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Box 2: A Widow’s Right over Her Husband’s Land

A. Salam and Salamah are a couple from Ulee Rubek Barat whose house was damaged by the tsunami. Therefore, they were included among the beneficiaries in the Earthquake and Tsunami Emergency Support Project (ETESP) housing subproject in Seunuddon implemented by Cordaid, one of the ETESP nongovernment organization housing partners. On 28 July 2008, while their house was still being constructed, A. Salam passed away.

Since the land where the house was being built was inherited by A. Salam from his parents, his older brother (Razali) came forward to claim his entitlement over the plot. Razali argued that under Islamic law, A. Salam’s widow (Salamah) is entitled to only one eighth of the house. The inherited land of A. Salam should revert to his family of origin under his brother’s control.

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* An adat ritual that involves joint praying, eating, and drinking among the families and neighbors before one occupies a new house, when a conflict is resolved, or before an important community activity.

continued on next page....
When Cordaid began the process of handing over the houses to the beneficiaries, the village head (Mohammad Yahya) asked Cordaid who would receive the house as the legal owner, considering that under Islamic law, Salamah was entitled to only one eighth of the value of the house and she was not entitled to the land, because it was A. Salam’s inherited land.

Cordaid invited the Complaints and Grievance Unit (CGU) to help solve the issue. On 29 October 2008, the geuchik called for a meeting at the village hall to decide on who should be considered the legal owner of the housing unit. Razali, Salamah, and her sister-in-law, the tuha peut, Cordaid staff, the former geuchik, and the CGU participated.

After hearing the sides of both Razali and Salamah, the group accepted the CGU’s explanation that (i) based on Indonesian Law, the former house was considered as joint property of the couple, because it was constructed at the time of marriage; and (ii) under adat principles, as adapted in the Indonesian marriage law, a widow is entitled to half of joint property. Moreover, under adat principles, a widow is entitled to stay, and to live on the land of her husband’s family as long as she maintains her widow status.

Badlisyah Yahya, a tuha peut member, added that an adat special forum called ujong kafan (tail of the shroud) was needed to enable Salamah to obtain legal right over her husband’s property. The CGU stressed that the ujong kafan should ensure that Salamah would be given the right to the whole area of the former house yard and would be given free access to the property.

Razali and his sister agreed to the proposal. After the other participants also signified their agreement, the head of the village, as the chair of the meeting, announced it as the decision of the meeting. All participants then shook hands. Badlisyah said that the peusijuk ritual would be observed with a chicken slaughtered when Salamah entered the new house. Badlisyah explained that chicken slaughter was appropriate in this case, because it was only a domestic issue and not a serious conflict in the community.

Box 3: Dealing with Recalcitrant Beneficiaries

In addition to providing support for the reconstruction of houses damaged by the earthquake and tsunami, the Earthquake and Tsunami Emergency Support Project (ETESP) housing sector also included provisions for the rehabilitation of community facilities and infrastructure. For purposes of budget planning, Badan Rehabilitasi dan Rekonstruksi (BRR) initially agreed that ETESP housing subprojects would include an allocation for support to community infrastructure computed at Rp10,000,000 per beneficiary household.

During subproject preparation in Ruyung, villagers inquired if they would be given cash support in addition to the house grants. The project preparation consultant (PPC) explained that the ETESP did not provide cash assistance. Instead, additional support would be provided for the rehabilitation or upgrading of community facilities and infrastructure in their village at a budget amount of Rp10,000,000 per household. However, some people misunderstood the information and thought that each household would be given Rp10,000,000 as additional support.
Box 3: continuation

On 23 June 2008, when the oversight consultant and project implementation consultants held a meeting in the village hall to discuss the handing over of house certificates, four beneficiaries inquired when they would receive the Rp10,000,000 additional support mentioned by the PPC during the subproject preparation. The consultant explained that such amount was made only for budget purposes in planning how much support for the rehabilitation of community facilities would be provided under the grant. The consultant further explained that more than such amount was provided by BRR for the rehabilitation of the road in the community.

Three beneficiaries did not accept the consultant’s explanation and claimed that it was clearly explained to them in several meetings and sessions during the preparation stage and training of the PPRG. They insisted that before discussing the handing over of house certificates, the ETESP should first give them the Rp10,000,000 as promised.

In the oversight consultant’s office, the consultants held a meeting to discuss the case and informed EMS about the issue. A month and a half later, the three beneficiaries visited the oversight consultant’s office and filed their written demand for the granting of Rp10,000,000 to each beneficiary household in Ruyung.

A series of follow-up meetings were held in the village with the complainants, the village head, tuha peut, and other village figures. However, the issue dragged on, because the complainants continued to reject the consultant’s explanation. Instead, the complainants threatened to bring the case to the attention of ADB’s Extended Mission in Sumatra (EMS). They also concluded that if BRR used a separate budget for the road construction, the funds allocated in the ETESP must have been pocketed by the consultants. Hence, they threatened to report them to BRR for corruption.

After 2 months, the complainants sent an official complaint to EMS on this issue. EMS in turn referred the complaint to BRR. In response, BRR organized a meeting with the Ruyung beneficiaries, their village head and adat (traditional) leaders, the EMS housing advisor, oversight consultant, project implementation consultant, and the BRR satker. Again the complainants rejected the explanation by the consultants and demanded that they each be paid Rp10,000,000. In addition, they raised another issue on insufficient house construction and septic tank problems.

It was agreed in the meeting that a team consisting of the EMS housing advisor, the oversight consultant, and BRR would conduct a fact-finding mission to Ruyung to verify their complaints on the houses. After the field visit, the fact-finding team concluded that the quality of the infrastructure was acceptable, except for one house. The fact-finding team also noted some gaps in the septic tank construction. The findings were relayed to the contractor for necessary remedial measures.

With regard to the Rp10,000,000 demand, the chairman of the BRR Complaint-Handling Board of Trustees visited Ruyung and met with the respected adat leaders to explain the facts in a more informal way and to ask their help in explaining to the complainants and other beneficiaries.

continued on next page....
The adat leaders understood and accepted the explanation of the BRR Complaint-Handling Board of Trustees’ chairman. They explained that the three beneficiaries were simply being stubborn. In fact, the rest of the beneficiaries were happy and grateful for the housing grants they had received from the ETESP. However, 5 weeks after the meeting between BRR and the adat leaders, the Complaints and Grievance Unit again received a short message service (SMS) message from one of the complainants demanding the Rp10,000,000 cash grant from the ETESP.

The message was ignored by the Complaints and Grievance Unit, because it had been agreed in the fact-finding report meeting that future questions or complaints on the issue should be ignored.
## Annex A: Recap Form Used by the CGU

<table>
<thead>
<tr>
<th>No.</th>
<th>Case Code</th>
<th>Classification</th>
<th>Location</th>
<th>Village</th>
<th>Hamlet</th>
<th>Date of Case</th>
<th>Date of Record</th>
<th>Category</th>
<th>Parties</th>
<th>Degree</th>
<th>Issue</th>
<th>Solved by</th>
<th>Target (days)</th>
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<td>01</td>
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<td>LD</td>
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<td>02</td>
<td>Wakaf land</td>
<td></td>
<td>MD</td>
<td>Kemuning</td>
<td>01/08/2006</td>
<td>Urgent</td>
<td>Comm. Vs Y</td>
<td>Very sensitive</td>
<td>Changing property right</td>
<td>PPC, OC, PIC-9</td>
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<td>OC, PIC-9</td>
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Annex B: CGU Form for Recording Decisions/Actions in a Complaint

<table>
<thead>
<tr>
<th>Complaint/grievance/criticism</th>
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<tbody>
<tr>
<td>Name</td>
<td>□ Male □ Female</td>
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<tr>
<td>Parties/complainant</td>
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<td>Home address</td>
<td>□ Male □ Female</td>
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<tr>
<td>District/City/Sub-district</td>
<td>□ Male □ Female</td>
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<tr>
<td>Issue</td>
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<td>Data</td>
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<tr>
<td>Highlights of the complaint/grievance/criticism and actions taken:</td>
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<table>
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<tr>
<th>Decided by: PPRG/PIC/OC</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result: Solved/under resolution/unsolved</td>
<td>Signature:</td>
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# Annex C: Summary Status of Cases Facilitated by the CGU
(August 2006–October 2008)

<table>
<thead>
<tr>
<th>Issue</th>
<th>Cases</th>
<th>No. of Cases</th>
<th>Reason</th>
<th>Solved</th>
<th>Pending Resolution</th>
<th>Note</th>
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<tbody>
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<td>Social</td>
<td>Conflict between or among beneficiaries</td>
<td>2</td>
<td>Grandmother vs. grandson, sisters vs. brothers</td>
<td>2</td>
<td>0</td>
<td>Solved by oversight consultant</td>
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<tr>
<td></td>
<td>Conflict of a beneficiary and a non-beneficiary with the consultant</td>
<td>2</td>
<td>Non-beneficiary insisted to be included as a beneficiary. Beneficiary hit the consultant</td>
<td>2</td>
<td>0</td>
<td>Solved by PMO, through Nias <em>adat</em> mode</td>
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<tr>
<td></td>
<td>Protest by the beneficiary against the consultant</td>
<td>5</td>
<td>Asked funds for infrastructure. Asked PIC to be more transparent in the budget</td>
<td>5</td>
<td>0</td>
<td>Solved by PMO, by PIC-10 in Nias</td>
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<td>Total</td>
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<td>9</td>
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<td>9</td>
<td>0</td>
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<tr>
<td>Construction</td>
<td>Light defects in the constructed housing unit</td>
<td>36</td>
<td>Light crack, door cannot be opened, etc.</td>
<td>36</td>
<td>0</td>
<td>Solved by oversight consultant. Repaired by contractor</td>
</tr>
<tr>
<td></td>
<td>Damage to the constructed housing unit caused by nature</td>
<td>206</td>
<td>Roofs broken by wind, flooded</td>
<td>12</td>
<td>194</td>
<td>Solved by <em>satker</em>. Repaired by contractor. ADB will build embankment</td>
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<tr>
<td></td>
<td>Bad construction</td>
<td>19</td>
<td>Ceiling fell down, broken foundation, weak trusses, etc.</td>
<td>19</td>
<td>0</td>
<td>Solve by oversight consultant. Repaired by contractor</td>
</tr>
<tr>
<td></td>
<td>Delayed construction</td>
<td>256</td>
<td>Contractor having financial and construction managerial problem, and went bankrupt</td>
<td>0</td>
<td>256</td>
<td>By <em>satker</em>, in Meunasah Mesjid-Aceh Besar, and Aceh Barat</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>517</td>
<td></td>
<td>67</td>
<td>450</td>
<td></td>
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<tr>
<td>Land-legal</td>
<td>Invalid registration</td>
<td>0</td>
<td>None</td>
<td>0</td>
<td>0</td>
<td>All valid, done by Badan Pertanahan Nasional Republik</td>
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<tr>
<td></td>
<td>Illegal claim</td>
<td>4</td>
<td>Non-beneficiaries claim plot ownership with no proof</td>
<td>4</td>
<td>0</td>
<td>Solved by the local government of Sabang and Aceh Barat</td>
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<tr>
<td></td>
<td>Boundary dispute</td>
<td>6</td>
<td>Built structure that encroaches on neighbor’s land</td>
<td>6</td>
<td>0</td>
<td>By oversight consultant with the help of BPN</td>
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</table>

*continued on next page....*
### Annex C: continuation

<table>
<thead>
<tr>
<th>Issue</th>
<th>Cases</th>
<th>Reason</th>
<th>Solved</th>
<th>Pending Resolution</th>
<th>Note</th>
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<td>10</td>
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<td>10</td>
<td>0</td>
<td></td>
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<tr>
<td>Management Contractor vs. beneficiary</td>
<td>6</td>
<td>Slow progress of repairing damage</td>
<td>6</td>
<td>0</td>
<td>By oversight consultant. Repaired by contractor</td>
</tr>
<tr>
<td>Contractor vs. workers</td>
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<td>Contractor did not pay workers</td>
<td>5</td>
<td>0</td>
<td>Solved by satker and contractor</td>
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<td>Subcontractor</td>
<td>6</td>
<td>Original contractors only asked for fee, but actual work conducted by the subcontractor.</td>
<td>0</td>
<td>6</td>
<td>Under resolution by satker</td>
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<tr>
<td>Double grant</td>
<td>148</td>
<td>More than one agency provided housing grant to the same beneficiaries</td>
<td>148</td>
<td>0</td>
<td>Solved by oversight consultant and verification team.</td>
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<tr>
<td>Total</td>
<td>165</td>
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<td>159</td>
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<td>701</td>
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<td>456</td>
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</tbody>
</table>

ADB = Asian Development Bank, BPN = Badan Pertanahan Nasional Republik, CGU = Complaints and Grievance Unit, PIC = project implementation consultant, PMO = project management office.
6. Involving Beneficiaries in Complaint Handling: The German Agro Action Experience in Pante Raja and Simeulue

by Hotman Ronal Purba¹ and Jumi Sanoprika¹

Introduction

Deutsche Welthungerhilfe—also known as German Agro Action (GAA)—was founded in 1962 as the national committee of the “Freedom from Hunger Campaign” set up by the United Nations Food and Agriculture Organization. Today it is one of the largest nongovernment organizations (NGOs) in Germany. Nonprofit-making, nondenominational, and politically independent, the organization is run by a board of honorary members under the patronage of the president of the Federal Republic of Germany. Its work is funded by private donations and public grants.

GAA has been present in Aceh province of Indonesia since the massive tsunami of December 2004, providing diverse assistance in the region in close coordination with relevant institutions and agencies, particularly with Badan Rehabilitasi dan Rekonstruksi (BRR). It has also trained a large number of beneficiaries in target villages in carpentry, masonry, and other livelihood sources. GAA’s first livelihood project focused on rehabilitating tree crops, on agriculture, and on assisting women’s groups in developing income-generating activities.²

In July 2006, a contract was signed between GAA and the Asian Development Bank (ADB) for the construction of houses in Pidie and Simeulue under the Earthquake and Tsunami Emergency Support Project (ETESP) housing sector. In Pidie, GAA agreed to build 198 housing units in Desa Keude Panteraja to provide for the remaining housing needs in the area. In Simeulue, 310 new housing units in seven villages (Awe Kecil, Awe Seubel, Leuband, Nancala, Salur, Salur Lasengalu, and Sital) were targeted. Communal facilities were also constructed as part of the subproject. GAA had been working in these villages since August 2005 under its existing program, so considerable insights and knowledge of the conditions in these communities had been gained.

Participatory Subproject Preparation and Implementation

GAA follows an integrated development approach with a strong element of community participation. To do this, efforts are made to enhance people’s involvement

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¹ Hotman Ronal Purba and Jumi Sanoprika worked as project staff for German Agro Action for the preparation and implementation of housing subprojects in Pante Raja, Pidie until their completion in April 2009.
in various phases of subproject activities through identification and verification of beneficiaries, prioritization of interventions, and finalization of village plans. GAA’s strategy is to work with the community and through existing institutions and resources. The initial work of GAA in these communities concentrated on building capacity (especially technical building skills) and linkages to form a foundation for continued development and partnership. GAA attempted to empower partners by involving them directly in planning, implementation, and monitoring and evaluation. GAA also established good cooperation with local authorities and BRR, the local government water utility (PDAM), the state electricity firm (PLN), and the Department of Public Works (PU) to facilitate community access to public utility services.

The first task of GAA was to establish a housing development coordinating committee or badan rehabilitasi dan rekonstruksi desa (BRRD), consisting of 25 elected representatives of the community—representatives from each dusun excluding the geucik (village head). Persons with technical qualifications such as architects, planners, and engineers were also selected into BRRD.3

The task of BRRD was to select beneficiaries eligible to receive a new housing grant. In the selection of beneficiaries, the following degrees of house damage were used:

- light damage, e.g., loss of doors, windows, etc.;
- average damage, e.g., part of wall was lost;
- severe damage, e.g., resettlement could be applied;
- completely lost; only foundation of the house remained.

Community meetings were held several times to identify the preferences of the various subcommunities within the target village. Community preferences were to be incorporated into any broader community development plan that may have already been developed or was in the planning stage. To manage possible gender and cultural issues, separate meetings were held for men and women until such time that the women could develop their own priorities. A joint meeting involving men and women was held to reach a final decision on community priorities.

BRRD and other community representatives jointly collected data on housing damage together with a participatory rural appraisal committee, which consisted of local NGOs. From a long list of potential beneficiaries, GAA conducted further verification to come up with a validated shortlist of beneficiaries to receive new housing grants.

Other NGOs and GAA also facilitated community mapping of land plots for land titling. Results were validated by a Badan Pertanahan Nasional Republik (National Land Agency) team from the province level under the Restoration of Aceh Land Administration System Project.

Claimants for a house grant were required to register their claim with BRRD and show proof of ownership of the land, either by using available records or through the community mapping exercise. Preliminary lists of claimants were posted in public locations to allow other residents to object or to request changes. When the time for complaints had passed, a final list of claimants was made and posted in public areas. Based on the list, the community was consulted on the preferred design for the housing units.

GAA staff prepared the detailed designs and costs, which were presented to the community for decision making, including which system of construction they would prefer (local contractors or community-based contracting). See Box.

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Community Feedback and House Design

The housing design in Simeulue was modified in response to community feedback. Due to the frequency of earthquakes in Simeulue, and the number of deaths caused by falling bricks and collapsing cement buildings, the community preferred a wood design. To minimize environmental degradation, German Agro Action (GAA) used coconut and durian wood and supervised the harvesting, cutting, milling, and replanting of coconut trees. Two trees were replanted for every tree cut.

GAA also strengthened the structure by introducing a steel portal system, adjusted the use of some material, and raised the ceiling height to meet the requirements of Badan Rehabilitasi dan Rekonstruksi introduced in June 2006.

Due to feedback from the community, GAA also altered the kitchen design in Simeulue. The kitchen wall was changed to only 122 centimeters high, and the kitchen was not fully enclosed, because beneficiaries used wood for cooking. The kitchen was closed from the main section of the house by the rear door, and the exterior wall opening allowed smoke and cooking odors to be dispersed.

To build a sense of ownership, GAA encouraged beneficiaries to monitor construction and identify any problems, e.g., substandard materials or construction. Site meetings were held weekly, and the elected village representatives were encouraged to attend and participate.

Before the community infrastructure was implemented, GAA ensured that the affected landowners within the community had agreed to have their lands used by the community for these purposes. Block plans were reviewed to ensure that all plots had clear access to meet the security requirements of the project. Once the community agreed to the adjustments in layout and infrastructure activities, the approval of the village plan by the geucik and the necessary building permits were sought before work began.

Such a community-based and participatory approach benefited the project by improving design, increasing ownership among beneficiaries, and minimizing conflicts and problems. The involvement of local governments, BRR, and other development partners in the discussions also helped maximize benefits to the community from various available resources. Figure 1 shows the community-based planning used in the preparation of the subproject.
Setting Up the Complaint-Handling System

From its initial experience with community complaints, GAA noted that many complaints were due mainly to lack of information or hearsay emanating from those who could not understand or refused to understand because of vested interest. Hence, it was easy to act on such problems.

To address this issue, GAA improved the intensity and frequency of information exchange between its staff and the beneficiaries, through BRRD. GAA also introduced a community bulletin board on which to post information, through which it could communicate directly with the people.

The responsibility for receiving complaints from the beneficiaries was added to the tasks of BRRD. Depending on the nature of the complaints, BRRD forwarded them to GAA staff and/or the contractors for action.

Issues concerning delay, quality, and quantity of construction supplies and questions on design and other technical concerns were referred by BRRD to the warehouse and

Figure 1: Community-Based Planning Used by GAA

BRR = Badan Rehabilitasi dan Rekonstruksi, GAA = German Agro Action.
engineering team. Issues requiring policy clarification, contractual issues, and more serious concerns were forwarded to the GAA project team, which in turn consulted with BRR, the Extended Mission in Sumatra (EMS), and/or other units concerned. BRRD could also coordinate directly with the BRR office in the district on matters requiring BRR attention.

Although BRRD served as the main grievance intake, sorting, and feedback unit for complaints, beneficiaries and the public also had the option to go directly to the GAA project office, BRR, or EMS. In such instances, the unit approached by the complainant had to provide direct feedback. Agreements or important decisions were also announced in community halls (meunasah) for wider disclosure in the community. Figure 2 shows the complaint-handling mechanism established by GAA for the subproject.

Most of the complaints and queries (70%) received by BRRD from beneficiaries were minor and could be clarified and resolved by the GAA field engineering team, the storekeeper, or the logistics officer. A few other cases (20%) were resolved through GAA’s project leader. More complex issues had to be elevated to the office of the GAA country director or to ADB. See Figure 3.

**Figure 2: GAA ETESP Subproject: Main Flow for Complaint Handling**

Lessons Learned

Importance of Public Access to Information

One of the factors that lead people to complain is the limitation in public access to useful information. In some cases, information is available only to the village elites. Those who are kept in the dark accept and react to whatever limited information they obtain, whether from gossip, rumor, or speculation from their neighbors, relatives, and friends.

In this context, beneficiaries’ and public access to information is very important. It is equally important for the public to know how and whom to approach if they have concerns or questions. In conducting assessments, it is also important that project staff do not rely merely on village leaders and other influential persons in the community to ensure that inputs from other stakeholders, including vulnerable groups, are obtained.

Importance of Community-Based Planning

Although project planners and designers may have very good ideas on what should be done and what would be good for the community, it is still important that inputs and feedback be actively sought from the community to validate and improve the planned interventions. Community-based planning helps the community to direct program activities, and enables project proponents to objectively measure the achievements their program (when community members are able to monitor them directly). When members of a community are involved directly in the process of development planning, they will help ensure the success of implementation.

The following are critical points:

- A community-based planning system must be grounded in the needs of the community.
- Members of the community should be involved in decision making and its process.
Gender Dimension in Community Planning

In assessing the needs and preferences of beneficiaries, it is very important to recognize possible differences between men and women beneficiaries. This was clearly noted when men and women expressed different opinions on how they wanted their houses to be constructed. When the draft house design was presented to the beneficiaries, women complained about the number and size of rooms, design and location of the kitchen, ventilation, etc. When there are cultural barriers to participation of women, efforts need to be made to overcome such barriers, such as having separate discussions with women beneficiaries or scheduling meetings that do not conflict with the other regular schedules of women.

Importance of Stakeholder Analysis

Issues are sometimes fueled by certain groups and vested interests in the community. At the same time, there are formal and informal leaders to whom the community looks up for advice and information. It is therefore important for projects to identify various stakeholders, and key individuals may be tapped for grievance resolution, consultation, or information dissemination.
7. Complaint Management, a Key Element in House Construction and Rehabilitation: The Muslim Aid Experience in Pidie

by Muchtar Razali¹ and Yulia Medina¹

Muslim Aid at a Glance

Muslim Aid is an international relief organization founded in 1985 in London by 23 leading British Muslim organizations in response to continuing conflicts and disasters around the world. It works in more than 60 countries across Africa, Asia, Europe, and the Caribbean.

Muslim Aid aims to alleviate the suffering of the victims of poverty, war, and natural disasters. In its first year, it distributed emergency relief to thousands of people affected by the devastating famine in Ethiopia, continuing wars in Afghanistan and Palestine, and widespread flooding in Bangladesh.

When the tsunami struck Banda Aceh in December 2004, Muslim Aid was among the first to respond by immediately sending emergency aid and medical supplies. In mid-2005, it started to build houses for 150 displaced families in Kampung Jawa, Banda Aceh.

Muslim Aid builds not only houses but homes. To achieve this, Muslim Aid treats beneficiaries as customers, respecting individual preferences, exercising cultural sensitivity, and empowering local capacity to enable them to cope with their future.

Project Description

In July 2006, the Asian Development Bank (ADB) and Muslim Aid entered into an agreement for the implementation of the housing subcomponent of the Earthquake and Tsunami Emergency Support Project (ETESP). Under the agreement, Muslim Aid was tasked to build 686 houses financed by the ETESP, with locations spread over the eastern coast of Nanggroe Aceh Darussalam—518 in Pidie Jaya District, 53 in Biruen District, 40 in Lhoseumawe, and 75 in North Aceh District.

Houses were designed to withstand strong earthquakes, using lined steel with a diameter suitable for earthquake-proof construction, anchors, lintel blocks, brick blocks, etc. Each building was to be 44.5 cubic meters and equipped with a septic tank to treat waste from the toilet.

Eligible beneficiaries were validated and finalized, and vulnerable households identified until December 2006. The final list of beneficiaries was signed by the geuchik, the head of the gampong, and an elder of the community. After confirmation of the beneficiary list by the community, each beneficiary marked the location of his or her plot of land on the village map. Muslim Aid

¹ Muchtar Razali and Yulia Medina worked as project staff for Muslim Aid for the preparation and implementation of housing subprojects in Pidie and Bireuen until project completion in May 2009.
facilitators provided training on how to work out plot boundaries and the procedures for cadastral mapping. The beneficiaries marked out their plots of land in consultation with their neighbors. Once the beneficiaries finalized their plot boundaries, these were mapped by the Muslim Aid mapping team for approval by the beneficiaries and the National Land Agency.

After community consultations, beneficiary and plot boundary validation, and approval of subproject preparation documents, Muslim Aid began construction in May 2007. A simple stone-laying ceremony was held in Meunassah Bueng Village in Pidie District to mark the start of civil works.

Implementation Arrangements

Muslim Aid established a project implementation unit (PIU) to prepare detailed designs in all its project sites. The PIU handled site planning, physical design of standard housing types, infrastructure, and detailed cost calculation. In each site, the PIU assigned a site advisor to

- ensure quality and progress,
- make sure that raw materials used were in accordance with standards, and
- supervise the implementation using the agreed upon design.

Field monitors were also mobilized to

- supervise the contractors who would build the houses,
- facilitate community complaints,
- arrange regular meetings between contractors and beneficiaries,
- monitor progress, and
- communicate with the subdistrict office and other nongovernment organizations (NGOs) working in its project area.

Overseeing the work of Muslim Aid was the ETESP oversight consultant, which consisted of domestic and international consultants. The oversight consultant ensured that the contract provisions and agreed upon designs were complied with. It also checked on procurement activities and provided support for data entry to the management information system. Figure 1 shows the implementation arrangements for the project.

Complaint-Handling Mechanism

During preparation of the subproject in 2006, ADB requested that Muslim Aid develop a complaint management system to address questions and concerns from beneficiaries and other stakeholders in relation to the subproject.

To support this effort, the ADB Office of the Special Project Facilitator organized...
a workshop in November 2006 with the different ETESP NGO partners on complaint handling.

Muslim Aid assigned its field monitoring staff as grievance intakes. A complaint form was developed to facilitate reporting by complainants. Beneficiaries were encouraged to write their suggestions, opinions, proposals, protests, dissatisfactions, and complaints related to any deviation in the implementation of construction work, building quality, performance of contractors and/or workers, quality of building materials, environmental aspects, delayed construction, attitude of field supervisors, and other issues related to the subproject. If requested by the complainant, field monitors assisted in filling up the form.

