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Final Evaluation of the P3SW Public Private Partnership

Pilot Programme for Pekanbaru and East Indonesia

Annexes

Dirk Van Esbroeck
Ken Caplan
Neil Macleod
Agus Rumansara
Risyana Sukarma

Final - January 2013

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1. Terms of reference

Terms of reference final evaluation P3SW Indonesia

1 Introduction

The P3SW programme aims at piloting the extent to which innovative approaches to public private partnerships can assist in solving the problems in the water sector of Indonesia.

Basic programme data:

Contribution DGIS: EUR 13.2 mln

Contribution partners: EUR 7.2 mln

Programme goals:

- *Institutionally, technically and administratively rehabilitate involved water utilities.*
- *Provide 870.000 people with safe drinking water within the timespan of the pilot.*
- *Attract external finance to cover the follow-up phases of the pilot beyond 2010*
- *Gain experience with different PPP modalities.*

Start date: May 2005

End date pilot phase: Dec 2010

End date partnerships: Dec 2020 (15 yr joint ventures)

P3SW combines aspects of traditional investment projects, technical assistance and water operator partnerships (WOPs) in a long term commitment aiming at (financial) sustainability. The foreseen income generated by water utilities as part of the programme was intended to be reinvested in the water sector through a revolving fund.

Important characteristics of the P3SW programme are:

- A business approach aiming for full cost recovery
- Working according to not for profit not for loss principles
- Particular attention to vulnerable groups in society
- Adequate training for management and staff of local water utilities.

The Eastern Indonesian pilots are managed by WMD (The Dutch water utility from the province of Drenthe) and Water Fund Holland (WFH) for the pilot in Pekanbaru.

The pilot phase of the programme already ended in December 2010. Given the long term commitment of WMD to the partnership with the local utilities and the importance of PPPs in the new development policy of the Netherlands an end evaluation of this programme is desirable.

2 Purpose of the evaluation

Given the pilot nature of the programme the emphasis of the evaluation is on identifying lessons for the future. The final evaluation aims at assessing the extent to which programme targets have been achieved and what lessons can be identified from the experience over the programme period. These lessons are important for the future of the P3SW programme as well as for comparable initiatives in the DGIS portfolio.

At **project level** the evaluation focuses on the results of the WFH pilot in Pekanbaru and the pilot of WMD in 10 locations throughout Eastern Indonesia.

At **programme level** the focus is on the overall set-up of the P3SW programme. Including the division of labour between the different partners, the institutional support and the strengths and weaknesses of the PPP-models applied by WFH and WMD. The evaluation will cover the following items:

- A description of both PPP-models and the expected results
- An assessment of the extent to which the programme has worked according to the original (and adjusted) plans.
- An assessment of the extent to which the original (and adjusted) targets have been achieved.
- Establish to what extent sustainable water supply will be achieved if the pilot are continued along the same lines as set out in the original plans.
- As far as possible identify technical, financial and institutional success- and risk factors in relation to the chosen PPP approaches.

3 Specific tasks

- Establish the provided inputs of the partners involved (both in terms of financial means and in terms of capacity)
- As far as possible quantify the results achieved (in relation to the original targets) on:

- Water production (quantity, quality, continuity)
- Distribution (network, reservoirs, non-revenue water, meters)
- Number of working house connections and public stand posts.
- The total number of people with access to safe drinking water.
- Capacity building (no. of people trained, at what level)
- Involvement of water users, communication
- Effectiveness of utility management
- An assessment of the sustainability of the programme
 - Technical aspects (quality and maintenance of components)
 - Financial/economic aspects (accountability, client administration, billing, affordability, tariffs, cost control)
 - Institutionally (Institutional set up of the programme and the extent to which the counterpart utilities can operate independently, quality of management information, planning and control)
 - Socially and politically (pro poor approach, alignment with national, regional and local politics)
 - Commitment of financial institutions for follow-up funding.
 - Ecologically (impact on catchment/water system)
- Identify key risks and success factors in relation to the characteristics of the chosen PPP approaches.
- Formulate recommendations for the programme specifically and for DGIS more generally

4 Evaluation team

In consultation with WMD en WFH, the Dutch Embassy in Jakarta, DGIS and Deltares will compose an evaluation team. DGIS is responsible for the final composition of the team. Given the complexity of the P3SW programme and the geographical distribution the team will consist of two international consultants and two local consultants. The team has to have a good mix of competencies in the area of drinking water facilities, institutional development, business economics and PPPs. Experience in Indonesia and knowledge of the Indonesian language is an advantage.

BPP-Spam has also expressed their interests in a review and is willing to provide one of the local consultants. Given the role of (local and national) government in the programme, a more neutral consultant might be the preferred option. The embassy is requested to advise on this.

5. Approach

The consultants will use a mix of desk study, interviews with key people in the Netherlands and Indonesia (local and national) and field visits. The P3SW-projectproposals, annual plans, progress reports (of WMD and Deltares) and Mid Term Review (MTR)-reports are available as documentation.

