

Indonesia

Ex-Post Evaluation of Japanese Technical Cooperation Project

“The Project on Self-Sustainable Community Empowerment Network Formulation in Nanggroe Aceh Darussalam Province”

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**0. Summary**

The main objectives of this project were to assist 1) income generation activities of those who lost livelihood because of tsunami in 2004, 2) human resource development of local government officials responsible for recovery projects, and 3) development projects of Banda Aceh city by promoting Urgent Reconstruction and Rehabilitation Plan for Banda Aceh City (URRP) assisted by Japan to be enacted as the city ordinance. The relevance of the project is high since it is consistent with the policy of the Government of Indonesia to recover from tsunami disaster, development needs of the local people, and Japan’s policy to support them. The Effectiveness and the impact are fair since the project did not achieve the overall goal of formulating the network among income generation groups although the project was effective in supporting income generation activity to assist people’s livelihood, contributing to human resource development in local governments, and promoting Banda Aceh city recovery plan. The efficiency is high since the budget and the time period of the project was within the plan. The sustainability is low since the project did not have an organizational arrangement to ensure the sustainability of the project. Although some income generation activities continue, it does not have a mechanism to sustain ACE (Activity for Community Empowerment) groups. In light of the above, this project is evaluated to be partially satisfactory.

**1. Project Description**



(Aceh Province, Indonesia)



(People engaged in income generation activities)

## 1.1 Background

Because of earthquake and tsunami on December 26, 2006 in Indonesia, 130,000 people died, 337,000 people were missing, and 500,000 became refugees. In addition to loss of human lives, many houses were lost, infrastructure, public facilities and private capital were all damaged, and Aceh province had the most serious damages since it is located in the northernmost part of Sumatra island.

Prior to this project, JICA implemented the urgent rehabilitation and reconstruction support program (March 2005 – March 2006) for formulating Urgent Reconstruction and Rehabilitation Plan for Banda Aceh City, recovering land registration, and rehabilitating sanitation facilities and others. Together with the assistance from other donors, the rehabilitation of roads, houses and others was in progress.

About two years later after the earthquake and the tsunami, the rehabilitation in construction of infrastructure was progressing. However, those who lost family members who were the main earner of income, and those who lost means of income were still in difficult situations. Local governments lost many officials by earthquake and tsunami, and their capabilities remained low, and this affected the reconstruction processes. The assistance for the citizens and the governments in their human resource development were delayed, and these became issues.

## 1.2 Project Outline

This project consisted of 1) assistance for people to improve their livelihood, 2) human resource development of local government officials, 3) follow-up for Urgent Reconstruction and Rehabilitation Plan for Banda Aceh City (URRP) , and 4) publicity and awareness raising activities. Among these components, assistance for people's livelihood and human resource development of local governments were particularly important, and the project attempted to achieve the outputs during the project implementation, and establish the organizational arrangement to disseminate the model to improve people's lives and transfer the programs developed by the project for human resource development of local governments officials to each local government.

Overall Goal	Community empowerment network is expanded and self-sustainability of community activities is strengthened.
Project Objective	Community activities are activated through enhancement of community capacity

Outputs	Output 1	Revitalization of disaster/conflict affected people is enhanced and capacity of local government authorities, local expertise and people on ACE planning and implementation are increased.
	Output 2	Technical and administrative capacities of local governments are increased.
	Output 3	Reconstruction plan of Banda Aceh City (URRP) is updated and policy framework on regional development is recommended to BRR and local governments.
	Output 4	Public awareness and preparedness on earthquake and tsunami are increased
Inputs	Japanese Side: 1. Six Experts 2. Local Cost 32 million yen (1 yen = 0.00819 rupiah as of March 2009 applied)  Indonesian Side: 1. Four Counterparts	
Total cost	234.21 million yen	
Period of Cooperation	March 1, 2007 – March 31, 2009	
Implementing Agency	Rehabilitation and Reconstruction Agency of Aceh and Nias: BRR) <sup>1</sup>	
Cooperation Agency in Japan	none	
Related Projects (if any)	Urgent Rehabilitation and Reconstruction Support Program for Aceh Province and Affected Areas in North Sumatra (Urgent Reconstruction and Rehabilitation Plan for Banda Aceh City) March 2005 – March 2006	

### 1.3 Outline of the Terminal Evaluation

#### 1.3.1 Achievement of Overall Goal

The project components of Activity for Community Empowerment (ACE) and training programs for local government officials covered one city and six regions, and the public awareness activities by radio programs covered one third of the tsunami-affected areas, and the project achieved most outputs by implementing its

<sup>1</sup> BRR was established by the Presidential Decree on April 16, 2005. Its main task was to promote recovery and reconstruction projects by regional governments in collaboration with domestic and international organizations, following the guidelines of the national budget expenditure. Originally, BRR was to be dissolved on March 2009, and it was actually dissolved in September 2009.

activities in each area. Thus, the terminal evaluation concluded that the overall goal was likely to be achieved.

### 1.3.2 Achievement of Project Objective

ACE program established 34 groups with many member households' income increased. Over 70% of the trainees of capacity building programs for the local government officials used their training contents and disseminated them to their co-workers, and the terminal evaluation confirmed a certain degree of effectiveness of this component. URRP was not only an urban planning of Banda Aceh city but also useful for the formulation of disaster prevention plan, and development plan of infrastructure and public facilities. From the above, the terminal evaluation concluded that the project objective was likely to be achieved.

### 1.3.3 Recommendations

ACE program promoted people's capability and self-sustenance and much contributed to poverty reduction. In order to sustain and further develop ACE activities, it is important that local governments take the leadership for formulating and implement the ACE activities.

In order to actualize the effect of the reconstruction and administrative capability of the local governments in the long term, their capabilities suitable for their assignments at the city and regional level should be further developed, for which it is recommended to strengthen the organizational arrangement to implement trainings and have the adequate budget.

## **2. Outline of the Evaluation Study**

### **2.1 External Evaluator**

Keiichi Takaki, Foundation for Advanced Studies on International Development

### **2.2 Duration of Evaluation Study**

Duration of the Study: November 2011 – January 2013

Duration of the Field Study: March 15 – April 1 & June 19 – June 30, 2012

### **2.3 Constraints during the Evaluation Study (if any)**

BRR, the implementing agency, was dissolved in 2009, and officials involved in this project were assigned to their own organizations. This caused difficulty in collecting

information necessary for the evaluation.