Questions related to technical or engineering aspects of the work were clarified in the field by the field monitors or site engineers. Complaints that could not be resolved in the field were referred to the Muslim Aid PIU. Field monitors filled up a complaint report sheet that described the problem and why it had not been resolved.

The Muslim Aid PIU then discussed strategies on how to resolve the problem. The people who complained were informed on how the issue would be resolved and were asked if they were satisfied by the resolution made. If, at this level, no resolution was agreed upon, the issue was brought up and discussed with the ETESP. The answer to the complaint was discussed directly with the complainant, and a form was filed as a completion or resolution to the problem.
Role of Adat Leaders in Complaint Handling

Muslim Aid worked closely with *gampong* leaders in resolving certain disputes. Muslim Aid staff always communicated with the *keucik* in case of small conflicts within beneficiaries’ families. When beneficiaries were unhappy with the contractor’s performance, Muslim Aid also sought comments from the *keucik*. Complaints by some contractors about being coerced into buying certain construction materials were also resolved through the help of the *keucik*.

Results of Complaint Handling

Initially, field monitors had to be encouraged continuously to complete the report forms and submit them to the site engineer and the PIU. Some initial complaints were also not addressed effectively due to insufficient information provided by the beneficiaries and the field monitors. However, through continued coaching and reminders from the PIU and site engineers, reporting of complaints and issues gradually improved. Moreover, about 13% of the queries and complaints were clarified and resolved by the field monitors in the villages (Figure 2).

The Muslim Aid experience shows that giving authority to field monitors and site engineers to receive and handle complaints directly in the field is a practical method for addressing complaints and shortens bureaucratic procedures (see Box).

The site engineer played a key role in resolving many of the complaints encountered during subproject preparation and implementation. Almost half of the cases were resolved through the facilitation or intervention of the site engineer. More serious issues involving contractor performance, delay in funds release, etc. required action from the Muslim Aid PIU. Contract-related issues also had to be discussed with ADB’s Extended Mission in Sumatra in Banda Aceh.

Most outstanding complaints were related to delays in construction, which, upon investigation, turned out to be due to poor performance of the contractors. Muslim Aid had to terminate the contracts with several contractors because of poor performance. Figure 2 shows the percentage of grievances resolved at different levels of the project implementation structure.

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**Figure 2: Muslim Aid: Grievances Resolved at Various Levels**

<table>
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<th>Level</th>
<th>Cases (%)</th>
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</thead>
<tbody>
<tr>
<td>ADB/ETESP</td>
<td>7%</td>
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</tr>
<tr>
<td>Top Management (Province)</td>
<td>33%</td>
<td>1–3 weeks</td>
</tr>
<tr>
<td>Site Engineering (District)</td>
<td>47%</td>
<td>1–6 weeks</td>
</tr>
<tr>
<td>Field Monitoring (Village)</td>
<td>13%</td>
<td>1–2 days</td>
</tr>
</tbody>
</table>

Note: Many complaints are not represented here, as they were resolved by field monitors.
Lessons Learned

The following were learned through Muslim Aid experience:

• Results of having a complaint-management system cannot be seen immediately after a complaint is received but require constant motivation of staff by the project leader. Field staff must carry out the program correctly and disseminate information on complaint handling at the initial stage of a project. Increasing awareness among beneficiaries and refreshing staff’s knowledge concerning the use of the complaint report form are periodically necessary to ensure that the form is used correctly.

• Close supervision of local contractors is required to minimize complaints from beneficiaries. Supervision should cover preparation of the work plan, cost estimates and cash flow management, preparation of financial reports, personnel needs assessment, and monitoring and evaluation.

• Communities are not used to filing complaints in writing. Hence, field staff should conduct regular field visits and provide information to convince them to write out their complaints. This will make it easier to monitor and will minimize bias from the complaints. (Biased understanding creates biased solutions.)

• The complaint-management system advocated by ADB could be applied in all activities of reconstruction and rehabilitation. Such a system would enable early detection and handling of problems, and would minimize the risk of dissatisfaction and protests against projects. Small-scale protests or dissatisfaction should be handled early to prevent escalation.

• A complaint-management system can also be regarded as evaluation material during project implementation or after completion of a project to (i) find out the weakness or the required interventions to improve outputs, (ii) increase awareness among project staff of how to achieve the standards, (iii) serve as an avenue for opinions and feedback from beneficiaries, and (iv) be used as a learning forum for the community to make them think positively and to use their freedom of expression.

• Transparency is promoted through the application of complaint management. The compilation of complaints and their settlements may be disseminated to the public to motivate them to participate in providing feedback to development projects in their communities.

• Written complaints and settlements may be used as the foundation for seeing the depth of involvement and sensitivity of the community towards a development program.

Replacing a Nonperforming Contractor

In one village, Muslim Aid decided to terminate the contract of a contractor who, after several reminders, was not able to speed up the work. Later, Muslim Aid found out that the same contractor had outstanding debts to some local suppliers.

When Muslim Aid mobilized a new contractor to finish the work, some local suppliers prevented him from working until the previous contractor was able to settle his unpaid debts. To solve this, the field monitor requested assistance from the keucik. The keucik, supported by other village leaders, arranged a village meeting to discuss the problem. In the meeting, it was agreed that the community would allow the new contractor to finish the work while they would continue to pursue the previous contractor.

by Diella Dachlan

Background

The United Nations Human Settlements Programme (UN-HABITAT) launched the Aceh-Nias Settlements Support Program (ANSSP) in July 2005 with the support of the United Nations Development Programme through funding assistance from various countries and organizations like the Foundation of Guarantee Funds for Habitat International and the Dutch Federation of Housing Associations.

UN-HABITAT, in consultation with local authorities and communities, worked in six districts: Aceh Besar, Banda Aceh, Pidie, and Simeulue in Aceh province, and Nias and Nias Selatan in North Sumatra province. The program provided assistance in rebuilding community settlements that were affected by the earthquake and tsunami in 2004 and 2005.

Apart from physical construction, the program provided assistance through policy support to the government; settlement recovery monitoring in Aceh and Nias (in cooperation with the University of Syiah Kuala [UNSYIAH], Banda Aceh); subdistrict spatial planning; village planning; community outreach; and publication.

ETESP/UN-HABITAT Program in Nias and Simeulue

With cooperation and funding from the Earthquake and Tsunami Emergency Support Project (ETESP) of the Asian Development Bank (ADB), UN-HABITAT agreed in August 2006 to facilitate and oversee the construction of 486 housing units under the Nias Settlements Support Program (NSSP) in four villages (Banuagea, Silimabanua, Hilideruwa, and Sawo). The program was completed in November 2007.

Preparation of the Simeulue Settlements Support Program (S3P and S3P-Kahad) started in mid-2007. Through this program, 459 families rebuilt their own homes in five villages: Batu-Batu, Busung, Kahad, Situbuk, and Sua-Sua. The construction work started in mid-2008. The program was completed and handed over in April 2009.

For both the NSSP and the S3P, initial studies on social parameters, environmental assessment, beneficiaries, housing design, etc. were documented in the subproject appraisal report and the subproject preparation report. Apart from assistance

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1 Diella Dachlan worked as project staff for the UN-HABITAT Aceh-Nias Settlements Support Program for the preparation and implementation of housing subprojects in Nias and Simeulue until their completion in April 2009.
for housing grants and technical assistance, the NSSP and S3P also provided basic infrastructure such as a sanitation system and safe drinking water supply to all villages (in cooperation with the United Nations Children’s Fund and Technisches Hilfswerk in Simeulue).

The People’s Process

The program supported a community-driven, integrated approach to reconstruction to ensure the sustainable reconstruction of settlements affected by the earthquake and tsunami. The strategy of the program was to ensure that the affected families were at the center of the rehabilitation process. Under this approach, members of the community participated in and were fully responsible for rebuilding their houses and settlements. The approach included provisions for addressing housing through the promotion of a “people’s rebuilding process” or the “People’s Process.”

The underlying philosophy in this People’s Process approach was that physical reconstruction contributes to social rehabilitation by providing opportunities to groups of families to participate in decision making on all important aspects of the rehabilitation of their settlements. The expected result was increased cooperation and integration in the community in building their future.

A community-based approach also helps create innovations in solving local problems such as land disputes, setting priorities, sharing of resources like water and forests, and procuring building materials. When members of the community share the responsibilities, they will gradually improve their self-confidence and build their networks for helping one another during difficult times. This situation will not only improve efficiency but also serve as a starting point towards sustainable recovery.

People who could socially interact and agree on a social monitoring process during the construction were grouped together. The housing beneficiaries were grouped into five families called a housing construction cluster (kelompok pembangun rumah or KPR).

Within a cluster, implementation was managed by a committee of three members elected from the beneficiary communities comprising a chair, a secretary, and a treasurer. The rest of the households were members of the cluster group management. All members were involved during the entire implementation process starting from preparation of proposals to monitoring of the physical construction to procuring material to reporting the expenses (Figure 1).
Figure 1: Community Participation Process in the UN-HABITAT Program

A – Initial Orientation

Community Commitment Agreement

B – Initiation of Community Participation

Election of Community Cadre (Volunteers)

C – Community Selection of Beneficiaries

Beneficiary List (approved by community)

D1 – Beneficiaries’ Preparation for Implementation

D2 – Community Action Planning (special attention paid to vulnerable groups, minorities, and women)

Cultural Mapping (approved by beneficiaries and BPN), Beneficiary List Reconfirmed by BRR, Clusters confirmed, Cluster Bank Accounts Opened, Beneficiaries Fully Prepared for Implementation Phase

E1 – Housing Implementation

Handover of Completed Housing (signing of receipts by beneficiaries and confirmation of completion to their satisfaction)

Community Action Plan (approved by Head of Subdistrict, Head of Village, and Village Elders/Community Cadre)

E2 – Community Village Planning (special attention paid to vulnerable groups, minorities, and women)

Community Village Plan (approved by Head of Subdistrict, Head of Village, and Village Elders/Community Cadre)

Completed permanent houses form the basis for the beneficiaries rebuilding their lives.

This forms the basis for future social and economic development through a partnership between the community and local and international development agencies.

This forms the basis for future physical development through a partnership between the community and local and international development agencies.

BPN = Badan Pertahanan National Republik, BRR = Badan Rehabilitasi dan Rekonstruksi.
Recruitment and Staffing

UN-HABITAT had a project management unit in Banda Aceh to support field offices in Nias and Simeulue. UN-HABITAT mobilized a field team of 60 persons to facilitate the preparation and implementation of the subproject in Nias. Later, when the Simeulue program started, Nias staff were mobilized to Simeulue.

Throughout the process, UN-HABITAT provided social and technical facilitation through teams comprised of architects, civil engineers, and community mobilization specialists to provide technical support and feasibility assessments. This also included providing training for the facilitator, community, and workers.

The UN-HABITAT team served as facilitator for technical and social aspects. The building standard was based on the existing building code for earthquake-proof housing issued by the Government of Indonesia.

Training

In the initial phase of program implementation, UN-HABITAT had three training components: facilitator training, community training, and worker training.

The 6-day basic training aimed to familiarize and provide skills to participants on techniques to understand the conditions and situation of the community, establish formal and informal relationships with the assisted communities, facilitate community meetings, establish a planning committee and a surveyors’ group, and design a training plan for community planning:

• objectives, principles, and cycle of the project;
• process of implementing community action planning and village mapping; and
• support systems within the project.

The training also aimed to provide participants with a general picture of the mechanism for making plans for housing and infrastructure projects, and the quality standards for construction of ANSSP houses. In the training, participants were taught complaint-handling techniques and mechanisms for managing complaints and protests from the community.

Further details on the training modules are available in the ANSSP guidelines (printed version) or may be downloaded from www.unhabitat-indonesia.org.

UN-HABITAT in Aceh and Nias

Supporting settlement recovery in close cooperation with communities and institutions

- 4,500 houses with basic water and sanitation amenities in six districts
- four subdistricts assisted with participatory spatial planning support
- 100 organizations supported through housing sector information and policy advice to BRR
- 3rd party sector monitoring and evaluation in the whole of Aceh in cooperation with the University of Syiah Kuala
- 26 villages assisted with basic settlement infrastructure in cooperation with Badan Rehabilitasi dan Rekonstruksi and other organizations

Housing clusters opened joint bank accounts and managed fund.
The mechanism for complaint handling under UN-HABITAT was very simple, as indicated in Figure 3. The participatory approach and the presence of facilitators in the villages helped clarify most concerns and prevented some issues from escalating. However, the experience in Nias highlighted certain weaknesses in the approach that resulted in misunderstandings and suspicions among the beneficiaries (Box 1). The need for more intensive disclosure and/or dissemination of key information and for proper documentation of agreements and/or discussions was realized. Based on this learning, the UN-HABITAT team disseminated the following documents to the communities before starting its project in Simeulue:
- rights and obligations of the public and UN-HABITAT,
- materials to be received by the communities, and
- complaint form.
Facilitators play an important role in the community-driven program.

In Banugea Village, Nias, the administrators of six housing construction clusters (KPRs) had not fully paid for the materials they had purchased from suppliers even after the housing construction had been completed. The facilitator requested the leaders concerned to settle their debt to the suppliers.

Word spread among the members that they had an outstanding debt to the suppliers. Not knowing that their leaders had not actually withdrawn from their account to pay the supplier, they thought that the facilitator was trying to extort money from their group.

The misunderstanding developed into a public demonstration. A number of people from Banuagea came to the UN-HABITAT field office to complain against the facilitator. A senior member from UN-HABITAT facilitated the meeting. He clarified that the facilitator did not mean that additional money needed to be paid, but that their group still had some outstanding payments from the originally agreed upon amount.

The following day, finance staff from UN-HABITAT showed supporting documents to prove that their KPR administrators still owed outstanding payments to the suppliers. With this clarification, the problem was solved.
Although complaint forms were available in the field, people preferred to raise their concerns directly to facilitators in the field or come to the office to hold meetings rather than fill in the provided forms.

**Coordination**

Field staff identified informal leaders in the village for community consultations. The community consultation was made through informal or formal meetings. In Simeulue, the process for community consultation to solve problems took place smoothly. Problems were commonly solved through community meetings.

At the village level, coordination was through the village leader and head of the subdistrict. For wider and institutional issues, coordination was with the head of the district office. For stakeholder and interagency matters, coordination was by the Agency for the Rehabilitation and Reconstruction of NAD and Nias (BRR) and United Nations Office of the Recovery Coordinator (UNORC). In Nias, a weekly interagency coordination meeting was chaired by BRR and UNORC. In Simeulue, there was no regular coordination meeting.

In Nias, the situation was different. Village and subdistrict officials intervened in only a few cases. An example was when the community threatened to hold a demonstration because of delayed housing construction. This was solved through meetings with the head of the subdistrict, assisted by religious leaders in the village.

**Strengths and Weaknesses**

Under the People’s Process carried out by UN-HABITAT, the people purchased materials, managed funds in the bank, prepared reports, and controlled the development. The facilitators played an important role in visiting and communicating with the people every day. This approach had the following strengths and weaknesses:

**Strengths**

- The people shared the responsibility as they played active roles in the process.
- Continuous communications with facilitators and the UN-HABITAT team maximized community feedback and information dissemination.
- There was speedy resolution of most problems in the field.

**Weaknesses**

- The process relied on the individual communication skills of the facilitators.
- There was limited documentation and integration of complaints resolved at the level of the community facilitators.
- It required continuous orientation of the facilitators to ensure that they were up-to-date on developments, constraints, and opportunities.

The experience of UN-HABITAT with complaint handling in the implementation of the ANSSP resulted in the following lessons learned:

- It is necessary to emphasize during community orientations that the community should play an active role in the process. In the context of the ANSSP, the people were the main implementors of the program.
- It is important to provide copies of documents such as minutes of meetings to the people as reference to the agreements and to avoid future misunderstandings.
- Complaints often come from those who are not present during the housing development process or are not participating actively in the process.
- Proper understanding among beneficiaries helps improve participation in supervision and monitoring. When people are aware of the program to be carried out, the materials they are going to receive,
the standards, and so on, most will help supervise implementation of the program. Eventually, the number of complaints will decrease.

- The approach used by UN-HABITAT put it in a central position among the people, ADB consultants, and ADB as the funding agency. Quite often, people, consultants, and external agencies have different perspectives (Box 2).
- It is important to distribute documents that list the construction materials and give a brief explanation about the program (Figure 4) together with complaint forms. This was done later in Simeulue, after the program.

Box 2: This Is Our House

Misunderstanding often happens in the program process.

Under the Nias Settlements Support Program (NSSP), the Earthquake and Tsunami...
Emergency Support Project (ETESP) financed the construction of 486 houses in four villages in Nias: Banuagea (252), Silimabanua (130), and Hilideruwa and Sawo (104). One of the requirements from the ETESP was that each house would be occupied by the beneficiaries once they had been officially handed over.

In November 2007, UN-HABITAT organized a ceremony to hand over the houses to the people in four villages in Tuhemberua subdistrict and Sawo to respond to the beneficiaries' request to immediately occupy their newly built houses.

The ETESP housing oversight consultant who examined the houses said that some were not yet technically 100% completed. Based on this observation, UN-HABITAT and the housing oversight consultant agreed to carry out a verification process of the houses and examined all 486 in detail. UN-HABITAT issued technical review forms signed by three parties—the ETESP housing oversight consultant, the community members, and UN-HABITAT.

During the verification process, one of the items that was often overlooked was the wooden plank behind the house. Beneficiaries claimed that they opted not to install the wooden plank because they wanted to expand their houses. Others wanted to connect their new house with their old house, so they insisted that the plank should not be installed.

This created tension between UN-HABITAT and the local people. A number of house owners in Banuagea Village strongly refused to have their houses repaired. One beneficiary said, “This is my house, sir. I built it and I don’t want you to change it.” When UN-HABITAT mobilized carpenters to install the wooden planks as recommended by the housing oversight consultant, one of the painters was almost beaten by the house owner, who refused to allow the recommended changes.

Another cause of disagreement was the bathroom. Although UN-HABITAT provided materials for a complete bathroom, with water taps and so on, some house owners did not install them, because they do not use bathrooms and prefer to bathe in the river. Some house owners used the bathroom for chicken cages.

To resolve these differences, the UN-HABITAT team asked those who did not want to have the recommended changes done to their houses to sign a statement indicating their decision and/or objection.
had been completed. Both field facilitators and the community prefer face-to-face meetings for complaint handling and problem solving.

**Recommendations**

Based on the lessons learned from program implementation in Nias and Simeulue on complaint handling, the following recommendations are put forward:

- Emphasize the importance of people’s participation in the program.
- Integrate problem solving under the program and make it known to internal staff and beneficiaries at an early stage.
- Apply appropriate tools for participatory monitoring of the program.
- Develop the capacity of communities to monitor the progress, i.e., to identify progress and whether or not the program is being carried out as planned.
- Help the target beneficiaries to improve plans and improve the quality of program implementation through reiterative reflection and action.
- Analyze the results to be used in the planning, policy making, and program strategy of implementing agencies for the future.
- Avoid deviations in program implementation unless these are toward improvement of the program.
- Prepare minutes for every meeting, complete with attendance list and signatures of participants, and provide copies of the minutes to representatives of community groups.
- Regularly inform the people and/or stakeholders.

**Figure 4: Flyer Disseminated to the Community in Simeulue**
9. Community Negotiations and Adat Values: Experience of HELP in Nias Selatan

by Herman Soesangobeng¹ and Yarisman Teluambanua²

Introduction

Hilfe zur Selbsthilfe e.V. (HELP) is a member of a German nongovernment organization (NGO) consortium, Aktion Deutschland Hilft, that was formed to respond quickly and efficiently in emergency situations with reconstruction needs. After the 26 December 2004 earthquake, HELP started working in Nias as early as January 2005, providing emergency relief assistance. It subsequently introduced income-generating activities and a waste management project in Gunung Sitoli, the capital of Nias.

In mid-2006, HELP was one of the international NGOs engaged by the Asian Development Bank (ADB) to implement the housing component under the Earthquake and Tsunami Emergency Support Project. Based on the request of the Agency for the Rehabilitation and Reconstruction of NAD and Nias and confirmation by village leaders, HELP targeted 3 villages in Hilidohona and 14 villages in Ulu Idano Duo, all situated in the subdistrict (kecamatan) of Lahusa, Nias Selatan. The subproject included construction of 449 new houses, rehabilitation of 210 houses, and provision of water supply and sanitation facilities. Figure 1 shows the location of the subproject area.

HELP conducted subproject appraisal in May–July 2006. The appraisal team included a project coordinator, a civil engineer, an anthropologist, and an agronomist, supported by a lawyer, a geographer, a water and sanitation/environmental expert, and an adat expert.

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¹ Herman Soesangobeng worked as legal specialist/grievance focal point for the ETESP housing oversight consultants until the end of his engagement in August 2009. He is an anthropologist and expert in adat land laws in Indonesia.
² Yarisman Teluambanua worked as head of the community negotiation team for HELP e.V. in the implementation of its housing subproject in Lahusa, Nias Selatan until its completion.
a sociologist, and a development economist. Local people were hired as translators and interviewers.

During appraisal, HELP’s team noted the key role that traditional leaders play in the target villages. Although the village and subdistrict administration are basically the responsibility of the village heads (kepala desa) and subdistrict head (camat), traditional leaders are involved primarily in educating people about traditional life and in resolving conflicts. The relative importance given by residents to adat customary practices and rituals was also noted by the appraisal team early during subproject preparation. Based on these observations, HELP considered traditional leaders as crucial for establishing a conflict resolution mechanism for the subproject.

HELP formed a community mobilization team (CMT) to disseminate information about the subproject, regularly coordinate with village heads and traditional leaders, clarify issues, and respond to questions raised by beneficiaries. The CMT also helped clarify technical issues by involving the technical staff. However, no specific reference was made concerning its role in complaint handling and grievance resolution introduced by the Office of the Special Project Facilitator of ADB. No special training on handling complaints and conflicts was provided to the CMT. Its focus was more on information dissemination and social preparation of the community. Initially, the emphasis was more on technical issues without realizing the importance of land status and the adat mode of dispute resolution. But during implementation, the team learned that social, cultural, and land issues are so dominant that they might impede subproject implementation. Experience inspired HELP to develop its mode of grievance resolution through negotiation.

HELP converted the CMT into a community negotiation team (CNT), with emphasis given to problem solving through negotiation with beneficiaries. This article describes how HELP, through its CNT, resolved complaints and conflicts and how it considered adat values in its complaint and conflict resolution.

**Establishment of the Community Negotiation Team**

Recruitment of members of the CMT began in March 2007. Eight local staff were selected based on the following criteria:

- at least a senior high school graduate;
- fluent in the local Nias language;
- good interpersonal skills;
- able to hold and lead meetings; and
- knowledgeable about the community social structure, including adat processes.

By the end of 2007, “CMT” was changed to “CNT” due to the shift in focus from orientation and information dissemination to negotiation and conflict resolution. The CNT structure and flow of handling complaint and conflict is depicted in Figure 2.

The CNT coordinated with village chiefs and community figures, and reported directly to the program coordinator. Its team leader coordinated with the clusters for housing, water and sanitation, and rehabilitation. Each cluster controlled several carpenters, who worked for groups of 7–8 beneficiaries.

One of the villages covered by the subproject.
Community-Based Subproject Implementation Arrangements

Although HELP controlled the supply of materials, subproject implementation was managed by the beneficiary groups under specific clusters, with supervision by HELP. There were 53 clusters for housing construction, 21 clusters for water and sanitation, and 12 clusters for housing rehabilitation. The 53 housing construction clusters dealt and coordinated with about 64 beneficiary groups comprising 449 beneficiaries spread over 21 hamlets (dusun) in the villages of Hilidohona and Uluidanoduo.

Each beneficiary group worked as a special unit, selecting its own head, secretary, and treasurer. The group then chose and entered into a contract with carpenters for the repair or reconstruction of the houses of its members and paid for the labor cost. HELP transferred the funds to the group’s treasurer. The beneficiaries’ internal group administration controlled the cash flow.

HELP put up a storage facility in each village or hamlet, called satellite clusters, to facilitate the distribution of materials. The head of the satellite cluster controlled all materials delivered from the main warehouse to the storage facility, and maintained a logbook to record the types and quantities of materials withdrawn by the beneficiaries. Security staff assisted the head of the cluster in securing the materials at the warehouse.

Most of the questions, complaints, and conflicts that emerged during subproject implementation occurred within the beneficiary groups and their contracted workers.

Complaint Handling by the CNT

CNT dealt with both sociocultural and technical issues. However, sociocultural issues were more complicated to solve or overcome, because they needed to follow the adat system and norms.

CNT staff identified complaints and conflicts through regular coordination meetings and reports from coordinators of...
the clusters, or during meetings in the field. CNT staff collected evidence and discussed the issues in an internal meeting. A meeting was organized in the field with the presence of the beneficiaries, adat elders and figures (satuwa hada), the village head, and the dusun head. CNT staff facilitated the meeting and invited those involved to resolve the complaint or conflict. If the complaint or conflict involved nonbeneficiaries and people outside the dusun, other local government officials such as the subdistrict officer, the local military, and the police commander were also invited to participate and help solve the case.

The involvement of local government officials was necessary to help deter conflicting parties from becoming aggressive or violent, which might lead to a criminal act. In addition, their involvement legalized the meeting and complied with State law, thereby making the agreements legally binding.

One of the community meetings where conflicts between beneficiaries were discussed.

Police officers and the subdistrict head invited as witnesses to a meeting aimed at resolving a conflict in the community.

Analysis

Complaint handling is clearly important in preparing and implementing projects. As seen from the experience of HELP, a timely and appropriate approach in handling various kinds of conflicts and issues helped move the subproject forward and prevent minor disputes from escalating into a major conflict. However, the complaint-handling approach by HELP developed gradually
Box 1: Resolving a Boundary Dispute

Mr. Hamid’s house was damaged by the earthquake and was in need of rehabilitation assistance. During the field assessment, Hilfe zur Selbshilfe e.V. (HELP) staff asked Mr. Hamid to mark his property boundary to guide the reconstruction of his house and facilitate the issuance of a land certificate. When Mr. Hamid marked his plot, the adjacent plot owner (Mr. Hendra) complained that Mr. Hamid had encroached onto his property.

To resolve the issue, the community negotiation team (CNT) invited both parties, the village head, adat elders and figures (satua hada), and the dusun head to the village hall to discuss the case. The CNT team leader explained the purpose of the meeting and moderated the discussion. After hearing the sides of the contending parties, the CNT team asked the adat elders to explain their opinion.

An adat elder explained that he had witnessed the great grandfather placing stones to mark the boundary between the two plots. Both parties then agreed to the suggestion by CNT staff to conduct a field investigation to verify the statement of the adat leader.

In the field, the adat elder pointed to two spots between the houses of the two contending neighbors and asked them to dig and find the stones as evidence (bukti nyata). With the uncovering of the buried stones, the dispute was solved. Both parties wholeheartedly accepted the boundary, because they were afraid of the founding father’s curse if they did not follow it. HELP’s field staff put up concrete poles to mark the boundary.