The P3SW-pilots implemented in different locations. For WFH it concerns Pekanbaru (Sumatra); for WMD 10 different locations across eastern Indonesia.

The final evaluation will at least evaluate the situation in Pekanbaru (WFH) and Manado (WMD). From the other WMD-locations, the final evaluation will concentrate on the locations where the cooperation will continue: Sorong, Biak en Merauke. And visit at least one location where the project didn't get off the ground. The choice of sites will be finalized during the inception phase.

The evaluation team will have discussions on Indonesian side with the central government (BPP-SPAM), the local authorities and representatives of PDAM's/JV's. At the Dutch side, there will be interviews with WMD, WFH, DGIS, The Netherlands Embassy, Deltares (responsible for the monitoring of the programme) and the DHV (who implemented the mid-term review in 2009).

The evaluation will be carried out in phases. The evaluation team will firstly produce an inception report in which the basis for the evaluation will be documented. Specific attention will be paid to the indicators on which the achieved results will be determined and the way the business model for the programme will be assessed.

6. Deliverables

- Inception report (including presentation to stakeholders in the Netherlands)
- Preliminary findings report (to be presented to Netherlands Embassy in Jakarta at the end of the fieldwork period).
- Final draft of evaluation report (including a presentation to stakeholders)
- Final report

The reports will be produced in English and will have to be submitted to the Ministry of Foreign Affairs electronically.

7. Indicative schedule final evaluation

March 2012	determine ToR in consultation with DGIS
Feb-March 2012	Selection evaluation team
Mid April 2012	Start
Early May 2012	Completion and discussion inception report
Early June 2012	Presentation preliminary findings at Embassy Jakarta
Mid June 2012	Completion final draft evaluation report and presentation to stakeholders in the Netherlands.
Late June 2012	Completion final report.

2. Persons met

Program partners and stakeholders in the Netherlands

- DGIS
 - Pim van der Male, Senior Policy Officer Water Management
 - Roelofs Karin, Head Water and Environment Division
 - Dick C. van Ginhoven, Senior Water and Sanitation Advisor
 - Roel Biesgraef, Policy advisor water governance

- WFH/Aquanet/PWN
 - Bert Jansen, Director WFH
 - Leo Commandeur, Director Aquanet (international branch PWN)

- WMD
 - Karst Hoogsteen, Director
 - Theo Terpstra, Chief Financial Officer
 - Antoon
 - Peter Schouten

- Gerard van der Kolff, Deltares (program monitor)
- Jan Oomen, DHV, team leader of the MTR
- Bart Teeuwen, consultant (institutional expert) – *phone interview*
- Mrs. G. de Vries – Leggedoor, Vice chairman Stichting Waterprojecten Oost-Indonesië

Program partners and stakeholders in Indonesia

1. Jakarta

- Royal Netherlands Embassy
 - Tjeerd de Zwaan, Ambassador
 - Peter de Vries, First Secretary
 - Christien Hukom, Program Officer for Development Cooperation
 - Nathalie Lintvelt, Head of Economic Affairs Department
 - Cees Cramer, Senior Administrative Officer

- BPPSPAM:
 - Amry Dhamri, PPP Expert, member of administrators
 - Tamin M. Zakaria, Secretary

- BAPPENAS: Bastary Pandji INdra, Director of Public Private Partnership Development
- Ministry of Public Works: Danny Sutjiono, Director Water Supply Development (+ about 10 staff)
- PERPAMSI: Dwiki Riantara, Head of Training and Partnership
- IUWASH: Foort Bustraan, Deputy Chief of Party/Watsan Technical Advisor
- Infrastructure reform sector development project:
 - Louis Braam, Team Leader/PPP Transaction Specialist
 - Proyono, PPP Advisor

- Kumala Siregar, Director of KTDP
- Irma Damayanti, Palyja, Water for All Initiative

2. Pekanbaru and Medan

- City parliament/council:
 - Desmianto, Head of Parliament
 - Kudus, Commission Secretary
 - Adwiar, Secretary of the parliament
- PDAM:
 - T. Ahmad, Head financial dept.
 - Gyahri Rahmad, Head of technical dept.
 - Ukrawati, Head of Rumbai section
 - Suhandi, Head of Infrastructure section
 - Mohamad Nasir, Head of Production section
 - Surasi, Planning Department
- City Government:
 - H. Firdaus, Mayor
 - Yuzanri Yakub, Secretary
 - Zulpikar, 2nd Assistant
 - T. Ahmad, PDAM
 - Suhandi, PDAM
 - Isyandi, PDAM
 - Masirya, Head Economic Administration Section
 - DEdi Gusmiadi
 - Sartidjah, PDAM
- Dewi Anggraini, former staff KTDP
- Riko Kurniawan, Director ELAN (NGO)
- Erizal, former Vice Mayor
- Fakhurrodzi, Rosi, Ilham, journalists
- Dwipa Dalius, Cateleya (legal aid foundation)
- Ahmad Zazali, Scale-up (NGO)
- Oni Suryana
- Ir. Mardianto Manan, M
- Abdi Suscripto, former Director PDAM Pekanbaru

