

SBF Project Implementation Monitoring Report

Indonesia: Strategic Irrigation Modernization and Urgent Rehabilitation Project

1. Project Information

Project ID:	000060	Investment Number:	L0060A
Member:	Indonesia	Region:	South-Eastern asia
Sector:	Water	Sub-sector:	Irrigation and drainage
AIB Financing Type:	Loan: 250 USD million	Co-financier(s):	IBRD
E&S category:	B	Borrower:	Republic of Indonesia
Red Flags Assigned:	2	Monitoring Regime:	Enhanced Monitoring
Implementing Agency:	Ministry of Public Works, Directorate General of Water Resources		
Project Team Leader:	David Ginting		
Project Team Members:	David Ginting, Investment Operations Specialist - Water Chongwu Sun, Senior Environment Consultant Jana Halida Uno, Senior Operational Policy Specialist Shonell Robinson, Financial Management Specialist Susrutha Goonasekera, Senior Social Development Specialist Haiyan Wang, Senior Finance Officer Xiaowei Guo, Procurement Consultant Antong Hu, Project Assistant		
Completed Site Visits by AIB:	Dec, 2018		
	Feb, 2019		
	May, 2019		
Planned Site Visits by AIB:	The next Implementation Support Mission is planned on September 2020 (possible to be conducted on a virtual basis)		

2. Project Summary and Objectives

To improve irrigation services and strengthen accountability of irrigation schemes management in selected areas

3. Key Dates

Approval:	Jun. 24, 2018	Signing:	Jul. 11, 2018
Effective:	Aug. 23, 2018	Restructured (if any):	
Orig. Closing:	Jun. 30, 2024	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

a) Committed:	250	b) Cancellation (if any):	
c) Disbursed:	6	d) Most recent disbursement: (amount / date)	6, Feb. 19, 2019
e) Undisbursed:	244	f) Disbursement Ratio(%) ¹ :	2.4

¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

5. Project Implementation Update

The implementation progress is slower than planned, with no civil works have been started. This has been mostly attributed to: (i) delays in the completion of engineering design due to the limited capacity of CPIU and delayed procurement of TA consultants for CPIU and CPMU, (ii) delayed procurement process due to recent migration of the government e-procurement system and establishment of a specialized procurement units (BP2JK) adding extra steps in the process. In total, nine construction packages, total value of about USD 88 million, is expected to be awarded in 2020 (including two construction packages that were initially planned to be awarded in 2019, with a total value of USD 35 million). The procurement for hiring of TA consultants for CPIU and CPMU will commence by publishing of RFP by July 2020 and contract signing in October 2020. Covid-19 Pandemic is expected to cause additional delays to the project. Revision of the government's budget allocation to the project (DIPA) is needed to finance the works planned for this year. The DIPA revision process is underway yet foreseen to be delayed as the general budget of the Ministry of Public Works (as the host of the CPMU) need to be urgently revised to enable the implementation of Covid-19 relief works (national government's program to provide livelihood by employing local communities to undertake various small-scale civil works).

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Urgent Rehabilitation of Irrigation and Drainage System (USD98.6 million)	n/a	n/a	For all components: the first civil work packages (contract value of USD 6.8 million) was awarded in June 2020. Additional eight packages are planned to be awarded in 2020 (total contract value of USD 63 million). REOI for PMC has been published, with the PMC expected to be contracted by the end of 2020.
Component 2 Strategic Modernization of Irrigation and Drainage System (USD143.0 million)	n/a	n/a	See above
Component 3: Project Management (USD8.4 million)	n/a	n/a	See above

Financial Management:

n/a

6. Status of the Grievance Redress Mechanism (GRM)

GRM will be established in DGWR in the Ministry of Public Works and Housing which will become effective before commencement of physical activities.

7. Results Monitoring

Project's output has been limited as civil works have not been started. Initial data for the intermediate results is being collected and will be reported after the next supervision mission.

Baseline Year: Jan. 1, 2018 End Target Year: Jan. 1, 2024

Project Objective Indicators	Year	Target	Actual	Others, if any
Area provided with new/improved irrigation or drainage services (Ha)	Jan. 1, 2024	276	n/a	
Percentage of crop intensity (paddy)	Jan. 1, 2024	200	n/a	
Irrigation service agreements with clear allocation of responsibilities implemented (Number)	Jan. 1, 2024	9	n/a	
Asset management systems with transparent budget allocation operational (Number)	Jan. 1, 2024	9	n/a	

Intermediate Result Indicators	Year	Target	Actual	Others, if any
Annual performance report of irrigation service providers published (Component A)	Jan. 1, 2024	8	n/a	
Irrigation Commission (KOMIR) established and operational (Component A)	Jan. 1, 2024	20	n/a	
Number of farmer households provided with improved irrigation services (Component A) (thousand)	Jan. 1, 2024	300	n/a	
Annual performance report of irrigation service providers published (Component B)	Jan. 1, 2024	1	n/a	
Irrigation Commission (KOMIR) established and operational (Component B)	Jan. 1, 2024	4	n/a	
Number of farmer households provided with improved irrigation services (Component B) (thousand)	Jan. 1, 2024	587	n/a	

Remarks: