



BAPPENAS



ADB

# Indonesia: Country Safeguard Review on Equivalence and Acceptability

## CSS South and South Asia Subregional Workshop

Dewobroto Joko Putranto, Acting Director of Multilateral Foreign Funding, Director of International cooperation, BAPPENAS

Naning Mardiniah, Social Safeguards Officer, ADB-IRM

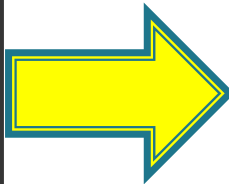
Ho Chi Minh City, 23 – 25 August 2016

This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors directly should you have queries.

# Background

GOI request  
to ADB for  
Using of  
*Country  
safeguard  
System (CSS)*

*July 2013*



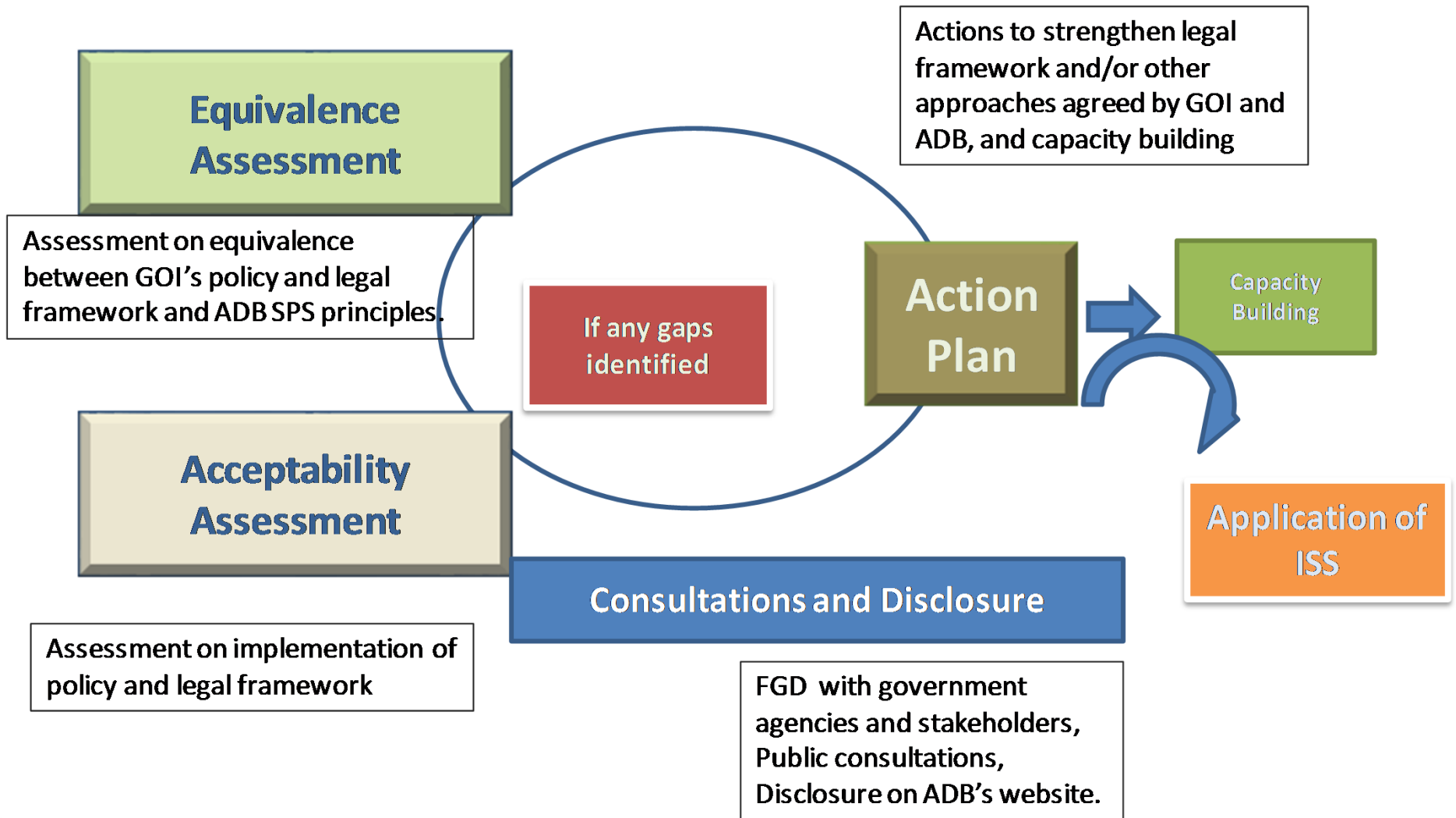
**TA-8548 INO**

**Aligning Asian  
Development Bank and  
Country Systems  
for Improved Project  
Performance**

**Output 1: National  
Environment and  
Social Safeguard  
System Review**

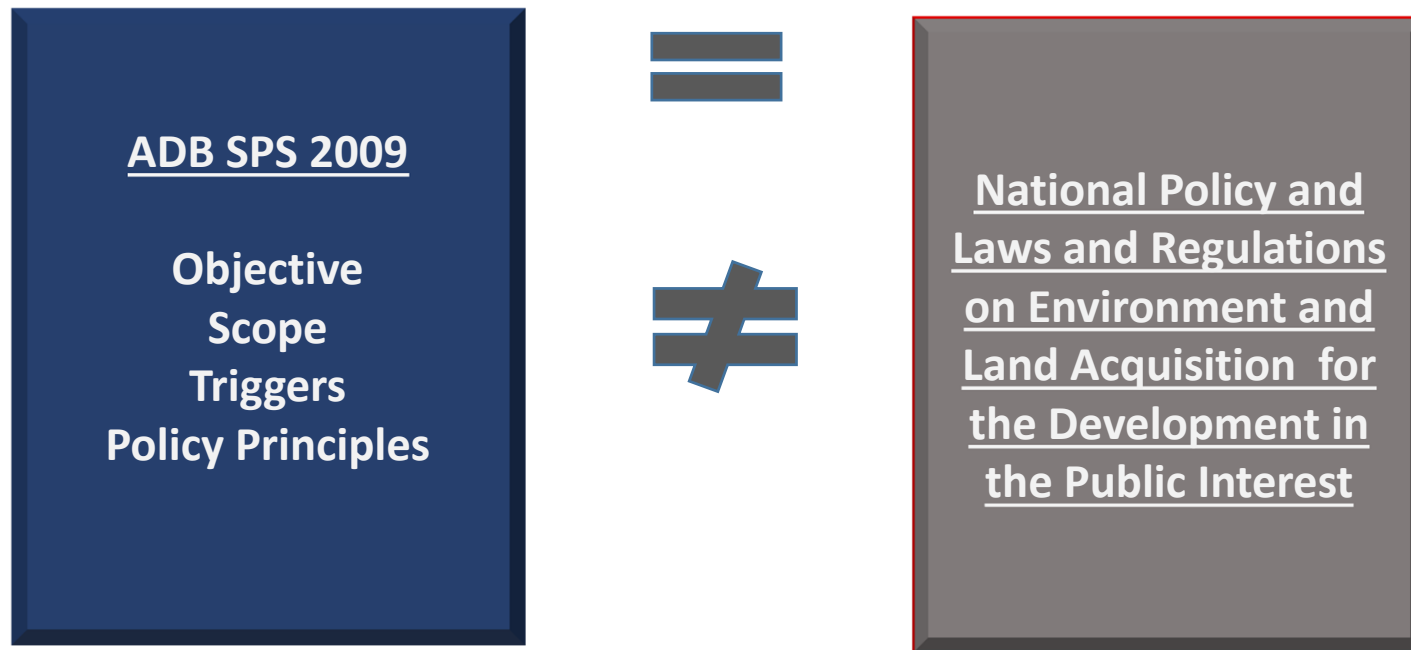
Assess the policy and legal requirements of Indonesia's CSS, i.e., its implementation practice, capacity, track record or performance, and commitment to implement the applicable laws, regulations, rules and procedures in the country, specific agency or sector concerned