3. Manado

- TID
 - Josien Ruyter, Director TID
 - Ida Sukmanati

- PT Air Manado (local JVC)
 - Otniel Kojansow
 - Albert Wuysang, Vice President Board of Commissioners
 - Tommy Sumakul, Commissioner
 - Vecky Gandey, Commissioner
 - Vicky Silimau, senior staff
 - Yan Wawo, general director
 - Denny, Head Production and Laboratorium Dept.
 - Ferry, Head Technical Planning and Supervision Dept.
 - Flepy, Head Distribution Dept.
 - Lonto, NRW team

- Didi Sjafii, Director PDAM
- Paulus Tallulembang, former TID staff
- BPPSPAM (on mission to Manado)
 - Sri Nursanti
 - Dwipa Dalius
 - Arie Yanuar Taba
 - Amry Dharma

- City government
 - Vicky Lumentu, Mayor
 - Haefrey Sendoh, Secretary
 - Several staff members

- Seth Walo, former member of parliament
- Willy Areros, member of parliament

4. Ambon

- Alfons Tetelepta, Director of PT DSA
- Effendi, Commissioner
- Aka, PDAM Supervisory Board
- Other members of Supervisory Board

5. Biak

- PT War Besrendi:
 - Arnold Asyarem, Director
 - Albert Mallow, Commissioner
 - Nanik Riyanti, Vice Director
 - Suryan, Production Dept.
 - Hasael Rumabar, Head of Financial Dept.

- Ester Toni, Public Relations Division
 - Wahyu Pramuji, Planning Dept.
 - Khairul Anam, Distribution
 - Susmanto, Maintenance division,
 - Dewi, Financial Division
 - Wawan Syariful Anwar, TID – controller
 - M.Z. Tobing, Public Relations Division
 - Poli Rumasep, Distribution
- A member of the Biak district parliament

6. Merauke

- PT Wedu Merauke:
 - Frans Tuapattinaja, Director
 - Simon Abraham, Commissioner
 - Heni Astuti Suparman, Commissioner
 - Katrina Rapar, General Manager
 - Paulus Teurupun, Head Technical Dept.
 - Bernardus Yamu, Head General Section
 - Maryana Somar, Head Financial Section
 - Budi Prasetyo, Head Sales and Marketing Section
 - Hendra Rusdiyanto, Head Distribution Section
 - Amarudin Lagne, Technical planning
 - Aidin, Head Maintenance Unit
 - Sudarsono Borlak, Head Production Unit
 - Ferdinandus Renwarin Head General Unit
- T.H. Pasaribu, TID coordinator
- YASANTO (local NGO): Jago Bukit, Anton Maskim

7. Sorong

- PT Tirta Remu:
 - Sophia Manomutu, Director
 - Amos Kasi, member of the board of Commissioners
 - Vicky Mundiahi, head of the financial dept.
 - Tommy Na, head of technical dept.
 - Sastra Weliza, head of general & customer service dept.
 - Other team members
- City government:
 - Drs. Ec. Lambert Jitmau, Mayor
 - Dr. H. E. Sihombing, MM, City Secretary
 - Abubakar Alhamid S.Sos, M.Si, 2nd Mayor Assistant

3. Main documents and references consulted

At the level of the DGIC

- Key documents related to the P3SW approval process:
 - Letters/notes between WFH, RWS and the Ministry of Foreign Affairs (letter of WFH of 2/6/05, letter of RWS of 13/6/05, mails of WMD providing technical clarifications, letter of MoF of 13/7/05)
 - Covenant between RWS and MoF
 - Beoordelingsmemorandum Pilot Project Public-Private Partnership (June 2005)
- Important letters of MoF: letter of 8/02/2011, mail of 24/05/2011; exchange of mails between RNE in Jakarta and DGIC related to P3SW midterm review and final evaluation
- B. Knapen, Staatssecretaris Buitenlandse Zaken, Beleidsbrief 'Water voor Ontwikkeling' gericht aan voorziter van de Tweede Kamer der Staten-Generaal, Januari 2012, 17 p.
- Note on Water (AVT11/BZ102090), 13 p.
- Rijksoverheid, Kamerstuk 322dmw-w bijlage.doc, Antwoorden van de heer Koenders, minister voor Ontwikkelingssamenwerking, op vragen van de Vaste Commissie voor Buitenlandse Zaken betreffende de '50 miljoen doelstelling' drinkwater en sanitatie, juni 2009
- Ministry of Foreign Affairs, A guide to Public-Private Partnerships (PPPs), A practical handbook on launching an effective public-private partnership, The Hague, January 2010, 36 p.