Right after the field verification, the participants returned to the village hall to conclude the meeting. CNT staff then drew up the minutes of the meeting, while the contending parties signed a statement that they would abide by the decision, respect the existing boundary, and protect the new one. The adat elders, the head of the village, and CNT staff signed as witnesses.

In accordance with customary practice, the group then shared a meal. CNT staff were invited to join, but they requested to be excused, because they had been instructed by HELP not to receive anything from the beneficiaries.

Box 2: Conflict Arising from Humiliation, and the Power of Apology

Three female beneficiaries, Ms. Nurma Moawu, Ms. Waibi Sato, and Ms. Basyah Soewanda, belonged to a seven-member beneficiary group. All three were poor. They did not have land and had no regular source of income for their households. Two of the ladies were widows, while the third had been abandoned with her two children by her husband.

Knowing the misery they were in, Mr. Murdani offered each lady a 5 x 20 square meter portion of his land to enable them to benefit from the housing support to be provided by Hilfe zur Selbshilfe e.V. (HELP). The donation was not supported by a written agreement. However, it was understood in adat law that Mr. Murdani had agreed to allow his land to be used by the three ladies as long as they would still live in the houses.

continued on next page....
Box 3: Resolving a Road Right-of-Way Dispute

Uluidanoduo is an uphill village assisted by Hilfe zur Selbshilfe e.V. (HELP) through the subproject. The village could be accessed only through a narrow road that passed through the adjacent village of Siwalubanua.

HELP staff mistook the land adjoining the narrow road as public land. The issue arose when HELP decided to widen (from 3 meters to 5 meters) and upgrade a section of the road to allow delivery trucks to pass through. When the landowners saw their land being affected, they came forward to demand compensation. Work had to stop because of this issue.

It was then that HELP staff found out that the land the road passed through actually belonged to the ancestors of Siwalubanua, who earlier had granted only a 3-meter right-of-way to the people of Uluidanoduo. Hence, the owners were demanding compensation for the additional 2 meters needed for road upgrading. The landowners from Siwalubanua demanded that the land be compensated based on prevailing land prices, and that negotiation should not involve residents of Uluidanoduo, with whom they had a history of conflict.
At first, HELP, through the community negotiation team (CNT) staff thought of bringing together the adat leaders from the two villages to discuss the plan for obtaining land in Siwalubanua. However, realizing the risks of reigniting past conflicts between the two villages, CNT opted to seek help from the subdistrict head to mediate in obtaining land from Siwalubanua.

The subdistrict officer invited Siwalubanua’s village head and adat leaders to discuss the issue in his office, in the presence of CNT staff. The village head and adat leaders agreed to grant 1 meter on each side of the original road for compensation of Rp4,000,000. HELP agreed to assist in paying the compensation.

As lessons were learned in the course of subproject preparation and implementation, there is no such thing as a perfect system. Adjustments and changes have to be made depending on the needs at a given time. As was seen from HELP’s experience, the emergence of conflicts between beneficiaries, between beneficiaries and workers, and between communities fostered the need to transform the community mobilization team into a community negotiation team.

No single methodology is universally effective. For instance, engaging adat, village, and subdistrict leaders also had to be adjusted based on the nature of the conflict, historical background, and people involved. In some cases, the solution lay solely between the conflicting parties and required only simple and private gestures of reconciliation. Allowing time for contending parties to cool down might be sufficient in some instances.

The importance of documentation and the involvement of adat leaders and local government officials to make agreements and decisions binding and legitimate cannot also be discounted, although the type of documentation can vary depending on the parties involved and the magnitude of the problem.

In conflict resolution under adat, the ritual ceremony of eating together, drinking liquor, and pig slaughter is observed in various degrees as a symbol of reconciliation and to further bind the parties and their descendants to the agreements and/or decisions reached in the process. The ritual ceremony does not have to be fancy or expensive, but it still needs to be observed to dissipate any hatred or anger that might still exist because of the conflict or complaint.

The tradition of reciprocating or paying for a “debt of gratitude” appeared to be still very strong in the community. HELP’s engaging of traditional, village, and subdistrict leaders for conflict resolution created an expectation from these leaders that HELP would reciprocate or compensate them for the assistance provided. This was a “debt” that needed to be “paid” or reciprocated before HELP left the area.

**Recommendations**

Based on the insights and lessons learned from the experience, the following recommendations may assist other organizations in establishing a complaint-handling system, particularly in areas where adat or traditional processes are still relatively strong:

- A complaint-handling unit should be established early, at the beginning of the project.
- The consultant or head of the unit should have adequate experience and seniority to understand both the legal system of the State and the local adat norms, and should be able to synergize the two systems of law into practical use in handling complaints and conflicts in the local setting.
- To bind parties and future generations to decisions or
agreements made, it is necessary to make decisions official. In the context of Nias culture, it is necessary to observe the ritual ceremony of eating and drinking together or even pig slaughter (depending on the gravity of conflict) to dissolve any hatred or anger caused by the complaint or conflict so that peace and tranquility can be achieved in the community.

- It is a good idea for projects to consider having a budget for social and cultural costs that might be encountered during implementation.
- Customary land and sociocultural issues should be carefully considered during project preparation so that staff may anticipate and overcome complaints or conflicts during and after project implementation.
10. A Complaint- and Grievance-Handling Mechanism in Conflict-Affected and Isolated Villages: The Cordaid Seunuddon Experience

by Saputra Liadi

Background

Cordaid is an international development organization based in the Netherlands with the mission to eradicate poverty and support justice and peace. Cordaid’s presence in North Aceh was in response to the 26 December 2004 earthquake and tsunami. It provided emergency relief in the form of food, medicines, and health care in six

Figure 1: Cordaid’s Project Sites

1 Saputra Liadi worked as assistant project manager for Cordaid Seunuddon’s housing project funded under the Earthquake and Tsunami Emergency Support Project (ETESP). Upon completion of his assignment, he joined the ETESP housing oversight consultants as deputy team leader until August 2009.
villages in Seunuddon Subdistrict (Bantayan, Matang Lada, Lhok Puuk, Teupin Kuyun, Ulee Rubek Timur, and Ulee Rubek Barat) that were identified by district officials as among the worst affected in the subdistrict. Figure 1 shows their location.

Located on the northern coast of Aceh Province, Seunuddon was the worst hit subdistrict in North Aceh. Although loss of life was not as severe as on the west coast of Aceh, damage to homes, village infrastructure, livelihoods, resources, and agricultural land was massive. Located in a mostly rural area, Seunuddon is far from administrative and commercial centers. Before the disaster, the area was already economically depressed due to the decade-long insurgency by the Free Aceh Movement and subsequent military operations by the Indonesian National Armed Forces. The protracted conflict restricted Seunuddon’s access to markets and trade, which further contributed to its isolation.

At the end of the emergency phase, Cordaid’s activities shifted to rehabilitation and reconstruction in the six villages. Under the memorandum of understanding (MOU) between Cordaid and the district government of North Aceh, Cordaid’s Post Tsunami Reconstruction and Rehabilitation Project in Seunuddon committed to provide

• 1,030 houses in accordance with the housing needs reported by local authorities of the six villages,
• clean water supply to the villages,
• institutional means and public infrastructure aimed at strengthening the Seunuddon Subdistrict Disaster Risk Management system, and
• legal ownership assistance and livelihood support to the villages.

Cordaid incorporated participative methodologies and developed good working relationships with the communities, local authorities, and Badan Rehabilitasi dan Rekonstruksi (BRR). Village development forums (VDFs) were formed to facilitate community participation. All activities were compliant with BRR and Government of Indonesia regulations and requirements, and Cordaid liaised regularly with them and other organizations active in Aceh.

Cordaid applied a strategy of inclusiveness and participation and worked with other organizations for a more comprehensive approach that created beneficial linkages and a more sustainable base for the area’s development. Cordaid’s approach also included capacity building for local resources as evidenced in its collaboration with Politechnic Lhokseumawe for village mapping and construction supervision, as well as with students from other universities for the conduct of beneficiary assessment. Figure 2 charts Cordaid’s participative approach in its project implementation.

To implement the construction of earthquake-resistant houses and other infrastructure, Cordaid worked with experienced contractors selected through a transparent tender process compliant with prevailing regulations. Beneficiaries and the community were encouraged to participate in the construction process as much as possible and in monitoring the work. This approach aimed at promoting a sense of belonging and at providing opportunities for beneficiaries and the community to earn incomes and gain skills in construction work.

### Cordaid-ETESP Housing Project in Seunuddon

The Cordaid–ETESP Housing Project was a continuation of Cordaid’s Post Tsunami Reconstruction and Rehabilitation Project in Seunuddon, and a fulfillment of its commitment as mentioned in the MOU with the district government of North Aceh. Using funds from the ETESP and under direct contract with the Asian Development Bank (ADB), Cordaid agreed to build 380 turnkey houses complete with sanitation facilities. This number was later reduced to 377 to adapt to changes in the field. Houses were

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2 ADB required the preparation by Cordaid and approval by ADB of subproject appraisal reports and subproject preparation reports as a precondition to civil works.
Consultation with Local Government
*Bupati, Camat*

Introductory Community Meeting

Village Mapping
Geodetic Department of Polytechnic Lhokseumawe with Community Involvement

Socioeconomic Assessment
*Cordaid Community Development Department*

Technical Assessment
*Cordaid Engineering Team*

Elaboration of Household Database

Elaboration of Housing Beneficiary List
*Priority:*
- Female-headed households
- Families with handicapped member(s)
- Families with death victims of tsunami

Verification of beneficiary list
Validation and agreement on beneficiaries

Public Verification

Agreement with Local Authorities

Communication with Beneficiaries

Tendering Process

Beneficiary data
- Status of land ownership
- Vulnerability of beneficiaries
- Level of destruction (of houses)
- Current accommodation
- Social status, etc.

Floor (concrete/ground)
Wall (concrete/plank)
Roof (zinc/leaves)

Totally destroyed
Severely damaged
No damage

Villagers
Geuchik (village head)
Keplor (subhamlet head)
Sekdes (village secretary)

District level
Subdistrict level
Village level
Badan Rehabilitasi dan Rekonstruksi approval

Six target villages in Suenuddon selected

*Following the approval of ETESP subproject preparation documents,* Cordaid started physical construction work in the villages of Matang Lada, Teupin Kuyun, Ulee Rubek Timur, Ulee Rubek Barat, and Lhok Puuk.
July 2007. The housing construction was implemented by six private contractors who won the tender process.

Supervision of the construction work was conducted by a local consulting firm. Cordaid’s engineering team monitored the construction work. The VDFs and community also participated in monitoring. All housing units were verified by the ETESP housing oversight consultant before they were handed over to the beneficiaries. The multilayered supervision and monitoring scheme ensured that the quality of the houses was not below the earthquake-resistant house building standard set by the Ministry of Public Works in Indonesia.

Cordaid completed the construction of 377 ETESP-funded houses in November 2008.

Management Setup

Cordaid set up a support office in Medan (Cordaid Sumatera) led by a program coordinator, which reported directly to Cordaid’s headquarters in The Hague, Netherlands. Cordaid Sumatera handled coordination work and provided oversight of its project offices in Seunuddon–North Aceh and Simeulue Island. Figure 3 portrays the management structure of Cordaid’s Post Tsunami Reconstruction and Rehabilitation Project in Seunuddon.

Recruitment and Staffing

Cordaid’s Seunuddon project office was made up of a solid team of individuals with educational backgrounds in civil engineering, architecture, economics, management, and related fields. Staff recruitment was based on individuals’ capacity for and experiences in the relevant jobs.

Training

Cordaid’s Post Tsunami Reconstruction and Rehabilitation Project identified and categorized training as follows:

- **Training for Cordaid staff.** Training needs for Cordaid’s staff were assessed and identified during the course of the project to adapt to the needs and ensure their effectiveness. Staff were provided opportunities to participate in training sponsored by Cordaid to strengthen their capacities to accomplish their tasks and develop skills that would contribute to their personal and professional growth.

  - **Training for village cadres and facilitators.** Members of the VDFs and community facilitators were trained in facilitating community action plans and were provided other community training (training of trainers) relevant to supporting dissemination of information to the community. On-the-job training in the form of information dissemination and active participation in Cordaid’s activities proved useful and practical. (Several individuals from the villages were later recruited as Cordaid’s field staff in its Seunuddon Office.)

  - **Training for the community.** Cordaid was very active in providing training to the communities in the six villages aimed at improving their knowledge and building their capacity. Training also aimed at developing awareness in maintaining the physical infrastructure and facilities that Cordaid provided in the area. Training provided by Cordaid in the community included hygiene promotion, community toilet construction, and furniture making for livelihood. The training also helped develop the community’s sense of goodwill toward Cordaid and its activities in the area.

Cordaid Seunuddon’s Complaint-Handling Mechanism

The mechanism for handling complaints in Cordaid’s Seunuddon project was an ongoing
Figure 3: Cordaid Seunuddon Project Organization Chart

- Project Manager
  - Assistant Project Manager
    - Construction Manager
      - Engineer
    - Community Development Manager
      - Community Development Officers
      - Community Development Support Personnel
    - Finance Officer
    - Secretary / Office Assistant
    - Administrative / Logistics Officer
      - Seunuddon Field Officers
      - Office Staff
process that adapted to the dynamics of the village’s condition and context. From the very beginning, Cordaid recognized the need to facilitate communication and feedback between its project and the community. Cordaid facilitated the formation of VDFs in five villages: Matang Lada, Teupin Kuyun, Ulee Rubek Timur, Ulee Rubek Barat, and Lhok Puuk. The functions of the VDFs were

- to disseminate information about Cordaid’s project to the communities;
- to facilitate Cordaid’s project activities;
- to act as a medium to voice the community’s aspirations, complaints, and inputs to Cordaid; and
- to inform Cordaid and help Cordaid staff to develop awareness about local culture, practices, and social development in the villages.

The establishment of the VDFs was supported and endorsed by the village chiefs in the five villages. The VDF members were elected by the villagers through a democratic and transparent election process facilitated by Cordaid. During the elections, the village chiefs played active roles to contribute to their success. They encouraged villagers to vote for candidates who could best represent their voices and aspirations for their village development. On election day, villagers came in hordes to the voting booth to cast their ballots for their candidates.

Although feedback or complaints about Cordaid’s activities in the area were expected to be channeled through the VDFs, Cordaid’s staff in the field were also receptive to listen to the community. Figure 4 describes several scenarios of communication flow and feedback between the community and Cordaid through the VDFs.

Over the course of the project, Cordaid observed and learned about the relationships among various parties in the village, such as between village leaders and the community, and between the VDFs and village leaders. It also observed the social dynamics in its target villages and their inhabitants.

Some of the observations were as follows:

- Despite support from the village chiefs, the VDF was in some cases later seen as a challenge to or competition with the village leadership.
- VDF members were mostly young individuals in the villages who had higher formal educational background. But this did not automatically give them influence or legitimacy in the village structure. This affected their effectiveness in handling complaints.

**Figure 4: Communication Flows**

- Community→VDF→solution→VDF feedback to community
- Community→VDF→community development officer→solution→VDF feedback to community
- Community→VDF→community development officer→project manager→solution→VDF feedback to community
- Community→VDF→community development officer→project manager→program coordinator in Medan office/ desk officer in Cordaid headquarters→solution→VDF feedback to community

VDF = village development forum.
The sudden influx of a large amount of resources and aid to a long-isolated area created opportunities for individuals at different levels. This in turn affected relationships, creating jealousy and conflicts among the villagers.

- The trust of the community toward its village leadership (village chief, traditional leaders such as tuha peut or tuha lapan) diminished because of the leaders’ involvement in the ongoing construction business.
- VDFs were sometimes seen as barriers to vested interests.
- In some cases, feedback given on a face-to-face, individual basis was later disputed.
- There were also cases in which the community claimed to be ignorant of the feedback and answers provided by Cordaid.
- Community meetings (musyawarah), which had been part of the local culture, were an effective medium to be integrated into the complaint-handling mechanism.

Based on these observations, Cordaid adjusted the complaint-handling mechanism and introduced a communication flow that adapted to the situation and facilitated best practices in community complaint handling. The complaint-handling mechanism, as portrayed in Figure 5, incorporated the following:

- **Community book.** Cordaid provided a community book in its field office in Seunuddon in which the community could log complaints or inputs. The book specified the date, complaint filer, nature of complaint, who would handle the complaint, and date of feedback to the complainant. This book was maintained by Cordaid’s community development support staff, who were recruited from Seunuddon and spoke the local Acehnese dialect to assist the illiterate.
- **Community meeting.** Meetings were held monthly in each of the five villages with date, venue, and time agreed upon beforehand with the community. When required, Cordaid or the community called for ad hoc meetings. Complaints that were logged in the community book were also mentioned in the community meeting. A member of the VDF took the minutes of the meeting. In the meeting, the village chief or a member of the VDF would also be the Acehnese interpreter (see Case 1).
- **Minutes of community meeting.** Inputs, grievances, resolution, and feedback were recorded in the minutes of the meeting. Members of the VDF, assisted by Cordaid’s community development officer, would take and prepare the minutes. The minutes were cosigned by the village leadership, VDF, witnesses from the community, and Cordaid. The duly signed minutes were posted on the village information board located in front of the village hall.
- The community could still come to the village leadership, VDF, or Cordaid staff (community development or engineering team) to convey their grievances.
Coordination

Issues that could not be resolved in the field were brought to the Cordaid project manager’s attention. Monthly staff meetings in Cordaid’s project management office facilitated internal coordination to resolve such issues. The focal persons to discuss and resolve such issues were usually the project manager, community development officer, and engineers. Cordaid’s program coordinator in Medan was consulted whenever required.

Externally, Cordaid was active in coordinating with the subdistrict government, district government, the United Nations Office of the Recovery Coordinator for Aceh and Nias, BRR, and other nongovernment organizations working in the area and in North Aceh. This active coordination proved to be beneficial in resolving more complex issues. ADB’s ETESP, the ADB Extended Mission in Sumatra, and the oversight consultant were also consulted about issues that would affect the information in the subproject preparation report.

Lessons Learned and Recommendations

The Cordaid Seunuddon project addressed the needs of the people in villages aided by the ETESP in Seunuddon. Cordaid’s reconstruction and rehabilitation of houses, roads, bridges, and water supply networks as well as livelihood activities were identified as priorities in the community action plan. This created goodwill in the community and among other stakeholders towards Cordaid’s raison d’être in the area. The goodwill was an invaluable asset for Cordaid in implementing its project and in building relationships with the project stakeholders.
Case 1: Unsettled Contractor’s Debts in Ulee Rubek Barat

Several people in the village of Ulee Rubek Barat had taken advantage of the construction by becoming suppliers of materials and labor to the housing contractor. Cordaid—through its project manager, community development officer, and engineers—had on several occasions reminded the villagers that it would not be accountable for debt issues between the contractors and community suppliers. Despite that, Cordaid facilitated a meeting between the community suppliers and the contractor to settle the issue. But because the contractor was having difficulty with its cash flow, it was not able to settle its debts. The contractor left the site because of fear of the community suppliers.

Rumor spread in the village that Cordaid had withheld the payment to the contractor and that Cordaid would assume the responsibility to pay the contractor’s debts. Because of this rumor, some community suppliers threatened to detain Cordaid’s vehicles and its staff who came to the village.

Cordaid Seunuddon’s acting project manager consulted the program coordinator in Medan. The acting project manager convinced the program coordinator that the situation was still under control. It was established that in general, the community was still supportive of Cordaid and that some of the unpaid suppliers simply wished that Cordaid would compensate them for the outstanding debts of the contractor.

To avoid distortion of information and clarify Cordaid’s position, Cordaid’s community development officers called for a community meeting in the village hall. The village leadership, VDF members, community members, Cordaid project management (acting project manager and the community development and engineering teams) were present at the meeting.

Cordaid’s acting project manager clarified that Cordaid was not involved in any way in the transaction between the contractor and the suppliers. Hence, it would not and could not be in any way responsible for the contractor’s debts. Cordaid also explained that it puts the safety of its staff as a priority, and would pull out from the area if it determined that its staff was at risk. Cordaid advised the suppliers to pursue the issue with the contractor’s higher management in Medan. The community understood and accepted Cordaid’s explanation. The discussion at the meeting was recorded in minutes.

On the other hand, after the protracted conflict and the subsequent isolation, coupled with the devastation by the tsunami, the unprecedented amounts of aid that poured in—including that from Cordaid—created many opportunities in the area. They also affected relationships in the community and its social dynamics. This added to the complexity of understanding the area. Cordaid’s presence in Seunuddon also created many expectations in the community by both individuals and groups. In reality, managing complaints could not escape the premise of managing expectations.

Making complaints should also be seen as the right of expression. Cordaid’s staff (community development support staff, community development officer, and engineers) experienced cases where individuals came just to blow off steam—to vent—without really having valid demands or complaints. This should also be seen as building goodwill—or trust—toward Cordaid. Yet sometimes staff found themselves overwhelmed with their own tasks, and overlooked or underestimated complaints received. Very often, small or trivial complaints could cause aggravation,
because they were not addressed properly or in a timely manner. Despite the orientations, misunderstandings about the project and its approach happened. Although complaints or grievances may be the result of complex issues involving human behavior, character, or background, many times they were also the result of the lack of time invested in communication.

The most important lesson of Cordaid’s experience in handling complaints in Seunuddon is that: complaints are not to be avoided, as they are part of being and living, but they are to be managed by giving consideration to the human capital, values, social dynamics, and context of an area.

Cordaid’s experiences in handling complaints in Seunuddon can be used as references for its future work or for other agencies, as mentioned in the following recommendations:

- A complaint- and grievance-handling mechanism should be built into the standard operating procedures or as an integral part of a project’s field manual. The mechanism should also be disseminated to the project’s stakeholders.
- The complaint-handling mechanism can be built into the existing local culture or practices and village structure. It is best to strengthen and develop the capacity of the existing structure or existing best practices or habits rather than creating new ones.
- As handling complaints requires a lot of communicating, it is best to equip field staff with training in communications skills at the start and at regular intervals during the course of a project.
- A complaint-handling mechanism that is managed properly may produce indicators that can benefit project implementation. It is recommended to designate separate staff with specific job descriptions to handle community complaint procedures and mechanisms.
- Experiences in dealing with and solving complaints can be lessons learned for the future. Complaints can also be indicators of development in an area. It is recommended to have a proper and systematic log of complaints.
- A complaint form should be made available and used. It should contain information on the person who filed the complaint, nature of complaint, resolution of complaint, signature of complainant, and the organization (implementing agency), and should be witnessed by a community representative. It should be used as a record and for future reference.
- Information dissemination about the project and its approaches should be done regularly in a manner that is sensitive to the local culture and the community or individuals’ background.
- There should be an understanding of the social interaction and relationships among the people in the village or area. Accordingly, the complaint-handling mechanism can be fine-tuned to adapt to changes and development.
- In a place like Seunuddon, with its “red zone” background of conflict and its current condition as the recipient of vast amounts of aid, the situation can be more complex. Here, it is important to be an active part of a larger coordination body or community (refer to Case 2.)
Case 2: A Village Leader Demanding a Bigger House

One of the housing beneficiaries, who was also a village chief, wanted Cordaid to construct a house for his family that was bigger than the 36 square meters agreed upon between Cordaid and the Asian Development Bank. Cordaid (first through its engineer and later through its project manager) explained that it could not accede to the request, because it would not comply with the subproject preparation report and it would be inconsistent with Cordaid’s equal and fair treatment to all beneficiaries.

Because of this, the village chief threatened that he would no longer support and participate in Cordaid’s activities. He used his clout to forbid the contractor to work in the village. Construction work was halted.

Cordaid did not want to put the villagers in an awkward situation against their village chief and create further conflict in the community. Cordaid, therefore, approached the head of the subdistrict and senior officer of the district government. As Cordaid had maintained regular contact and coordination with the government body since the beginning of the project, they were quickly apprised of the situation and threw their support to Cordaid. They resolved the issue with the village chief.

Through the intervention of the subdistrict and district heads, the contractor was allowed to resume work in the village.
11. Complaint Handling in Community Facilitation: The Bina Swadaya Experience

by Jose T. Nicolas,$^1$ Ira Hermantyo,$^2$ and Agung Prasetio$^2$

Background

Bina Swadaya is a well-established national nongovernment organization in Indonesia. It started as a social movement in 1956 and gradually transformed into a socioeconomic development and social entrepreneurship institution. Its activities have diversified into

- microfinancial development covering four banks (Bank Perkreditan Rakyat) and 18 microfinance branches;
- civil society empowerment covering consulting services, a training center, and development of cooperatives; and
- agribusiness development and development communication covering 17 business units (including various publications like Trubus magazine, agriculture and general books, printing, and alternative tourism activities).

Given its long experience in establishing and strengthening self-help groups (SHGs) and cooperatives, the Asian Development Bank (ADB) tapped Bina Swadaya to provide community facilitation support for subproject activities in agriculture, fisheries, and irrigation funded under the Earthquake and Tsunami Emergency Support Project (ETESP). Bina Swadaya was tasked to form and develop SHGs, recruit and train village facilitators, help prepare plans for SHGs' requirements, facilitate contracts for community-based irrigation subprojects, and help integrate water user association federations (WUAFs) into keju’reun (traditional organizations in Aceh).

Bina Swadaya started its work for the ETESP in November 2005. A field team, composed of a team leader, three experts, an administrative support staff, and community mobilization specialists (CMSs), was mobilized in Aceh to begin discussions with village leaders, ETESP consultant teams, and heads of local government agencies in Nanggroe Aceh Darussalam (NAD) and Nias. The team also began recruitment and training of community facilitators. Depending on the scale of ETESP activities in the district, Bina Swadaya assigned two or three CMSs per district to work with the ETESP sector consultant teams. Two senior staff members of Bina Swadaya were assigned to provide management support to the field team through regular visits and coordination meetings.

In June 2007, the contract between Bina Swadaya and ADB was revised in response to the increased demand for

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sector-specific community facilitation. The terms of reference (TOR) for community facilitators were modified to suit the specific requirements of the different sectors. The revision also envisioned the gradual reduction of full-time Bina Swadaya team support at the provincial level and the handover of their functions to project implementation units (satkers) and district implementation units as part of the overall exit strategy of the ETESP and transition to local government management.3

Bina Swadaya’s engagement with the ETESP ended in June 2008. During its engagement, Bina Swadaya facilitated a total of 2,173 SHGs. Of these, 543 SHGs were in the agriculture sector and 1,051 in the fisheries sector. A total of 538 water user associations (WUAs) and 41 WUAFs were also facilitated in the irrigation sector. Membership in these groups totaled 106,698, of whom 39.3% (41,956) were women. Among the WUAs, 63% were established under the ETESP, while others had existed before the tsunami. All the SHGs assisted under the fisheries sector were new groups.4

In partnership with the ETESP fisheries sector consultant team and the satkers, Bina Swadaya helped the 1,051 fisher groups in preparing and implementing Rp78,985,866,919 ($7.89 million) worth of community contracts. It also worked with the ETESP irrigation sector consultant team in helping the 538 WUAs and 41 WUAFs prepare and implement Rp34,483,100,201 ($3.45 million) worth of community contracts.