This project does not have the logic that outputs lead to the achievement of project objective. This caused a certain degree of difficulty in evaluation.

### **3. Results of the Evaluation (Overall Rating: C<sup>2</sup>)**

#### **3.1 Relevance (Rating: ③<sup>2</sup>)**

##### 3.1.1 Relevance with the Development Plan of Indonesia

The Government of Indonesia included the capacity building of organizations in charge disaster management, reduction and prevention of disaster risk, and strengthening of community capabilities for preventing and being prepared for disasters at the national and regional level together with early recovery of disaster affected-areas in the annual action plan for 2007 which was grounded on the medium term national development plan (2004 – 2009)

“The issue and action plan for the national development (2004-2009)” in the medium term national development plan by the Government of Indonesia included the recovery and rehabilitation plans of the Provinces of Northern Sumatra and Aceh and this covered from the emergency stage to reconstruction stage. Furthermore, Aceh was one of the priority areas in the country as “the actualization of safe and peaceful Indonesia” stated the necessity to emphasize fairness for Aceh in order to prevent sectionalism.

The Government of Indonesia established BRR (Badan Rehabilitasi dan Rekonstruksi = Agency for the Rehabilitation and Reconstruction of Aceh and Nias) by the Presidential decree in April 2005 with the purposes of the comprehensive coordination of projects for recovery and rehabilitation projects, and reconstruction of people’s life and infrastructure by strengthening communities. This project has the purpose of recovery and further improvement of the basis of living with the community as the main actor, and improve administrative capacities of the city and regions that are responsible for recovery and reconstruction. Thus the project and development policies of Indonesia are consistent.

##### 3.1.2 Relevance with the Development Needs of Indonesia

Because of earthquake and tsunami of December 26, 2004 in Indonesia, 130,000 people died, 337,000 people were missing, and 500,000 people became refugees and Aceh province had the most serious damage, as it is located in the northernmost part of

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<sup>2</sup> ③: High, ② Fair, ① Low

Sumatra.

Although many donors assisted Aceh for their loss because of earthquake and tsunami, they were mainly for constructing infrastructure such as roads and houses. On the one hand, many people lost their job, and local governments lost their officials, and their administrative capabilities were still low, which had negative impact on their reconstruction work. Thus, there was still much to be done for reconstructing people's lives and recovering administrative capabilities of local governments. This project aimed to recover and further develop livelihood of tsunami-affected people and strengthen government officials' capabilities. URRP that was formulated with the assistance of Japan needed some more support to be enacted as the city ordinance. From the above, this project is consistent with the development needs.

### 3.1.3 Relevance with Japan's ODA Policy

Japan's ODA charter and medium term plan had priorities in the engagement with global issues, and the disaster engagement was a high priority. Japan's ODA policy for Indonesia had priorities in peace building and reconstruction. Furthermore, ODA development plan for Indonesia (2004) stated that the assistance for Aceh reconstruction was a part of peace and stability program. Thus, this project is consistent with Japan's ODA policies.

This project has been highly relevant with the country's development plan, development needs, as well as Japan's ODA policy, therefore its relevance is high.

## **3.2 Effectiveness and Impact (Rating: ②)**

### 3.2.1 Project Outputs

#### 3.2.1.1 Project Output

1) Output 1: Revitalization of disaster/conflict affected people is enhanced and capacity of local government authorities, local expertise and people on ACE planning and implementation are increased.

This output entailed organizing people into groups and to promote self-sustained participatory development of people and community by promoting income generation activities and strengthening recovery and reconstruction capacity of the people. For this purpose, ACE group was established.

ACE groups were not registered bodies in the local government, and they had 8

members on average, 80% of them were women, the youngest member was 17 years old, and the oldest member was 70 years old (JICA document). The locations of ACE groups are listed in Table 1.

The first indicator of Output 1 was “the number of ACEs implemented” and this meant the number of established ACE groups. The procedure of ACE group formulation was that the project team determined the districts to establish ACE based on the annual budget of local governments, poverty rate and other factors, organized community meetings to have dialogues with local people, and asked for the application of ACE candidate groups. Later, each ACE group candidate prepared and submitted business plans. The project team eventually selected 21 ACE groups with business plans that they assessed as good. These ACE groups received seed money of 20 million rupiah and started their businesses.

Later, nine groups were newly established from the original 21 groups. The reasons of starting these nine groups were as follows; for those groups that were successful in their businesses, they wanted to expand their businesses, and for those groups whose merchandise did not sell well, some members planned to sell other merchandise that may sell well, for which they started new groups. Prior to the project, JICA Indonesia office supported four ACE groups in Ulele area in Banda Aceh city, and these four groups still existed. At the time of the project completion, there were 34 ACE groups. Table 1 lists 25 groups (21 groups and 4 groups established prior to the project in Ulele area) with their location, business content, and the number of members. From the above, more than 21 ACE groups were established and it can be said that the first indicator was achieved.

Table 1. ACE group

Location (City or Regions)	Activities	The number of members at the time of project completion
Banda Aceh city	Making and selling cake	10
	Sewing and embroidery	3
	Cake making and selling	8
	Fish processing	4
	Embroidery	4
	Sewing	3
Ace Besear	Lobster farming	3
	Making coconut spice	5
	Cake making and selling	10
	Cake making and selling	15
Pidie	Embroidery	10
	Making Melinjo <sup>3</sup> Crisp	20
	Cake making and selling	10
	Making and selling ice candy	6
Bireun	Making and selling snacks	6
	Tofu making	7
	Raising chicken raising for egg	8
	Raising chicken for meat	6
Aceh Tengah	Cake making and selling	8
	Fish farming	5
Aceh Barat	Cake making and selling	5
	Cake making and selling	15
	Fish farming	8
Aceh Jaya	Ox fattening	5
	Ox fattening	10
	Ox fattening	6

Source: JICA document

The second indicator was “the amount of household income before and after the implementation of ACE.” 60% of the ACE group members were affected by tsunami and conflicts, and their main sources of income were their own businesses. Their income before tsunami in 2003 was 601,700 rupiah on average. After participating in ACE activities, their income became 673,700 rupiah, which was an increase by 12% (JICA documents, 2009).

This ex-post evaluation conducted the beneficiary survey<sup>4</sup> with ACE group members as respondents. The beneficiary survey asked about improvement in livelihood,

<sup>3</sup> Melinjo is a species of Gnetum native to Indonesia.