Key documents related to P3SW planning and implementation

- *The FWH/Aquanet component*
 - Two presentations of PDAM Tirta Siak Pekanbaru (powerpoints, in bahasa) of March and June 2012
 - Stichting WFH, Public Private Partnership for water infrastructure development in Pekanbaru City, Riau Province, Indonesia, Final Report, November 2010, 9 p. + 13 annexes
 - van der Kolff, G., overzicht P3SW budget en betalingen (interne nota)
 - Minutes discussion Deltares, DGIS, RWS dd. 14 September 2010
 - van der Kolff, G., Voortgangsrapportage P3SW, verslagperiode 1-1-2009 t/m 31-12-2009, augustus 2010, 21 p.
 - Results of the BPKP audit related to the KTDP investments in PDAM Tirta Siak, 17 p.
 - Minutes of meeting between municipality Pekanbaru, PDAM Tirta Siak, Water Fund Holland and Deltares on behalf of Dutch Government, March 2010, 7 p.
 - van der Kolff, G., Voortgangsrapportage P3SW, verslagperiode 1-1-2008 t/m 31-12-2008, augustus 2009, 23 p.
 - Memo of Deltares to BPPSPAM, December 2009, 2 p.
 - Mails of G. van der Kolff to DGIS with regard to MTR and its follow up
 - Letter of G. van der Kolff to RWS Waterdienst, October 2010 related to administrative closure of project

- Stichting WFH, Public Private Partnership for water infrastructure development in Pekanbaru City, Riau Province, Indonesia, progress report nr. 6, Period July – December 2008, May 2009
 - PPP Water supply in Pekanbaru, Realised cost and financing in May 05 – December 08
 - Stichting WFH, Public Private Partnership for water infrastructure development in Pekanbaru City, Riau Province, Indonesia, progress report nr. 6, Period January – June 2008, October 2008
 - van der Kolff, G., letter to DGIS, September 2007
 - Programma Partners voor Water, Projectvoorstel WFI, April 2005, 12 p.
 - WFI, Public Private partnership (PPP) plan for water infrastructure development in PDAM Tirta Siak, Pekan Baru City, Riau Province, Indonesia, April 2005, 24 p. + 3 annexes
 - WFI, Checklist for Organisational Capacity Assessment (COCA), 9 p. + annexe
- **The WMD component**
 - Internal WMD documents/memos/... and documents produced on request evaluators
 - Financieel overzicht RNE: Drinkwatervoorziening Oost-Indonesië
 - Mails and letters between WMD and its local partners, in particular mail of 9 April 2011 and letter of October 17, 2011
 - Overzicht aflossingen PT's t/m Juni 2012
 - Revolving fund: overzicht projectuitgaven PT's t/m juni 2012
 - Rules for the board of Directors and for the board of commissioners of PT Air Manado as determined in the meeting of March 16, 2007
 - WMD master plans simplified
 - Progress reports:
 - Progress Report East Indonesia P3SW-RNE, 2011, 41 p.
 - Progress Report East Indonesia P3SW-RNE, January – June 2011, 38 p.
 - Progress Report East Indonesia P3SW-RNE, 2010, 81 p.
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 - Stichting Waterprojecten Indonesië (SWOI)
 - Jaarverslag 2010, 33 p.
 - Statutenwijziging, November 2010
 - Uitreksel Handelsregister Kamer van Koophandel
 - Jaarverslag 2009, 50 p.
 - Jaarverslag 2008, 42 p.
 - Aanvraag aanvullende fondsen (RNE project), 33 p.
 - Annual Report 2005 -2006 – 2007, 28 p.
 - JVC in Ambon (PT Dream Sukses Airindo):
 - PT Dream Sukses Airindo, Company Profile
 - Independent Auditors Report to financial statement of PT Air Manado for the year ended December 31, 2010 and 2009