# Methodology



# ADB's Approach to CSR: Equivalence

**Objective:** To produce a thorough, rigorous, objective, and relevant document that conclusively demonstrates the extent to which a CSS corresponds to the Objectives, Scope, Triggers and Policy Principles of one or more ADB safeguards (Environment, Involuntary Resettlement and Indigenous Peoples)



# Acceptability Assessment

**Objective: To assess implementation practices, performance, capacity, and commitment to implement laws and regulations on environment and land acquisition/resettlement.**

## Implementation of CSS Legal Framework

National Policy, Laws and regulations on Environment and Resettlement.



**Implementation on practices**

**Safeguards delivery mechanism**



**Capacity**

**Institutional structure  
Support for safeguards,  
Human, technical and financial  
resources**



**Performance**

**Quality of Planning Documents (AMDAL, EMP, LARP)  
Achievement of Legal framework objective**

# Acceptability Criteria for Sector Case Studies

| No. | Elements              | Project Criteria   |
|-----|-----------------------|--|
| 1   | Project Category      | Significant impacts  |
| 2   | Main Reference (Law)  | Law (UU) No. 32/2009 (ENV)<br>Law (UU) No. 2/2012 (IR)   |
| 3   | Implementation status | Completed/on going   |
| 4   | Funding               | National/local government budget (APBN/APBD)   |
| 5   | Sectors               | <ul style="list-style-type: none"><li>• Water Resource/ Irrigation</li><li>• Road/Toll Road</li><li>• Energy</li><li>• Urban Planning/Sanitation</li></ul> |
| 6   | Location              | Java/Off Java  |
| 7   | Complexity (Scale)    | Highly complicated/ Complicated  |

# Equivalence: Key Findings

- **Environment:**
  - Full Equivalence: 49 of 50 Key Elements of ADB SPS Policy Principles;
  - Partial Equivalence: one Key Element
- **Involuntary Resettlement:**
  - Full Equivalence: 35 of 40 Key Elements;
  - Partial Equivalence: five Key Elements
- No Instances of “No equivalence” for any Key Element



# Equivalence Gaps

- ▶ Laws, government regulations, and presidential decrees of Indonesia are very closely aligned with the policy principles of ADB's SPS.
- ▶ There are minor gaps identified can be addressed mostly by implementing capacity development and guidance notes

## Environmental Safeguard

1. PP 2, Key Element 8: "Identify the socio-economic impacts of the project **on vulnerable groups**"

## Involuntary Resettlement

1. PP 4, Key Element 2: Relocated persons and **host communities** are provided integration assistance, and project benefits are extended to host communities
2. PP 4, Key Element 3: Physically and economically displaced persons are provided **transitional support**
3. PP 7, Key Element 1: Displaced persons lacking titles or recognizable legal rights to land are eligible for **resettlement assistance** (for the case of 'land clearing')
4. PP 8, Key Element 2: Prepare a RP elaborating on ....**the income and livelihood restoration strategy**
5. PP 12, Key Element 1: Monitor and assess resettlement **outcomes,**



