

Project Administration Manual

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**Indonesia: Coral Reef Rehabilitation and
Management Program - Coral Triangle
Initiative Project**

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Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with Government and Asian Development Bank (ADB) policies and procedures. This version comprises two sections in every chapter based on the project implementation period. The first section regulates and describes the project implementation from 2014 to 2019 under the administration of the Ministry of Marine Affairs and Fisheries. The PAM remained the same as the previous version without any further alteration. The second section regulates and describes the project implementation from 2020 to 2022 under the administration of the Ministry of National Development Planning/National Development Planning Agency. The PAM includes references to all available templates and instructions through linkages to relevant URLs or directly incorporated in the PAM.

From 2014 to 2019 project implementation, the Directorate General of Marine, Coasts and Small Islands (DGMCSI) of the Ministry of Marine Affairs and Fisheries (MMAF) as the executing agency, and the DGMCSI-Directorate of Area and Fish Species Conservation (DGMCSI-DAFSC), Directorate General of Capture Fisheries-Directorate of Fisheries Resources (DGCF-FR) and Indonesian Institute of Sciences [*Lembaga Ilmu Pengetahuan Indonesia* (LIPI)]-Research Center for Oceanography (RCO), as implementing agencies are wholly responsible for the implementation of ADB financed projects, as agreed jointly between the borrower and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by DGMCSI, DGMCSI-AMRC, DGCF-FR, and LIPI-RCO, of their obligations and responsibilities for project implementation under ADB's policies and procedures. During this project period, the PAM regulates both loan and grant from ADB and the content remains the same in the first section of this document. This section will serve as a reference to the second section when relevant.

Under the project restructuring period, from 2020 to 2022 the Deputy for Maritime Affairs and Natural Resources (DMANR) of the Ministry of National Development Planning/ National Development Planning Agency (*Badan Perencanaan Pembangunan Nasional/Bappenas*) as the executing agency, and the Indonesia Climate Change Trust Fund (ICCTF) under DMANR- Directorate of Marine and Fisheries (DMANR-DMF) as the implementing agency are wholly responsible for the implementation of ADB financed project, as agreed jointly between the borrower/ grant recipient and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by DMANR, DMANR-DMF, ICCTF of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures. The second sections of each chapter in the updated PAM contain specific administrative and management requirements for the COREMAP-CTI project implementation under the ADB grant.

At Loan and Grant Negotiations the borrower, recipient, and ADB shall agree to the PAM and ensure consistency with the Grant Agreements and the amendment of the grant agreement. Such agreements shall be reflected in the minutes of the Loan Negotiations and other documents that are available as the legal basis of the project implementation. In the event of any discrepancy or contradiction between the PAM and the Loan and Grant Agreements, the provisions of the Loan and Grant Agreements shall prevail.

After ADB Board approval of the project's report and recommendations of the President (RRP), changes in implementation arrangements are subject to agreement and approval pursuant to relevant Government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval they will be subsequently incorporated in the PAM.

Abbreviations

Bappenas	–	Badan Perencanaan Pembangunan Nasional (National Development Planning Agency)
CDD	–	community driven development
COREMAP	–	coral reef rehabilitation and management program
CTI	–	Coral Triangle Initiative
DAFSC	–	Directorate of Area and Fish Species Conservation
DFR	–	Directorate of Fisheries Resources
DGCF	–	Directorate General of Capture Fisheries
DGMCSI	–	Directorate General of Marine, Coasts and Small Islands
DMNAR	–	Deputy for Maritime Affairs and Natural Resources
DMF	–	Directorate of Marine and Fisheries
EIRR	–	economic internal rate of return
FR	–	Directorate of Fisheries Resources
GEF	–	Global Environment Facility
ICB	–	International Competitive Bidding
ICCTF	–	Indonesia Climate Change Trust Fund
ICS	–	individual consultant selection
IPPF	–	indigenous peoples' planning framework
LIPI	–	Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Sciences)
LPSTK	–	Lembaga Pengelola Sumberdaya Terumbu Karang (coral reef resource management institution)
MMAF	–	Ministry of Marine Affairs and Fisheries
MNDP	–	Ministry of National Development Planning
MPA	–	Marine Protected Area
NCB	–	National Competitive Bidding
NGO	–	Nongovernment Organization
NPOA	–	National Plan of Action
PAM	–	Project Administration Manual
PEFA	–	Public Expenditure Financial Accountability
PES	–	Payment for Ecosystem Services
PFM	–	Public Financial Management
PIU	–	Project Implementation Unit
PMO	–	Project Management Office
PMU	–	Project Management Unit
QCBS	–	Quality-Cum-cost Based Selection
RCO	–	Research Center of Oceanography
RRP	–	Report and Recommendations of the President

I. PROJECT DESCRIPTION

1. Project Period 2014 - 2019

A. Rationale

1. Indonesia is the world's largest archipelagic nation, with 18% of the world's coral reefs with the richest biodiversity in the world. Indonesia's highly productive coastal ecosystems serve as an important base for the country's economic growth. Sustainable management of the coral reef and its associated ecosystem is, therefore, a major objective of Indonesia's marine and fisheries sector policy. Marine and fisheries sector development is guided by (i) the National Long Term Development Plan (2005–2025), (ii) the Medium-Term Development Plan (2010–2014), and (iii) the Ministry of Marine Affairs and Fisheries (MMAF) Strategic Plan (2010–2014). Indonesia has also taken a lead role in the Coral Triangle Initiative (CTI), a six-country program of regional cooperation to sustainably manage coastal and marine resources in the region of the coral triangle.

2. Low awareness of coastal communities on coral reef conservation, inadequate institutional capacity to contain land- and marine-based pollution, insufficient institutional frameworks and capacity to effectively manage MPAs, and persistent poverty in coastal areas have resulted in degradation of about 70% of Indonesia's coral reef ecosystem.¹ To address these root causes, the Government of Indonesia has adopted a multifaceted approach focusing on (i) institutional capacity building, (ii) development of models for establishment and effective management of MPAs, and (iii) reduction of coastal poverty through income-generating infrastructure and sustainable livelihoods. This project represents the last of a three-phase program in which the Asian Development Bank (ADB) and the World Bank are working in close cooperation with the government in complementary geographic areas.² The first phase (COREMAP I) established a viable framework for a national coral reef management system in Indonesia.³ The second phase (COREMAP II) consolidated the knowledge base, adopted a community-based approach for decentralized coral reef management, and built strong public awareness on coral reef conservation.⁴ COREMAP II initiated institutional development for model MPA systems and tested the feasibility of sustainable livelihood activities for reducing fishing pressures in targeted coastal communities. COREMAP—CTI, the third and final phase, will support government's sector development plan and targets for establishing effective MPAs. The Project will enable coastal communities, and the institutions that support them, to manage coral reef resources, associated ecosystems and biodiversity in a sustainable manner for increasing the economic and social welfare of coastal communities. ADB will support project implementation in 7 district MPAs located in Batam, Bintan, Central Tapanuli, Lingga, Mentawai, Natuna and North Nias, and 3 national MPAs in the districts of Anambas, Pulau Pieh and Gili Matra). ADB and the World Bank project completion reports for COREMAP II described several lessons that have been incorporated in the COREMAP—CTI project design. These include the need for (i) commitment and support from local government bodies, (ii) integration of value chain analysis of livelihood activities in the project design, and (iii) effective mainstreaming of gender concerns.

¹ Indonesia National Coordinating Committee Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security.

2012. *The State of the Coral Triangle in Indonesia*. Jakarta.

² Development Coordination (accessible from the list of linked documents in Appendix 2 of the RRP).

³ ADB. 1998. *Report and Recommendation of the President to the Board of Directors: Proposed Technical Assistance Loan and Grant to the Republic of Indonesia for the Coral Reef Rehabilitation and Management Project*. Manila.

⁴ ADB. 2002. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Republic of Indonesia for the Coral Reef Rehabilitation and Management Project Phase II*. Manila

3. The project will contribute to meeting the government's marine and fisheries sector development plan's (para. 1) overall targets to develop 20.0 million ha of MPAs by 2020 (of which 15.7 million ha has been achieved by 2012) and to effectively manage 15 threatened, endangered and endemic species. The project is aligned with Indonesia's Country Partnership Strategy 2012–2014 with regard to its two strategic pillars of inclusive growth and environmental sustainability. The project is also aligned with Indonesia's National Plan of Action (NPOA) for the CTI and will specifically contribute towards (i) Goal #2, ecosystem approach to fisheries management and other marine resources fully applied; and (ii) Goal #3, MPA established and effectively managed.

4. Building upon Phase II interventions, the project will deliver 10 effective MPA models that can be replicated across the country for sustainable coral reef management. MPAs in Phase II were in MPA initiation stage ("red" category) or the MPA established stage ("yellow" category). The project will help to move the MPAs to the next higher stage(s): "yellow", MPA managed minimally stage ("green" category), or MPA managed optimally stage ("blue" category) by increasing and evaluating their management effectiveness.⁵

B. Impact and Outcome

5. The impact will be the sustainable management of coral reef ecosystems in the project area. The outcome will be the enhanced capacity to manage coral reef ecosystems inside and outside target MPAs. The project will be implemented in the COREMAP II areas of seven districts (para. 3) that include at least 57 existing project villages in three provinces in Sumatra (North Sumatra, West Sumatra and Kepulauan Riau). It will also address MPA management effectiveness of three national MPAs (selected primarily for their geographical location, with the World Bank focusing on national MPAs in eastern Indonesia in a separate project): Anambas in Anambas District in Kepulauan Riau province, Pulau Pieh in Pariaman District in West Sumatra province, and Gili Matra in North Lombok District of West Nusa Tenggara province. These 10 MPAs will serve as models for management for 100 or more designated MPAs.

C. Outputs

6. The project will have four outputs.

- (i) **Coral reef management and institutions strengthened.** This component will strengthen capacities developed under COREMAP II and institutionalize community-based coral reef management initiatives within existing government legal systems and institutions.
- (ii) **Ecosystem-based resource management developed.** This component will strengthen MPA management effectiveness and biodiversity conservation.
- (iii) **Sustainable marine-based livelihoods improved.** This component will promote infrastructure to support sustainable livelihoods and income-generating activities.
- (iv) **Project management.** This component will manage and implement project activities, and also institutionalize national coral reef management arrangements.

7. **Output 1: Coral Reef Management and institutions strengthened.** This output will strengthen capacity developed under COREMAP II, and institutionalize community-based coral

⁵ Government of Indonesia. 2012. *Decree of the Director General of Marine, Coasts and Small Islands Number Kep.44/KP3K/2012 concerning Technical Guidelines for Evaluating the Management Effectiveness of Aquatic, Coasts and Small Islands Conservation Areas (E-KKP3K)*. Jakarta.

reef management initiatives within existing government legal systems and institutions by (i) incorporating roles and responsibilities of *lembaga pengelola sumberdaya terumbu karang* (community coral reef resource management institutions) in village administrative structures through regulations; (ii) upgrading information centers established under COREMAP II into resource centers; (iii) providing support and mentoring by MMAF extension workers to district-level implementing agencies' staff to mainstream a community coral reef management approach; (iv) establishing learning networks for fishing communities, MPA managers and local government officials to learn from each other and adopt best practices; (v) conducting socioeconomic and ecological surveys by *Lembaga Ilmu Pengetahuan Indonesia* (LIPI, Indonesian Institute of Sciences); (vi) developing a decentralized certification program by LIPI for ecological benefit monitoring; (vii) upgrading coral reef management information system to include web-based user data access and reporting; (viii) conducting teacher training on local content curriculum; (ix) providing a postgraduate program for Directorate General of Capture Fisheries staff to develop sustainable fisheries management expertise; (x) strengthening MPA surveillance by providing equipment, infrastructure, policies, monitoring, control and surveillance, and joint patrols (inter-agency and community surveillance groups); and (xi) conducting training on conservation, coastal management, ecosystem approach for marine and fisheries management (EAFM), ecosystem monitoring and data management.

8. **Output 2: Ecosystem-based resource management developed.** This output will strengthen MPA management effectiveness and biodiversity conservation. Specific activities are: (i) develop district-level coastal and marine spatial plans; (ii) improve MPA effectiveness including approval of MPA boundaries, MPA boards, zoning and management plan and provide MPA goods and equipment; (iii) provide integrated coastal zone management training, including climate change adaptation; (iv) assess coral reef fish stock and develop management plans for selected coral reef fish based on EAFM at government's specified fisheries management area; (v) assess district fisheries management performance using EAFM indicators and provide training on EAFM; (vi) develop and implement management plans for six threatened species; (vii) pilot ecosystem valuation methodology, strengthen MPA financial management capacity, mainstream biodiversity considerations in policies and plans, and pilot payment for ecosystem services (PES) schemes; and (viii) conduct studies and surveys to support sustainable fishing regulations, ecosystem approaches to fisheries management, and MPA networks.

9. This output will achieve its objectives through (i) supporting science-based marine spatial planning with a focus on district and provincial marine areas, that also builds capacity and establishes best practices for Integrated Coastal Zone Management (ICZM) by linking national and district-level marine conservation areas with community-level marine conservation areas (DPL's) and zoning plans with an ecosystem approach to fisheries management; (ii) enhancing the effective management of 10 MPAs, including the design of Marine Protected Area networks in COREMAP sites to maintain ecosystem services and climate resilience at ecological scales; and (iii) developing policy tools that promote sustainable management of small-scale capture fisheries in an integrated approach of ecosystem based fisheries management. To achieve effective MPA management the project will support (i) procurement of basic equipment, infrastructure and facilities; (ii) finalization of MPA management plans and zoning plans; establishment of MPA management boards and technical units; promotion and development of economic activities that will be part of the financial resources for MPA management, and (iii) achieving a target management effectiveness level as required by the MMAF for MPA management. The project will also facilitate the integration by MMAF for MPA management into the national and local ICZM Frameworks through marine spatial planning to monitor and anticipate challenges such as ecosystem changes due to climate change (coral bleaching, ocean acidification, changes in fisheries ecology), the need to adapt to climate change (responding to sea level rise, coastal storms) and community resilience. To advance sustainable fisheries management the project will support coral fish "stock" assessments, the development of coastal fishery management plans, performance monitoring of the resulting fisheries management, extension and training activities on new ecosystem fisheries management approaches, and the

use of MPAs and zoning in fisheries management. Related ecosystem based management activities will be cofinanced by a Global Environment Facility (GEF) grant, including supporting conservation financing approaches, mainstream biodiversity in marine resources management, studies on marine ecosystems valuation, develop and manage plans for threatened species and pilot payment for ecosystem services schemes.

10. **Output 3: Sustainable marine-based livelihoods improved.** This output will build infrastructure to support sustainable livelihoods and income-generating activities by (a) developing sustainable ecosystem-based coastal and marine enterprises with value chains linked to markets; (b) providing basic infrastructure and equipment to MPA management boards and communities for improved income generation, MPA management, and social welfare through public-private partnerships; (c) developing community model enterprises to support sustainable livelihoods, including assistance for feasibility studies and analysis of complete value chains; and (d) training district enterprise staff, community microenterprises and their beneficiaries on business and sustainable livelihoods and pilot certification regimen.

11. The project will facilitate partnerships between the local government programs, community groups and private entrepreneurs in enterprise operation, management, and marketing to create sustainable enterprise value-chain alliances in order to provide a built-in advisory group for the community enterprises and maintain open dialogs between the local government (e.g., who may be operating a grouper hatchery), the community small-scale entrepreneurs (e.g., who may be cultivating the groupers to add value) and the buyers who can connect the producers to the markets. The project objective will be to leave a network of district marine-based business incubators or model enterprises which will be a public-private partnership where individuals, private sector companies, investors, and government can meet to advise new entries into the field on training and partnership opportunities, to share and support innovation and entrepreneurship towards producing and developing value chain products. Quality assurances of products will be a key principle to promote sustainability, so that seafood safety, product registration, product and source certifications can be tracked and verified. The project will provide business training in planning and operating small business to the small operators as well as the government partners they connect with and rely on. Value chain and market connection activities will be defined by the participating stakeholders through joint site-based feasibility assessment, but will and may be focused on complementary MPA management and ecotourism activities (e.g., handicrafts, nature rangers and guides, watersports and diving facilities, nature education, food and hospitality services, etc.), high value aquaculture (live reef fish, seahorses, cage culture like grouper, seaweeds, catfish culture, etc. and related support services); and processing of captured fish. In developing livelihoods and enterprises, care will be taken to ensure that intended activities are aligned and connected with coral reef conservation in the project area, and that there is a strong gender balance in the opportunities for new and expanding enterprises.

12. **Output 4: Project management.** The project will support all implementing agencies in administration and financial aspects to meet both ADB and Government regulations on safeguard, procurement and financial requirements. This output will manage and implement project activities, and also institutionalize national coral reef management arrangements. The project management office (PMO) will coordinate and monitor project activities, implement the project performance monitoring system (PPMS), conduct project evaluation surveys, and prepare quarterly, annual, midterm and project completion reports.

13. The project is designed as a sector project, enabling an integrated focus on sector development plans and the adequacy of institutions to formulate and manage these plans. The selection of subprojects within this sector modality will be based on detailed criteria that have been agreed with the government (Section III, D). Key criteria require that the subproject (i) contributes directly to environmentally sound non-consumptive resource utilization across the MPAs (such as environmentally-responsible tourism); (ii) supports development of sustainable fisheries (e.g., enhancing fish market facilities, fish landing sites, fish catch monitoring and catch regulation); (iii) contributes to fostering sustainable livelihoods that reduce fishing pressure or provides non-traditional gainful employment within the sector; and (iv) enhances effectiveness, governance, and financial sustainability of co-managed MPAs. Subprojects will be formulated and implemented using a community-driven development (CDD) approach.

14. **Details on Learning Networks and University Platforms.** Learning networks among the various stakeholder groups of the COREMAP CTI project will be established with a set of activities bringing them together such as websites, social media sharing and alerts, exchange visits, joint learning activities, meeting at a professional event, and group development of good practices in order to accelerate the development and expansion of best practices among the project beneficiaries. The Sea Partnership Program (SPP), known in Indonesia as the *Program Mitra Bahari* (PMB) is a national decentralized program of MMAF, hosted in the DGMCSI with 33 Regional Centers that are comprised of a consortium of mixed stakeholders (local governments, NGO, universities) hosted in the provincial coastal universities. Its aim is to bring technical assistance to the regions on marine and coastal issues to use science-based approaches in support of applied marine research, education and training, public outreach and policy development. The project will collaborate with the SPP in supporting COREMAP—CTI implementation.

2. Project Period 2020 - 2022

A. Rationale

15. Bappenas as a the National Development Planning Ministry holds an important role to create an innovative strategy to accelerate the national development in various sectors including the development in and outside Marine Protected Areas (MPA). Through COREMAP Phase III or COREMAP-CTI, Bappenas is initiating an integrative project implementation as an innovative development model in MPA priorities that are located in the heart of coral triangle areas. The project will create an integrated MPA development that combines the strength of partner implementation such as Non-Government organizations, local community groups, universities, and research agencies to achieve optimum management effectiveness of MPA targets. Nusa Penida, Gili Balu, and Gili Matra are among the most visited MPAs that offer natural beauty as the main tourist attraction. COREMAP-CTI under the ADB's grant focusses on 3 MPAs in 2 Provinces comprise of Bali Province (Taman Wisata Perairan (TWP) Nusa Penida Marine Tourism Park) and West Nusa Tenggara Province (Gili Matra National MPA, and Taman Pulau Kecil(TPK) Gili Balu Small Island Park. These provinces, which form part of the contiguous area under the Lesser Sunda Seascape which is a priority seascape under the CTI-CFF.

16. The COREMAP-CTI project will contribute to meeting the governments' marine and fisheries sector development plans. It Includes the overall targets to develop 23.4 million ha of MPAs by 2020 that have been achieved and 32.5 million ha (SDG Roadmap) by 2030 and to effectively manage 15 threatened endangered and endemic species. GEF ADB restructured project implementation from 2020 to 2022 will focus on the implementation of three NPOAs of shark, sunfish, and sea turtle. The project is aligned with Indonesia's National Plan of Action (NPOA) 2.0 for the CTI. ⁶

⁶ Indonesia National Plan of Action (NPOA) 2.0 for the CTI specifically contribute towards (i) Goal #2 ecosystem approach to fisheries management and other marine resources fully applied and (ii) Goal #3 MPA established and effectively managed.

17. The project will deliver three effective MPA models that can be replicated across the country for sustainable coral reef management and tourism development model. MPAs in the previous Phase were in the MPA initiation stage (“red” category) or the MPA established stage (“yellow” category). This COREMAP-CTI project will help to move the MPAs to the next higher stage(s): MPA managed minimally stage (“green” category), or MPA managed optimally stage “blue” category by increasing and evaluating their management effectiveness through three categories of outputs.

B. Impact and Outcome

18. The impact of restructured COREMAP-CTI under ADB’s grant from 2020 to 2022 project implementation remains the same, which is the sustainable management of coral reef ecosystems in the project areas. As the target location was changed, the outcome will be the enhanced capacity to manage coral reef ecosystems in three (3) MPAs in Lesser Sunda Seascape, with the target to improve management effectiveness of Gili Balu MPA to 100% green level, Gili Matra MPA to 80% blue level, and Nusa Penida MPA to 80% blue level. The Lesser Sunda is among one of the highest biological diverse eco-regions in the world, providing habitat for 76% coral reef species and 2631 reef fish species. Lesser Sunda Seascape covers three Indonesian Provinces and it is a migration path of the Cetacean and six sea turtle species from the Indian Ocean to the Pacific Ocean. The project will be implemented in two provinces of Bali and West Nusa Tenggara. It will address MPA management effectiveness in Nusa Penida, Gili Matra, and Gili Balu

C. Outputs

19. Under the restructured COREMAP-CTI project under ADB’s Grant will have four outputs, which are the same with the original project:

- (i) **Coral reef management and institutions strengthened in project areas.** This output will increase the MPA staff capacity and improve the implementation of MPA management plan.
- (ii) **Ecosystem-based resource management plans developed and operational.** This output will restore the function of coastal ecosystems in selected rehabilitation zones of the target MPAs.
- (iii) **Sustainable marine-based livelihoods improved.** This output will promote and implement sustainable commodities management practices for tuna, snapper, and seaweed for identified project community groups.
- (iv) **Project management, monitoring and knowledge transfer.** This output will manage and implement project activities. This output has target to develop project level monitoring and evaluation system including monitoring of ecosystem health indicators, develop and disseminated the knowledge products, strengthening management system of the relevant data, as well as to maintain and update data at the provincial and national levels.

20. **Output 1: Coral Reef Management and institutions strengthened.** This output has two sub-outputs comprise (a) Marine Protected Area (MPA) management plan implementation enhanced; and (b) Capacity development and targeted training on coastal and marine management. The first sub-output will be focus on implementation activities that relevant to the management plans of marine protected area, implementation of management action plans based on regional characteristics (ecotourism) and implementation on sustainable financing mechanism. Main action will include establishing protocols and guidance on co-management agreements between and among governments in order of the implementation of Law 23/2014, integrating ecotourism elements into MPA management plan and implementation, and establishing sustainable financing mechanism in coordination with existing and planned programs of other organizations. Furthermore, the second sub-output will be focus on strengthening human resource capacity of key stakeholders from district, provincial, and as needed, central government professional on

marine and coastal management to improve management institutions. This sub-output will be conducted through short-term training for up to 35/40 participants and international master degree programs for up to four candidates, with gender proportionate representation.

21. Output 2: Ecosystem-based resource management developed.

The objective of this output is to restore the function of coastal ecosystems in selected rehabilitation zones of project MPAs. This will be based on initial cursory assessments already done by MMAF and its partners for the MPAs. Specific activities are: (i) identification for mangrove and coral reef restoration sites; (ii) project coordination meeting (iii) provide workshop and assessments on appropriate method to restore and rehabilitate mangrove and coral reef; (v) conduct cost-benefit analysis on mangrove and coral reef rehabilitation; (vi) restored at least 5% of degraded coral reef existing areas; (vii) restored at least 20% of degraded mangrove existing areas (viii) conduct monitoring and maintenance of mangrove and coral reef rehabilitation sites; (ix) conduct community awareness and public campaign; (x) conduct capacity development on MPA law enforcement; (xi) establish surveillance post; and (xii) supporting community surveillance activities. In addition, during this period, the support of action plans for endangered/threatened species will include the development and implementation of endangered/threatened species action plan targeting characteristic species of each location (candidates: sea turtle, sharks, rays, and sunfish), this activities was included in output 1 on the previous project implementation.

22. This output will achieve its objectives through (i) enhancing the effective management of 3 MPAs (Nusa Penida MPA, Gili Matra MPA, Gili Balu MPA), with a view to creating enabling conditions and models for replication and scaling up, (ii) achieving a target management effectiveness level as required by the project proposal for MPA management Nusa Penida MPA to 80% blue level, Gili Matra MPA to 80% blue level, Gili Balu MPA to 100% green level, and (iii) supporting the development and implementation of endangered/threatened species action plan. Activities under this output will be determined degraded areas for baseline data through spatial approach as well as survey activities. Mangrove restoration will be concentrated in Nusa Penida MPA and Gili Balu MPA, meanwhile activities in respect of coral reef restoration will be concentrated in Gili Matra MPA and Nusa Penida MPA.

23. Output 3: Sustainable marine-based livelihoods improved. This output will implement the sustainable commodities management for tuna, snapper, and seaweed through the preservation of the traditional wisdom that has been used for generations in the project areas and newly develop sustainable marine resources initiatives in local and national level. Furthermore, this output will ensure the sustainability of marine product value chains for local fishers and seaweed cultivation families in the project sites. Activities under this output include: (i) engagement of delivery and identification of potential sites in Nusa Penida for seaweed, in Gili Matra for snapper, and in Gili Balu for tuna; (ii) identification of potential cultivation site for seaweed and landing site for snapper and tuna; (iii) biophysical surveys and study on supply chain and market analysis of tuna, snapper, seaweed in project area; (iv) establishment of sustainable seaweed cultivation in Nusa Penida, and harvest strategy for fisheries in Gili Matra and Gili Balu; (v) post harvest management improvement; (vi) packaging and marketing improvement for seaweed and fisheries product; (vii) cross visit/ learning exchange in sustainable fisheries and seaweed. The activities were designed to meet the output indicators as (a) supply chain analyses and demonstrations which will be used by policy makers and planners, program implementation units of Government ministries and departments, investment groups, industry associations and private sector, and (b) livelihood capacity improved and income enhanced for at least three community groups. Quality assurances of products will be a key principle to promote sustainability, so that seafood safety, product registration (*Pangan Industri Rumah Tangga*/PIRT Certificate), product and source certifications (Halal Certificate) can be tracked and verified. The project will provide business training in planning and operating small business to the small operators as well as the government partners, they connect with and rely on.

24. **Output 4: Project management.** The project will support implementing agencies in administration and financial aspects to meet both ADB and Government regulations on, procurement and financial requirements. This output will manage and implement project activities, and also establish monitoring and evaluation system including monitoring of ecosystem health indicator as well as institutionalize national coral reef management arrangements. Steps will be taken to ensure that relevant data management systems strengthened / maintained and updated at provincial levels. The project management unit (PMU) will coordinate and monitor project activities, implement the project performance monitoring system (PPMS), conduct project evaluation surveys, and coordinate with the implementing agency to prepare quarterly, annual, midterm and project completion reports.

25. **Details on Learning Networks and University Platforms.**

Although Learning Networks and University Platforms will not be as extensive as the previous project implementation, learning networks among the various stakeholder groups of the COREMAP CTI project will be continued with a set of activities bringing them together in exchange visits, joint learning activities, meeting at a professional event, and group development of good practices to accelerate the development and expansion of best practices among the project beneficiaries.

II. IMPLEMENTATION PLANS

1. Project Period 2014 - 2019

A. Project Readiness Activities

Main Activities	2013												2014		Responsibility
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	
Preparation and review of readiness documents	X	X	X	X	X	X	X	X							MMAF, BAPPENAS
Loan Pre-Fact-finding (or Loan Fact-finding)							X								ADB, MMAF, LIPI, BAPPENAS, MOF
Signing MOU-LFF								X							ADB, MMAF, LIPI BAPPENAS, MOF
Preparation for loan negotiation								X							ADB, MMAF, BAPPENAS, MOF
Loan Negotiations											X				ADB, MOF
Establish PMO												X			MMAF
ADB Board Approval												X			ADB
Loan signing												X			ADB, MOF
Government legal opinion														X	MOLHR
Government budget inclusion												X			MMAF, LIPI, MOFF
Opening of imprest account														X	ADB, MOF
Initial advance to imprest account														X	ADB, MOF
Loan/Grant effectiveness														X	ADB, MOF
Advance procurement actions												X	X	X	ADB, MMAF

ADB = Asian Development Bank; BAPPENAS = Badan Perencanaan; Pembangunan Nasional (National

Development Planning); LIPI = Lembaga Ilmu Pengetahuan Indonesia; MMAF = Ministry of Marine Affairs and

Fisheries; MOF = Ministry of Finance; MOLHR = Ministry of Law and Human Right

26. The project will be implemented over a period of five years, from 2014 to 2018.

26. The project will be implemented over a period of five years, from 2014 to 2018.

[illegible]

[illegible]

Component/Activities	YEAR																			
	1 (2014)				2 (2015)				3 (2016)				4 (2017)				5 (2018)			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
a. Develop basic infrastructure for eco investment																				
3.2 Identify and fund national, district, village and MPA infrastructure			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		
b. Develop marine based enterprise models and value chain market connections																				
3.1 Conduct business training for district officers, communities and economic enterprise staff					X				X	X					X	X				
3.3 Form sustainable enterprise and value chain market connections					X	X	X	X	X	X	X									
3.4 Conduct feasibility studies on potential enterprises			X	X	X	X			X	X							X			
3.5 Develop model enterprises and alliances in each village					X	X	X	X	X	X	X	X	X	X	X	X	X	X		
3.6 Conduct business training for small enterprises					X				X		X		X				X			
3.7 Conduct conservation based livelihood training and pilot certification regimen					X				X				X				X			
4. Project Management																				
4.1 Monitor Compliance		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
4.2 Conduct baseline surveys				X	X	X														
4.3 Coordinate Project Activities			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
4.4 Prepare work and financial plan		X	X		X				X				X				X			
4.5 Implement project performance management system based on COREMAP Phase II model			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
4.6 Preparation and finalize procurement plan			X	X				X				X				X				
4.7 Train PMO/PIU staff			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
4.8 Environment Management and Social Safeguards: Finalize manual and review activities			X	X	X	X	X		X	X	X		X	X	X		X	X	X	
4.9 Gender Action Plan: Finalize monitoring plan and programs			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		
4.10 Prepare quarterly progress reports			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
4.11 Prepare annual reports					X				X				X				X			
4.12 Conduct project midterm review									X											
4.13 Prepare BME and project completion report																		X	X	
4.14 Annual audit				X				X				X				X				X

Key activities	YEAR																					
	2014				2015				2016				2017				2018				2019	
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
Preparation and approval of representative subprojects (2)																						
Update subproject feasibility report (through consultative process)		x	x																			
Prepare relevant social and environment due diligence reports		x	x																			
Finalize MPA management plans			x																			
Approve final subproject detailed design			x	x																		
Preparation of remaining 8 subprojects (out of which 1 national and 1 district subproject requires ADB approval)																						
Prepare subproject feasibility report (through consultative process)		x	x																			
Prepare relevant social and environment due diligence reports		x	x																			
Finalize MPA management plans		x	x																			
Approve final subproject detailed design			x	x																		
PMO and ADB approval for 1 national and 1 district MPA subproject				x																		

Source: Mission estimates.

2. Project Period 2020 - 2022

A. Project Readiness Activities

Main Activities	2019												2020						Responsibility
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	
Preparation and review of readiness documents	X	X	X	X	X	X	X	X	X	X	X	X							BAPPENAS, ICCTF, MMAF, ADB
ADB Approval on Restructured Grant													X						ADB
Legal Amendment signing														X					ADB, MOF
Government budget inclusion															X				BAPPENAS, ICCTF, MOF
Opening of advance account														X	X				BAPPENAS, ICCTF, MOF, ADB
DG Treasury decree on Grant advance account															X	X			
Initial deposit to the advance account																X	X		BAPPENAS, ICCTF, MOF, ADB
Grant effectiveness															X				ADB, MOF

ADB = Asian Development Bank; BAPPENAS = Badan Perencanaan Pembangunan Nasional (National Development Planning); ICCTF = Indonesia Climate Change Trust Fund; MMAF = Ministry of Marine Affairs and Fisheries; MOF = Ministry of Finance

B. Overall Project Implementation Plan Under Restructured Grant

27. The project will be implemented over a period of three years, from 2020 to 2022.

Component/Activities	YEAR											
	2020				2021				2022			
	1	2	3	4	1	2	3	4	1	2	3	4
ENHANCE CAPACITY TO MANAGE CORAL REEF ECOSYSTEM INSIDE AND OUTSIDE TARGET MPAS												
OUTPUT 1. CORAL REEF MANAGEMENT AND INSTITUTIONS STRENGTHENED												
SUB-OUTPUT 1.1. MPA MANAGEMENT PLAN IMPLEMENTATION ENHANCED												
ACTIVITY 1.1.1. Develop protocols and guidance documents which define and provide guidance for co-management agreements												
Develop management guidelines on collaborative MPA management body and related stakeholder in Nusa Penida					x	x	x	x	x	x		
Develop management guidelines on collaborative MPA management body and related stakeholder in Gili Matra					x	x	x	x	x	x		
Develop management guidelines on collaborative MPA management body and related stakeholder in Gili Balu					x	x	x	x	x	x		
Support the development of MPA management plan and management institution					x							
Activity 1.1.2. Integrate ecotourism elements into mpa management plan implementation												
Establish information center for sea turtle based conservation in Gili Balu					x							
Develop visitor management system in Nusa Penida					x	x	x	x	x	x		
Develop visitor management system in Gili Matra					x	x	x	x	x	x		
Conduct carrying capacity assessment of ecotourism related activity in Gili Balu						x	x		x			
Establish MPA informations center in Nusa Penida					x							
Establish MPA informations center in Gili Matra					x							
Establish MPA informations center in Gili Balu					x							
Coordination meeting for the effectiveness of Nusa Penida MPA using technical guidelines E-KKP3K						x	x	x	x	x		

Component/Activities	YEAR											
	2020				2021				2022			
	1	2	3	4	1	2	3	4	1	2	3	4
Coordination meeting for the effectiveness of Gili Matra MPA using technical guidelines E-KKP3K								x				
Coordination meeting for the effectiveness of Gili Balu MPA using technical guidelines E-KKP3K					x	x			x			
Installation mooring buoys to support ecotourism					x							
Activity 1.1.3. Design and operationalize financing mechanism for 2 MPAs with delivery partners												
Support for PES establishment in Nusa Penida					x	x	x	x	x	x		
Development of PES document in Gili Matra					x	x	x	x	x	x		
SUB-OUTPUT 1.2. CAPACITY DEVELOPMENT AND TARGETED TRAINING ON COASTAL AND MARINE MANAGEMENT												
Activity 1.2.1. Strengthening human resource capacity of key stakeholders through short term training							x		x			
Activity 1.2.2. Strengthening human resource capacity of key stakeholders through master degree					x							
OUTPUT 2. ECOSYSTEM-BASED RESOURCE MANAGEMENT PLANS DEVELOPED												
SUB-OUTPUT 2.1. INVESTMENTS IN COMMUNITY BASED ECOSYSTEM RESTORATION/REHABILITATION AND MONITORING												
Activity 2.1.1. Target sites for mangroves and coral reef restoration identified												
Identification for mangroves and coral reef restoration sites in Nusa Penida					x	x	x	x	x			
Identification for mangroves restoration sites in Gili Balu					x	x	x		x			
Identification for coral reef restoration sites in Gili Matra					x	x	x		x			
Activity 2.1.2. Delivery/implementation partners engaged												
Project coordination meeting in Nusa Penida					x			x				
Project coordination meeting in Gili Matra					x	x			x			
Project coordination meeting in Gili Balu					x	x			x			
Activity 2.1.3. Suite of assessments conducted												
Workshop and assessments on appropriate method to restore and rehabilitate coral reef and mangrove in Nusa Penida					x	x	x	x	x			
Workshop and assessments on appropriate method to restore and rehabilitate coral reef in Gili Matra					x	x	x			x		

Component/Activities	YEAR											
	2020				2021				2022			
	1	2	3	4	1	2	3	4	1	2	3	4
Workshop and assessments on appropriate method to restore and rehabilitate mangrove in Gili Balu					x	x	x	x		x		
Activity 2.1.4. Cost benefit analysis on identified restoration/rehabilitation options												
Cost benefit analysis on mangrove and coral reef rehabilitation in Nusa Penida					x	x	x					
Cost benefit analysis on coral reef rehabilitation in Gili Matra					x	x	x		x			
Cost benefit analysis on mangrove rehabilitation in Gili Balu					x	x	x	x	x			
Activity 2.1.5. Investments in ecosystems restoration/rehabilitation												
Coral reef rehabilitation in Nusa Penida					x	x	x	x				
Coral reef rehabilitation in Gili Matra					x	x	x	x				
Mangrove rehabilitation in Nusa Penida					x	x	x	x				
Mangrove rehabilitation in Gili Balu					x	x	x	x				
Support for mangrove based ecotourism					x	x						
Activity 2.1.6. Regular monitoring conducted												
Regular monitoring in Nusa Penida					x	x	x	x	x	x		
Regular monitoring in Gili Matra					x	x	x	x	x	x		
Regular monitoring in Gili Balu					x	x	x	x	x	x		
Activity 2.1.7. Awareness and capacity enhancement for MPA law enforcement												
Community awareness and public campaign on MPA law enforcement, MCA, and ETP species					x	x			x	x		
Capacity Development on MPA Law Enforcement					x			x		x		
Activity 2.1.8. Community surveillance and patrolling operations												
Establish surveillance post in Nusa Penida					x							
Establish surveillance post in Gili Matra					x							
Support for community surveillance group activities in Nusa Penida					x	x	x	x	x			
Support for community surveillance group activities in Gili Matra					x	x	x	x	x	x		
Support for community surveillance group activities in Gili Balu					x	x	x	x	x	x		

Component/Activities	YEAR											
	2020				2021				2022			
	1	2	3	4	1	2	3	4	1	2	3	4
Activity 2.1.9 Develop and implement two endangered/threatened species action plans with delivery partners												
Update and establish code of conduct sunfish (mola) based ecotourism and carrying capacities assesment					x	x	x	x	x	x		
Develop business plan/ feasibility assessment and support community-based shark ecotourism					x	x	x	x	x	x		
Shark population and distribution study					x	x	x	x	x	x		
Tagging and population survey of sea turtle					x	x	x	x	x	x		
Develop ecotourism guideline based conservation					x	x	x	x	x	x		
Infrastructure to support ecotourism					x							
Conduct review and update the Nasional action plan on two etp species						x			x			
OUTPUT 3. SUSTAINABLE MARINE-BASED LIVELIHOODS IMPROVED												
SUB-OUTPUT 3.1. SUSTAINABLE FISHERIES AND LIVELIHOODS PROMOTED IN PROJECT AREAS												
Activity 3.1.1. Engagement of delivery / implementation partners												
Engagement of delivery and identification of potential sites in Nusa Penida for Seaweed Cultivation					x	x			x	x		
Engagement of delivery and identification of potential sites in Gili Balu for Tuna Fishery					x	x			x	x		
Engagement of delivery and identification of potential sites in Gili Matra for Snapper Fishery					x	x			x	x		
Activity 3.1.2. Identification of potential sites / landing areas												
Identification of potential sites in Nusa Penida												
Identification of potential sites in Gili Matra												
Identification of potential sites in Gili Balu												
Activity 3.1.3. Biophysical surveys, stock assessments, supply chain and market analysis for three commodities conducted												
Biophysical Surveys and Study on supply chain and market analysis of tuna, snapper, seaweed in project area					x		x		x	x		
Activity 3.1.4. Demonstrations of sustainable fishing / seaweed farming conducted for selected communities												
Establishment of sustainable Seaweed Cultivation in Nusa Penida							x	x	x			

Component/Activities	YEAR											
	2020				2021				2022			
	1	2	3	4	1	2	3	4	1	2	3	4
Establishment of harvest strategy for Tuna Fisheries in Gili Balu					x	x	x	x	x	x		
Establishment of harvest strategy for Snapper Fisheries in Gili Matra					x	x	x	x	x			
Activity 3.1.5. Post-harvest management capacity upgraded												
Post harvest management improvement of seaweed in Nusa Penida					x	x	x	x	x			
Post harvest management improvement of tuna in Gili Balu					x	x	x	x				
Post harvest management improvement of snapper in Gili Matra					x	x	x	x	x			
Activity 3.1.6. Implementation of responsible packaging and marketing techniques												
Packaging and marketing improvement on seaweed product in Nusa Penida							x	x	x			
Packaging and marketing improvement for fisheries product in Gili Matra								x	x			
Packaging and marketing improvement for fisheries product in Gili Balu					x	x	x	x				
Activity 3.1.7. Cross visits and knowledge products developed												
Cross visit/ learning exchange in sustainable fisheries and seaweed									x	x		
OUTPUT 4. PROJECT MANAGEMENT												
SUB-OUTPUT 4.1. KNOWLEDGE PRODUCT DEVELOPED AND DISSEMINATED												
Activity 4.1.1. Launching program and kick off program			x		x							
Activity 4.1.2. Workshop Induction SOP Operation ICCTF			x									
Activity 4.1.3. Workshop Lesson learnt & expose in project location							x	x			x	x
Activity 4.1.4. Mid term evaluation workshop							x					
Activity 4.1.5. Final evaluation and closing workshop												x
Activity 4.1.6. Quarterly Programmatic Coordination meeting with stakeholder in project location						x		x	x	x		
Activity 4.1.7. Quarterly financial coordination meeting with stakeholder in project location						x		x	x	x		
SUB-OUTPUT 4.2. PROJECT MANAGEMENT CONSULTANT												
Activity 4.2.1. Project Team Leader				x	x	x	x	x	x	x	x	x
Activity 4.2.2. Monitoring and evaluation specialist					x	x	x	x	x	x	x	x

Component/Activities	YEAR											
	2020				2021				2022			
	1	2	3	4	1	2	3	4	1	2	3	4
Activity 4.2.3. Procurement specialist					x							
Activity 4.2.4. Finance management specialist				x	x	x	x	x	x	x	x	x
Activity 4.2.5. Site coordinator in Nusa Penida					x	x	x	x	x	x	x	
Activity 4.2.6. Site coordinator in Gili Matra					x	x	x	x	x	x	x	
Activity 4.2.7. Site coordinator in Gili Balu					x	x	x	x	x	x	x	
Activity 4.2.8. Non key expert for support for MPA management and ETP NPOA implementation Nusa Penida					x	x	x	x	x	x		
Activity 4.2.9. Non key expert for support for MPA management and ETP NPOA implementation Gili Matra					x	x	x	x	x	x		
Activity 4.2.10. Non key expert for support for MPA management and ETP NPOA implementation Gili Balu					x	x	x	x	x	x		
Activity 4.2.11. Non key expert for support for Ecosystem-based resource management plans and Sustainable marine-based livelihoods Nusa Penida					x	x	x	x	x	x		
Activity 4.2.12. Non key expert for support for Ecosystem-based resource management plans and Sustainable marine-based livelihoods Gili Matra					x	x	x	x	x	x		
Activity 4.2.13. Non key expert for support for Ecosystem-based resource management plans and Sustainable marine-based livelihoods Gili Balu					x	x	x	x	x	x		

III. PROJECT MANAGEMENT ARRANGEMENTS

1. Project Period 2014 - 2019

A. Project Implementation Organizations – Roles and Responsibilities

Project Organizations	Management Roles and Responsibilities
<ul style="list-style-type: none"> • Directorate General of Marine, Coasts and Small Islands (DGMCSI), Ministry of Marine Affairs and Fisheries (MMAF) 	<ul style="list-style-type: none"> ➤ Executing agency for the project ➤ Overall implementation, administration and monitoring of the project ➤ The WA will be prepared by the EA and submitted (through MOF) to ADB. The authorized signatory to sign WAs is MOF (on behalf of GOI). EA will keep supporting documents, submit any reporting requirements, including the annual report and financial statements, and establish and maintain the imprest account(s),
<ul style="list-style-type: none"> • National Steering Committee 	<ul style="list-style-type: none"> ➤ Provide guidance to the Technical Committee in the development of relevant policies on rehabilitation and management of coral reefs ➤ Provide guidance to the Technical Committee and Program Manager in the COREMAP—CTI implementation ➤ Meet semi-annually
<ul style="list-style-type: none"> • National Technical Committee 	<ul style="list-style-type: none"> ➤ Provide guidance and technical assistance to the Program Manager on the implementation of COREMAP—CTI ➤ Establish a policy and technical guidance to the Program Manager COREMAP—CTI in accordance with the technical components ➤ Facilitate implementation of the program at central and regional levels ➤ Meet semi-annually
<ul style="list-style-type: none"> • Project Management Office 	<ul style="list-style-type: none"> ➤ Day-to-day project implementation, planning and budgeting, procurement, disbursement, monitoring, reporting ➤ Coordinate and provide guidance on project implementation to local government and other relevant agencies ➤ Conduct all environmental and social safeguard monitoring and compliance

- Carry out administrative, technical and financial management and reporting at central level
- DGMCSI-Directorate of Area and Fish Species Conservation (DGMCSI-DAFSC)
 - National implementing agency for conservation and coastal management activities, particularly for the MPA and threatened species planning and implementation activities, spatial planning, community development and small island development
 - Develop an integrated work plan with the five other directorate general of MMAF for the project areas
 - Prepare and conduct procurement of goods and services to support project implementation
 - Develop and conduct monitoring and evaluation systems
 - Prepare quarterly and annual reports
- Indonesian Institute of Sciences [Lembaga Ilmu Pengetahuan Indonesia (LIPI)]-Research Center for Oceanography
 - National implementing agency for benefit monitoring and evaluation
 - Develop coordinated workplan with DGMCSI, DGCF, Coral Reef Implementation and Training Center (CRITC) at the provincial and district for coral reef monitoring training curriculum and data collection
 - Prepare and conduct procurement of goods and services to support project implementation
 - Develop and conduct monitoring and evaluation systems
 - Prepare quarterly and annual reports
- Technical Implementing Unit (UPT) of the National Marine Conservations (LKKPN) of Pekanbaru
 - Technical Implementing Unit of DGMCSI to oversee and implement activities in the three national MPA of Anambas, Pulau Pieh and Gili Matra
- Technical Unit of Coastal and Marine Management (UPT, BPSPL), Padang
 - Technical Implementing Unit to oversee implementation of drafting zoning/marine spatial planning, integrated coastal management and management of h protected fish species
- District Advisory Committee (one in each project district)
 - Oversee local project coordination between participating agencies at the local level
 - Provide guidance on subproject selection, safeguard and project implementation to district implementing units
 - Liaise with National Technical Committee and National Steering Committee as required

- District Project Implementation Units (one in each district)
 - Meet at least quarterly each year
 - Implement, monitor, evaluate project activities at the district level under the direction of PMO and District Advisory Committee
 - Community Coral Reef Resource Management Institution (LPSTK)
 - Implement coral reef management plan developed jointly by LPSTK and community groups
 - Conduct coral reef management at village level
 - Ministry of Finance
 - Establishment of imprest accounts
 - Facilitate disbursement and withdrawal application
 - ADB
 - Financing of the project loan
 - Review and monitoring of project implementation

B. Key Persons Involved in Implementation

Executing Agency

Directorate General of Marine Coastal and Small Islands, Ministry of Marine Affairs and Fisheries

Sudirman Saad

Director General

Directorate General of Marine, Coasts and Small Islands
Ministry of Marine Affairs and Fisheries

ADB

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C. Project Organization Structure

28. **Executing Agency.** The Directorate General of Marine, Coasts and Small Islands (DGMCSI) of the Ministry of Marine Affairs and Fisheries (MMAF) will be the Executing Agency (EA) and will be responsible for the overall implementation of the project.

