

## Indonesia : National Slum Upgrading

### 1. Project Information

Project ID:	P000004	Instrument ID:	L0004A
Member:	Indonesia	Region:	South-Eastern Asia
Sector:	Urban	Sub-sector:	Urban re-development
Instrument type:	<input checked="" type="checkbox"/> Loan:216.50 US Dollar million <input type="checkbox"/> Guarantee	Co-financier(s):	World Bank
ES category:	B	Borrowing Entity:	
Implementing Entity:			
Project Team Leader:	Sangmoo Kim (DG: Rajat Misra; Responsible Department: INF1)		
Project Team Members:	Irish Fe Aguilar, OSD - Social Development Specialist; Liu Yang, Project Counsel; Yi Geng, OSD - Financial Management Specialist; Chongwu Sun, OSD - Environment Specialist; Yangzom Yangzom, OSD - Procurement Specialist; Jinghui Li, Project admin;		
Completed Site Visits by AIIB:	Feb, 2017 Feb 8 – Mar 9, 2017 Nov, 2017 Nov 9 – Dec 12, 2017 Jul, 2018 Jul 30 – Sep 7, 2018 May, 2019 May 13– Jun 14, 2019 Aug, 2020 Aug 10 – Sept 30, 2020 Oct, 2020 Oct 20 – Nov 12, 2020 (virtual) Aug, 2021 Aug 11-Sep 30 (virtual)		
Planned Site Visits by AIIB:	Jun, 2022		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	0		
Previous Red Flags Assigned Date:	2021/09		

### 2. Project Summary and Objectives

The overall project objective is to improve access to urban infrastructure and services in targeted slums (154 cities (including DKI Jakarta) in the central and eastern parts of the country) and to reconstruct and strengthen public facilities and settlements in selected disaster-affected areas in Indonesia. The Project is part of the well-developed national program called KOTAKU with USD1.42 billion (AIIB financing: USD216.5 million, 15.2% of the total cost).

The Project consists of the following five components:

Component 1: Institutional and Policy Development. Support institutional strengthening and capacity building of central government ministries and agencies, which are responsible for the management of the national slum upgrading program.

Component 2: Integrated Planning Support and Capacity Building for Local Governments and Communities. Provide for the recruitment and deployment of experts and community facilitators to support the capacity of governments and communities in selected cities to design and implement slum improvements, including the development of Slum Improvement Action Plans (SIAPs) and Community Settlement Plans (CSPs).

Component 3: Urban Infrastructure and Services in Selected Cities. Carry out sub-projects to support primary and secondary infrastructure improvement and site development as well as construction of connecting infrastructure in selected Cities as identified in SIAPs; and Provide Kelurahan Grants to Participating Kelurahans to fund Sub-projects for tertiary infrastructure upgrading in selected cities based on a community-driven approach as well as for strengthening community-based livelihoods through the construction of livelihood-enabling facilities and services that are important for slum prevention.

Component 4: Implementation Support and Technical Assistance. Provide technical support, management, advisory services and training for project management and stakeholder collaboration at national, provincial and city levels, as well as monitoring and evaluation.

Component 5: Contingency for Disaster Response, also referred to as the Contingent Emergency Response Component (CERC). Provide preparedness and rapid response measures to address disaster, emergency and/or catastrophic events, as needed, through carrying out sub-projects and/or using the project implementation arrangements. The CERC was activated in November 2018 to support recovery to a series of earthquakes in 2018 in Lombok and Central Sulawesi.

### 3. Key Dates

Approval:	Jun. 24, 2016	Signing:	Sep. 01, 2016
Effective:	Oct. 11, 2016	Restructured (if any):	Sep. 18, 2020
Orig. Closing:	Mar. 31, 2022	Rev. Closing (if any):	Dec. 31, 2022; Dec. 31, 2022;

### 4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	190.75	Most recent disbursement (amount/date):	6.70/Jan. 01, 2022
Undisbursed:	25.75	Disbursement Ratio (%) <sup>1</sup> :	88.11

### 5. Project Implementation Update

The project is on track to achieve all end of project targets for key performance indicators and intermediate results by the loan closing date of December 31, 2022. The project has delivered improved infrastructure to 7.2 million people; upgraded 7,565 hectares of slums; and supported the national COVID-19 recovery efforts with scaled-up cash for works activities in 925 kelurahans, which created temporary jobs for 81,000 workers.