<sup>4</sup> The procedure of the survey is described in the annex.



quality and productivity of products that ACE group members produce and sell, and sales amount of the products. Table 2 shows the summary of their responses. These responses to these questions were by the scale of 5=much useful, 4=useful, 3=fairly useful, 2=not so useful, 1=not useful.

The result of the beneficiary survey shows that the degree by which ACE group activities were useful for improving livelihood was 3.73 on average, indicating that ACE activities were mostly useful. This shows that ACE activities contributed to improving livelihood. Thus it can be said that the second indicator was achieved.

I analyzed the factors by which ACE activities contributed to increasing income by the mixed effect model that is described in the annex of this report. The result of the analysis indicated that age, educational level, activeness in ACE group activities, participation in ACE festivals, knowledge of ACE manual, cooperativeness of ACE group members, contacts with other ACE group members were statistically significant in contributing to increased income (the details are described in the annex).

The beneficiary survey asked about effectiveness of ACE activities on improving quality and productivity of products and on increasing sales. The results are in Table 2, and the degree of usefulness of ACE activities in improving quality and productivity of products was 3.71 on average, and the degree of usefulness in increasing sales was 3.19 on average, meaning they were mostly useful. The reason why ACE activities were useful may be that ACE group members had some knowledge and skill before they participated in ACE activities, but did not have knowledge about book-keeping and sales, which they learned in the ACE activities (JICA document). Other reasons may be that ACE activities promoted information exchange to improve quality and productivity within and between ACE groups, and the project provided the funds for purchasing equipment (interview at ex-post evaluation).

Table 2. Usefulness of ACE group activities

Variable	Min.	Max	Means	Standard deviation
The degree by which ACE group activities were useful for improving livelihood	2	5	3.73	0.78
The degree by which ACE group activities were useful for improving quality and productivity of products	1	5	3.71	0.80
The degree by which ACE group activities were useful for increasing sales amount	1	5	3.19	1.07

Source: Beneficiary survey

The third indicator was “the number of distributed ACE manuals.” 70 manuals in English and 194 manuals in Indonesian were distributed to international organizations and visitors to the project office (JICA document). This manual contains four sections that cover general description of ACE activities, how to prepare business plan, how to implement it, and how to monitor. This manual was prepared with an intention that ACE activities would be adopted by other organizations and be disseminated to other regions. However, it is not confirmed that ACE activities were adopted by other organizations or it was disseminated to other regions. Since there not sufficient information, this indicator cannot be evaluated.

The forth indicator was “the number of meetings of Joint coordinating Committee (JCC) and ACE working groups.” It is to check whether JCC and working groups fulfilled their designated roles. The implementation arrangement of this project was that under BRR, the implementing agency, there was JCC that did the overall decision-making and coordination for any problems. JCC had project manager, representatives of BRR, Aceh Provincial government, and Banda Aceh city on the Indonesian side, and JICA experts on the Japanese side. JCC was the substantial decision making arrangement, and decided which ACE groups to support and the contents of training programs that will be described later.

JCC had three working groups each of which was in charge of ACE activities (Output 1), Capacity building of local government officials (Output 2), and URRP (Output 3). Each working group was engaged with issues and problems in planning and implementation. Each working group was consisted of officials in charge of relevant sector of the local governments.

JCC was held five times during the project implementation and confirmed the progress of the project, and made decision for the improvement of the project implementation. ACE working group was organized for 24 times with the participation of officials of the local governments and had important roles for implementing ACE activities that included receiving request of assistance from the pertinent sections of local governments, selection of areas to establish ACE groups within each of city and region (JICA document). Thus, it can be said that the fourth indicator was achieved.

The fifth indicator was “1) the number of orientations for ACE members/local expertise/local government, 2) ACE manual use, 3) the numbers of community

exchanges and ACE workshops,” and the project implemented 37 orientations, 25 ACE workshop, and four ACE festivals.

The project organized 37 orientations for ACE group members, local government officials, NGOs and consultants that supported ACE groups with the content of how to formulate ACE activities, and how to examine business plan. The breakdown was two times in each of one city and six regions (one each for ACE group members and local government officials), totaling 14 times organized. In the implementation of ACE activities, NGOs and consultants assisted ACE groups in planning and implementation. For the purpose of training these people, 23 orientations were organized, and these make 37 orientations organized.

ACE manuals contributed to ACE activities by improving common understanding the implementation of ACE activities among ACE members, implementing agencies and officials of the local governments.

Four ACE festivals were organized to bring together groups located in various areas in Aceh province to publicize their activities to other groups, people involved in the project, and the general public, and to organize opportunities to promote sales of their products for local people and government officials. They were organized in four locations closest to each locality so that as many local people and government officials as possible can participate in the ACE festivals.

At the ACE festivals, community exchanges were organized. In addition to ACE group members, 100 to 250 people of government officials, NGO staff, and local people participated in the occasion, and contributed to expanding networks and promoting exchanges of knowledge and information among ACE groups. This occasion exposed ACE group products to many people and contributed to publicity of ACE activities and increase of sales.

The beneficiary survey asked about usefulness of ACE festivals. 37 out of 134 respondents (26.6%) participated in the ACE festival, and I asked them how useful ACE festival was in general, and in what aspect they were useful. The response was in five scale (5=very useful, 4=useful,3=fairly useful, 2=not so useful, 1=not useful). The results are shown in Table 3.

The usefulness of ACE festival in general was 3.86 on average, and its usefulness in

expanding networks with other ACE groups was 3.35 on average. Its usefulness for exchanging information and learning new knowledge was 3.27 on average, and its usefulness for promoting sales was 3.14 on average. These indicate that ACE festivals were mostly useful.

Table 3. Usefulness of ACE festivals

Variable	Min.	Max.	Means	Standard deviation
The degree by which ACE festivals were useful in general	3	5	3.86	0.71
The degree by which the festivals were useful for networking	2	5	3.35	0.71
The degree by which the festivals were useful for information exchange and learning new knowledge	1	5	3.27	0.87
The degree by which the festivals were useful for promoting sales	2	5	3.14	0.71

Source: Beneficiary survey

25 ACE workshops were organized in total. They were organized in one city and six regions with the intention that many ACE members and local government officials could participate. The content of the first workshop was about ACE planning, the second was about ACE implementation, and the third was about monitoring and evaluation, and 21 workshops were organized. In addition, four ACE workshops were organized when ACE festivals were held for ACE group members for improving quality and productivity and sales promotion. In total, 25 ACE workshops were organized.