29. **National Steering Committee** and An interagency National Steering Committee (NSC) will be established and will be chaired by the Deputy of Natural Resources and Environment, BAPPENAS (National Development Planning Agency) with the Director of Marine and Fisheries, BAPPENAS as secretary. The NSC will include representatives of Secretary General of MMAF; DGMCSI; Directorate General of Capture Fisheries (DGCF), MMAF; Directorate General of Surveillance and Control of Marine Resources and Fisheries, MMAF; Deputy of Earth Science, Indonesian Institute of Sciences [Lembaga Ilmu Pengetahuan Indonesia (LIPI)] Directorate General of Treasury, Ministry of Finance (MOF); Directorate General of Budget, MOF. The NSC will be responsible in providing policy guidance and follow up on policy and legal work, cross- sectoral coordination, and formulate solutions to impediments to project implementation; and provide guidance on the overall

direction of the project and ensure overall coordination of activities and will meet twice a year.

30. **National Technical Committee.** An interagency National Technical Committee (NTC) will be established and will be chaired by the Director of Marine and Fisheries and co-chaired by the Secretary General of DGMCSI, MMAF and the Director of Aquatic and Marine Resource Conservation, DGMCSI, MMAF. The NTC will include representatives of DGMCSI, DGCF, LIPI, Ministry of Home Affairs, BAPPENAS, and MOF. The NTC will provide technical guidance on the overall direction of the project and ensure overall coordination of activities.

31. **Implementing Agencies.** There will be three national implementing agencies (IAs) namely the, DGMCSI-Directorate of Area and Fish Species Conservation (DGMSCI-DAFSC), DGCF-Directorate of Fisheries Resources (DFR) and LIPI-Research Center for Oceanography (RCO), DGMSCI-DAFSC will serve as the IA for the conservation and coastal management activities, particularly for the MPA and threatened species planning and implementation activities, spatial planning, community development, and small island development. DGCF-DFR will be the IA for the sub-component on stock assessment and capacity building related to ecosystem based management of selected reef fisheries. LIPI-RCO will serve as the IA for benefit monitoring and evaluation.

32. The Technical Implementing Unit (UPT) of the National Marine Conservations (LKKPN) of Pekanbaru will oversee and implement activities in the three national marine parks Anambas, Pulau Pieh and Gili Matra. The Technical Unit of Coastal and Marine Management (UPT, BPSPL), Padang will oversee the related coastal management activities in the project area. Provincial governments will coordinate and handle issues between districts/municipalities. The district/municipality, through District Project Implementing Units (DPIUs) and with directions from the District Advisory Committee (DAC), will implement the project at the district level. At the village level, the activities will be coordinated with and in some cases directly carried out by the Community Coral Reef Resource Management Institution (Lembaga Pengelola Sumberdaya Terumbu Karang, known under COREMAP II as the LPSTK), community groups (POKMAS), and private enterprises. The head of sub-district and village leaders will provide direction and guidance on project implementation.

33. **Project Management Office (PMO).** A PMO will be established within DGMCSI, with the Director General, DGMCSI as Head of PMO and the Secretary of Director General as PMO Manager. The PMO Manager will manage the day to day PMO activities. The PMO will have adequate qualified staff (at least a project accounting officer, a procurement officer, a monitoring and evaluation officer, a resettlement officer, and an environment officer). The PMO will be headed by a Project Manager and will be responsible for day-to-day project implementation including (i) planning and scheduling of project activities; (ii) administration of contracting activities for national activities; (iii) bookkeeping and maintenance of Project accounts and preparation and consolidation of liquidation reports; (iv) supervision and monitoring of the work program of the entire Project and preparation of consolidated monitoring reports; (v) serving as secretariat to the NSC and NTC; and (vi) coordination of field activities; (vii) collection, consolidation and safekeeping of all Project progress reports, site reports, technical and financial reports and their submission to ADB; (viii) preparation of quarterly progress reports; midterm project evaluation report and the overall project completion report; and (ix) liaison with ADB.

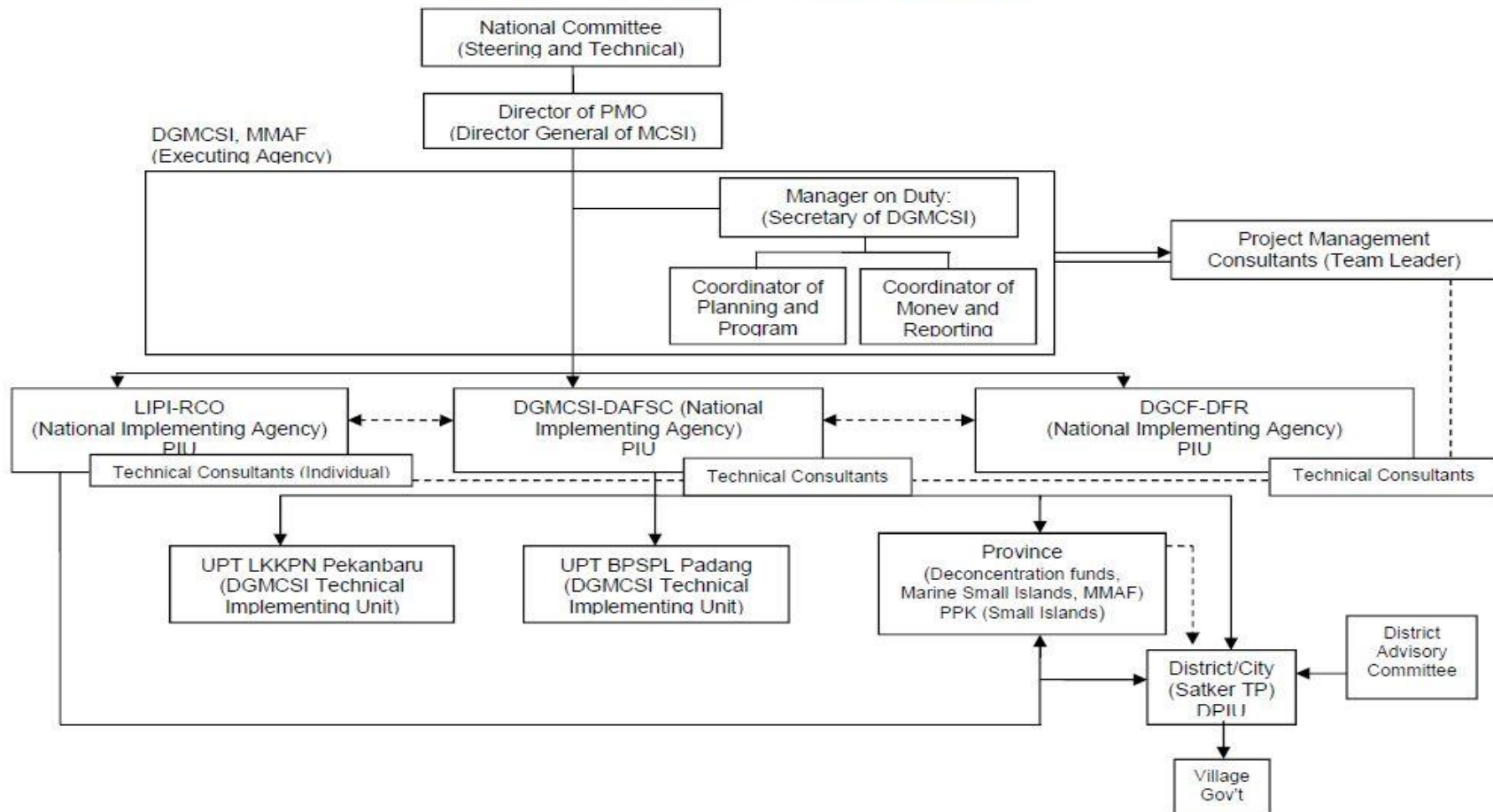
34. **National Project Implementation Unit (PIU) and District Project Implementation Unit (DPIU).** Three national PIUs, one for each of the three IAs (DGMSCI-DCAMR, DGCF, LIPI) will be established which will be responsible for implementing the approved project activities. Each national PIU shall be headed by a full time PIU Manager who will report to the PMO Project Manager. Each PIU will have adequate

qualified staff (at least a secretary, finance officer, procurement officer, project coordinator and M&E data officer, technical counterparts, and an environment officer) to ensure smooth implementation of activities. Seven DPIUs will be established, one in each of the project districts, to oversee and coordinate field-level implementation. The DPIUs will work very closely with the mayor (*bupati*) and district staff from the sector line agencies as well as with village government heads at the core sites. Each DPIU shall be headed by a full time Project Manager. The DPIU will (i) prepare annual work plan and budget which will be reviewed by PMO; (ii) coordinate and implement activities in the district level under the direction of the PMO and DAC; (iii) monitor and evaluate project activities at the district level; (iv) prepare and conduct procurement of goods and services to support the project under the district level; (v) support implementation of community-level activities; (vi) complete discussion process and legalization of zoning/marine, coastal and small island spatial plan; and (vii) prepare project implementation, monitoring and financial reports.

35. **DAC and MPA Management Boards.** A DAC will be established in each of the Project's districts, headed by the chairperson of district BAPPEDA and composed of representatives of concerned sectoral agencies, local government agencies, NGOs, and community-based organizations (CBOs). The DAC will oversee local project coordination between participating agencies at the local level and liaise with the NTSC as required. The DAC will meet at least quarterly each year. The three National MPAs will utilize their MPA Management Boards and the UPT Pekanbaru to coordinate with local and district stakeholders

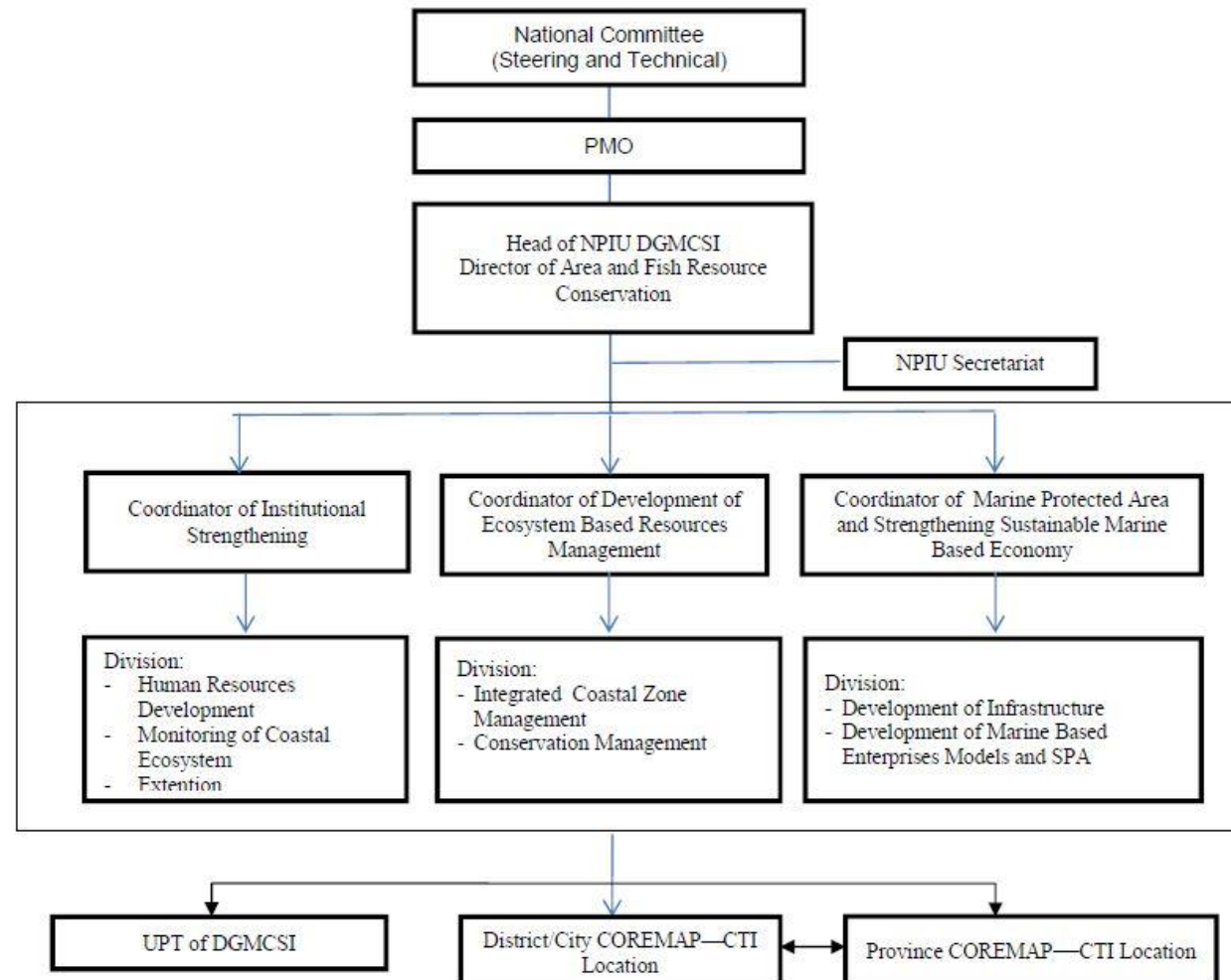
36. The organization charts are shown in Figure 1: Project Organization and Management, Figure 2: PIU DGMCSI-DAFSC, Figure 3: PIU DGCF-DFR, and Figure 4: PIU LIPI-RCO.

Figure 1: Project Organization and Management



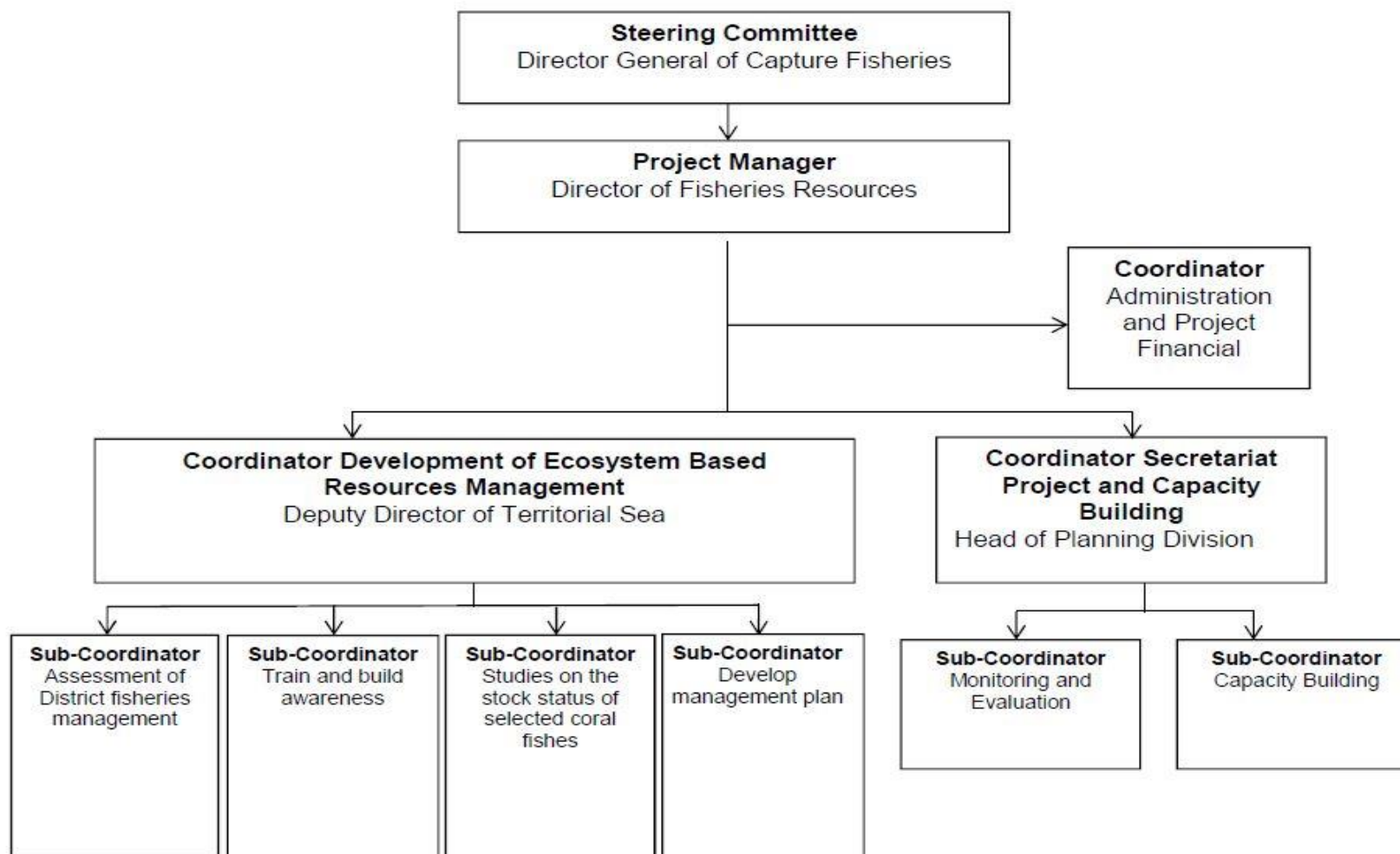
BPSPL = spatial planning unit, DAFSC = Directorate of Area and Fish Species Conservation, DGCF-DFR = Directorate General of Capture Fisheries-Directorate of Fisheries Resources, DGMCSI = Directorate General of Marine, Coasts and Small Islands, DPIU = district planning implementation unit, LIPI = Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Sciences), MMAF = Ministry of Marine Affairs and Fisheries, PIU = project implementation unit, PMO = project management office, PPK = *pejabat pembuat komitmen* (commitment officer), RCO = Research Center of Oceanography, UPT = technical implementing unit.

Figure 2: Organization Structure of PIU DGMCSI-DAFSC



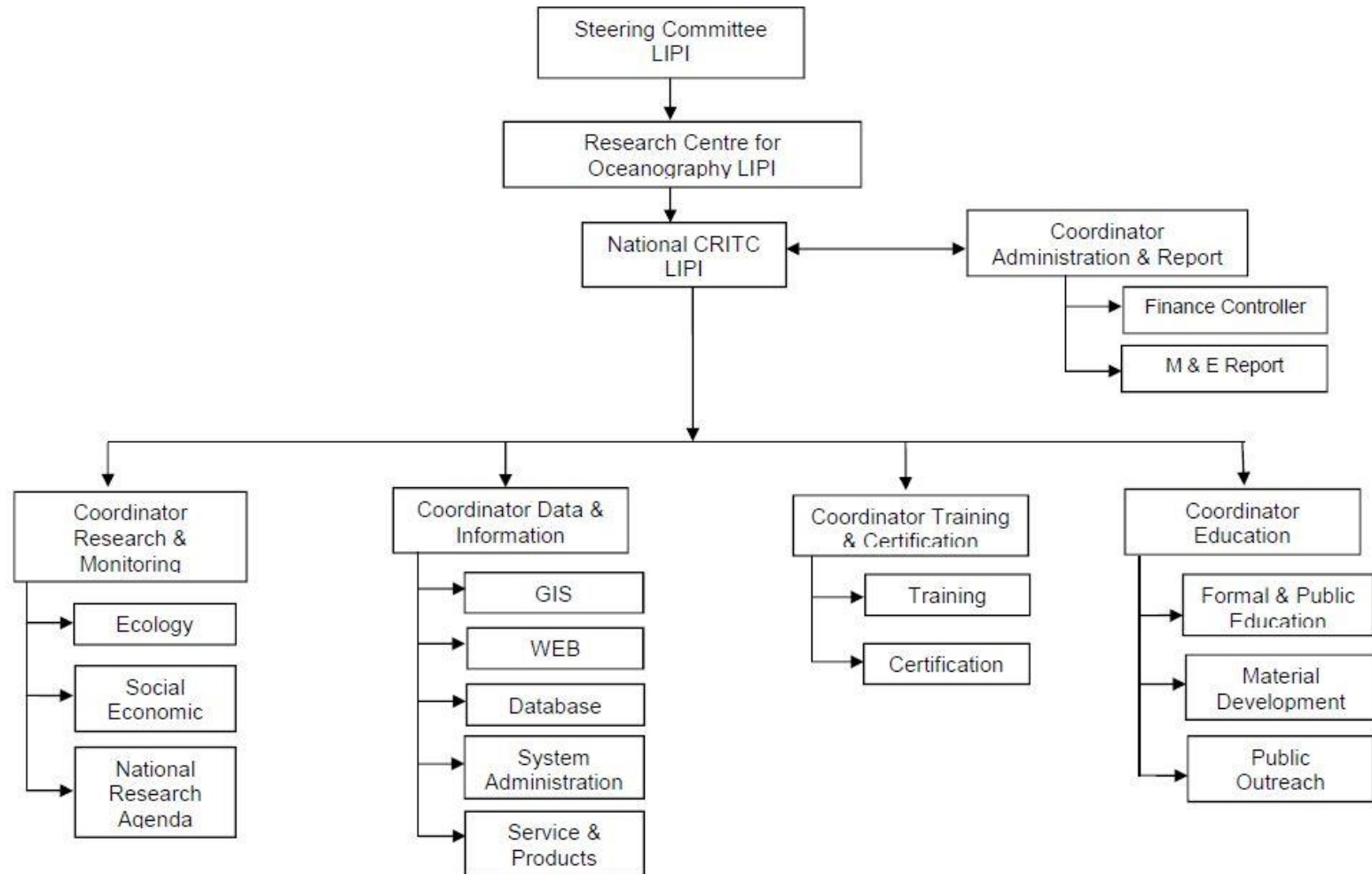
AMRC = Directorate of Aquatic and Marine Resource Conservation, COREMAP = coral reef rehabilitation and management program, CTI = Coral Triangle Initiative, DGMCSI = Directorate General of Marine, Coasts and Small Islands, LKKPN = National Marine Conservations, NPIU = national project implementation unit, PIU = project implementation unit, PMO = project management office, UPT = technical implementing unit.

Figure 3: Organization Structure of PIU DGCF-DFR



DGCF-FR = Directorate General of Capture Fisheries-Directorate of Fisheries Resources, PIU = project implementation unit.

Figure 4: Organization Structure of PIU LIPI-RCO



CTITC = Coral Reef Implementation and Training Center, GIS = geographic information system, LIPI = Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Sciences), M & E = monitoring and evaluation, PIU = project implementation unit.

D. Implementation Arrangements

1. Subproject Selection, Preparation and Approval

37. The EA (DGMCSI, MMAF) will have the main responsibility for preparing and appraising subprojects. The objective of having a subproject is to detail out interventions that contribute to the sector/sub-sector (marine and fisheries) goals and targets of GOI, meets sub-project selection criteria and sufficiently fulfills ADB's requirements for financing. A subproject should contribute to improving "management effectiveness" of a national or district based MPA.

38. Subproject selection. Investments are packaged as "subprojects". In the context of this Project, a subproject is defined as an integrated package of investments and activities in a given MPA. While all the subprojects need to be in line with the sector development plan, the scope of each subproject will depend on the priorities of each MPA. During project implementation, up to a further eight MPA level subprojects will be identified, prioritized, formulated, appraised, approved in accordance with technical, financial, and economic appraisal criteria, including social and environmental criteria. The subproject scope should also comply with the overall impact, outcome and management effectiveness outputs of the Project and contribute to the sector/sub-sector target of GOI, and geographic scope of the project. DGMCSI will submit to ADB, two national and two district subprojects for approval. The remaining MPA subprojects will be approved at EA level.

39. **Selection criteria.** These subprojects will be identified, selected and appraised based on the following key criteria:

- i. the subproject contributes to the sector development plan, including MPA and threatened species targets;
- ii. the subproject is shown to be technically feasible and the expected benefits have been clearly identified. The estimated economic internal rate of return (EIRR) of the subproject is at least 12%;
- iii. if the subproject includes major infrastructure items, a detailed financing plan for operation and maintenance, including nomination of the entity responsible for operation and allocation of a sufficient budget amount, must be prepared;
- iv. if the subproject includes income-generating microenterprise activities, financial analysis must be carried out, including a value chain study and input and output market analysis;
- v. procurement packages have been clearly identified, methods of procurement and cost estimates have been clearly identified and recorded, and all sources of funding have been identified and confirmed;
- vi. adequate public and community consultation has been carried out;
- vii. confirmation that the subproject, based on environmental assessment and review framework, has no major negative environmental impacts, and mitigation measures have been defined for potential negative impacts and required environmental permits are obtained;
- viii. confirmation that the subproject has no significant resettlement impacts, and if such subproject is categorized as Category B, a resettlement plan has been prepared in accordance with the Land Acquisition and Resettlement Framework, the Government's laws and regulations, and ADB's Safeguard Policy Statement (2009); and
- ix. confirmation that the subproject has no adverse impacts on indigenous peoples in the subproject area, and if such subproject is categorized as Category B, an indigenous peoples' plan has been prepared in accordance with the Indigenous Peoples' Framework, the Government's laws and regulations, and ADB's Safeguard Policy Statement (2009).

40. Based on these criteria, two representative subprojects were identified and appraised during project preparation, one for a national-level MPA (Anambas) and one for a district-level MPA (Bintan). These subprojects include (i) enabling infrastructure for private sector participation in ecotourism development (mooring buoys, jetties, village roads, solid waste management, water supply, sanitation, electricity supply, telecommunications etc.); (ii) fisheries productivity-related infrastructure (hatcheries, fish landing sites, etc.); (iii) sustainable livelihood-related infrastructure (fish ponds, fish cages, fish processing etc.) and (iv) MPA governance (e.g., management board, spatial plans, management plans, financing plans, threatened species management plans, coral monitoring and database systems, monitoring and surveillance operations).

41. **Selection and appraisal process.** Under a sector project loan, the Government, through the EA, is primarily responsible for identifying, prioritizing, formulating, appraising, approving, and implementing subprojects in accordance with technical, financial, and economic appraisal criteria, including social and environmental criteria, mutually agreed upon between ADB and the Government. ADB will be minimally involved in processing subprojects, except that in the initial phase, a few subprojects may be appraised by ADB to serve as models. ADB, however, will review the subprojects on a selective basis with reference to the agreed upon criteria. This will give flexibility to the EA to replace some subprojects with others prior to the start of their implementation or to reallocate funds among outputs and investment categories of subprojects. The Government and ADB agreed on the subproject selection and appraisal process to be followed by the project management office (PMO) with the support of the project management consultants (PMC) and the district project implementation units (PIUs).

- Step 1: to prepare the draft Operational Management Plans (OMPs) for the MPAs including financial plans;
- Step 2: to conduct consultation and participation process to define the subproject scope, based on the MPA OMP's;
- Step 3: to arrange for the preparation of subproject appraisal reports in line with the standards set in the two sample subproject appraisal reports; hold required public consultations; revise, and obtain approval of the local government prior to submission to the PMO for appraisal and approval.
- Step 4: to appraise the subproject with the support of the PMC ;
- Step 5: to ensure that social and environmental safeguards are complied with, in accordance with ADB and government requirements;
- Step 6: to submit subproject appraisal reports for review in accordance with following criteria: the first two national and first two district MPA sub-projects will be submitted for approval to ADB and implemented upon approval.

42. The Project activities will comprise of general activities (e.g., human resources development, consulting services), many of which are included in component 1 and 4 of the project and MPA subproject activities, which constitutes MPA management effectiveness (many of which constitutes component 3 and 4 activities). The PMO will submit an annual workplan showing supporting (general) and subproject activities to ADB for review and no objection. The subproject development, approval and implementation will constitute following steps: (1) Step Identification of subproject activities (Districts/UPT Pekanbaru); (2) Pre-screening eligibility (PMO and PMC); (3) Detailing and Packaging (District/UPT in Pekanbaru) (4) Design check and feasibility (PMO and PMC); (5) submission to ADB by PMO (first two National and first two District MPA subprojects); (6) No-objection and approval by ADB (first two National and first two District MPA subprojects); (7) integration into work plan and implementation (PMO/District/UPT Pekanbaru) and (8) Change of scope of subproject activities (possible within budget and meeting sub-project criteria) (PMO)

43. **Participatory planning approach and stakeholder involvement.** Subproject design and development will follow a participatory planning and demand-driven approach to identification of a package of investments and activities. The project will support the process of drafting the operational management plans for the MPAs, which will be developed and validated through participatory processes. Innovative financing mechanisms will be piloted, such as payment for ecosystem services (PES). Consultations have been initiated with the communities and relevant private sector stakeholders on PES. Local authorities and community stakeholders will work together through participatory planning and co-management processes to delineate MPA boundaries and zonation systems. MPA management boards will be established, and will include members from the local community

44. In each MPA, a participatory, demand-driven approach to planning and identification of the integrated package of investments and activities will be followed. A subproject appraisal report will be developed for each sub-project. Typical activities in the subproject will include infrastructure investments to support effective MPA management and investments in sustainable livelihood enterprises. A lesson learned from COREMAP II is that the sustainable livelihood enterprises were not all sustainable due to lack of institutional technical support mechanisms and market connectivity. During preparation of each subproject appraisal, value chain analysis, including a study of input and output markets will be undertaken. This will enable further specification of the public infrastructure investment and the associated technology, management, and operational support required, as well as training needs. The actual mix of sustainable livelihood activities, including women-led microenterprises will be finalized using community-driven development good practices. The draft subproject feasibility study report will be the basis on which the IEE, RP and IPP are drawn up. The final subproject appraisal report will include the agreed IEE, RP and IPP and their associated costs.

2. Indicative Positive and Negative List

45. Below is a positive list (extensive but not exhaustive) of potential subproject interventions that can be covered under COREMAP—CTI Project. Any subproject selected must meet the subproject selection criteria (para. 26).

- Mariculture business (seaweed, napoleon wrasse, grouper, mud crab. etc)
- Freshwater/Brackishwater pond culture (e.g., catfish)
- Fish/Seaweed processing (e.g., fish crackers, salted fish, smoked fish, etc)
- Village store
- Monitoring, control and surveillance (MCS) posts
- Hatcheries, broodstock and post-harvest facilities (drying, storage)
- Marine Protected Area Administrative (MPA) Office
- Handicraft centers
- Information centers
- Turtle hatchery
- Vegetable and fruit production

- Processing of agricultural products
- Craft industry (handicrafts, pottery, etc.)
- Library
- Water supply, drill wells and hand pumps, water storage tanks, etc.
- Electricity supply, e.g. small power generator
- Communications system (e.g., radio communication tower)
- Medical assistance, such as midwives and medicine
- Rehabilitation of mangrove forests and/or coral reefs
- Public and private sanitary facilities
- Solid waste facilities (e.g., composting)
- Development of alternative energy sources, such as solar-cell energy and wind-generated energy
- Village roads
- Construction or rehabilitation of health centers, clinic staff
- Docks, mooring buoys, jetties and boats for interinsular transportation

46. Any proposed subproject which does not meet the subproject selection criteria and results in significant environment, indigenous people, land acquisition or resettlement impacts will not be selected by the project.

- Any activity that will impact on population migration (voluntarily or not)
- Any activity that requires land acquisition. If a piece of land is required for the implementation of a sub-project, the land will become part of community donations and a selected village forum shall provide a written statement stating that the individual landowner does not suffer from any disadvantage.
- A large-scale agricultural activity
- Design of land conversion to convert a forest into agricultural grounds
- Agricultural programs that impact on population migration
- Large-scale water drainage and irrigation projects
- Construction of water channels in marsh habitat or native forest
- Production forest projects
- Conversion of forest areas for transfer of uses
- Commercial logging
- Housing development
- Industrial plants and industrial estates, including expansion, rehabilitation or modification
- Reclamation and new land development
- Manufacturing, transportation and uses of pesticides or other toxic materials
- Construction of seaport and airport
- Large scale coastal and marine infrastructures/activities with significant social or environmental impacts.