<sup>1</sup> Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Institutional Development and Policy Development (USD1.5 M)	Activities by CCMU Bappenas in policy development, capacity strengthening of local governments through Local Task Forces, and policy studies completed; Ministry of Agrarian and Spatial Planning (MASP) formally assigned as a new PIU	n/a	Consulting firm to develop an implementation strategy for slum alleviation initiatives hired by CCMU
Component 2: Integrated Planning Support and Capacity Building for Local Government and Communities (USD39.0 M)	Preparation and approval of SIAPs (91.5% of LGs) and CSPs (99% of kelurahans) (on track)	n/a	n/a
Component 3: Urban Infrastructure and Services Investment Support (USD113.0 M)	45 sub-projects in 38 cities that are expected to be completed by the end of Jun 2022; cash-for-work construction activities completed in 190 kelurahans in 63 cities with an average physical progress of over 80% (on track)	Ongoing incorporation of principles of universal design as described in Permen PUPR No. 14/2017 in all sub-projects by the PMU	16 sub-projects completed, 13 under construction, 16 under procurement out of estimated 45 sub-projects.
Component 4: Implementation Support and TA (USD21.5 M)	n/a	n/a	Procurement of NMC, OSPs and TMCs completed.
Component 5: Contingency for Disaster Response (USD41.5 M)	Component 5 activated through Gol request in response to earthquakes/tsunami in Central Sulawesi	Emergency Response Operations Manual (EROM) prepared; The addendum to the project's ESMF for the component approved	n/a

**Financial Management:**

First DIPA (annual budget) revision of 2022 is currently still being processed by Inspectorate General of MPWH. DIPA revision is expected to complete before the end of April 2022. This delay in DIPA revision resulting in a delay of payment of remuneration and operational cost for facilitators and consultants. Refund of ineligible expenditures noted in last year audit is ongoing, so far 41% has been refunded. Three 3 direct contract packages totalling USD10.6 million will be disbursed after audit verification. Therefore, FM performance has been rated as Moderately Satisfactory.

**6. Status of the Grievance Redress Mechanism (GRM)**

The complaint handling system developed by the Government is robust and captures even small issues. 96 percent of complaints were received during face-to-face community meetings, and 96 percent were categorized as informative (questions, seeking clarifications and suggestions). As of July 31, 2021, the project complaints handling system recorded a total of 118,523 inquiries/complaints, of which 99% had been resolved. Of these, 0.12% are related to safeguards, mostly requesting clarification on land status, informal settlements, public consultation, information disclosure, and disturbance of access during construction. Regular spot-checks will be carried out to determine the quality and appropriateness of complaint resolution and publish spot-check results on the website. The project is in compliance with public disclosure of all relevant safeguard instruments. A monthly update report is available in the Project's website.

## 7. Results Monitoring

As per following table:

### Project Objective Indicators #1

#1: No. of People provided with improved infrastructure

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	2,900,000	2,553,225	
Jan. 01, 2019	-	2,553,225	
Jan. 01, 2020	-	6,730,090	
Jan. 01, 2021	-	7,267,235	
Dec. 31, 2022	7,000,000	0	

### Project Objective Indicators #2

#2: No. of People provided with "improved water sources" under the project

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	240,000	204,346	
Jan. 01, 2019	-	204,346	
Jan. 01, 2020	-	564,389	
Jan. 01, 2021	-	596,795	
Dec. 31, 2022	560,000	0	

### Project Objective Indicators #3

#3: No. of People provided with "improved sanitation" under the project

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	

Jan. 01, 2017	-	-	
Jan. 01, 2018	360,000	287,787	
Jan. 01, 2019	-	287,787	
Jan. 01, 2020	-	506,165	
Jan. 01, 2021	-	526,971	
Dec. 31, 2022	800,000	0	

**Project Objective Indicators #4**

#4: No. of People provided with access to all-season roads within 500 m range under the project

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	1,110,000	1,771,850	
Jan. 01, 2019	-	1,771,850	
Jan. 01, 2020	-	4,132,723	
Jan. 01, 2021	-	4,381,844	
Dec. 31, 2022	3,700,000	0	

**Project Objective Indicators #5**

#5: No. of People provided with regular solid waste collection under the project

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	450,000	677,464	
Jan. 01, 2019	-	677,464	
Jan. 01, 2020	-	1,923,006	
Jan. 01, 2021	-	1,923,006	
Dec. 31, 2022	1,500,000	0	

**Project Objective Indicators #6**

#6: No. of People provided with "improved drainage" under the project

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	1,080,000	885,954	
Jan. 01, 2019	-	885,954	
Jan. 01, 2020	-	2,919,332	
Jan. 01, 2021	-	3,070,016	
Dec. 31, 2022	2,320,000	0	

**Project Objective Indicators #7**

#7: Slum Area Alleviated (Ha)

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	2,200	2,192	
Jan. 01, 2019	-	2,192	
Jan. 01, 2020	-	6,787	
Jan. 01, 2021	-	7,345	
Dec. 31, 2022	6,360	0	

**Project Objective Indicators #8**

#8: % of slum dwellers who are satisfied with the quality of urban infrastructure (of which women, of which bottom 40%, of which poor)

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	60	TBC	
Jan. 01, 2019	-	TBC	
Jan. 01, 2020	-	94	
Jan. 01, 2021	-	94	
Dec. 31, 2022	80	0	

**Project Objective Indicators #9**

#9: % of complaints resolved

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	99	
Jan. 01, 2018	80	99.4	
Jan. 01, 2019	-	99.4	
Jan. 01, 2020	-	99	
Jan. 01, 2021	-	99	
Dec. 31, 2022	90	0	

**Project Objective Indicators #10**

#10: Establishment of functional TFs at local level (% of LGs)

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	30	76	
Jan. 01, 2018	60	64	
Jan. 01, 2019	70	64	
Jan. 01, 2020	80	86	
Jan. 01, 2021	-	91.5	
Dec. 31, 2022	90	0	

**Project Objective Indicators #11**

#11: Direct project beneficiaries (Number)

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	3,000,000	2,552,225	
Jan. 01, 2019	6,000,000	2,552,225	
Jan. 01, 2020	-	6,730,090	
Jan. 01, 2021	-	8,219,629	
Dec. 31, 2022	7,200,000	0	

**Project Objective Indicators #12**

#12: Female beneficiaries (%)

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2020	-	3,428,204	
Jan. 01, 2021	-	4,356,000	
Dec. 31, 2022	3,600,000	0	

**Intermediate Result Indicators #1**

#1.1: Establishment of functional TF at national level (Yes/No)

Year	Target	Actual	Comments, if any
Jan. 01, 2016	-	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	-	Yes	
Jan. 01, 2019	-	Yes	
Jan. 01, 2020	-	Yes	
Jan. 01, 2021	-	Yes	
Dec. 31, 2022	Yes	0	

**Intermediate Result Indicators #2**

#1.2: Establishment of slum inventory database

Year	Target	Actual	Comments, if any
Jan. 01, 2016	-	-	
Jan. 01, 2017	Yes	Yes	
Jan. 01, 2018	Yes	Yes	
Jan. 01, 2019	-	Yes(updated)	
Jan. 01, 2020	-	Updated	
Jan. 01, 2021	-	Updated	
Dec. 31, 2022	Done/Updated	0	

**Intermediate Result Indicators #3**

#2.1: % of LGs that have completed SIAPs which have been approved

Year	Target	Actual	Comments, if any
Jan. 01, 2016	-	-	
Jan. 01, 2017	30	56	
Jan. 01, 2018	60	68	
Jan. 01, 2019	70	82	
Jan. 01, 2020	80	85.6	
Jan. 01, 2021	90	91%	
Dec. 31, 2022	90	0	

**Intermediate Result Indicators #4**

#2.2: % of kelurahans which have CSPs consolidated with SIAPs

Year	Target	Actual	Comments, if any
Jan. 01, 2016	-	-	
Jan. 01, 2017	50	59	
Jan. 01, 2018	70	95	
Jan. 01, 2019	80	97.2	
Jan. 01, 2020	80	99	
Jan. 01, 2021	90	99	
Dec. 31, 2022	90	0	

**Intermediate Result Indicators #5**

#3.1: No. of cities which have completed 90% of primary/secondary infrastructure and services connected to slum areas

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	



Jan. 01, 2017	-	-	
Jan. 01, 2018	-	2	
Jan. 01, 2019	-	2	
Jan. 01, 2020	-	11	
Jan. 01, 2021	-	16	Activities under this indicator are being prioritized
Dec. 31, 2022	30	0	

**Intermediate Result Indicators #6**

#3.2: No. of kelurahans that have completed 90% of tertiary infrastructure works and services implemented in slum area

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0		
Jan. 01, 2017	1,400	45	
Jan. 01, 2018	1,600	1,138	
Jan. 01, 2019	2,000	1,138	
Jan. 01, 2020	2,200	1,477	
Jan. 01, 2021	2,500	2,159	
Dec. 31, 2022	2,500	0	

**Intermediate Result Indicators #7**

#3.3: % of good quality infrastructure

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	80	97	
Jan. 01, 2019	-	97	
Jan. 01, 2020	90	97	
Jan. 01, 2021	90	97	
Dec. 31, 2022	90	0	

**Intermediate Result Indicators #8**

#3.4: % of infrastructure built that is fully functioning

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0	-	
Jan. 01, 2017	-	-	
Jan. 01, 2018	-	84	
Jan. 01, 2019	-	-	
Jan. 01, 2020	-	-	
Jan. 01, 2021	70	89	
Dec. 31, 2022	70	0	

**Intermediate Result Indicators #9**

#4.1: % of LGs that have a project monitoring structure and provide regular project information

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0		
Jan. 01, 2017	20	TBD	
Jan. 01, 2018	30	35,3	
Jan. 01, 2019	50	69	
Jan. 01, 2020	60	85	
Jan. 01, 2021	70	96	
Dec. 31, 2022	70	0	

**Intermediate Result Indicators #10**

#4.2: % of kelurahans with completed annual financial audits

Year	Target	Actual	Comments, if any
Jan. 01, 2016	0		
Jan. 01, 2017	80	98	
Jan. 01, 2018	80	97	
Jan. 01, 2019	90	99.51	
Jan. 01, 2020	90	90.72	
Jan. 01, 2021	90	97.1	
Dec. 31, 2022	90	0	

**Remarks:**

n/a