The beneficiary survey asked about usefulness of ACE workshops. 42 out of 134 respondents (31.3%) participated in ACE workshops, and I asked how usefulness ACE workshops were in learning new skills and knowledge with the five scale (5=very useful, 4=useful, 3=fairly useful, 2=not so useful, 1=not useful). The result is in Table 4 and is 3.63 on average, indicating that it was mostly useful. However, since only 42 respondents (31.3%) participated in the workshops, the effectiveness was limited.

The beneficiary survey asked whether the respondents know ACE manual, and only 3 out of 134 respondents (2.2%) said that they know it. I asked them its usefulness in learning knowledge and skill with the five scale (5=very useful, 4=useful, 3=fairly

useful, 2=not so useful, 1=not useful), and the result is 3.67 on average (Table 4), indicating mostly useful. However, only 3 respondents (2.2%) knew about the manual, thus the effectiveness of the manual was limited.

From the above, the fifth indicator of “1) the number of orientations for ACE members/local expertise/local government, 2) ACE manual use, 3) the numbers of community exchanges and ACE workshops,” were organized as planned, and useful in publicizing, raising awareness of and promoting understanding of ACE activities. On the one hand, the effectiveness of ACE manuals and ACE workshops were rather limited. From the above, it can be said that the achievement of the fifth indicator was fair.

Table 4. Usefulness of ACE workshops and ACE manual

Variable	Min.	Max.	Means	Standard deviation
The degree by which ACE workshops were useful in learning new skills and knowledge	3	5	3.63	0.65
The degree by which ACE manuals were useful in learning new knowledge and skills	3	4	3.67	0.57

Source: Beneficiary survey

The sixth indicator is “the number of interactive radio program on ACE,” and 10 radio programs for publicizing ACE activities were broadcasted from November 2008 to January 2009.

The content of radio programs on ACE were talk-shows for 1) publicizing ACE activity and their products by inviting ACE members and people involved with the project as speakers, 2) discussing community development and how to improve productivity, and how to do marketing by inviting government officials such as BRR and university teachers. The survey conducted by the project team had the result that these programs increased customers for ACE group business by informing more people of the project. Thus the sixth indicator was achieved.

From the above, the third indicator could not be evaluated since the use of ACE manuals was not confirmed in the project implemented by the local government offices or donors. The achievement of Indicator 5 was fair since effectiveness of ACE manual and ACE workshops was limited. Other indicators were mostly

achieved. Thus Output 1 was mostly achieved.

2) Output 2: Technical and administrative capacities of local governments are increased.”

Because of tsunami and conflicts, local governments lost many officials. Although they attempted to fulfil the vacancy by new recruits, they were not sufficient. They attempted to fulfil the vacancy by training those who were already working for their own local governments. Output 2 was to assist their efforts in this direction. The contents of the training programs were selected from those contents not yet assisted by other donors and local governments have the high priority of.

The first indicator is “the number of technical and administrative trainings conducted on local government administrators” and the project had trainings in four sectors that were performance based budgeting, quality control on road and bridge construction, environmental management, and public health with 12 modules developed. The project implemented 20 technical and administrative training programs with 621 trainees from one city and six regional governments.

After participating in the training programs, trainees said that the training content was useful, since it was much relevant to their routine work. Another trainee in the training program on the quality control on road and bridge construction said that he never had the training specialized in the operation and maintenance of roads and bridges and learned how to assess the damage of roads and bridges and figure out measures in accordance with the degree of the damage (JICA document).

Trainees in the training programs on budgeting learned about a new ordinance on budget management that he previously did not understand. Trainees in the training program on the public health said that many representatives of health center never participated in the training programs on planning and management in the health sector, and they learned them, and they were very useful (JICA document).

This ex-post evaluation asked 36 former trainees on how much useful their training was when they completed the training program with the five scale (5=very useful, 4=useful,3=fairly useful, 2=not so useful, 1=not useful). Although these 36 trainees were not randomly selected and their responses cannot be generalized to the whole trainees, the average of their responses was 4.52, indicating mostly useful.

From the above, it can be said that the training programs were conducted as planned, and trainees mostly found them useful. Thus, it can be said that the first indicator was achieved.

The second indicator is “the percentage of training participants who utilized training experience in daily work.” The project team asked 621 respondents after the trainings whether they use the training contents in their daily work with the following results; 84% for performance based budgeting, 72% for quality control on road and bridge construction, 71% for environmental management, and 44% for public health (JICA document). The numbers of trainees were different from sector to sector, and I made adjustment with the weight in accordance with the number of trainees, and 72% of the all trainees used the training contents. Thus it can be said that the achievement of the second indicator was fair.

Table 5. Use situations of training contents of human resource development for local governments

	The number of participants	Percentage of use	weight	Percentage of use with weight added
Performance based Budgeting	281	84	0.45	37
Quality control on road and bridge construction	144	72	0.23	16
Environmental management	166	71	0.26	18
Public health	30	44	0.04	1
Total	621			72

Source: JICA document

The third indicator is the “percentage of training participants who disseminate training experience to co-workers.” The survey also asked the trainees whether they disseminated training experiences to co-workers and the results are as follows; 75% for performance based budgeting, 79% for quality control on road and bridge construction, 86% for environmental management, and 67% for public health (JICA document). The numbers of trainees were different from sector to sector, and I made adjustment with the weight similarly to the calculation of the percentage of use, and 74% of the all trainees disseminated the training experience to their co-workers.

Thus it can be said that the achievement of the third indicator was fair (Please refer to Table 6).

Table 6. Dissemination of training contents of human resource development for local governments

	The number of participants	The percentage of transmission	Weight	Percentage of dissemination with weight added
Performance based Budgeting	281	75	0.45	33
Quality control on road and bridge construction	144	79	0.23	18
Environmental management	166	86	0.26	22
Public health	30	67	0.04	2
Total	621			75

Source: JICA document

From the above, the first indicator was achieved, and the achievement of the second and the third indicators were fair. Thus, the achievement of Output 2 was fair.

3) Output 3: Urgent Reconstruction plan of Banda Aceh City (URRP) is updated and policy framework on regional development is recommended to BRR and local governments.