Although complaint handling was not explicitly mentioned in its phase 1 contract with ADB, Bina Swadaya viewed complaint handling as an integral part of community empowerment. Providing opportunities for communities to raise concerns related to subproject preparation and implementation was treated as a necessary element in the strengthening of SHGs. In June 2007 (phase 2 of Bina Swadaya’s engagement for ETESP), complaint handling was included in the TOR.

### Approach to Community Facilitation

The contract between ADB and Bina Swadaya required the facilitation of at least 2,000 SHGs in communities covered under the ETESP agriculture, fisheries, and irrigation sectors.

Although Bina Swadaya had a proven track record in community facilitation and organizing of SHGs, the community facilitation requirements of the ETESP and the circumstances under which facilitation was to be done were quite different.

For one thing, most target groups to be facilitated were sector specific and had been pre-identified by the sector consultant teams and the satkers. The trauma experienced by the target beneficiaries from the disaster and the fractured village leadership structure also added to the challenge of community facilitation.

The design and delivery of assistance and/or material support to the beneficiaries to be facilitated was outside the control of Bina Swadaya. Other units (sector consultants, satkers, and district implementation units [DIUs]) handled the design and actual provision of assistance to the communities. Bina Swadaya had to closely coordinate with several units in conducting community facilitation. This implementation arrangement was a major challenge for community facilitation.

It became a challenge to encourage people to participate in preparatory discussions and gatherings. When Bina Swadaya called for community meetings, some people asked them what assistance they were bringing to the community. The credibility of community facilitators was undermined by delays or changes in actual provision of support by the satkers.

By 2007, Bina Swadaya had to customize its facilitation to respond to the growing demand from the different sectors. In the case of the irrigation sector, facilitation focused on

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3 Contract Variation No. 5 for ETESP Community Facilitation, May 2007.
preparing WUAs to undertake community-based civil works for the repair of irrigation systems. In the agriculture sector, facilitation revolved around preparing farmer groups for receiving farm inputs from the district agriculture offices. In the fisheries sector, facilitation focused on assisting communities in prioritizing activities for village-grant support and in undertaking specific livelihood activities—such as fishpond management, fishing boat operation, seaweed farming, mangrove reforestation, and related activities. Figure 1 shows the various units with which Bina Swadaya coordinated in conducting community facilitation.

To maximize participation by the target communities, Bina Swadaya recruited and trained one community facilitator per village based on nominations from the target beneficiaries. During community orientations on ETESP activities in the village, the CMS asked beneficiaries to recommend people in the village whom they trusted and believed had the ability to help organize community meetings, collect needed information, and serve as a link between their group and the project. In the case of the irrigation sector, the initially recruited community facilitators were staff hired from a previous ADB-financed irrigation project in Aceh. No additional qualifications were required of the nominees.

Community facilitators recruited based on community recommendations were able to collect data, inform the communities about meetings, and relay information and feedback from the communities. However, they often lacked credibility to engage beneficiaries concerning issues or conflicts. Because of difficulties encountered in this approach, it was decided in 2007 to open the recruitment of community facilitators to other qualified residents in the district. This helped improve the scope and integration of activities, reduced facilitation costs, and enabled the recruitment of more skilled community facilitators. It also improved the perceived social status of community facilitators, which allowed them to engage traditional and village leaders.

Figure 1: Units with which Bina Swadaya Coordinated in Community Facilitation

- Traditional Community Leaders (keucik, imeum mukim, panlima laot)
- Sector Groups (WUA, farmers’ groups, fishpond farmers’ associations, shrimp farmers’ associations, fisher groups)
- Self-Help Groups
The selection of community facilitators in districts that were heavily affected by armed conflict (Aceh Besar, Pidie, Bireuen, East Aceh, Lhokseumawe, and North Aceh) was a major challenge. Social structure in these areas had degraded over the years, and trust in the government and outsiders was low. Some Bina Swadaya staff who visited these areas were initially threatened by ex-combatants in the villages. As a precaution, Bina Swadaya also had to discuss the selection of community facilitators with Free Aceh Movement leaders in these areas. With this approach, Bina Swadaya was able to conduct community facilitation in conflict-affected areas.

From 2005 to 2008, Bina Swadaya recruited and trained 383 village mobilization facilitators, 286 irrigation facilitators (tenaga pendamping petani or TPPs), and 307 community facilitators for fisheries (fasilitator desa untuk komponen perikanan). Community facilitators were deployed in 589 villages for irrigation, 315 villages for fisheries, and 416 villages for agriculture, covering a total of 15 districts in NAD and Nias.

Although efforts were made to recruit more women, cultural and social barriers made it difficult. The composition of the target groups (which were mostly men), the frequent travel to adjacent villages, and the timing of meetings made many women hesitant to work as community facilitators. As a result, only 20% of the community facilitators recruited were women. Women facilitators encouraged more women to participate in WUAs and helped form women’s SHGs around certain livelihood activities. Efforts were also made to include more women in the different skills training provided to beneficiaries.

Under the supervision of CMSs, community facilitators helped farmer groups, fisher groups, and WUAs to strengthen their village organizations by connecting to the resources they needed. The goal was to empower communities to develop sustainable livelihood systems through product clusters that were connected to both market buyers and the relevant support services. At the same time, community facilitators acted as grievance intakes for the community in villages, and worked with traditional leaders at the gampong and mukim levels to resolve conflicts.

Training of Community Facilitators in Complaint Handling

Community facilitators hired by Bina Swadaya were given a 5-day basic training on various components and processes related to ETESP agriculture, fisheries, and irrigation activities. Included in this training was a 2-hour module on the community facilitator’s role in complaint handling and grievance resolution, sources and types of complaints, referral process for unresolved issues, approach to complaint handling, and the role of Bina Swadaya.

In November 2006, ADB’s Office of the Special Project Facilitator organized pilot training on village-level complaint handling for community facilitators and CMSs from Banda Aceh and Aceh Besar. The workshop included case studies and role playing. The workshop handbook provided guidelines for sorting complaints and a flow chart that explained the responsibilities of staff members and community facilitators.
Community facilitators and CMSs also participated in orientations on the ETESP grievance mechanism organized by the ETESP Grievance Facilitation Unit in Meulaboh, Nias and Simeulue in 2007.

**Approach to Complaint Handling and Conflict Resolution**

Before the mobilization of the Bina Swadaya team, the risk of jealousy and conflicts related to the targeting and/or selection of villages and beneficiaries was already recognized. Although villages were generally seen as capable of making investment decisions and settling differences amicably, the risk of conflict due to exclusion of some individuals or groups was not discounted. Added to this was the fragile social cohesion and basic mistrust by some communities of government brought about by decades of armed conflict.

These challenges were taken into account in the design of the community empowerment component of the ETESP agriculture, fisheries, and irrigation sectors. To minimize conflict, the process of targeting villages and selecting beneficiaries was designed to be as transparent and inclusive as possible. Upgrading and/or construction of communal assets that would benefit a greater number of beneficiaries was also included.

The initial design of the conflict resolution strategy prepared by the ETESP fisheries sector consultants in November 2005 put the community facilitators at the forefront in resolving grievances and providing clarification and information in the villages. Community facilitators were mandated to first attempt to resolve a grievance between the parties in dispute. However, grievances that could not be resolved in that manner should be referred to existing traditional village structures.5

In Aceh, these structures involved the *gampong* and *mukim*. A *gampong* is a legal community unit that constitutes the lowest administrative organization under the direct supervision of the *mukim* and is headed by a *keuchik*. Disputes can be discussed in the *meunasah* or mosque, which has traditionally been used in Aceh as a place of worship, communication and information center, consultation hall, place for settling disputes, and community center for other activities.6

Issues that cannot be resolved in the *gampong* can be elevated to the *mukim*, which refers to a customary law (*adat*) community unit, composed of a cluster of villages. A *mukim* is led by the *imeum mukim*, who is supported by several councils of elders and respected individuals in the cluster of villages.

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Under the initial plan, issues that could not be resolved by the community facilitator with the help of traditional leaders should be referred to the CMSs, who would then meet with the parties involved and attempt to resolve the problem. Issues that remained unresolved at this level would be passed to a review board at the district level comprised of the head of the district fisheries, agriculture, or irrigation office; the CMSs; and a representative of the satker. Their decision would be considered final.

This setup proved useful in resolving most disputes between beneficiaries and most queries and concerns about the quality and delivery of assistance. About 39% of the grievances were resolved in the villages through the efforts of the community facilitators, while 53% required intervention from the CMS, the sector consultants, and/or the satker. However, complaints against project and district unit staff and allegations of irregularities had to be resolved through the involvement of external units and officers in the province, the Agency for the Rehabilitation and Reconstruction of NAD and Nias (BRR), and ADB’s Extended Mission in Sumatra (EMS). See Figure 2.

In terms of complaint handling, community facilitators were
- good intake points for various types of grievances;
- able to help resolve conflicts between beneficiaries, and conflicts between beneficiaries and nonbeneficiaries; and
- able to provide basic information concerning queries from the community (Box 1).

However, more than half of the issues (53%) encountered in subproject preparation and implementation required the intervention of the CMS, the sector consultants, and/or the satkers.

Community facilitators have limited effectiveness in resolving certain grievances because of their
- initial lack of social influence and credibility among beneficiaries, being recruited based on recommendations from the community;
- insufficient access to project-related information and updates; and
- non-involvement in project-related decision making.

Figure 2: Grievances Resolved at Various Levels

Most complaints were handled and solved at the field level. There are no accurate statistics or systematic records for complaints.
Box 1: Sample Complaint Resolved by the Community Facilitator

In Pulo Tukok, Pidie, the beneficiary group complained to the community facilitator about the delay in the release of the second tranche of the grant to their group.

The community facilitator explained that the process takes time. The district implementation unit, community mobilization specialist, and site advisor of the district would first need to gather all reports from the first funds release and submit these to the provincial office of the Fisheries Department.

Based on the explanation by the community facilitator, the group completed and submitted all the required documents to the district implementation unit to speed up the release of the remaining grant to their group.

Box 2: Sample Complaint Resolved through CMS Intervention

On 20 September 2007, a beneficiary group from Desa Alue Naga in Banda Aceh relayed their concern to the community facilitator about the fund allocation to their group as discussed by their officers in a meeting. The community facilitator reported to the community mobilization specialist (CMS) the question from the group.

The following day, the CMS contacted the satker for fisheries to clarify the issue. A week later, the CMS relayed the clarification provided by the satker during a meeting with the beneficiary group.

In some cases, the credibility of the community facilitators among the beneficiaries diminished greatly when assistance or support did not come as promised.

Grievances that were beyond the capacities of the community facilitators to resolve or clarify (Box 2) included:

- differences in perceptions and expectations among Bina Swadaya, the sector consultants, and the satker;
- mismatch in the resources to be provided to the target beneficiaries;
- lack of agreement and/or understanding concerning beneficiaries’ rights, obligations, and sanctions;
- issues related to approval, budgeting, and release of grant support;
- poor performance of contractors or nondelivery of agreed upon materials;
- allegations of irregularities or misappropriation of funds by district implementation units; and
- community requests that were not covered by the assistance provided.

Role of Sector Consultants and Satkers

Sector consultants helped prepare and/or design and implement subproject activities. They also organized community planning sessions and discussions. The satkers, on the other hand, prepared the budget and funds transfer, supervised implementation of subproject activities, and signed contracts with suppliers and contractors. Given their central role in preparing and implementing subprojects, the sector consultants and satkers also played key roles in complaint handling. The majority of the complaints and queries from the communities revolved...
around matters over which sector consultants and satkers had control. Since Bina Swadaya had no influence over resource allocations and subproject designs, it relied heavily on inputs and actions from the sector consultants and satkers for the resolution of grievances or clarification of queries.

Bina Swadaya assigned one liaison officer each for the agriculture, fisheries, and irrigation sectors to handle sector-specific coordination. In turn, sector consultant teams appointed grievance focal points, who worked with the satkers and Bina Swadaya staff in resolving issues that required their team’s input and/or action.

Fisheries Sector

The fisheries sector consultant team had a core team based in Banda Aceh. For each district, there was a full-time site advisor. The team’s fisheries implementation specialist recorded and reported the complaints for the sector consultant team. At the district level, the site advisors served as the grievance focal points, working closely with the CMSs. The fisheries sector consultant team also linked with existing local structures in identifying and resolving issues at the village and subdistrict levels. Channels tapped as grievance intakes included

- panglima laot / lhok (sea commander),
- keucik (village head),
- camat (subdistrict head),
- bupati (district head),
- fisheries office at the district level, and
- fisheries extension workers under the district satker (hired by BRR).

Issues related to conflicts among beneficiaries were handled primarily at the panglima laot/lhok, keucik, and camat levels. However, complaints related to design and/or methodology were handled by the fisheries sector consultants, while issues related to budget, fund releases, and contracts were referred to the satker. The site advisor determined which structures or units should be tapped to help resolve issues.

Agriculture Sector

All ETESP support for the agriculture sector was coursed through the existing district agriculture offices and/or units. The agriculture sector consultant team was very small and did not have staff in the districts and villages. It relied heavily on existing BRR and district agriculture offices and/or units and on the Bina Swadaya structure.

The sector consultant team’s deputy team leader acted as the grievance focal point for the consultant team. As the grievance focal point, he referred all reported issues and/or complaints to the satkers. The sector consultant team conducted regular field work to interact with beneficiaries and project implementors. Feedback and comments were sought from communities during these visits.

The BRR agriculture satkers (food crops, estate crops, livestock) handled both ETESP and non-ETESP funds and activities. Under
the satkers were extension workers called *penyuluhan pendamping* (PP), who also received grievances and complaints from the public. Before their mobilization, PPs were given a basic orientation by BRR on how to be responsive to community needs, including transparency in information and complaint handling. The satker recorded and reported complaints received related to ETESP agriculture activities. The BRR satkers reported to the BRR Department of Economic and Livelihood Development and the heads of the respective provincial and district offices of the Ministry of Agriculture.

**Irrigation Sector**

The irrigation sector consultant team had a core team based in Banda Aceh and an extension office in Gunung Sitoli, Nias. They had a team of four social/participation specialists deployed on a subregional basis and supervised by a full-time sociologist/WUA expert. In the districts, the team employed irrigation facilitator coordinators (*koordinator tenaga pendamping petani* or KTPP), who worked with the community facilitators for irrigation (TPP) and coordinated with the district irrigation units of the government. The irrigation sector consultant team helped design the civil works and provided technical assistance to the WUA in the civil works and management of the irrigation systems.

The team’s sociologist acted as its grievance focal point. In the districts, the KTPPs served as the grievance focal points and worked closely with the Bina Swadaya CMSs. Conflicts among beneficiaries were usually resolved through the WUA leadership. Issues that could not be resolved by the WUA were elevated to the KTPP for facilitation and/or referral to the agency or contractor concerned. In some cases, the participation specialist assigned to the district also assisted the KTPP in facilitating the consultation and/or dialogues. Issues requiring action from the government were referred to the district working group composed of representatives from various district offices.

**Benefits of the Complaint-Handling System**

The following benefits were derived from the complaint-handling system used by Bina Swadaya and the sector consultant teams:

- kept most minor issues and concerns from escalating into major problems;
- improved beneficiaries’ satisfaction with the assistance provided to them; and
- encouraged more people to provide feedback to the project, improved results of project activities, and improved trust of the community in the project.

**Strengths and Weaknesses of the Complaint-Handling System**

**Strengths**

The system had the following strengths:

- provided several opportunities (grievance intakes) for beneficiaries
and communities in general to seek clarification and register their complaints about the project;
• empowered the community; gave them courage to ask and be more critical;
• provided clear channels for coordination among Bina Swadaya, the sector consultant teams, and the satkers;
• provided several channels for informing beneficiaries and communities about subproject activities;
• worked with (not against) traditional leaders at the gampong and mukim levels, which facilitated resolution of intervillage issues and disagreements; and
• was simple and did not need specific facilities; grievance resolution was integrated into the job description.

Weaknesses

However, the system also had the following weaknesses:
• Constant orientation and updating of a large number of staff (community facilitators) in a wide geographical area was difficult. Moreover, systematic collection and/or integration of information from community facilitators was operationally costly and challenging.
• Recording and sharing of complaint records between Bina Swadaya, the sector consultant teams, and the satkers was weak.
• In some cases, community facilitators and CMSs were not adequately informed of resolutions, budget changes, agreements, and decisions made by the consultants and satkers related to certain issues and complaints. Hence, they were unable to give feedback or clarification to the complainants and the community.
• Clarification of roles and expectations of different staff was difficult. Also, some government staff were wary of community facilitators and CMSs receiving and facilitating complaints from beneficiaries.
• Some beneficiaries took advantage of multiple grievance intakes by engaging in forum shopping.
• Some staff did not have sufficient skills in complaint handling or were afraid to facilitate and report complaints for fear that they would be reprimanded by their superiors.

Recommendations

Based on the complaint-handling experience in the ETESP agriculture, fisheries, and irrigation sectors, the following recommendations are proposed to ensure efficient setting up of a complaint-handling system in a project:
• In a project that involves several organizations and units, it is important to clarify, in the TOR of the various organizations and units their specific roles and coordination channels with regard to receiving, handling, recording, reporting, and providing feedback on complaints. The unit that will take the lead, monitor, and facilitate when the system is faced with constraints should be identified.
• As part of project preparation, a budget should be prepared and made available for informing communities and the public of their right to ask and give feedback and how they can register and forward their complaints related to the project. Simple information should be provided through formal, informal, and traditional channels that can be used by the public to register their complaints and to learn who will provide feedback.
• Consultants should be advised to include information on complaint handling in their regular progress reports.
• Facilitators that have both technical expertise and competencies in approaching communities and stakeholders should be recruited.
• Complaint-handling tasks should be included in the job description of project staff and consultants, and an orientation on complaint handling is needed for project staff at the start of the project.
• Simple but comprehensive tools are needed to record complaints as part of the management information system of the project.

To minimize complaints in projects, the following are recommended:
• Beneficiaries should be given sufficient and timely information on the technical aspects, procedures, and expectations related to the assistance to be provided. They should also be asked for feedback or inputs on how to improve the project.
• Early in the process, stakeholder analysis is needed in the area to identify groups (other than the beneficiaries) that may disrupt project activities or whose support is necessary to ensure smooth implementation. Based on the analysis, a strategy on how to effectively engage these critical stakeholders should be prepared.
12. Complaint Handling Involving Project-Affected Persons: Experience in the ETESP Roads and Bridges Sector

by Jose T. Nicolas¹ and Izziah Hasan²

Introduction

The Earthquake and Tsunami Emergency Support Project (ETESP) included provision for the rehabilitation and construction of roads and bridges along the Aceh east coast road, Banda Aceh to Krueng Raya road, and Banda Aceh urban roads. A consultant was engaged to prepare the program for the sector, with initial inputs and guidance from the Directorate General of Highways and later from Badan Rehabilitasi dan Rekonstruksi (BRR).

Given the focus of the ETESP on rehabilitation of preexisting damaged infrastructure, land acquisition and resettlement were considered to be minimal. However, when land acquisition or resettlement was necessary, guidance was provided by the Land Acquisition and Resettlement Policy Framework and Procedural Guidelines (LARPFPG), attached as an annex to the Grant Agreement.

As with other sectors under the ETESP, BRR was responsible for overall management and coordination of road and bridge rehabilitation. With regard to land acquisition and/or resettlement, BRR performed the following tasks:

- provided overall coordination of land acquisition and resettlement-related activities;
- supplemented the kota/kabupaten funds for land acquisition, resettlement compensation, and/or rehabilitation assistance;
- led (with United Nations Development Programme support) the establishment of market reference rates for land valuation in tsunami-affected areas; and
- engaged an external monitoring agency for land acquisition and/or resettlement.

Based on Decree 55/92, the provincial government of Aceh and some district governments allocated funds for land acquisition and set up a Land Acquisition and Resettlement Committee in connection with the rehabilitation program for Aceh. In the case of the rehabilitation of the Ulee Lheue Road, the Aceh provincial government agreed to shoulder 50% of the cost of land acquisition, while BRR handled the other half. BRR also shouldered the cost of minor land acquisition (less than 1 hectare) in subprojects.

¹ Jose T. Nicolas worked as social safeguard specialist for the Asian Development Bank (ADB) Extended Mission in Sumatra (EMS) from November 2005 until July 2009. He was also engaged by the Office of the Special Project Facilitator to coordinate with the contributors for this book.
² Izziah Hasan worked as national social safeguard advisor and grievance focal point for the ADB EMS from November 2005 until the end of her engagement in July 2009. She is a member of the Faculty at the University of Syiah Kuala.
The bulk of the land acquisition and resettlement impacts in the ETESP road sector occurred in the Ulee Lheue Road rehabilitation and upgrading, including bridge reconstruction and Ulee Lheue Island road works. More than 7 hectares of privately claimed lands and over 80 privately owned structures were affected, impacting more than 700 people.

**Grievance Mechanism for the ETESP Road Sector**

It was assumed that the consultation with affected persons required in the preparation of subprojects and land acquisition plans would effectively minimize the occurrence of major grievances. However, to ensure that affected persons had avenues for addressing grievances related to any aspect of the preparation, implementation, and monitoring of land acquisition and resettlement action plans (LARAPs) and community action plans, the LARPFPG provided specific procedures in accordance with Presidential Decree No. 55/1993, Art. 19-21 and Regulation No. 1/1994, Article 18 & 22 as follows:

- Any grievances should first be addressed within the land acquisition and resettlement units in the local government unit.
- If the issue could not be resolved satisfactorily, the affected persons

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3 LARPFPG, Attachment 2 to Schedule 5, ETESP Grant Agreement, April 2005.
could then appeal to the Land Acquisition Committee (also under the local government unit) for assistance in the negotiation.

- If the affected person was still not satisfied with the response, then he or she could submit an appeal to the governor of the province.
- Finally, if the complaint could not be solved at the provincial level, the affected person might seek satisfaction through the appropriate court of law.

The LARPFPG further indicated that affected persons might request their village leader or a civil society organization to assist them in lodging complaints.

In the LARAPs prepared in connection with Ulee Lheue Road rehabilitation and upgrading, affected persons were advised to first approach their geucik about their concerns or queries related to the road subproject. The geucik could then relay their concerns to the camat or to the BRR head of satker for the subproject. Concerns related to land acquisition were forwarded to the land acquisition committee at the district level.

If disputes could not be resolved at the village and subproject level, or if the affected persons were unsatisfied with the progress or results, they could discuss their concerns or problems directly with the BRR-designated grievance focal point for the ETESP roads and bridges sector.

The affected persons were also informed of the existence of the ETESP Grievance Facilitation Unit (GFU) under the BRR Supervisory Board (Dewan Pengawas), which could be contacted by the public for concerns related to the subproject. Alternatively, affected persons could course their grievances to the existing kecamatan and citizens'-based grievance committees established by Transparency International Indonesia (TI-I) in Banda Aceh and the Lambaga Swadaya Masyarakat-NGO Forum, with which BRR had established close links.

Subprojects that involved land acquisition and resettlement were subjected to internal and external resettlement monitoring. These monitoring activities looked into pending issues and grievances related to LARAP implementation.

In the case of road subprojects, internal resettlement monitoring was done by the BRR satker, with assistance from the project implementation consultant (PIC) team. A team composed of an international resettlement specialist and a national resettlement specialist was mobilized by the PIC on an intermittent basis to look into LARAP implementation and to follow up on pending issues. Included in the terms of reference of the PIC was to document, follow up, and report on grievances related to the subproject.

External resettlement monitoring (ERM) was done by a team from the University of Syiah Kuala (UNSYIAH), which validated the internal resettlement monitoring reports prepared by the satker and/or PIC, and interviewed affected persons and others involved in LARAP implementation. ERM tasks also included identifying grievances or concerns from affected persons related to the subproject.

Affected persons could also approach the ADB Extended Mission in Sumatra (EMS) located in Banda Aceh to register their complaints on the subproject. A complaint-handling system was also set up at EMS for responding to complaints raised by the public on any ETESP-related activities.

The following were the options available to affected persons for filing or reporting their grievances in ETESP road sector subprojects:

- geucik of their village or camat of their subdistrict,
- BRR satker for the subproject,
- BRR grievance focal point assigned for the ETESP road sector,
- land acquisition committee at the district level,
- PIC resettlement specialists during the internal resettlement monitoring,
- UNSYIAH team during ERM,
- ETESP GFU,
- ADB EMS, and
- kecamatan grievance committees established by TI-I.
Since the satker representatives participated in almost all orientation and consultation meetings, most questions and complaints from the affected persons were initially reported to the satker. The PIC also interacted regularly with affected persons, especially those with pending claims or unresolved grievances about the subproject. Questions related to amount of compensation, schedule of delivery of compensation, eligibility for compensation, documentation requirements, and other basic information were clarified at the level of the satker and the PIC.

Some affected persons also approached the GFU or EMS about issues or questions that could not be clarified by the satker. The GFU and EMS coordinated with the district government’s Land Acquisition Committee, the BRR Land Acquisition and Community Mapping Department, and the provincial office of Badan Pertanahan Nasional Republik in seeking a solution to the affected persons’ concerns.

Disclosure of the Grievance Mechanism

Public disclosure of the grievance mechanism, affected persons’ entitlements, and LARAP schedule was done through the distribution of pamphlets (written in Bahasa Indonesia) during community consultation meetings by the BRR satker. The annex is an English translation of the pamphlet distributed during the community consultations.

Additional public disclosure through newspaper advertisements and consultation-workshops was done by the GFU on the overall grievance mechanism for the ETESP.

A major challenge in affected person consultation and disclosure of grievance mechanisms for the Ulee Lheue subproject was locating affected persons who were not currently residing in the subproject area. Despite this challenge, many affected persons were able to participate in the consultation activities and became aware of their entitlements and the grievance mechanisms for the subproject, mainly through informal channels.

A survey among affected persons conducted by the ERM team in August 2007 revealed that most affected persons were aware of the subproject and the provision of compensation for affected lands and assets. However, many did not know details about the subproject and its implementation. Affected persons interviewed in the survey reported that information on subproject activities was not optimally disseminated, because only a few affected persons came to the meetings organized by the subproject, since many lived outside the village as refugees. Those who were absent from the meetings simply got information from friends or relatives who had participated. Other affected persons sent a representative to the meeting.

The pamphlets produced on the subproject were also not effectively disseminated. Not many affected persons received a copy of the pamphlets due to difficulty in contacting affected persons who lived away from the subproject area.

Status of Cases

Most of the issues and complaints from affected persons were addressed or clarified to their satisfaction through the joint efforts of the satker, the district government, and other units at BRR.

The PIC resettlement specialists played an active role in regularly communicating with affected persons and in working with the satker, other BRR units, and the district

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4 Over 92% of survivors in the Ulee Lheue subproject villages lost their houses, and 87% lost household members. The Ulee Lheue Road subproject villages in Jaya Baru suffered the most impact: 100% reported losing their houses, and over 96% reported losing household members. In 2005, approximately 30% of the residents in the Ulee Lheue subproject villages were living in tents, while others were staying temporarily with friends or relatives in other areas.

government to find solutions acceptable to all parties. For instance, the delay in compensation payments for informal structures resulted in complaints from some structure owners. To resolve the issue, the PIC conducted continuous follow-up with the district government and BRR on the valuation of and payment for structures. At the same time, the PIC also informally provided updates to the affected persons (via SMS) on the progress of payment processing at BRR. The issue was finally resolved with the receipt of compensation payments by the affected structure owners.

Similarly, the PIC worked with affected shop owners in negotiating various relocation alternatives with the district government and in linking with other organizations with ongoing livelihood support and microfinance activities in the area.

However, certain issues remain unresolved. These include

- payment of compensation for plots with inheritance issues,
- payment of depreciation discounts initially applied in the payment of affected structures, and
- payment of land compensation to long-term settlers and/or land claimants who did not possess land certificates.

Cases involving land disputes were forwarded to the Pengadilan Negeri (District Court) and are still awaiting resolution. The additional payments for structures that were earlier subjected to depreciation discounts are still being processed by BRR.

Agreement was reached on the complaint related to the compensation of 22 long-term settlers and/or land claimants in Ulee Lheue. The issue was first raised in one of the consultations organized by the satker in 2007. Later, the complaint was referred to the office of the camat, the office of the mayor of Banda Aceh, and EMS. Several meetings were held with the affected persons, the district government, BRR, and the PIC. EMS also participated in a number of discussions.

The issue dragged on due to the delay and unsatisfactory conduct of adjudication activities in Ulee Lheue Island under the

Rehabilitation of Aceh Land Administration System Project. It was further complicated by the earlier payment of compensation to two affected persons having similar documentation as the rest of the unpaid land claimants. The nonresolution of the issue resulted in protest activity by the affected persons in May 2008 at the subproject site to demand compensation.

Lessons Learned

The following lessons can be learned from the complaint-handling experience in the ETESP roads and bridges sector:

- **Ensuring common understanding of policies and entitlements among staff and units involved in land acquisition and resettlement is important.** Most of the pending complaints relating to land acquisition and resettlement could have been avoided if the district government units and BRR staff involved in land acquisition had followed the agreed upon provisions.
in the LARPFPG. Despite the official endorsement of the LARPFPG made by BRR and the provincial and district governments, the briefing sessions by EMS with provincial and district officials and project staff, and the dissemination of copies of the LARPFPG translated into Bahasa Indonesia, the land acquisition committees continued to apply Indonesian regulations in the payment of compensation. Closer monitoring and guidance by the PIC resettlement specialists and reporting to EMS before the actual processing of payments could have minimized these issues. Resistance of local implementers to application of rules beyond those provided by national laws and contrary to current local practice was high and required more frequent discussion and closer monitoring.

- **Public disclosure and consultation should be adequate in disaster-related projects where communities have been shattered and dispersed.** In subproject areas where communities and landowners are not easy to locate, additional resources and staff are needed to conduct consultation and disclosure activities. Without an effective communication and/or disclosure activity, information easily gets distorted and rumors spread. This becomes fertile ground for complaints and conflicts. In the case of the Ulee Lheue subproject, the community consultations and dissemination of pamphlets were not sufficient to reach many affected persons who were not residing in the subproject area. In most cases, the affected persons simply relied on informal channels of communications, which were vulnerable to information distortion. A tracing activity aimed at identifying the location of potential affected persons should precede the consultations. A distribution plan for flyers or pamphlets needs to be made based on local conditions. Disclosure should also be supplemented by advertisements in the media. Related to this, a budget should be provided under the PIC contract or the project implementation unit for these purposes.

- **Resettlement specialists play a critical role in grievance facilitation in projects and for ensuring open dialogue between affected persons and various units involved in land acquisition and resettlement.** The early and continued mobilization of resettlement specialists in projects is needed to (i) ensure that various units involved in land acquisition and resettlement comply with agreed upon policies and guidelines, (ii) allow for the early identification of and consultation with affected persons, and (iii) set up a grievance mechanism and information system that is easily accessible to affected persons. In the case of the Ulee Lheue subproject, the national resettlement specialist was not mobilized early enough and was required to provide only intermittent inputs. This resulted in lack of guidance and monitoring of the land acquisition committees and other units involved, discontinuity in information between the affected persons and the project, and insufficient time to link the affected persons with existing projects or interventions in the area for livelihood improvement.

- **Having multiple options for affected persons to report grievances is important.** Although Indonesian laws (PD No. 55/1993 and Regulation No. 1/1994) prescribe that any grievance related to land acquisition and resettlement should first be addressed within the land acquisition and resettlement unit in the local government, alternative avenues should be provided to affected persons for reporting.
their grievances. In cases where local government units shoulder the cost of land acquisition and resettlement, there is a risk that they will simply apply existing national guidelines and policies in paying compensation, even when there is an existing agreement between the funding agency and the central Government. Likewise, there is a risk that local governments will not respond to complaints related to their own actions. Hence, having the PIC resettlement specialists, an external resettlement monitor, and/or a representative office of the funding agency as alternative grievance points increases the chances that affected persons’ grievances will be identified and addressed in time. In the case of the ETESP, more serious attention was given by the district government and BRR to affected persons’ grievances related to compensation when they approached EMS for assistance.
Annex: Pamphlet Used for Local Disclosure of the LARAP, including Grievance Mechanisms

Land Acquisition and Resettlement Plan for People Affected by the Rehabilitation and Upgrading of the Ulee Lheue Road

Funded under the Earthquake and Tsunami Emergency Support Project

Introduction

The Government of Indonesia, with support from the Asian Development Bank (ADB), will rebuild and widen sections of the Ulee Lheue Road (ULR) from Banda Aceh up to Simpang Rima for a total length of 8.98 kilometers to provide a better tsunami escape route for residents of Meuraxa, Jaya Baru, and Peukan Bada, and to support the development, tourism, and memorial significance of the Ulee Lheue area.

However, to do this the following impacts cannot be avoided:

<table>
<thead>
<tr>
<th>Impact</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of private residential or commercial land</td>
<td>- 494 affected persons</td>
</tr>
<tr>
<td>Loss of agricultural (fishpond) land</td>
<td>- 30 affected persons (9 severely affected)</td>
</tr>
</tbody>
</table>

Relocation or loss of structures
- small shops  - 26 affected persons
- temporary shelter units  - 2 affected households
- fences  - 3 affected persons

Loss of village-owned land  - 21 plots
Loss of government-owned land  - 9 plots
Loss of trees planted by the government  - 139 trees

These impacts and the affected persons, villages, and institutions were determined based on the participatory community mapping done by partner nongovernment organizations, the Restoration of Aceh Land Administration System (RALAS) community-driven adjudication and certification process by the National Land Agency (BPN), and

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1 The actual document disseminated was written in Bahasa Indonesia.
actual field measurements done by Badan Rehabilitasi dan Rekonstruksi (BRR), with support from the _kota_ of Banda Aceh and district of Aceh Besar.

This Land Acquisition and Resettlement Action Plan (LARAP) has been prepared to replace and/or compensate for losses to be caused by the proposed rehabilitasi dan and upgrading of ULR and to assist those affected in restoring their pre-project standards of living. It also aims to provide venues for consulting and obtaining feedback from the affected persons and communities in general and for monitoring and evaluating the interventions done to assist affected people.

### Entitlements and Special Provisions

ADB policy requires compensation for lost assets at the current replacement value to both titled and nontitle holders, and rehabilitation assistance to restore lost income and livelihoods. In the ULR subproject, the absence of formal titles will not constitute a bar to relocation assistance and livelihood restoration. As spelled out in the Earthquake and Tsunami Emergency Support Project (ETESP) Land Acquisition and Resettlement Policy Framework and Procedural Guidelines (LARPPFPG), affected persons shall be compensated and assisted based on the following (Table 1):

Various relocation options were explored concerning shop owners affected by the ULR subproject in general:

- **Move back** – possible in cases where there is enough space in the remaining plot area. This option is possible and preferred by 13 affected shop owners. They will be assisted in moving and/or reorganizing their structures and will be compensated for their damaged structures.
- **Rent stall at the Banda Aceh Market** – this option was mentioned during the interviews. However, none of the

<table>
<thead>
<tr>
<th>Asset</th>
<th>Impact Category</th>
<th>Affected People</th>
<th>Compensation Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arable Land (including fishponds)</td>
<td>Less than 10% of land lost, with remaining land still viable</td>
<td>Farmer and/or titleholder</td>
<td>Replacement value at pre- or post-tsunami rates (whichever is higher) in cash or in kind, free of taxes or transfer costs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tenant, leaseholder, and/or informal settlers</td>
<td>1 year gross harvest of land in addition to crop compensation</td>
</tr>
<tr>
<td></td>
<td>More than 10% of land lost</td>
<td>Farmer and/or titleholder</td>
<td>Replacement value at pre- or post-tsunami rates (whichever is higher) in cash or in kind free of taxes or transfer costs, plus a severe impact allowance equal to market value of 1 year gross harvest of land beyond 10% (additional to crop compensation)</td>
</tr>
<tr>
<td></td>
<td>Temporary losses</td>
<td>Tenant and/or leaseholder</td>
<td>1 year gross harvest of land in addition to crop compensation</td>
</tr>
</tbody>
</table>

Table 1: Entitlement Matrix

*continued on next page....*
Table 1: continuation

<table>
<thead>
<tr>
<th>Asset</th>
<th>Impact Category</th>
<th>Affected People</th>
<th>Compensation Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential and/or Commercial Land</td>
<td>Titleholder</td>
<td>Replacement value at pre- or post-tsunami rates (whichever is higher) in cash or in kind free of taxes, registration, or transfer costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tenant and/or leaseholder</td>
<td>3 months rental allowance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Informal settlers</td>
<td>A plot in a government resettlement area or a self-relocation allowance</td>
<td></td>
</tr>
<tr>
<td>Houses, Structures, Facilities</td>
<td>Owners including informal settlers</td>
<td>Cash at replacement cost or kind of affected items; for partial impacts: restoration in cash of structure’s affected section</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Renters</td>
<td>Cash equivalent to 3 months rent on prevailing prices</td>
<td></td>
</tr>
<tr>
<td>Crops</td>
<td>Crops affected by land acquisition and resettlement</td>
<td>All affected persons including informal settlers</td>
<td>Cash at full market value</td>
</tr>
<tr>
<td>Trees</td>
<td>Trees affected by land acquisition and resettlement</td>
<td>All affected persons including informal settlers</td>
<td>Cash based on type, age, and production value of trees</td>
</tr>
<tr>
<td>Business or Employment</td>
<td>Temporary and/or permanent loss of business or employment</td>
<td>All affected persons including informal settlers</td>
<td>Cash equal to 1 year income if the loss is permanent; cash for the time of business interruption if loss is temporary</td>
</tr>
<tr>
<td>Relocation</td>
<td>Transport and/or livelihood costs</td>
<td>All affected persons affected by relocation</td>
<td>Sufficient cash to cover transport costs and livelihood expenses for 1 month, to be calculated as minimum salary for 1 month</td>
</tr>
<tr>
<td>Special Assistance for Vulnerable Households</td>
<td>All vulnerable affected persons</td>
<td>Women-headed households, widows, orphans, disabled persons, and elders without family are entitled to receive special assistance for house relocation or reconstruction and to be given particular attention; during LARAP implementation, their land rights will be carefully safeguarded; specific livelihood improvement strategies for their benefit should be studied; these may include employment in subproject activities, training, and assistance in accessing microfinance</td>
<td></td>
</tr>
</tbody>
</table>
26 affected persons showed interest, since their target clients are workers and residents in the Ulee Lheue area.

- Self-relocate – move to another place of their choice in the village or adjacent village. The remaining 13 affected persons preferred this option. They will be assisted in moving their structures and goods and compensated for the affected assets.

### Assistance in the Restoration of Livelihood

To help affected shop owners to restore their livelihoods, concrete steps will be taken to link them with the ETESP livelihood and microfinance activities through the conduct of orientation and/or socialization, and dissemination of information on available microfinance support, application requirements, and support modalities. Individual relocation action plans developed for the 26 small shop owners will list dates for focused livelihood restoration sessions with Livelihood Management Support (LMS) and other microfinance conduit staff, to be organized by the project implementation consultant (PIC) resettlement specialist. Similar meetings will be held with the nine fishpond owners. These preparatory meetings will include village heads and other interested affected persons to increase the benefit of the activity. Individual sessions will be held by livelihood specialists with each of the nine fishpond owners to develop specific livelihood restoration approaches, to be assisted by the village head if desired.

Opportunities will also be facilitated for the specified affected persons to meet with other agencies offering programs of particular relevance to the ULR group. A meeting facilitation and data collection budget has been allocated to promote this activity. Success will be monitored by the independent team to be contracted through the University of Syiah Kuala. The three microfinance conduits that were assisted under the LMS Program will be tapped to extend microfinance support to the ULR-

### Measurement of Losses

The land acquisition committees at the district level (one for Banda Aceh and one for Aceh Besar) have been formed and tasked to handle land price valuation, consultations, and negotiations, with BPN staff taking a central role. These committees are supported by village committees headed by the geucik, together with subvillage leaders, traditional village leaders, and representatives from the affected persons. The village committees help obtain information on recent private sales and assist in the consultation and/or negotiation work. The committees also seek advice from an independent land valuation expert (assessor), who provides comparative price information for comparable land and sites. Considering that land prices in Banda Aceh and Aceh Besar increased after the tsunami, the post-tsunami prices levels were used as the basis.

Owners of a few affected sites have not been firmed up or resolved. Efforts will be exerted to identify the owners or help resolve outstanding ownership or inheritance issues. All avenues to reach entitled owners will be pursued, including extensive data gathering by the village heads from surviving friends and relatives to provide potential claimant contact information as well as requesting these groups to use their informal networks to assist in this matter. An amount equivalent to the current valuation of these plots will be kept in a special account of the Nanggroe Aceh Darussalam provincial government for 2 years so that funds will be available to pay legitimate landowners.
Grievance Procedures

The Government welcomes feedback, queries, and complaints from any person who is affected by the rehabilitation and upgrading of the ULR or from any concerned citizen. The following grievance procedures have been established:

- Complaints and/or feedback can be coursed through the office of the camat/keucik.
- If the issue cannot be resolved satisfactorily, the affected persons can appeal to the Land Acquisition Committee for assistance in the negotiation.
- If the affected person is still not satisfied with the response, she or he will be assisted in submitting an appeal to the governor of the province.
- If still unresolved, the affected person may seek resolution or judgment through the appropriate court of law.

Affected persons are also encouraged to discuss their concerns or problems with the BRR-designated grievance focal point for the ETESP roads and bridges sector.

Alternatively, affected persons and the public can contact the ETESP Grievance Facilitation Unit at the BRR Supervisory Board (Dewan Pengawas) on concerns related to the subproject through their office at Gedung AAC UNSYIAH Lt 1B-108 (phone number 0651-7551036 or 0651-7401636). At the kecamatan level, affected persons can also course their grievance to the existing kecamatan and citizens’-based grievance committees established by Transparency International Indonesia in Banda Aceh and the LSM-NGO Forum.

Implementation Schedule

Civil works will begin only once the compensation payments and relocation assistance have been provided to the affected shop owners. It is estimated that compensation payments for all affected persons who have been validated or confirmed and without pending disputes will be completed by May 2007 before the start of civil works. Further assistance on livelihood restoration and enhancement of employment benefits from the subproject will be done along with the civil works. Table 2 is a summary of the implementation schedule for this LARAP.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Time Frame</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiate and complete all land acquisition consultation and negotiation activities</td>
<td>Feb–Oct 2006</td>
<td>BRR SP4 satker with Aceh Besar and Kota Banda Aceh land acquisition committees</td>
</tr>
<tr>
<td>Inform villages of land acquisition request</td>
<td>Sep/Oct 2006</td>
<td>LAC members</td>
</tr>
<tr>
<td>Identification of affected persons; explanation of land acquisition plan, entitlements, and grievance procedures</td>
<td>Sep/Oct 2006</td>
<td>LAC members and BRR SP4 satker</td>
</tr>
<tr>
<td>Negotiation of compensation with identified affected persons</td>
<td>Nov 2006</td>
<td>LAC members, Land Valuation Team and BRR SP4 satker</td>
</tr>
<tr>
<td>Processing of affected persons’ verification documents</td>
<td>Nov 2006–Mar 2007</td>
<td>LAC members – <em>camats and keuciks</em></td>
</tr>
<tr>
<td>Payment to affected persons initiated (recorded in database)</td>
<td>Dec 2006–Apr 2007</td>
<td>BRR and province provide funds to LAC; BRR disburses compensation</td>
</tr>
<tr>
<td>Tendering process initiated and completed</td>
<td>Jan/Feb 2007</td>
<td>BRR SP4 satker</td>
</tr>
<tr>
<td>Action plan for small shops developed and provided to the Asian Development Bank</td>
<td>Apr/May 2007</td>
<td>Project implementation consultants and BRR SP4 satker</td>
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<tr>
<td>Livelihood restoration activities identified and small shop action plans initiated</td>
<td>May/Jun 2007</td>
<td>Project implementation consultants and LMS specialists, followed by other agency livelihood specialists as identified</td>
</tr>
<tr>
<td>Payment to affected persons completed (recorded in BPN formats)</td>
<td>Apr/May 2007</td>
<td>BRR and province provide funds to LAC; BRR disburses compensation</td>
</tr>
<tr>
<td>Entitlements identified in RP provided to specified affected persons; relocation assistance for small shops implemented before start of civil works</td>
<td>May 2007</td>
<td>Project implementation consultants and BRR SP4 satker</td>
</tr>
<tr>
<td>Compensation and rehabilitation assistance (including provision of relocation assistance) completion report</td>
<td>May 2007</td>
<td>Project implementation consultants</td>
</tr>
<tr>
<td>First external monitoring report</td>
<td>May 2007</td>
<td>University of Syiah Kuala</td>
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<tr>
<td>ULR civil works begin</td>
<td>Jun 2007</td>
<td>BRR SP4 satker</td>
</tr>
<tr>
<td>Livelihood restoration preparation activities undertaken with severely affected fishpond owners</td>
<td>Late May – successful completion of activity</td>
<td>Project implementation consultants and LMS specialists, followed by other agency livelihood specialists as identified</td>
</tr>
<tr>
<td>Quarterly internal and external resettlement monitoring of livelihood restoration activities and progress, and identification of any issues affecting vulnerable groups and proposed solutions</td>
<td>After start of civil works until completion</td>
<td>Project implementation consultants and independent external monitors (University of Syiah Kuala team)</td>
</tr>
<tr>
<td>LAR impact evaluation</td>
<td>Jun 2008</td>
<td>Independent external monitors (University of Syiah Kuala team)</td>
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13. Role of the Extended Mission in Sumatra in Complaint Handling for the ETESP

by Jose T. Nicolas¹ and Izziah Hasan²

Background

The Extended Mission in Sumatra (EMS) was established by the Asian Development Bank (ADB) to facilitate project administration and provide sound fiduciary oversight arrangements for the Earthquake and Tsunami Emergency Support Project (ETESP). While Badan Rehabilitasi dan Rekonstruksi (BRR) implemented the project, EMS supported visiting ADB missions and coordinated with BRR and other agencies associated with ETESP implementation.

The EMS core team of consultants was mobilized in mid-June 2005 for the day-to-day monitoring of ETESP components in coordination with the sector division staff of the ADB Southeast Asia Department (SERD), and assisted by the Indonesia Resident Mission (IRM). SERD management provided advice and guidance to EMS on policy issues relating to ETESP implementation, and also participated in discussions with key officials of BRR. Additional sector and safeguard advisors were engaged in the latter part of 2005 to complement the work of ADB staff, and to ensure quality and compliance of subprojects with the grant agreement covenants, including fiduciary controls, selection criteria, and safeguards. The transfer of project administration from SERD sector divisions to EMS was initiated in October 2005, starting with the road and power sectors.³ By mid-2006, the management of most ETESP components had been delegated to EMS.

A major activity of EMS in its first 2 years of operations was to facilitate processing of government approvals, particularly those relating to the budget for ETESP components. EMS also assisted BRR’s project management office (PMO) for ETESP in strengthening its project management capabilities to facilitate timely processing of required government approvals, and to expedite implementation of the ETESP components.

Grievance Mechanism at EMS

Based on the ETESP grant agreement, BRR’s supervisory board (Badan Pengawas) was to establish and manage a grievance mechanism for the ETESP. The grant agreement specifically states that

*A mechanism shall be put in place to quickly sanction private individuals or public officials who either misappropriate funds or*

¹ Jose T. Nicolas worked as social safeguard specialist for the ADB Extended Mission in Sumatra (EMS) from November 2005 until July 2009. He was also engaged by the Office of the Special Project Facilitator to coordinate with the contributors for this book.
² Izziah Hasan worked as national social safeguard advisor and grievance focal point for the ADB EMS from November 2005 until the end of her engagement in July 2009. She is a faculty member at the University of Syiah Kuala.
take advantage of the vulnerability of the tsunami-affected people in the Project Provinces. Further, governance redress mechanisms shall be put in place to deal with citizen grievance against anyone taking advantage of the situation, as well as alternative dispute resolution mechanisms to settle private disputes... To enable individuals or communities to use such mechanisms and to access assistance under the Project, this grievance review and resolution mechanism shall be made public, and a facilitation unit shall be established. Such facilitation unit will be established in coordination with CSOs [civil society organizations] and/or NGOs [nongovernment organizations].

With regard to grievances related to land acquisition and resettlement, the grant agreement identified the land acquisition and resettlement units and land acquisition committees as in charge in accordance with Presidential Decree No. 55/1993, Art. 19–21 and Regulation No. 1/1994, Art. 18 and 22. Issues that were not resolved by these units could be appealed to the governor of the province. If still unresolved, affected persons could file a case in an appropriate court of law. Village leaders or civil society organizations might assist affected persons in lodging their complaints.

The role of ADB’s EMS in complaint handling was not explicitly stated in the grant agreement. However, as the project progressed, some complainants preferred to raise their concerns directly with EMS. Boxes 1 and 2 are examples of instances when people approached EMS advisors or visited the EMS office to raise their concerns.

Hence, the Office of the Special Project Facilitator recommended in May 2006 for EMS to also develop a logical system to deal with complaints about subproject activities and consultants (both individuals and firms) engaged by ADB for the ETESP.

In response, EMS appointed its social safeguard specialist (national), with guidance from the social safeguard specialist (international), as the EMS grievance focal point through an office memorandum signed by the EMS head in August 2006.

EMS sector advisors followed up on complaints with the consultant teams, satkers (project implementation units), or BRR departments. In sectors still managed by SERD sector divisions in Manila, the EMS project management advisor (national) referred complaints to the consultant teams, satkers, and BRR departments concerned. A system for recording complaints was established at EMS under the care of the EMS receptionist, who was supervised by the grievance focal point.

Initially, some EMS advisors had concerns about having a complaint-handling system at EMS. Some feared that it would distract advisors from their main tasks in the project. Others opined that the monitoring and evaluation systems in subprojects and sectors should be enough to deal with issues and concerns from beneficiaries. However, as time went on, EMS staff felt more comfortable with the system and provided the needed support to respond to complaints that were received by EMS.

Since the inception of the grievance system in August 2006, until February 2009, EMS received 25 grievances and/or queries from beneficiaries, government

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Box 1: Anxious Residents

In December 2005, the village leader of the pilot site for the Earthquake and Tsunami Emergency Support Project (ETESP) housing sector came to the ADB Extended Mission in Sumatra office to inquire when the actual civil works could begin in their community. He explained that residents in his village were already becoming anxious and doubtful if the ETESP would still support them.

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4 Schedule 5, Execution of Project and Operation of Project Facilities, ETESP Grant Agreement, April 2005.
Box 2: Issues in a Previous Project

In one of the orientation workshops held in early March 2006 on the Earthquake and Tsunami Emergency Support Project (ETESP) agriculture, fisheries, and irrigation sectors in Bireuen, attended by advisors from the Asian Development Bank’s (ADB) Extended Mission in Sumatra (EMS), participants alleged that many of the irrigation extension workers employed in a previous ADB-financed project had received only half of their pay. It was likewise alleged that water user associations contracted to do the civil works had yet to receive their remaining payments, even if the works had been completed.

The participants suggested that this issue be clarified and resolved before implementation of the ETESP irrigation project in Biruen. Otherwise, the credibility of ADB and the cooperation of the water user associations would be affected.

The participants agreed that the EMS advisors would communicate this grievance to the EMS project management office. They also agreed that the district working group in Bireuen would be revived to discuss and determine the actions to be taken to resolve the issue.

The EMS head forwarded the complaint to the Indonesia Resident Mission (IRM). IRM then contacted the director general of water resources to act on the complaint. A team from IRM also came to Aceh to validate the concerns.

At the same time, EMS supervised GFU activities. The participation of EMS in GFU-facilitated meetings was helpful in obtaining quicker and more serious action from the satker or consultant team concerned. EMS staff were able to clarify questions related to ADB policies, guidelines, and procedures.

In some cases, the mere presence of EMS staff at these meetings made a difference in the attitude of project staff (including those from the district governments) on the issues discussed. Because of this, even BRR satkers requested for EMS participation in their

Please ensure that the complaint unit is not linked directly to EMS, as we don’t want scores of people lining up outside the gate.

Shouldn’t we look at monitoring and supervision first? To plan a grievance system unrelated to our own monitoring and evaluation system seems strange—the cart before the horse.

Initial comments from some EMS advisors when the EMS grievance mechanism was proposed
discussions with affected persons and district governments.

Having an office in the project area (Aceh province) that was open to the public encouraged some complainants to simply visit EMS to register their complaints. Complaints ranged from simple queries on the timing, scope, and nature of assistance to complex issues related to land acquisition, compensation, and resettlement. Copies of the complaint report forms were kept by the EMS receptionist in the case of walk-in complaints. The EMS grievance focal point met the complainants and helped them fill up the form. This is illustrated in Box 3.

Complaints or queries from district governments were usually sent through letter or facsimile. Simple queries were informally responded to (i.e., through telephone or visits), to save time. However, in case of complaints on sensitive issues, EMS also responded through letter.

Regardless of the severity or complexity of a person’s concerns, EMS followed up with the satker or consultant team responsible and informed the person about the actions taken in relation to the report.

In most cases, people who referred their complaints to EMS had initially approached those directly involved in the subproject (i.e., satker, sector consultants, district government) but were not satisfied with the action or response they obtained. Related to this, EMS tried to get information from the satker or sector consultants on the issue to help find an acceptable solution. In case the request could not be accommodated, EMS helped the satker or sector consultant explain to the complainant. This is illustrated in Box 4.
Box 3: Concerns about Delayed House Construction

In March 2008, staff from the Aceh-Nias Reconstruction Radio Network (RR Net) came to the Asian Development Bank’s Extended Mission in Sumatra (EMS) to inform it about the delay in housing construction in an Earthquake and Tsunami Emergency Support Program (ETESP) subproject in Desa Sagoe, Pidie. The same issue was also communicated to an EMS advisor through short message service (SMS) by one of the beneficiaries.

