

<p>Title of proposal: Community Recovery in Tsunami Affected Areas through the Urban Poverty Program (UPP)</p>
<p>Project Proponent and Proposed Implementing Agency: To be determined</p>
<p>Objectives (designated goals/outcomes)¹</p> <p>The grant's primary objective is to provide support for reconstruction and rehabilitation to urban communities impacted by the tsunami. UPP will provide block grants to 352 kelurahans and technical assistance to 352 communities. The block grants will be used to: i.) establish and support accountable community organizations that are able to increase the voice of the poor in public decision making, ii.) make local governments more responsive to the needs of the poor through increased cooperation with community organizations, and iii.) ensure provision of funds transparently to provide services to the urban poor. UPP in Aceh will reduce poverty, while putting the decision making and resources at the community level. UPP's development impacts will compliment the government human settlement and resettlement efforts by reinvigorating the local economy in newly rehabilitated areas, and developing supporting infrastructure.</p>
<p>Link with Indonesia Disaster-Related Recovery Program</p> <p>UPP will be the urban counterpart to the KDP program that is already operating (and likely expanding in Aceh). UPP will also support GOI's Human Settlements Rehabilitation/ Reconstruction Strategy through provision of community-based infrastructure and local economic development.</p>
<p>Expected Results (output)²</p> <ul style="list-style-type: none"> • Rehabilitation and development of new community-based tertiary infrastructure in 352 kelurahans through construction of roads, culverts, drainage, bridges, water supply and sanitation, schools, and community buildings such as assembly halls and markets. • Increased capacity of 8,800 community members through training and development in planning and management

¹ Designated goals (outcome) are generally multi-year, and the implementing organization usually has a direct (though not complete) influence over them. Designated goals can help to achieve targets defined in the recovery program.

² Results must be achieved before the activity is completed and their attainment must lie within the capability of the implementing organization. Results are linked to the attainment of the designated goals.

Description of Main Activities³

- (i.) Open Menu Grant (US\$ 11.73 million) The grant totaling US\$ 11.73 million will be disbursed in 2 tranches (40% in FY05, and 60% in FY06) through 352 participating kelurahans. The un earmarked block grants are transferred directly to communities, and can be used for sub-projects covering a range of poverty alleviation activities, and can include community infrastructure (roads, bridges, school repair, health facilities, etc), micro-credit loans for community groups formed on the basis of a revolving fund, and grant assistance (scholarships, health care, etc) to the most vulnerable individuals.
- (ii.) Implementation Management (US\$ 2.67 million) will finance management consultants for overall implementation of the scheme. This includes hiring Oversight Consultant to manage the facilitators, support the local government, project monitoring, public relation, and complaints management. Fund will be used for training facilitators & local governments. It also supports extensive socialization of the program to the community and to the government
- (iii.) Facilitators (US\$ 4.11 million) Teams of facilitators will be hired (with an average of 4 facilitators servicing 10 kelurahans) to implement the program. Facilitators are the primary interface with the community, and are tasked with carryout the CDP, assist in elections for the kelurahan organization, organizing community groups, and assisting with proposal preparation. The facilitators will be supported by volunteers from the kelurahan who will play a key role in disseminating the project objectives and principles, and ensuring sustainability of the community organization beyond the life of the project.
- (iv.) M&E (US\$ 0.78 million) A comprehensive monitoring and evaluation system has been refined from experience gained from UPP2. This includes strengthened Management Information Systems (MIS), and evaluation consultants hired to conduct a baseline survey, and other qualitative and quantitative studies.

³ Activities are tasks that must be implemented to achieve the results described above. Describe the activities in general terms (by categorizing them) in relation to the results.

Monitoring arrangements and indicators for outcomes

Internal Monitoring

- A computerized MIS that updated twice a month, covered dates on: planning & works, beneficiaries, level of participation, complaints & resolutions, and so on
- UPP Web Site. Current field information from the project implementations (community, facilitator, oversight consultant) is available through the website. The website master has daily updated the information. The communication between central and local is facilitated through this media
- Handling Complaints Unit (HCU). Communities, local government as well project implementator (facilitator, project consultants) can direct their questions and complaints to be handled by HCU unit in UPP, through Po Box and Web Site.
- Financial monitoring, conducted intensively by national & oversight consultant, as well Bank' financial specialist. The monitoring consist of on site supervision, on the job training, clinic, and training in order to enhance the quality of community' book keeping system
- Regular Supervision by the national consultant as well the bank team

External Monitoring

- Community Participatory Monitoring. Series of meeting on planning & implementing activities that attended by community members are required in the UPP. The BKM as board of trustee, reports to the communities through annual accountability meeting as project. The BKM also reports to the communities through information board and meetings.
- BPKP audits UPP once a year. Also, UPP has received supplemental audits from Price Waterhouse & Moores Rowland. Independent audit will be done by BKM using a local auditor
- Independent Monitoring is facilitated by oversight consultant through inviting local media and NGO to monitor the project