- Water supply City of Ambon Maluku 1999 – 2006, WMD project Water for Indonesia, Summary of activities until December 2006, November 2007, 19 p.
 - Memorandum of Understanding between PT Air Minum Kotamadya Daerah Tingkat II Ambon and Waterleiding Maatschappij Drenthe for Establishing Joint Venture, 1998
- JVC in Manado (PT Air Manado):
 - Minutes of general meeting of shareholders PT. Air Manado, number 13, June 2012, 14 p.
 - Circular resolution of the General Meeting of Shareholders of PT Air Manado, June 2012, 5 p.
 - Minutes of Board of Commissioners Meeting PT Air Manado, June 2012, 4 p.
 - PT Air Manado, 2 power point presentations, 2012
 - Statement of the Director of PDAM Manado, February 2012
 - Calculation contribution fee
 - Circular resolution of the General Meeting of Shareholders of PT Air Manado, January 2011, 5 p.
 - Independent Auditors Report to financial statement of PT Air Manado for the year ended December 31, 2011 and 2010
 - Independent Auditors Report to financial statement of PT Air Manado for the year ended December 31, 2010 and 2009
 - Master Plan PT Air Manado, October 2010, 73 p.
 - Water Supply City of Manado Sulawesi, 2004 – 3006, WMD project Water for Indonesia, Summary activities situation October 2004 till December 2006, November 2007
 - Cooperation Agreement between PDAM Kota Manado & Pemerintah Kota Manado & BV. Tirta Sulawesi, October 2005, 55 p.
- JVC in Sorong: PT Tirta Remu
 - PT Tirta Remu, powerpoint presentation, June 2012
 - Sosialisasi kenaikan tariff air bersih, May 2012, 2 p.
 - Calculation contribution fee
 - Independent Auditors Report to financial statement of PT Tirta Remu for the year ended December 31, 2011 and 2010
 - Loan agreement between PT Tirta Inti Drenthe, PT Tirta Remu and Tirta Drenthe BV for 2010, February 2012, 14 p.
 - Loan agreement between PT Tirta Inti Drenthe, PT Tirta Remu and Tirta Drenthe BV for 2009, August 2011, 14 p.
 - Water supply City of Sorong Papua 2004 – 2007, WMD project Water for East Indonesia, Summary of Activities October 2004 – July 2007, August 2007
 - Loan agreement between PT Tirta Papua and PT Tirta Remu contract nr. 4, January 2007, 6 p.
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 - Struktur organisasi PT Tirta Remu Sorong
 - Pendirian Perseroan Terbatas PT Tirta Remu, Maret 2005,
 - Cooperation Agreement, Pemerintah Kota Sorong – BV Tirta Papua, August 2004, 51 p.
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 - Pinjaman ke TID periode 2004 – 2011
 - General meeting of shareholders, October 2011, 7 p.
 - Loan agreement concerning the financing in 2011 of PT War Besrendi between Tirta Drenthe BV, PT Tirta Inti Drenthe and PT War Besrendi Biak, 9 p., April 2012
 - Independent Auditors Report to financial statement of PT Tirta Remu for the year ended December 31, 2011 and 2010
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 - Water supply Kabupaten Biak Papua 2004 – 2007, WMD project Water for East Indonesia, Summary of Activities 2004 – December 2006, November 2007
 - Cooperation Agreement PDAM/Kabupaten Biak Numbor/BV Tirta Papua, August 2004
- JVC in Merauke: PT Wedu Merauke
 - Ringkasan data produksi – distribusi PT. Wedu Merauke, Tahun 2011
 - Service provision agreement between PT. Wedu Merauke and Tirta Drenthe, December 2011, 11 p.
 - Revisi rencana tahunan 2011
 - Loan Agreement concerning the financing of projects 2012 of PT Wedu Merauke between between Tirta Drenthe B.V., PT Tirta Inti Drenthe and PT Wedu Merauke, April 2012, 9 p.
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 - Management letter to financial statement of PT Tirta Remu 2011
 - Minutes of the Board of Commissioners Meeting of PT Wedu Merauke, November 2011, 7 p.
 - Minutes of the Board of Commissioners Meeting of PT Wedu Merauke, November 2010, 7 p.
 - Agreement concerning assets between PDAM Kabupaten Merauke and PT. Wedu Merauke, February 2010,

- Minutes of the General Meeting of Shareholders of PT Wedu Merauke, February 2010, 4 p.
 - Minutes of the Board of Commissioners Meeting of PT Wedu Merauke, February 2010, 7 p.
 - Independent Auditors Report to financial statement of PT Wedu Merauke for the year ended December 31, 2011 and 2010
 - Independent Auditors Report to financial statement of PT Wedu Merauke for the year ended December 31, 2010 and 2009
 - Management letter PT Wedu Merauke for the year ended December 31, 2008
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- Projectvoorstel
 - Programma Partners voor Water, Projectvoorstel WMD , April 2005, 11 p.
 - WMD, Drinkwatervoorziening Oos Indonesië, Een demonstratie van een publiek-private samenwerking, June 2005, 44 p. (+ covering letter)

Other important documents

- BAPPENAS (National Planning Agency), Guidelines on Public Private Partnerships (DVD)
- BPDWS, Improving Partnership Governance in Water Services, Produced on behalf of Swiss Agency for Development Cooperation (SDC) and Swiss State Secretariat for Economic Affairs (SECO)
- BPDWS, Several documents of the 'PPP Guidance Series' (available on www.bpdws.org):
 - Emerging PPP Trends in the WASH Sector, April 2011, developed by Aileen Anderson with contributions from Jan G. Janssens
 - Accountability & Transparency, June 2011
 - Customer Focus & Results Orientation, June 2011
 - Poverty Responsiveness, March 2011
 - Power-Balanced Partnerships, July 2011
 - Sound Financing Mechanisms, June 2011
 - Water Resource Protection, June 2011
- BPPSPAM, Memo Dinas, Evaluasi KPS Air Minum Kota Manado, 8 Juni 2009, 10 p.
- BPPSPAM, Hasil kinerja 355 PDAM final
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- Budhi Yonanyta Bahroelim, Public-Private Partnerships Non-Profit in Water Services: Case studies from Indonesia-Netherlands cooperation, The Hague, ISS, December 2007, 58 p.
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- Kementerian Pekerjaan Umum, Laporan Pelaksanaan Tugas BPPSPAM, Periode Tahun 2011, 46 p. + lampiran
- Menteri Pekerjaan Umum, Peraturan Menteri Pekerjaan Umum nomor 20/PRT/M/2006, Kebijakan dan strategi nasional pengembangan system penyediaan zir minum (KNSNP-SPAM)
- Ministry of Public Works, National Supporting Agency for Water Supply System Development (BPPSPAM), Collection of the Republic of Indonesia Regulation on Drinking Water Infrastructure (DVD):
 - Government regulation no. 16 of 2005
 - Presidential regulation no. 13 of 2010
 - Regulation of the Minister of Public Works no. 294 of 2005
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- PERPAMSI website, consulted on May 31, 2012
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- PERPAMSI, Indonesian PDAM June 2012
- PERPAMSI, Role Perpamsi PPP
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4. Key Performance Indicators (five locations)