47. **Training, Workshops, Monitoring and Surveys.** For any of the training and/or workshop to be implemented by Implementing Agencies (IAs), a simple proposal presenting rational, objectives, expected outputs, implementation arrangements and detailed costing (with reference to the Ministry of Finance's standard unit costs) will be submitted to the Project Management Office (PMO) for approval. The ADB will conduct prior review for the first 3 proposals per IA. ADB will conduct random check during review missions. The IA will inform the EA and ADB in case procurement will be necessary for any of these activities. The procurement plan will be then updated during review mission and ADB will advise accordingly. In addition to the normal ADB post review procedures, the review missions will carry out post reviews of procurement cases, reflect findings in the BTOR and adjust the procurement arrangements if necessary. An indicative list of training, workshops, monitoring and surveys (outside the procurement plan) are provided below:

General Activities

DT	Items	Indicative Cost \$	Institution	Remark
1	A. Replication of COREMAP Models			
1	1. Formulation of COREMAP Model and Preparation and Dissemination of Materials			
1	Workshops/Meetings	120,000.0	PMO	
1	Printing Dissemination Materials	20,000.0	PMO	
1	Stakeholder Coordination Meetings	80,000.0	PMO	
1	Preparation of COREMAP Model Documents	60,000.0	PMO	
1	Updating Coral Reef Management Plan and Strengthening Village Coral Reef Management Institutions	90,000.0	PMO	
1	2. Dissemination of the COREMAP Model at District and Local Governments			
1	Workshops and Exhibitions	150,000.0	PIU/PMO	
1	Preparation of Materials	90,000.0	PIU/PMO	
1	3. Comparative Study of Non-COREMAP Locations			
1	4. Review Scope for Expansion of Marine Protected Areas			
1	5. Upgrading of Village Information Centers	120,000.0	PIU/PMO/MPA	Small amounts involved in making existing Info Centers into resource centers (mix of small-scale CW at community level, materials, etc.
1	6. Reinforcement of COREMAP Message at Village Level	90,000.0	PIU/MPA	Meetings, posters, advisory (counseling) in all target villages
1	7. Underwater and Beach Clean-up	90,000.0	PIU/MPA	
1	8. Development and Implementation of Public Awareness Strategy and Campaign			
1	9. Development of Partnerships with Local Institutions, Private Sector Entities, etc.			
1	B. Support to Coral Reef Information and Training Center			
1	1. Capacity Building, Dissemination, Monitoring			
1	Capacity Building, Workshops, Dissemination, etc.	5,421,614.0	PMO/PIU	
1	Reef Health and Associated Ecosystem Monitoring	687,500.0	LIPI	
1	C. Ecosystem Monitoring			
1	1. Support for Ecosystem Monitoring by Communities at District/MPA Level		PIU/PMO	PIU will conduct patrolling and will involve the communities

DT	Items	Indicative Cost \$	Institution	Remark
1	2. Support for Joint/Integrated Patrols at District/MPA Level	140,000.0	PIU/MPA	Operational Management Plans of all MPAs (10) mandates patrolling, monitoring, surveys and mgmt. actions; costs of per diems, fuel, consumables etc. will be covered in workplans of the MPAs / Subprojects PIU will conduct join patrol with police, navy and other stakeholders (minimum 2 times a year)
1	4. Development of Monitoring and Surveillance System	200,000.0	PMO/PIU/MPA	MPA Op-Mgmt-Plan implementation; support by PMO to improve by recruiting advisory services of experts or hold workshops PMO and PIU will develop the most appropriate system for fast report from the field to Dinas and Central
1	5. Development and Implementation of Policies, Laws and Regulations	115,000.0	PMO/PIU/MPA	Invitation to resource persons with specialist legal and technical expertise as local advisers and holding of workshops to deliberate on drafts PMO will facilitate the workshop for all stakeholder like judges, police, law officer on discussing the laws, regulations and policies (40-50 people)
1	6. Development of Action Plans to Strengthen and Institutionalize Monitoring and Surveillance	85,000.0	PMO/PIU/MPA	PMO supports development; implementation by PIUs/MPAs PMO will facilitate the workshop to determine the action plan for reducing destructive and illegal fishing at Coremap sites
1	7. Workshop on Coastal Monitoring and Surveillance	90,000.0	PMO/PIU/MPA	Holding of workshop in all 10 MPAs by

DT	Items	Indicative Cost \$	Institution	Remark PIUs/MPAs supported by PMO PMO/PIU will facilitate the workshop discussing the fact- finding from the implementation sites (40-50 people)
1	D. Capacity Building			
1	1. Trainings of Conservation Extension Workers	450,000.0	PMO	
1	2. Trainings in Competency Standards in Conservation	300,000.0	PMO	
1	3. Trainings in Conservation Management (Technical and Managerial)	180,000.0	PMO	
1	4. Training in Conservation Surveillance			
1	Government Investigators	60,000.0	PMO	
1	Community Groups	70,000.0	PIU/PMO	
1	5. Training for Coastal and Small Islands Police	60,000.0	PMO	
1	6. Training in Conservation Management (International Short Course)			
1	Senior Level Staff	800,000.0	PMO	40 participants over 4 years
1	Mid-level Staff	400,000.0	PMO	40 participants over 4 years
1	7. Miscellaneous Short-term Training for Community Groups	100,000.0	PIU/PMO	PMO will facilitate international short course training for MPA manager (5-10 people each year)
1	8. Support to the Marine Conservation School	100,000.0		PMO will support conservation school in Wakatobi, e.g., research, workshops, goods, books, small infrastructure, research, lab for conservation school
1	9. Support to Students for Preparation of Theses and Dissertation		PMO	
1	Theses	8,000.0	PMO	
1	Dissertations	40,000.0	PMO	
1			DGMCSI	
1	10. Postgraduate Education - Directorate General of Capture Fisheries		DGCF	
1	PhD	810,000.0	DGCF	
1	Master's Degree	1,898,000.0	DGCF	

DGCF= Directorate General of Capture Fisheries; DGMCSI= Directorate General of Marine Coasts and Small Islands; LIPI= *Lembaga Ilmu Pengetahuan Indonesia* (Indonesian Institute of Sciences); PIU =project implementation unit; PMO = project management office, SOE=Statement of Expenditure; WP=Workplan

Activities under Representative Subproject Anambas Marine Protected Area

DT	Items	Indicative cost \$	Institution	Remark
2	A. Marine Protected Area Management	143,000.0	PIU	
2	B. Capacity Building			
2	MPA Management Training	-		
2	Administration Training	-		
2	Financial Management Training	25,000.0	PMO/PIU	
2	Diving Training	25,000.0	PIU/PMO	
2	Leadership Training	-		
2	Engine Maintenance Training	25,000.0	PIU/PMO	
2	Communication Equipment Training	25,000.0	PIU/PMO	
2	Computer Training	25,000.0	PIU/PMO	
2	Global Information System Training	25,000.0	PIU/PMO	
2	Survey Equipment Maintenance Training	25,000.0	PIU/PMO	
2	Basic Safety Training	25,000.0	PIU/PMO	
2	Investigation Methods Training	25,000.0	PIU/PMO	
2	Procurement Training	25,000.0	PIU/PMO	
2	Conservation Extension Services Training	-		
2	C. Infrastructure			
2	D. Vehicles and Equipment			
2	E. Office and Equipment Maintenance			
2	F. Policy and Regulations			
2	G. Demarcation of MPA Boundary	280,000.0	PIU/MPA	Operational Management Plans of all MPAs (10) mandates boundary demarcation using buoys, markings, posts to be physically placed on water boundaries; costs of per diems, fuel, consumables etc. will be covered in workplans of the MPAs / Subprojects; equipment costs are already flagged for procurement Facilitate workshop and surveys delineation
2	H. Dissemination of MPA Boundary	132,000.0	PIU/MPA	The boundary demarcation must be discussed in participatory meetings across 10 MPAs; meetings, site tours, per diems, fuel, operational costs Socialize through workshop
2	I. Sustainable Financing/Payment for Ecosystem Services			
2	Establishment of Payment/Compensation Agreement	25,000.0	PMO	

DT	Items	Indicative cost \$	Institution	Remark
2	Compensation for Tourism Development	40,000.0	PMO	
2	Investment Model Design	25,000.0	PMO	
2	Tourism Model Design	25,000.0	PMO	
2	Collaboration with Government Enterprises	50,000.0	PMO	
2	J. Biodiversity and Ecosystem Management			
2	Establishment of a Permanent Transect	155,000.0	PIU/MPA	In order to do regular coral monitoring MPAs must establish transects (in the sea) by diving and undertaking GPS markings; per diems, fuel, consumables, materials etc. and hiring of local divers; equipment already flagged in procurement list
2	Coral Monitoring	375,000.0	PIU/MPA	This is a regular MPA/PIU activity-all 10 MPAs must do it regularly; operational costs of diving and underwater photographing, sampling of corals
2	Mangrove Monitoring	50,000.0	PIU/MPA	
2	Seagrass Monitoring	50,000.0	PIU/MPA	
2	Turtle and Napoleon Wrasse Monitoring	112,500.0	PIU/MPA	Species management is an essential MPA activity; turtle eggs must be secured in buried sites along beaches and hatched turtles must be counted before release; operational costs
2	Coral Transplantation	250,000.0	PIU/MPA	This is habitat rehabilitation activity within MPA mgmt. plan- at sites where corals are damaged. operational costs of per diems, fuel, diving hours remuneration, materials, photos
2	Mangrove Rehabilitation	30,000.0	PIU	
2	Establishment of Artificial Coral	25,000.0	PIU	
2	Restocking Fish	30,000.0	PIU	
2	Identification of Inventory Protection Zones	62,000.0	PIU	
2	Identification of Inventory in Tourism Areas	90,000.0	PMO/PIU	
2	Identification of Capture Fisheries Potential	50,000.0	DGCF	
2	Identification of Mariculture Potential	90,000.0	PMO/PIU	
2	Monitoring Fish Catch	5,000.0	PIU/DGCF	

DT	Items	Indicative cost \$	Institution	Remark
2	Coral Fish Culture Technology Research	35,000.0	PMO	
2	Grouper Hatchery	50,000.0	PIU	
2	Baseline Study on Tourism Zones	50,000.0	PMO	
2	Baseline Study on Capture Fishery	50,000.0	DGCF	
2	Baseline Study on Mariculture including Napoleon Wrasse	35,000.0	PMO	
2	Monitoring and Evaluation of Tourism	25,000.0	PMO	
2	Monitoring and Evaluation of Mariculture	25,000.0	PMO	
2	Monitoring and Evaluation of Capture Fishery	25,000.0	DGCF	
2	Development of Environmentally-Friendly Technology for Aquaculture	25,000.0	PMO	
2	Development of Environmentally-Friendly Technology for Capture Fisheries	25,000.0	DGCF	
2	K. Surveillance and Law Enforcement			
2	Survey of Illegal Activities	25,000.0	PIU/PMO	
2	Preparation of Surveillance Strategy	1,000.0	PMO	
2	Drafting of Regulations for Capture Fishery	1,000.0	DGCF	
2	Drafting of Regulations for Mariculture	2,500.0	PMO	
2	Identification of Community Surveillance Group	2,500.0	PIU	
2	Drafting of Surveillance System Memorandum of Understanding	10,000.0	PIU/PMO	
2	Integrated Surveillance Patrols	120,000.0	PIU	MPAs need effective interagency patrols of the waters with navy, police, surveillance dept. and communities; per diems, fuel, consumables, materials etc.
2	L. Support for Sustainable Livelihoods			
2	Identification Study	30,000.0	PMO	
2	Support for Sustainable Livelihoods	15,000.0	PIU	
2	Training in Fish Processing	20,000.0	PIU	
2	Training in Aquaculture/Mariculture	10,000.0	PIU	
2	Training in Seaweed Culture	20,000.0	PIU	
2	Training In Mud Crab Culture	10,000.0	PIU	
2	M. Public Awareness /b	0		
2	N. Identification and Promotion of Tourism Potential			
2	O. MPA Monitoring and Evaluation			
2	Project Management Support	350,000.0	PIU	This is MPA Office support over five years to cover communications, accounting, admin, office consumables, operational funds
2	Monitoring of Community Awareness of Conservation	30,000.0	PIU	
2	Monitoring and Evaluation	30,000.0	PIU/PMO	

Activities under Representative Core Subproject Bintan Marine Protected Area

DT	Items	Indicative cost \$	Institution
3	A. MPA Institution Strengthening		
3	Dissemination of MPA Information	20,000.0	PIU
3	Supervision of Community Surveillance Groups	50,000.0	PIU
3	Supervision of Preparation of Standard Operating Procedures	10,000.0	PIU
3	Boundary Validation and Dissemination	25,000.0	PIU
3	Preparation of Technical Guidelines	10,000.0	PIU
3	Preparation of Performance Indicators	10,000.0	PIU
3	Identification of Potential Products and Services	10,000.0	PIU
3	Meeting of Steering Committee and Advisory Board on Products and Services	20,000.0	PIU
3	Boundary Management Workshop	10,000.0	PIU
3	Technical Coordination Meeting - Managers and Stakeholders	10,000.0	PIU
3	Stakeholder Participation in Boundary Development	50,000.0	PIU
3	Meeting on Area Development	10,000.0	PIU
3	Identification of Infrastructure Needs	10,000.0	PIU
3	Setting Tariffs for Tourists, Fines and Revenue Utilization	5,000.0	PIU
3	B. Training		
3	Training Staff of Boundary Supervisory Unit in Regulations	35,000.0	PIU
3	Conservation Area Management Training	-	
3	Training in Resource Monitoring	-	
3	Diving Training	20,000.0	PIU
3	Marine Guide and Tour Guide Training	10,000.0	PIU
3	Training in GIS and Coastal Resource Database	-	
3	Conservation Training for Students	-	
3	C. Ecosystem Baseline Survey and Monitoring		
3	Monitoring of Coral Reef Resources	-	
3	Baseline Survey of Mangrove and Seagrass Resources	-	
3	Baseline Survey of Other Coral Reef Resources	-	
3	Baseline Socioeconomic Survey	-	
3	Evaluation of Status and Potential Threats to Marine and Coastal Resources	25,000.0	PIU
3	Socioeconomic Monitoring in Boundary Areas	35,000.0	PIU
3	Health Monitoring of Coral Reef	35,000.0	PIU
3	Mangrove and Seagrass Resource Monitoring	35,000.0	PIU
3	Monitoring of Marine Tourism Activity	35,000.0	PIU
3	Identification and Mapping of MPA Resources	55,000.0	PIU
3	D. Boundary Demarcation		
3	Installation of Boundary	35,000.0	PIU
3	Village Level Installation of Boundary and Zoning	35,000.0	PIU
3	Spatial Planning (including Climate Change Scenarios)	65,000.0	DGMCSI
3	Dissemination of Management, Boundary Demarcation, Zoning, Etc.	20,000.0	PIU
3	E. MPA Vehicles and Equipment		
3	F. MPA Infrastructure		
3	G. Support to Sustainable Livelihoods		
3	Sustainable Livelihoods Development	325,000.0	PIU/PMO
3	Support to Fisheries Value Chain Investments	365,000.0	PIU/PMO
3	H. Awareness Building		
3	Dissemination of Area Management Policies	10,000.0	PIU
3	Cooperation with Private Sector	5,000.0	PIU
3	I. MPA Monitoring and Evaluation	137,000.0	PIU

Unallocated Activities

DT	Items	Base Cost \$	Institution
6	A. Coral Reef Management and Institutions Strengthened		
6	1. ADB		
6	Training and Workshops	400,000.0	PMO
6	Surveys, Studies and Services	400,000.0	PMO
6	2. GEF: Surveys, Studies and Services (\$1 mill taken out for Community-based monitoring across 10 MPAs and inserted in PAM)	1,562,500.0	PMO
6	B. Ecosystem-Based Resources Management Developed		
6	1. ADB		
6	Civil Works		
6	Vehicles and Equipment		
6	Materials		
6	Consulting Services		
6	Training and Workshops		
6	Surveys, Studies and Services	180,000.0	PMO
	2. GEF: Surveys, Studies and Services	336,000.0	PMO
	C. Sustainable Marine-Based Livelihoods Improved		
	Civil Works		
	Vehicles and Equipment		
	Materials		
	Consulting Services		
	Training and Workshops		
	Surveys, Studies and Services	45,000.0	PMO
	Support for Sustainable Livelihoods		
	2. GEF: Surveys, Studies and Services	520,000.0	PMO
	D. Project Management Strengthened		
	1. ADB: Surveys, Studies and Services	126,000.0	PMO
	2. GEF: Surveys, Studies and Services	337,900.0	PMO

48. **Post Graduate Scholarships.** To improve the technical capacity of DGCF staff in fisheries management, approximately 16 DGCF staff will undergo postgraduate studies in the field of fisheries management.

49. The MMAF has laid out in its Ministerial Regulation for Scholarships (PER/09/MEN/2011), selection criteria and implementation guidelines for scholarships. These criteria and guidelines include: (i) undertaking degree program in-country and overseas, (ii) participants to undertake and pass a selection test; (iii) eligible age limitation for each study/degree program, (iv) accreditation for national institutions, and (v) rights and obligations of the selected student/scholar. The applicants / scholarship beneficiaries must have at least 2 years of work experience with MMAF. The beneficiaries are expected to return to MMAF after completion of studies.

50. Criteria for selecting candidates for scholarships from the existing government regulation will be reviewed during the Project inception and will be jointly agreed by government and ADB during the inception mission.

51. The indicative costs and budget for the scholarship program are as follows:

Cost for Post-Graduate Scholarships (US\$)

Support to Students for Preparation of Theses and Dissertation

	Theses	8,000.0
	Dissertations	<u>40,000.0</u>
Subtotal		48,000.0

Postgraduate Education - Directorate General of Capture Fisheries

	PhD	810,000.0
	Master's Degree	<u>1,898,000.0</u>
Subtotal		2,708,000.0

4. Summary of the 10 Marine Protected Areas to be Supported by COREMAP CTI/ADB

	MPA	Province	Area (ha)	Reef (ha)	Initial Decree	Management Pla	Management Unit	District Coastal Marine Spatial	Notes
District Marine Managed/Conservation Areas									
1	N. Nias	N. Sumatra	29,000	4,000	2007	No	No	No	Remote. Surf Tourism. River mouth Mangroves, Small Islands
2	Tapanuli Tengah	N. Sumatra	81,243	1,224	2007	Draft	No	Final Draft	Ridges to Reefs;
3	Mentawai Island	W. Sumatra	50,532	35,218	2006	Final Draft	Yes	Final Draft	Remote. High endemism. Majority of Mangroves and Reefs in Province
4	Batam	Riau Islands	66,807		2007	Draft	Yes	Final Draft	Urban; 13000 Ha Mangroves; Small Islands
5	Bintan	Riau Islands	472,905		2007	Draft	Yes	Decree; Draft	Small Islands, Urban. 8900 Ha Mangrove. High Endemism. Turtle nesting.
6	Natuna	Riau Islands	173,700	8,500	2007	Draft	No	2012 Perda	70,000 Ha Mangroves. Turtle Site.
7	Lingga	Riau Islands	419,134	15,178	2013	Draft	No	Final Draft	
National Marine Conservation Areas									
8	Anambas	Riau Islands	1,262,686	24,730	2011	Final Draft	Yes	No	Turtle Nesting, N. Wrasse. 50% Coral Cover; Tourism.
9	Pulau Pieh	W. Sumatra	39,000		2000	Final Draft	Yes	2012 Perda	Tourism. Landscapes. Wetlands. Turtles. Mangroves.
10	Gili Matra	W. Nusa Tenggara	340				Yes	Final Draft	Tourism. High diversity.

2. Project Period 2020 - 2022

A. Project Implementation Organizations – Roles and Responsibilities

Project Organizations	Management Roles and Responsibilities
<ul style="list-style-type: none"> Deputy for Maritime Affairs and Natural Resources (DMANR), BAPPENAS 	<ul style="list-style-type: none"> ➤ Executing agency for the project Overall implementation, administration and monitoring of the project. ➤ The WA will be prepared by the EA and submitted (through MOF) to ADB. The authorized signatory to sign WAs is MOF (on behalf of GOI).EA will keep supporting documents, submit any reporting requirements, including the annual report and financial statements, and establish and maintain the impress account(s),
<ul style="list-style-type: none"> Steering Committee 	<ul style="list-style-type: none"> ➤ Provide guidance to the Technical Committee in the development of relevant policies and general oversight of the project. ➤ Provide guidance to the Technical Committee, Program Management Unit and Program Implementing Unit on the COREMAP—CTI implementation. Meet annually
<ul style="list-style-type: none"> Technical Committee 	<ul style="list-style-type: none"> ➤ Provide guidance and technical assistance to the Program Management Unit and Program Implementing Unit on the implementation of COREMAP—CTI. ➤ Establish a policy and technical guidance to the Program Manager COREMAP—CTI in accordance with the technical implementation components. Facilitate implementation of the program at central and provincial levels. Meet semi-annually.
<ul style="list-style-type: none"> Directorate for Marine Affairs and Fisheries, BAPPENAS 	<ul style="list-style-type: none"> ➤ Project Management Unit (PMU) for the project. ➤ Coordinate and provide guidance on project implementation to PIU. ➤ Carry out monitoring and evaluation for overall implementation of COREMAP-CTI project ➤ Carry out strategic steps to overcome obstacles in project implementation ➤ Facilitate and coordinate the implementation activities carried out by the PIU ➤ Prepare and submit reporting requirement at central level

- Indonesia Climate Change Trust Fund (ICCTF)
 - Project Implementing Unit (PIU) for the project
 - Implementing Agency for the COREMAP-CTI GEF Grant project
 - Develop and produce coordinated workplan, procurement of goods and services to support project implemented by Implementation Consultants
 - Coordinate and provide guidance on project implementation to Implementation Consultants and relevant parties
 - Carry out day-to-day implementation on planning and budgeting, procurement, disbursement, monitoring, reporting
 - Compile and carry out administrative, technical, financial management, and reporting at implementing level
 - Conduct environmental and social safeguard monitoring and compliance
 - Develop and conduct monitoring and evaluation system to manage control upon deliverables; and
 - Prepare and submit reporting requirement to PMU
- Implementation Consultants
 - Engage in a contract agreement with PIU to carry out project activities through technical approaches based on strategic activity specified in the working package.
 - Implement on-ground activities accordingly to the program log frame developed to meet targeted deliverables.
 - Carry out administrative, technical, financial management, and reporting at implementing level
 - Monitor, evaluate project activities at implementing level under the direction of, PIU and relevant government agencies
- Ministry of Finance
 - Establishment of advance account
 - Facilitate disbursement and withdrawal application
- ADB
 - Financing of the project fund (Grant)
 - Review and monitoring of project implementation

B. Key Persons Involved in Implementation

Executing Agency

Deputy Ministry for Maritime Affairs
and Natural Resources
Ministry of National Development
Planning/National Development
Planning Agency

Dr. Ir. Arifin Rudiyanto, MSc

Deputy Minister

Deputy Ministry for Maritime Affairs and Natural Resources

Ministry of National Development Planning/National

Development Planning Agency

ADB

Indonesia Resident Mission,
Southeast Asia Department

Winfried F. Wicklein

Director

E-mail address: wwicklein@adb.org

C. Project Organization Structure

52. **Executing Agency.** The Deputy for Maritime Affairs and Natural Resources (DMANR), of the Ministry of National Development and Planning/ BAPPENAS will be the Executing Agency (EA) and will be responsible for the overall implementation of the project.

53. **Steering Committee.** An interagency Steering Committee (SC) will be established and will be chaired by the Secretary Minister of of Ministry of National Development Planning. Deputy chairman of the Steering Committee is Deputy Minister of Maritime Affairs and Natural Resources of Ministry of National Development Planning. Then, Secretary of the Steering Committee is Director of Marine and Fisheries of Bappenas. The SC will include representatives of Ministry of National Development and Planning/BAPPENAS, Directorate General of Marine Spatial Management, MMAF; Directorate General of Treasury, Ministry of Finance (MOF); Directorate General of Budget, MOF; and Ministry of Environment and Forestry (MoEF) as the GEF Focal Point. The NSC will be responsible in providing policy guidance and follow up on policy and legal work, cross-sectoral coordination, and formulate solutions to impediments to project implementation; and provide guidance on the overall direction of the project and ensure overall coordination of activities and will meet at the very least once a year.

54. **Technical Committee.** An interagency Technical Committee (TC) will be established and will be chaired by the Director of Marine and Fisheries of Bappenas. The TC will include representatives of Ministry of National Development and Planning/BAPPENAS, MoEF-GEF Focal Point, MMAF, LIPI, MOF, and Provincial government of the target MPAs. The TC will provide technical guidance on the overall direction of the project and ensure overall coordination of activities.

55. **Project Management Unit (PMU).** A PMU will be established within DMANR, specifically in the Directorate of Marine Affairs and Fisheries, with the Director of Marine Affairs and Fisheries as Head of PMU. The PMU Manager/ Secretary PMU will coordinate the day-to-day PMU activities. The PMU will directly command the PIU on the day-to-day implementation of the project, which will be aided by qualified specialists (such as a team leader, a procurement specialist, a monitoring and evaluation

specialist, finance specialist, and site coordinators). The day-to-day implementation which will fall under the PMU's coordination responsibility will include (i) planning and scheduling of project activities; (ii) administration of contracting activities for national activities; (iii) bookkeeping and maintenance of Project accounts and preparation and consolidation of liquidation reports; (iv) supervision and monitoring of the work program of the entire Project and preparation of consolidated monitoring reports; (v) coordination of field activities; (vi) collection, consolidation and safekeeping of all Project progress reports, site reports, technical and financial reports and their submission to ADB; (vii) preparation of quarterly progress reports; midterm project evaluation report and the overall project completion report; and (ix) liaison with ADB.

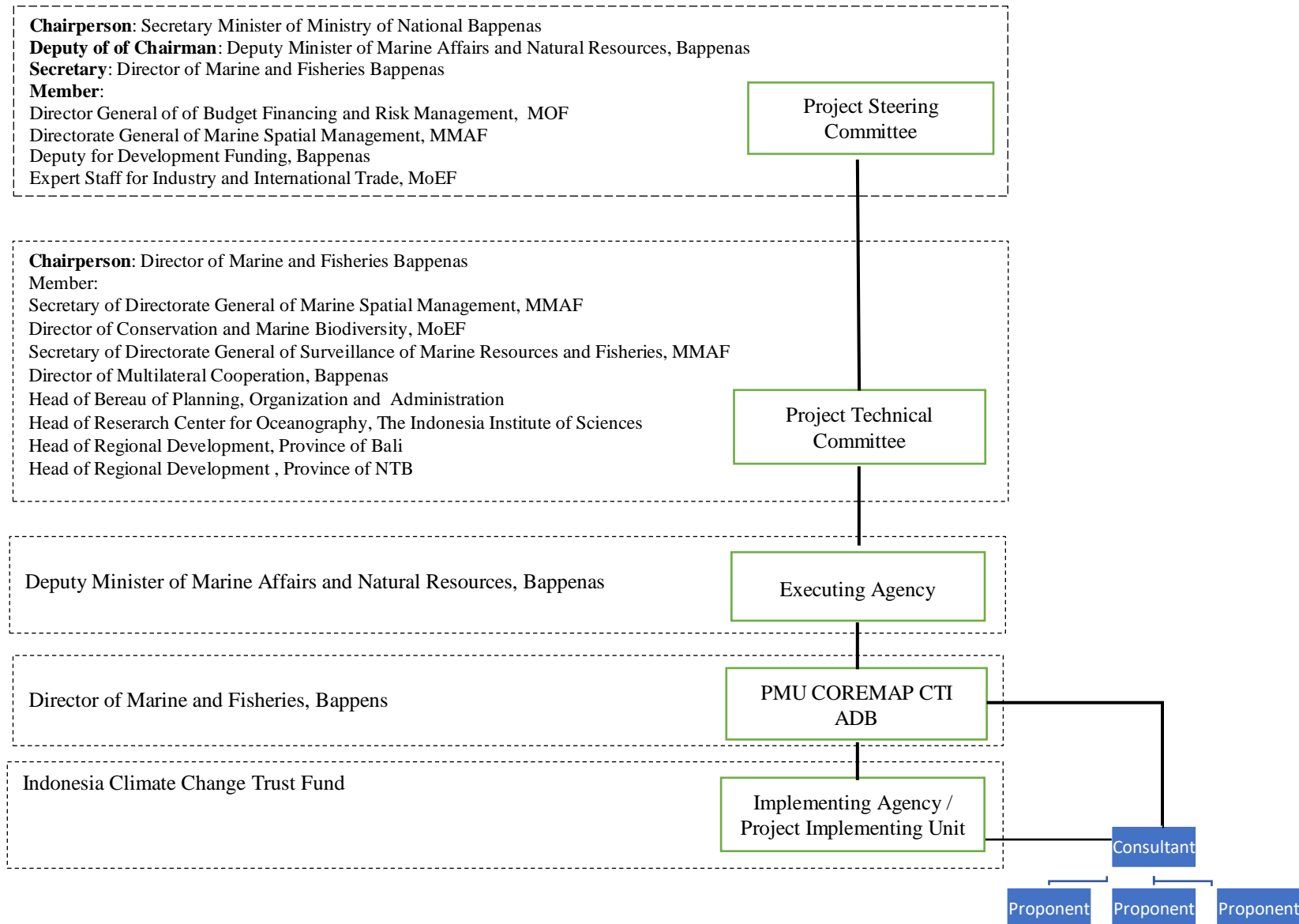
56. Project Implementation Unit (PIU) The PIU is Indonesia Climate Change Trust Fund (ICCTF), a working unit under DMANR – BAPPENAS, coordinated by Director of Marine Affairs and Fisheries – BAPPENAS. PIU will be responsible for delivering the implementation of the approved project activities through sub-granting mechanism, as well as managing the day-to-day implementation of the project. ICCTF will host qualified specialists (procurement specialist, monitoring and evaluation officer, finance specialist, and site coordinators – one in each project location) and adequate qualified staff (at least a program officer and administration officer) to ensure smooth implementation of activities. The PIU will (i) prepare annual work plan and budget which will be reviewed by PMO; (ii) coordinate and provide guidance on activities implementation with Implementing Consultant and relevant parties under the supervision of the PMO (iii) Carry out day-to-day implementation on administrative, technical, and financial management; (iv) monitor and evaluate project activities at the implementing level; (v) prepare and conduct procurement of goods and services to support the project at implementing level; (vi) Conduct environmental and social safeguard monitoring and compliance; (vii) Develop and conduct monitoring and evaluation system to manage control upon deliverables; and (viii) Compile and prepare project implementation and administrative report accordingly as required, and submit to PMU.

57. Implementing Partners. There will be several Implementing partners for each packages, which will be selected by the PIU through recruitment process executed by *Bappenas procurement committee (Unit Layanan Pengadaan/ ULP)*. Each Implementing Partner will implement on-ground activities accordingly to the program log frame developed, to meet target/deliverables determined. They will carry out administrative, technical, financial management, as well as monitor and evaluate project activities at implementing level under the direction of PMU and PIU. The Implementing Partners are required to coordinate with relevant government agencies in project locations (technical implementing units, district and province agencies) regarding the implementation of project activities. The Implementing partners will (i) prepare annual work plan and budget proposal which will be consulted and reviewed by the PIU; (ii) Carry out and compile records of day-to-day implementation on administrative, technical, and financial management; (iii) monitor and evaluate project activities and deliverables; (iv) Prepare project implementation and administrative report accordingly as required, and submit to PIU.

58. The organization charts are shown in Figure 5: Project Organization and Management, Figure 6: PIU-ICCTF

Figure 5. Project Organization and Management

**Figure 6. Organization Structure of PMU
ASIAN DEVELOPMENT BANK (ADB)**



D. Implementation Arrangements

1. Subproject Selection, Preparation and Approval

59. The Deputy for Maritime Affairs and Natural Resources (DMANR), of the Ministry of National Development and Planning/ BAPPENAS will be the Executing Agency (EA) and will be responsible for the overall implementation of the project; it includes all the activity for preparing and appraising the consulting service packages to implement project activities in each MPAs. The objective of having a working package is to detail out interventions that contribute to the sector/sub-sector (marine and fisheries) goals and targets of GOI, meets sub-project selection criteria and sufficiently fulfills ADB's requirements for financing. Each package should contribute to improving "management effectiveness" of a national or provincial based MPA.

60. **Working Packages formulation under amendment of ADB's grant.** Investments categorized as "Package". In the context of this Project, a Package is defined as an integrated package of investments and activities in a given MPA. While all the sub outputs and activities in the package need to be in line with the sector development plan, the scope of each package will depend on the priorities of each MPA. During project implementation, up to six packages in the MPA level will be formulated. The Package scope should also comply with the overall impact, outcome and management effectiveness outputs of the Project and contribute to the sector/sub-sector target of GOI, and geographic scope of the project according to the amendment of grant document. The target MPAs are Gili Balu, Gili Matra and Nusa Penida MPAs.

61. Selection criteria under ADB's grant amendments.

These packages are identified, selected and appraised based on the following consideration:

- i. The package contributes to the sector development plan, including MPA and threatened species targets and community livelihood improvement;
- ii. The package is shown to be technically feasible and the expected benefits have been clearly identified to improve the MPA management effectiveness.
- iii. Procurement packages have been clearly identified, methods of procurement and cost estimates have been clearly identified and recorded, and all sources of funding have been identified and confirmed;
- iv. Adequate consultation has been carried out with local and national government;
- v. Confirmation that the package, based on environmental assessment and review framework, has no major negative environmental impacts and mitigation measures have been defined for potential negative impacts and required environmental permits are obtained;
- vi. Confirmation that the package has no significant resettlement impacts, and if such package is categorized as Category B, a resettlement plan should be prepared in accordance with the Land Acquisition and Resettlement Framework, the Government's laws and regulations, and ADB's Safeguard Policy Statement (2009);

- vii. Confirmation that the package has no adverse impacts on indigenous peoples in the package area, and if such package is categorized as Category B an indigenous peoples' plan should be prepared in accordance with the Indigenous Peoples' Framework, the Government's laws and regulations, and ADB's Safeguard Policy Statement (2009).

62. Based on these criteria, seven (7) representative packages were **identified** and appraised during project preparation. There are six packages that are specifically allocated for MPA Gilimatra, Gili Balu and Nusa Penida and 1 package for thematic study across the three MPAs. These packages include (i) enabling infrastructure for ecotourism development (mooring buoys, information center, mangrove track, bird watching platform and surveillance post.); (ii) fisheries productivity-related infrastructure (sustainable fishing gear); (iii) sustainable livelihood- related infrastructure (fish and seaweed processing etc.) and (iv) MPA governance (e.g., management board, management plans, financing plans (PES), threatened species management plans, and surveillance operations), (v) supply chain and biophysical studies.

63. **Selection and appraisal process of working packages.** For the project implementation from 2020 to 2022 the Government, through the EA, is primarily responsible for identifying, prioritizing, formulating, appraising, approving, and implementing packages.. The Government and ADB agreed on the packages selection and appraisal process to be followed by PMU with the support of the IA.

64. The Project activities will comprise of general activities (e.g., human resources development, consulting services). The PMU will submit an annual workplan showing supporting (general) and package activities to ADB for review and no objection. The packages development, approval and implementation will constitute following steps: (1) Step 1: Identification of packages activities at the MPA sites; (2) Pre-screening eligibility of proponent; (3) Detailing and Packaging (4) Design check and feasibility; (5) submission to ADB by PMU (6) No-objection and approval by ADB; (7) integration into work plan and implementation and (8) Change of scope of Package activities (possible within budget and meeting sub-project criteria).

65. **Participatory planning approach and stakeholder involvement.** Packages design and development will follow a participatory planning and demand-driven approach to identification of a package of investments and activities. The project will support the the operational management plans for the three MPAs, which will be developed and validated through participatory processes. Innovative financing mechanisms will be piloted, such as payment for ecosystem services (PES). Consultations have been initiated with the communities and relevant private sector stakeholders on PES. Local authorities and community stakeholders will work together through participatory planning and co-management processes to delineate MPA boundaries and zonation systems. MPA management boards have been established, which the representative of the local community are participated

66. In each MPA, a participatory, demand-driven approach to planning and identification of the integrated package of investments and activities will be followed. Typical activities in the package will include light infrastructure investments to support effective MPA management and investments in sustainable livelihood enterprises.

2. Indicative Positive and Negative List

67. There are no specific changes in the positive and negative list of project interventions in the packages. All the activities and establishment of light infrastructures are still relevant to the clauses mentioned in the loan section above.

68. **Training, Workshops, Monitoring and Surveys.** For any of the training and/or workshop to be implemented by Implementing Agencies (IAs), a simple proposal presenting rational, objectives, expected outputs, implementation arrangements and detailed costing (with reference to the Ministry of Finance's standard unit costs) will be submitted to the Project Management Office for approval. The IA will conduct prior review for the first three proposals per proponent, or with other mechanism as agreed by ADB. ADB will conduct random check during review missions. The IA will inform the EA and ADB in case procurement will be necessary for any of these activities. The procurement plan will be then updated during review mission and ADB will advise accordingly. In addition to the normal ADB post review procedures, the review missions will carry out post reviews of procurement cases, reflect findings in the BTOR and adjust the procurement arrangements, if necessary, an indicative list of training, workshops, monitoring and surveys (outside the procurement plan) are provided in the table below.

69. **Post Graduate Scholarships.** To improve the technical capacity of MPA management body at the site level, approximately 4 staffs will undergo postgraduate studies in the field of fisheries management, coral reef management, conservation or related program through linkage program between Indonesian university and other overseas university. Self-manage (*Swakelola*) mechanism will be described in a MOU between Bappenas and the national university who has linkage program with reputable international university, will be applied to endure the smooth implementation considering period of project.

70. The scholarship award for a Master Degree will be implemented through a linkage master degree program between Bogor Agricultural University (*Institut Pertanian Bogor/IPB*) as a leading national university with University of Queensland, Australian. Both universities have been acknowledged to carry out research topics and providers of higher education degrees in the field of marine science and marine resource management as designed under the project. Criteria for selecting candidates for scholarships from the existing government regulation will be reviewed and will be jointly agreed by the government and ADB.

71. An indicative cost and budget of training, workshops, monitoring and surveys outside the procurement plan as well as indicative cost and budget for the post graduate scholarships program are provided in the table below:

Indicative List, Cost and Budget of Training, Workshops, Monitoring and Surveys

CLUSTER	CATEGORY	DESCRIPTION	TOTAL	2020	2021			2022			TOTAL
			USD	Apr-Des	Jan-Des	Jan-Jun (70%)	Jul-Des	Jan-Des	Jan-Jun (10%)	Jul-Des	
SELF-MANAGE	TRAINING /WORKSHOP	Capacity development Master Degree scholarship (Sandwich Program)	400,000	200,000	200,000	140,000	60,000		-		400,000.00
SELF-MANAGE	TRAINING /WORKSHOP	Strengthening human resource capacity of key stakeholders through short term training	200,000	100,000	100,000	70,000	30,000		-		200,000.00
SELF-MANAGE	TRAINING /WORKSHOP	Knowledge product developed and disseminated	200,000	66,216	64,174	44,922	19,252	69,611	6,961.06	62,649.51	200,000.00

Table : Summary of the 3 Marine Protected Areas to be Supported by COREMAP CTI/ADB

	MPA	Province	Area (ha)	Reef (ha)	Initial Decree	Management Plan	Management Unit	District Coastal and Marine Spatial Plan	Notes
Province Marine Managed/Conservation Areas									
1	Nusa Penida	Bali	20,057	1,419	2014	Yes	Yes	Final Draft	Surf Tourism. Mangroves. High Diversity.
2	Gili Balu	West Nusa Tenggara	6,005.2	6.95	2011	Yes	Yes	Final Draft	Remote. Newly Formed. Light Tourism Activity. Mangroves. Small Island
National Marine Conservation Areas									
3	Gili Matra	West Nusa Tenggara	2,954	696	2009	Yes	Yes	Final Draft	Tourism. High Diversity. Small Island.

IV. COSTS AND FINANCING

1. Project Period 2014 - 2019

72. The government has requested a loan in an amount of \$45.52 million from ADB's ordinary capital resources to help finance the project. The loan will have a term of 18 years including a grace period of 6 years and annuity of 5%, an annual interest rate determined in accordance with ADB's London interbank offered rate (LIBOR)-based lending facility, a commitment charge of 0.15% per year, and such other terms and conditions set forth in the draft loan agreement. The loan maturity profile will not trigger maturity premium.

73. In addition, the Global Environment Facility (GEF) grant co-financing of \$8.00 million has been committed. The grant will ensure sustainability of nationally and globally important resources through demarcation and zoning of MPA boundaries and institutionalization of ecosystem monitoring within MPAs according to international best practice. Direct financial support will be provided to MPAs for resource surveys and valuation, and reef health, biodiversity and ecosystem management, monitoring, and surveillance. Protection of the resource will be ensured through GEF financing of training and support to communities for the establishment of small-scale economic activities. The loan and grant proceeds will finance goods and services under the project outputs and project implementation support. Funds from GEF will be fully administered by ADB.

74. The Government of Indonesia will fund the remainder of the project cost, estimated at \$13.14 million (including \$5.62 million in taxes and duties and \$2.16 million in financing charges during implementation). ADB has agreed with the government's request that interest during implementation that accrues on the loan will not be capitalized.

A. Detailed Cost Estimates by Expenditure Category

A.1. With Taxes and Financial Charges:

		(Rp. Million)	(US\$ Million)	
Item		Percentage		
		Total	Total	Total
I. Investment Costs				
A. Civil Works	25	183,029	16.619	
B. Vehicles and Equipment	8	57,649	5.235	
C. Materials	3	20,385	1.851	
D. Consulting Services	9	62,992	5.720	
E. Training and Workshops	16	114,078	10.358	
F. Surveys and Studies	29	213,333	19.371	
G. Support for Alternative Livelihoods	2	15,821	1.437	
H. Office Operations and Staff /a	6	41,334	3.753	
I. Land Acquisition and Resettlement	0	1,652	0.150	
Total Base Costs		710,273	64.494	97
Interest During Implementation	3	23,055	2.093	
Commitment Charges	0	767	0.070	
Total Costs to be Financed		734,096	66.657	100

^a Financed by Government.

The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

A.2. Without Taxes and Financial Charges:

Item	Total Without Taxes and Duties and Without Financial	Taxes and Financial Duties Charges	(US\$ Million) (Rp. Million) Total
I. Investment Costs			Total
A. Civil Works 183,029	15.109	1.511	16.619
B. Vehicles and Equipment 57,649	4.759	0.476	5.235
C. Materials 20,385	1.683	0.168	1.851
D. Consulting Services 62,992	5.318	0.402	5.720
E. Training and Workshops 114,078	9.526	0.833	10.358
F. Surveys and Studies 213,333	17.610	1.761	19.371
G. Support for Alternative Livelihoods 15,821	1.306	0.131	1.437
H. Office Operations and Staff /a 41,334	3.412	0.341	3.753
I. Land Acquisition and Resettlement 1,652	0.150	-	0.150
Total Base Costs 710,273	58.872	5.622	64.494
Interest During Implementation 23,055	-	-	2.093
Commitment Charges 767	-	-	0.070
Total Costs to be Financed 734,096	58.872	5.622	2.163
			66.657

^a Financed by Government.

The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

B. Allocation and Withdrawal of Loan and Grant Proceeds

Allocation of Loan Proceeds			
		Amount Allocated	ADB Financing
Category No.	Item	Category	Percentage and Basis for Withdrawal from the Loan
1	Civil works	15.055	100% of total expenditure claimed*
2	Vehicles and equipment	4.649	100% of total expenditure claimed*
3	Materials	1.328	100% of total expenditure claimed*
4	Surveys and studies	10.400	100% of total expenditure claimed*
5	Training and workshops	9.070	100% of total expenditure claimed*
6	Consulting services	4.818	100% of total expenditure claimed*
7	Support for sustainable livelihoods	0.200	100% of total expenditure claimed*
Total		45.520	

Note:

* Exclusive of taxes and duties imposed within the territory of the Borrower. Source: ADB and the Government, 2013.

Allocation of Grant Proceeds			
		Total Amount Allocated for GEF Financing (\$ million)	Percentage and Basis for Withdrawal from the Grant Account
Category No.	Item		
1	Materials	0.305	100% of total expenditure claimed*
2	Surveys and studies	5.965	100% of total expenditure claimed*
3	Training and workshops	0.370	100% of total expenditure claimed*
4	Consulting services	0.500	100% of total expenditure claimed*
5	Support for sustainable livelihoods	0.860	100% of total expenditure claimed*
Total		8.000	

Note:

* Exclusive of taxes and duties imposed within the territory of the Borrower.
Source: ADB and the Government, 2013.

C. Detailed Cost Estimates by Financier (\$ millions)

C.1. With Taxes and Financial Charges

Item	Asian Development Bank		Global Environment Facility		The Government				Total Amount
	Amount	%	Amount	%	Amount	Duties & Taxes	Total	%	
I. Investment Costs									
A. Civil Works									
- ADB	15.055	91%				1.506	1.506	9%	16.561
- The Government					0.054	0.005	0.059	100%	0.059
B. Vehicles and Equipment									
- ADB	4.649	91%				0.465	0.465	9%	5.114
- The Government					0.110	0.010	0.120	100%	0.120
C. Materials									
- ADB	1.328	91%				0.133	0.133	9%	1.461
- GEF			0.305	91%		0.031	0.031	9%	0.336
- The Government					0.050	0.005	0.055	100%	0.055
D. Consulting Services									
- ADB	4.818	93%				0.364	0.364	7%	5.182
- GEF			0.500	93%		0.038	0.038	7%	0.538
- The Government									
E. Training and Workshops									
- ADB	9.070	92%				0.793	0.793	8%	9.863
- GEF			0.370	92%		0.032	0.032	8%	0.402
- The Government					0.085	0.007	0.092	100%	0.092
F. Surveys and Studies									
- ADB	10.400	91%				1.040	1.040	9%	11.440
- GEF			5.965	91%		0.597	0.597	9%	6.562
- The Government					1.245	0.125	1.370	100%	1.370
G. Support for Alternative Livelihoods									
- ADB	0.200	91%				0.020	0.020	9%	0.220
- GEF			0.860	91%		0.086	0.086	9%	0.946
- The Government					0.246	0.025	0.271	100%	0.271
H. Office Operations and Staff ^a	0.000	0%	0.000	0%	3.412	0.340	3.752	100%	3.752
I. Land Acquisition and Resettlement	0.000	0%	0.000	0%	0.150	0.000	0.150	100%	0.150
Total Base Costs	45.520	71%	8.000	12%	5.352	5.622	10.974	17%	64.494
Interest During Implementation	0.000	0%	0.000	0%	2.093	-	2.093	100%	2.093
Commitment Charges	0.000	0%	0.000	0%	0.070	-	0.070	100%	0.070
Total Project Costs	45.520	68%	8.000	12%	7.515	5.622	13.137	20%	66.657

^a Financed by Government.

The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

D. Detailed Cost Estimates by Outputs (\$ millions)

D.1. With Taxes and Financial Charges

Item	Coral Reef Management and Institutions Strengthened	Ecosystem-Based Resource Management Developed	Sustainable Marine- Based Livelihoods Improved	Project Management Strengthened	Total
I. Investment Costs					
A. Civil Works	-	4.861	11.759	-	16.619
B. Vehicles and Equipment	0.570	4.103	0.561	-	5.235
C. Materials	-	1.796	0.055	-	1.851
D. Consulting Services					
International	-	-	-	1.300	1.300
National	0.121	-	-	4.299	4.420
Subtotal	0.121	-	-	5.599	5.720
E. Training and Workshops	5.988	0.094	4.277	-	10.358
F. Surveys and Studies	10.083	3.954	3.917	1.417	19.371
G. Support for Alternative Livelihoods	-	-	1.437	-	1.437
H. Office Operations and Staff ^a	-	0.143	-	3.610	3.753
I. Land Acquisition and Resettlement	-	-	0.150	-	0.150
Total Base Costs	16.763	14.951	22.155	10.626	64.494
Financial charges	0.562	0.501	0.743	0.356	2.163
Total Project Costs	17.325	15.452	22.898	10.982	66.657

^a Financed by Government.

