

**Independent Completion Review of the School Reconstruction Program
in West Java and West Sumatra
MANAGEMENT RESPONSE**

Aid Activity Summary

Aid Activity Name			
AidWorks initiative number	INJ121		
Commencement date	21 December 2009	Completion date	2 June 2011
Total Australian \$	\$10.44 million		
Total other \$	US\$5 million contributed by USAID		
Delivery organisation(s)	Cardno Emerging Markets Pty Ltd		
Implementing Partner(s)	Government of Indonesia: Bappenas (National Development Planning Agency); Ministry of National Education; Ministry of Religious Affairs		
Country/Region	Indonesia		
Primary Sector	Education		

Aid Activity Objective:

The objective of the School Reconstruction Program (SRP) in West Java and West Sumatra is to assist the Government of Indonesia restore and improve access to education for boys and girls including children with a disability following the earthquakes in West Java and West Sumatra in September 2009.

The expected outcomes are:

- 1) Reconstruction of 57 schools in West Java and West Sumatra enabling approximately 9,500 students to return to formal education in structurally sound and safe environments;
- 2) School-community partnership developed through active participation in school reconstruction;
- 3) Enhanced economic livelihoods and capability of school communities through involvement in school reconstruction; and
- 4) Community vulnerability to disasters is reduced as reconstructed school buildings will meet Indonesian earthquake standards and community awareness of disaster preparedness will be developed.

Independent Completion Review Summary

Evaluation Objectives:

- 1) Evaluate the extent to which SRP achieved its objectives;
- 2) Assess the appropriateness of the modality used under SRP for a post-disaster assistance project;
- 3) Provide lessons learned that will inform and shape the early implementation of the Education Partnership and inform future Australian post-disaster reconstruction programs.

Evaluation Completion Date: 26 June 2011

Evaluation Team: Mr Ian Teese, Team Leader and Evaluation Specialist; Mr Methodius Kusumahadi, Community Development Specialist; Rob Dewhirst, Infrastructure Specialist.

Management Response

The Independent Completion Review report is comprehensive and provides practical recommendations and lessons to inform and guide future programming in school construction and post-disaster activities.

The review confirmed that the program achieved its objectives. 57 schools were reconstructed with a significant improvement in basic facilities. The schools were found to be stronger and finished to a higher standard than comparable contractor constructed buildings. The review found that the community-based construction model was appropriate in the post-disaster context as it strengthened the local community-school partnership and contributed to disaster trauma healing. School reconstruction activities supported local economic recovery, injecting wages of approximately \$2.1 million into the community. Reconstructed schools would provide a safe-haven during future earthquakes and school community preparedness has been enhanced.

The review also found that the partnership between AusAID and USAID added value and provided benefits to all three countries. The US Government has since chosen to fund further partnership arrangements with Australia, such as in water and sanitation.

The review recommendations focused on strengthening the process for school re/construction process by the Government of Indonesia in partnership with donors like Australia, and for AusAID to improve branding and response to future disasters.

AusAID agrees with recommendations one, two, four, five and six and partially agrees with recommendation three. Recommendation three states that to encourage adequate completion of activities, a bonus payment of about 5 per cent of the works value should be retained until the managing contractor has verified that work has achieved an acceptable standard and any defects that occur in a 3 month defects liability period after practical completion have been rectified. This bonus could be funds that the School Reconstruction Committee can allocate to their own priorities such as books and teaching materials, security fencing, etc.

AusAID agrees that use of a performance bonus can be an effective practice for infrastructure projects. Under the Education Partnership, AusAID is providing funding via Government of Indonesia systems to construct schools, using a model that disburses funds to the community in two tranches (50 per cent, 50 per cent). For future programs that require a managing contractor to disburse funds directly to the community, AusAID will continue to follow the Government of Indonesia model as closely as possible. However, in these cases, AusAID will discuss with the Government of Indonesia the possibility of providing a 5 per cent bonus payment to the construction committee. [Note: AusAID views this recommendation to mean a 5 per cent performance bonus payment, not retention of 5 per cent of construction costs].