After discussing the details of the report with the RR Net staff, the EMS grievance focal point forwarded the complaint to the Grievance Facilitation Unit (GFU). The GFU, in turn, contacted the partner nongovernment organization (NGO) that was handling the subproject. The NGO warned the contractor that it would terminate its contract if it did not speed up its work.

Later, the NGO informed the GFU that the contractor had improved its performance. The GFU then conducted a field visit to Pidie and found out that the houses had been completed.

Box 4: Compensation Complaints in a Road Project

In early January 2008, a number of residents from Ulee Lheue came to the Asian Development Bank (ADB) Extended Mission in Sumatra (EMS) office to complain that some people whose lands had been affected by the Ulee Lheue Road subproject had not received compensation. The complainants informed the EMS grievance focal point that they had gone to the office of the Banda Aceh mayor to register their complaint. However, no action was allegedly taken.

EMS facilitated a number of meetings with Badan Rehabilitasi dan Rekonstruksi, the city government of Banda Aceh (mayor’s office, land acquisition committee), the Public Works office, the National Land Agency (Badan Pertanahan Nasional Republik or BPN), and the roads and bridges implementation consultant.

Most of the meetings were attended by the mayor of Banda Aceh. He worked proactively and instructed his staff to work fast and comply with the ADB requirements as stated in the grant agreement between the Government of Indonesia and ADB. BPN also agreed to remap the subproject area together with the community residents.

Later, the external resettlement monitoring team reported that all the affected persons whose lands were affected by the subproject would receive compensation.

Lessons Learned and Recommendations

The following lessons can be learned from the EMS experience in complaint handling:

• The head of the agency should provide clear support and direction to ensure that the complaint-handling system will be accepted and supported by consultants and project staff.
• Having a publicly accessible complaint-handling system managed by the funding agency provides the people with an alternative avenue to register their complaints.
• A complaint-handling system by the funding agency helps supplement (not duplicate) the complaint-
handed mechanism managed by the executing and/or implementing agency (EA/IA).

- In most cases, people refer their complaints to the funding agency only after the grievance redress or resolution they sought from those directly involved in project implementation is perceived as inadequate or unsatisfactory. The fear that a funding agency will be flooded with complaints once it establishes a complaint-handling system is unwarranted.

- Although fewer cases are referred to the funding agency for resolution, a full-time grievance focal point is still needed to provide support and advice to the units involved in complaint handling in the project and to follow up on cases referred by the funding agency to the EA/IAs.

- It helps to have a grievance focal point who is familiar with the norms and institutions in the project area and speaks the local language.

Based on these lessons, the following are recommended in complex projects like the ETESP:

- The legal agreement (grant or loan agreement) governing a project should include the establishment of a public feedback and/or accountability mechanism managed by a unit under the direct control of the funding agency. The systems and responsibilities in such a mechanism should be formalized by the officer in charge of the project. Although a public feedback and/or accountability mechanism is established within the funding agency, it should be clarified that the EA/IA is responsible primarily for addressing concerns related to the project.

- Resources should be provided for orienting consultants and project staff on the public feedback and/or accountability mechanism within the funding agency and how it relates to the complaint-handling system at the EA/IA level.

- A full-time accountability and/or grievance focal point should be appointed and mobilized to manage the public feedback and/or accountability system within the unit controlled by the funding agency. The accountability and/or grievance focal point to be appointed should be familiar with the norms and institutions in the project area and should speak the local language.

- For other projects, the resident or country office may also consider establishing a public feedback and/or accountability unit under the communications and/or outreach division. A hotline, email address, short message service (SMS) number, or post office box managed by the public feedback and/or accountability unit can be established to receive complaints and feedback from the public on projects supported by the funding agency. The existence of the public feedback and/or accountability system may be disclosed through the agency’s website, dissemination of flyers during project launches, and other outreach activities of the funding agency or the EA/IAs.
14. Complaint Handling under the Multidonor Trust Fund for Aceh and Nias

by Dusty Geumala Yatim and Nia Sarinastiti

Background
In response to the Government of Indonesia’s request, the World Bank and several other funding agencies agreed to establish a multidonor trust fund (MDF) for Aceh and Nias to support a post-earthquake and tsunami emergency rehabilitation and reconstruction program. At the Government’s request, the International Development Association of the World Bank Group serves as trustee for the MDF.

The total pooled funds under the MDF amounted to approximately $700 million contributed by 15 agencies, including the Asian Development Bank. The MDF had 21 active projects covering various sectors and themes from land registration, community empowerment, housing, infrastructure, and technical assistance to the Agency for the Rehabilitation and Reconstruction of Nanggroe Aceh Darussalam and Nias (BRR) and local governments.

Complaint Handling as Part of MDF’s Communications Strategy
Each project financed under the MDF was expected to set up its own system for handling complaints. However, complaints could also be received directly by the MDF secretariat, which would then refer them to the project concerned. The secretariat’s communications staff recorded, referred, and tracked complaints, and systematically analyzed related data.

Further investigation and processing of complaints could be carried out by the secretariat or referred to relevant authorities, depending on the type and gravity of each case. The secretariat maintained an operational budget to fund its needs in handling such complaints, including relevant public relations activities.

2 Dusty Geumala Yatim is outreach officer for the MDF, while Nia Sarinastiti is communication/coordination officer for the MDF/International Finance Corporation in Jakarta, Indonesia.
3 A sample project-specific complaint-handling system may be seen in the article on Re-Kompak’s experience in complaint handling (Chapter 15: The Community-Based Settlement Rehabilitation and Reconstruction Project: Complaint-Handling Experience) on pages 123-130. The National Community Empowerment Program for Self-Reliant Rural Villages (PNPM-Rural) is another example of project-specific experience, although it was managed independently from the MDF. See Chapter 16, pages 131-137.
The MDF’s complaint-handling mechanism was an integral part of its overall communications strategy of informing communities about MDF projects, their impacts, their scope, and points of contact for inquiries or complaints. The outreach officer at the secretariat served as the focal point for two-way communication between the MDF and the beneficiaries. Likewise, the outreach officer networked with nongovernment organizations and local stakeholders, providing general feedback from the field, and served as the focal point for the complaint mechanism.

As the grievance focal point for the MDF, the outreach officer
• served as a complaint receipt point, logged all complaints, and referred them to the appropriate partner agency, BRR, or other institution;
• liaised with the complaint mechanisms at BRR and in projects financed under the MDF;
• followed up complaints and provided feedback to complainants; and
• referred questions and complaints received outside of the MDF or general reconstruction questions to the relevant parties.

Projects funded by the MDF also had an anticorruption action plan, monitored by the outreach officer and the monitoring and evaluation team of the MDF.

During the conduct of outreach activities, beneficiaries and other key stakeholders were encouraged to contact the outreach officer in case they had questions or complaints related to an MDF-assisted activity. Complaints could be sent through short message service (SMS), telephone, or letter, or by visiting the office of the outreach officer in Banda Aceh. The public could also contact the MDF through its website, www.multidonorfund.org, or through print media and radio. Complaints or questions from anonymous sources were also accepted.

Radio Talk Shows

The MDF began a talk show series in August 2006 aimed at communicating with various stakeholders and serving as a transparency tool. The MDF secretariat’s deputy for communications and coordination at that time designed the methodology for the conduct of talk shows (Box).

The response of the public to the first series of talk shows in the different districts of Nanggro Aceh Darussalam province was very positive. Hence, the MDF decided to do the talk shows on a regular basis—at least once every 3 months in each district. This allowed the MDF to follow up in the field. This arrangement also enabled radio stations tapped by the MDF to receive and report on complaints and questions from beneficiaries and the general public.

Outreach Activities

The outreach officer organized outreach activities in the different districts with MDF-financed projects. During these activities, representatives from the projects were invited to give a briefing on the objectives and scope of project activities in the area and to respond to queries and complaints. These outreach activities were also aired over the radio for wider dissemination. The outreach officer was supported by administrative support staff in receiving, recording, tracking, and compiling cases, as well as in organizing outreach activities and in monitoring the media.

Field Visits

The talk show was complemented by visits from the MDF secretariat to the bupati (head of district) and the bappeda (district planning unit), and a random visit to project sites to talk directly to the beneficiaries. This was one of the ways the MDF tried to understand how the project was running; to see how it was being accepted by beneficiaries; and to identify problems they were facing, if any. Complaints and questions that were not answered in the field were collected and forwarded to the project implementors for follow up.
MDF Radio Talk Shows

**Newspaper publication.** Before conducting a talk show in the target district, the multidonor trust fund (MDF) published an article twice in the widest selling newspaper in Nanggroe Aceh Darussalam province—*Serambi Indonesia*—and in *Sinar Indonesia Baru* for Nias in North Sumatra. The article provided information (including budget) on every project funded by the MDF in the targeted district. The article also provided information on the MDF’s mandate, along with names and addresses of MDF contact persons. The idea was to provide two-way communication between the MDF and the beneficiaries.

**Talk show.** Every talk show in the district or targeted area was held in a radio station that was popular or close to the community. The duration of the talk show was 1 hour. In some areas, the radio station allowed for a time extension when needed.

The show started with general background on the MDF by its deputy. This was followed by a brief description of specific projects by a resource person from an MDF-funded project. This could be a project presentation or talk on issues about the project in the community. The talk show format was interactive, allowing listeners to call and ask questions to the MDF and project representatives.

Standards for Responding to Complaints

The MDF secretariat would receive questions or complaints about any MDF-funded project. Complaints received were registered by the outreach officer and referred to the complaint-handling unit of the concerned project.

The following standards were followed in responding to and/or acting on complaints received by the outreach officer:

- Within 3 days of receipt of the complaint, the outreach officer would refer the case to the appropriate project or BRR, inform the task team leader, and confirm receipt of the complaint to the complainant.

- Within 5 days after the first action, the outreach officer would give the complainant an update on the status of the complaint or query. The contact would continue every last week of the month until closure was reached.

The MDF secretariat received hundreds of questions, complaints, and allegations of fraud in projects. It maintained a database that included information on the date when the information and/or question was received, name of the district or village, project, category based on the content of the question and/or complaint, and complainant’s contact number. Serious complaints were followed up by the implementor (through its complaint-handling unit) and MDF’s partner agencies like the World Bank, United Nations Development Programme, and World Food Programme.
15. The Community-Based Settlement Rehabilitation and Reconstruction Project: Complaint-Handling Experience

by Lisa Anggraini

Background

With the flow of various types of financial and other assistance from both domestic and foreign sources for the rehabilitation of earthquake- and tsunami-affected regions in Aceh and Nias, the potential for social and environmental impacts has been huge. Risks of misappropriation of funds, abuse of power, manipulation of data, extortion, illegal logging, illegal mining, and violations against program regulations established by the government and aid agencies have been present.

In the case of the Community-based Settlement Rehabilitation and Reconstruction Project (Re-Kompak), such risks have been influenced by a number of factors, such as the following:

- Communities, still fragile following the conflict and disaster, have been required to handle huge sums of money.
- Government institutions are not yet fully functioning, as many of their staff perished or were affected by the disaster, and many office buildings were destroyed.
- Inadequate human resources are found within the communities.
- Strong traditions and religious norms have been mixed with people from other regions and even from abroad.
- Too many programs are being implemented with different rules, which is confusing to the people.
- Loss of livelihoods occurred.
- Important documents such as land certificates, building permits, family cards, and identity cards were lost.
- Deaths occurred in all families in a settlement area, and the surviving family members who received the donations were residing in other locations and could not fulfill the requirements for the implementation of community participatory activities.
- Loss of boundary markers meant that land consolidation had to be reorganized.
- Many community and religious leaders were also affected by the disaster.
- Most facilitators, being from outside Aceh, had difficulty in communicating with local people.

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1 Lisa Anggraini is head of the Complaint-Handling Unit of Re-Kompak.
2 The Community-Based Settlement Rehabilitation and Reconstruction Project, more popularly known as Rehabilitasi dan Rekonstruksi Masyarakat dan Permukiman or Re-Kompak, has provided grants to 125 communities to rebuild and repair houses and to rehabilitate their infrastructure using a community-driven approach. Grants from the project have helped rebuild about 6,000 houses and repair about 8,400. Re-Kompak has also provided supplementary grants to help rebuild tertiary infrastructure.
• The system used by Re-Kompak for distributing funds for environment projects (village infrastructure) was established under different programs like the Urban Poverty Project (P2KP) and the Kecamatan Development Project (PPK).

• Beneficiaries and implementors were not familiar with the principles (transparency and accountability), technical procedures (earthquake-proof houses and technical specifications for infrastructure), and administrative procedures (financial accountability report for Re-Kompak) used in the project.

• Beneficiaries’ locations (Simeulue District: 838 houses and 5 units of infrastructure) and poor access roads (239 houses and village infrastructure units in Simpang Ulim, East Aceh District) created geographic difficulties.

• Plots of land were filled with debris and not yet ready for use in Ujung Bawang Village in Singkil District (69 houses).

• It was necessary to relocate from areas near the coastline, river banks, and roads.

Objectives and Implementation Approach under Re-Kompak

Re-Kompak has aimed to reestablish communities by assisting their economic activities and improving their technical knowledge, finance, social control, and interactions among community members.

The project requires the active participation of the beneficiaries, starting from the planning of village infrastructure needs, to construction, to control by the community with assistance from consultants in coordination with the local government (local project manager [PJOK] and project implementation unit [PIU]).

Re-Kompak Organizational Structure

To achieve the above objectives, an organizational structure of Re-Kompak was established, consisting of, among others

• consultants from the village, subdistrict, district, and provincial levels with mechanisms and responsibilities based on hierarchy; as Re-Kompak is a community-based program, most activities are done with the communities taking the lead and with assistance from facilitators (consultants) for the housing, technical, finance, and social fields; at the district level, activities are coordinated by district and/or area management consultants, and at the provincial level by the project management consultant;

• local governments involved in the organizational structure of Re-Kompak, viz., the PJOK at the subdistrict level, PIU at the district level, and project management unit (PMU) at the provincial level; and

• satkers (project management units) and Badan Rehabilitasi dan Rekonstruksi (BRR).

Mechanism for Handling Complaints

To ensure that Re-Kompak is implemented according to the accountability principles, rules, and procedures established for the project, control by the community is required. This is required as part of community participation in the implementation of Re-Kompak assistance and to improve people’s sensitivity in dealing with violations of Re-Kompak’s regulations. For this purpose, guidelines for community complaint handling were prepared in April 2007.

The Re-Kompak complaint-handling guidelines were initially disseminated to the district or city coordinator and the
monitoring and evaluation (M&E) expert through training of trainors. The Multidonor Trust Fund (MDF) Outreach Unit also organized sharing sessions on experiences in complaint handling throughout the program by involving stakeholders (consultants, government, nongovernment organizations [NGOs], and the community).

The M&E expert trained facilitators in complaint handling. The facilitators were then tasked to serve as direct links to the community in facilitating problem solving within it.

In Re-Kompak, efforts are made to resolve complaints and issues in the communities by involving public figures, traditional figures, and religious leaders. This is important to enhance the capacity of the community and to increase their awareness of issues around them. The sense of togetherness in solving problems aims to prevent internal conflicts related to transparency and accountability problems.

Conflicts between beneficiaries are also solved using the same pattern. Problem resolution is initially managed internally, i.e., within the beneficiary groups. Housing beneficiaries are grouped into beneficiary groups (kelompok pemukim), while in the Bantuan Dana Lingkungan (BDL) program, funds are received and managed by Badan Keswadayaan Masyarakat (BKM) in P2KP-assisted locations and by Tim Pelaksana Kegiatan (TPK) in PPK-assisted locations.

For problems that cannot be resolved in the communities, assistance from a higher authority is sought. An example was when an NGO questioned the credibility of a community organization in Sukaramai District, Banda Aceh, to handle Re-Kompak BDL funds. The problem was resolved by the PMU in coordination with the mayor of Banda Aceh.

Facilitators also consult public figures, the head of the village, traditional leaders, and local government entities included in the Re-Kompak organizational structure such as the PJOK for the kecamatan level and the PIU for the kabupaten level.

In case of conflicts between beneficiaries and nonbeneficiaries, facilitators involve the PJOK/PIU. In some cases, assistance from the

A meeting between the community of Mon Keulayu Village, Bireuen, and the bupati of Bireuen for resolution of a funds misuse case.

Coordination between CHU head and Danzibang Wilayah II-Lhokseumawe over a case concerning resolution of land claimed by TNI.
Complaint Handling in the Rehabilitation of Aceh and Nias

camat/bupati or even the Directorate General of Public Works and BRR was sought, as in the case regarding a claim by the Indonesian Armed Forces (TNI) on ownership of land where 64 Re-Kompak houses were standing in Benteng District, Pidie.

Categories of complaints generally reported during Re-Kompak program implementation were, among others
- violations of principles and procedures,
- manipulation of data,
- deduction from cash assistance by certain parties,
- violations of procurement procedures,
- quality and quantity of houses or infrastructure, and
- institutional validity of TPK/BKM.

Perpetrators are asked to refund or replace the misused funds or materials. The project issues warning letters, terminates employment, or blacklists those proven to have misused project funds or resources.

The duration of complaint handling is determined by the type of case. If Re-Kompak requires support from other parties, the case usually takes longer to settle, as the decision needs to be made by people with more authority. Effective and efficient handling by relevant parties shortens the duration of complaint handling.

Satisfaction of the petitioner is reflected in the settlement of the case. For this purpose, documentation of the process is sent to the person concerned. In case the person is not satisfied with the response and/or the action taken, the complaint-handling unit (CHU) brings the case to a more competent party or a higher level.

Guidance given to facilitators in complaint handling includes the following:
- Complaint handling must be carried out openly by involving the community.
- A community meeting must be organized not only with certain groups, but with as many community members as possible.
- During clarification, the identity of the person making the report must be kept confidential, except if preferred otherwise by the person concerned.

Most of the complaints handled by the CHU involved social issues, violations of Re-Kompak principles or procedures, allegations of funds misuse, or quality and quantity of housing and infrastructure units:
- Social issues and violations of Re-Kompak principles and procedures were handled in coordination with the Socialization and Training Unit. The CHU conducted reorientation forums in the village, together with the facilitators. Coaching and/or training of facilitators was also done if needed.
- Allegations of funds misuse were handled in coordination with the finance unit. Financial auditors were assigned to audit the problematic financial bookkeeping of beneficiary groups or BKM/TPK. A community-based audit was also conducted in the communities or villages.
- Quality and quantity issues regarding housing and infrastructure programs were handled in coordination with housing and infrastructure experts. Quality control staff were assigned to clarify the issues.

The CHU coordinated with various units at the province (provincial management consultant [PMC]) or district (district coordinators [korbab]) level based on the nature of the problem. The figure shows the complaint-handling scheme used under Re-Kompak.

Other groups and units consulted by the CHU in resolving certain issues included
- village, traditional, and religious leaders;
- local government officials directly involved with Re-Kompak: PMU, PIU, PJOK, and local officials (subdistrict head, mayor, regent);
- director general of Cipta Karya, BRR, Badan Pertanahan Nasional Republik, BPN, Bank Rakyat Indonesia, TNI, and local and international NGOs; and
- MDF/World Bank.
Coordination Scheme between CHU and Other Units in Handling Complaints

The status of cases reported could be monitored by all stakeholders on the Re-Kompak website (www.rekompak.org), which provided online information services as follows:

- cases reported, progress of complaint handling, type of complaints, and resolution status (community complaint management offline); and
- media for sending complaints (community complaint management online).

BDL = Bantuan Dana Lingkungan, BKM = Badan Keswadayaan Masyarakat, PIU = project implementation unit, PJOK = local project manager, TPK = Tim Pelaksana Kegiatan.
Status of Complaints Received by Re-Kompak CHU

Handled Complaints

Re-Kompak applies strict rules against all kinds of funds misappropriation. These are disseminated through posters proclaiming “kita beda,” which means “we are different.” As of December 2008, 34 reports related to embezzlement of funds or indication of corruption, as follows:

- reports that had been settled totaled 28 cases, and Rp250,544,500 was refunded; and
- 6 cases had not yet been settled.

The total amount refunded to PMU and beneficiary accounts relating to corruption cases, data manipulation, inappropriate targets, and wrong procedures as of December 2008 was Rp5,319,676,000.

Reports and Complaints Not Yet Settled

Protracted cases were generally caused by the following:

- Recipients were not on location; therefore, the forum for case resolution could not continue. (This was so in Lambung Village, Banda Aceh.)
- The perpetrators were consultants of Re-Kompak who had left and could not be traced.
- Changes of management consultants in a number of regions resulted in the loss of certain information in the middle of the process.
- There were violations against by-laws (building guidelines and road guidelines in Glee Gurah Asri, Banda Aceh).
- There were violations against legal ownership (land status of the Railway Agency in Banda Aceh).
- There were violations against Re-Kompak program policy (house grant fund and supplemental house grant [BDR-T] could not be spent to finalize housing construction, such as in several villages in Banda Aceh and in Bangka Jaya, North Aceh District, where funds had been spent to buy land or BDR-T funds were used as capital for personal business).

Lessons Learned

The following were learned by Re-Kompak:

- The emergency situation after the tsunami in Aceh resulted in the loss of land and/or house certificates. The condition was conducive for manipulation of data and ownership and in turn resulted in wrong targeting of beneficiaries.
- Appropriate dissemination of information is the basic requirement for preventing misunderstanding about the principles and procedures of a project. In Re-Kompak, it was difficult for staff members from outside Aceh to communicate with local people. This was one of the sources of weak dissemination of information.
- The facilitators should have been provided with adequate training; it was hard for them to understand the vision and mission of the project and
to perform effective facilitation.

- Government institutions such as the PIU and PJOK also require suitable orientation to improve their understanding of their duties, responsibilities, and functions.
- Coordination and synchronization between the PMC and the district management consultant in establishing policies in relation to quality control are very important to prevent substandard work. A quality control program should be implemented in cases where quality is an issue, although it may delay house construction.
- An adequate number of management staff for housing and/or infrastructure must be available to prevent delay in decision making related to quantity and quality control of design and/or infrastructure.
- Penalties are necessary for deviation from the principle of financial accountability and for failure to practice community-based approaches by delaying funds disbursement, even if such action may initially delay implementation. Anticipation of the possibility that workers might stop work if the price of materials increases is also necessary.
- Frequent changes of schedule for project completion may create dissatisfaction among workers and cause them to look for other assignments.
- Housing facilitators and other facilitators must be assigned suitable duties according to their capacities. If they are assigned to geographical areas that are too large, they may slow down completion, and the quality target might be compromised.
- In a situation where the demand for construction workers is high, it is difficult to maintain trained staff. They can also choose to pursue double jobs due to the high demand for qualified staff.

- Threats or physical pressures from certain groups sometimes create inconvenience among housing facilitators and result in their resignation.
- The complicated system for payment of honorarium, transportation allowance, etc., resulted in less-than-optimal performance of PJOKs and PIUs, particularly in view of the wide coverage of their working areas.

Recommendations

The following general and specific recommendations are made:

General

- The Government of Indonesia needs to have a more comprehensive disaster management plan in anticipation of future large-scale disasters.
- All regions should possess disaster risk management capabilities.
- BRR, with its experience in the implementation of large-scale rehabilitation and reconstruction projects, both in terms of physical and geographic size and funding and involving both national and international organizations, is expected to be able to share its experience with the international community in similar programs in the future.
- The lessons learned are expected to be used as reference points by national and international organizations in disaster mitigation activities.

Specific

- Adequate orientation and information dissemination must be carried out consistently in relation to the principles and procedures of the project as well as technical and
• M&E should be strengthened to detect and handle problems that might hinder the implementation of the project and to make improvements while eliminating the problems at hand.
• Coordination and synchronization meetings should be organized on a regular basis among all people involved in a project in the villages, districts, and subdistricts to be able to follow up issues and problems.
• Operational technical support and facilitation for PIUs and PJOKs should be provided to ensure their effective and optimal roles and to enable them to perform their duties and responsibilities well.
16. Complaint Handling and Anticorruption Activities in the National Community Empowerment Program for Self-Reliant Rural Villages

by Anthony Torrens

The World Bank supports two large government-implemented programs in Indonesia: the Support for Poor and Disadvantaged Areas (SPADA) project and the National Community Empowerment Program-Rural (PNPM Perdesaan—formerly known as the Kecamatan Development Project or KDP). SPADA, which was approved in May 2005, targets 100 poor kabupaten (districts). PNPM Perdesaan, approved in April 2008, covers 465 kabupaten all over Indonesia. Both fall under the PNPM umbrella, the cornerstone of the Government’s antipoverty strategy. SPADA operates in 20 rural kabupaten of Aceh and Nias. PNPM targets all subdistricts (kecamatan) and kabupaten in Aceh.

Both the KDP and SPADA provide major mechanisms for resources to be channeled to those most in need across Aceh, including in areas that were affected by conflict. They both employ participatory planning processes, where decisions over resource allocation are made by consensus at meetings in the villages, kecamatan, and kabupaten.

Dealing with Conflict Related to Community Development and Postconflict Tensions in Aceh

PNPM Perdesaan and SPADA use managed competition over development resources as a way of improving the technical skills and cognitive abilities of those who participate in the development planning process, including ordinary villagers, elected representatives, and line agency personnel, and to help ensure that funds are used in effective ways.

1 Program Nasional Pemberdayaan Masyarakat Mandiri Perdesaan.
2 Anthony Torrens is advisor to the program management of PNPM.
A wide range of local conflicts have emerged subsequent to the signing of the memorandum of understanding (MOU). These include conflict over development resources, political competition in the run-up to the 2009 general elections, vigilantie violence and violent crime, and simmering tensions between groups on opposite sides of the conflict (such as between former Free Aceh Movement members and the military). Projects like the KDP and SPADA are affected by these conflict dynamics, but can also shape them in positive ways.

In the case of PNPM-Rural, grievance and conflict resolution mechanisms are imbedded into the project’s monitoring and evaluation (M&E) system, which provides both internal and external monitoring functions, combined with rigorous evaluations and thematic studies. Consultants were engaged to supervise and oversee reporting in the districts and provinces. The project also outsourced its management information system (MIS) functions that use a web-based system for MIS and complaint handling for greater transparency of project results and complaint processing.

Complaint-handling units (CHUs) operate almost exactly as they have for a number of years now, though there is an effort to build up PNPM-wide systems and mechanisms as well. This is true both for CHU and programmatic M&E, and for communications and outreach activities, which are commonly referred to in Indonesia as “socialization.”

This article highlights the experience of the CHU of the national management consultant (NMC) in 2008, including cases encountered in Aceh.

National-Level Complaint-Handling Highlights during the 2008 Program

The CHU of the NMC continued to have a busy year during 2008 due to the large number of corruption cases that were uncovered by the complaint-handling specialists based at the provincial level during 2007 and 2008. Reinstatement of these specialists during 2007 by the Directorate General of Community and Village Empowerment (PMD) led to a significant increase in the number of cases uncovered and handled during 2007 and 2008.