The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

D.2. Without Taxes and Financial Charges

Item	Total Costs Without Taxes, Duties and Financial Charges	Taxes, Duties and Financial Charges	Coral Reef Management and Institutions Strengthened	Ecosystem-Based Resources Management	Sustainable Marine- Based Livelihoods Improved	Project Management Strengthened	Total
I. Investment Costs							
A. Civil Works	15.109	1.511	-	4.861	11.759	-	16.619
B. Vehicles and Equipment	4.759	0.476	0.570	4.103	0.561	-	5.235
C. Materials	1.683	0.168	-	1.796	0.055	-	1.851
D. Consulting Services	5.318	0.402	0.121	-	-	5.599	5.720
E. Training and Workshops	9.526	0.833	5.988	0.094	4.277	-	10.358
F. Surveys and Studies	17.610	1.761	10.083	3.954	3.917	1.417	19.371
G. Support for Alternative Livelihoods	1.306	0.131	-	-	1.437	-	1.437
H. Office Operations and Staff ^a	3.412	0.341	-	0.143	-	3.610	3.753
I. Land Acquisition and Resettlement	0.150	0.000	-	-	0.150	-	0.150
Total Base Costs	58.872	5.622	16.763	14.951	22.155	10.626	64.494
Financial charges	0.000	2.163	0.562	0.501	0.743	0.356	2.163
Total Project Costs	58.872	7.785	17.325	15.452	22.898	10.982	66.657

^a Financed by Government.

The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

E. Detailed Cost Estimates by Year

E.1. With Taxes and Financial Charges

Item	Totals Including Contingencies					Total
	2014	2015	2016	2017	2018	
I. Investment Costs						
A. Civil Works	-	3.596	7.079	2.972	2.972	16.619
B. Vehicles and Equipment	0.039	3.948	0.615	0.333	0.300	5.235
C. Materials	1.405	0.358	0.088	-	-	1.851
D. Consulting Services						
International	0.220	0.380	0.340	0.200	0.160	1.300
National	0.684	1.036	0.932	0.868	0.899	4.420
Subtotal	0.904	1.416	1.272	1.068	1.059	5.720
E. Training and Workshops	4.213	2.851	2.097	0.710	0.487	10.358
F. Surveys and Studies	3.365	6.077	3.778	3.294	2.857	19.371
G. Support for Alternative Livelihoods	-	0.690	0.568	0.089	0.089	1.437
H. Office Operations and Staff ^a	0.751	0.751	0.751	0.751	0.751	3.753
I. Land Acquisition and Resettlement	-	0.050	0.050	0.050	-	0.150
Total Base Costs	10.677	19.736	16.299	9.267	8.515	64.494
Financial charges	0.358	0.662	0.547	0.311	0.286	2.163
Total Project Costs	11.035	20.398	16.846	9.578	8.800	66.657

^a Financed by Government.

The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

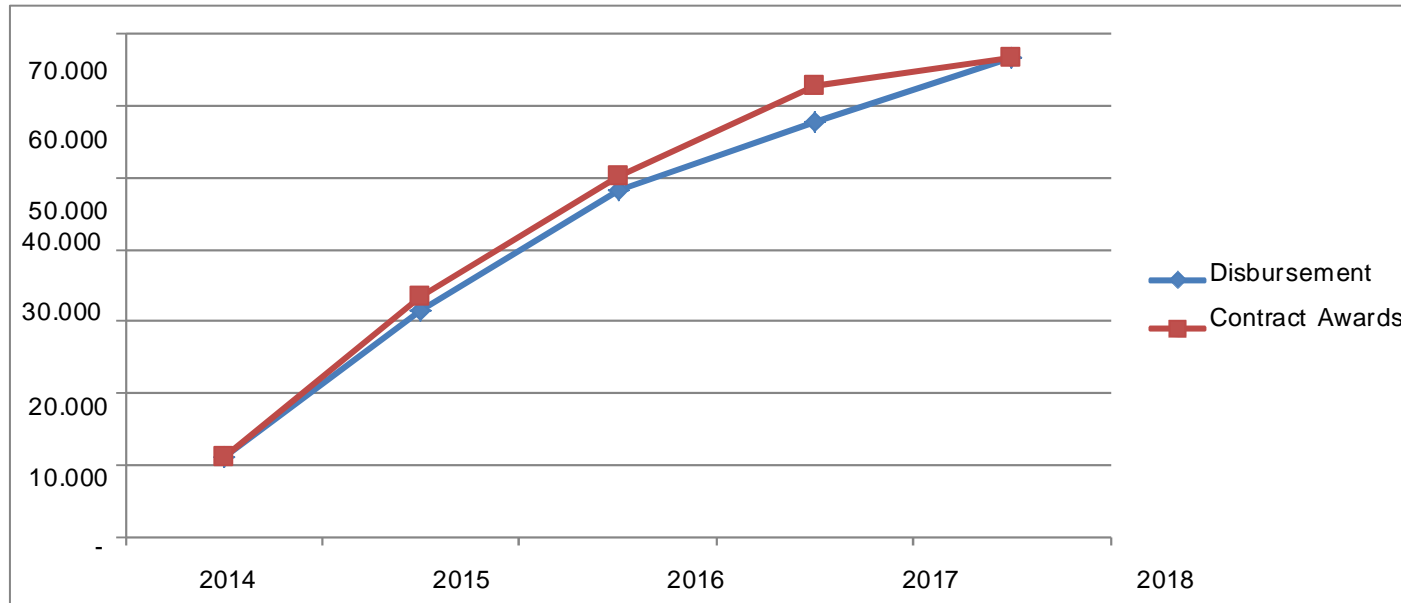
E.2. Without Taxes and Financial Charges

Item	Total Costs Without Taxes, Duties and	Taxes, Duties and Charges	Totals Including Contingencies					Total
			2014	2015	2016	2017	2018	
I. Investment Costs								
A. Civil Works	15.109	1.511	-	3.596	7.079	2.972	2.972	16.619
B. Vehicles and Equipment	4.759	0.476	0.039	3.948	0.615	0.333	0.300	5.235
C. Materials	1.683	0.168	1.405	0.358	0.088	-	-	1.851
D. Consulting Services	5.318	0.402	0.904	1.416	1.272	1.068	1.059	5.720
E. Training and Workshops	9.526	0.833	4.213	2.851	2.097	0.710	0.487	10.358
F. Surveys and Studies	17.610	1.761	3.365	6.077	3.778	3.294	2.857	19.371
G. Support for Alternative Livelihoods	1.306	0.131	-	0.690	0.568	0.089	0.089	1.437
H. Office Operations and Staff ^a	3.412	0.341	0.751	0.751	0.751	0.751	0.751	3.753
I. Land Acquisition and Resettlement	0.150	0.000	-	0.050	0.050	0.050	-	0.150
Total Base Costs	58.872	5.622	10.677	19.736	16.299	9.267	8.515	64.494
Financial charges	0.000	2.163	0.358	0.662	0.547	0.311	0.286	2.163
Total Project Costs	58.872	7.785	11.035	20.398	16.846	9.578	8.800	66.657

^a Financed by Government.

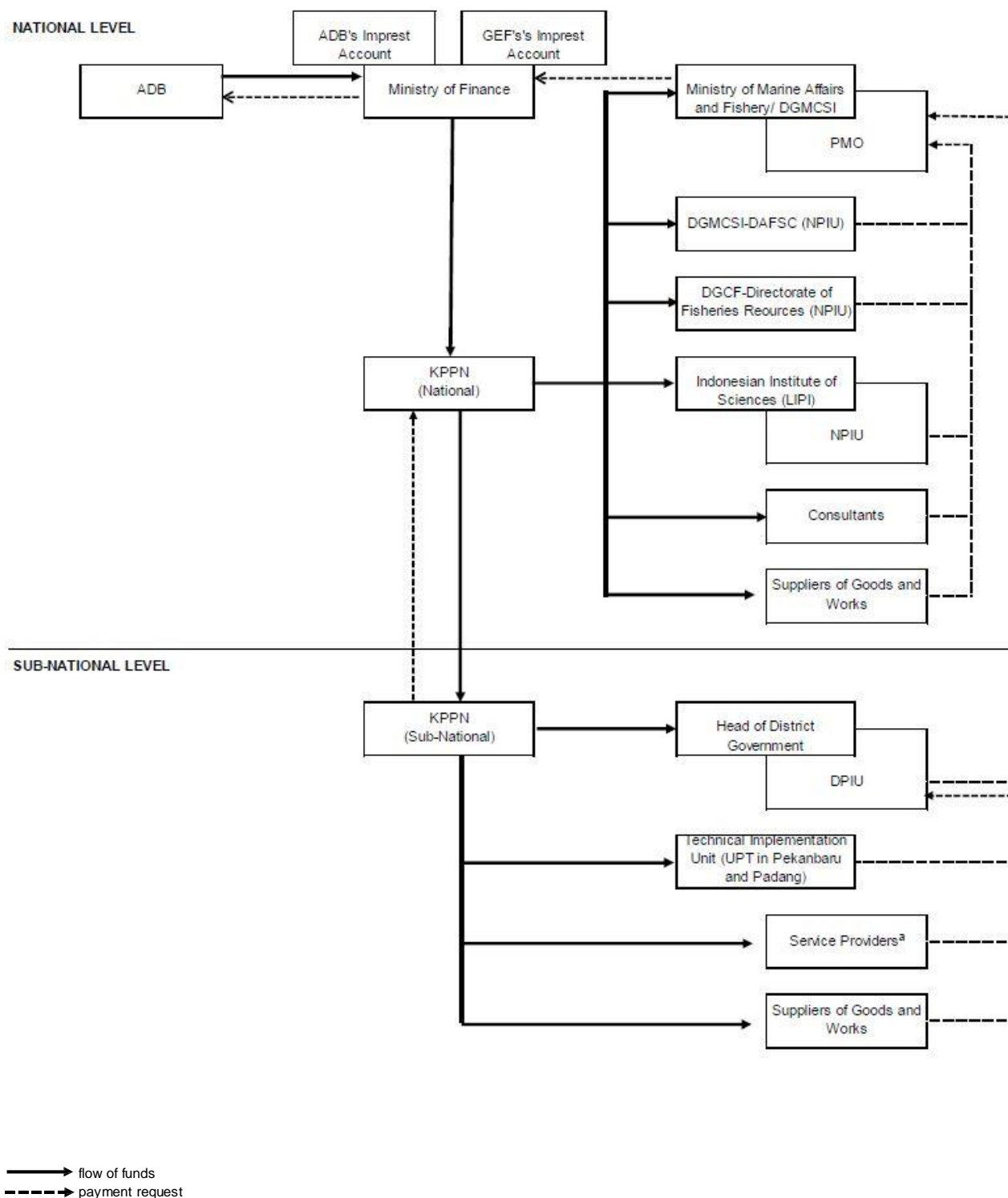
The taxes and duties (\$5.622 million is to be fully financed by the government through exemption).

F. Contract and Disbursement S-curve



Item	2014	2015	2016	2017	2018
Disbursement	11.035	31.434	48.279	57.857	66.657
Contract Awards	11.035	33.434	50.279	62.857	66.657

G. Fund Flow Diagram



ADB = Asian Development Bank, DAFSC = Directorate of Area and Fish Species Conservation, DGCF = Directorate General of Captured Fisheries, DGMCSI = Directorate General of Marine, Coasts and Small Islands, DPIU = District Project Implementation Unit, GEF = Global Environment Facility, KPPN = *Kantor Pelayanan Perbendaharaan Negara* (State Treasury Office), LIPI = *Lembaga Ilmu Pengetahuan Indonesia* (Indonesian Institute of Sciences), NPIU = National Project Implementation Unit, PMO = Project Management Office.

^a GOI regulations no longer give NGOs or academic institutions preferential access to government-financed contracts (including contracts financed from government loans or grants).

From Imprest Accounts, the funds will flow from national to district and provinces through regular government budget systems - no sub-accounts are established.

H. Financial Management Assessment

75. A financial management assessment was carried out for the Project in accordance with the Financial Management Guidelines and Financial Due Diligence Methodology Note. The main findings are summarized below.

76. DGMCSI, MMAF is capable to carry out the project, since it has substantial and highly relevant experience in implementing externally-financed subprojects and in managing ADB loan disbursements. In accordance with Minister of Finance Decree 171/2007 (on Government accounting system and financial reporting)⁷, DGMCSI has an accounting system that allows for the proper recording of subproject financial transactions, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds. Controls are in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained.

77. The main anticipated risk is the complexity of the project due to the geographical dispersion of the project areas and decentralized administration. All participating districts need to be well-equipped to carry out activities from planning process up to operation and maintenance of the investments. Special attention is required for the three national MPAs that will largely be implemented by the PIU LKKPN Pekanbaru. The institutional formation timeline of the PIU LKKPN Pekanbaru is very short, and its capacity to manage the national MPAs need to be strengthened. The PIU LKKPN Pekanbaru needs to create a clear institutional arrangement to implement field activities since it will involve multi-stakeholder management.

78. The following risks will require attention from the Government and ADB: (i) need for improved capacity of the PIU LKKPN Pekanbaru to manage three national MPAs, (ii) partnership formation with private sector, (iii) need for improved procurement and financial management capacity to handle the additional new types of project activities, and (iv) need for strong monitoring and evaluation. The FMA also identifies that technical assistance could be provided in the following areas: (i) capacity building in the area of public financial management and ADB's financial management and reporting requirements, especially for empowering the MPAs in each district, and clear coordination between district MPAs and national MPAs; (ii) development of an accounting and financial management manual to empower MPAs as viable institutions; (iii) development of an improved accounting system; (iv) strengthening the internal audit function; and (v) putting in place systems to ensure data is safeguarded for MPA related development. Most of these risk mitigating actions are all planned to be implemented under this project as indicated in the terms of reference of the Project Accounting and Financial Reporting Specialist, under the project implementing consultants. The financial management assessment questionnaire is in Appendix 1.

⁷ The government system is in line with the International Financial Reporting Standards and will be applied for project reporting (as required by ADB's Guidelines for the Financial Management and Analysis of Projects).

I. Disbursement

79. The Loan and GEF Grant proceeds will be disbursed in accordance with ADB's Loan Disbursement Handbook (2012, as amended from time to time),⁸ and detailed arrangements agreed upon between the Government and ADB. ADB's Loan Disbursement Handbook describes the procedures and provides standard forms for withdrawal of funds. MMAF through PMO will be responsible for submission of the Withdrawal Application to ADB, retention of supporting documents, submission of any reporting requirements, including the annual report and financial statements, and establishing and maintaining the imprest account(s). The sub-accounts are not required since the MMAF will flow the funds through regular government budget mechanisms to all implementing agencies, provincial and district governments.

80. Pursuant to ADB's Safeguard Policy Statement (2009) (SPS),⁹ ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of the SPS. All financial institutions will ensure that their investments are in compliance with applicable national laws and regulations and will apply the prohibited investment activities list (Appendix 5 of the SPS) to subprojects financed by ADB.

81. Table G in Section IV presents the fund flow arrangement of the Project. The Project will establish two Imprest Accounts (one for ADB loan and one for GEF grant), in US Dollars, in the name of MOF at the central bank, Bank Indonesia. ADB will channel the loan and grant fund to these imprest accounts. COREMAP—CTI will have three budget holders: DGMCSI, DGCF and LIPI. Each budget holder will establish a working unit for COREMAP CTI implementation, which is headed by a commitment officer (PPK¹⁰). The PPK is responsible for monitoring procurements and managing the payments for procured works, goods or services. The payments are made by the state treasury office (KPPN, *Kantor Pelayanan Perbendaharaan Negara*) at the request of PPK and following the approval by the budget holders.

82. The maximum ceiling of the respective imprest account will not exceed 10% of the respective loan and GEF grant amount. The respective imprest account is to be used exclusively for ADB's and GEF's share of eligible expenditures. The MOF who established the imprest accounts in its name, is accountable and responsible for proper use of advances to the respective imprest account. The government may request for initial and additional advances to the respective imprest account based on 6 months estimated expenditures to be financed through the respective imprest account. The imprest account will be established, managed, and liquidated in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed by the Government and ADB. ADB's Loan Disbursement Handbook describes which supporting documents should be submitted to ADB and which should be retained by the government for liquidation and replenishment of an imprest account.

⁸ Available at: <http://www.adb.org/documents/loan-disbursement-handbook>.

⁹ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

¹⁰ PPK = *pejabat pembuat komitmen* = commitment officer

83. The support for sustainable livelihoods includes inputs and/or financial assistance to the community groups, feasibility studies, extension services, training, networking and marketing support to the microenterprises, etc. The assistance and services will be disbursed through the national and sub-national offices of the national treasury and will be implemented through the PMO, district project implementation units (DPIUs), and the technical implementation unit (UPT) in Pekanbaru. Communities will make a proposal to DPIU through the community coral reef resources management institution (LPSTK) regarding the basis of their input/financial assistance requirement, which will be reviewed and approved by DPIU and PMO. PMO then authorizes disbursement through their annual budget submitted to Bappenas and Ministry of Finance. The funds will then be transferred to LPSTK through sub-national treasury offices based on a contract between LPSTK and DPIU. The contract stipulates the terms of disbursement to LPSTK and DPIU monitors the contract.

84. Statement of Expenditures (SOE). Any individual payment to be reimbursed or liquidated under the SOE procedure shall not exceed \$100,000. If an individual payment exceeds the SOE ceiling of \$100,000 equivalent, supporting documents should be submitted to ADB. SOE records should be maintained and made readily available for review by ADB's disbursement and review mission or upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit.¹¹

85. Before the submission of the first withdrawal application, the Borrower (MOF) should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the borrower, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is US\$100,000, unless otherwise approved by ADB. Individual payments below this amount should generally be paid from the imprest account, or by the EA and subsequently claimed to ADB through reimbursement. ADB reserves the right not to accept withdrawal applications below the minimum amount.

J. Accounting

86. The DGMCSI, the EA, will maintain or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project. The DGMCSI will prepare consolidated project financial statements in accordance with the government's accounting laws and regulations which are consistent with international accounting principles and practices.

K. Auditing and Public Disclosure

87. The DGMCSI will cause the detailed consolidated project financial statements to be audited in accordance with International Standards on Auditing and with the Government's audit regulations, by an independent auditor acceptable to ADB. The audited project financial statements will be submitted in the English language to ADB within six months of the end of the fiscal year by the DGMCSI.

¹¹ Checklist for SOE procedures and formats are available at <http://www.adb.org/documents/loan-disbursement-handbook>

88. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

89. The Government, the EA and PIUs have been made aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.¹² ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

90. Public disclosure of the project financial statements, including the audit report on the project financial statements, will be guided by ADB's Public Communications Policy (2011)¹³. After review, ADB will disclose the project financial statements for the project and the opinion of the auditors on the financial statements within 30 days of the date of their receipt by posting them on ADB's website. The Audit Management Letter will not be disclosed. The draft terms of reference (TOR) of BPK are being discussed and finalized between ADB and BPK. The project will adopt the finalized TOR of BPK once these are approved.

¹² ADB Policy on delayed submission of audited project financial statements:

- When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (i) the audit documents are overdue; and (ii) if they are not received within the next six months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- When audited project financial statements have not been received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (i) inform the executing agency of ADB's actions; and (ii) advise that the loan may be suspended if the audit documents are not received within the next six months.
- When audited project financial statements have not been received within 12 months after the due date, ADB may suspend the loan

2. Project Period 2020 – 2022

91. The loan was closed on 31 December 2017, earlier than the original loan closing date on 30 June 2019. The loan account was financially be closed on 30 August 2019. The total amount committed and disbursed loan \$11,727,165.97.

92. The GEF grant cofinancing of \$8.00 million was restructured and continued to be implemented in January 2021. The grant will ensure sustainability of nationally and globally important resources through demarcation and zoning of MPA boundaries and institutionalization of ecosystem monitoring within MPAs according to international best practice. Financial support will be provided to MPAs for resource surveys and valuation, and reef health, biodiversity and ecosystem management, monitoring, and surveillance. Protection of the resource will be ensured through GEF financing of training and support to communities for the establishment of small-scale economic activities. Funds from GEF will be fully administered by the Government.

93. The Government of Indonesia will contribute to the project cost, estimated at \$522,114 million (including \$5.62 million in taxes and duties).

A. Detailed Cost Estimates by Expenditure Category

Table Grant Category and Reallocation

No	Grant Category	Loan/Grant Amendment Approval	Re-allocation	Basis From Withdrawal from the Grant Account
1	Materials	240.29		100%
2	Surveys and studies	426.04		100%
3	Training and workshops	200,319.97	800,000.00	100%
4	Consulting services	5,019,995.23	4,421,135.04	100%
5	Support for sustainable livelihoods	153.51		100%
		5,221,135.04	5,221,135.04	

B. Allocation and Withdrawal of Loan and Grant Proceeds

No	Category	Total Amount Allocated for GEF Financing (\$)	Disbursed Amount (\$)	Proposed Grant Re-allocation (\$)	EXPENDITURE		BALANCE TO DATE DEC 31, 2020 (\$)
					CURRENT YEAR (\$)	CUMULATIVE (\$)	
1	Materials	87,000.00	86,759.71	-		86,759.71	-
2	Surveys and Studies	1,263,000.00	1,262,573.96	-		1,262,573.96	-
3	Training and Workshop	915,000.00	714,680.03	800,000.00	69,207.07	783,887.10	730,792.93
4	Consulting Services	5,650,500.00	630,504.77	4,421,135.04	9,040.44	639,545.21	4,412,094.60
5	Support for Sustainable Livelihood	84,500.00	84,346.49	-		84,346.49	-
TOTAL		8,000,000.00	2,778,864.96	5,221,135.04	78,247.51	2,857,112.47	5,142,887.53

C. Detailed Cost Estimates by Financier

Item		Asian Development Bank		Global Environment Facility		The Government			Total Amount	
		Amount	%	Amount	%	Amount	Duties & Taxes	Total		%
I. Investment Cost										
A.	Consulting Service									
-	ADB									
-	GEF			4,421,135	100%		442,113.50	442,113.50	10%	4,863,248.50
-	The Government							-		-
B.	Training and Workshop									
-	ADB									
-	GEF			800,000	100%		80,000.00	80,000.00	10%	880,000.00
-	The Government							-		-
Total Base Cost				5,221,135	100%	0	522,114	522,114		5,743,249
Interest During Implementation				-						-
Commitment Charges				-						-
Total Project Cost				5,221,135		0	522,114	522,114		5,743,249

*Financed by government

The Taxes and duties (\$522,114) is to be fully financed by the government through exemption

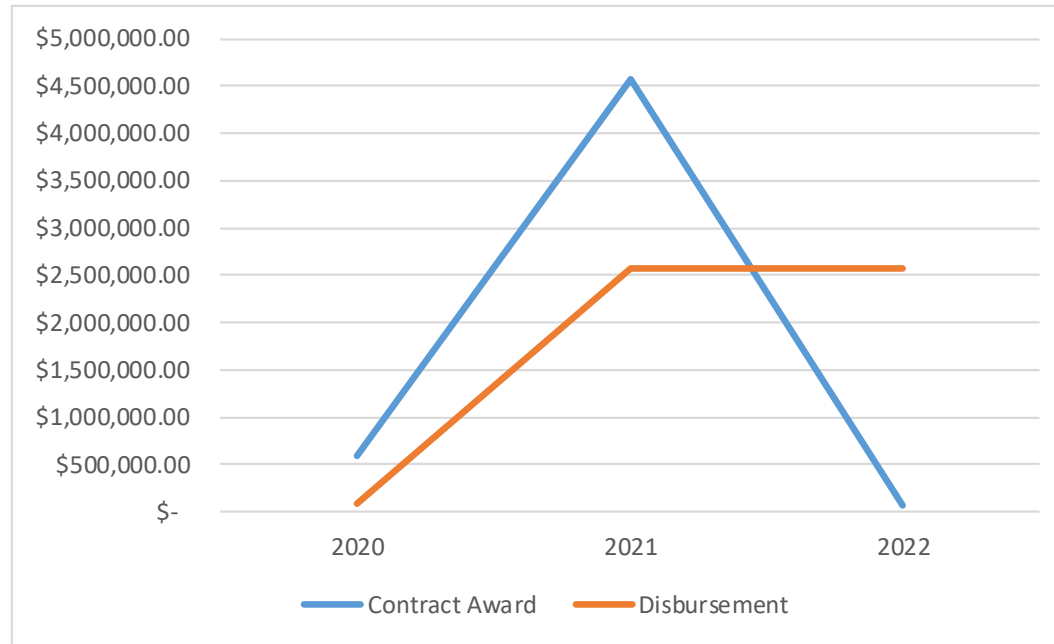
D. Detailed Cost Estimates by Outputs

Item	Coral reef Management and Institutions Strengthened	Ecosystem-based resource management plans developed	Sustainable marine-based livelihoods improved	Project Management	Total
I. Investment Cost					
A. Consulting services	700,000	1,900,000	1,400,000	421,135	4,421,135
International			750,000		
National	700,000	1,900,000	650,000	421,135	
Sub Total	700,000	1,900,000	1,400,000	421,135	4,421,135
B. Training and workshop	600,000			200,000	800,000
Total Base Cost	600,000	-	-	200,000	800,000
Financial Charges					
Total	1,300,000	1,900,000	1,400,000	621,135	5,221,135

E. Detailed Cost Estimates by Year

Item	Total Including Contingencies			Total
	2020	2021	2022	
I. Investment Cost				
A. Consulting services	\$ 9,040.44	\$2,010,639.97	\$2,401,454.63	\$4,421,135.04
International	-			
National	\$ 9,040.44	\$2,010,639.97	\$2,401,454.63	\$4,421,135.04
Subtotal	\$ 69,207.07	\$ 552,699.12	\$ 178,093.81	\$ 800,000.00
B. Training and workshop	\$ 69,207.07	\$ 552,699.12	\$ 178,093.81	\$ 800,000.00
Total	\$ 78,247.51	\$2,563,339.08	\$2,579,548.45	\$5,221,135.04

F. Contract and Disbursement S-Curve



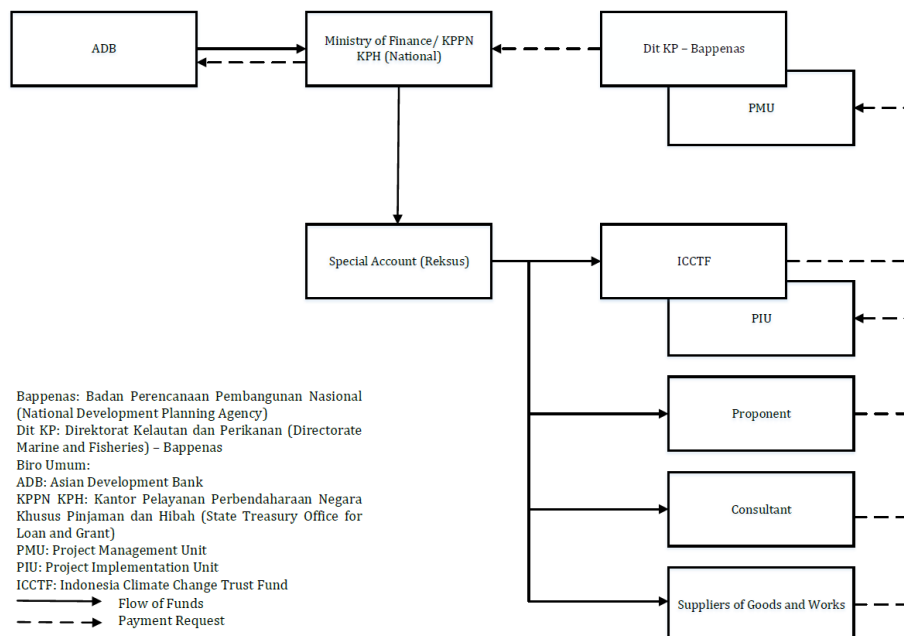
Item	2020	2021	2022
Contract Award	\$ 581,807.07	\$ 4,571,762.00	\$ 67,565.97
Disbursement	\$ 78,247.51	\$ 2,563,339.08	\$ 2,579,548.45

G. Fund Flow Diagram

94. **Fund Flow Arrangement:** The Project will adopt a fund flow arrangement similar to the original project design (See Figure 2). The Project will have one advance account for the GEF grant, in US Dollar currency in the name of MOF, at the Central Bank of Indonesia (BI) that is acceptable to ADB. In parallel, MOF will open a conduit account for the conversion of US Dollars into Rupiah (Indonesian Drawing Rights, IDR). ADB will channel the loan and grant funds to this advance account. The Project will have one budget holder at BAPPENAS. The budget holder will establish a working unit for implementation, which is headed by a Commitment Officer (*Pejabat Pembuat Komitmen/PPK*), an appointed staff under the Deputy of Maritime Affairs and Natural Resources of BAPPENAS.

95. The PPK is responsible for monitoring procurements and managing the payments for procured works, goods or services. The payments are made by KPPN at the request of PPK and following the approval by the budget holders. The funds will be transferred to BAPPENAS through yearly government budgets of the directorate of marine and fisheries Bappenas or ICCTF. The Government prefers all payments to be made through the advance accounts since the “Direct Payment” method was deemed time-consuming, and the amount of each payment will be relatively small. The Project will improve the control systems to ensure that the funds will be properly used as intended.

96. All fund proceeds will be disbursed in accordance with ADB’s Loan Disbursement Handbook (2017, as amended from time to time) and detailed arrangements agreed upon between the government and ADB. As previously mentioned, the project will use the advance account procedure. The requests for the initial and additional advance(s) should be based on six months’ estimated expenditures. The Statement of Expenditure procedures will be used for reimbursement of eligible expenditures from the grant and to liquidate advances provided into the advance account.



H. Financial Management Assessment

97. Under a grant-financed “Coral Reef Rehabilitation and Management Program-Coral Triangle Initiative Project” (the Project), Deputy of Maritime and Natural Resources under the National Development Planning Ministry (BAPPENAS) was proposed as the executing agency (EA) and the Indonesia Climate Change Trust Fund (ICCTF) was proposed as the implementing agency (IA). The project management unit (PMU) will be established under the Directorate of Marine Affairs and Fisheries (DMAF), Deputy of Maritime and Natural Resources, BAPPENAS. A Financial Management Assessment (FMA) was conducted to assess the financial management capacity of the EA and IA.

98. The original Project Administrative Memorandum (PAM) covers all routine financial management and related administrative activities. The PMU, Project Implementation Unit (PIU) and the IA will use the project policies and procedures in PAM as a manual to guide Project implementation.

99. Although DMAF and ICCTF have some relevant experience, the FMA shows some exposure related to staffing capacity, and limited experience in implementing Asian Development Bank project and financial management requirements at the IA level. As a risk mitigation measure it is proposed that (i) a financial management specialist (consultant) who has experience in administering ADB projects be engaged, and (ii) persons in charge be trained on the ADB loan/grant disbursement handbook and ADB online disbursement portal prior to execution of the Project. Such actions are considered appropriate to mitigate risk for this Project.

100. Taking into consideration the information available, DMAF and ICCTF are considered to be capable of managing the implementation of the Project. This Financial Management Assessment (FMA) has been prepared in accordance with the ADB’s Financial Management Technical Guidance Note (May 2015). The FMA assessed the capacity of the Deputy of Maritime and Natural Resources within BAPPENAS, proposed as the executing agency (EA), and the Indonesia Climate Change Trust Fund (ICCTF), proposed as the implementing agency (IA) within BAPPENAS, under the grant-financed Coral Reef Rehabilitation and Management Program-Coral Triangle Initiative Project (the Project).

101. The FMA included (i) interviews with key staff using a financial management assessment questionnaire (See Appendix 1); (ii) a review of relevant regulation and policy documents; (iii) a review of personnel, accounting policies and procedures, internal and external auditing, financial reporting and budgeting; and (iv) identification of potential risks and mitigation measures. Mitigating actions were identified together with DMAF and ICCTF. The FMA was conducted from 10 to 30 September 2019

102. Given that (i) DMAF was involved in the Steering Committee for the original Project, (ii) ICCTF under the DMAF has been implementing programs and projects financed by the foreign and international institutions, and (iii) the ICCTF is also currently implementing the parallel project funded by the World Bank, they are considered to be capable to take over the Project implementation.

103. The risk mitigation actions that are considered sufficient to engage in this project are: engage a financial management specialist (consultant) who has experience in administering ADB projects; and conduct training for the persons in charge on the ADB loan/grant disbursement handbook and ADB online disbursement portal, prior to the execution of the project.

I. Disbursement

104. The GEF Grant proceeds will be disbursed in accordance with ADB's Loan Disbursement Handbook (2017, as amended from time to time), and detailed arrangements agreed upon between the Government and ADB. ADB's Loan Disbursement Handbook describes the procedures and provides standard forms for withdrawal of funds. Bappenas through PIU will be responsible for submission of the Withdrawal Application to ADB, retention of supporting documents, submission of any reporting requirements, including the annual report and financial statements, and establishing and maintaining the advance account(s). The sub-accounts are not required since the Bappenas will flow the funds through regular government budget mechanisms to all implementing partners, Civil Society Organization, consultant, private sector and university.

105. Pursuant to ADB's Safeguard Policy Statement (2009) (SPS¹³),⁹ ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of the SPS. All financial institutions will ensure that their investments are in compliance with applicable national laws and regulations and will apply the prohibited investment activities list (Appendix 5 of the SPS) to subprojects financed by ADB.

106. The Project will establish a new advance account, in US Dollars, in the name of MOF at the central bank, Bank Indonesia. ADB will channel the loan and grant fund to these advance accounts. Budget holder will establish a working unit for COREMAP CTI implementation, which is headed by a commitment officer (PPK¹⁴). The PPK is responsible for monitoring procurements and managing the payments for procured works, goods or services. The payments are made by the state treasury office (KPPN, Kantor Pelayanan Perbendaharaan Negara) at the request of PPK and following the approval by the budget holders at Bappenas or ICCTF.

107. The maximum ceiling of the respective advance account will not exceed 10% of the respective loan and GEF grant amount. The respective advance account is to be used exclusively for ADB's and GEF's share of eligible expenditures. The MOF who established the advance accounts in its name, is accountable and responsible for proper use of advances to the respective advance account. The government may request for initial and additional advances to the respective advance account based on 6 months estimated expenditures to be financed through the respective advance account. The advance account will be established, managed, and liquidated in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed by the Government and ADB. ADB's Loan Disbursement Handbook describes which supporting documents should be submitted to ADB and which should be retained by the government for liquidation and replenishment of an advance account.

108. For new grant amendment the grant category includes consultant services and training and workshops. The assistance and services will be disbursed through the National Treasury and will be implemented through the ICCTF – Bappenas.. PMU then authorizes disbursement through their annual budget submitted to the Ministry of Finance. The funds will then be transferred to the implementing partners through the treasury offices (KPPN) based on contract between ICCTF – Bappenas and the implementing partners.

¹³ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

¹⁴ PPK = pejabat pembuat komitmen = commitment officer

J. Accounting

109. ICCTF - Bappenas, the IA, will maintain or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project. The ICCTF – Bappenas will prepare consolidated project financial statements in accordance with the government's accounting laws and regulations which are consistent with international accounting principles and practices. The ICCTF – Bappenas, IA will maintain or cause to be maintained, and record for all expenditures incurred on the project for period 2020 - 2022. The ICCTF – Bappenas will prepare consolidated project financial statement for period 2020 – 2022

K. Auditing and Public Disclosure

110. ICCTF - Bappenas will cause the detailed consolidated project financial statements to be audited in accordance with International Standards on Auditing and with the Government's audit regulations, by an independent auditor acceptable to ADB. The audited project financial statements will be submitted in the English language to ADB within six months of the end of the fiscal year by the ICCTF – Bappenas.

111. The annual audit report for the project accounts will include an audit management letter and audit opinions which cover (i) whether the project financial statements present a true and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting framework; (ii) whether loan and grant proceeds were used only for the purposes of the project or not; (iii) the level of compliance for each financial covenant contained in the legal agreements for the project; (iv) use of the advance fund procedure; and (v) the use of the statement of expenditure (SOE) procedure certifying to the eligibility of those expenditures claimed under SOE procedures, and proper use of the SOE and advance procedures in accordance with ADB's Loan Disbursement Handbook and the project documents.

112. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

113. The Government, the EA and PIUs have been made aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.¹⁵ ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

¹⁵ ADB Policy on delayed submission of audited project financial statements:

- When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (i) the audit documents are overdue; and (ii) if they are not received within the next six months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- When audited project financial statements havenot been received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (i) inform the executing agency of ADB's actions; and (ii) advise that the loan may be suspended if the audit documents are not received within the next six months.
- When audited project financial statements have not been received within 12 months after the due date, ADB may suspend the loan.

114. Public disclosure of the project financial statements, including the audit report on the project financial statements, will be guided by ADB's Public Communications Policy (2011)¹⁶. After review, ADB will disclose the project financial statements for the project and the opinion of the auditors on the financial statements within 30 days of the date of their receipt by posting them on ADB's project website. The Audit Management Letter will not be disclosed.

¹⁶ Available from <https://www.adb.org/documents/access-information-policy>
Available at: <http://www.adb.org/Documents/Guidelines/Procurement/Guidelines-Procurement.pdf>

V. PROCUREMENT AND CONSULTING SERVICES

1. Project 2014 - 2019

A. Advance Contracting

115. All advance contracting will be undertaken in conformity with ADB's Procurement Guidelines (March 2013, as amended from time to time)¹⁷ and ADB's Guidelines on the Use of Consultants (March 2013, as amended from time to time)¹⁸. The issuance of invitations to bid under advance contracting will be subject to ADB approval. The borrower and DGMCSI, DGMCSI-DAFSC, LIPI-RCO, and DGCF-DFR, have been advised that approval of advance contracting does not commit ADB to finance the Project. ADB financing will be dependent upon compliance with all aspects of ADB procedural requirements including compliance of the Government with relevant provisions of the loan and grant (financing) agreements and ADB guidelines. The Government was also advised that ADB will not finance expenditures incurred by the Government prior to loan effectiveness, even if advance contracting is approved by ADB.

116. The following steps for the recruitment of consultants can be concluded in advance: (i) advertisement, (ii) shortlisting of consulting firms, (iii) issuance of the request for proposals, (iv) evaluation of technical proposals, and (v) evaluation of financial proposals and final ranking.

117. The following steps for the procurement of vehicles and office equipment can be undertaken in advance: (i) advertisement, (ii) issuance of bid documents, (iii) bid opening, and (iv) evaluation of bids.

118. To facilitate rapid start-up, the government and ADB agreed that advance action will be undertaken for the (i) engagement of Project Management Consultants (PMC), and (ii) submission to ADB for review and approval of the draft bidding document for NCB. After Loan Negotiation, advance action for the recruitment of PMC will be carried out up to shortlisting of consulting firms. This is necessary to ensure consultants are available to support the early stages of project implementation.

¹⁷ Available at: <http://www.adb.org/Documents/Guidelines/Procurement/Guidelines-Procurement.pdf>

¹⁸ Available at: <http://www.adb.org/Documents/Guidelines/Consulting/Guidelines-Consultants.pdf>

B. Procurement of Goods, Works and Consulting Services

119. All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines. Under the project, civil works will be procured through international competitive bidding (ICB) procedures for packages exceeding \$10,000,000 equivalent, and through national competitive bidding (NCB) procedures acceptable to ADB for packages up to and including \$10,000,000 equivalent. Goods will be procured through ICB procedures for packages exceeding \$5,000,000 equivalent and through NCB procedures acceptable to ADB for packages up to and including \$5,000,000 equivalent. For packages of \$100,000 equivalent or less, shopping method may be used. Small-scale works and good contracts with average value of \$10,000-\$30,000 equivalent may be awarded to community organizations following procurement procedures for community participation in procurement as contained in ADB's Procurement Guidelines.

120. Before the start of any procurement ADB and the Government will review the public procurement laws of the central and state governments to ensure consistency with ADB's Procurement Guidelines. Should there be any discrepancy between the Government laws and decrees and the ADB's Guidelines, then ADB's Guidelines shall prevail.

121. An 18-month procurement plan indicating threshold and review procedures, goods, works, and consulting service contract packages and national competitive bidding guidelines are in Section C below (Procurement Plan).

122. All consultants will be recruited according to ADB's Guidelines on the Use of Consultants.¹⁹ A total of 1,136 person months of consulting services will be financed by the loan and GEF, comprising 65 person-months international and 1,071 person months of national. PMO consultants, comprising 65 person months of international (including 25 person months of GEF consultants) and 448 person months of national consultants will provide support to project management, project administration support and technical support for bio-diversity conservation and marine eco-system management. A total of 89 person-months consulting services will provide technical support to DGCF for stock assessment and management of fisheries zones. Three national individual consultants (62 person-months) will be recruited to support LIPI on database and web mapping. The selection of consultants will be in accordance with ADB's quality-and-cost-based selection method using a quality-cost ratio of 80:20, cost quality selection method, and individual consultant selection method. The terms of reference for all consulting services are detailed in Section D.

¹⁹ Checklists for actions required to contract consultants by method available in e-Handbook on Project Implementation at: <http://www.adb.org/documents/handbooks/project-implementation/>

C. Procurement Plan

1. Basic Data

Project Name: Coral Reef Rehabilitation and Management Program: Coral Triangle Initiative Project (COREMAP—CTI)	
Country: Indonesia	Executing Agency:
Loan Amount: \$50 million	Loan (Grant) Number:
Date of First Procurement Plan {loan (grant) approval date):	Date of this Procurement Plan: 28 August 2013

2. Process Thresholds, Review and 18-Month Procurement Plan

a. Project Procurement Thresholds

123. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works	
Method	Threshold
National Competitive Bidding (NCB) for Works	Less than \$10,000,000 but more than \$100,000
National Competitive Bidding for Goods	Less than \$5,000,000 but more than \$100,000
Shopping for Works/Goods	Up to \$100,000
Community Participation	Up to \$30,000

Selection of Consulting Services	
Method	Threshold
Quality- and Cost-Based Selection (QCBS)	Above \$200,000
Consultants Qualification Selection (CQS)	Up to \$200,000

b. ADB Prior or Post Review²⁰

124. Except as ADB may otherwise agree, the following prior or post review requirements apply to the various procurement and consultant recruitment methods used for the project.