URRP was formulated by the Urgent Rehabilitation and Reconstruction Support Program for Aceh Province and Affected Areas in North Sumatra (Urgent Reconstruction and Rehabilitation Plan for Banda Aceh City) for making recommendations to reconstruct affected Banda Aceh city and rehabilitate public facilities such as roads, hospitals, and schools. Later it was revised to become a long-term blueprint of urban planning that emphasized disaster prevention and economic development.

URRP as the urban planning was based on the principle of Islamic value and emphasized integrated Aceh society with citizens at its center, and listed promotion of disaster prevention and economic development as the important policies. URRP also had the demarcation of land use for government offices, commercial activities, schools,



and residential areas from the perspectives of predicted population increase, economic development, and making city prepared for disaster. It also has the projection of necessary social infrastructure such as water facilities and waste treatment facilities based on the prediction of population, demand of water and volumes of sewage, and waste.

The first indicator of Output 3 was “URRP being enacted as the city ordinance.” During the project implementation, JICA experts promoted citizens to participate in enacting processes by publicity and awareness campaigns through radio programs, news paper advertisement, leaflets, boards and others (JICA document).

After the project completion, Banda Aceh city spent 50 million rupiah for publicity activities and public hearing for city councilors, city officials, and citizens. In 2009, three public hearings were held with about 100 participants. By these activities of the city government and the project, city councilors, city government officials, and the citizens understood better and had opportunities to express their opinions. Through these processes, URRP was enacted as the city planning with the time horizon of 20 years following the change in the domestic law (URRP was originally for 10 years). From the above, the first indicator was achieved.

The second indicator was “activities of BRR and local government based on the URRP.” BRR and local government organizations implemented 47 emergency recovery and rehabilitation projects while the original proposal included 42 projects. Thus, the second indicator was achieved.

From the above, all the indicators were achieved, and it can be said that Output 3 was achieved.

4) Output 4: increased public awareness and preparedness on earthquake and tsunami

Output 4 was for the purpose of providing information on the progress of reconstruction for affected people and contributing to raising awareness on disaster prevention.

The first indicator was “the number of radio programs for the publicity,” and the total of 62 radio programs for the publicity were broadcasted from 2007 to 2009 with the purposes of providing advice for citizens who were affected by tsunami and conflicts

on recovering living and on gender, raising awareness of citizens and related organization on disaster prevention, publicity on ACE activities.

The project team conducted survey with the listeners as the respondents in 2009, and 67% of the respondents knew JICA, 61% knew that the radio programs were supported by JICA. 62% ever listened to the radio programs, and 35 % listened to them more than 20 times. 84% were aware of support programs including ACE activities. Furthermore, 86% responded that these radio programs were the efficient means to know the progress of rehabilitation projects by BRR and other organizations, and 87% said that it was useful in raising their awareness on disaster prevention (JICA document).

From the above, the radio programs were broadcasted as planned, and the survey for the listeners indicated that radio programs were useful means to know the progress of rehabilitation project and to raise their awareness on disaster prevention. Thus, it can be said that Output 1 was achieved.

#### 3.2.1.2 Achievement of Project Objectives

Project objective: Community activities are activated through enhancement of community capacity.

1) The first indicator was the number of activated communities, and this indicator refers to the number of ACE groups established. This is same as the first indicator of Output 1. As mentioned before, 34 ACE groups were established, and this indicator was achieved.

2) The second indicator was “the number of community meetings by communities, government officials, JICA experts and others,” and community exchanges were organized in each of the four ACE festivals, and ACE group members, government officials, NGO staff, and general public participated, and promoted ACE group activities. Thus, this indicator was achieved.

From the above, each indicator was achieved, and the project objective was achieved. ACE groups were established and economic activities of the people were supported and their income increased.

On the one hand, the project objective has logical problem with its relations with

outputs. The project objective of the activation of communities is same as Output 1 that entailed people formulating groups, and their economic activities being promoted to improve their livelihood. About achievements of each output, it was fair for Output 2 for human resource development of local government officials with about 70% of the trainees using the training contents and disseminated them to their co-workers. As for Output 3, URRP was enacted as the city ordinance of Banda Aceh city and is used as the blue print of the urban planning. As for Output 4 of publicity and awareness raising activities, it contributed to raising people's awareness on disaster prevention, and it was achieved. However, these Outputs 2, 3, and 4 had no direct connection to the project objective, and does not constitute the logical relationships that achievements of outputs lead to achievement of the project objective.

### 3.2.2 Impact

#### 3.2.2.1 Achievement of Overall Goal

The overall goal: Community empowerment network is expanded and self-sustainability of community activities is strengthened.

1) The first indicator was the number of communities that constituted network, and this means the number of ACE groups that formed networks. In reality, ACE group members had interactions with others in the ACE festivals and other occasions for exchange of information. This was network nurtured by ACE group members.

The terminal evaluation mentioned that the expansion of the network was to be expected after the project completion. However, the beneficiary survey found that 22 out 134 respondents (16%) have contacts with members of other ACE groups. This means that the first indicator was not achieved. The reason is that use and maintenance of networks is left to individual members, and the project did not construct a mechanism for these purposes. Although the project considered the form and purpose of the networks, community exchange was the only project activities to promote networks. At this occasion of community exchange, ACE members formed networks with other members through showing their products and sharing their business experiences and information of their products (JICA document) there was no other project activities to establish a mechanism to maintain and promote networks. From the above, the first indicator was not achieved.

The Current status of ACE groups at the time of the ex-post evaluation is as in Table 7.

24 groups are active with 208 members in total. 10 groups were dissolved because leaders moved out and poor business performance.