Name of authorized representative and Indonesian organization that endorsed proposal

To be determined

Estimated Costs

See attached Sheet

Cost breakdown (means): Cost breakdown is as follows:

See attached Sheet

Trust Fund contribution sought					
US\$ 17.96 million					
Other financing.					
Existing or planned activities in same sector by other agencies and proposed coordination					
Approved allocation from the Trust Fund					
Other specific approvals, if required					
Expected disbursement					
	<i>FY05</i> 6,180,000	<i>FY06</i> 8,530,000	<i>FY07</i> 1,250,000	<i>FY08</i> 1,000,000	<i>FY09</i> 1,000,000
Decision of Steering Committee					
<i>Approve</i>		<i>Reject</i>		<i>Hold</i>	
Comments of Steering Committee					

Notes:

Block grant is allocated for 352 kelurahan for two times
 Technical Assistance is allocated for 352 kelurahan for 5 years

No	UPP Extension	Unit	Frek	Rate	Amount (million)	US\$ (million)	Per cent
1	Total Block Grant	/kelurahan	352	600,000,000	105,600	11.73	65.3%
	1st year Block Grant	/kelurahan	352	300,000,000	105,600	11.73	
2	Implementation Management	/kelurahan	402	30,000,000	12,060	1.34	7.5%
3	CBO Preparation	/kelurahan	352	125,000,000	44,000	4.89	27.2%
	Facilitators	/kelurahan	352	105,000,000	36,960	4.11	22.9%
	Monitoring & Evaluation	/kelurahan	352	20,000,000	7,040	0.78	4.4%
TOTAL					161,660	17.96	100%

No	Area Characteristic	Jumlah Kel/Ds	Block Grant	Impl. Mgmt	CBO Preparation (Rp)	Total	Each
1	Urban	352	105,600,000,000	12,060,000,000	44,000,000,000	161,660,000,000	459,261,364
2	Rural						

Total estimated costs for the five year program are US\$ 17.96 million.

No	Area Characteristic	Number of Kelurahan	Million of Rupiah for 5 yrs (Million)	Total Funds Rp
	Urban	352	459,261	161,660
	Rural			

No		FY 05	FY 06	FY 07	FY 08	FY 09	Total (US\$ million)
1	Total Block Grant						11.73
	1st year Block Grant	4.69	7.04				11.73
2	Implementation Management	0.27	0.27	0.27	0.27	0.27	1.34
3	CBO Preparation	1.22	1.22	0.98	0.73	0.73	4.89
	Facilitators						4.11
	Monitoring & Evaluation						0.78
TOTAL		6.18	8.53	1.25	1.00	1.00	17.96

Other financing. UPP's additional funding sources for the Aceh program include:

- (i) US\$5 million already committed by the World Bank

Monitoring Arrangements & Indicators for Outcomes

UPP extension

Internal Monitoring

- A computerized MIS that updated twice a month, covered data on: planning & works, beneficiaries, level of participation, complaints & resolutions, and so on
- UPP Web Site. Current field information from the project implementors (community, facilitator, oversight consultant) is available through the website. The website master has daily updated the information. The communication between central and local is facilitated through this media
- Handling Complaints Unit (HCU). Communities, local government as well project implementor (facilitator, project consultants) can direct their questions and complaints to be handled by HCU unit in UPP, through Po Box and Web Site.
- Financial monitoring, conducted intensively by national & oversight consultant, as well Bank' financial specialist. The monitoring consist of on site supervision, on the job training, clinic, and training in order to enhance the quality of community' book keeping system
- Regular Supervision by the national consultant as well the bank team

External Monitoring

- Community Participatory Monitoring. Series of meeting on planning & implementing activities that attended by community members are required in the UPP. The BKM as board of trustee, reports to the communities through annual accountability meeting as project. The BKM also reports to the communities through information board and meetings.
- BPKP audits UPP once a year. Also, UPP has received supplemental audits from Price Waterhouse & Moores Rowland. Independent audit will be done by BKM using a local auditor
- Independent Monitoring is facilitated by oversight consultant through inviting local media and NGO to monitor the project

Housing

Internal Monitoring

- A computerized MIS will be a focal point to check the implementation of short term plan (PJP). MIS will report periodically on the number of houses and infrastructure establishment
- Accountability system setup throughout the project management, such as public consultation, routinely coordination meeting, accountability meeting, & audit
- Handling Complaints Unit (HCU). Communities, local government as well project implementor (facilitator, project consultants) can direct their questions and complaints to be handled by HCU unit in UPP, through Po Box and Web Site.
- Technical Monitoring. Architect & civil engineering specialists at district level will supervise the quality of houses and infrastructure establishment
- Regular Supervision by the national consultant as well the bank team

External Monitoring

- Community Participatory Monitoring. Series of meeting on planning & implementing activities that attended by community members are required in the housing project.
- The housing project will be audited by BPKP and private auditor