# Environmental Safeguard Acceptability Assessment

|   | Sector                    | Component              | Assessment Results |                 |
|---|---------------------------|------------------------|--------------------|-----------------|
|   |                           |                        | Environment        | Resettlement    |
| 1 | Water Resource Sector     | Institutional Capacity | Weak               | Medium          |
|   |                           | Process and Procedure  | Medium             | Medium          |
|   |                           | Output                 | Medium             | Medium          |
|   |                           | Outcome                | Medium             | N/A             |
| 2 | Road and Transport Sector | Institutional Capacity | Medium             | Strong/ Average |
|   |                           | Process and Procedure  | Medium             | Medium          |
|   |                           | Output                 | Medium             | N/A             |
|   |                           | Outcome                | Strong             | Weak            |
| 3 | Energy Sector             | Institutional Capacity | Medium             | Strong          |
|   |                           | Process and Procedure  | Strong             | Strong          |
|   |                           | Output                 | Strong             | Medium          |
|   |                           | Outcome                | Strong             | Medium          |
| 4 | Urban Planning Sector     | Institutional Capacity | Medium             | Weak- Medium    |
|   |                           | Process and Procedure  | Strong             | Medium          |
|   |                           | Output                 | Strong             | N/A             |
|   |                           | Outcome                | Strong             | Medium          |

# Institutional capacity for Environment and Land Acquisition/Resettlement

| No. | Agency                                | Assessment Result |
|-----|---------------------------------------|-------------------|
| 1.  | Ministry of Environment and Forestry  | Strong            |
| 2.  | Environmental Agency – Banten & Lebak | Medium            |
| 3.  | Environmental Agency – South Sumatera | Medium            |
| 4.  | Environmental Agency – Cilacap        | Medium            |

| No. | Agency   | Assessment Result |
|-----|--|-------------------|
| 1.  | Ministry of Agrarian and Spatial Planning/National | Strong            |
| 2.  | Land Agency – Banten                               | Medium            |
| 3.  | Land Agency – South Sumatera                       | Medium            |


# Proposed Action Plan: Environmental Safeguard (1)

## ▶ **Equivalence Actions**

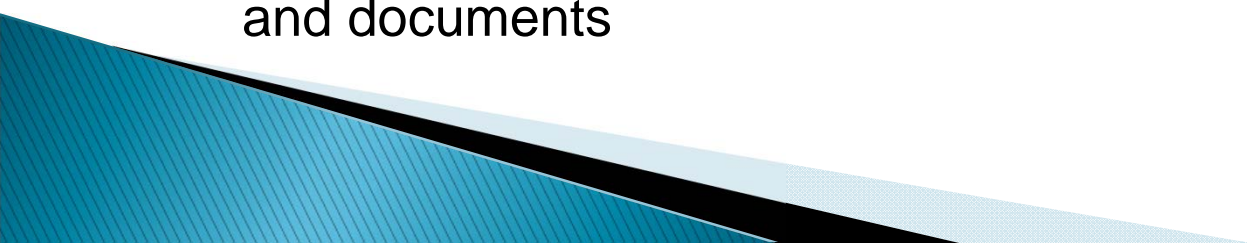
- Revise and update guidelines on environmental impact assessment related to women and vulnerable groups

## ▶ **Acceptability Actions**

### Improvement of Institutional Capacity:

- Enhancement of certification requirements for AMDA consultantL
  - Strengthen AMDAL Review Commission (ARC): improve supervision and monitoring capacity , increase pool of experts to support the regional ARCs
  - Improve online environmental information system
  - Implement capacity building programs for implementing agencies, government unit supervising AMDAL, AMDAL commission and consultants on AMDAL and environmental safeguard standard.
- 

# Proposed Action Plan Environmental Safeguard (2) Acceptability Actions

- ▶ Set up Center of Excellence, strengthening existing learning/training center for safeguards
  - ▶ Implement effective monitoring review procedures and sufficient budget for monitoring
  - ▶ Set up/strengthen dedicated safeguard units for environmental safeguards in executing and implementing agencies
  - ▶ Update the existing guideline of AMDAL preparation by elaborating comprehensive international best practices and appropriate sector specific.
  - ▶ Strengthen quality assurance/quality control for reviewing AMDAL study and documents
- 