Table 7. Current situations of ACE groups (1)

Location (City or Regions)	Activities	Active or dissolved (reasons of dissolution)	The number of members as of ex-post evaluation
Banda Aceh city	Making and selling cake	Active	10
	Coffee making	Dissolved (poor performance)	0
	Sewing and embroidery	Active	3
	Making and selling cake	Active	9
	Processing fish	Dissolved (Leader moved out)	0
	Sewing	Active	2
	Lobster farming	Dissolved (poor performance)	0
Ace Besar	Making coconut spice	Active	10
	Making coconut spice	Dissolved (poor performance)	0
	Cake making and selling	Active	10
	Cake making and selling	Dissolved (poor performance)	0
	Cake making and selling	Active	10
	Sewing	Active	13
Pidie	Making melinjo crisp	Active	20
	Procuring and selling melinjo crisp	Dissolved (poor performance)	0
	Making and selling ice candy	Active	10
	Making and selling ice candy	Active	11
	Making and selling snacks	Active	8
Bireun	Tofu making	Active	7
	Raising chicken for egg	Active	6
	Making and selling rat traps	Active	6
	Raising chickens for meat	Active	8
	Cake making and selling	Active	8
	Cake making and selling	Active	9
	Growing Cassava	Dissolved (Cultivation land became unavailable)	0

Table 7. Current situations of ACE groups (2)

Location (City or Regions)	Activities	Active or dissolved (reasons of dissolution)	The number of members as of ex-post evaluation
Aceh Tengah	Fish farming	Active	7
	Cake making and selling	Active	5
	Cake making and selling	Dissolved (a leader moved out)	0
Aceh Barat	Cake making and selling	Active	12
	Cake making and selling	Active	9
	Fish farming	Dissolved (poor performance)	0
	Cake making and selling	Dissolved (poor performance)	0
Aceh Jaya	Ox fattening	Active	5
	Ox fattening	Active	10
Total			208

Source: beneficiary survey

2) The second indicator was the number of community dialogue and exchange. The project organized four ACE festivals and held community exchange during these occasions and ACE group members, government officials, NGO staff and general public participated with the objective to construct networks among ACE groups. The result of beneficiary survey indicated that the usefulness of ACE festivals was 3.35 on average, meaning it provided useful opportunities for expanding networks. On the one hand, there is not mechanism to sustain networks and only 16% of the respondents maintain the networks with other ACE groups. Thus it cannot be said that community dialogue and exchange contributed to expand and develop networks. Thus, it cannot be said that this indicator was achieved.

3) The third indicator was “the number of radio programs for ACE publicity and awareness raising.” From November 2008 until January 2009, ten programs were broadcasted with the purpose of publicizing ACE activities by inviting ACE group members and others involved with ACE activities, and presenting ACE group activities and their products, and of discussing community development, productivity improvement, and marketing by inviting officials of governments such as BRR and university teachers. According to the survey by the project team with listeners as the respondents, these programs broadly publicized ACE activities. From the above, this indicator was achieved. On the one hand, there is a problem of logic of this indicator

vis-à-vis overall goal because although radio programs were useful for publicizing the ACE activities to the general public, it did not lead to expansion and development of networks.

Another project impact is the village economic development program implemented by Banda Aceh city with their own budget since June 2009. It was expected that ACE activities to be continued by the city and regional governments, and the memoranda of understanding were signed for the purpose of transferring this project to each of these local governments. After the memoranda of understanding signed, the project organized workshops on ACE activities for officials of city and regional governments. After the project completion, these city and regional governments have programs to assist local residents in their income generation activities with their own budget and only Banda Aceh city continues ACE activities for their village economic development program, and schemes by other regional governments are implemented without connection of ACE activities.

Banda Aceh city formulated the village economic development program in 2009 with the assistance of JICA experts and NGO. In selecting the beneficiaries, they use their experiences of ACE activities and select those with knowledge and skills for their businesses for ensuring sustainability.

This program provides loan, not grant, and use the model of Grameen bank. The beneficiaries are required to make a group of five to six members, and make repayment in 40 weeks. When a member cannot repay on schedule, other members have to pay instead.

The budget of the program is in Table 8 and it increased from 4 billion rupiah in 2009 to 7 billion rupiah in 2011. The number of beneficiary groups increased from 80 in 2009 to 313 in 2011, and the number beneficiaries increased from 449 in 2009 to 1813 in 2011. The loan disbursement increased from 1,186 million rupiah in 2009 to 5,836 million rupiah, and the repayment amount increased from 2.71 million rupiah in 2009 to 4,282 million rupiah in 2011. The repayment rate is 85% in each year.

Table 8. Budget and expenditure of Banda Aceh City “Village economic development Program”

Year	budget (billion rupiah)	expenditure	
		The number of groups	The number of beneficiaries
2009	4	80	449
2010	7	194	1,149
2011	7	313	1,813

Source: interview with officials of Banda Aceh City

Table 9. Loan and repayment amount of Banda Aceh City “Village economic development Program”

Year	Loan amount (million rupiah)	Repayment amount (million rupiah)
2009	1,186	271
2010	3,368	2,303
2011	5,836	4,282

Source: interview with officials of Banda Aceh City

5) In order to find out the current status of the former trainees of the training programs for local government officials (Output 2), I asked 36 former trainees on how much the training content is useful at the time of the ex-post evaluation with the scale of 5=much useful, 4=useful, 3=fairly useful, 2=not so useful, 1=not useful and the response was 4.34 on average, indicating that they are still useful at present.

I had interviews with former trainees and asked how they use the training contents. One former trainee who is now working for the impact assessment section of Aceh Besar regional government said that he assesses environmental impact by studying the business plan submitted by private companies with the plan to start mining in Aceh Besar. I asked how useful the training content was with the previous scale, and he said that prior to the project, he had no knowledge of environmental assessment, and his response was 5 (very useful). I interviewed another official working for audit office of Ace Besar regional government, and his work involves checking whether sanitary facilities such as toilet of the regional government office, whether emission of vehicles that regional government procures comply with environmental guideline of the government. He rated the usefulness of the training content as 4 (useful).

### 3.2.2.2 Other Impacts

Other impact is ACE group contribution to raising women's status. The beneficiary survey asked whether ACE group contributed to improving women's status with the scale of 5 =much contributed, 4=contributed, 3=fairly contributed, 2=not so contributed, and 1 =not contributed at all and the result is as in Table 10, and the average is 3.84. One ACE member said in the interview that income from ACE activities much helped household income, and it raised her status in the family. 72.3% of the respondents of the beneficiary survey are women, and the survey result indicates that ACE group contributed to raising women's status, which supported what she said in the interview.

Table 10. ACE group activities and the status of women

Variable	Max.	Min.	Means	Standard deviation
The degree by which ACE activity contributed to promoting women's status	1	5	3.84	1.075

Source: beneficiary survey

The evaluation of effectiveness and impact are fair. This is because although project objective was achieved (although there is a problem of logic that achievements of Outputs 2, 3, and 4 do not lead to project objective), overall goal of expansion and development of networks of ACE group members was not achieved, because the project did not sufficiently consider what the networks should be, and thus activities to construct them were not sufficient.