Procurement Method	Prior or Post	Comments
Procurement of Goods and Works		
NCB Works	Prior and post	For NCB/Shopping the first draft bidding documents in English Language should be submitted to ADB for prior review and approval regardless of the estimated contract amount. The ADB approved procurement documents will be used as a model for subsequent ADB financed packages. The first two contracts in English language (2 NCB and 2 Shopping) should be submitted to ADB for prior review and approval. Thereafter, ADB will review the bid evaluation reports and award of
NCB Goods	Prior and post	
Shopping for Works and Goods	Prior and post	

²⁰ See *Procurement Guidelines*, Appendix 1 and *Guidelines on the Use of Consultants*, paragraph 1.16

Procurement Method	Prior or Post		Comments
			contract on a post review basis
Recruitment of Consulting Firms			
Quality-and Cost-Based Selection (QCBS)	Prior	For all	
Consultant Qualifications (CQS)	Prior	For all	
Recruitment of Individual Consultants			
Individual Consultant Selection (ICS) Method	Post	For all	

c. Goods and Works Contracts Estimated to Cost More Than \$1 Million

125. None.

d. Consulting Services Contracts Estimated to Cost More Than \$100,000

126. The following table lists consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Contract Value	Recruitment Method	Advertisement Date (quarter/year)	International or National Assignment	Comments
Project Management Consultant and GEF Consultant	\$2.608m	QCBS (80:20)	QIV/2013	International	513 person-months (65 international, 448 national)
Technical Consultant (DGCF-DFR)	\$0.50m	QCBS (80:20)	QIV/2013	National	89 person-months (national)
Technical Consultant (DGMCSI-DAFSC)	\$2.1m	QCBS (80:20)	QIV/2013	National	472 person-months (national)

Excludes contingencies and taxes

e. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000

127. The following table groups smaller-value goods, works and consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Value of Contracts \$M (cumulative)	Number of Contracts	Procurement / Recruitment Method	Comments
Civil Works	0.21	Multiple	SH	
Vehicles and equipment	0.30	Multiple	SH	
Surveys, studies and services	0.15	Multiple	CQS	
Consultants	0.11	Multiple	ICS	

CQS = consultant qualifications selection method; DP = direct procurement; ICS = individual consultant selection; SH = shopping

3. Indicative List of Packages Required Under the Project

128. The following table provides an indicative list of all procurement (goods, works and consulting services) over the life of the project.

Indicative List of Packages

General Description	Estimated Value (cumulative) (\$million)	Estimated Number of Contracts	Procurement Method	Domestic Preference Applicable	Comments
Civil Works	\$15.055	Multiple	NCB/SH		
Vehicles and equipment	\$4.649	Multiple	NCB/SH		
Materials	\$1.638	Multiple	SH		GEF=\$0.31m
Support for sustainable livelihoods	\$1.0	Multiple	CP		GEF=\$0.52m
Community based ecosystem monitoring	\$1.14	Multiple	CP		GEF=\$1.14m

General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Type of Proposal ³	Comments
Consultant	\$5.66	Multiple	QCBS/ICS	FTP/STP	GEF=\$0.5m
Surveys, studies and services	\$1.52	8	CQS		

CP = community participation; CQS = consultant qualifications selection method; DP = direct procurement; ICS = individual consultant selection; NCB = national competitive bidding; SH = shopping

CQS Packages included in Procurement Table above

1.	Comparative Study of Non-COREMAP Locations	200,000.0	CQS (1 pkg)	PMO
2.	Review Scope for Expansion of Marine Protected Areas	120,000.0	CQS (1 pkg)	PMO
3..	Development and Implementation of Public Awareness Strategy and Campaign	400,000.0	CQS (2 pkg)	PMO
4.	Development of Partnerships with Local Institutions, Private Sector Entities, etc.	600,000.0	CQS (3 pkg)	PMO
5.	Identification and Promotion of Tourism Potential	200,000.0	CQS (1 pkg)	PMO

Community-based ecosystem monitoring included in table above

1.	Support for Ecosystem Monitoring by Communities at District/MPA Level	1140,000.0	CP	PIU/PMO
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129. The Procurement Plan will be updated as the sub-projects are approved during implementation.

4. National Competitive Bidding

- a. **General.** The procedures to be followed for national competitive bidding shall be those set forth in Presidential Decree (Perpres) No. 54/2010 of the Republic of Indonesia, with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.

b. Registration

- i. Bidding shall not be restricted to pre-registered firms and such registration shall not be a condition for participation in the bidding process.
- ii. Where registration is required prior to award of contract, bidders: (a) shall be allowed a reasonable time to complete the registration process; and (b) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.

c. Prequalification. Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan. Irrespective of whether post qualification or prequalification is used, eligible bidders (both national and foreign) shall be allowed to participate.

d. Joint Ventures. A bidder declared the lowest evaluated responsive bidder shall not be required to form a joint venture or to sub-contract part of the supply of goods as a condition of award of the contract.

e. Preferences.

- i. No preference of any kind shall be given to domestic bidders or for domestically manufactured goods.
- ii. Regulations issued by a sectoral ministry, provincial regulations and local regulations which restrict national competitive bidding procedures to a class of contractors or a class of suppliers shall not be applicable.

f. Advertising

- i. Invitations to bid (or prequalify, where prequalification is used) shall be advertised in at least one widely circulated national daily newspaper or freely accessible, nationally-known website allowing a minimum of twenty-eight (28) days for the preparation and submission of bids and allowing potential bidders to purchase bidding documents up to at least twenty-four (24) hours prior the deadline for the submission of bids. Bidding of NCB contracts estimated at \$500,000 or more for goods and related services or \$1,000,000 or more for civil works shall be advertised on ADB's website via the posting of the Procurement Plan.
- ii. Bidding documents shall be made available by mail, electronically, or in person to all who are willing to pay the required fee, if any.
- iii. Bidders domiciled outside the area/district/province of the unit responsible for procurement shall be allowed to participate regardless of the estimated value of the contract.
- iv. Foreign bidders from ADB member countries shall not be precluded from bidding.

g. Bid Security. Where required, bid security shall be in the form of a bank guarantee from a reputable bank.

h. Bid Opening and Bid Evaluation

- i. Bids shall be opened in public, immediately after the deadline for submission of bids.
- ii. Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents.
- iii. Bidders shall not be eliminated from detailed evaluation on the
- iv. basis of minor, non-substantial deviations.
- v. No bid shall be rejected on the basis of a comparison with the owner's estimate or budget ceiling without the ADB's prior
- vi. concurrence.

- vii. The contract shall be awarded to the technically responsive bid that offers the lowest evaluated price.
- i. **Rejection of All Bids and Rebidding**
 - i. Bids shall not be rejected and new bids solicited without the ADB's prior concurrence.
 - ii. When the number of responsive bids is less than three (3), re-bidding shall not be carried out without the ADB's prior concurrence.
- j. **ADB Member Country Restrictions.** Bidders must be nationals of member countries of ADB, and offered goods and services must be produced in and supplied from member countries of ADB.

D. Consultant's Terms of Reference

Position	Person-Months	
	Int'l	Nat'l
1. Project Management Office (PMO)		
Project Management Advisor (Team Leader)	40	
Project National Implementing Unit Advisor		30
Monitoring and Evaluation Specialist		26
Procurement Specialist		35
Project Accounting and Financial Reporting Specialist		35
District Advisors (1 per District)		322
Total	40	448
2. Technical Support to DGMCSI –DAFSC		
Community Development Specialist		50
Marine Protected Area Specialist		46
Legal Specialist		24
Management Information/Information Technology Expert		24
Market/Business and Partnerships Development Specialist		30
Environmental Safeguards Specialist		30
Social Safeguard Specialist - Indigenous Peoples		26
Education, Learning Network and Training Coordinator		36
Public Relations and Awareness Coordinator		36
Aquaculture Development Specialist		36
Ecotourism Development Specialist		30
Marine Biodiversity Specialist		42
Spatial Planning/Geographic Information Systems Specialist		24
Social Development Specialist – Gender		26

Position	Person-Months	
	Int'l	Nat'l
Social Safeguard Specialist – Involuntary Resettlement		12
Total		472
3. Technical Support to DGCF-DFR		
Fisheries Resources Management Specialist		19
Fisheries Institution and Governance Specialist		44
Information, Education and Public Awareness Specialist		26
Total		89
3. LIPI		
GIS /Mapping Specialist		22
Database Specialist		20
Web Specialist		20
Total		62
4. GEF (included PMO Consultants)		
Marine Spatial Planning Specialist	6	
Business Development Specialist for MPAs	4	
PES / PPP Specialist	4	
Species Management Specialists	6	
Certification Specialist	3	
Unallocated short term	2	
Total	25	
Grand Total	65	1,071

1. Project Management Consultants (PMC)

130. The Project Management Consultants (PMC) will support the PMO and the DPIUs in:

- i. preparing detailed Project work and financial plans;
- ii. developing implementation approaches, procedures, and guidelines for key Project activities and for coordinating implementation by the concerned agencies at the national and regional level;
- iii. developing selection criteria for NGOs and other service contractors to be hired by PMO and the RPIUs and for the final CBM core sites with inputs from the a technical specialists;
- iv. designing and developing the Project management information system, including the PPMS;
- v. procuring goods and services, including preparation of bid documents, evaluation criteria, evaluation of bids, selection of winning bidders and award of contracts to a winning bidders;
- vi. monitoring Project progress and the performance of various service contractors;
- vii. preparing regular progress reports for submission to MMAF and ADB; and
- viii. assisting ADB missions.

131. There will also be some technical support specialists in the Project Management Consultant Team. They will provide technical guidance and advice to PMO and RPIUs, as well as other agencies involved in Project implementation, in specific aspects or areas of work, including:

- i. developing regional coastal and coral reef policies, strategies, and implementation guidelines within the framework of the CTI National Plan of Action, and related national and regional integrated, sustainable, ecosystem-based fisheries and coastal management laws, regulations and policies;

- ii. drafting necessary amendments, marine protected areas, marine spatial planning, and threatened species to local, regional and national laws, statutes, and regulations pertinent to coral reef management and law enforcement;
- iii. working closely with LIPI and the regional CRITCs in developing the Project's research framework, identifying possible research partners, assisting the PIUs in contracting out of research studies/surveys to suitable institutions, monitoring the conduct of research, and evaluating research results;
- iv. working closely with LIPI and the regional PIUs to create district and MPA mixed stakeholder monitoring programs, including communities, NGOs, private sector and universities to collect regular ecosystem, socioeconomic and related monitoring used standard approaches, compiled nationally through LIPI;
- v. developing and operating the Project's Benefit Monitoring and Evaluation system;
- vi. assisting the other specialists in formulating implementation approaches, procedures, and guidelines for coastal and coral reef management and marine-based economic development at the Project sites;
- vii. preparing plans for the upgrading and Indonesia of a computerized management information system for the Project's activities and as part of a long-term national government open access system, particularly for ecosystem status, benefit monitoring and evaluation;
- viii. developing and institutionalizing core competency skills and curriculums in MMAF and LIPI and district marine and fisheries staff in EAFM, MPA, CCA, coral reef monitoring and community development, among others;
- ix. developing the Project's overall training framework and training curricula, modules, and materials, and evaluating the effectiveness of training courses;
- x. designing the outreach and communication systems so that all stakeholders receive timely information on activities, opportunities, results;
- xi. finalizing and supporting the environmental assessment and management protocols for the Project;
- xii. implementing the Resettlement and Indigenous People's Framework and monitoring, and for overseeing the Gender Action Plan;
- xiii. working with districts, NGO, and contractors in community empowerment, resource management, village development, and income generation;
- xiv. assisting community groups and interested individuals in gaining access to credit facilities for identified enterprises;
- xv. planning and supporting a feasibility review of various economic enterprise activities in the districts that are "eco" friendly and sustainable, marine-resources-based, are connected to strong private sector and public partners, and are creating economically strategic and successful alliances, and
- xvi. advising the PMO and RPIUs on the development and application of a screening process prior to the approval of each village infrastructure development plan and the award of civil works contracts to prevent the possibility of resettlement-related losses.
- xvii.

132. The consultants' terms of reference are provided below. Qualifications of the consultants will be agreed between ADB and the Government during advance action or loan inception period, and the PAM will be updated accordingly.

133. **Project Management Advisor (Team Leader) (international, 40 pm).** The Advisor will work with and mentor the National Project Manager/Team Leader and lead counterparts to advise on the organization and standard procedures of the project offices, programs, staff recruitment and review, and other strategic and management actions required at the start-up of a large new program. He/She will help to harmonize and facilitate the administrative strategies and protocols of the Asian Development Bank and its Project Administration Manual with the Ministry of Marine Affairs and the consultant organization's home office. Annually, (2 months/year) the Project Management Advisor will be available for a few key strategy or planning conference calls or meetings, and advise on the

development of and review the project's Annual Reports. Towards the end of the project, the Advisor will provide strategic advice and technical assistance in the development and transition of final products and programs to the Government of Indonesia.

134. Project National Implementing Unit Advisor (national, 30 p-m). The Advisors need to have educational background in coastal and marine resources management and/or Fisheries management with last 10 years professional experience on the project. The advisor will (i) Support National PIU (NPIU) in monitoring and evaluation of the project; (ii) support preparation and implementation project activity (iii) provide guidance to NPIU on technical matters related to project (iv) Support preparation of quarterly monitoring report (v) Act as a liaison between NPIU with PMO.

135. Monitoring and Evaluation Specialist (national, 26 p-m). The Monitoring and Reporting Specialist will be responsible for collecting, compiling and tracking all activities and periodic performance indicators of the COREMAP CTI project for compliance and analysis for management decision-making. The Specialist will work with the PMO, and its national and district counterpart to collect, compile and report information on the status of the project and its objectives. Specifically, s/he will:

- (i) Develop a protocol and format for performance monitoring tracking with the Project Manager and the Management Information System Specialist, consulting with each of the theme leaders (MPA, EAFM, Enterprises) and their teams;
- (ii) Train all members of the PMO and counterparts on the performance monitoring and tracking system, and assist with the collection and compilation of all incoming data
- (iii) Compile and regularly report on the status of the monitoring indicators and information
- (i) Draft reports Quarterly for project management decision-making.

136. Monitoring and Evaluation Specialist Under ADB's Grant. The Monitoring and Reporting Specialist will be responsible for collecting, compiling and tracking all activities and periodic performance indicators of the COREMAP CTI project for compliance and analysis for management decision-making. Specifically, s/he will:

- (i) Facilitate and assist in the organization of a start-up "M&E Implementation Workshop" and, in consultation with the Project Manager and the heads of the implementing agencies, agree on specific actions and a division of responsibility for implementing the specific activities outlined in the M&E Manual.
- (ii) Fully develop and operationalize the project's M&E system, at project level and coordinate closely with the M&E personnel of subgrantees to provide consolidated M&E reports.
- (iii) Make additional revisions to the M&E Manual as a "living document," upon agreement with the Project Manager and the sub-component implementing agencies to incorporate new instruments and approaches which are developed during project implementation.
- (iv) Compiling: a) the annual technical progress report - again derived from submissions from each implementing agency; contracting the 2 impact assessment studies; helping the Project Manager set up and run the MIS for the project as a whole.
- (v) Assist in the design of reporting formats for the semi-annual & annual progress reports.
- (vi) Ensure that all of the required M&E data and information is appropriately included and structured in the system.
- (vii) Ensure that project reports capture gender issues, specifically by identifying separately the number of male and female beneficiaries, the nature of their participation and the ways in which they have benefited from the project.

137. Procurement Specialist (national, 35 p-m). The Procurement Specialist will work closely with the Procurement Committees and other related units in the project to all procurement aspects of the project's operations. This will include, but not limited to:

- (i) Provide procurement policy guidance to the Project Head, as well as technical advice on strategic procurement activities to relevant officials during all phases of the procurement cycle, to ensure procurement arrangements and schedules are consistent with project implementation and development objectives, and discuss options and possible solutions with the Project Head;
- (ii) Coordinate with the Procurement Committees in preparing procurement documents (Bidding Documents, Request for Proposals and cost estimates) and with other related technical experts involved in preparing the technical specification and Terms of Reference, and ensure that technical specifications and selection criteria are thorough in terms of completeness and responsiveness;
- (iii) Monitor and supervise the development and preparation of contracts for procurement of large and complex technical services and supply and installation contracts;
- (iv) Monitor and ensure the development of standards and criteria for the evaluation of goods, services and works;

138. Procurement Specialist Under ADB's Grant. The Procurement Specialist will work closely with the Procurement Committees, Sub Grantees and other related working units in the project for all procurement aspects of the project's operations, responsible for overseeing the procurement of works, goods, non-consultant services and consultant services. The detailed assignment are:

- (i) Assist PIU and provide technical assistance for procurement process and contract management related to the procurement of goods, civil works, Consultant services and Non-Consulting Services.
- (ii) Ensure Procurement activities are complied with Asian Development Bank's Guidelines and Perpres 54/2010 and its subsequent amendments as of January 16, 2015.
- (iii) Follow up/monitor/record any procurement that will take place under grant.
- (iv) Any other procurement related tasks under COREMAP-CTI Project.
- (v) Provide training and mentoring to Procurement/Evaluation Committee on evaluation criteria and process;
- (vi) Supervise the identification, review, qualification and registration of potential bidders and consultants;
- (vii) Assist the project in shortlisting process for selection of consultant including preparing shortlisting evaluation report; and
- (viii) Supervise the processing of bid/proposal evaluation s, and assist the Procurement Committee in preparing the bid/proposal evaluation report including recommendations for ward of contracts.

139. Project Accounting and Financial Reporting Specialist (national, 35 pm). The specialist should have education background in master degree of finance or accountant with five years working experience with international donors funded projects. The objective of the assignment is primarily to assist with financial management (FM) capacity development at both the Project Management Office (PMO) and the Project Implementation Units (PIUs) to prepare the ground for increased computerization of the accounting and finance functions. It will also assist both PMO and PIUs in setting up an appropriate financial management system for the project using the existing country systems as far as feasible. Specifically, the consultant will be responsible for the following tasks:

- (i) Design Financial Management system (FMS) appropriate for use by the project using the existing country systems as far as feasible;
- (ii) Ensure proper internal controls are put in place to achieve proper accountability for the use of project funds for the purposes intended;
- (iii) Revise/prepare FM manuals, including all forms, that clearly outline the FM

- policies and procedures;

(iv) Complete and update FM assessment (FMA) for both PMO and all PIUs and based on this prepare and implement an FM training plan for all PMO and PIU finance division staff (including accounting standards, internal controls, English language skills, IT skills and some soft skills development);

(v) Oversee the preparation of an information technology (IT) needs assessment considering user requirements and specifications for an FMS for the medium term that are aligned with what is planned for computerization under the broader public FM reforms. It is expected that at least initially the accounting for the project itself can utilize the existing manual systems. However, it is likely that some personal computer's (PC's) and standard office software will need to be procured;

(vi) Assist the Project to supervise the work of the Finance Division staff under PMO and PIUs with the preparation of the project budgets and work plans, cash flow forecasts, contract awards and disbursement planning, interim financial reports including variance analysis, annual project financial statements (APFSs);

(vii) liaison with the Supreme Audit Institution (BPK, *Badan Pengawas Keuangan*) to finalize and update the TOR of BPK to prepare and complete the external audit process;

(viii) Review the withdrawal applications for replenishments and direct payments prepared for the project to ensure the applications and the supporting documentation is adequate;

(ix) Review the reconciliation of the imprest account and ensure the project's accounting records are regularly reconciled to client connection (the ADB's internet based record of transactions for the project); and

(x) Assist the PMO and PIUs with monitoring the overall financial performance of the project.

140. Project Accounting and Financial Reporting Specialist Under ADB's Grant.

The specialist should have education background in master degree of finance or accountant with five years working experience with international donors funded projects. The objective of the assignment is primarily to provide general technical assistance to PIU to coordinate and guide the implementation of financial management system and resolving issues pertaining to financial management and accountability. Specifically, the consultant will be responsible for the following tasks:

- (i) Carry out quality review and assurance to the project financial management systems implementation phases including but not limited to the following:
 - a. Assist PIU during the startup of COREMAP-CTI Project
 - b. Assist in independent FM verification
 - c. Assist in the preparation of Annual Budgets and Work Plans for the Project.
 - d. Assist the Accountant in the day-to-day financial management operations of COREMAP-CTI Project according to Asian Development Bank procedures through:
 - Review Bank Statements for the Designated (Special) Accounts and reconcile them with the transactions recorded in the project financial accounts, including monitor and manage backlogs;
 - Monitoring timely replenishment of the Designated (Special) Accounts, and the Project Accounts; maintenance of the Bank Control Books; and timely and proper posting of the accounting transactions into the accounting systems of the projects;
 - Assist the Program Manager in Assessment of proposed sub grantee and review fulfillment of FM minimum requirements of the sub-grantees
 - Reviewing the monthly balance and bank reconciliation statements for Expenditure Treasury Bank Account and ensuring that all cash transactions are accurately and completely posted in the general ledger;
 - Review the sub grantees proposed budget and provide feedback
 - During implementation: review request of fund from sub-grantee.
 - Review accountability reports and completeness of the supporting documents.
 - Ensure that withdrawals applications and replenishment requests for the Designated (Special) Account for the COREMAP-CTI Project are properly prepared, authorized, comply with Government and Bank procedures and are supported by proper documentation;
- (ii) Monitor and review the proper usage of the accounting forms, ensuring that there are adequate built-in internal controls, the reporting and monitoring features built into the accounting systems are capable of tracking the usage of project proceeds. Propose revision, if any;
- (iii) Assist in monitoring proper compliance with the Project's financial guidelines and the Bank's financial management and disbursement policies and procedures;
- (iv) Assist in preparation of the Interim Financial Reports (IFRs) for the Project as required by the Asian Development Bank and the Government of Indonesia and assist in ensuring that the IFRS are submitted on a timely basis;
- (v) Provide training, advice and assistance to the PIU Finance staffs in financial accounting and financial management procedures, internal controls, recording of transactions, preparing financial reports, etc;
- (vi) Accompany PIU officials on visits to project offices from time to time to ensure that accounting and payment transactions are carried out in accordance with the Accounting Manual and Asian Development Bank disbursement procedures;

- (vii) Assist with providing advice and information on the financial status of the projects to the PIU Project Manager, Heads of project components regularly.
- (viii) Assist PIU during audit process by BPK and/or inspectorate general including follow up on audit findings.
- (ix) Prepare Project Annual Financial Statements completed with Notes to the Financial Statements
- (x) Undertake any other accounting/financial management related duties as requested by the PIU.

141. **District Advisors (national, 322 p-m).** The advisors need to have educational background in costal and marine resources with at least 10 years professional experience. The advisors will (i) support district PIU and National PMO in monitoring and evaluation of the project; (ii) support preparation and implementation of social safeguards and environmental documentation preparation, implementation and supervision; (iii) support district Government on procurement matters; (iv) provide guidance to district PIU and communities on technical matters related to project; (v) support preparation of quarterly monitoring report of PMO; and (vi) act as a liaison between district PIU with PMO and communities.

142. **Community Development Specialist (national, 50 p-m).** The COREMAP CTI approach aims to institutionalize technical assistance in the government and supporting agencies. Towards this transition, the Community Development Specialist will develop the training program for the governmental Coastal Extension Officers, and contribute to developing and implementing various empowerment and economic development activities with the communities, primarily in the seven ADB districts. The specialist will work with the PMO, PMC and District Advisors at the start of the Project to develop the scope and activities of the Community Development Program, and support and monitoring implementation for the project duration. The specialist will help ensure that the activities under the Institutional Strengthening for Coral Reef Management and the Strengthening of Sustainable Marine-Based Economy Components are in consonance with the overall resource management strategy. S/He will work with the RPIUs and the NGO contractors in social preparation and mobilization of coastal communities for resource management and income-generating activities. Her/His duties will include the following:

- (i) Support and provide advisory services and appropriate recommendations to the District Advisors and RPIUs in the formulation of implementing policies and guidelines for the development of the various community empowerment, Community-Based Management, and income-generating activities of the Project;
- (ii) Contribute to the development of MMAF's Core Competency curriculum or training activities for Extension Officers, and for others preparing to work with communities;
- (iii) Support the District Advisors and RPIUs in the development of TORs, selection and engagement for NGOs or other service providers for community empowerment activities, and monitoring and supervision of activities in the Project sites;
- (iv) Provide on-the-job coaching to District Advisors and RPIU staff in monitoring and audit of NGO and service providers' performance in community development;
- (v) Assist the District Advisors to liaise and coordinate with the NGOs and their national or local networks to ensure effective working relationships with them and other stakeholders;
- (vi) Facilitate the development and activities of learning network among the community stakeholders (LMMA, Coastal Women's Forum, Fishers Forum, etc.) and then linking them to national networks;
- (vii) Support the Enterprise and Partnership Development Specialist in his/her tasks, as required;
- (viii) Advise PMO and RPIUs on the development and application of a screening

process prior to the approval of each village infrastructure development plan and the award of civil works contracts to prevent the possibility of resettlement-related losses; and

- (viii) Assist in the preparation and conduct of community consultation and communications outreach.

143. **Marine Protected Area Specialist (national, 46 p-m).** The MPA Specialist will be the primary technical overall content national advisor to the PMO on MPAs, and will serve as the Deputy Project Manager. S/He will work closely with the PMO and the MMAF DG MCSI in developing and implementing the work streams under the COREMAP CTI Project, in recruiting, hiring and managing project staff for the home and district/field offices. The MPA Training specialist will coordinate with the Education and Training Coordinator and the MPA UPT Managers, and the District Advisors on their daily operations and coordination. The specific tasks of the MPA specialist will include the following:

- (i) Support and assist the Project Manager/Team Leader in their tasks;
- (ii) Support the MMAF MPA teams in developing consistent approaches and procedures to implementing their MPA development strategy, particularly the human resources development, MPA management, policy and ecological tasks and objectives;
- (iii) Support development of a strategy and plan for COREMAP CTI contributions to training curricula, modules, and materials and training events;
- (iv) Contribute to the development of Core Competency curriculum modules MPA management with HRD MPA working group,
- (v) Coordinate with MPA Learning Network specialist on activities, and
- (vi) Support MMAF in its national MPA network development and contribution to the regional CTI-CFF MPA System.

144. **Legal Specialist (national, 24 p-m).** The legal specialists will work with MMAF and concerned regional governments in institutionalizing the interventions, policies and relationships developed under the COREMAP Programs through various legal mechanisms such as MOUs, decrees, village laws (PERDES), district laws (PERDA), regulations and policies. The Legal Specialist will assess, help define and develop strategic guidance's for the COREMAP CTI legal and policy development process for supported objectives. The specialist will support the implementation of this work through the implementing agencies and units. S/he will also work with the domestic **Marine Policy & Institutional Specialist** in assisting the local governments in formulating local coral reef policies and legislation or regulations for their implementation. S/He will coordinate with all concerned parties regarding the provision of legal mechanisms to institutionalize coral reef management in the Project districts and provinces. S/he will:

- (i) Review the status of existing laws and regulations as well as traditional rights and practices related to coastal resource management towards clarity of rights-based use for village/district/provincial coastal users and for the COREMAP CTI portfolio of activities;
- (ii) Recommend actions and provide strategies and guidance to the PMO and PIUs on drafting of legal documents (PERDES, PERDAs, MOUs, decrees etc.) towards institutionalizing the major interventions (village coastal management boards, interagency agreements, joint efforts, resource management activities, etc.);
- (iii) Assist the regional governments in drafting required legal amendments or enact new laws for sustainable coastal resource management and see them approved by the local parliaments.

145. **Management Information System/Information Technology Specialist (national, 24 p-m).** The specialist will be primarily responsible for the analog and digital management of project information, including library, archives, backups, and the technology and systems to support them. The specialist will also provide the technical support for the IT of the project, including protocol, repairs and security. Specifically, s/he will:

- (i) Assist in the selection, procurement and assignment of all computer technical equipment to COREMAP CTI team members;
- (ii) Define a project protocol for operations and disseminate this information to all users;
- (iii) Establish and maintain project internet services for all team members;
- (iv) Develop a website dedicated to the project under the MMAF and LIPI main pages to upload a user-friendly portal for project information, updates and data for all inquiries and users;
- (v) Assist PMO and theme and district teams to develop relevant webpages and data sharing protocols for project only and public users;
- (vi) Support the communications program in uploading and archiving communications materials; and
- (vii) Support the Monitoring and Reporting program in loading and archiving project information.

146. Market/Business and Partnership Development Specialist (national, 30 p-m). The specialist will work with the PMO, the International Enterprise and Partnership Development Specialist, and Community Development Specialists in providing support to the RPIUs in the development and implementation of income-generating activities at the seven districts and 3 national MPA sites. The national specialist will support the individual RPIUs in implementing their programs and in documenting and linking them. The Specialist will collaborate with the Ecotourism Development and Aquaculture Specialists in defining a holistic livelihoods and income-expansion program for the communities in these 10 locations. More specifically, s/he will:

- (i) Support the Component 3 Enterprise feasibility study team for defining income generation, micro- and small enterprises suitable for the Project sites, including assisting with pre-feasibility studies required by credit agencies;
- (ii) Help to develop and implement district-level strategies for supporting micro- and small enterprise development and alliances (partnerships) for income-generating activities in general through visiting artists program, learning networks, demonstrations and marketing opportunities;
- (iii) Identify suitable microcredit facilities and assist in promoting access of organized community groups and interested individuals to said facilities;
- (iv) Identify needs and local sources for training of community groups and individuals in microenterprise development, including small business development, credit and marketing;
- (v) Assist in organizing and institutionalizing access to training and other opportunities in micro- and small enterprise and entrepreneurship development in these districts and serve as resource persons in such training courses, as required; and
- (vi) Assist in the development of the Public-Private partnership in each district to define a Business Incubator Program (linked to the KADIN network) that offers a portal for government, private sector and community souls to interact for job creation, training, standards, opportunities, technology or policy announcements, etc.

147. Environmental Safeguard Specialist (national, 30 p-m). The Environmental Safeguard Specialist will provide technical guidance, capacity building, support and advice to PMO, PIUs and local government concerned in all aspects of environmental management and environmental safeguards in accordance with the ADB SPS 2009 and the environmental rules and regulations of the Government of Indonesia. More specifically, he/she will:

- (i) Review various reports/assessments and other relevant background information available regarding the project or collect additional information to update him/herself with the current status of environment related aspects of the Project and familiarize him/herself with potential environmental issues relevant to the proposed interventions in each subproject area;
- (ii) Refine EARF as needed at project start after consultation with PMO, IAs and PIUs;
- (iii) Assist the PIUs in the preparation of the applicable Rapid Environmental Assessment (REA) and the environmental categorization forms of the subprojects for submission to PMO (The templates of these documents are available on ADB website);
- (iv) Assist the PIUs and PMO in the preparation of all Initial Environmental Examinations (IEEs) for subprojects that are determined as category B for environment according to ADB's SPS 2009, and in the submission of the REAs, the environmental categorization forms and the applicable IEEs of the subprojects to ADB for review and approval;
- (v) Lead in the conduct of capacity building/training of environment personnel in the Project;
- (vi) Develop sample UKL-UPLs and SPPLs for subproject interventions/activities based on the EARF and guiding IEEs;
- (vii) Provide technical assistance and capacity building to the PMO and PIUs, in particular the EMU environment officers, the PIU environment officers and the district advisors in the preparation of UKL-UPL and SPPL of each subproject intervention/activity;
- (viii) Review the preparation of environmental documents per Project activities, which will be submitted to the concerned government offices and to ADB for approval.
- (ix) Develop strategy to effectively carry out the submission of environmental assessment documents to the concerned government offices and ADB;
- (x) Provide technical assistance and capacity building to the PMO and PIUs in monitoring the implementation of the IEEs, and UKL-UPLs;
- (xi) Assist the PMO and PIUs in the preparation and consolidation of the environmental monitoring reports, to be integrated into the quarterly project progress reports;
- (xii) Discuss with the regency, particularly the district department of environment, and identify any additional environmental regulatory requirements, and specific environmental issues related to the subproject;
- (xiii) Provide technical inputs to the PIU and *Pokmas* in the environmental assessment and technical proposal formulation processes to ensure adequate environmental considerations and site specific mitigation measures in the design of interventions and operation and maintenance; and
- (xiv) Collaborate with district departments of environment to include environmental safeguards and awareness aspects in the capacity building and awareness building activities.

148. **Social Safeguards Specialist-Indigenous People (national, 26 p-m).** The specialist will work closely with the MMAF Social Safeguard Specialists, the PMO, IAs and PIUs, and the Community Development Specialists. The specialists will assume responsibility for the training of PMO and PIU staff in understanding the socio cultural and economic situation of masyarakat adat and in IPF/IPP. He/she will also be responsible for establishing procedures in respect of IPP and assist in the identification of participatory and culturally gender sensitive procedures to resolve any land acquisition that might be needed associated with social economic infrastructure as well as loss access to marine/fisheries resources. The specialist will identify and support potential livelihood programs for specific masyarakat adat. The specialist will have secondary qualifications in an appropriate discipline and will have more than 10 years experience working in

the field of indigenous people and social development for internationally/nationally funded development projects. Ability to communicate and write in English is an advantage. The specialist will be based in the PMO or selected PIU and will travel throughout the project area as required, answering to the consultant team leader and National Director. Duties of the specialist will include the following:

- (i) Review and provide recommendations regarding the IPP prepared by the PMO appointed safeguards consultants to prepare the safeguard studies for all subprojects;
- (ii) Review and provide recommendations regarding the PPTA consultant final report and recommendation on IPF;
- (iii) Make recommendations to develop the IPPs to a standard acceptable to ADB;
- (iv) Visit all participating districts and brief PIUs and relevance stakeholders and participating district staff on rights of indigenous people in development and IPF and IPP requirements;
- (v) Review and provide recommendations on all IPP as they are being prepared and make suggestions for improvements;
- (vi) Liaise with the safeguards officer in PMO/PIU and review IPP being undertaken by district governments and report anomalies to the PMO;
- (vii) Assist in developing and implementing the training program on livelihoods, enterprise development for IP, IP leadership training, and IPP aspects of the Project;
- (viii) Ensure that no infrastructure project that trigger cat A is allowed;
- (ix) Assist in the preparation proposals for livelihood initiatives;
- (x) Assist PMO and PIUs in the implementation of IPP in the subprojects;
- (xi) Ensure grievance redress mechanism is established in the participating district
- (xii) Work closely with IR and gender specialists; and
- (xiii) Assisting PIC in preparation of progress and other reporting as required.

149. Education, Learning Network and Training Coordinator (domestic, 36 p-m).

The Coordinator will work closely with the PMO and the MMAF HRD agency in designing the overall HRD and training plan for MMAF/DG MCSI, DG CF and LIPI; in coordinating with the ADB Program that will manage the COREMAP CTI Graduate scholarship program, and in developing the training framework for the Project's various training programs for government agency personnel, NGOs, and community groups. The coordinator will coordinate with the Community Development, MPA and Fisheries Specialists in developing their contributions to the MMAF Training Agency's Core Competencies, in providing coordination assistance to PMO in its training activities and to the District Advisors in developing training opportunities for vocational and business skills development in the districts. The specific tasks of the training coordinator will include the following:

- (i) Support development and tracking of specific training, extension and education program activities with MMAF HRD agency, three Implementing Agencies and PMO;
- (ii) Support coordination and tracking of development of training curricula, modules, and materials;
- (iii) Support coordination of selection and engagement of training contractors;
- (iv) Support tracking and coordination of training of trainers courses;
- (v) Compile and track evaluation of training courses;

- (vi) Support and coordinate Learning Network activities, with the Thematic or District Advisors
- (vii) Support the preparation of regular progress reports on the training subcomponent of the Project.

150. Public Relations and Awareness Coordinator (national, 36 p-m).

The Communication Specialist will work with the PMO and the IAs and the 7 PIUs at the beginning of the project to develop a communication strategy and program for the COREMAP CTI Project. This will include the outreach and public awareness strategy as well as the project internal communications strategy (i.e., amendments to COREMAP website to accommodate COREMAP CTI activities, themes, stakeholders, activities), newsletter/monthly bulletins, branding, etc. The Communication Specialist will help implement regular outreach products and activities (approximately 1 week per month for 5 years= 15 p-m). If a communications program such as RARE Conservation partnership is engaged in COREMAP, then the communication specialist will also collaborate with them and other CTI and COREMAP programs. The specific tasks of the Communication Specialists will include the following:

- (i) Design communications strategy for COREMAP CTI with partners and PMO;
- (ii) Develop of branding and guidelines, models and task descriptions with limited training for PMO and MMAF communication specialist and all PIUs for using the communications portals and submitting reports and updates;
- (iii) Monthly review of all input products and distribution or uploading of key updates following appropriate review and branding protocols;
- (iv) Conduct activities with partners that target groups or messages to institutionalize or support behavior change towards sustainability (e.g., RARE PRIDE campaign, communications scholars, etc.);
- (v) Archive digital and hard copy products of COREMAP CTI/ADB products.

151. Aquaculture Development Specialist (national, 36 p-m). Aquaculture, including culture of grouper or other live-reef food fish, catfish, milkfish, sea horses, crab, baitfish and seaweed, are viable enterprise opportunities under COREMAP CTI. Under the Enterprise Alliance/Partnership approach of the project, aquacultures challenges, linkages in the value chain, will be addresses and mechanisms developed to repair the links. The specialist will work with the International Aquaculture Specialist, the PMO, District Advisors, Community Development Specialists and the Enterprise and Partnership Development Specialist in providing support to the RPIUs in the development and implementation of aquaculture-related income-generating activities and linked value chain enterprises at the seven district and 3 national MPA sites. Review of COREMAP II activities with Lessons Learned from IFAD and other recent projects will initiate planning and problem solving from earlier less successful aquaculture activities in these sites. The national specialist will work with the individual RPIUs to help their teams to link with partners and define alliances, activities and improvements to attractions or activities. More specifically, s/he will:

- (i) Support the International Aquaculture specialist, and join the Component 3 Enterprise feasibility study team for defining income generation, micro- and small enterprises suitable for the Project sites, including assisting with pre-feasibility studies required by credit agencies;
- (ii) Identify opportunities with Component 3 Enterprise feasibility study team for small and medium scale aquaculture activities suitable for the Project sites;
- (iii) Develop linkages with district aquaculture offices to work together on developing integrated programs with clean brood stock, food pellets, hatcheries production, grow-out practices and markets for grouper, catfish, milkfish and other

- (seahorses) valued food fish or for market; and similar components for seaweed and other products;
- (iv) Support the business development and identify local infrastructure small projects (feed distribution warehouse, updating hatcheries, for investment and district/village requests with local networks;
- (v) Assist in organizing and institutionalizing access to training and other opportunities in small scale aquaculture development in these districts and serve as resource persons in such training courses, as required;
- (vi) Link with the Enterprise and Partnership Development specialist and program to connect to portals or platforms for learning and business networks, particularly improving best practices, new opportunities, and marketing; and
- (vii) Consult with Environmental Safeguard Specialist on potential environmental impacts of small and medium scale aquaculture activities and ways to minimize them from the implementation stages.

152. **Ecotourism Development Specialist (national, 30 p-m).** The specialist will work with the PMO, the International Ecotourism Development Specialist, Community Development Specialists and the Enterprise and Partnership Development Specialist in providing support to the RPIUs in the development and implementation of tourism-related income-generating activities at the seven district and 3 national MPA sites. The national specialist will work with the individual RPIUs to help their teams to link with partners and define alliances, activities and improvements to attractions or activities. More specifically, s/he will:

- (i) Support the Component 3 Enterprise feasibility study team define small and medium scale tourism activities and attractions that are suitable for the Project sites;
- (ii) Develop linkages with district tourism offices to work together on developing coastal small-scale tourism program including identifying local infrastructure small projects (mangrove or coastal board walk, garden and guard rails near view points, etc.) for investment and district/village requests;
- (iii) Support the business development and infrastructure with local networks and guides/maps/information tools of small scale tourism options linked to district hotel guest programs and each other (e.g., mini-transport service, village lunches, dance recitals, guided walks and activities)
- (iv) Assist in organizing and institutionalizing access to training and other opportunities in small scale tourism development in these districts and serve as resource persons in such training courses, as required;
- (v) Link with the Enterprise and Partnership Development Specialist and program to connect to portals or platforms for learning and business networks, particularly for handicrafts and small scale tourism services, and marketing; and
- (vi) Consult with Environmental Safeguard Specialist on potential environmental impacts of small-scale tourism activities and ways to minimize them from the design and implementation stages.

153. **Marine Biodiversity Specialist (national, 42 p-m).** The Marine Biodiversity Specialist will work with the PMO, LIPI, and the MMAF Conservation and Fisheries offices, in the strategy, design and development of coral reef ecosystem monitoring activities and results, and the Threatened Species Plans to be developed and implemented under COREMAP CTI. Specifically, s/he will:

- (i) Liaise with LIPI on their revised protocol and implementation plans for coral reef ecosystem district monitoring and the certification of the protocol and monitoring centers, working with District Advisors on local implementation

- (ii) Work closely with the MPA Specialist in identifying target locations and species for MPA zoning, monitoring and operations;
- (iii) Support MMAF in the development of its Threatened Species Plans
- (iv) Provide scientific guidelines for the specific MPA sites on their biodiversity and species context.

154. Spatial Planning/Geographic Information Systems Specialist (national, 24 p-m). The GIS Specialist will sit in the PMO and support the collection, compilation, analysis and presentation of the geographic information collected by the COREMAP CTI Project. Although MMAF and LIPI have GIS teams, this individual will serve the specific needs of the COREMAP CTI project. Specifically, s/he will:

- (i) Establish him/herself in the network of GIS operators in MMAF, LIPI, the districts and other relevant government agencies, and establish a network protocol for version control and data sharing;
- (ii) Compile copies of existing GIS information from the various GoI and non-government sources related to the COREMAP CTI sites and themes;
- (iii) Develop a protocol for the PMO for the collection, analysis, display (including branding) and management of the Geographic data coming from the various MPA, Spatial Planning, Fisheries, community and enterprise activities;
- (iv) Create /Link to a user interface for the project counterparts to access for entering and using the GIS information;
- (v) Contribute, support and train, as needed GIS technicians throughout the project sites and offices;
- (vi) Prepare GIS figures for planning documents and reports and other media as requested by the PMO.
- (vii) Create a "Map of the Month" program as part of the project outreach and communications strategy to help highlight and encourage use of the GIS database
- (viii) Coordinate closely with LIPI on the contributions to the CT Atlas.

155. Social Development Specialist-Gender (national, 26 p-m). The specialist will work closely with the MMAF Gender Specialists, the PMO, IAs and PIUs, and the Community Development Specialists. The specialists will assume responsibility for the training of PMO and PIU staff in understanding the socio cultural and economic situation of masyarakat adat and participating communities. He/she will also be responsible for establishing procedures in respect of gender mainstreaming/gender equality and assist in the identification of participatory and culturally gender sensitive procedures to support livelihoods and participation of women in the project. The specialist will identify gender concerns and conduct gender awareness training to all staff at all levels, including for community facilitators. The specialist will work closely with all other specialists to support access to capital, market, skills for women. The specialist will have secondary qualifications in an appropriate discipline and will have more than 10 years experience working in the field of gender and social development for internationally/nationally funded development projects. Ability to communicate and write in English is an advantage. The specialist will be based in the PMO or selected PIU and will travel throughout the project area as required, answering to the consultant team leader and National Director. Duties of the specialist will include the following:

- (i) Build capacities of project staff of PMO and PIUs in gender responsive design and analysis;
- (ii) Review gender analysis and if necessary conduct further gender analysis; prepare consultation workshop with stakeholders on GAP and update GAP for each participating district if needed

- (iii) Prepare gender-sensitive indicators; and checklist for evaluation of gender responsiveness of proposed subprojects.
- (iv) Work closely with other specialists (livelihoods, MPA, capacity development, resettlement) to ensure gender is integrated in all training components and in livelihoods program
- (v) Advise MPA committee on gender issues and enhance capacity of women committee
- (vi) Assist in preparation of progress report and PPMS
- (vii) Ensure gender disaggregated data is collected as necessary and is available for reporting
- (viii) Ensure that women get access to project information and can participate in all project components
- (ix) Support in preparing technical training materials for women, including for livelihoods, leaderships, and community organizations.
- (x) Identify other organizations working for gender empowerment, establish women and strengthen women groups and facilitate their access to other organizations.