The year 2008 began with a residual caseload from 2007 of 823 complaints; 691 new complaints were added to the CHU’s caseload during 2008, with 669 complaints successfully resolved, leaving 845 cases still in process at the end of the year.

Embezzlement cases carried over from 2007 were valued at Rp20,793,913,596. An additional Rp9,102,183,513 worth of new embezzlement cases was added to this amount in 2008, of which Rp7,515,112,214 was recovered. This left Rp22,380,984,895 worth of unresolved embezzlement cases at the end of 2008.

The main perpetrators involved in embezzlement cases during 2008 were community members, chiefly microcredit borrowers, who accounted for 24% of cases. These were followed by officers of kecamatan activity units (UPK), who accounted for 21% of cases, and village project teams, which accounted for 18% of cases (Table 1).

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4 On 15 August 2005, in Helsinki, Finland, representatives of the Government of Indonesia and the Free Aceh Movement (Gerakan Aceh Merdeka or GAM) signed an MOU aimed at ending the three decades of conflict in Aceh. The MOU includes the outline of a comprehensive peace settlement. It not only deals with security matters but also sets out in broad terms a new political relationship between Aceh and the Indonesian State (to be embodied in a new Law on the Governing of Aceh). The MOU also includes provisions concerning political participation, human rights, the rule of law, and economic matters as well as measures for the disarmament of GAM and its members’ reintegration into society.

Table 1: Perpetrators of Embezzlement Cases

<table>
<thead>
<tr>
<th>No.</th>
<th>Main Culprits and/or Actors</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Microcredit group members</td>
<td>483</td>
</tr>
<tr>
<td>2</td>
<td><em>Kecamatan</em> (subdistrict) activity management units</td>
<td>416</td>
</tr>
<tr>
<td>3</td>
<td>Village project teams</td>
<td>356</td>
</tr>
<tr>
<td>4</td>
<td>Consultants/facilitators</td>
<td>230</td>
</tr>
<tr>
<td>5</td>
<td>Village heads or officials</td>
<td>125</td>
</tr>
<tr>
<td>6</td>
<td>Operations personnel and <em>kecamatan</em> staff</td>
<td>71</td>
</tr>
<tr>
<td>7</td>
<td><em>Lembaga ketahanan masyarakat desa</em> (village councils)</td>
<td>52</td>
</tr>
<tr>
<td>8</td>
<td><em>Camat</em> (subdistrict heads)</td>
<td>26</td>
</tr>
<tr>
<td>9</td>
<td>Suppliers</td>
<td>28</td>
</tr>
<tr>
<td>10</td>
<td>Others</td>
<td>180</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,967</strong></td>
</tr>
</tbody>
</table>

In October 2008, PMD classified 113 *kecamatan* as problematic due to unresolved cases; the vast majority involved embezzlement and corruption. By the end of 2008, 81 of these *kecamatan* were removed from the list; however, 32 others were still in process and were carried over to be included in the list of 131 problematic *kecamatan* for processing in 2009. These *kecamatan* were spread over 88 kabupaten and 23 provinces.

**Total Old and New Cases Handled in Aceh during 2008**

The total caseload of complaints handled by the Aceh provincial management office in 2008 reached 341 as of December 2008 (Table 2). Of these, 258 had been resolved by community forums and negotiations, resulting in the return of money and assets that had been misappropriated. Approaches to higher authorities resulted in the resolution of negative intervention by local officials. *Force majeure* cases totaled 35 in 2008. Cases classified as *force majeure* are considered resolved; therefore, the total number of cases recorded as resolved in 2008 was 293.

As of December 2008, total losses due to embezzlement of program funds in Aceh province (since the beginning of the program in 1998) were Rp1,196,704,276. Of that amount, Rp200,422,443 was recovered, leaving outstanding losses from corruption still to be recovered at Rp996,281,833.

In December 2008, six *kecamatan* were added to the central Government’s list of problematic (*bermasalah*) *kecamatan*: three cases from Kec. East Trumon in Kab. South Aceh, and three cases from Kec. East Simeulue in Kab. Simeulue.

Locations classified as problematic, due mainly to unresolved corruption cases or serious negative intervention, are not permitted to receive further central Government program funding until the case is completely resolved. For this reason, local governments make considerable efforts to avoid having one of their *kecamatan* put on the list.

**Outstanding Cases during 2008 Requiring Special Attention**

At the end of 2008, 13 cases in Aceh required special attention and more intensive followup. Six of these were the problematic *kecamatan* mentioned above, three were cases that had stalled in the hands of the police, and four had stalled due to
Table 2: Complaints by Category in Aceh for the Final 3 Months of 2008

<table>
<thead>
<tr>
<th>Month</th>
<th>Period</th>
<th>Complaint Category a</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Carryover from last month</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>333</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>New complaints</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>343</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Resolved</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In Process</td>
<td>7</td>
<td>34</td>
<td>2</td>
<td>0</td>
<td>3</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>Carryover from last month</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>343</td>
<td></td>
</tr>
<tr>
<td></td>
<td>New</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>346</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Resolved</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In Process</td>
<td>8</td>
<td>34</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>Carryover from last month</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>343</td>
<td></td>
</tr>
<tr>
<td></td>
<td>New</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>341</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Resolved</td>
<td>3</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In Process</td>
<td>5</td>
<td>30</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>40</td>
<td></td>
</tr>
</tbody>
</table>

* Notes :
Category 1: Breaches of program principles and procedures
Category 2: Embezzlement and/or misuse of funds
Category 3: Negative intervention by officials
Category 4: Force majeure
Category 5: Others

Table 3: Unresolved Cases Being Handled by the Police as of December 2008

<table>
<thead>
<tr>
<th>Location</th>
<th>Summary of Complaint</th>
<th>Main Culprit</th>
<th>Actions</th>
<th>Reasons Case Stalled</th>
<th>Additional Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kab. Simuelue, Kec. Alafan</td>
<td>Technical facilitator stole money entrusted to him by the UPK to buy barbed wire. He absconded with the money and was being sought by police.</td>
<td>Ex-technical facilitator</td>
<td>The police placed him on their wanted list but had not seriously searched for him. Kabupaten government promised to pay for a newspaper advertisement asking for public assistance in tracing him. However, the funds had not yet been made available for the ad.</td>
<td>The facilitator absconded, and police were unable to trace him.</td>
<td>PNPM officials from the kabupaten government were negotiating with several media outlets to purchase advertisements.</td>
</tr>
</tbody>
</table>

continued on next page....
### Location Summary of Complaint

#### Kab. Nagan Raya, Kec. Darul Makmur
- **Ex-UPK treasurer** fraudulently withdrew training funds from local BRI unit at Alue Bili on 15 and 19 February 2007, amounting to Rp7,800,000 and Rp20,000,000, without permission of UPK and facilitator.
- **Main Culprit Actions**: Ex-UPK treasurer
- **Reasons Case Stalled**: The communities involved already filed an official police report with the Nagan Raya subdistrict police office.
- **Additional Explanation**: There was no follow-up action from the local police.

#### Kab. South Aceh, Kec. East Trumon
- A local police officer demanded Rp21,500,000 for protection money from PNPM village project teams with the knowledge of his immediate superior. A World Bank supervision mission named the officer.
- **Main Culprit Actions**: Heads of the local police post and local military post
- **Reasons Case Stalled**: The bupati sent letters to the camat, the subdistrict police office, and the subdistrict military head.
- **Additional Explanation**: There was no follow-up action by the camat.

### Table 4: Unresolved Cases Being Handled by Communities as of December 2008

#### Kab. Singkil, Kec. Simpang Kiri
- **Ex-facilitator embezzled Rp26,500,000 from microcredit loan funds.**
- **Main Culprit Actions**: Ex-facilitator
- **Reasons Case Stalled**: Local villagers and the kabupaten PNPM official (PJOK) already forgave the facilitator.
- **Additional Explanation**: Village members responsible for this case showed no willingness to pursue the ex-facilitator, and he ignored all approaches.

*continued on next page....*
<table>
<thead>
<tr>
<th>Location</th>
<th>Summary of Complaint</th>
<th>Main Culprit</th>
<th>Actions</th>
<th>Reasons Case Stalled</th>
<th>Additional Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kab. Singkil, Kec. Simpang Kiri</td>
<td>Ex-facilitator embezzled Rp4,200,000 and ran off with a computer and printer belonging to the UPK.</td>
<td>Ex-facilitator</td>
<td>The provincial management office requested the World Bank to blacklist the facilitator to prevent him from working on the Re-Kompak housing program and to persuade him to return the money, computer, and printer.</td>
<td>The facilitator’s last salary was withheld but did not cover all items stolen.</td>
<td>There was still a legal problem with confiscating the facilitator’s salary as compensation for the money and items stolen.</td>
</tr>
<tr>
<td>Kab. South Aceh, Kec. Trumon Timur, Ds. Jambo Dalam</td>
<td>A village head used a mixed microcredit group (UEP) as a front to borrow money, which he used to buy rice winnowing equipment that he rented to other farmers. He refused to repay the money he borrowed.</td>
<td>Microcredit group</td>
<td>The status of the microcredit group and the identity of its members was being verified to enforce responsibility for repayment of the loan used by the village head.</td>
<td>No one involved in the village was willing to deal with this case or demand accountability from anyone involved.</td>
<td>The kabupaten PMD satker was asked to intervene directly in this case to deal with the village head, but so far no action had been taken.</td>
</tr>
<tr>
<td>Kab. South Aceh, Kec. Meukek</td>
<td>A UEP borrowed money for an ice-making business. The group had not repaid the loan and was avoiding attempts to collect the debt by making an issue of the actual ownership of the ice-making plant that was bought with the money. This issue was being used to obscure responsibility for repayment.</td>
<td>UEP</td>
<td>The status of the UEP and its members was being clarified to determine who was responsible for repaying the loan.</td>
<td>There was no attempt on the part of the villagers or other PNPM actors to deal seriously with this case.</td>
<td></td>
</tr>
</tbody>
</table>
unwillingness or deliberate foot dragging by the communities responsible for resolving them. Tables 3 and 4 provide a quick summary of the main issues involved in the latter cases, the main actors, and the reasons for lack of progress in resolving them. There is still the possibility that, if significant progress is not made toward resolving these cases, the kecamatan involved may be put on the problematic list.

Despite the problems described in the examples given, there were still many successful resolutions of difficult cases in Aceh. One such case involved the embezzlement of Rp55,660,000 in special social funds that were provided shortly after the tsunami in Kec. West Teupah, Kab. Simeulue, on Simeulue Island (Box).

### Justice for a Corrupt Local Official

Initially the case involved a large number of National Community Empowerment Program-Rural (PNPM Perdesaan) actors. Most disturbing was the fact that the key actor was the main kecamatan (subdistrict) government official (PJOK), who was charged with facilitating the program in the kecamatan.

A spot audit by provincial program consultants discovered strong indications that the PJOK had colluded with the head of the kecamatan activity management unit (ketua UPK), the technical facilitator, and the empowerment facilitator to defraud the community. He did so by acting as the sole representative of the kecamatan for purchasing urgent household goods and foodstuffs with special social funds provided by the World Bank.

According to PNPM procedures, four people had to countersign for all withdrawals of community funds from UPK bank accounts. These included an elected community representative, the head of the UPK, and the technical and empowerment facilitators. The PJOK breached program procedures by nominating himself as the community representative for the required bank signatures. No government official was permitted to act in this role.

The method used by the PJOK to embezzle community funds was to act alone as the sole purchaser of urgent supplies ordered by his community and then mark up the cost of the goods purchased on the receipts to cover the funds he took. He purchased all the goods in the nearby mainland town of Meulaboh (West Aceh), where prices were higher than in Simeulue at that time. He used this fact to try to cover up the markups he put on the purchases he made.

A follow-up audit by the World Bank’s office in Aceh, which was verified by the local government inspectorate (bawasda), discovered the markups and the extent by which the PJOK had defrauded the community. The local district government was eventually presented with an audit report that proved that the PJOK could not justify the expenditure of Rp55,660,000 of the social funds he had received. In response to this report, the district government head of Simeulue (bupati) issued an official letter to the PJOK ordering him to immediately return the Rp55,660,000 to the UPK community bank account. He also received administrative sanctions: his scheduled promotion in rank was indefinitely postponed, he was removed from his position as PJOK, and he also lost his structural position as section head within the local government structure.
17. Handling Complaints Efficiently: Developing a *Kecamatan*-Based Complaint-Handling Mechanism and Independent Monitoring of Post-Tsunami Rehabilitation and Reconstruction Projects in Aceh

by Rony Iskandar¹ and Ikhwan Nursujoko¹

**Introduction**

Humanitarian assistance for rehabilitation and reconstruction processes after a natural disaster is highly vulnerable to corruption, inefficiency, and mismanagement. The sudden inflow of huge amounts of funds, goods, and services, accompanied by pressure to provide immediate assistance, is the root of such a condition.

In addition, the damage to administrative infrastructure and markets resulting from a natural disaster and the tendency to shorten standard procedures to accelerate rehabilitation and reconstruction efforts increase the risk of corruption. The risks of corruption, inefficiency, and mismanagement are increasing, as aid organizations have not created adequate instruments for accountability. The view that victims of natural disasters are passive recipients and do not have to be considered as a parameter for a successful program has caused community roles in controlling accountability for assistance to be ignored.

Experience in projects that involved many funding agencies and high numbers of beneficiaries has shown that corruption may originate from

- government officials;
- representatives of the victims’ communities;
- contractors for construction works and other services, and suppliers;
- nongovernment organizations (NGOs) that function as contractors and/or suppliers;
- representatives of aid organizations; and/or
- members of civil society.

¹ Rony Iskandar and Ikhwan Nursujoko are staff of Transparency International Indonesia working on its Aceh Program.
It is thus necessary to have a mechanism to bridge the interests of various sides providing assistance in disaster areas to enable early detection of potential deviations. One of the instruments that can be used to minimize the risks of corruption and misappropriation in rehabilitation and reconstruction processes is the establishment of an effective complaint-handling mechanism (CHM). When a CHM is in place, aid organizations and implementing agencies are able to receive immediate feedback from beneficiaries, as well as guard the quality and quantity of assistance. In addition, a CHM will reduce the negative effects and conflicts between implementors and beneficiaries.

This paper discusses the experience of Transparency International Indonesia (TI-I) in the application of a CHM in the rehabilitation and reconstruction of Aceh. It reflects the experience of the TI-I office in Aceh covering a period of 1 year in the implementation of its kecamatan (subdistrict)-based CHM.

## Integrated Complaint-Handling Mechanism

The CHM being applied here was an integrated part of the Integrity Pact concept that was promoted by TI-I. The important elements in the application of an integrated CHM were:

- a community-based complaints committee,
- an independent monitoring organization,
- a public complaint form,
- a data processing system,
- a public consultation meeting, and
- mediation.

## Community-Based Complaints Committee

The participation of the beneficiary community in monitoring and supervising project implementation is an important element in rehabilitation and reconstruction efforts to minimize the potential for corruption and losses. In this context, a forum is required to facilitate reports from the public on any deviation or complaint.

The formation of community-based complaints committees at the kecamatan level was effective in facilitating the filing of complaints from the public. Where members were elected from the local community in a public meeting, the community-based complaints committee was more easily accepted by the community and other stakeholders.

Membership in the committee was open, but the election process was based on the principle of voluntary, strong commitment to follow up complaints; moral integrity; and acceptance by participants in a public consultation meeting.

In carrying out their duties, members of the community-based committee worked on a voluntary basis and were not rewarded in any material form, but they had the opportunity for capacity building by TI-I and its local NGO partner.

The duties and functions of the community-based complaints committee were as follows:

- Disseminate information on the existence of the community-based complaints committee to facilitate the filing and reporting of complaints from the public.
- Distribute public complaint forms (FPMs), particularly in areas directly or indirectly suffering from disaster.
- Collect FPMs after they are completed by the public.
- Verify incoming complaints and separate reports that are related and nonrelated to the reconstruction and rehabilitation.
- Provide advocacy to the public in obtaining information on the process of rehabilitation and reconstruction.
- Provide advocacy to complainants in filling out the FPMs.
- Provide information to facilitate local NGOs in conducting investigations and complaint analyses.
- Assist local NGOs in facilitating public consultation and the mediation of cases.
Independent Monitoring Organization

The role of the independent monitoring organization, played by a local NGO, is an important element in the complaint management system. The duties of the independent monitoring organization were, among others, as follows:

- Provide advocacy for the community-based complaints committee in performing its roles and functions.
- Follow up verified complaints through investigation and analysis.
- Plan public consultation to disseminate the results of investigations of complaints to the public.
- Mediate in cases of dispute.
- Report corruption cases to the relevant authorities.

In the implementation of the program by TI-I in Aceh, the following independent monitoring organizations (local NGO partners) worked with TI-I:

- Gerak Aceh in Banda Aceh city
- Paska Pidie in Pidie district
- Paska Biruen in Biruen district
- Masyarakat Partisipatif in Aceh Jaya district
- Gerak Aceh Barat in West Aceh district
- Yayasan Papan in Nagan Raya district

Public Complaint Form

Use of a public complaint form or similar form under a different name proved effective in promoting public participation in the control of the rehabilitation and reconstruction process. In designing the form, TI-I ensured that it had a systematic list of contents and language that could be easily understood by the community. The form was also designed to include items useful in the investigation process and in data processing.

Data Processing System

Information technology (IT)-based data processing was the supporting factor in CHMs applied by TI-I in Aceh. Nevertheless, the use of IT and computerization was still limited among its working partners (independent monitoring organizations) and the office of TI-I in Aceh.

Data on the progress of cases was provided online and could be accessed by related parties. This was a reflection of transparency and accountability in the complaint management being implemented.

Public Consultation Meeting

The public consultation meeting was a tool for maintaining the accountability of monitoring activities carried out by the community-based complaints committee, the independent monitoring organization (local NGO partner), and TI-I. The forum was established at the subdistrict and district levels and functioned to

- convey and be responsible for the progress of cases reported by the public; and
- gather the parties related to a reported case, as most reported cases could be settled in this type of forum after each party provided clarification on the reported cases.

The important issue in implementing the public consultation meeting was to provide understanding of the objectives, goals, and substance of the meeting to related parties to ensure that the meeting was conducted in an orderly fashion and to prevent new misunderstandings.

Mediation

In several cases, reported issues could not be settled in a public consultation meeting. A special forum was then required to assemble
the parties in dispute. The process of assembling the parties was facilitated by the independent monitoring organization (local NGO partner).

The pattern of dispute settlement through mediation was relatively effective, as each side could make direct clarification and agree on concrete actions to settle the issue. The flow chart shows the process of complaint handling used by TI-I in the participating districts in Aceh.

Public Complaint Management by Transparency International Indonesia

Application of Data Base
Complaint Management

1. Distribution of Complaint Forms
2. Collection of Complaint Forms
3. Verification of Complaint Forms
4. Investigation
5. Preparation of Investigation Report
6. Establishment of Investigation Outcome
   - Problem Project
   - Corruption Case
   - Project with no Problem
7a. MEDIATION
Performed by local NGO partner, Committee, TI-I and by involving community elements (traditional leaders, religious leaders, etc), local government, and the party with problem

REPORTING
(KPK, BPK, Attorney, etc.)

Monitoring

Case Not Settled
Case Closed
Notes on the Flow Chart

1. **Distribution of complaint forms.** This was carried out by the committee at the beginning of every month.
2. **Collection of complaint forms.** The forms that had been completed by the public were collected by the committee at the end of the first week of every month and verification, but if reports came in during the second or third weeks or at the end of the month, they would be accepted, and verification would be done at the end of the first week of the following month.
3. **Verification of complaint forms.** This was done at the end of the first week on a monthly basis by three parties: the TI-I project officer, the local nongovernment organization (NGO) partner, and the community-based committee. The purposes of verification were to
   - ensure that all required items in the form had been correctly filled in,
   - sort out forms according to the established categories, and
   - determine priority for investigation.
4. **Investigation.** Investigation of the verified forms was performed by the local NGO partner. Investigation took 2 weeks from the second and third week of each month, so that on the last week, a report on the results of the investigation could be prepared and submitted the following month. The purpose of investigation was to gather more complete data on the project in question. The data would be used as reference material by the local NGO partner to determine if the project had a problem or not.
5. **Preparation of investigation report.** In the fourth week of each month, the local NGO partner prepared an investigation report after completion of each investigation.
6. **Establishment of investigation outcome.** After completing the report, the next step taken by the local NGO partner was to classify a project as “Project with Problem” or “Project with No Problem” by referring to the data collected during the investigation.
7. **Follow-up actions.**
   a. **Mediation.** Mediation was carried out in cases involving a dispute (e.g., between the aid agency and/or project implementor and beneficiaries).
   b. **Reporting.** Reporting was done if the investigated case had a strong indication of corruption: cases involving aid organizations, or NGOs (international, national, or local) were reported to the management of the institution concerned; cases involving government institutions were reported to competent institutions like the Corruption Eradication Commission, the Supreme Audit Agency, or the Attorney’s Office.
8. **Monitoring.** Monitoring was carried out to see whether the agreements reached during the mediation process had been implemented.

**Lessons Learned and Application of Complaint-Handling Mechanism**

**Public Participation**

A public role and participation in monitoring the post-tsunami rehabilitation and reconstruction process in Aceh were necessary in the midst of the situation wherein the system had been damaged by the disaster. The establishment of a community-based complaints committee as a civil society organization at the grassroots improved public participation in the control of rehabilitation and reconstruction projects.
From 2006 to 2007, TI-I, its local NGO partners, and community-based complaints committees received 2,409 public reports from its partners working in the six areas:

- Banda Aceh city: 430
- Pidie district: 309
- Biruen district: 426
- Aceh Jaya district: 394
- West Aceh district: 504
- Nagan Raya district: 346

One third of the reports were from women. Two committees formed in West Aceh (Meurebo and Johan Pahlawan subdistricts) were headed by women. This indicates that as long as room and opportunity are provided, women’s participation will emerge.

System for Protection of Complainant

Fear among the public to report corruption cases in rehabilitation and reconstruction in Aceh remained a big issue. Moreover, the postconflict situation in Aceh had not yet become conducive to open public participation from the security point of view. Information on the security system to protect the identity of claimants was not enough to convince people to file complaints. This was indicated by the fact that of 2,409 reports, 1,446 claimants (60%) did not provide their identities.

Based on the experience in implementing the program, in addition to the witness and claimant protection for complaint handling that was established, there was a need for a commitment from the authorities to provide a sense of security to the people who wanted to file reports.

Involvement of Executing Institutions for Rehabilitation and Reconstruction

Government

The response from government offices and institutions to the application of the CHM was relatively good, particularly in subdistrict and related offices. In general, the offices felt that they were assisted by the program. The large number of organizations working in the area that took part in the process of rehabilitation and reconstruction indirectly increased the number of problems related to the implementation of rehabilitation and reconstruction, while the mechanism for settling the problems was not yet available. This was one of the reasons for the ready acceptance by the institutions of the complaint mechanism introduced by TI-I.

The presence of government representatives in public consultation meetings and mediation was positive—a stimulating factor for the agreements or recommendations made in relation to projects implemented by both the government and NGOs. Box 1 describes a complaint case that was settled successfully through a public consultation meeting and mediation.

Donors and NGOs as Implementors of Construction

One of the main requirements for applying an integrated CHM is the willingness of all parties to be involved in the process of public consultation and mediation, which are parts of the system. In general, responses from aid agencies and NGOs were relatively good, although some institutions did not respond.

An example of a relatively successful mediation involving the government, an aid agency, and an NGO is given in Box 2.
Box 1: Evacuees Requested Relocation due to Poor Conditions in Temporary Housing

The case started with a complaint from people coming from Cot Kumbang village who occupied barracks (temporary housing) in Cut Buloh; 49 families occupied barracks in Blocks 5, 6, and 7 under bad conditions. The location of the barracks was not far from a river that overflowed every time it rained. Their anxieties were proven. Water inundated their barracks, including various kinds of solid waste that could cause sickness. The water level reached more than 1 meter and forced them to use small boats to go to work.

When the investigation team visited the location, it was clear that the barracks for Cot Kumbang villagers had been surrounded by mud and solid wastes in huge quantities. The occupants requested the attention of Badan Rehabilitasi dan Rekonstruksi (BRR) and the local government of West Aceh to remedy the situation.

A consultation meeting was attended by the executives from BRR Regional IV Meulaboh, and mediation was successful. The villagers from Cot Kumbang were satisfied that their demands were met, i.e., they would be relocated soonest to Pasung Village.

Box 2: Delayed Payment for Farmers’ Fees under Cash-for-Work Program

The program, part of the Earthquake and Tsunami Emergency Support Project (ETESP) financed by the Asian Development Bank, was to rehabilitate agricultural land that had been destroyed by the tsunami and earthquake. The program also aimed at revitalizing the grassroots’ economic activities in 10 villages (Babahlung, Drien Tujoh, Kabu, Kuala Tripa, Lung Kupujagad, Mondua, Neubok Yeu PK, Neubok Yeu PP, Pante Rawa, and Pasi Kebedom) in Tripa Bawah subdistrict that relied mainly on farming 550 hectares (ha) of land. A total of 260 farmers received this assistance. It was planned that, after the completion of the cash-for-work program, ETESP, through the Agriculture and Food Security Office of Nagan Raya district, would distribute rice seedlings and other facilities to the farmers. Unfortunately, the fees under the food-for-work program amounting to Rp1.5 million/ha, which was supposed to have been paid in March 2006, had not yet been paid as of September 2006. As a consequence, farmers felt hurt, as some of them used the services of additional laborers to speed up land preparation. Similarly, sellers of agricultural chemicals suffered losses totaling tens of millions of rupiah, as almost all farmers purchased from them on credit. In their report to TI-I, the farmers were hoping that the case could be mediated, as they were in serious need of cash for Idul Fitri which was less than 1 month away. After the mediation process, all parties agreed to the following:

- Cash-for-work payments would be settled not later than 1 week before Idul Fitri.
- Rice seedlings would be discussed after payment of cash-for-work had been completed.
- Related parties would involve TI-I, a local NGO partner, and a committee to monitor the implementation of the recommendation.

The implementation went well. The head of the Agriculture and Food Security Office for Nagan Raya district advised by phone on Idul Fitri that the payment of cash-for-work had been disbursed to the bank account of each group in accordance with the agreement reached during mediation.
On the other hand, the reluctance of the implementors of rehabilitation and reconstruction programs involved in the application of the system sometimes resulted in obstruction to follow-up action. An example of the experience in complaint handling that received no response is given in Box 3.

The reluctance of the implementors of the rehabilitation and reconstruction program affected the number of cases that could be mediated. Of 2,094 complaints, only 71 cases (3.4%) were successfully mediated (in the sense that agreements were reached on solutions of public complaints).