### 3.3 Efficiency (Rating: ③)

#### 3.3.1 Inputs

Table 11. The plan and the actual of the inputs

<b>Inputs</b>	<b>Plan</b>	<b>Actual Performance</b>
(1) Experts	seven experts (Reconstruction advisor 1 & 2, Community empowerment advisor 1 & 2, Local administration advisor, and Reconstruction model formulation advisor)	Six experts (Chief technical advisor/Reconstruction advisor 1 Reconstruction advisor 2, Community empowerment advisor 1 & 2, Local administration advisor 1 & 2) (Total 45.96 M/M)
(2) Training (implemented in the country)	Fields of training: Technical training: construction, civil engineering, agriculture, quality control  Administrative training: Land management education administration, health administration, ordinance enactment	Fields of training: Performance based Budgeting, Quality control on road and bridge construction, Environmental management, and Public health
Total Project Cost	About 300 million yen	234.21 million yen

Source: JICA document

##### 3.3.1.1 Elements of Inputs

The number of JICA experts was planned to be seven who were reconstruction advisor, community empowerment advisor, local administration advisor, and reconstruction model formulation advisor. The actual number of expert inputs was six who were reconstruction advisor, community empowerment advisor, local administration advisor, and the inputs of JICA experts were mostly as planned.

With regards to inputs for training, the plan was that they will be conducted in the country, and the training sectors were construction, civil engineering, agriculture, quality control for technical training, and land management, educational administration, health management and law formulation for the administrative training. The actual training content was determined on the grounds that they were not assisted by other donors and the city and regional governments had high priority, and they were performance based budgeting, quality control on road and bridge construction, environmental management, and public health, and implemented in the country. The actual was different from the plan, but it was to meet the needs of local governments. Thus it was mostly done properly.

#### 3.3.1.2 Project Cost

The plan was about 300 million yen, and the actual was 234.21 million yen (78%). Thus, it was lower than planned.

#### 3.3.1.3 Period of Cooperation

From the above, the project period was from March 2007 to March 2009. It was as planned (100%).

The inputs were appropriate for producing outputs and achieving the project objective, and both project cost and period of cooperation were mostly as planned, therefore efficiency of the project is high.

### 3.4 Sustainability (Rating: ①)

#### 3.4.1 Related Policy towards the Project

The national medium development plan (2010-2014) is the current national development plan of Indonesia at the time the ex-post evaluation and this includes prosperity, democracy and justice as the basic principle and has the poverty reduction and decentralization as priority areas. ACE activities of Output 1 was to contribute to poverty reduction, and human resource development of Output 2, and supporting enactment of URRP of Output 3 were to strengthen local governments. Thus the project is still relevant at the time of ex-post evaluation.

#### 3.4.2 Institutional and Operational Aspects of the Implementing Agency

BRR, the implementing agency, was dissolved in April 2009, and the staff members were transferred to their original organizations, and assets such as buildings of BRR were transferred to governments of province, city and regions. Although the project outputs were to be transferred to one city and six regional governments, it was not actualized, and there is no implementing agency that sustains the project outputs.

The terminal evaluation made recommendation that in order to sustain and develop ACE activities, local government should take initiatives in implementing ACE activities, and JICA expert teams had meetings with the sections of each of the city and regional governments in charge of community development, and had memoranda of understanding for transferring ACE activities. After the memoranda of understanding signed, JICA expert teams held three workshops in each of the city and regional governments. On the one hand, whether the methods of ACE activities

would be used for their community development was left to the city and regional governments after the project completion.

After the project completion, only Banda Aceh city uses the methods of ACE activities. The beneficiary survey asked the respondents how much they were supported by the city and regional governments with the scale of 5=much supported, 4=supported, 3=fairly supported, 2=not so supported, 1=not supported. The average was 1.14, and this indicated that the city and regional governments hardly contribute to sustainability of ACE group activities.

With regards to capacity building of city and regional government officials, the project intended that training programs developed by the project to be transferred to these government offices. The terminal evaluation recommended to strengthen organizational arrangement and to ensure the budget of the sections in charge of budget, civil engineering, environment, and health. However, in accordance with the survey conducted by the JICA experts prior to the project completion, only one regional government mentioned that the training texts of this project were used for developing their own training texts, and only two regional governments mentioned that their trainees became trainers for their own training programs.

The city and regional governments have their own human resource development schemes by which their officials participate in training programs relevant to their duties and they attend graduate schools for acquiring Master's degree. However, it was not known whether these schemes had any relationship with human resource development component of this project.

URRP was enacted as the formal urban development plan and is referred to for planning public project in each year.

Since the project achievements were to be transferred to the local governments, the project took this into account and involved these local governments in the decision-making processes. However, under the situation where the implementing agency, BRR, was dissolved, it was not easy for them to receive and continue various projects, and there were issues of further use of the project achievements by these local governments except Banda Aceh city.

#### 3.4.3 Technical Aspects of the Implementing Agency

With regards to technique for implementing projects using ACE activities, Banda Aceh city is implementing village economic development project and use technique of ACE activities in selecting beneficiaries, implementing trainings and organizing groups. On the one hand, although other regional governments support people in their income generation activities, they do not use technique of ACE activities in selecting beneficiaries and organizing groups. Thus, it cannot be said that local governments as a whole continue to use the technique of ACE activities sufficiently.

As for human resource development of regional government officials, former trainees still use the training contents in environmental assessment for their work, and other 36 former trainees said the training contents are still useful. It can be estimated that many former trainees still use the technique such as environmental assessment.

#### 3.4.4 Financial Aspects of the Implementing Agency

Since the implementing agency was dissolved, and no project outputs were transferred to other organizations, there is no relevant budget.

#### 3.4.5 Sustainability of Project Effectiveness

The project attempted to sustain ACE groups and the implementation of ACE activities by Banda Aceh city and six regional governments after the project implementation. As stated in the section of impact, the number of ACE groups was reduced from 34 to 24 at the time of this ex-post evaluation, or decrease by about 30%. Ten groups were dissolved and the reason of the dissolution for the seven out of these ten groups was poor performance. Before the project completion, nine groups were newly organized from the original 21 groups. Some of these new groups were organized by members whose original groups did not sell their products well, and they planned to have products of which they can see good prospects of selling. These indicate that business performance is the key for sustaining ACE groups. There is no support mechanism for ACE groups when they had difficulty in their business and it is also possible that more groups may dissolve because of poor performance. As for the continuation of ACE activities, only Banda Aceh city still uses their experiences of ACE activities but not other regional governments.