156. Social Safeguard Specialist/Resettlement Specialist (national, 12 p-m).

The specialist will work closely with the MMAF Social Safeguard Specialists, the PMO, IAs and PIUs, and the Community Development Specialists. The specialists will assume responsibility for the training of PMO and PIU staff in land acquisition and compensation issues and procedures. He/she will also be responsible for establishing procedures in respect of LARP and assist in the identification of procedures to resolve any land acquisition that might be needed associated with social economic infrastructure as well as loss access to marine/fisheries resources. The specialist will have secondary qualifications in an appropriate discipline and will have more than 10 years experience working in the field of land acquisition and social development for internationally/nationally funded development projects. Ability to communicate and write in English is an advantage. The specialist will be based in the PMO or selected PIU and will travel throughout the project area as required, answering to the consultant team leader and National Director. Duties of the specialists will include the following:

- (i) Review and provide recommendations regarding the PPTA consultant's Final Report and the recommendations on land acquisition therein;
- (ii) Review and provide recommendations regarding the LARP prepared by the PMO appointed safeguards consultants to prepare the safeguard studies for all subprojects;
- (iii) Make recommendations to develop the LARPs to a standard acceptable to ADB;
- (iv) Visit all participating districts and brief PIUs and relevance stakeholders and participating district staff on the land acquisition and LARP requirements;
- (v) Review and provide recommendations on all LARP as they are being prepared and make suggestions for improvements;
- (vi) Liaise with the safeguards officer in PMO/PIU and review LARP being undertaken by district governments and report anomalies to the PMO
- (vii) Assist in developing and implementing the training program on the land acquisition and LARP aspects of the Project.
- (viii) Ensure that no infrastructure project that trigger cat A is allowed
- (ix) Assist in the preparation of bid documents for the construction works.
- (x) Assist PMO and PIUs in the implementation of land acquisition and resettlement plans in the subprojects; and
- (xi) Ensure grievance redress mechanism is established in the participating district
- (xii) Work closely with IP and gender specialists

- (xiii) Ensure all records regarding land donations and willing buyer willing seller is available and correct.
- (xiv) Assisting PIC in preparation of progress and other reporting as required

2. Consultants to Provide Technical Support to DGCF-FR

157. **Fisheries Resources Management Specialist (national, 19 p-m).** This specialist will review and assess:

- (i) Status of the marine and fisheries resource and the degree and manner of resource exploitation in marine and offshore waters and determine available potential for the capture fisheries production;
- (ii) Relevant international initiative and program on marine and fisheries development and management to introduce innovative marine and fisheries programs suitable for Indonesia; and
- (iii) Prepare a medium to long term strategy with a holistic and innovative approach for marine and fisheries sector development.

158. **Fisheries Institution and Governance Specialist (national, 44 p-m).**

- (i) Review current sector policies and strategies, including relevant international policies for marine and fisheries development and identify areas of national requiring modifications or strengthening and the implications of decentralization natural management;
- (ii) Assess possibilities for promotion of private sector and export potential; and
- (iii) Formulate recommendations for national fisheries policy and strengthening institutional building.

159. **Information, Education and Public Awareness Specialist (national, 26 p-m).**

- (i) Support to PIU to design announcement for procurement process
- (ii) Develop a detailed work plan for the delivery of the contracted work;
- (iii) Collaborate with relevant stakeholder;
- (iv) Design and implement a national public awareness campaign;
- (v) Design and implement a strategy for information sharing with all partners and agencies involved; and
- (vi) Deliver tangible items such as but not limited to posters, video documentaries, new letters, newspapers supplement, etc.

3. Consultants to Provide Support to LIPI

160. **GIS/Mapping Specialist (national, 22 p-m).** Create and improve the system for geodatabase in relation to the existing CRMIS.

161. **Database Specialist (national, 20 p-m).** Develop integrative system for database processing in order to update the current CRMIS.

162. **Web Specialist (national, 20 p-m)** develop an informative and user friendly web system for the website of CRITC LIPI.

4. **GEF Consultants**

163. **Marine Spatial Planning Specialist (international, 6 person months).** The Marine Spatial Planning Specialist with Climate Change modeling experience (or with assistance of a climate change and scenarios modeling specialist) and in full collaboration with existing spatial planning units (BPSPL responsible for district spatial planning in Sumatra) of MMAF or UPT (in Pekanbaru) responsible for the three national MPAs will support a process of analyzing and allocating distribution of human activities in marines areas to achieve ecological, economic, and social objectives applying ecosystem based, area based, integrated, adaptive, strategic and participatory approaches culminating in comprehensive plan or vision such as an Integrated Coastal Zone Management and Marine Protected Area plans / guidelines and maps. In particular, the Marine Spatial Planning Specialist will be cognizant of the reef-to-ridges concept and use tools and technologies to advise, support and assist to (i) Identify the need; (ii) organize the process of pre-planning by reviewing existing jurisdictions, available zoning and utilization regulations, agreements, and mapped zones under various mandates; (iii) mapping current human activities / use of the marine and coastal space; (iv) participate in organizing and conducting stakeholder participatory consultations / or review consultations already conducted and validate results through focal group discussions; (v) define and analyze existing conditions, including mapping of conflicts and competition (potential conflicts) for resource and space use by sub-sectors (artisanal and commercial fisheries, biodiversity and ecosystem protection, tourism, shipping etc.); (vi) Define and analyze future conditions and prepare spatial management plan(s); (vii) simulate climate change models and project scenarios 2025 and 2050 based on meteorological data (historic) and global models to project scenarios with identification of possible mitigation and adaptation measures; (viii) formulate monitoring indicators to evaluate performance; (ix) prepare incremental cost estimates for implementing to spatial plans; and (x) Submit spatial plans and scenarios with recommendations focusing on required agreements amongst users, additional regulations / enforcement measures needed to implement the spatial plan to the PMO to secure approval from relevant authorities. This task may be conducted by a consortium or single entity such as a non-governmental organization with marine spatial planning experience, preferably in Indonesia or in Southeast Asian countries and which have a track record of preparing spatial plans, ICZM plans, and MPA plans that integrate climate change impact assessments and scenarios.

164. **Business Development Specialist for MPAs (international, 4 person months).** The Business Development Specialist will seek to improve the way MPAs are managed financially and will identify revenue development measures to provide additional revenue for MPAs to finance operations as well as rationalization measures to improve MPA economic and financial efficiencies. Towards this end, the Business Development Specialist will: (i) examine, in all 10 MPAs, current sources of revenue and expenditure and consider means for improving such management; (ii) prepare a cost center approach to managing finances with revenue and expenditure heads; (iii) Identify additional sources of revenue or enhancement of existing revenue; (iv) streamline and rationalize expenditures applying principles underlying efficient financial management of the MPA; (v) identify potential private sector partners to engage in collaborative ventures and revenue generation for the MPA; and (vi) draft

10 MPA related business plans, seven of which can be incorporated into sub-national coastal development plans, while three can be integrated into national MPAs managed by DG-MCSI. This activity is to be implemented over a period of 4 months. The Business Development Specialist will be an international consultant with over eight years of relevant experience, including in developing businesses related to marine natural resources and /or Marine protected areas. Preference is for a candidate with business development experience with more than one resource type. The successful candidate will be able to demonstrate a good understanding of MPA operations and partnership development for revenue generation and enhancement, and should have relevant experience in financial/business development between public and private sector entities. Experience working with governments in Southeast Asia is preferable.

165. Payment for Ecosystem Services (PES) / Public Private Partnership (PPP) Specialist (international, 4 person-months). The Payment for Ecosystem Services (PES) Specialist or entity / NGO will seek to broker an agreement / contract between service providers (communities) and genuinely interested buyers (private sector / state agencies / NGOs) of the ecosystem service (marine conservation, protection, environmental and natural resource management related services), which is voluntary / win-win contract applying the PES approach. Based on valuation done by the Marine Resource Economist(s) (value of the service / product), the PES Specialist will follow up two possible PES contracts; one between communities protecting spawning grounds for tuna fish in Gili Matra and private sector buyers of tuna fish, who are interested in securing certification of sustainable supplies of tuna in Lombok; the other PES modality to be brokered is between communities protecting the Napoleon Wrasse and private sector buyers of such fish produced from mariculture (cage culture) breeding. In particular the PES specialist will: (i) Review existing PES regulations, case studies, practice, and experience with PES application (terrestrial, freshwater and marine) in Indonesia; (ii) Document successes and failures and what needs to be avoided or conducted in implementing PES under COREMAP—CTI; (iii) Identify the communities and document / develop a dossier / menu of ecosystem services with a PES pertinent baseline of services of the communities; (iv) match the results of the resource valuation exercise with the type of services that can be offered by the communities to determine a “fair” price; (v) identify potential buyers who are interested in fair trade, certification, or co-benefits from commercial operations, which benefit from the ecosystem services provided by the community; (vi) Identify potential partners for public-private- partnership that may operate in parallel to any PES arrangement; (vii) broker an agreement between service providers and service buyers or public and private sector partners; (viii) register the contract in an appropriate legal institution and ensure adjudication clauses of the contract can be enforced in cases of conflict or arbitrary termination; and (ix) document the process and submit all documents to PMO for monitoring, future reference, and eventual replication in other areas. This activity is to be implemented over a period of 4 months. The PES / PPP Specialist will be an international consultant and/or a regional / international NGO with over eight years of relevant experience, including PES development for marine related natural resources and /or Marine protected areas. Preference is for a candidate with PES / PPP experience in the CTI geographical area / Southeast Asia dealing with more than one PES type. The successful candidate /entity will demonstrate a good understanding of PES / PPP and its application, successfully implementing the approach and brokering agreements that have created stream of payments from buyers to service providers. Experience in working with governments in Southeast Asia is preferred.

166. Species Management Specialist(s) (international, 6 person months). The Species Management Specialist(s) will need to make a fundamental

contribution to the conservation of regionally important but threatened species in marine protected areas and wider seascapes. The Species Management Specialist will: (i) Develop and evaluate standardized survey methods for all species identified in the GEF CE Endorsement document; (ii) Clarify current species range (area of distribution) for all 6 species; (iii) conduct Surveys of the status and distribution in all countries (iv) development of (standardized) data-banks for the documentation of survey results; (v) Develop models using existing software on populations dynamics that will assist in identification of population trends that are indicative of potential threats, directions for future research and Red List updating; (vi) Identify 'hot spot' or critical areas for conservation; (vii) Develop (standardized) data-banks for the documentation of basic biological data for all species; (viii) Research or conduct research in collaboration with other institutes and define habitat requirements / migratory routes for all species; (ix) Prepare a collection of 'best-practice examples' for public awareness activities. (x) Prepare and maintain of an Internet website (offering access to databanks, public awareness material collections, etc.).

167. Certification Specialist (international, 3 person months). The Certification Specialist will design marine certification activities and prepare and initiate process of securing certification of selected fish / fish products. The Certification Specialist will: (i) Evaluate policy and institutional gaps in biodiversity protection and certification (sustainable use) and make recommendations of interventions to minimize those gaps; (ii) Identify recommendations to improve fisheries management and local livelihood planning for mainstreaming biodiversity; (iii) Design conservation based (focusing on biodiversity protection) training and guidance to community groups related to sustainable use and livelihood programs; (iv) Design appropriate and cost effective marine eco-certification pilots that take into account biodiversity protection; (v) Identify key monitoring, control and surveillance (MCS) issues for biodiversity protection, including challenges, opportunities and risks; (vi) Provide specific guidance to mainstream sustainable use best practices in fisherie and fish products; (vii) Provide training and guidance to community groups participating in appropriate marine certification pilot; (viii) Conduct necessary stakeholder consultations and incorporate their views and comments (ix) Identify local and regional certifiers accredited to carry out assessments against the blue MSC eco-label; (x) initiate conducting of certification assessments to secure a license to display on seafood products or marketing materials of communities piloting certification and eco-labeling; and (xi) link up with private sector entities / exporters interested in buying up eco-labeled fish food products. This activity is to be implemented over a period of 3 person months. The Certification Specialist must hold a graduate degree in marine science or related fields with at least 10 years experience in certification of marine products with a proven track road of working in Asia, preferably in Indonesia.

6. Outline Terms of Reference for Studies to be procured using CQS

168. Delivering services and conducting studies successfully in the COREMAP—CTI Project locations (10 Marine Protected Areas - MPAs) in Indonesia, which are on remote islands, requires sound knowledge of marine resources (species and habitats), experience of social networking or collaboration with communities in remote areas, and a track record of working with local administrations and institutions, and demonstration of social marketing skills that have been applied with success in West and North Sumatra, Riau and West Nusa Tenggara provinces or similar locations in Indonesia. Assignments indicated below need to be conducted at the initial stages of Project implementation to lay the foundations for management effectiveness and evaluation of MPA performance.

a. Comparative Study of Non-COREMAP Locations

169. The entity conducting the study will be familiar with COREMAP II implementation and the project locations and will carry out a comparative analysis of COREMAP and Non- COREMAP locations in the Project provinces in order to establish a baseline of with and without Project natural resource management, socioeconomic conditions, and institutional presence inside and outside Project locations. In particular, the entity will:

Familiarize itself with background information, performance achievements and failures, strengths and weaknesses of COREMAP II;

- i. Prepare and map the COREMAP—CTI (10 MPAs) locations aligned with current marine resource endowments (coral reefs, coral fisheries, threatened species and commercially fished species);
- ii. Review the administrative set up in each district of the 10 MPAs and their past and present performance including strengths and weaknesses related to protection, conservation, and sustainable utilization of marine and coastal resources
- iii. Identify Non-COREMAP locations adjacent to current COREMAP locations (MPAs) that are comparable in terms of size, population, administration, with similar environmental and social condition;
- iv. Identify core comparative indicators for carrying out the analysis
- v. Collect data on current marine resources, species status, fish landings, resource utilization in COREMAP—CTI and Non-COREMAP locations
- vi. Hold participatory consultations in Non-COREMAP locations to assess views of participants (men/women/IPs) regarding access to marine resources (advantages and disadvantages of not being under an MPA designated area;
- vii. Analyze and compare data collected and present in an easy to read matrix showing with and without Project scenarios at baseline (start of project)
- viii. Compare with benchmarks and indicators proposed in Project documents for achievement at end of Project in COREMAP—CTI locations with Non- COREMAP locations to accentuate probability of success
- ix. Identify strengths and weaknesses of Non-COREMAP locations vis-à-vis the COREMAP—CTI areas
- x. Submit a draft report with all data in formats that can be uploaded in a web-accessible database
- xi. Revise draft report after receiving comments, finalize and submit to EA.

b. Review Scope for Expansion of Marine Protected Areas

170. The entity conducting the study will be specialized in assessing biodiversity, ecosystems and establishment of MPAs and MPA networks, be familiar with COREMAP—CTI Project locations, and have work experience with planning, design, and improving management effectiveness of similar marine protected areas in Indonesia. The study will examine the importance (value) of marine resource protection in and around the current Project locations in order to explore scope of expansion of MPAs. In particular, the entity will:

- i. Familiarize itself with background information, MPA zonation, current demarcation, marine resources (habitat and species) and institutional aspects of MPA management and governance under COREMAP—CTI;
- ii. Review assessments, strategy papers, and recommendations already made for identification of MPAs in Indonesia;
- iii. Verify which recommendations have been implemented (how many MPAs have been designated so far) in West and North Sumatra, Riau and West Nusa Tenggara provinces;
- iv. Analyze and assess the current status of the designated MPAs;

- v. Review the coverage of resource protection, sustainable utilization, and management effectiveness of existing MPAs in the Project provinces with a view to assess whether coverage of area, zonation, proposed demarcations or delineations are adequate to cover habitats and species to be protected;
- vi. Identify and analyze any human-and-marine resource utilization conflicts in the existing 10 MPAs under COREMAP—CTI;
- vii. Identify areas in existing 10 COREMAP—CTI MPAs which could benefit from expansion or redesign;
- viii. Identify additional areas (habitat and species) outside the scope of the current 10 MPAs in the Project provinces, which could benefit from establishment of MPAs;
- ix. Identify and assess oceanographic and ecological connectivity of potential MPA networks.
- x. Review and assess the socioeconomic and cultural landscape surrounding the proposed expansion areas (new MPAs or expanded area coverage of existing and designated MPAs);
- xi. Conduct participatory, stakeholder consultations in new or proposed expansion areas to gauge and vet public opinion, IP views, gender disaggregated opinions on the current “open access” regime to marine resources, establishment of zones for protection and utilization, and resource use conflicts (current and future);
- xii. Compare advantages and disadvantages of the proposed scope expansion in view of marine resource abundance, biodiversity richness, ecosystem connectivity, socioeconomic, cultural, institutional and administrative considerations;
- xiii. Review and recommend the administrative set up in the expansion areas for establishing new MPAs (district based or national MPA) and reasons for the options;
- xiv. Identify a roadmap / timeline of activities and a rough estimate of costs required to designate new / expanded MPAs;
- xv. Submit a draft report with all data in formats that can be uploaded in a web-accessible database
- xvi. Revise draft report after receiving comments, finalize and submit to EA.

c. Development and Implementation of Public Awareness Strategy and Campaign (2 packages)

171. The entity conducting the campaign must demonstrate experience in social marketing of natural resource, particularly marine-related resources and their utilization. Documented evidence of social marketing campaigns will be of added advantage. The entity must be specialized in developing and implementing campaigns that lead to increasing knowledge, understanding and “acceptance” (behavioral change) at various levels (amongst men, women, and children) of importance of protecting biodiversity and ecosystems, using sustainable methods of fishing and resource utilization (harvesting), maintaining intensity of social information and vigilance to educate neighbors and newcomers, and actively participating in protection and management of the marine resources. The COREMAP—CTI locations are widespread across a large part of the Indonesian archipelago; hence, the campaign will be divided into geographic areas within the COREMAP—CTI MPAs i.e. COREMAP—CTI East consisting of Gili Matra, Natuna, Anambas, Lingga, Bintan, and Batam; and COREMAP—CTI West consisting of Nias North, Tapanuli Tenggara, Mentawai, and Pulau Pieh with surrounding three districts. In particular, the entity/entities will:

- i. Familiarize itself / themselves with background information on COREMAP - CTI, importance of protecting and sustaining marine resources, MPAs and MPA areas, “do’s and don’ts”, and other relevant information needed to formulate and deliver key messages;
- ii. Assess the site conditions and key campaign supporters (institutions, community leaders, government officials, political leaders) to be approached for collaboration;
- iii. Analyze and assess past campaigns conducted under COREMAP II and by MMAF and document lessons learned;
- iv. Test quality of key messages to be proposed and document test results and relevant experience from review of other campaigns in the same field;
- v. Develop a campaign strategy including key messages, expected outcomes, benchmarks to assess success, types of materials to be produced, design, preparation time, and cost of these materials and media, length of the campaign, replication and continuous use of the materials (posters, pamphlets, educational materials) and a timeline for conducting the campaign keeping in view important holiday seasons, calendar of events and national / local holidays and celebrations in the Project provinces (West and North Sumatra, Riau and West Nusa Tenggara);
- vi. Submit draft Campaign Strategy for review by EA and secure approval of budget;
- vii. Test quality of key messages
- viii. Initiate campaign and invite key political leaders and persons to launch the campaign;
- ix. Document public participation (quantitative and qualitative) and submit campaign report;
- x. Demonstrate successful sector experience in workable models of public awareness raising in project sites and beyond; and
- xi. Review campaign achievements and success 1 year after end of campaign and conduct stakeholder questionnaire surveys to document success and submit report with all data in formats that can be uploaded in a web-accessible database

d. Development of Partnerships with Local Institutions, Private Sector Entities, etc. (3 packages)

172. The entities developing partnerships with private sector and local institutions must demonstrate a track record of having established similar partnerships in marine resource protection and sustainable utilization and be familiar with corporate social responsibility or payment for ecosystem services models that enable collaboration and financial support through partnerships. The COREMAP—CTI locations are remote and widespread across a large part of the Indonesian archipelago and will require resident staff of the entities to conduct activities locally and sustaining these intensively to achieve partnership agreements; hence, the task will be divided into three geographic areas for implementation in the COREMAP—CTI MPAs i.e. **Area 1:** consisting of Gili Matra, Natuna, and Anambas MPAs; **Area 2:** consisting of Lingga, Bintan, and Batam; and **Area 3:** consisting of Nias North, Tapanuli Tenggara, Mentawai, and Pulau Pieh with surrounding three districts. In particular, the entity/entities will:

- i. Familiarize itself / themselves with background information on COREMAP—CTI, importance of protecting and sustaining marine resources, MPAs potential for raising financial resources through tourism, business partner collaboration, CSR, or other type of models;
- ii. Assess public and private sector engagement in the sector (marine and fisheries) and growth trends;
- iii. Identify potential and key collaborating partners (public and private sector); (iv) Engage in dialogue and explore collaboration models with the partners;

- iv. Draft out partnership models and “agreements” and discuss these amongst stakeholders (partner organizations, MMAF, and communities where these are involved);
- v. Test some aspects of the models / agreements to verify partnership durability;
- vi. Secure agreements between partners and launch the partnership;
- vii. Submit draft report highlighting models that are replicable;
- viii. Revise draft report taking into consideration feedback received and submit final report to EA with all data in formats that can be uploaded in a web-accessible database
- ix. Demonstrate successful sector experience in workable models of partnerships development in project sites and beyond

e. Identification and Promotion of Tourism Potential

173. The entity to be engaged must be familiar with marine and coastal tourism growth and trends in remote islands of Indonesia and must demonstrate knowledge of and experience with handling various tourist (visitor) types - from backpack to upmarket segments. Taking into consideration Tourism Development Plans in various districts, on-going tourism trends and growth, the entity will identify tourism packages and revenue potential for the 10 MPAs. In particular, the entity will:

- i. Familiarize itself with background information on COREMAP—CTI, importance of protecting and sustaining marine resources, current tourism ventures planned or already established (e.g. in Anambas), any financial revenue currently generated from tourism (e.g. Surfers and boats in Mentawai) and how much of that flows directly / indirectly into MPA related operations;
- ii. Collect and document reliable visitor numbers from secondary district data, tourism offices, tour operators and, where warranted, collect primary data from boat landing sites / piers / jetties and resorts;
- iii. Analyze data and prepare a matrix documenting existing situation and developing potential scenarios for all 10 MPAs;
- iv. Identify potential visitor segments and tourism development potential (infrastructure requirements, tourism routes, access to and from destinations) and document potential growth and current trends;
- v. Develop revenue models and sensitivity analysis for each of the 10 MPAs and prepare a matrix of comparison for all MPAs, ranking these in terms of tourism and revenue generation potential;
- vi. Highlight handling and environmental management options of increased tourism (garbage collection, sewage, water availability, marine and land-based pollution, and increased energy requirements);
- vii. Submit draft report with growth models and costs (investment and operations) and potential revenue generation with rates of return (EIRR) on public sector “infrastructure” investments;
- viii. Revise draft report taking into consideration feedback received and submit final report to EA with all data in formats that can be uploaded in a web-accessible database.

2. Project Period 2020 – 2022

A. Procurement of Goods, Works and Consulting Services

174. **Procurement of Goods and Works.** All procurement of goods and works will be undertaken in accordance with ADB’s *Procurement Guidelines*. Under the project, civil works will be procured through international competitive bidding (ICB)

procedures for packages exceeding \$10,000,000 equivalent, and through national competitive bidding (NCB) procedures acceptable to ADB for packages up to and including \$10,000,000 equivalent. Goods will be procured through ICB procedures for packages exceeding \$5,000,000 equivalent and through NCB procedures acceptable to ADB for packages up to and including \$5,000,000 equivalent. For packages of \$100,000 equivalent or less, shopping method may be used. Small-scale works and good contracts with average value of \$10,000-\$30,000 equivalent may be awarded to community organizations following procurement procedures for community participation in procurement as contained in ADB's Procurement Guidelines.

175. Before the start of any procurement ADB and the Government will review the public procurement laws of the central and state governments to ensure consistency with ADB's *Procurement Guidelines*. Should there be any discrepancy between the Government laws and decrees and the ADB's Guidelines, then ADB's Guidelines shall prevail.

176. **Procurement of Consultant.** All consultants will be recruited according to ADB's Guidelines on the Use of Consultants.

177. **Grant Package.** For seven Grant Package will procure under procurement method of:

1. Consultants' Qualifications Selection (CQS)

This method will be used for small assignment where (i) highly specialized expertise is required for the assignment and recruitment of "boutique" consulting firms that provide depth of expertise in specific areas is contemplated; (ii) recruitment time is critical and the assignment is, typically, short-term; (iii) few consultants are qualified; and (iv) the preparation and evaluation of competitive proposals is not justified. The borrower or ADB shall (i) prepare the TOR, (ii) request amplified EOLs and information on the consultants' experience and competence relevant to the assignment, (iii) establish a shortlist of at least three firms, and (iv) select the firm with the most appropriate qualifications and references based on the EOLs. The selected firm shall be asked to submit a combined technical-financial proposal and then be invited to negotiate the contract. Should negotiations fail, the borrower shall start negotiations with the next ranked firm until an agreement is reached.

2. Quality-Cost Based Selection (QCBS)

This method based on evaluating only the quality of the technical proposals and the subsequent negotiation of the financial proposal and the contract with the consultant who submitted the highest ranked technical proposal. QBS is appropriate when (i) assignments are complex or highly specialised making it difficult to define precise TOR and the required input from the consultants, (ii) assignments where the downstream impact is so large that the quality of the services is of overriding importance for the outcome of the project, and (iii) assignments that can be carried out in substantially different ways such that financial proposals maybe difficult to compare

3. Individual Consultant Selection

For some assignments, individual consultants are more appropriate and cost-effective than firms. Individual consultants may be recruited directly (independent individual) or through an organization, such as a consulting firm, an academic institution, a government, or an international agency by a borrower or ADB. The procedures for selection are simpler than those for selecting international and

national consulting firms. Individual consultants are recruited on the basis of their qualifications for the assignment. When the borrower recruits individual international and national consultants for loan projects, agreements are reached as early as possible and in any case before loan negotiations on (i) the type of consultant best suited for the assignment, (ii) the applicable procedure. Typically, the borrower will recruit them in accordance with government procedures acceptable to ADB. For TA, the procedure for recruitment is dependent on the complexity of the TOR, and the duration of the assignment.

178. An 18-month procurement plan indicating threshold and review procedures goods, works, and consulting service contract packages and national competitive bidding guidelines are in Section C below (Procurement Plan).

C. Procurement Plan

1. Basic Data

Project Name: Coral Reef Rehabilitation and Management Program-Coral Triangle Initiative			
Project Number: 46421-001		Approval Number: Grant 0379-INO (EF)	
Country: INDONESIA		Executing Agency: National Development Planning Agency (BAPPENAS)	
Project Procurement Classification:		Implementing Agency: Indonesia Climate Change Trust Fund	
Procurement Risk:			
Project Financing Amount: \$ 8,000,000		Project Closing Date: 31 December 2022	
ADB Financing:			
Cofinancing (ADB Administered): \$8,000,000			
Non-ADB Financing:			
Date of First Procurement Plan		Date of this Procurement Plan: 16 March 2020	

2. Methods, Thresholds, Review and 18-Month Procurement Plan

a. Procurement and Consulting Methods and Thresholds

179. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	Threshold	Comments

Consulting Services	
Method	Comments
Consultants' Qualifications Selection	
Individual Consultant Selection (ICS)	

b. Goods and Works Contracts Estimated to Cost \$1 Million or More

180. None

c. Consulting Services Contracts Estimated to Cost \$100,000 or More

181. The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 24 months.

Package Number	General Description	Estimated Value	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
1	Support for MPA management and ETP NPOA implementation Nusa Penida	\$343,929	CQS	Prior	Q1/Q2 2020	BTP	National CQS
2	Support for MPA management and ETP NPOA implementation Gili Matra	\$534,744	CQS	Prior	Q1/Q2 2020	BTP	National CQS
3	Support for MPA management and ETP NPOA implementation Gili Balu	\$321,327	CQS	Prior	Q1/Q2 2020	BTP	National CQS
4	Support for Ecosystem-based resource management plans and Sustainable marine-based livelihoods Nusa Penida	\$745,612	CQS	Prior	Q1/Q2 2020	BTP	National CQS
5	Support for Ecosystem-based resource management plans and Sustainable marine-based livelihoods Gili Matra	\$710,640	CQS	Prior	Q1/Q2 2020	BTP	National CQS
6	Support for Ecosystem-based resource management plans and Sustainable marine-based livelihoods Gili Balu	\$593,748	CQS	Prior	Q1/Q2 2020	BTP	National CQS
7	Consulting Firm: Biophysical Surveys and Study on supply chain and market analysis of tuna, snapper, seaweed in project area	\$750,000	QCBS	Prior	Q1/Q2 2020	STP	National CQS

d. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/ year)	Type of Proposal	Comments
1	Individual Consultants: Project Team Leader (33 month)	\$96,266	1	ICS	Prior	Q1/Q2 2020	N/A	Project management
	Consultan Fee	\$46,200						
	OPE	\$50,000						
2	Individual Consultants: Monitoring and Evaluation Spesialist (33 month)	\$96,266	1	ICS	Prior	Q1/Q2 2020	N/A	Project management
	Consultant Fee	\$46,200						
	OPE	\$50,066						
3	Individual Consultants: Financial Management Specialist (33 month)	\$96,266	1	ICS	Prior	Q1/Q2 2020	N/A	Project management:
	Consultant Fee	\$46,200						
	OPE	\$50,066						
4	Individual Consultants: Procurement Spesialist (10 month)	\$27,614	1	ICS	Prior	Q1/Q2 2020	N/A	Project management:
	Consultant Fee	\$12,500						
	OPE	\$15,114						
5	Individual Consultants: Creative Officer (10 month)	\$27,614	1	ICS	Prior	Q1/Q2 2020	N/A	Project management:
	Consultant Fee	\$12,500						
	OPE	\$15,114						
6	Individual Consultants: Site Coordinator Nusa Penida (24 month)	\$23,102	1	ICS	Prior	Q1/Q2 2020	N/A	Project management:
	Consultant Fee	\$16,800						
	OPE	\$6,302						
7	Individual Consultants: Site Coordinator Gili Matra (24 month)	\$22,557	1	ICS	Prior	Q1/Q2 2020	N/A	Project management:
	Consultant Fee	\$16,800						
	OPE	\$5,757						
8	Individual Consultants: Site Coordinator Gili Balu (24 month)	\$22,557	1	ICS	Prior	Q1/Q2 2020	N/A	Project management:
	Consultant Fee	\$16,800						
	OPE	\$5,757						

3. Indicative List of Packages Required Under the Project

182. The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods and Works							
Package Number ⁶	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Review [Prior / Post/Post (Sampling)]	Bidding Procedure ⁷	Comments ⁸

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal ⁹	Comments ¹⁰

4. List of Awarded and On-going, and Completed Contracts

The following tables list the awarded and on-going contracts, and completed contracts.

a. Awarded and On-going Contracts

183. None

b. Completed Contracts

Goods and Works								
Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertise ment Date (quarter/ year)	Date of ADB Approval of Contract Award ¹¹	Date of Completion ¹⁴	Comments

¹¹ Date of ADB Approval of Contract Award is the date of No-Objection letter to the EA/IA.

¹⁴ The Date of Completion is the physical completion date of the contract

Consulting Services								
Package Number	General Description	Estimated Value	Contract Value	Recruitment Method	Advertisement Date (quarter/ year)	Date of ADB Approval of Contract Award ¹¹	Date of Completion ¹⁴	Comments

¹¹ Date of ADB Approval of Contract Award is the date of No-Objection letter to the EA/IA.

¹⁴ The Date of Completion is the physical completion date of the contract

184. The Procurement Plan will be updated as the sub-projects are approved during implementation.

5. National Competitive Bidding

- a. **General.** The procedures to be followed for national competitive bidding shall be those set forth in Presidential Decree (Perpres) No. 54/2010 of the Republic of Indonesia, with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.
- b. **Registration.** Bidding shall not be restricted to pre-registered firms and such registration shall not be a condition for participation in the bidding process. Where registration is required prior to award of contract, bidders: (a) shall be allowed a reasonable time to complete the registration process; and (b) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.
- c. **Prequalification.** Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan. Irrespective of whether post qualification or prequalification is used, eligible bidders (both national and foreign) shall be allowed to participate.
- d. **Joint Ventures.** A bidder declared the lowest evaluated responsive bidder shall not be required to form a joint venture or to sub-contract part of the supply of goods as a condition of award of the contract.
- e. **Preferences.** No preference of any kind shall be given to domestic bidders or for domestically manufactured goods. Regulations issued by a sectoral ministry, provincial regulations and local regulations which restrict national competitive bidding procedures to a class of contractors or a class of suppliers shall not be applicable.
- f. **Advertising.** Invitations to bid (or prequalify, where prequalification is used) shall be advertised in at least one widely circulated national daily newspaper or freely accessible, nationally-known website allowing a minimum of twenty-eight (28) days for the preparation and submission of bids and allowing potential bidders to purchase bidding documents up to at least twenty-four (24) hours prior the deadline for the submission of bids. Bidding of NCB contracts estimated at \$500,000 or more for goods and related services or \$1,000,000 or more for civil works shall be advertised on ADB's website via the posting of the Procurement Plan. Bidding documents shall be made available by mail, electronically, or in person, to all who are willing to pay the required fee, if any. Bidders domiciled outside the area/district/province of the unit responsible for procurement shall be allowed to participate regardless of the estimated value of the contract. Foreign bidders from ADB member countries shall not be precluded from bidding.
- g. **Bid Security.** Where required, bid security shall be in the form of a bank guarantee from a reputable bank.
- h. **Bid Opening and Bid Evaluation.** Bids shall be opened in public, immediately after the deadline for submission of bids. Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents. Bidders shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations. No bid shall be rejected on the basis of a comparison with the owner's estimate or budget ceiling without the ADB's prior concurrence. The contract shall be awarded to the technically responsive bid that offers the lowest evaluated price.
- i. **Rejection of All Bids and Rebidding.** Bids shall not be rejected and new bids solicited without the ADB's prior concurrence. (ii) When the number of responsive

bids is less than three (3), re-bidding shall not be carried out without the ADB's prior concurrence.

- j. **ADB Member Country Restrictions.** Bidders must be nationals of member countries of ADB, and offered goods and services must be produced in and supplied from member countries of ADB.

D. Consultant's Terms of Reference:

Position	Person-Months	
	Int'l	Nat'l
Project Management Office (PMO)		
1. Project Team Leader		26
2. Monitoring and Evaluation Officer		22
3. Financial Management Specialist		27
4. Procurement Specialist		18
5. Creative Officer		22
6. Site Coordinator Gili Matra		22
7. Site Coordinator Gili Balu		22
8. Site Coordinator Nusa Penida		22
Total		181

185. Project Team Leader (National, 26 p-m)

All activities under the whole outputs except outputs 1.2 and 4.1 will be implemented through sub-grants to NGOs or other eligible organizations. The Project Implementing Unit (PIU) manages all aspects of the project implementation. To coordinate and support the implementation of COREMAP-CTI Project, the PIU needs the Individual **Consultants on Project Team Leader** to assist the mobilization of this project. Individual consultants would be selected in accordance with the provisions of ADB's Procurement Guidelines or other mechanism agreed by ADB and ICCTF. Specifically, s/he will:

1. Project Pipeline

- Observe external ideas/ issues/latest policies as the basis to build a feasible marine and fisheries project pipeline
- Develop marine and fisheries program under Coremap ADB (Output 3) and also Blended finance projects
- Develop COREMAP Program implementation and strategy in coordination with ICCTF Executive Director
- Develop program in coordination with independent expert panel and related units in Bappenas
- Communicate Project pipeline and funding strategy ideas to Development Partners and Bappenas
- Develop strategic collaboration with other line ministries such as MMAF, LIPI and the Ministry of Environment and Forestry

2. Develop funding strategy / Funding Opportunity

- a) Explore inputs from external parties and Bappenas to build an analysis framework for the development of program and fundraising strategies in ICCTF
- b) Analyse and make adjustment to ICCTF current fundraising strategy framework and new proposal based on the lesson learnt of the previous programs
- c) Develop a list of proposal fundraising strategies related to ICCTF's program, should need be
- d) Discuss investment strategy proposal with independent expert panel and related unit in Bappenas should need be
- e) Develop the suitable implementing framework for fundraising strategies along with the program specialist, Executive Director & other relevant staff
- f) Communicate new ideas for fundraising strategies as well as institutional development for ICCTF based on the lesson learnt from both previous and ongoing program

3. Knowledge Management

- a) Develop program learning reports and COREMAP knowledge product, along with Planning and Monitoring and Evaluation (PME) specialist
- b) Provide inputs to the Executive Director regarding the learning outcomes of program managed under ICCTF, including the knowledge management system for reports, public communication dissemination strategy, also for the national and sub-national governments, especially in the project sites.
- c) Communicate and consult the program learning outcomes with experts
- d) Provide the supporting data and research related to program learning to the Executive Director of ICCTF, Director of Marine and Fisheries Director as the Coordinator of Working Group 3 of ICCTF, and Deputy for Maritime Affairs and Natural Resources as the Chair of the Board of Trustees of ICCTF
- e) Provide assistance to Executive Director in synthesizing program learnings into program evaluation material, in order to develop investment and communication strategy as well as project cycle management

4. Monitoring and Evaluation

- a) Lead the PMU consultant team for the preparation of all deliverables of COREMAP-CTI ADB, including safeguard, indigenous people, if needed, and gender aspects require in the report.
- b) Work with the PME specialist to improve the monitoring and evaluation (M&E) Framework of COREMAP-CTI ADB based on strategic issues. Recommend and implementation action plan to ensure the achievement of project objectives, as indicated in the indicators of the project design and monitoring frameworks, as well as full compliance of the loan and grant covenants and safeguards principles
- c) Provide assistance to the field consultant in 3 MPAs in developing a M&E Framework for COREMAP-CTI ADB project, including monitoring of corona virus disease health and safety plan, protocol and implementation in the project site and offices.
- d) Conduct official travel to monitor current ongoing program under COREMAP-CTI ADB in 3 MPAs and consult with the Provincial and district governments to ensure alignment of COREMAP with the sub national development program
- e) Lead the regular evaluation of the COREMAP CTI ADB implementation, in line with ADB regular review mission, mid term review and project completion review. Evaluation including the overall and project implementation progress in each MPA, as well as contract awards and disbursement progress to minimize the gap of project elapsed time and project progress.
- f) Review and finalize the M&E Report for COREMAP-CTI ADB including the GEF related reports.

- g) Discuss the M&E reports with experts, PMU, M&E consultant at PMU
- h) Provide assistance to PME specialist related to the development of M&E guideline as well as preparation and implementation of program impact assessment framework for COREMAP CTI ADB project
- i) Provide support to PME specialist and Executive Director in synthesizing program report to development investment and communication strategy as well as project cycle management

5. Development of Institutional support

- a) Provide assistance to Executive Director of ICCTF in reviewing and updating the Project Cycle Management framework
- b) Maintain good institutional communication by attending development partners, invitation, as needed
- c) Assisting the task of the Executive Director of ICCTF related to internal and external coordination.
- d) Develop and offer ideas related to institutional development such as review of the standard operational procedure and procurement procedures
- e) Lead the PMU team for the Project financial management and procurement of works, good and service under COREMAP-CTI ADB
- f) Provide assistance in preparing yearly budget, Term of Reference and strategies to achieving program target and budget disbursement
- g) Provide assistance to the Executive director in developing a list of training proposal related to COREMAP implementation program and institutional function
- h) Participate in training / workshop/ seminar to develop institutional function
- i) Collaborate with development partners related to institutional development
- j) Report the achievement of duties and responsibilities as input for performance assessment
- k) Maintain role as ICCTF's focal point in regards to coordination and communication with donors, proponent and related partner according to the direction of the Executive Director
- l) Perform other relevant tasks as directed by the Executive Director

6. Impact Program

- a) Impact analysis on the overall effectiveness of ICCTF intervention, and activities in facilitating access to international climate financing and achieving Indonesia target of greenhouse gas emission, in line with the national climate change mitigation action plan;
- b) Implementation of effective activities in accordance with planning, M&E strategy, and efficient program management to improve the capacity and credibility of the ICCTF secretariat in managing the National Trust Fund
- c) Share the experience and learning outcome of ICCTF Program/project in the national or international forum climate change forum.

186. Monitoring and Evaluation Officer (national, 22 p-m).

All activities under the whole outputs except outputs 1.2 and 4.1 will be implemented through sub-grants to NGOs or other eligible organizations. The Project Implementing Unit (PIU) manages all aspects of the project implementation. To support the implementation of COREMAP-CTI Project, the PIU needs the Individual **Consultants on Project Monitoring and Evaluation (Monev)** to assist the mobilization of this project. Individual consultants would be selected in accordance with the provisions of ADB's Procurement Guidelines or other mechanism agreed by ADB and ICCTF. Specifically, s/he will:

- i. Be responsible for collecting, compiling, analyzing, reporting and tracking all activities and periodic project performance indicators of the COREMAP CTI project for compliance and analysis for management decision-making. It includes monitoring of the project gender action plan (GAP) and conducting the social and environmental safeguards screening and monitoring for all project activities.
- ii. Lead and monitor survey/studies for obtaining money data for the baseline, mid-term and project completion, including GEF money requirement (tracking tools).
- iii. Working with the PIU and its counterpart to collect, compile and report information on the status of the project and its objectives based on the project design and monitoring framework. In addition, the money specialist will fully develop and operationalize the project's M&E system, at project level and coordinate closely with the M&E personnel of project implementation consultants to provide regular consolidated M&E reports.
- iv. Based in the PIU, report to the Project Manager, and support the Project Manager in leading the project implementation with the team of PMU individual consultants and report to the Project Management Unit (PMU) in Directorate of Marine and Fisheries of Bappenas. S/he will provide oversight and coordination of the overall M&E system for the project, with support from the Project Manager and the relevant M&E personnel. A major function of the Monitoring and Evaluation System will be to aggregate the M&E results from proponents, evaluate, consolidate the information into a project report format, and submit the report to PMU.
- v. Provide Assistance with training of all project personnel involved in M&E activities, operationalizing the M&E system and regular quality control of M&E activities throughout implementation, in accordance with the Project Administration Memorandum (PAM).
- vi. Ensure that project implementation and reporting capture the GAP and safeguards implementation, in consultation with ADB gender and social and environmental safeguards specialist. Responsible for GAP monitoring of the number of male and female beneficiaries, the nature of their participation and the ways in which they have benefited from the project. In addition, the M and E specialist will provide project risk and mitigation plan and recommendation to the Project Manager.
- vii. Support the Project Manager for the Annual Workplan development, review of the progress of project disbursement and contract award quarterly and annually, and review of the implementation consultant progress reports.
- viii. Support the Project Manager in collaboration with PMU for the preparation of steering committee and technical steering committee meetings.
- ix. Support the Project Manager in collaboration with PMU for the collaboration and work with MMAF and the provincial government on MPA.