# Proposed Action Plan

## Involuntary Resettlement Safeguard (1)

### ▶ **Equivalence Actions**

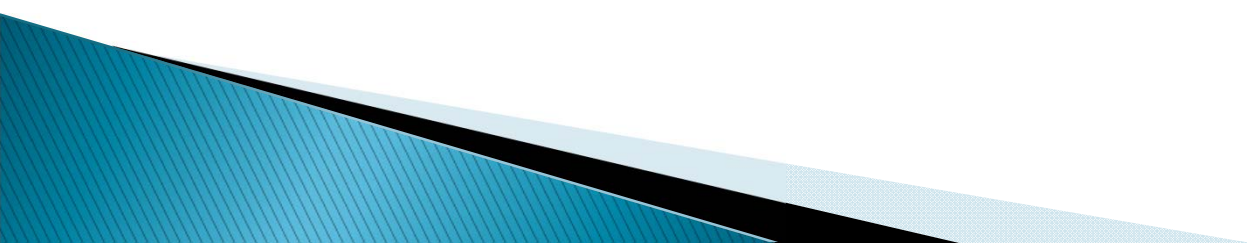
- Develop a technical and operational guidance on: (i) preparation of land acquisition plan; (ii) relocation procedure; (iii) income restoration strategy; (iv) assistances for non-land rights holders; and (v) monitoring/evaluation on land acquisition/resettlement impacts.

### ▶ **Acceptability Actions**

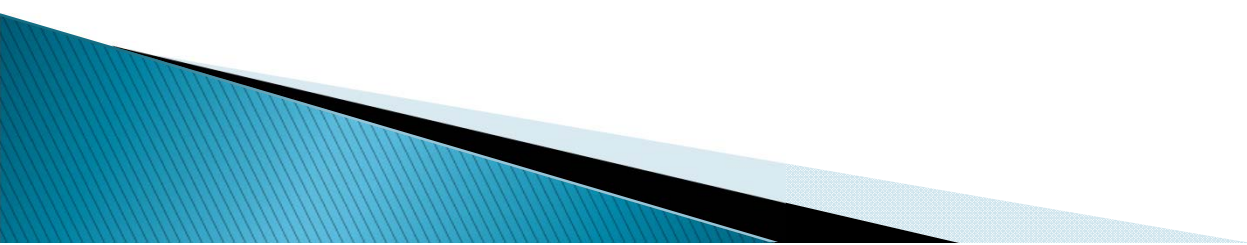
- Sufficient number of staff at central and regional offices
- Establish/strengthen social safeguard units
- Conduct regular training programs on i) land acquisition legal frameworks; ii) valuation standard; iii) preparation of land acquisition plan; iv) attention to vulnerable groups and gender.
- Set up safeguards center of excellence, strengthening existing learning center on social safeguards
- Improve the GRM at the institutional level
- Strengthen inter-agencies collaboration for land acquisition/resettlement
- Accelerate the procedure of acquisition of government's land and assets

# Proposed Action Plan

## Involuntary Resettlement Safeguard (2)

- ▶ Improve the delivery of livelihood restoration program for vulnerable and severely affected, transitional assistances, and assistances for non-land rights holders.
  - ▶ Improve ROW management plan to protect the acquired land from the encroachers
  - ▶ Improve quality of Land Acquisition Plan including initial identification of entitled parties and other appraisable economic losses
  - ▶ Improve the attachment of BPN LA Decree related to identification of land acquisition objects to accommodate compensation for other appraisable losses
  - ▶ Monitor land acquisition impacts to the standard of living of the affected persons/entitled parties and disclosure
- 

# Next Steps

- ▶ Sector's feedback ;End of August 2016
  - ▶ Public consultation and Disclosure : September – Oct 2016
  - ▶ Submission to ADB Board: Q4 2016/Q1, 2017
  - ▶ ADB Board's approval: Q4 2016, Q1, 2017
- 



Thank you