4.1 Biak

Indicators	Baseline	2008	2009	2010	2011	Evaluation	Changes (*)
Consumer data							
Population service area	120.849	129.267	132.201	135.202	142.521		21.672
Number of HC		5.390	5.845	6.603	7.127	7.127	1.737
Number of active HC	5.110	5.327	5.711	6.352	5.808	5.808	698
People served by public taps							
Nr. of public taps			22	27	?		
Inhabitants having access to water	30.660	34.641	38.561	48.501		32.028	1.368
Connection density - active HC (%)	25	25	26	28	24		-1
Coverage (%)	25	27	29	36			11
Human resources							
Number of employees	42	47	40	42	43		1
Staff efficiency (Active HC/employee)	122	113	143	151	135		13
Production							
Water production (.000m3)		2.754	3.149	3.285	3.539		785
Specific energy use (kWh/m3)		0,43	0,40	0,48	0,54		0,11
Distribution							
Water sold (.000 m3, via HC and trucks)		1.429	1.324	1.373	1.397	1.388	-41
NRW (%)	66	48	58	58	61		-5
Income							
Total operational income (000,000 IDR)		4.712	6.582	5.641	6.413		1.701
Income from water sales (000,000 IDR)	3.450	4.642	6.507	6.248	5.879		2.429
Average tariff (IDR/m3)	950 (?)	2.198	3.804	3.973			1.775
Income after taxes (000,000 IDR)		-2.414	1.914	-7.284	-2.929		-515

(*) Baseline (2004) against latest data available

4.2 Manado

Indicators	Baseline	2008	2009	2010	2011	Evaluation	Changes (*)
Consumer data							
Population service area	405.000	450.780	468.811	487.563	426.411	410.481	5.481
Number of HC	25.284				33.914		8.630
Number of active HC	32.000 (?)	16.608	17.057	21.834	22.930	23.682	7.074
People served by public taps							
Nr. of public taps	17	121	121	121			
Inhabitants having access to water	91.590	114.214	125.277	133.370			41.780
Connection density - active HC (%) (*)	47 (?)	22	22	27	32	35	13
Coverage (%)		25	27	27		35	10
Human resources							
Number of employees	318	350	350	285	276	276	-42
Staff efficiency (Active HC/employee)		47	49	77	83	86	39
Production							
Water production (.000m3)	27026 (?)	21.444	24.737	25.148	19.805		-1.639
Distribution							
Water sold (.000 m3, via HC and trucks)		3.638	4.309	5.258	5.509		1.871
NRW (%)	79	83	83	79	72	66	-13
Income							
Total operational income (000,000 IDR)		20.187	27.050	28.560	35.722		15.535
Income from water sales (000,000 IDR)		19.116	25.159	34.171	32.426		13.310
Average tariff (IDR/m3)	2.950	3.084	4.002	3.978		4.299	1.349
Income after taxes (000,000 IDR)		-12.630	-15.554	-9.265	-7.313		5.317

(*) Baseline (2005) against latest data available

(*) = (Active HC * 6)/population service area

4.3 Merauke

Indicators	Baseline	2008	2009	2010	2011	Evaluation	Changes (*)
Consumer data							
Population service area		70.864	72.614	74.408	77.131		77.131
Number of HC	3.199				4.467	4.465	1.266
Number of active HC	3.049	3.330	3.406	3.329	3.380	3.389	340
People served by public taps		5.000	5.000	5.000			
Nr. of public taps	22	?	?	?			
Inhabitants having access to water	19.326	24.980	25.436	24.974			5.648
Connection density - active HC (%)		28	28	27	26		-2
Coverage (%)		35	35	34			-1
Human resources							
Number of employees	45	66	66	66	56	56	-45
Staff efficiency (Active HC/employee)	68	50	52	50	60	61	-7
Production							
Water production (.000m3)	844	970	1.053	974	1.228	1.228	384
Specific energy use (kWh/m3)		1,40	1,28	1,23	1,39		-0,01
Distribution							
Water sold (.000 m3, via HC and trucks)		683	687	633	614	614	-69
NRW (%)		30	35	35	50	50	20
Income							
Total operational income (000,000 IDR)		5.376	5.428	5.555	5.902		526
Income from water sales (000,000 IDR)		5.031	5.171	5.376	5.351		320
Average tariff (IDR/m3)	5.950	6.028	7.700	7.627			1.677
Income after taxes (000,000 IDR)		-1.805	-846	-3.462	-1.963		-158