187. Financial Management Specialist (national, 27 pm).

Financial Management Specialist would be selected in accordance with provisions in Section xx of the ADB's Procurement Guidelines. The specialist should have education background in bachelor degree of finance or accountant with eight years working experience with international donors funded projects. The objective of the assignment is primarily to assist with financial management (FM) capacity development at both the Project Implementation Unit (PIU) ICCTF and Implementing Partners (IPs) to prepare the ground for increased computerization of the accounting and finance functions. It will also assist both PIU - ICCTF and IPs in setting up an appropriate financial management system for the project using the existing country systems as far as feasible. Specifically, the consultant will be responsible for the following tasks:

- i. Design Financial Management system (FMS) appropriate for use by the project using the existing country systems as far as feasible;
- ii. Ensure proper internal controls are put in place to achieve proper accountability for the use of project funds for the purposes intended;
- iii. Revise/prepare FM manuals, including all forms, that clearly outline the FM policies and procedures;
- iv. Complete and update FM assessment (FMA) for both PIU - ICCTF and all IPs and based on this prepare and implement an FM training plan for all PIU - ICCTF and IPs finance division staff (including accounting standards, internal controls, English language skills, IT skills and some soft skills development);
- v. Prepare project budgets and work plans, cash flow forecasts, contract awards and disbursement planning, interim financial reports including variance analysis, and preparation of the unaudited annual project financial statements (APFSSs) for PIU - ICCTF
- vi. Assist the Project to supervise the work of the Finance Division staff under IPs with the preparation of the project budgets and work plans, cash flow forecasts, contract awards and disbursement planning
- vii. Prepare the withdrawal applications for replenishments and direct payments prepared for the project to ensure the applications and the supporting documentation is adequate;
- viii. Ensure that withdrawals applications (WAs) and replenishment requests for the Designated (Special) Account for the COREMAP-CTI Project are properly prepared, authorized, comply with Government and ADB procedures (ADB Loan and Grant Disbursement Handbook, 2017)²¹ and are supported by proper documentation, and submitted electronically through the ADB's client portal for disbursement (CPD)
- ix. Prepare the required supporting documents for ADB regular review on the Statement of Expenditures of the WA submission.
- x. Prepare reconciliation of the advance account and ensure the project's accounting records are regularly reconciled to client connection (the ADB's internet based record of transactions for the project); and
- xi. Respond to ADB's query on the submitted WAs in the CPD, if any
- xii. Assist PU-ICCTF with monitoring the overall financial performance of the project.
- xiii. Accompany PIU officials on visits to project offices from time to time to ensure that accounting and payment transactions are carried out in accordance with the Accounting Manual and Asian Development Bank disbursement procedures;
- xiv. Assist with providing advice and information on the financial status of the projects to the PIU Project Manager, Heads of project components regularly.
- xv. liaison with the Supreme Audit Institution (Badan Pemeriksa Keuangan/ BPK) to finalize and update the TOR of BPK to prepare and complete the external audit process;
- xvi. Assist PIU during audit process by BPK and/or inspectorate general including follow up on audit findings.
- xvii. Prepare the unaudited Project Annual Financial Statements completed with Notes to the Financial Statements
- xviii. Based on the yearly external audit report, prepare the audit follow up actions report to be submitted to ADB and BPK before the next audit process.
- xix. Undertake any other accounting/financial management related duties as requested by the PIU

²¹<https://www.adb.org/documents/loan-disbursement-handbook>

188. Procurement Specialist (national, 18 p-m).

Procurement Specialist under ADB's Grant. The Procurement Specialist will work closely with the Procurement Committees, consultant and other related working units in the project for all procurement aspects of the project's operations, responsible for overseeing the procurement of works, goods, non-consultant services and consultant services. This will include, but not limited to:

- i. Provide procurement policy guidance to the PIU - ICCTF, as well as technical advice on strategic procurement activities to relevant officials during all phases of the procurement cycle, to ensure procurement arrangements a schedule is consistent with project implementation and development objectives, and discuss options and possible solutions with the PIU - ICCTF;
- ii. Coordinate with the Procurement Committees in preparing procurement documents (Bidding Documents, Request for Proposals and cost estimates) in accordance with ADB standard documents and with other related technical experts involved in preparing the technical specification and Terms of Reference, and ensure that technical specifications and selection criteria are thorough in terms of completeness and responsiveness;
- iii. Monitor and ensure the development of standards and criteria for the evaluation of goods, consulting services and works;
- iv. Assist PIU and provide technical assistance for procurement and consultant process and contract management related to the procurement of goods, civil works, Consultant services and Non-Consulting Services.
- v. Ensure Procurement and consulting service activities are complied with the Asian Development Bank's (ADB) Guidelines and Perpres (Presidential Regulation) no. 54/2010 and its subsequent amendments as of January 16, 2015.
- vi. Follow up/monitor/record any procurement that will be funded by the grant and any other procurement related tasks under COREMAP-CTI Project.
- vii. Provide support, training and mentoring to Procurement/Evaluation Committee on evaluation criteria and process;
- viii. Supervise the identification, review, qualification and registration of potential consultants as part of the consultant's expression of interest document in the consultant shortlist evaluation process;
- ix. Assist the Procurement/Evaluation Committee in shortlisting process for selection of consultant including preparing shortlisting evaluation report
- x. Supervise the processing of bid/proposal evaluations, and assist the Procurement Committee in preparing the consultant or bid technical and financial evaluation report to be submitted to ADB..
- xi. Assist the Procurement Committee in responding to ADB query and/or revise the evaluation report if needed.
- xii. Assist the Procurement Committee and Bappenas Commitment Officer (Pejabat Pembuat Komitmen/PPK) in contract negotiation and contract signing process.
- xiii. Process all of project contract variation discussion, negotiation and administrative requirement.
- xiv. Responsible for all of contract document filing and audit process in relation to procurement.

189. Creative Officer (national, 22 pm)

The MPA Field Coordinator need to have educational background in costal and marine resources with at least 8 years professional experience. The Coordinator will:

- i. support district ICCTF – PIU in monitoring and evaluation of the project
- ii. support preparation and implementation of social safeguards and environmental documentation preparation, implementation and supervision;

- iii. provide guidance to Field Officer and Implementing Partner on technical matters related to project;
- iv. support preparation of quarterly monitoring report of PIU – ICCTF
- v. act as a coordinator and liaison between Field Officer, Implementing Partner, Local Government with ICCTF - PIU and communities
- vi. Manage relationships with relevant stakeholders, including but not limited to Government departments at the Agency and local levels, community and tribal elders, and local organizations and communities
- vii. Ensure the successful implementation of project activities, including planning and the transparent procurement of grant-related goods and services. Successful implementation should include on-going consultative processes, and government and community involvement in all phases.
- viii. Writing of grant ideas, success stories and weekly grants updates.

190. Site Coordinator (national, 22 p-m 3 persons).

The Field Officer will be required to liaise with stakeholders on the ground, and maintain trustworthy presence among beneficiaries and Implementing Partner. The Field Officer need to have educational background in costal and marine resources with at least 3 years professional experience. The officer will:

- i. The field officer will be responsible to monitor the Implementing Partner during the Project Implementation.
- ii. To work in close coordination with Implementing Partner to ensure quality of work
- iii. The FO will identify the area/region based on strategic objectives of the program
- iv. Collecting the project data from the Implementing Partner
- v. To persistently coordinate with the implementing partners to track physical progress of the ongoing grants.
- vi. The field Officer shall report directly to the MPA Field Coordinator
- vii. Field officer shall be responsible for particular tasks related to the selection of the beneficiaries, monitoring activities, communication with counterparts involved in the project in the project preparation, implementation and evaluation in accordance with the existing regulation.

VI. SAFEGUARDS

1. Project Period 2014 - 2019

191. In accordance with the SPS, safeguard categorizations are all B for Environment, involuntary resettlement, and Indigenous Peoples. All interventions will be screened to ensure that there will be no significant involuntary resettlement impacts, and no adverse impacts on the environment and Indigenous Peoples. Communities will have a role in the selection of livelihood projects and small infrastructure; and they will be involved in planning, designing, implementation, and monitoring. In cooperation with civil society, they will be involved in biodiversity management and will be part of MPA boards. The MMAF PMO will assign two contact points for social safeguards, who will be responsible for the oversight of the land acquisition and resettlement framework (LARF) and Indigenous Peoples' planning framework (IPPF). Social safeguards consultants will be recruited, as part of the project implementation consulting package, to monitor and review safeguard issues that may arise during subproject design and implementation. Capacity building will be provided for relevant stakeholders as soon as the project becomes effective.

192. **Involuntary Resettlement.** Negative impacts from the project are considered small. Relocation is not anticipated and economic displacement will be mitigated through provision of sustainable livelihood programs. A LARF has been prepared based on laws, regulations, and policies of the Government of Indonesia and ADB policies and guidelines. The LARF has been concurred by the Government, agreed by ADB, and disclosed as per the SPS. The LARF will guide the preparation of resettlement plans per district/subproject. Because of the CDD nature of the project, resettlement plans will be prepared per subproject as necessary after the project becomes effective. The LARF also includes provisions for land donation, as well as for transactions involving a willing buyer and a willing seller to ensure transparent procedures and good record-keeping. When negotiated settlement is utilized to acquire land, the borrower will agree with ADB on consultation processes, policies and laws that are applicable to such transactions, third-party validation, mechanisms for calculating the replacement costs of land and other assets affected, and record keeping procedures.

193. All small land acquisition activities will be coordinated with the civil works schedule. The PMO will ensure that civil works contractors, including community contractors, will not be issued a notice of proceed until all the compensation and record of land donations/willing buyer willing seller have been satisfactorily completed. The PMO will recruit an independent monitoring agency to conduct external monitoring and evaluation of social safeguards and compensation for the project and the report will be submitted to ADB.

194. **Indigenous People (masyarakat adat).** Several indigenous peoples (IPs) recognized as customary community or *masyarakat adat* are present in the project districts. They are spread over the district area, and many are vulnerable and often isolated. Overall, masyarakat adat concerns on cultural integrity and livelihoods are built into the project design through a CDD approach resulting in positive impacts. Potential negative impacts on socioeconomic conditions may arise, but will be mitigated through sustainable livelihood packages chosen by the participating masyarakat adat.

195. An IPPF has been prepared to guide the preparation of Indigenous Peoples' plans for subprojects, to screen potential negative impacts and to formulate a strategy for beneficial measures for IP communities. The IPPF has been prepared based on GOI laws and regulations and according to ADB SPS 2009. The Government has endorsed the IPPF and it has been approved by ADB.

196. The Government has agreed to allocate adequate resources to implement the IPPF to safeguard the rights of IPs, including allocating 2% of the livelihoods budget for IP community activities. An IP specialist will be hired as part of the project implementation consultants' team, to support the PIUs in preparing and implementing IPPF/PPs. The IPPF/IPP implementation will be reported as part of PPMS and progress report will be sent to PMO and ADB. Following the CDD approach of the Project, IPPs will be prepared after the project becomes effective. Capacity development related to IP issues and concerns will be undertaken as soon as the loan is effective.

197. **Environment (Category B).** The project will undertake small-scale activities like infrastructure to support MPA operations (e.g., surveillance towers, information centers, jetty), ecotourism (mooring buoys, water supply, sanitation etc.), and livelihood activities (cage culture, fish processing, etc.) that may potentially cause minimal disturbances to the environment, but can be easily mitigated with proper site selection, use of environment-friendly construction technology, use of best practices to minimize pollution during construction, and proper disposal of waste generated. An environmental assessment and review framework (EARF) will guide the environmental screening and categorization of project interventions and identify potential impacts. As an environment category B project, two sample subproject initial environment examinations (IEEs) were prepared and analyzed to provide prototypes for screening and identifying typical impacts of potential interventions and will serve as a template for preparing the environmental management and monitoring plans under the project. ADB's category B requirements are equivalent to the Government's environmental guidelines. Subproject IEE's will be prepared based on the procedures of EARF.

2. Project Period 2020 - 2022

198. In accordance with the safeguards, the project COREMAP-CTI would be referring to the safeguards section during the project implementation period from 2014 – 2019 with specific notes as below for the implementation period 2020-2022

- I. The PMU will assign one contact point for social safeguards, who will be responsible for the oversight of the land acquisition and resettlement framework (LRF) and Indigenous People planning framework (IPPF). Social safeguard task will be embedded to the project implementation consulting package to monitor and review safeguards issues that may arise during subproject design and implementation
- II. Due to smaller project scope and its safeguards for the project implementation period 2020-2022, an independent monitoring agency to conduct external monitoring and evaluation of social safeguards and compensation for the project will not be needed.
- III. The IEE, IP Plan and resettlement plans will be prepared per project location after the project become effective.
- IV. The Government has agreed to allocate adequate resources to implement the IPPF to safeguard the rights of IPs, including the livelihoods related project activity after the project become effective.

VII. GENDER AND SOCIAL DIMENSIONS

1. Project Period 2014 - 2019

199. **Gender Issues.** The project's gender classification is "effective gender mainstreaming" (EGM). In COREMAP—CTI project, women's participation will be improved through discussions and decision-making on the design and selection of MPA management activities, including conservation and technical training, and involvement in livelihood initiatives and conservation will need to be enhanced. In addition, women's participation in decision making processes and their awareness and knowledge of coastal and marine resource management and potential climate change impact will need to be further enhanced.

200. To ensure benefits accrue to women, a gender action plan (GAP) has been prepared based on a thorough gender analysis. Specific attention will be given to ensure women participate in an equitable in the district and community-focused socioeconomic activities, and they are involved in technical training events, including value chain and livelihood initiatives, as well as in MPA-related activities. Gender awareness-raising events and training will be provided for project officers and youth. Adequate budget allocations will be made to enable full implementation of the GAP. The national Gender/Social Development specialist will support the PMO to ensure that the GAP is fully implemented. The specialist(s) will work closely with the provincial and district women's organizations in the project area. Project progress reports will provide regular updates on the implementation and impact of the project towards women's empowerment and leadership.

201. A gender specialist will be included in the project implementation consultants' team and gender training will be delivered for the project at national, provincial and local levels, which will focus on data collection, social/gender analysis, and monitoring and evaluation needs of the GAP. Women will be provided with participation and negotiation skills workshops that will help women to participate in socioeconomic activities and community decision-making in a meaningful way. An awareness-raising campaign will be undertaken for each subproject on issues identified during the consultation process. The GAP is provided in the table below:

Outputs	Gender Design features/Activities
1. Coral Reef Management and Institutions Strengthened	<p>Ensure that local regulations and decrees are informed by sex-disaggregated data and analysis on the various fisheries and aquaculture activities by both women and men living in the coastal communities.</p> <p>Ensure that women represent at least 15% of the community-based coral reef management board (LPSTK) officials and 30% of LPSTK members.</p> <p>Ensure that women LPSTK officials and members and women community working group members (pokmas) are provided training on management and administration skills, coastal management issues, technical skills on business, food safety etc. Target participation of women DGMCSI, DGCF and LIPI staff in postgraduate training proportionate to the percentage of women staff in the relevant positions.</p> <p>Target deployment of women extension workers proportionate to the percentage of women in the national and district pool.</p> <p>Provide training to extension workers and ensure that training materials include specific training needs identified by fisher women for enhancing productivity, diversification of fish products and post-harvest technology.</p> <p>Ensure 30% women's participation in public awareness activities. Ensure that activities are undertaken in locations, and at days and times convenient to women. Provide separate meetings or briefings for women where needed.</p> <p>Ensure at least 30% women's participation in teacher training on coral reef management local content curriculum.</p>
2. Ecosystem-Based Resources Management Developed	<p>Ensure consultation with local women and men on spatial planning and zoning to avoid or mitigate marine-use restrictions that might adversely impact women's livelihood activities from fisheries.</p> <p>Ensure at least 30% women's participation in training and consultations related to development of marine protected area (MPA) management plans.</p> <p>Ensure 30% women's participation in species management and conservation training, such as mangrove planting, turtle nesting, coral conservation, biodiversity, climate change, beach cleanup, local pollution control, nature interpretation/guiding etc.</p> <p>Ensure women are 30% of members in the species management implementation groups.</p>
3. Sustainable Marine-Based Livelihoods Improved	<p>Ensure 30% women (as household members and/or female-headed households) are provided with livelihood, financial and/or input assistance.</p> <p>Ensure that all women entrepreneurs in the pokmas are provided training on managing group businesses and credit, business start-up, basic finance and accounting, and technological best practices. This should be part of a standardized training package. Ensure women's participation in management and leadership training related to cooperative management.</p> <p>Increase women entrepreneurs' access to a range of services in</p>

Outputs	Gender Design features/Activities
	<p>the value chain (cold storage, ice industries, transportation facilities, small and medium enterprises, cooperatives), as well as information on and access to markets.</p> <p>At least 30% women entrepreneurs participate in model enterprises.</p> <p>Ensure consultation with women and men in planning local social infrastructure, e.g., village roads, sanitation, water supply.</p> <p>Ensure that 20% of operation and maintenance jobs from the above social infrastructure are provided to women.</p>
4. Project Management	<p>Ensure quarterly project monitoring reports include progress on GAP implementation with gender indicators and sex-disaggregated data.</p> <p>Training on gender concerns in COREMAP—CTI is provided to government staff in charge of the project.</p>

202. **Implementation Arrangements.** The Ministry of Marine Affairs and Fisheries, through a designated project coordinator in the Directorate General of Marine, Coasts and Small Islands project management office (PMO) will ensure that the gender action plan (GAP) is fully implemented. The government will assign a gender focal point to the PMO. Both the project director and the gender focal point will be assisted by a national gender specialist consultant recruited to support the implementation of the GAP. The national-level gender focal point and gender specialist consultant will provide training and overall management and coordination to all district PIUs. At the district level, each PIU will assign a gender counterpart. S/he will work with the district advisor consultant to implement the GAP locally. S/he will coordinate with communities, district PIU and the national PMO. Quarterly reports on gender indicators and activities will be made by the PMO to the Asian Development Bank and the government as part of regular reporting. Resources (consultant expert and budget) for implementation of the GAP are included in the project costs.

4. Project Period 2020 - 2022

203. With regard to the gender and social dimension, the project COREMAP-CTI will refer to the section gender and social dimension during the project period from 2014 – 2019 as shown above when specific information is not included.

No	Outputs	Gender Design features/Activities
1	Coral Reef Management and Institutions Strengthened	<ul style="list-style-type: none"> • Ensure that local regulations, SOPs and decrees are informed by sex-disaggregated data and analysis on the various fisheries and aquaculture and conservation activities by both women and men living in the coastal communities. • Ensure that women represent at least 15% of the community-based coral reef and mangrove rehabilitation. • Ensure that women community-working group members (pokmas) are provided training on management and administration skills, coastal management issues, technical skills on tourism-related business, and any related event should the project organizes, etc. • Ensure 30% of women's participation in public awareness activities. Ensure that activities are undertaken in locations, and at days and times convenient to women.

		<p>Provide separate meetings or briefings for women where needed.</p> <ul style="list-style-type: none"> • Ensure at least 30% of women's participation in on coral reef and mangrove management as well as other conservation related activities. • Ensure at least 25% of women are involved in training and enrolled in higher education (master) through scholarship and training programs.
2	Ecosystem-Based Resources Management Developed	<ul style="list-style-type: none"> • Ensure consultation with local women and men on any legal document review to avoid or mitigate marine-use restrictions that might adversely affect women's livelihood activities from fisheries and the use of other coastal resources. • Ensure at least 30% women's participation in training and consultations related to development of marine protected area (MPA) management plans. • Ensure 30% women's participation in species management and conservation training, such as mangrove planting, turtle nesting, coral conservation, biodiversity, climate change, beach cleanup, local pollution control, nature interpretation/guiding etc
3	Sustainable Marine-Based Livelihoods improved	<ul style="list-style-type: none"> • Ensure that all women entrepreneurs in the pokmas are provided training on managing group businesses and credit, business start-up, basic finance and accounting, and technological best practices. This should be part of a standardized training package. Ensure women's participation in management and leadership training related to cooperative management. • Increase women entrepreneurs' access to a range of services in the value chain (cold storage, ice industries, transportation facilities, small and medium enterprises, cooperatives), as well as information on and access to markets. • At least 30% women entrepreneurs participate in model enterprises. • Ensure consultation with women and men in planning local social infrastructure, e.g., village roads, sanitation, water supply, tourism-related infrastructures, etc. • Ensure that 20% of operation and maintenance jobs from the above social infrastructure are provided to women. • Provide training to extension workers and ensure that training materials include specific training needs identified by fisherwomen for enhancing productivity, diversification of fish products and post-harvest technology.
4	Project Management	<ul style="list-style-type: none"> • . Ensure quarterly project monitoring reports include progress on GAP implementation with gender indicators and sex- disaggregated data. • Training on gender concerns in COREMAP—CTI is provided to government staff in charge of the project.

204. **Implementation Arrangements.** The Ministry of National Development and Planning, through ICCTF in the Directorate General of Directorate of Marine Affairs and Fisheries project management unit (PMU), will ensure that the gender action plan (GAP) is fully implemented. The government will assign Monitoring and Evaluation (Monev) specialists as a gender focal point to the PMU. Both the project manager and the gender focal point will support the implementation of the GAP. The Monev specialists will be responsible to provide and arrange training and overall management and coordination to all district PIUs. S/he will work with the partner implementation to implement the GAP locally. S/he will coordinate with communities, district PIU and the national PMU. Quarterly reports on gender indicators and activities will be made by the PMU to the Asian Development Bank and the government as part of regular reporting. Resources (consultant expert and budget) for implementation of the GAP are included in the project costs

VIII. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

1. Project Period 2014 - 2019

A. Project Design and Monitoring Framework

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact Sustainable management of coral reef ecosystems in the project area	By 2024: Live coral cover increases or remains stable in project area (baseline in 2010: Bintan, 65%; Natuna, 51%; Tapanulli Tengah, 44%; Nias, 28%; Batam, 60%; baseline in 2011: Mentawai, 25%) (baselines for national MPAs will be established in 2014) ^a Stocks of Napoleon wrasse in Anambas reach a stable population (baseline stock assessments to be established in 2014) ^a Household incomes of project beneficiaries increase by 10%–15% (baseline household income of beneficiaries at project sites to be established in 2014) ^a	Ecological surveys of coral reef information and training center MMAF, Ministry of Environment, and State of the Coral Triangle reports Napoleon wrasse juvenile stocks will be assessed over time. Coral reef information and training center marine resource assessment for Anambas Government's annual statistical publication	Assumption Government and community support exists for MPA model replication Risks Impacts of climate change reduce the benefits of project outputs Natural events (e.g., earthquake, tsunami, bleaching) adversely impact coral ecosystems
Outcome Enhanced capacity to manage coral reef ecosystems inside and outside target MPAs	By 2018: MPA management effectiveness for 2.75 million hectares increased by at least one level based on the government's MPA effectiveness criteria (baseline in 2013: red and yellow; target: green to blue) MPA operational management plans with business and financing strategies approved and implementation initiated in 10 MPAs (baseline in 2013: 0; target in 2018: 10)	MMAF, Ministry of Environment, and State of the Coral Triangle reports MPA managers' effectiveness score card assessment GEF biodiversity tracking tools for MPAs	Assumptions Strong collaboration exists amongst stakeholders High quality human resources are available Risk Insufficient political will at the local level
Outputs 1. Coral reef management and institutions strengthened	By 2018: 20 community development extension workers (with gender proportionate representation) deployed (baseline in 2013: 0) 50 national, district and village laws, decrees and/or regulations related to sustainable fisheries and MPA management approved and under implementation (baseline in 2013: 0) Capacity of 57 <i>lembaga pengelola sumberdaya terumbu karang</i>	Project surveys PPMS reports Annual reports of MMAF and LIPI	Assumptions District governments internalize extension services District leaders allocate police time to marine surveillance and enforcement Risk Long time needed to codify new functions

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
	<p>(community coral reef resource management institutions) strengthened and integrated into local administrative structure (with 15% women in official positions and 30% women as members)</p> <p>80% of training participants are performing as per expected MMAF standards (baseline in 2013: 0)</p> <p>16 DGCF staff (with gender proportionate representation) obtain postgraduate qualifications (baseline in 2013: 0)</p>		
2. Ecosystem-based resource management developed	<p>By 2018:</p> <p>10 MPA operational management plans updated and approved (baseline in 2013: 0)</p> <p>7 district and 3 national MPA spatial plans prepared, embedding integrated coastal zone management and projected climate change scenarios (baseline in 2013: 0)</p> <p>6 Species management plans for threatened and endangered species piloted in selected MPAs (baseline in 2013: 0 (with 30% women's participation in conservation training and implementation management groups)</p>	<p>Project surveys</p> <p>PPMS reports</p> <p>GEF biodiversity tracking tools for MPAs</p>	<p>Assumption</p> <p>MPA evaluations are implemented regularly and consistently</p> <p>Risk</p> <p>Enactment of district regulations and MPA institutional development are slower than project cycle</p>
3. Sustainable marine-based livelihoods improved	<p>By 2018:</p> <p>100 eco-friendly infrastructure facilities installed (baseline in 2013: 0)</p> <p>2,000 households provided with livelihood financial and/or input assistance with 30% women beneficiaries (baseline in 2013: 0)</p> <p>7 model livelihood microenterprises replicated in project areas (baseline in 2013: 0)</p>	<p>Project surveys</p> <p>PPMS reports</p>	<p>Risks</p> <p>Enterprises launched too late to create benefits in time</p> <p>Climate impacts resulting in failures in livelihood models</p>
4. Project management	<p>By 2018:</p> <p>Operational PPMS reporting sex-disaggregated data</p> <p>Quarterly project monitoring and evaluation reports</p>	<p>Project surveys</p> <p>PPMS reports</p>	<p>Assumption</p> <p>Qualified and adequate project staff provided</p> <p>Risk</p> <p>Frequent changes in key project staff</p>

Activities with Milestones	Inputs
<p>1. Coral reef management and institutions strengthened</p> <p>1.1. Embed national community extension workers in districts and mentor district extension staff (Q2 2015–Q2 2018).</p> <p>1.2. Prepare regulations for community coral reef resource management institution and relevant policies, regulations, and bylaws for MPAs (Q4 2014).</p> <p>1.3. Upgrade community information centers (Q2 2015–Q2 2018).</p> <p>1.4. Conduct public awareness activities (Q3 2014–Q3 2018).</p> <p>1.5. Conduct teacher training on local content curriculum for coral reef management (Q3 2014–Q1 2018).</p> <p>1.6. Conduct and supervise regular coral reef health and associated ecosystem and socioeconomic monitoring (Q2 2015–Q3 2018).</p> <p>1.7. Decentralize coral reef information and training center benefit monitoring surveys (Q1 2015–Q3 2018).</p> <p>1.8. Strengthen and institutionalize LIPI's coral reef management information system capacity and database with user-friendly web access (Q1 2015–Q4 2017).</p> <p>1.9. Provide MPA monitoring and surveillance equipment and infrastructure (Q1 2015–Q3 2016).</p> <p>1.10. Support coordinated district and community monitoring and surveillance in MPAs (Q1 2015–Q3 2018).</p> <p>1.11. Provide postgraduate education for DGCF staff (Q2 2015–Q3 2018).</p> <p>1.12. Develop and implement MMAF human resources program through training on conservation, coastal management, EAFM, ecosystem monitoring and data management (Q4 2014–Q3 2018).</p> <p>1.13. Establish learning networks (Q1 2015–Q3 2018).</p> <p>2. Ecosystem-based resource management developed</p> <p>2.1. Finalize district coastal and marine spatial plans (Q1 2015–Q3 2017).</p> <p>2.2. Develop and implement coastal fisheries regulations (Q1 2015–Q2 2018).</p> <p>2.3. Provide integrated coastal zone management training, including climate change adaptation (Q1 2015–Q1 2018).</p> <p>2.4. Complete and approve MPA boundary marking (Q3 2015–Q2 2018).</p> <p>2.5. Establish MPA management board and technical units (Q3 2014–Q3 2018).</p> <p>2.6. Prepare MPA operational management and zoning plans (Q1 2015–Q1 2018).</p> <p>2.7. Pilot marine valuation methodology (Q2 2015–Q1 2017).</p> <p>2.8. Strengthen MPA financial management (Q1 2015–Q1 2018).</p> <p>2.9. Pilot payment for environmental services in at least 2 MPA sites (Q4 2015–Q4 2017).</p> <p>2.10. Mainstream biodiversity into MPA plans (Q2 2015–Q1 2018).</p> <p>2.11. Prepare studies, tools, and policies for sustainable fisheries, ecosystem approach to fisheries management, and MPA networks (Q3 2015–Q1 2018).</p> <p>2.12. Conduct studies on the status of six (6) priority marine threatened species and stock assessment of selected coral reef fishes (Q1 2015–Q4 2017).</p> <p>2.13. Develop and implement management plans for six (6) threatened species and selected coral reef fishes based on EAFM at government's specified fisheries management area (Q2 2015–Q2 2018).</p> <p>2.14. Conduct ecosystem approach to fisheries management training and assessment of district fisheries management performance with ecosystem approach to fisheries management indicators (Q2 2015–Q2 2018).</p> <p>3. Sustainable marine-based livelihoods improved</p> <p>3.1. Conduct business training for economic enterprise staff (Q1 2015–Q1 2018).</p> <p>3.2. Identify and fund national, district, and village MPA infrastructure (e.g., village roads, jetties, ranger posts, sanitation, water supply, homestays, mooring buoys) (Q3 2014–Q1 2018).</p> <p>3.3. Improve value chain and market links for uptake of produce from aquaculture and microenterprises (Q2 2015–Q3 2016).</p> <p>3.4. Conduct feasibility studies of potential enterprises (e.g., grouper, catfish, sea bass, seaweed) (Q4 2014–Q1 2018).</p> <p>3.5. Develop model enterprises in each project village (Q1 2015–Q1 2018).</p>	<p>Loan ADB: \$45.52 million \$13.14 million</p> <p>Grant GEF: \$8.0 million</p>

Activities with Milestones	Inputs
3.6. Conduct business training for microenterprises (Q1 2015–Q1 2018). 3.7. Conduct conservation livelihood training and pilot certification regimen (Q1 2015–Q1 2018). 4. Project management 4.1. Monitor compliance (Q2 2014–Q3 2018). 4.2. Coordinate project activities. (Q1 2014–Q4 2018).	

ADB = Asian Development Bank, DGCF= Directorate General Capture Fisheries, EAFM = ecosystem approach to fisheries management, GEF = Global Environment Facility, LIPI = Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Sciences), MMAF = Ministry of Marine Affairs and Fisheries, MPA = marine protected area, PPMS = project performance management system.

^a Monitoring for these indicators will be conducted as per Activity 1.6.

Source: ADB estimates.

B. Monitoring

205. **Project performance monitoring.** Project progress and performance will be monitored through a comprehensive project performance monitoring system (PPMS). Detailed PPMS parameters and procedures will be developed during the first quarter of project implementation and will be incorporated with the PPMS developed for COREMAP 2. Three different kinds of monitoring will be carried out: (i) implementation progress monitoring; (ii) safeguard monitoring; and (iii) benefit monitoring and evaluation. For this project, the PMO, supported by LIPI and MMAF, will establish and implement a project performance monitoring system (PPMS) based on the targets, indicators, assumptions and risks described in the DMF. The PMO will (i) refine the PPMS framework, (ii) establish the baseline, (iii) confirm achievable targets, (iv) finalize the monitoring and recording arrangements, and (v) establish data collection systems and reporting procedures. Monitoring and evaluation of sub-components implementation will be the main responsibility of the M&E unit at all levels. The PPMS will include detailed definitions of impact, outcome and output indicators, procedures and schedules for data collection; and roles and responsibilities. Implementation of the PPMS will generate data systematically on project inputs, outputs and outcomes for each component, as well as on compliance, safeguard and social indicators. These data will be used to measure the project's impact and its compliance with ADB safeguard policy requirements. The monitoring and evaluation of the GEF grant will be conducted based in the details listed in Appendix 2.

206. **Compliance monitoring.** All project loan covenants will be monitored regularly by the Project Director and twice a year during ADB loan review missions. The monitoring and evaluation of GEF grant will include (i) preparation of annual project implementation reports covering an annual reporting period FY 1 July to 30 June (following templates provided by ADB); (ii) update of the Biodiversity Tracking Tools at mid-term and project completion; (iii) completion and submission of a mid-term review and terminal evaluation report following the GEF Monitoring and Evaluation Policy and associated guidelines ([http://www.thegef.org/gef/Evaluation%20 Policy%20202010](http://www.thegef.org/gef/Evaluation%20Policy%20202010)) Reports will be prepared by EA and submitted to relevant operational department who will then finalize and send to ADB's GEF coordination team in RSES/RSDD for submission to GEF Secretariat. Information and basic requirements related to the GEF Communications and Visibility Policy will be adhered to during Project implementation as per GEF guidelines in: ([http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20 final_0.pdf](http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20_final_0.pdf))

207. **Environment Safeguard Procedures and Grievance Redress Mechanism.** An Environmental Management Unit (EMU), which will be established under the PMO, will play a lead role in implementing the EARF provisions of the Project, and will be responsible for ensuring that the IEE's for sub-projects are prepared and environmental requirements and procedures of the government are complied with, such as the preparation of summary information on business plan/project activities, UKL-UPL, SPPL; the REA, the environmental categorization form, and environment management and monitoring plans, are incorporated in every stage of the subproject/MPA activities. In screening the sub-project activities, REA

checklists and sub-project selection criteria will be followed. The grievance redress mechanism (GRM) will be established as detailed in EARF and this is meant for people seeking satisfactory resolution of their complaints on the environmental performance of the project. The mechanism will ensure that (i) the basic rights and interests of every affected person by any negative environmental performance of the project are protected; and (ii) their concerns arising from the any negative environmental performance of the project during the phases of design, construction and operation activities are effectively and timely addressed. The PMO, PIUs, the province and the regency concerned will make the public aware of the GRM through public awareness campaigns, training and capacity building. Each office will nominate and train one of their staff to be a Grievance Point Person (GPP) for environment-related issues as part of the advanced action activities at the inception stage of the Project implementation.

208. **Safeguards monitoring.** The MMAF PMO will assure overall planning, coordination, and reporting for the project. In each of participating provinces, PIUs will prepare and implement the project. A qualified safeguards officer will be appointed in PMO to support the PIU. PMO together with relevant PIU with the support of consultant specialist will supervise the preparation and implementation of the RP and will monitor, and report to the PMO on all social safeguards activities. Project progress reports will indicate which subprojects require RP, IEE and IPP, and the status of implementation of RPs, IEE's and IPPs. Semi-annual monitoring reports on the implementation of the RPs, IEE's and IPPs will be submitted to ADB.

209. **Gender and social dimensions monitoring:** Project progress reports will provide regular updates on the implementation and impact of project to women empowerment and leadership.

C. Evaluation

210. ADB will conduct an inception mission within two months after the project start up, and a review mission every six months thereafter. Apart from regular reviews ADB and the Government will undertake a comprehensive review within 18 months of loan effectiveness to monitor progress of the relevant procurement packages under the procurement plan. A joint midterm review (MTR) will be undertaken early in year 3 of implementation. The MTR will focus on overall project strategy and achievements, which may require adjustments of targets processes and reallocation of resources.

211. Specifically, the MTR will (i) review the project scope, design, implementation arrangements and institutional development; (ii) review changes in Government policies and institutional framework since loan effectiveness and evaluate their impact on project implementation and sustainability; (iii) assess project implementation against appropriate projections and performance indicators; (iv) review compliance with loan covenants; (v) assess compliance with the gender action plan, the indigenous peoples development framework, and the good governance and anticorruption measures; (vi) identify critical issues, problems, and constraints; and (vii) recommend changes in project design or implementation. The PMO will submit a comprehensive report on each of these issues to ADB and at least one month before the MTR.

212. Within 6 months of physical completion of the Project DGMCSI will prepare and submit a project completion report to ADB.¹⁸ The report will describe project achievements against targets and expected outcomes and impact, details of project costs compliance with loan covenants, lessons learned and other information requested by the ADB. The results of the impact Evaluation Study will form the basis for reporting project achievements against the indicators at the output and outcome levels.

²² Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

D. Reporting

213. DGMCSI will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions; (c) updated procurement plan and (d) updated implementation plan for next 12 months; and (iii) a project completion report within 6 months of physical completion of the Project. To ensure projects continue to be both viable and sustainable, project accounts and the executing agency AFSs, together with the associated auditor's report, should be adequately reviewed.

E. Stakeholder Communication Strategy

214. Communication, outreach and awareness are key themes within all components of the project design. Extension officers will act as a liaison between communities and implementing agencies to communicate key project objectives and capture lessons learned and feedback. The vision for sustainably managed marine ecosystems to support community livelihoods and economic development will be communicated via various media as part of a communication plan to be coordinated by the PMO. Implementing agencies also have funds to implement communication strategies and campaigns at the project site level, and these will be coordinated closely with MMAF, LIPI and the PMO. All communication materials and outputs will be submitted to the PMO for documentation, and referenced in routine reports to ADB.

215. Each Implementing Agency and their PIUs will develop targeted outreach and public awareness strategies that address their messages, from announcement of public consultations and results of studies, to availability of opportunities in the project, to principles of the community-based integrated coastal zone management approach (including marine protected areas, marine spatial planning, coral reef fisheries management and sustainable economic development best practices), to actions being taken, new governance protocols and support mechanisms, monitoring results and their implications. For instance, the seven district MPA networks (that includes community marine protected areas (DPLs)) and the three national marine protected area might develop an outreach and communications strategy to explain the management effectiveness ratings (RED, YELLOW, GREEN, BLUE, etc.) and the MPA Network principles and categories of MPAs, and the significance of this to the daily activities of the public and the governing agencies to the benefits derived from this management, e.g. through a partner like the Coral Triangle Center (Bali), a national CTI partner.

216. National platforms such as media outlets (radio, news), government/private sector/NGO websites, Sea Partnership Program, social network and marketing might partner with MMAF in training environmental communicators in real time through on-the-ground district campaigns.

217. The COREMAP website (<http://coremap.or.id>) will be a primary channel for project information disclosure and general communication with stakeholders. News announcements, project reports and summarized data will be posted and publically available throughout the project. Public consultations will be carried out periodically throughout the project and in advance of all major works, following Indonesian AMDAL and ADB compliance guidance where appropriate. The PMO, with support from implementing agencies or contracted third parties, will ensure that all such communications and/or consultations with stakeholders are documented and reported to ADB via the PPMS, progress reports, monitoring reports, or issue-specific correspondences.

2. Project Period 2020 – 2022

The performance monitoring, evaluation, reporting and communication in this sub chapter are applied for COREMAP-CTI grant implementation under Bappenas, which is adjusted from the same chapter for loan and grant implementation under project period 2014 – 2022.

A. Project Design and Monitoring Framework

218. The Project Design and Monitoring Framework (PDMF) for the project period 2020 – 2022 have been adjusted for the outputs indicators to align with new implementation arrangement.

Results Chain	Performance Indicators with targets and baselines	Data sources and reporting mechanisms	Risks
Impact Sustainable management of coral reef ecosystems in the project area	By 2024: Live coral cover increases or remains stable in project area (baseline in 2010: Bintan, 65%; Natuna, 51%; Tapanulli Tengah, 44%; Nias, 28%; Batam, 60%; baseline in 2011: Mentawai, 25%; baseline in 2017: Nusa Penida 12%; baseline in 2014: Gili Matra 23.7%, baseline in 2016: Gili Balu 54.83%).) ^a Stocks of Napoleon wrasse in Anambas reach a stable population (baseline stock assessments to be established in 2014) ^a Household incomes of project beneficiaries increase by 10%–15% (baseline household income of beneficiaries at project sites to be established in 2014) ^a	Ecological surveys of coral reef reports MMAF, Ministry of Environment, and State of the Coral Triangle reports marine resource assessment Government's annual statistical publication	Impacts of climate change reduce the benefits of project outputs Natural events (e.g., earthquake, tsunami, bleaching) adversely impact coral ecosystems
Outcome Enhanced capacity to manage coral reef ecosystems inside and outside target MPAs	By 2022: a. MPA management effectiveness for 2.75 million hectares increased by at least one level based on the government's MPA effectiveness criteria (baseline in 2013: red and yellow; target: green to blue) b. MPA operational management plans with business and financing strategies approved and implementation initiated in 10 MPAs (baseline in 2013: 0; target in 2022: 10)	a. Project technical reports b. MPA managers' effectiveness score card assessment c. GEF biodiversity tracking tools for MPAs	Risk Insufficient political will at the local levels (e.g. district, regency, provincial)
Outputs 1. Coral reef management and institutions strengthened	By 2022: 1. Provincial and other government staff (at least 40 staff, with gender proportionate representation) trained sub-themes related to integrate	a. Project technical reports, surveys and assessments.	Risk Institutional challenges related to codifying new

	<p>coastal management (baseline in 2013: 0)</p> <p>2. Post graduate degree obtained by 4 mid-career government staff (with gender proportionate representation) (baseline in 2013: 0)</p> <p>3. Guidance for co-management agreement between district, provincial and central government developed.</p> <p>4. Eco-tourism capacity enhanced in selected areas (with gender proportionate representation), (i) at least 20 staffs trained in marine ecotourism (tour-guide, community-based, dive tour), (ii) at least 50 staffs trained and certified o MPA rangers. (baseline in 2013:0)</p> <p>5. Sustainable financing mechanisms legitimized, strengthened and operational in 2 MPAs. (baseline in 2013:0)</p>	<p>b. Reports of project management (M&E system).</p> <p>c. Reports from individual candidates who undertake training.</p>	<p>functions related to Laws 23 and 47, combined with capacity constraints</p>
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2. Ecosystem-based resource management developed	<p>By 2022:</p> <p>2.a. At least two (2) endangered / threatened specie²³ action plans developed and implemented.</p> <p>2.b. 25-30% women's participation in conservation training and implementation management groups. (Baseline in 2013: 0).</p> <p>2.c. Ecosystem rehabilitation/ restoration investments demonstrated:</p> <ul style="list-style-type: none"> At least 20% of degraded mangrove areas in Nusa Penida and Gili Balu restored / rehabilitated. (baseline to be determined in 2020) At least 5% of degraded coral reef restored / rehabilitated in Nusa Penida. (baseline to be determined in 2020) 	<p>a. Project surveys and assessments.</p> <p>b. Reports of project management (M&E system).</p> <p>c. Annual reports of MMAF, LIPI and Bappenas.</p> <p>d. Media and other external reports</p>	<p>Risk</p> <p>Provincial government capacity for MPA management and development is a long process, beyond the project cycle</p> <p>There are technical and biophysical constraints to successful demonstration of ecosystem restoration pilots</p>
3. Sustainable marine-based livelihoods improved	<p>By 2022:</p> <p>3.a. Sustainable fishery management / supply chains for tuna and snapper fisheries in selected communities improved.</p>	<p>a. Project technical reports.</p> <p>b. Media reports and events.</p> <p>c. Annual and quarterly reports of project management,</p>	<p>Risk:</p> <p>Insufficient capacity and knowledge at local levels to successfully</p>

²³ Candidate species are sea turtles, sharks, rays, and sunfish.