It was expected that local governments continue to use the training programs developed by the project. However, no local governments use them, there is no mechanism to sustain the project achievements in the component of human resource

development of local governments.

The rating of sustainability is as follows. With regards to ACE activities, the project helped establishing 34 groups and 24 still exists, and there is no mechanism to support these groups. It was expected that each local governments to continue to use ACE activities in their supporting economic activities, only Banda Aceh city is doing this, and other six regional governments are not doing it. Training programs for training government officials are also not used. Thus, the sustainability of the project achievements is low.

## **4. Conclusion, Lessons Learned and Recommendations**

### **4.1 Conclusion**

The main objectives of this project were to assist 1) income generation activities of those who lost livelihood because of tsunami in 2004, 2) human resource development of local government officials responsible for recovery projects, and 3) development projects of Banda Aceh city by promoting Urgent Reconstruction and Rehabilitation Plan for Banda Aceh City (URRP) assisted by Japan to be enacted as the city ordinance. The relevance of the project is high since it is consistent with the policy of the Government of Indonesia to recover from tsunami disaster, development needs of the local people, and Japan's policy to support them. The Effectiveness and the impact are fair since the project did not achieve the overall goal of formulating the network among income generation groups although the project was effective in supporting income generation activity to assist people's livelihood, contributing to human resource development in local governments, and promoting Banda Aceh city recovery plan. The efficiency is high since the budget and the time period of the project was within the plan. The sustainability is low since the project did not have an organizational arrangement to ensure the sustainability of the project. Although some of income generation activities continue, it does not have a mechanism to sustain ACE groups. In light of the above, this project is evaluated to be partially satisfactory.

### **4.2 Recommendations**

#### **4.2.1 Recommendations to the Executing Agency**

ACE group networks did not sufficiently expand. The result of the beneficiary survey indicated that only 22 out of 134 respondents (16.4%) had contacts with other ACE groups. On the one hand, the result of analysis of the beneficiary survey in the annex indicated that networks among ACE groups contributed to increasing income.

From the above it can be said that promoting networking can improve effectiveness of ACE activities. Local governments should promote exchange opportunities for ACE groups in each locality on a regular basis and promote expanding networks. The issue of this project was that it was left to individual members to construct networks. Thus, it is recommended that local governments should consider how to make a mechanism to maintain and expand networks.

Since not only Banda Aceh city but also other regional governments implement income generation activities for the people, they should support the ACE groups possible within their own scheme, and learn practices of selecting participants of ACE activities, how to formulate groups by having hearing from ACE members with reference to ACE manuals, and use them for their own schemes.

#### 4.2.2 Recommendations to JICA

None

### **4.3 Lessons Learned**

The implementing agency of this project was to be dissolved after a certain period of time, and the project intended to transfer its achievements to the local governments that were to continue to exist. For this purpose, the project had the memoranda of understanding signed by the local governments. However, there were issues of the sustainability of the project achievements with the local governments except Banda Aceh city. As described in the section of the Institutional and Operational Aspects of the Implementing Agency of the sustainability, the project should sufficiently involve organizations that are to continue the project achievements in the decision-making processes, and have their organizational intentions reflected in the decisions during the project implementation, and it is necessary to construct an appropriate mechanism that takes into account the transfer of the project achievements.

Under the situation where the assistance has to be provided for the temporary organization for reconstruction like this project and has to ensure the sustainability, the project should have sufficient considerations about the transfer of the project achievements after the dissolution of the implementation agency and have them reflected in the project activities and the implementation arrangement before the project implementation begins.

From the analyses of the beneficiary survey in the annex, cooperation within each ACE

group and networks among ACE groups were useful in ACE activities. Because of Tsunami, many lost their business partners, as part of the ACE activity, people formed a new group with new partners and constructed network, which expanded possibility of cooperation and promoted income increase. However, in order to expand the network as part of the project, it should determine what network would be useful, and government and NGOs should make an arrangement to construct, expand and maintain the networks.

### **Annex: Beneficiary survey**

#### 1. General description

I conducted the beneficiary survey to analyze the achievement of ACE activities. The respondents were all the members of ACE groups (208 members), and the survey actually had 134 respondents (64%). The respondents had 97 women (72.4%), and 37 men (27.6%), and their ages were from 15 to 67 years old with average of 41.03. The number of years for attending school was from 0 to 17 and the average was 9.04 years.

#### 2. The analysis of income increase by ACE activities

In order to find factors that contributed to increasing income from ACE activities, I analyzed income transformed by logarithm function as the dependent variable with the mixed effect model. Data are by the recollection of the respondents for five years from 2007 to 2009 during the project implementation, and 2010 and 2011 after the project completion. The sample size is 134 respondents for five years, making it 670.

The result of analysis is in Table 12, and the coefficients with asterisks are statistically significant. Factors that are worthwhile to note are the degree by which members are cooperative and contacts with members of other ACE groups. Many of ACE group members lost their co-workers and business partners because of tsunami in 2004, and ACE activities provided opportunities to meet co-workers and business partners, and these may be contributing to improving skills and quality of the products and expanding sales network, thereby contributing to increasing income. Contacts with members of other ACE groups may be also improving skills and quality of products, and expanding sales network, thereby improving business performance and sustainability of the group.

Table 12. Mixed effect model of income increase by ACE activities

Variable	Coefficients
Age	0.01***
Sex	0.06
Educational level (the number of years attending school)	0.04***
Activeness in ACE group activity	0.14***
Skillfulness	0.09
Participation in ACE festivals	0.33**
Participation in ACE workshops	-0.23
Whether the respondents know ACE manual	0.58*
Support by city and regional governments	-0.00
Cooperativeness of ACE group members	0.46***
Whether the respondents have contacts with members of other ACE groups	0.35**
The period of ACE group activities	-0.04
Intercept	-1.78***
sigma_u 0.48	sigma_e 0.49
rho 0.48	
R <sup>2</sup> Within=0.70	Between=0.61 Overall=0.66
Pob>Chi2 = 0.000	

\*\*\* p<0.01 \*\* p<0.05 \* p<0.1