Box 3: Delayed Construction of Village Clinic

The case began when the committee in Masjid Baro village monitored the building of a village clinic by the Spanish Red Cross, which was reported to have taken photographs of the location three times and had promised to start construction soon. One of the requirements by the Spanish Red Cross was that the land should be provided as a grant by the owner, without any compensation. In view of the importance of such a village clinic, the villagers immediately accepted this condition.

Unfortunately, when the investigation was made, officials from the Spanish Red Cross were not available for comment. The team met only with its design officer, who was unable to provide the required answer.

The people of Samatiga, especially those who reported the case involving the Spanish Red Cross village clinic, understood that mediation would not be maximal without the presence of the Spanish Red Cross in public consultation.

Conclusion

The concept of complaint handling and management was still far from perfect. Nevertheless, as part of the efforts to promote public participation in preventing corruption, particularly in the process of rehabilitation and reconstruction, these experiences should be useful for others.
18. Adat Conflict Resolution: Experience from Rehabilitation and Reconstruction in Aceh and Nias

by Herman Soesangobeng, Zahrul Fuady, and Jose T. Nicolas

Introduction

Research conducted by the World Bank in 2004 defined the Indonesian term adat as culturally and ethnically specific forms of law (hukum adat) and custom (isti adat). It is the largely uncodified body of rules of behavior or a system of “community leadership and governance,” enforced by social sanctions, that is used, among other things, for dispute resolution.5

Other scholars define adat law (hukum adat) as the basic principles of norms and pattern for behavior encoded in the form of proverbs or written doctrines that are passed down from one generation to the next through verbal tradition, subject to interpretation and modification to meet the community’s basic sense of justice. It is expressed in four levels of norms categories, namely

• basic principles of norms and doctrines (adat yang sebenarnya adat),
• basic norms and doctrines of community patterns for behavior and social governance (adat yang diadatkan),
• rules for patterns of behavior in the community (adat istiadat), and
• rules for social behavior and practices as customs of the people in the community (adat kebiasaan).

The first category is the unchangeable norm or doctrine. Next are the rigid norms, which are very difficult to change. The third

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1 This article is based on a review of existing research on adat in Aceh and Nias and on interviews conducted by Fajri Jakfar, Zahrul Fuady, Izziah Hasan, and Jose Nicolas with officials from Majelis Adat Aceh, and with some keucik, imeum mukim, and tuha peut in Aceh. Contributions were also made by Herman Soesangobeng based on his anthropological assessment in Aceh and Nias in the course of his assignment under the Earthquake and Tsunami Emergency Support Project (ETESP) housing sector and on interviews with adat leaders in Nias Selatan conducted for this book.

2 Herman Soesangobeng worked as legal specialist/grievance focal point for the ETESP housing oversight consultants until the end of his engagement in August 2009. He is an anthropologist and expert in adat land laws in Indonesia.

3 Zahrul Fuady worked as technical staff of the ETESP Grievance Facilitation Unit until its closure in March 2009. Fuady is a faculty member of the University of Syiah Kuala.

4 Jose T. Nicolas worked as social safeguard specialist for the Asian Development Bank (ADB) Extended Mission in Sumatra from November 2005 until July 2009. He was also engaged by the Office of the Special Project Facilitator to coordinate with the contributors for this book.

are the rules and norms that can be changed if necessary, and the fourth are practices that are easily changed and modified according to the people’s sense of beauty and justice.6

Adat is generally unwritten and simply passed down orally from one generation to the next. This makes adat relatively fluid and subject to varying interpretations and applications in different areas. With the greater mobility of people and increasing modernization, maintaining and promoting adat processes and values becomes a challenge.

The International Development Law Organization estimates that at least 19 (and perhaps as many as 300) distinct indigenous legal systems based on adat coexist in Indonesia. They include laws derived from origins as diverse as Shari'a, animist beliefs once common to many Southeast Asian cultures, and Hindu and Buddhist traditions. Accordingly, the content of adat can—and does—vary significantly within relatively short distances, as do local cultures and beliefs in Indonesia.7

Rituals associated with specific adat practices also vary across regions and ethnic groups, although there are commonalities in some areas in terms of symbolism of ending hatred (i.e., shedding blood through the slaughter of an animal), purification, and community solidarity.

The Suharto regime made efforts to replace traditional adat structures with a standardized village administrative structure. In the case of Aceh, for instance, the kecamatan was introduced as a subdistrict administrative structure overseeing the gampong (called desa in other parts of Indonesia) under its jurisdiction. The keucik became directly responsible to the head of the subdistrict government (camat), thereby reducing the role of the imeum mukim (the village cluster head) in Aceh to a largely symbolic one. The tuha peut (village elders) were replaced by a village assembly (lembagamusyawarah desa) and village community resilience council (lembagaketahanan masyarakat desa), both under the leadership of the keucik. The increased executive power of the keucik was accompanied by a diminished role for the tuha peut in deciding village affairs, and an increasing separation of powers between state authority and customary and/or religious authority.8

Although some adat leaders assumed the newly created positions, the government’s move to standardize village governance has led to a weakening of the adat system or created dual village leadership structures in some areas. However, an amendment to the Indonesian Constitution in 1999 reversed this move and provided due recognition to traditional legal community units and their adat rights.9 This became the foundation for various efforts to revive and strengthen traditional governance structures and processes in the country.

In the preparation of the ETESP, the project team recognized the need to better understand and work with adat institutions and key adat figures in Aceh and Nias. Related to this, the design of participatory mechanisms and conflict resolution in various subprojects took into account the roles that can be played by adat leaders and how decision making can involve adat processes.

For instance, in the project administration memorandum prepared for the fisheries sector in 2005, the community

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6 Koesnoe. 1969. The Four Categories of Adat Law. Lecture paper in the Catholic University of Nijmegen-the Netherlands, Nijmegen; Soesangobeng. 1980. Adat Law Philosophy. Paper for the twentieth anniversary of the Basic Agrarian Law, presented in a seminar by the National Land Agency, Jakarta; and Understanding the Indonesian Land Law. 2006. Training paper for senior judges of the four court institutions—the State Courts, the Administrative Tribunal, the Islamic Court, and the Military Court—conducted by the Indonesian Supreme Court Training Center in Batu, Malang, Banda Aceh.


empowerment guidelines include a discussion on the mukim and gampong institutions in Aceh and how these could be involved in conflict resolution and planning of activities. Moreover, the basic approach used in community consultations for the preparation of subprojects is to involve the keucik and key adat figures such as the imeum mukim, tuha peut, and imeum mesjid. Land acquisition and resettlement action plans also identified the keucik as the intake point for grievances from project-affected persons.

The following is a brief discussion of the adat structures and processes in Aceh and Nias and an assessment of ETESP experiences in working with adat institutions.10

Adat Grievance Mechanism in Aceh

The assessment done by the United Nations Development Programme (UNDP) in 200611 found that adat continues to be the justice system upon which the population in Aceh predominantly relies for the resolution of grievances. The adat system for conflict resolution in Aceh is further legitimized by Aceh Provincial Government Regulation (Perda) 7/2000 on the Establishment of Adat Life, Qanun 4 and 5 / 2003 on the Mukim and Gampong Governance Structures, and the Law on Governing Aceh.

Perda 7/2000 states that the function of adat institutions is to settle social problems at the community level and mediate disputes between community members. It also requires the police to give opportunity to the imeum mukim and keucik to settle disputes at the mukim and gampong levels before conducting investigations and forwarding cases to the prosecutor’s office. The law recognizes the following adat institutions as important in dispute resolution:

- **imeum mukim**: the head of a mukim (a subdistrict administrative level that exists only in Aceh); traditionally, a mukim covers all the villages that are linked to the main mosque in the area;
- **keucik**: the head of a gampong (village);
- **tuha peut** (in Gayo, sorakopat): a village-level governance body traditionally consisting of four members who oversee issues in the areas of law and religion;
- **tuha lapan**: a village-level governance body traditionally consisting of eight members who oversee economic and development issues; and
- **imeum meunasah**: the head of the village mosque.

The imeum mukim is given the authority to facilitate dispute resolution and implement adat law. At the same time, the duties of the keucik include acting as judge to resolve disputes between villagers.12

Impact of the Political Conflict and Tsunami on Adat Institutions

The decades of conflict in Aceh significantly weakened adat institutions in the province. At the height of the military conflict, keuciks were often suspected and intimidated by the Indonesian military, the police, and Free Aceh Movement (GAM) forces. Some keuciks were killed or had to abandon their village for fear of their family’s safety.13 Holding village meetings also became difficult.

Adat leaders were also among the fatalities during the earthquake and tsunami of December 2004. In some areas, the entire village leadership structure was wiped out.

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10 Examples of how adat institutions were tapped for grievance resolution in the ETESP are shown in the other articles included in this book.

11 See footnote 9.


13 In June 2003, the Jakarta Post reported that 76 village chiefs in Bireuen district had resigned en masse due to security concerns. Also, 30 village chiefs were reported to have sought refuge in Samalanga due to fears of GAM retaliation after attending an Indonesian Armed Forces (TNI) indoctrination course. TNI claimed that 70% of the Aceh administration was not operative, as many officials had been intimidated, abducted, or murdered by GAM.
Keuciks, imeum mukim, and tuha peut were among those who perished. In many cases, acting keuciks had to be appointed in villages that had lost their leader.

Despite these setbacks, adat institutions were able to function in varying degrees during the reconstruction of Aceh. Many of the people living in Aceh still rely on the keucik and other adat figures for various concerns, including resolving conflict. A survey conducted by Thorburn in 18 villages in Aceh in 2008 revealed that most villagers still considered their keucik as the most trusted person in the community; other adat leaders mentioned in the survey as most trusted included the teungku imeum and the tuha peut.14 This confirms an assessment by Oxfam International in 2007 that the majority of land disputes in Aceh were resolved (or managed) in the villages, with the keucik performing a key role. The Oxfam assessment predicted that local institutions in Aceh would remain as the primary mechanism for (land) dispute resolution in the foreseeable future.15

**Basic Principles in Acehnese Adat Conflict Resolution**

The basic principles of the adat mode of conflict resolution in Aceh can be interpreted from the people’s sociocultural behavior. A dominant social behavior among Acehnese is to be suspicious and to seek certainty. An answer or decision is considered only as an initial step until its fruition.

Complaints, grievances, or conflicts may arise in the course of finding out if a decision or answer is true and certain. Complaints and grievances are easily resolved by apologizing to the victim and having coffee or a snack in a coffee shop afterwards. However, resolving conflict requires the involvement of adat and religious figures in the village. This is because a conflict is considered not personal business but a matter for the community or even the larger society.

Adat, saheh, and hukom are Arabic words adopted and adapted in the Acehnese sociocultural and political system through adherence to Islam. Adat is a sociocultural norm and patterns of behavior passed down by the ancestors (endatu) to prevent uncertainty in life. Saheh stands for the validity and stability of a decision, and hukom is the formal formulation of norms issued by the sovereign authority, called nanggroeh, to protect stability and certainty in the gampong and mukim. The strong adherence of people in Aceh to adat and Islamic ideology and principles has created a solid cohesion among these principles in Acehnese life, which is reflected in an Acehnese proverb “adat ngon huko, lagei zat ngon si fuet” (adat and Islamic law are inseparable).

In daily life, people adhere to adat norms—hukom adat. But, for political and spiritual life, people are overwhelmingly guided by Islamic preaching. Their mode of conflict resolution, however, is still dominated by adat principles combined with State law procedures. The village (gampong) is administered by two main authorities—the secular and the sacred. Secular administration is controlled and administered by the village head, the keucik. The sacred sphere is guided by an Islamic figure who is known as pious and knowledgeable in Islam, called teungku. Many teungku also serve as a priest in the mosque and are called imeum teungku. If the imeum is serving a cluster of villages called mukim, he is called imeum mesjid. But, if he serves as head of a small village mosque, a meunasah, he is called imeum meunasah or imeum chik.

In solving disputes or conflicts over secular issues such as those concerning government, land, criminal acts, politics, or security, the keucik has the final decision but has to hear the opinion of the imeum and/or teungku. For spiritual and religious issues, the imeum and/or teungku are in charge of the

14 Thorburn, Craig. 2008. Village Government in Aceh, Three Years after the Tsunami DeKalb, IL, USA: Center for Southeast Asia Studies. (21 May, Paper CSEASWP1-08).

discussion chaired by the *keucik*. The decision in the meeting is announced by the *keucik*.

Aside from the *keucik* and the *imeum*, village elders called *tuha peut* are also involved in complaint and conflict resolution. They are not elected, but are respected and acknowledged by the community based on their reputation, knowledge of *adat*, and ability to solve disputes. Village elders are not appointed by the village head. Rather, they are informally acknowledged and trusted by the community based on their achievements and assistance to the community. Similarly, one can cease to be a village elder if no longer trusted by the people.

The *tuha peut* usually consists of four persons in the village—an expert in Islamic beliefs, an expert in *adat*, an expert in solving disputes, and a strong defender of the community. Beginning in 1997, additional social figures emerged such as the youth leader (*ketua pemuda*), head of the alley (*kepala lorong*) or hamlet (*kepala dusun*), commander of security (*komandan HANSIP*), and chairman of the village consultative board (*ketua LKMD*). Altogether, they are referred to as *tuha lapan*. Members of *tuha lapan* are also sometimes invited to participate in the settlement of disputes.

**Women’s Role in *Adat* Conflict Resolution**

Women’s role and status in *adat* dispute resolution are not explicit. Although historically, Acehnese society provided room for women’s involvement and leadership, current *adat* leadership roles are placed mainly on men. Traditionally, women are responsible for preparing and serving food and drinks during the *musyawarah* (discussion and negotiation to reach consensus) and *adat* rituals. Women are also allowed to freely participate in the meetings. In the absence of the husband or a male relative, a woman is welcomed to take action in defending her family or herself. Key informants claim that women also sometimes refer their disputes to a reputable woman in the village to help resolve their problem.

### Musyawarah

To resolve disputes, people in Aceh resort to *musyawarah* at the household and *gampong* level. Participants in a *musyawarah* could be limited to the family members in a dispute or open to other residents in the village. In case the conflict is between villages, the *musyawarah* is done at the *mukim* level. Such disputes can range from petty affairs such as a playground fight to inheritance distribution.¹⁶

The *musyawarah* aims to mediate between conflicting parties in order to achieve peace in the community and avoid future hostilities and revenge. Participants are expected to obey agreements reached in a *musyawarah*.

A *keucik* or *imeum mukim* who facilitates a *musyawarah* often says the words “*luka ta sipat, darah ta sukat*” (*injury can be measured just as blood can be measured*) to emphasize that, in solving a dispute, the principle of justice and law should be

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¹⁶ Resolution of Inheritance Case at the Gampong Level, IDLO, 2006.
Complaint Handling in the Rehabilitation of Aceh and Nias

respected. Sanctions can vary from a simple advice or warning to paying compensation, exile from the gampong, or revocation of adat title in accordance with local custom.17

Following the resolution of the conflict or dispute, it has been a customary practice to have a peusijuk or tepung tawar (ritual of purification). The tepung tawar ceremony involves splashing water over pulverized rice and certain leaves, which symbolizes purifying the hearts of the people in conflict and indicating that their hearts are now at peace and they will not seek revenge or future conflict. This is followed by the distribution of yellow sticky rice to all people present in the discussion to represent unity and harmony in the village.

Adat Grievance Mechanism in Nias

Nias Island has been of great interest among anthropologists, archeologists, and other social scientists due to the people’s unique and fascinating culture. Various publications in the form of research reports, books, and
documentary films have presented the exotic life of the residents of this island. Icons such as omo hada Nias (traditional Nias house), hombo batu (jumping over stone hurdles), maena baluse (war dance), and others often appear in presentations about the island.18

Nias also has an elaborate adat system and practices that have been passed down through many generations. Many social activities require ceremonies involving slaughter of pigs according to adat regulations. Because of this, most people in Nias raise pigs. However, unlike in Aceh, where the government has systematically moved towards strengthening the legal and institutional support for adat as an approach to local governance, adat practices in Nias remain without legal and institutional support.

Despite this, adat institutions (satuan banua) in Nias exist and operate to a certain extent. An assessment by UNDP in 2007 revealed that in both North and South Nias, adat institutions are running well and continue to be important in various community activities like weddings, funerals, change in leadership, and settling disputes.19

Community Structure in Nias

A basic understanding of the traditional community structure and stratification is needed to understand how adat conflict resolution works in Nias. This is because the traditional local governance and justice systems in Nias were molded by its aristocracy, which still has an influence on current practice. In South Nias, those belonging to the nobility were called si ulu, while commoners were referred to as sato or mbanua. Commoners who had superior knowledge or had demonstrated exceptional skills became si illa. Before the end of the slave trade, savuyu (slave) was the lowest position in the village social stratification. Among the si ulu, the one who had given the most numerous and sumptuous feasts prescribed by customary law was chosen as the chief of the village (balō zi’ulu). Although the village was administered by the balō zi’ulu and his intermediaries, it also had an assembly (orahua) composed of all men in the village, which deliberated over the internal village affairs and dispensed justice.

In North and Central Nias, where villages were originally organized according to clans, people were assigned social ranks (bosì). The three highest ranks (sifelandrua, sifulu, and sisiwa) corresponded to the upper category. Those occupying the middle ranks corresponded to the commoners. If a commoner satisfied all the conditions by giving the necessary feasts, he could, in principle, attain the upper ranks of his clan. Slaves occupied the lowest ranks in the hierarchy. The chief of the eldest clan had the highest position. He was the tunehöri or sanuhe (the one who is above). The other chiefs were hierarchically organized according to the age of their villages, and the ranks they had obtained by giving feasts.

Although the influence of the village elite in Nias has been reduced drastically over the years due to their reduced wealth following the end of the slave trade, and their reduced political influence following the introduction of conventional government apparatus through the appointment of village heads (kepala desa), they continue to occupy a high social position in the community. The balō zi’ulu of South Nias and the sanuhe of North Nias are now considered adat village leaders supported by other village elders.

In North Nias, the sanuhe regulates wedding procedures, including deliberation on the amount and division of dowry (jujurān). Moreover, if a community member commits theft or an immoral act, the sanuhe and his apparatus resolve the matter. In South Nias, an adat ceremony cannot

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21 See footnote 20.
continue without the presence of the *si ulu*. Likewise, the *si ulu* plays a role in settling social deviations and conflict.\(^{22}\)

**Basic Principles in Adat Conflict Resolution in Nias**

A complaint, in the context of Nias *adat*, is interpreted as an expression of disagreement about a plan or activity in the community, or a suggestion to follow *adat* rules. Conflict, on the other hand, is the actual act of expressing anger in the form of a protest, debate in a meeting, or even physical attack. Most serious conflicts in the past related to territorial disputes. The founders of many villages had to wage war to establish their village. Other villages were raided by neighboring villages seeking to expand their territory. Until today, a village border dispute is considered a serious and sensitive matter that may result in conflict.

A complaint does not need a special ritual to be resolved. However, the offender still needs to demonstrate seriousness and sincerity in seeking resolution or clarification. A response may be through making changes to satisfy the complainant or the community, or by explaining the reason why the request cannot be considered. To ignore a complaint is considered an attack on a person’s or community’s dignity. To protect this dignity, the person or the community might resort to serious acts including inflicting injury or waging war with the neighboring community to restore personal or community dignity.

Complaints and common conflicts can be resolved or clarified without any special *adat* mode of resolution, because these do not endanger or destroy peace and tranquility in the community. However, serious conflicts need a special *adat* ritual of resolution that involves the community. Serious conflicts include village border disputes, murder, stealing gold or other valuable commodities, inheritance disputes, adultery, divorce, and concubinage.

To resolve complaints and common conflicts, one can simply ask for an apology, pay a small amount of money to buy cigarettes or liquor, or invite the complainant for a drink in a village store. However, to resolve a serious conflict requires a more serious and costly effort, because it has to involve *adat* leaders (*balō zi’ulu* or *saruhe*) in an *adat* meeting called *orahua*, paying the *adat* fine called *pau*, and observing the ritual of eating together (*femanga zato*) with people in the community. An *adat* fine involves paying gold and pig slaughter. Gold is paid to the *adat* leaders and the government officials who facilitated the resolution of the conflict, while the pork will be cooked for eating together. The pig jaws (*zimbi*) and certain parts of the flesh, heart, lungs, kidneys, and ribs are distributed among the *adat* leaders according to their rank. Liquor is also served as part of the ritual. The ceremony can be negotiated and simplified to reduce the cost, depending on the seriousness of the committed act.

The ritual of eating and drinking together (*femanga zato*) provides the social function of dissolving anger and hurt feelings and prevents revenge or future violence between the conflicting parties. It helps restore peace and tranquility (*fa’ohahau dōdō ba fa’owua-wua dōdō*) in the community.

![Pig slaughter and sprinkling of blood on the ground](image)

Pig slaughter and sprinkling of blood on the ground is a symbol of purifying life and the community.

\(^{22}\) See footnote 19.
The blood sprinkled on the ground symbolizes washing of all sins and mistakes that contributed to the conflict. The flesh represents food for the people to improve their health and strength, while the liquor is to rekindle people’s spirit of life. That is why pig slaughter, eating together, and drinking liquor are the three core symbolic elements used in traditional adat conflict resolution in Nias.

Role of Women in Adat Conflict Resolution in Nias

Women’s role in the settlement of disputes is distinguished according to the kind of conflict or complaint and the place of the meeting. In a meeting on inheritance issues, women are actively involved in the discussion, even though land by adat law is usually inherited by the sons. The woman’s presence in the family meeting is important so that she will know if she will be granted a portion of her parent’s property as a sign of their love (faomasi jatua). In the meeting, a woman has the right to argue if she does not agree with her parents’ will. To show her approval, she is expected to shout *huuuh* or *hehehe*. However, in case of serious conflicts, women are not allowed to participate in the village meeting (orahua banua); women’s role is limited to the preparation of food. For the ritual ceremony, women perform the mogaele dance that describes the establishment of their village, while the men perform the war dance and stone jumping (hombo batu).

Reciprocity in Nias Culture

Another thing to be considered in Nias culture is the practice of reciprocity in restoring balance in the community. Under this cultural practice, a person who receives a favor or service is expected to reciprocate or return the favor or service received. Payment does not have to be in cash and does not have to be given immediately. Those receiving a favor or assistance incur a debt called *ömö dōdō* (debt of gratitude or *hutang budi*) that needs to be paid in the future to restore the balance of good relations in the community. Those who neglect to pay (*fusulön*) will be considered as *filō mangila huku* (someone who does not understand adat or *orang tidak tahu adat*). A *filō mangila huku* will not be included in social gatherings and will not be assisted by others in the community.

In cases where project staff enlist the support or assistance of adat leaders in resolving a dispute or grievance, the adat leaders consider their participation as a favor or service provided to the project. Hence, the project in principle incurs an *ömö dōdō* (debt of gratitude) to the adat leaders and is, therefore, expected to reciprocate the assistance it received from them, regardless of the fact that project interventions directly benefited the community.

Benefits, Limitations, and Drawbacks of Adat Conflict Resolution

Experience in ETESP implementation shows that working with adat institutions in conflict resolution related to project planning and implementation helped resolve many issues that could have escalated into more serious conflicts. It also spared people from having to go through the long, painful, and expensive process of formal litigation. In some cases, the facilitation made or the mere presence of adat leaders helped cool down the tempers of conflicting parties. A number of complainants also preferred to consult adat leaders for advice. At the same time, agreed upon solutions and actions became more binding when adat leaders participated as witnesses.

The lack of written records of previous agreements and community decisions that could guide current disagreements and conflicts in the community can somehow be augmented through the participation of adat leaders who, by default, serve as the “memory bank, record keeper, or witnesses” of previous actions and decisions in the community.

On the other hand, adat grievance resolution also has limitations and
drawbacks. In communities where adat institutions have been fractured or severely weakened as a result of the disaster or where newly emerging leaders have not yet fully earned the respect and trust of the community, the involvement of adat leaders provides little advantage in resolving concerns and in making parties comply with agreements. Moreover, some adat leaders who pursue their vested interest over the community or seek to capture subproject benefits and opportunities sometimes become the source of conflict themselves.

The emphasis given in adat resolution to consensus building and nonconfrontation also contributes to the nonresolution of certain cases, where some parties are unavering in their position or demands. It can also pressure some complainants to unwillingly give in to pressure for the sake of tranquility in the community.

Although the rituals associated with certain adat conflict resolution such as the peusijuk in Aceh and the femanga zato in Nias strengthen agreements made as part of the adat conflict resolution and facilitate the healing of strained relations, these can also be a financial burden to community members, project staff, or contractors.

While adat conflict resolution provides some space for women’s participation, effort is still needed to ensure that women are given opportunities to raise their voices and be heard in the community. Moreover, the existence of parallel women-specific adat practices in grievance resolution appears to remain invisible or weak in most cases.

**Recommendations**

From the ETESP experience, it is clear that projects could benefit from a good understanding of adat, and traditional conflict resolution in the project area and by integrating project-specific grievance mechanisms with existing conflict resolution processes in the community.

For future projects, the following specific recommendations are proposed:

- During the project preparation phase, a social assessment should be conducted to identify and assess key stakeholders (including traditional and/or adat leaders) who may affect project implementation. An assessment of the existence and importance of traditional conflict resolution in the area, including the associated practices and important rituals, should be done as part of the social assessment. Likewise, the assessment should look into parallel traditional grievance resolution involving women.

- In project sites where adat is still strongly adhered to by the community, it may help if the project manager is allocated a budget for utilizing and/or supporting adat processes that may benefit project implementation. This will help reduce the financial burden on project staff and beneficiaries and hasten the resolution of conflict.

- Adat conflict resolution should be integrated into the project’s grievance mechanism, and project staff should be oriented. The orientation should enable staff to have a critical understanding of both the strengths and drawbacks in working with adat institutions and how to overcome its limitations.

- Based on an assessment of women’s participation in adat conflict resolution, a gender plan that will strengthen women’s participation and benefits from adat conflict resolution should be developed.

- Adat conflict resolution is largely unwritten. To overcome this, project staff should ensure that agreements or decisions reached through adat processes are also recorded and signed by adat leaders. Copies of the agreements or minutes of meetings should be provided to the head of the village, other key leaders, and the principal parties involved in the conflict.
Complaint Handling in the Rehabilitation of ACEH and NIAS

An effective system for complaint handling is a key element of a good development project. This reader presents the experiences and lessons learned in handling complaints under the Asian Development Bank-assisted Earthquake and Tsunami Emergency Support Project in Indonesia, and similar initiatives supported by other organizations, in the rehabilitation of Aceh and Nias following the disasters there in December 2004 and March 2005. The book will contribute to capacity building for complaint handling within local governments in Aceh and Nias as well as provide a wider sharing of experiences within governments and nongovernment organizations in Indonesia and beyond. A summary of lessons and recommendations draws together common strands from the 18 papers presented.

About the Asian Development Bank

ADB’s vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries substantially reduce poverty and improve the quality of life of their people. Despite the region’s many successes, it remains home to two-thirds of the world’s poor: 1.8 billion people who live on less than $2 a day, with 903 million struggling on less than $1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

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