(*) Baseline (2005) against latest data available

4.4 Sorong

Indicators	Baseline	2008	2009	2010	2011	Evaluation	Changes (*)
Consumer data							
Population service area	172.803	188.443	193.963	199.646	207.632	188.477	15.674
Number of HC	9.035	6.802	7.224	11.258	11.867	12.978	3.943
Number of active HC	8.985		7.224	7.486	7.012	9.636	651
People served by public taps							
Nr. of public taps	62		300				238
Inhabitants having access to water	53.910	40.812	60.323	61.897		90.846	36.936
Connection density active HC (%)	31	0	22	22	20	31	0
Coverage (%)	31	22	31	31		48	17
Human resources							
Number of employees	133	131	127	121	121	119	-14
Staff efficiency (Active HC/employee)	68		57	62	58	81	13
Production							
Water production (.000m3)	340 (*)	3.253	3.497	3.680	4.051	3.946	693
Specific energy use (kWh/m3)		0,40	0,46	0,65	0,51		0,11
Distribution							
Water sold (.000 m3, via HC and trucks)	1019 (*)	1.518	1.511	1.479	1.597	1.636	118
NRW (%)	80	53	57	60	61	51	-29
Income							
Total operational income (000,000 IDR)	3666 (*)	4.401	5.708	9.934	10.179		5.778
Income from water sales (000,000 IDR)		3.881	5.070	8.162	8.051		4.170
Average tariff (IDR/m3)	1000 (?)	2.547	3.075	3.075			528
Income after taxes (000,000 IDR)	-4589 (*)	-8.647	-3.394	-3.186	-2.168		6.479

(*) Baseline (2005) against latest data available

(?) Atypical year because of disconnection from power grid

4.5 Ambon

Indicators	Baseline	2008	2009	2010	2011	Evaluation	Changes (*)
Consumer data							
Population service area		57.750	58.200	58.654	60.801	68.079	10.329
Number of HC					7.374	7.374	7.374
Number of active HC	4.767	5.696	6.044	6.342	7.374	7.374	2.607
People served by public taps		800	800	800			
Nr. of public taps							
Inhabitants having access to water		34.976	37.064	38.052		47.827	12.851
Connection density - active HC (%)		59	62	65	73	73	14
Coverage (%)		0,61	0,64	0,65		0,70	0,10
Human resources							
Number of employees	40	45	50	50	53	52	12
Staff efficiency (Active HC/employee)	119	127	121	127	139	142	23
Production							
Water production (.000m3)	2.757	1.968	2.464	2.713	2.936		179
Specific energy use (kWh/m3)	0,41	0,52	0,55	0,44	0,03 (?)		0,03
Distribution							
Water sold (.000 m3, via HC and trucks)		1.329	1.453	1.668	2.160		831
NRW (%)	56	32	41	38	26	28	-28
Income							
Total operational income (000,000 IDR)		4.725	7.823	9.955	7281 (*)	12.637	7.912
Income from water sales (000,000 IDR)		4.394	6.717	8.760	5912 (*)		4.366
Average tariff (IDR/m3)		3.157	3.449	3.689			532
Income after taxes (000,000 IDR)		-2.794	-1.288	1.037	1.697		4.491

(*) Baseline (first half of 2006) against latest data available

(*) Figures for 9 months only

5. Evaluation framework

Key task/issue	Question/judgement criterion/ indicator	Document review	Broader literature review	Interviews the Netherlands	Interviews Jakarta	Interviews field	Site visits & observation	Focus group discussions	Case study	Comments/clarifications
1. Establish provided inputs of partners involved	1.1 How many financial means have been spent on the program origins of these means?	X								Entire program period to be considered, but no analysis of period before MTR
	1.2 Relation between actual spending and initial planning? Reasons for deviations?	X		(X)		X				
	1.3 Nature of spending (TA, investments, ...) and level of correspondence with initial planning? Reasons for deviations?	X		(X)		X				
	1.4 Relevance and quality of TA inputs	(X)	(X)	X	X	X		X	(X)	
	1.5 Relevance and quality of investments	(X)	(X)		X	X	X	X	(X)	
	1.6 Relevance and quality of other uses of financial means (if any)	(X)	(X)		X	X	(X)	X		
2. Description and assessment of the PPP models	2.1 PPP in Pekanbaru									
	2.1.1 Historical background	X		X	X	X				
	2.1.2 Major aims	X		X	X	X				
	2.1.3 Description: contract modalities, financing, regulatory environment, actual implementation and stakeholder engagement	X	X	X	X	X		X		
	2.1.4 Assessment of the model (strong and weak points, benchmark with international practices, key risk and succes factors, ...)	X	X	X	X	X		X	X	Benchmark with international practices both at time contracts were signed and today
	2.2 PPP in East Indonesia									
	2.2.1 Historical background	X		X	X	X				
	2.2.2 Major aims	X		X	X	X				
	2.2.3 Description: contract modalities, financing, regulatory environment, actual implementation and stakeholder engagement	X	X	X	X	X		X		
	2.2.4 Assessment of the model (strong and weak points, benchmark with international practices, key risk and succes factors, ...)	X	X	X	X	X		X	X	Benchmark with international practices both at time contracts were signed and today

3.	<i>3.1 Pekanbaru</i>								
Quantification of the results (in relation to original targets)	3.1.1 To which extent did the project component achieve its original targets:								
	• aim: improved water supply for 350,000 people contributing to improved health and economic progress (including 40,000 poor living below the poverty line)	X	X	X	X	X	X	X	X
	• output 1: 50,000 house connections; 400 km of distribution channels; 20,000 water meters replaced; 300 public taps installed	X			X	X	X		
	• output 2: water treatment in Tampan and Rumbai renovated	X			X	X			
	• output 3: conveyance capacity to city increased to 900 l/s	X			X	X	X		
	• output 4: non revenue water reduced from 47% to 27%	X	X		X	X	X		
	• output 5: capacity of PDAM Tirta Riau developed (indicators mentioned: WTP plants are model plants, well trained and motivated staff)	X	X	X	X		X		
	• output 6: revolving fund operational (via recovery and reinvestment of capital cost)	X	X	X					
	output 7: improved position of Dutch drinking water sector on Indonesia market (incl. export spin offs)	X	X	X	X		X		
	3.1.2 Which factors (internal, external) explain the level of achievement of the objectives?	X	X	X	X	X	X	X	
	<i>3.2 East Indonesia</i>								
	• aim: improved water supply (WHO norms) in East Indonesia for 2,000,000 people in 15 years time (on the basis of full cost recovery at acceptable tariffs), contributing to improved quality of life, health and economic activation of population	X	X	X	X	X	X	X	X
	• output 1: between 7 and 13 local water supply companies (PDAM) rehabilitated and reorganised to enable them to operate in a sustainable way (indicators: decrease NRW from 70% to 15%; improvement service levels: 24/7 supply; improved readiness to pay for water; increased local knowledge and management); improved treatment of waste water;	X	X	X	X	X	X	X	
	• output 2: decrease of operational costs of local PDAMs	X	X	X	X				
	• output 3: increased sales of drinking water	X	X		X				
	• output 4: improved financial position of PDAMs (with affordable tariffs for local population and basis for future investments)	X	X	X	X				
	• output 5: strengthened involvement Dutch water sector in Indonesia (incl. export spin offs)	X	X	X	X		X	X	
	3.2.2 Which factors (internal, external) explain the level of achievement of the objectives?	X	X	X	X	X	X	X	

4. An assessment of the sustainability of the program	4.1 <i>Pekanbaru</i>									
	4.1.1 To which extent has the improved level of water supply (achieved at the end of the implementation period) been maintained?	X	X	X	X	X	X	X	X	Assessment at level of consumer
	4.1.2 To which extent have the technical achievements (related to outputs 1-4) of the project component been preserved (adequate O&M, ..)?	X		(X)	X	X				
	4.1.3 To which extent can counterpart utilities ensure financial/economic viability (cost control, billing, tariffs, commitment of financial/political institutions for follow-up funding, ..)?	X	X	X	X			X		
	4.1.4 To which extent are local counterpart utilities institutionally sustainable (good accountability; good internal systems of planning, implementation and control; sufficient political back; sufficient level of operational independency, ...)	X	X	X	X			X		
	4.1.5 To which extent is social and political sustainability ensured (political embedding of the water utility; alignment with regional and national policies; pro poor orientation; ...)	X	X	X	X			X		
	4.1.6 To which extent is the drinking water system ecologically sustainable?	X	X	X	X	X		X		
	4.1.7 To which extent are the results with regard to increased Dutch involvement in the water sector sustainable?	X	X	X	X			X		Desired focus: increased involvement as such, or lessons learned?
	4.2 <i>East-Indonesia</i>									
	4.2.1 To which extent has the improved level of water supply (achieved at the end of the implementation period) been maintained?	X	X	X	X	X		X	X	Assessment at level of consumer
4.2.2 To which extent have the technical achievements (related to outputs 1-3) of the project component been preserved (adequate O&M, ..)?	X		(X)	X	X					
4.2.3 To which extent can counterpart utilities ensure financial/economic viability (cost control, billing, tariffs, commitment of financial/political institutions for follow-up funding, ..)?	X	X	X	X			X			

4.2.4 To which extent are local counterpart utilities institutionally sustainable (good accountability; good internal systems of planning, implementation and control; sufficient political back; sufficient level of operational independency, ...)	X	X	X	X		X
4.2.5 To which extent is social and political sustainability ensured (political embedding of the water utility; alignment with regional and national policies; pro poor orientation; ...)	X	X	X	X		X
4.2.6 To which extent is the drinking water system ecologically sustainable?	X	X	X	X	X	X
4.2.7 To which extent are the results with regard to increased Dutch involvement in the water sector sustainable?	X	X	X	X		X

Desired focus: increased involvement as such, or lessons learned?