	<p>3.b Sustainable seaweed farming / supply chain for seaweed enterprise in selected communities improved.</p> <p>3.c. Enhanced livelihood capacity for at least 3 community-based enterprises with training for home industry in 10 villages and at least 100 participants.</p>	MMAF, Bappenas	undertake business operations on long term basis
4. Project management	<p>By 2022:</p> <p>4.a. Operational PPMS reporting sex-disaggregated data</p> <p>4.b. Quarterly project monitoring and evaluation reports</p> <p>4.c Ecosystem health and other indicators integrated into provincial and national information M&E systems monitored</p> <p>4.d Knowledge products developed and disseminated</p> <p>4.e Project implementation unit operational</p>	<p>a. Operational reporting (with sex disaggregated data).</p> <p>b. Quarterly project monitoring reports.</p> <p>c. Media and other external reports.</p>	<p>Risk:</p> <p>Project management unit takes time to establish systems and protocols without sufficient provincial government support.</p> <p>Frequent changes in project staff</p>

Key Activities with milestone for project period 2020 – 2022

Key Activities with Milestones
<p>1. Coral reef management and institutions strengthened in project areas</p> <p>1.1 Develop protocols and guidance documents which define and provide guidance for co-management agreements (Q2 2021–Q4 2022).</p> <p>1.2 Integrate eco-tourism elements into MPA management plan implementation (Q3 2020–Q2 2022).</p> <p>1.3 Design and operationalize financing mechanisms (e.g. PES, trust fund etc) for 2 MPAs with delivery partners (Q3 2020–Q2 2022).</p> <p>1.4 Initiate training candidate selection processes (Q1 2020–Q2 2022).</p> <p>1.5 Identify short term training courses and enroll prospective trainees (Q1 2020–Q4 2021).</p> <p>1.6 Design linkage / cooperative program for Masters degree (Q1 2020–Q2 2020).</p> <p>1.7 Candidates meet eligibility requirements and pursue programs (Q2 2020–Q2 2022).</p> <p>1.8 Candidates provide reports on outcome and apply skills in relevant government departments (Q3 2022)</p>
<p>2. Ecosystem-based resource management plans developed and operational</p> <p>2.1 Target sites for mangroves and coral reef restoration identified (Q3 2020–Q2 2022).</p> <p>2.2 Develop and implement two endangered / threatened species action plans with delivery partners (Q3 2020–Q2 2022).</p> <p>2.3 Delivery / implementation partners engaged (Q3 2020–Q2 2022).</p> <p>2.4 Conduct suite of assessments (biophysical, hydrological, socio-economic feasibility etc) (Q3 2020–Q2 2022).</p> <p>2.5 Conduct cost benefit analysis on identified restoration / rehabilitation options (Q3 2020–Q1 2021).</p> <p>2.6 Conduct investments in ecosystems restoration / rehabilitation (Q3 2021–Q3 2022).</p> <p>2.7 Conduct regular monitoring (Q3 2020–Q3 2022).</p> <p>2.8 Conduct awareness and capacity enhancement for MPA law enforcement (Q3 2020–Q2 2022).</p> <p>2.9 Conduct community surveillance and patrolling operations (Q3 2020–Q2 2022).</p>
<p>3. Sustainable marine-based livelihoods improved</p> <p>3.1 Engage of delivery / implementation partners (Q3 2020–Q2 2022).</p> <p>3.2 Identify of potential sites / landing areas (Q3 2020–Q2 2022).</p>

- 3.3 Conduct biophysical surveys, stock assessments, supply chain and market analysis for three commodities (Q3 2020–Q2 2022).
- 3.4 Conduct demonstrations of sustainable fishing / seaweed farming for selected communities (Q3 2020–Q2 2022).
- 3.5 Upgrade post-harvest management capacity (Q3 2020–Q2 2022).
- 3.6 Implement of responsible packaging and marketing techniques (Q3 2020–Q2 2022).
- 3.7 Develop cross visits and knowledge products (Q3 2020–Q2 2022).

4. Project management, evaluation and knowledge transfer

- 4.1 Establish ecosystem health indicators, collect data and enter into national and provincial monitoring systems (Q4 2020–Q2 2022).
- 4.2 Develop and disseminate knowledge products (Q3 2020–Q2 2022).
- 4.3 Create and operate project management unit within Executing Agency, with outreach / coordination to project sites (Q3 2020–Q2 2022).
- 4.4. Develop government project completion report (Q3-4 2022)

Inputs

ADB: \$ 0.00

GEF: \$ 5.2 million

GOI: \$ 25.2 million (this represents in-kind co-financing from Bappenas of \$3.8 million, additional \$ 5 million from the Special Allocation Fund for marine conservation and \$ 16.42 million in recurrent expenditures through the MMAF national budget allocation for marine conservation)

ADB = Asian Development Bank, DGCF= Directorate General Capture Fisheries, EAFM = ecosystem approach to fisheries management, GEF = Global Environment Facility, LIPI = Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Sciences), MMAF = Ministry of Marine Affairs and Fisheries, MPA = marine protected area, PPMS = project performance management system.

B. Monitoring

219. **Project performance monitoring under GEF Grant.** Project progress and performance will be monitored through a comprehensive project performance monitoring system (PPMS). Detailed PPMS parameters and procedures will be developed during the first quarter of project implementation and will be incorporated with the PPMS developed for COREMAP 2. Three different kinds of monitoring will be carried out: (i) implementation progress monitoring; (ii) safeguard monitoring; and (iii) benefit monitoring and evaluation. For this project, the PMU, supported by ICCTF, will establish and implement a project performance monitoring system (PPMS) based on the targets, indicators, assumptions and risks described in the DMF. The PMU will (i) refine the PPMS framework, (ii) establish the baseline, (iii) confirm achievable targets, (iv) finalize the monitoring and recording arrangements, and (v) establish data collection systems and reporting procedures. Monitoring and evaluation of sub-components implementation will be the main responsibility of the M&E unit at all levels. The PPMS will include detailed definitions of impact, outcome and output indicators, procedures and schedules for data collection; and roles and responsibilities. Implementation of the PPMS will generate data systematically on project inputs, outputs and outcomes for each component, as well as on compliance, safeguard and social indicators. These data will be used to measure the project's impact and its compliance with ADB safeguard policy requirements. The monitoring and evaluation of the GEF grant will be conducted based in the details listed in Appendix 2.

220. **Compliance monitoring.** The monitoring and evaluation of GEF grant will include (i) preparation of annual project implementation reports covering an annual reporting period FY 1 July to 30 June (following templates provided by ADB); (ii) update of the Biodiversity Tracking Tools at mid-term and project completion; (iii) completion and submission of a mid-term review and terminal evaluation report following the GEF Monitoring and Evaluation Policy and associated guidelines (<http://www.thegef.org/gef/Evaluation%20Policy%202010>) Reports will be prepared by EA and submitted to relevant operational department who will then finalize and send to ADB's GEF coordination team in RSES/RSDD for submission to GEF Secretariat.

Information and basic requirements related to the GEF Communications and Visibility Policy will be adhered to during Project implementation as per GEF guidelines in: http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf)

221. Environment Safeguard Procedures and Grievance Redress Mechanism under Grant. A Project Implementing Unit (PIU) – ICCTF, will play a lead role in implementing the EARF provisions of the Project, and will be responsible for ensuring that the IEE's for sub-projects are prepared and environmental requirements and procedures of the government are complied with, such as the preparation of summary information on business plan/project activities, UKL-UPL, SPPL; the REA, the environmental categorization form, and environment management and monitoring plans, are incorporated in every stage of the subproject/MPA activities. In screening the sub-project activities, REA checklists and sub-project selection criteria will be followed. The grievance redress mechanism (GRM) will be established as detailed in EARF and this is meant for people seeking satisfactory resolution of their complaints on the environmental performance of the project. The mechanism will ensure that (i) the basic rights and interests of every affected person by any negative environmental performance of the project are protected; and (ii) their concerns arising from the any negative environmental performance of the project during the phases of design, construction and operation activities are effectively and timely addressed. The PMU and ICCTF will make the public aware of the GRM through public awareness campaigns, training and capacity building.

222. Safeguards monitoring under the Restructured Grant. The Bappenas will assure overall planning, coordination, and reporting for the project. In each of participating provinces, ICCTF will prepare and implement the project. ICCTF will supervise the preparation and implementation of the RP and will monitor, and report to the PMU on all social safeguards activities. Semi-annual monitoring reports on the implementation of the RPs, IEE's and IPPs will be submitted to ADB.

223. Gender and social dimensions monitoring: Project progress reports will provide regular updates on the implementation and impact of project to women empowerment and leadership. Gender progress report would be included in the project quarterly reports to ADB.

C. Evaluation

224. ADB will conduct an inception mission within two months after the project start up, and a review mission every six months thereafter. A part from regular reviews ADB and the Government will undertake a comprehensive review within 18 months of grant effectiveness to monitor progress of the relevant procurement packages under the procurement plan. A joint midterm review (MTR) will be undertaken early in year 2 of implementation. The MTR will focus on overall project strategy and achievements, which may require adjustments of targets processes and reallocation of resources.

225. Specifically, the MTR will (i) review the project scope, design, implementation arrangements and institutional development; (ii) review changes in Government policies and institutional framework since grant effectiveness and evaluate their impact on project implementation and sustainability; (iii) assess project implementation against appropriate projections and performance indicators; (iv) review compliance with grant covenants; (v) assess compliance with the gender action plan, the indigenous peoples development framework, and the good governance and anticorruption measures; (vi) identify critical issues, problems, and constraints; and (vii) recommend changes in project design or implementation. The Bappenas PMU will submit a comprehensive report on each of these issues to ADB and at least one month before the MTR.

226. Within 6 months of physical completion of the Project, Bappenas will prepare and submit a project completion report to ADB²⁴. The report will describe project achievements against targets and expected outcomes and impact, details of project costs compliance with grant covenants, lessons learned and other information requested by the ADB. The results of the impact Evaluation Study will form the basis for reporting project achievements against the indicators at the output and outcome levels.

D. Reporting

227. Bappenas will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) a project completion report (PCR) within 6 months of physical completion of the Project. Particularly, DMANR is responsible to develop the PCR which implemented from 2020 – 2022 as well as compiling the project completion report from MMAF during 2013 – 2019. To ensure projects continue to be both viable and sustainable, project accounts and ICCTF AFSSs, together with the associated auditor's report, should be adequately reviewed.

E. Stakeholder Communication Strategy

228. Communication, outreach and awareness are key themes within all components of the project design. Extension officers will act as a liaison between communities and implementing agencies to communicate key project objectives and capture lessons learned and feedback. The vision for sustainably managed marine ecosystems to support community livelihoods and economic development will be communicated via various media as part of a communication plan to be coordinated by the PMU for grant. ICCTF also have funds to implement communication strategies and campaigns at the project site level, and these will be coordinated closely with Bappenas and PMU. All communication materials and outputs will be submitted to the PMU for documentation, and referenced in the quarterly reports to ADB.

229. ICCTF and consultant (grantee) will develop targeted outreach and public awareness strategies that address their messages, from announcement of public consultations and results of studies, to availability of opportunities in the project, to principles of the community-based integrated coastal zone management approach (including marine protected areas, marine spatial planning, coral reef fisheries management and sustainable economic development best practices), to actions being taken, new governance protocols and support mechanisms, monitoring results and their implications

230. National platforms such as media outlets (radio, news), government/private sector/NGO websites, Sea Partnership Program, social network and marketing might partner with Bappenas in training environmental communicators in real time through on-the-ground district campaigns.

231. The ICCTF website (<http://icctf.or.id>) will be a primary channel for project information disclosure and general communication with stakeholders. News announcements, project reports and summarized data will be posted and publicly available throughout the project. Public consultations will be carried out periodically throughout the project and in advance of all major works. The PMU, with support from implementing agencies or contracted third parties, will ensure that all such communications and/or consultations with stakeholders are documented and reported to ADB via the PPMS, progress reports, monitoring reports, or issue-specific correspondences.

²⁴ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

IX. ANTICORRUPTION POLICY

1. Project Period 2014 - 2019

232. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the Project.²⁵ All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all Project contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB- financed activity and may not be awarded any contracts under the Project.²⁶

233. ADB's Anticorruption Policy (1998, as amended to date) was also explained to and discussed with the Project Executing Agency and the Project Implementing Agencies. Consistent with its commitment to good governance, accountability and transparency, ADB reserves the right to investigate any alleged corrupt, fraudulent, collusive or coercive practices relating to the project.

234. DGMCSI, MMAF as the EA has indicated its commitment to promote good governance and establish a corruption-free environment under the project. Further to this a number of governance and anticorruption provisions have been included in the Loan Agreement. These include requirements for DGMSCI, MMAF to (i) ensure that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project; (ii) update the existing website to disclose information about various project-related issues, including procurement and other contracts awarded under the project.

235. The website shall be updated within 1 week of each contract award. On the procurement-related information, the website shall disclose: (a) the list of participating bidders, (b) name of the winning bidder, (c) basic details on bidding procedures adopted, (d) amount of contract awarded, (e) the list of goods and services procured, and (f) the intended and actual utilization of loan proceeds under each contract being awarded. Any bidder may request an explanation from the EA/IA as to why a bid was unsuccessful and the EA/IA should respond within 20 working days; and establish a grievance redress task force to receive and resolve complaints/grievances or act upon reports from stakeholders on possible misuse of funds and other irregularities. The task force shall (a) review and address grievances of stakeholders of the Project, in relation to either the Project, any of the service providers, or any person responsible for carrying out any aspect of the Project; (b) liaise with the relevant law enforcement agencies as relevant; and (c) report immediately to ADB on any malfeasance or maladministration that occurred under the Project.

2. Project Period 2020 - 2022

236. In regard to anticorruption policy, project will be refer to the section anticorruption policy during the project period of 2014 – 2019.

²⁵ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

²⁶ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>

X. ACCOUNTABILITY MECHANISM

1. Project Period 2014 - 2019

237. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.²⁷

2. Project Period 2020 - 2022

238. In accordance to accountability mechanism, project will be refer to the section accountability mechanism during the project period of 2014 – 2019.

²⁷ For further information see: <http://www.adb.org/Accountability-Mechanism/default.asp>.

XI. RECORD OF PAM CHANGES

1. Project Period 2014 - 2019

239. All revisions/updates during course of project implementation will be recorded under this chapter. The PAM was discussed during the technical discussions held in Jakarta, Indonesia on 13 November 2013, which was upgraded to loan negotiations on 19 November 2013.

2. Project Period 2020 - 2022

240. All revisions/updates of PAM changes for project period 2020 – 2022 has been recorded as follows:

NO	SUBJECT	CHANGE IN PAM
1	CHAPTER I. PROJECT DESCRIPTION	
A	The Rationale of Project Period 2020 – 2022	<ul style="list-style-type: none"> The project Period 2020 – 2022, the Executing Agency is Deputy of Maritime Affairs and Natural Resources Ministry of National Development Planning/ National Development Planning Agency (MNDP); The Implementing Agency to Indonesia Climate Change Trust Fund (ICCTF);
B	Impact and Outcome:	<ul style="list-style-type: none"> Changed the target of intervention from 10 MPAs to 3 MPAs comprise 2 Provincial MPAs (TWP Nusa Penida, TPK Gili Balu) and 1 National MPA (KKP Gili Matra) which scattered in Lesser Sunda Seascape.
C	Outputs	<ul style="list-style-type: none"> Under the new restructured COREMAP-CTI project under ADB's Grant will have four outputs and added seven sub outputs. Rearrange activities concerning to ETP from output 1 to output 2.
2	CHAPTER II. IMPLEMENTATION PLANS	
A	Project Readiness Activities	<ul style="list-style-type: none"> The project readiness activities been updated under nine main activities such (i) Preparation and review of readiness documents; (ii) ADB Board Approval; (iii) Legal Amendment; (iv) Government budget inclusion; (v) Opening of advance account; (vi) DG Treasury, MOF's decree on Grant advance account; (vii) Initial advance to advance account; (viii) Restructured Grant effectiveness.
B	Overall Project Implementation Plan	<ul style="list-style-type: none"> The overall project implementation plan for COREMAP-CTI has been updated for the entire project activities. In accordance to the ETP activities has embedded in output 2.
3	CHAPTER III. PROJECT MANAGEMENT ARRANGEMENT	
A	Project Implementation Organizations – Roles and Responsibilities	<ul style="list-style-type: none"> PAM for project period 2020 – 2022 for this section update the list of project organization comprise (i) Deputy for Maritime Affairs and Natural Resources (DMANR), BAPPENAS; (ii) Steering Committee; (iii) Technical Committee; (iv) Directorate for Marine Affairs and Fisheries, BAPPENAS; (v) Indonesia Climate Change Trust Fund (ICCTF); (vi)

		Implementation Consultants; (vii) Ministry of Finance; (viii) ADB and each responsibilities of those organization.
B	Key Persons Involved in Implementation	<ul style="list-style-type: none"> Update key person involved in implementation for executing agency become the Deputy Ministry for Maritime Affairs and Natural Resources Bappenas.
C	Project Organization Structure	<ul style="list-style-type: none"> The PAM for project period 2020 – 2022 stated the SC representatives of Ministry of National Development and Planning/BAPPENAS, Directorate General of Marine Spatial Management, MMAF; Directorate General of Treasury, Ministry of Finance (MOF); and Directorate General of Budget, MOF and Ministry of Environment and Forestry (MoEF) as GEF Focal Point. The TC will include representatives of Ministry of National Development and Planning/BAPPENAS, MoEF-GFP, MMAF, LIPI, MoF and Provincial government of the Target MPAs PMU for project period 2020 - 2022 will be established within DMANR, specifically in the Directorate of Marine Affairs and Fisheries, with the Director of Marine Affairs and Fisheries as Head of PMU The PIU for project period 2020 - 2022 is Indonesia Climate Change Trust Fund (ICCTF), a working unit under DMANR – BAPPENAS, coordinated by Director of Marine Affairs and Fisheries – BAPPENAS Update the Project Organization and Management as well as PMU Structure
D	Implementation Arrangements	<ul style="list-style-type: none"> Section of post graduate scholarship been updated. The linkage program between Indonesian university and other overseas university will be conducted under self-manage mechanism through a MOU between Bappenas and the national university. Added indicative cost and budget for training, workshop and program between Indonesian university and other overseas university
4	CHAPTER IV. COST AND FINANCING	
A	Detailed Cost Estimates by Expenditure Category	Undisbursed grant allocation from Project Period 2014 – 2019 will allocated to 2 grant categories for Project Period 2020 – 2022. That is, the Consultant category is 4.421.135 and the Training and Workshops category is 800.000
B	Allocation and Withdrawal of Loan and Grant Proceeds	For project Period 2020 – 2022, target for withdrawal of Grant proceeds is 100% for Consulting Services and 100% for Training and Workshop.
C	Detailed Cost Estimates by Financier	For project period 2020 – 2022 this Coremap activities will fully finance by ADB Grant. The Government will contribute....
D	Detailed Cost Estimates by Outputs	<p>For project Period 2020 – 2022 there are 3 output will be disbursed. Total cost for each output is:</p> <ul style="list-style-type: none"> - Output 1: \$1,300,000 - Output 2: \$1,900,000 - Output 3: \$1,400,000
E	Detailed Cost Estimates by Year	<p>For Project Period 2020 – 2022, all grant will disbursed 100% in 3 years. Detail cost estimate per year is:</p> <ul style="list-style-type: none"> - Allocated cost fy 2020: \$855,125 - Allocated cost fy 2021: \$2,998,656 - Allocated cost fy 2022: \$1,367,355

F	Contract and Disbursement S-Curve	For Project Period 2020 – 2022 S-curve show the Contract Award and Disbursement award per year. The Contract Award and Disbursement award has a same amount each year.
G	Fund Flow Diagram	<ul style="list-style-type: none"> The Grant will manage by ICCTF through Advance Account in Central Bank. ICCTF will ask the MOF to channel the fund to the Implementing Partners (Individual Consultant, Private Sector, University and CSO_
H	Financial Management Assessment	<ul style="list-style-type: none"> To manage grant, ICCTF – Bappenas will give attention to additional three MPAs Gili Matra, Gili Balu and Nusa Penida. ICCTF – Bappenas also needs to create a clear institutional arrangement to implement field activities since it will involve multi – stakeholder management
I	Disbursement	<ul style="list-style-type: none"> ICCTF will open new Advance Account (Rekening Khusus), in US Dollars, in the name of MOF at the central bank, Bank of Indonesia. ADB will channel the grant fund to these Advance Account (<i>Rekening Khusus</i>)
J	Accounting	<ul style="list-style-type: none"> The ICCTF – Bappenas, IA will maintain or cause to be maintained and records for all expenditures incurred on the project for period 2020 - 2022. The ICCTF – Bappenas will prepare consolidated project for period 2020 – 2022
K	Auditing and Public Disclosure	<ul style="list-style-type: none"> The audited project financial statements will be submitted in the English language to ADB within six months of the end of the fiscal year by the ICCTF – Bappenas, and will be audited by the Supreme Audit (BPK).
5	CHAPTER V. PROCUREMENT AND CONSULTING SERVICES	
A	Advance Contracting	<ul style="list-style-type: none"> There will be no advance contracting applied for the restructured grant.
B	Procurement of Goods, Works and Consulting Services	<ul style="list-style-type: none"> It is noted that the procurement of Goods, Works and Consulting Services under Grant 0379-INO (EF) shall continue to be subject to and governed by the ADB Procurement Guidelines and Consulting Guideline . ICCTF shall continue to procure , or cause to be procured, the items of expenditure to be financed out of the proceeds of the grant in accordance with the provisions of Schedule 4 to the Loan Agreement, as provided under Section 3.03 of the Grant Agreement.
C	Procurement Plan	<ul style="list-style-type: none"> For period 2020 – 2022, ICCTF will arrange Procurement for 7 packages of Grant Package and 6 packages for Individual Consultant. The procurement method will be CQS, QCBS/QBS, and ICS.
D	Consultant's Terms of Reference	<ul style="list-style-type: none"> ICCTF will develop 13 package ToR of Consultant comprise of: 6 individual consultant, 6 grant package and 1 for private sector.
6	CHAPTER VI. SAFEGUARDS	
A	Safeguards	<ul style="list-style-type: none"> With regard to the safeguard, the project COREMAP-CTI will refer to the section safeguard during the project period from 2014 – 2019 as shown above when.

7	CHAPTER VII. GENDER AND SOCIAL DIMENSIONS	
A	Gender and Social Dimensions	<ul style="list-style-type: none"> With regard to the gender and social dimension, the project COREMAP-CTI will update to the section gender and social dimension during the project period from 2014 – 2019 as shown above when.
8	CHAPTER VIII. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION	
A	Project Design and Monitoring Framework	<ul style="list-style-type: none"> Project design and monitoring framework will use the updated project design and monitoring framework for project period 2020-2022. Several output indicators were revised and added to adjust with the target MPAs of Gili Matra, Gili Balu and Nusa Penida. One Key milestone activity under output 1 (1.2) moved to output 2.
B	Monitoring	<ul style="list-style-type: none"> The PMU – DMF and the IA – ICCTF will establish and implement project performance monitoring system (PPMS). The PIU-ICCTF will implement the environmental safeguard procedures and grievance redress mechanism. The Bappenas and ICCTF will assure the safeguard monitoring is implemented. Regarding the gender and social dimension monitoring will refer to the same monitoring on project period 2014-2019.
C	Evaluation	<ul style="list-style-type: none"> Regarding the physical completion of the project, the Bappenas will prepare and submit project completion report.
D	Reporting	<ul style="list-style-type: none"> DMANR as the EA through ICCTF (IA) will provide the reports to ADB
E	Stakeholder Communication Strategy	<ul style="list-style-type: none"> ICCTF will implement the stakeholder communication strategy
9	CHAPTER IX. ANTICORRUPTION POLICY	
		<ul style="list-style-type: none"> With regard to the anticorruption policy, the project COREMAP-CTI will refer to the section anticorruption policy during the project period from 2014 – 2019 as shown above when.
10	CHAPTER X. ACCOUNTABILITY MECHANISM	
		<ul style="list-style-type: none"> With regard to the accountability mechanism, the project COREMAP-CTI will refer to the section accountability mechanism during the project period from 2014 – 2019 as shown above when.
11	CHAPTER XI. RECORD OF PAM CHANGES	
		<ul style="list-style-type: none"> Record of PAM Changes for project period 2020 - 2022 has been adjusted.
12	APPENDIXES	
A	Financial Management Assessment Questionnaire	<ul style="list-style-type: none"> The financial management assessment questionnaire has been updated according to the financial assessment that conducted in September 2019

B	Project Monitoring and Evaluation Plan (Global Environment Facility Grant)	<ul style="list-style-type: none">• In accordance to project monitoring and evaluation the PAM for project period 2020 – 2022 has no change and refer to project period 2014 - 2019
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Appendix 1. Financial Management Assessment Questionnaire
By Directorate General of Capture Fisheries (DGCF) for Project Period 2014 - 2019

Topic	Response	Remarks
1. Implementing Agency		
1.1 What is the entity's legal status / registration?	Directorate General of Capture Fisheries(DGCF) under Ministry of Marine Affairs and Fisheries (MMAF)/Government Ministry	
1.2 Has the entity implemented an externally-financed project in the past (if so, please provide details)?	Yes (COFISH INO. 1570-1571)	
1.3 What are the statutory reporting requirements for the entity?	Official requirements of Government of Indonesia	
1.4 Is the governing body for the project independent?	Yes	But staff still do other job within their position requirements
1.5 Is the organizational structure appropriate for the needs of the project?	Yes Please referred to PAM attachment.	for the proposed project it is considered that organizational structure is sufficiently appropriate
2. Funds Flow Arrangements		
2.1 Describe (proposed) project funds flow arrangements, including a chart and explanation of the flow of funds from ADB, government and other financiers.	Funds flow through two levels of imprest accounts. diagram is attached in PAM in linked document No.2	
2.2 Are the (proposed) arrangements to transfer the proceeds of the loan (from the government / Finance Ministry) to the entity satisfactory?	Yes, Following regular budgeting of Government system	
2.3 What have been the major problems in the past in receipt of funds by the entity?	Preparation of direct payment withdrawal applications	
2.4 In which bank will the Imprest Account be opened?	Bank Indonesia	
2.5 Does the (proposed) project implementing unit (PIU) have experience in the management of disbursements from ADB?	Yes, see point 1.2	
2.6 Does the entity have/need a capacity to manage foreign exchange risks?	Yes, the other completed project with ADB have managed contract in foreign currency	

Topic	Response	Remarks
2.7 How are the counterpart funds accessed?	Counterpart funds for COREMAP—CTI will be allocated in annual budgeted, based on annual work plans	GOI Portion
2.8 How are payments made from the counterpart funds?	Against invoice from firms following established Government procedure	All the payments procedure are similar
2.9 If part of the project is implemented by communities or NGOs, does the PIU have the necessary reporting and monitoring features built into its systems to track the use of project proceeds by such agencies?	Yes, NGOs must submit financial and physical progress to PIU monthly, quarterly, during semester and annual report	
2.10 Are the beneficiaries required to contribute to project costs? If beneficiaries have an option to contribute in kind (in the form of labor), are proper guidelines formulated to record and value the labor contribution?	Not applicable	
3. Staffing		
3.1 What is the (proposed) organizational structure of the accounting department? Attach an organization chart.	Proposed for organization that handles accounting	

Topic	Response	Remarks
3.2 Identify the (proposed) accounts staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions and CVs of key accounting staff.	The accounts staff should be relevant to educational background and/or professional experience (preferably be familiar with government accounting standards and procedures). The responsibilities of the accounts staff include: (i) process source documents to produce financial statements, including the report on budget realization, balance sheet and notes to the financial report, (ii) submit the report on budget realization and balance sheet together with the computer data archive to the accounting division of MMAF for consolidation every month, (iii) prepare a reconciliation report with KPPN every month, and (iv) prepare mid-term and annual financial statements accompanied by notes to the financial report.	Detail Job description already prepared
3.3 Is the project finance and accounting function staffed adequately?	Yes, adequate	
3.4 Is the finance and accounts staff adequately qualified and experienced?	Sufficient, but training specifically for this loan project is required	
3.5 Is the project accounts and finance staff trained in ADB procedures?	No. DGCF staff need training for ADB procedures	
3.6 What is the duration of the contract with the finance and accounts staff?	The staff is government officer of DGCF	
3.7 Indicate key positions not contracted yet, and the estimated date of appointment.	To be determined	

Topic	Response	Remarks
3.8 Does the project have written position descriptions that clearly define duties, responsibilities, lines of supervision, and limits of authority for all of the officers, managers, and staff?	Yes	
3.9 At what frequency are personnel transferred?	Once every one to three years, depending on their tasks and their performance.	
3.10 What is training policy for the finance and accounting staff?	There is a routine training agenda provided by MMAF every year.	
4. Accounting Policies and Procedures		
4.1 Does the entity have an accounting system that allows for the proper recording of project financial transactions, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds? Will the project use the entity accounting system?	Yes, in accordance with Minister of Finance Decree 171/2007 as amended by Minister of Finance Decree 233/PMK.05/ 2011 (the Government accounting system and financial reporting)	
4.2 Are controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?	Yes, following regulation Minister of Finance Decree PMK134/PMK.06/2005 on Guideline to Implement Sate Budget (Pedoman Pembayaran dalam Pelaksanaan APBN)	
4.3 Is the chart of accounts adequate to properly account for and report on project activities and disbursement categories?	Yes, following regulation Minister of Finance Decree PMK 91/PMK.05/2007 on Standard Account System (Bagan Akun Standar)	
4.4 Are cost allocations to the various funding sources made accurately and in accordance with established agreements?	Yes	
4.5 Are the General Ledger and subsidiary ledgers reconciled and in balance?	Yes, monthly with state treasury office	
4.6 Are all accounting and supporting documents retained on a permanent basis in a defined system that allows authorized users easy access?	Yes, access is possible by authorized personnel.	

Topic	Response	Remarks
Segregation of Duties		
4.7 Are the following functional responsibilities performed by different units or persons: (i) authorization to execute a transaction; (ii) recording of the transaction; and (iii) custody of assets involved in the transaction	Yes, (i) Project Manager (ii) Treasurer (iii) Finance and General Affairs	
4.8 Are the functions of ordering, receiving, accounting for, and paying for goods and services appropriately segregated?	Yes - Ordering: procurement committee - Receiving: receiving committee - Payment: treasurer	
4.9 Are bank reconciliations prepared by someone other than those who make or approve payments?	Yes, Accounting Staff	
Budgeting System		
4.10 Do budgets include physical and financial targets?	Yes	
4.11 Are budgets prepared for all significant activities in sufficient detail to provide a meaningful tool with which to monitor subsequent performance?	Yes, Based on DGCF Strategic Planning	
4.12 Are actual expenditures compared to the budget with reasonable frequency, and explanations required for significant variations from the budget?	Yes	
4.13 Are approvals for variations from the budget required in advance or after the fact?	Yes, Prior approval	This rarely happens since it requires government regulation.
4.14 Who is responsible for preparation and approval of budgets?	Prepared by the planning official, approved by the Director General of DGCF, and submitted to MMAF for final approval by the parliament	
4.15 Are procedures in place to plan project activities, collect information from the units in charge of the different components, and prepare the budgets?	Yes	
4.16 Are the project plans and budgets of project activities realistic, based on valid assumptions, and developed by knowledgeable individuals?	Yes	

Topic	Response	Remarks
Payments		
4.17 Do invoice-processing procedures provide for: (i) Copies of purchase orders and receiving reports to be obtained directly from issuing departments? (ii) Comparison of invoice quantities, prices and terms, with those indicated on the purchase order and with records of goods actually received? (iii) Comparison of invoice quantities with those indicated on the receiving reports? (iv) Checking the accuracy of calculations?	Yes	
4.18 Are all invoices stamped PAID, dated, reviewed and approved, and clearly marked for account code assignment?	Yes	
4.19 Do controls exist for the preparation of the payroll and are changes to the payroll properly authorized?	Yes	
Policies And Procedures		
4.20 What is the basis of accounting (e.g., cash, accrual)?	Cash	
4.21 What accounting standards are followed?	In accordance with government accounting standards	
4.22 Does the project have an adequate policies and procedures manual to guide activities and ensure staff accountability?	Yes	
4.23 Is the accounting policy and procedure manual updated for the project activities?	Yes, Annually following Minister of Finance Regulation	
4.24 Do procedures exist to ensure that only authorized persons can alter or establish a new accounting principle, policy or procedure to be used by the entity?	Yes, the software is available provided by the Ministry of Finance.	
4.25 Are there written policies and procedures covering all routine financial management and related administrative activities?	Yes	
4.26 Do policies and procedures clearly define conflict of interest and related party transactions (real and apparent) and provide safeguards to protect the organization from them	Yes, DGCF regulates through integrity and based on facts fact but not to protect the organization.	In line with Government regulation to prevent conflict of interest
4.27 Are manuals distributed to appropriate personnel?	Yes	
Cash and Bank		
4.28 Indicate names and positions of authorized signatories in the bank accounts.	To be determined	
4.29 Does the organization maintain an adequate, up-to-date cashbook, recording receipts and payments?	Yes	

Topic	Response	Remarks
4.30 Do controls exist for the collection, timely deposit and recording of receipts at each collection location?	Yes	
4.31 Are bank and cash reconciled on a monthly basis?	Yes	
4.32 Are all unusual items on the bank reconciliation reviewed and approved by a responsible official?	Yes	
4.33 Are all receipts deposited on a timely basis?	Yes	
Safeguard over Assets		
4.34 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?	Yes, the Ministry of Finance provides a Management and Accounting Information System for State-Owned Assets (SIMAK-BMN) for use by the accounting unit. The management of state-owned assets is regulated by Government Regulation 6/2006	
4.35 Are subsidiary records of fixed assets and stocks kept up to date and reconciled with control accounts?	Yes, by inventory staff	
4.36 Are there periodic physical inventories of fixed assets and stocks?	Yes, monthly	
4.37 Are assets sufficiently covered by insurance policies?	No	
Other Offices and Implementing Entities		
4.38 Are there any other regional offices or executing entities participating in implementation?	No	
4.39 Has the project established controls and procedures for flow of funds, financial information, accountability, and audits in relation to the other offices or entities?	Not applicable	
4.40 Does information among the different offices/implementing agencies flow in an accurate and timely fashion?	No	
4.41 Are periodic reconciliations performed among the different offices/implementing agencies?	Not applicable	
Other		
4.42 Has the project advised employees, beneficiaries and other borrower to whom to report if they suspect fraud, waste or misuse of project resources or property	Yes, Report to project management team	
5. Internal Audit		
5.1 Is there an internal audit department in the entity?	Yes, the Inspectorate General of MMAF	

Topic	Response	Remarks
5.2 What are the qualifications and experience of audit department staff?	Various, accounting and other related backgrounds	
5.3 To whom does the internal auditor report?	To Minister of MMAF	
5.4 Will the internal audit department include the project in its work program?	Yes	
5.5 Are actions taken on the internal audit findings?	Yes	
6. External Audit		
6.1 Is the entity financial statement audited regularly by an independent auditor? Who is the auditor?	Yes, by Supreme Audit Board of Indonesia	as part of reports prepared by the Directorate General of Treasury (refer to Minister of Finance decree 233/2011 on the Government accounting system and financial
6.2 Are there any delays in audit of the entity? When are the audit reports issued?	BPK usually issues its financial report for a financial year in July of the next year. The working unit will receive the report (specifically for its part) about two months after the audit.	
6.3 Is the audit of the entity conducted according to the International Standards on Auditing?	In accordance with prevailing GOI regulations.	
6.4 Were there any major accountability issues brought out in the audit report of the past three years?	No	
6.5 Will the entity auditor audit the project accounts or will another auditor be appointed to audit the project financial statements?	Yes, BPK	
6.6 Are there any recommendations made by the auditors in prior audit reports or management letters that have not yet been implemented?	No	
6.7 Is the project subject to any kind of audit from an independent governmental entity (e.g., the supreme audit institution) in addition to the external audit?	No, The auditor is BPK	
6.8 Has the project prepared acceptable terms of reference for an annual project audit?	Being discussed	

Topic	Response	Remarks
7. Reporting and Monitoring		
7.1 Are financial statements prepared for the entity? In accordance with which accounting standards?	Yes Following Government Regulation 233/2011	
7.2 Are financial statements prepared for the implementing unit?	Yes	
7.3 What is the frequency of preparation of financial statements? Are the reports prepared in a timely fashion so as to useful to management for decision making?	Internal financial statements are required to be prepared monthly, quarterly and annually. In addition, an external audit will be conducted annually.	
7.4 Does the reporting system need to be adapted to report on the project components?	Yes, in accordance with COREMAP—CTI loan agreement (technical assistance provided through the Project).	
7.5 Does the reporting system have the capacity to link the financial information with the project's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that the physical data may not synchronize with the financial data?	Yes, done manually	need to develop software application to integrate financial and physical progress for reporting system
7.6 Does the project have established financial management reporting responsibilities that specify what reports are to be prepared, what they are to contain, and how they are to be used?	To be determined	
7.7 Are financial management reports used by management?	Yes	
7.8 Do the financial reports compare actual expenditures with budgeted and programmed allocations?	Yes	
7.9 Are financial reports prepared directly by the automated accounting system or are they prepared by spreadsheets or some other means?	By an automated accounting system, provided by MoF.	
8. Information Systems		
8.1 Is the financial management system computerized?	MMAF does not operate a computerized financial management system. For COREMAP CTI implementation, DGCF through DGMCSI intend to use ADB supported COREMAP Phase II system	
8.2 Can the system produce the necessary project financial reports?	Yes	

Topic	Response	Remarks
8.3 Is the staff adequately trained to maintain the system?	Yes, but training is always required since staff is periodically replaced.	
8.4 Does the management organization and processing system safeguard the confidentiality, integrity and availability of the data?	Yes	

ADB = Asian Development Bank. LIPI = *Lembaga Ilmu Pengetahuan Indonesia* (Indonesian Institute of Sciences). PMO = Project Management Office. NPIU = National Project Implementation Unit. DPIU = District Project Implementation Unit. KPKN = *Kantor Pelayanan Perbendaharaan Negara* (State Treasury Office).

^a Gol regulations no longer give NGOs or academic institutions preferential access to government-financed contracts (including contracts financed from government loans or grants).

Topic	Response	Remarks
1. Implementing Agency		
1.1 What is the entity's legal status / registration?	Government Institution (LIPI)	
1.2 Has the entity implemented an externally-financed project in the past (if so, please provide details)?	Yes, COREMAP I, COREMAP II	
1.3 What are the statutory reporting requirements for the entity?	Annual Reporting to National Board	To MMAF as Executing Agency, to Steering Committee, to Technical Committee and Bappenas
1.4 Is the governing body for the project independent?	Yes, Follow the Government Regulation	
1.5 Is the organizational structure appropriate for the needs of the project?	Yes, but not yet established	
2. Funds Flow Arrangements		
2.1 Describe (proposed) project funds flow arrangements, including a chart and explanation of the flow of funds from ADB, government and other financiers.	Through Direct payment and mostly imprest account	
2.2 Are the (proposed) arrangements to transfer the proceeds of the loan (from the government / Finance Ministry) to the entity satisfactory?	Yes, appropriate standards are in place based on government regulation	
2.3 What have been the major problems in the past in receipt of funds by the entity?	There is no major problem as long as the budget is approved by MMAF	
2.4 In which bank will the Imprest Account be opened?	Bank Indonesia	
2.5 Does the (proposed) project implementing unit (PIU) have experience in the management of disbursements from ADB?	Yes, (see point 1.2)	
2.6 Does the entity have/need a capacity to manage foreign exchange risks?	Not applicable	

Topic	Response	Remarks
2.7 How are the counterpart funds accessed?	Allocated in Research Centre Oceanography (RCO)- LIPI in DIPA (Official Government Budget Document)	
2.8 How are payments made from the counterpart funds?	Based on contract and invoice through KPPN (Kantor Kas Negara = Government Treasury Office)	
2.9 If part of the project is implemented by communities or NGOs, does the PIU have the necessary reporting and monitoring features built into its systems to track the use of project proceeds by such agencies?	Not applicable	
2.10 Are the beneficiaries required to contribute to project costs? If beneficiaries have an option to contribute in kind (in the form of labor), are proper guidelines formulated to record and value the labor contribution?	Not applicable	
3. Staffing		
3.1 What is the (proposed) organizational structure of the accounting department? Attach an organization chart.	PIU LIPI uses standard structure of Government in its Finance Department	
3.2 Identify the (proposed) accounts staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions and CVs of key accounting staff.	Treasurer, Project Manager, Staff, but not decided yet for next year	Treasurer : experience in finance; Project Manager: procurement certified and experience in finance, Staff Finance Department: all have experience in finance
3.3 Is the project finance and accounting function staffed adequately?	Yes, adequate	
3.4 Is the finance and accounts staff adequately qualified and experienced?	Qualified: yes Experienced: yes	
3.5 Is the project accounts and finance staff trained in ADB procedures?	No, just self trained	Need to participate in training by ADB
3.6 What is the duration of the contract with the finance and accounts staff?	For Project manager and treasurer, 1 year duration with decree from head of LIPI	All the staffs are employees of Government of Indonesia
3.7 Indicate key positions not contracted yet, and the estimated date of appointment.	Not decided yet , usually done at the end of the year before project starts, see point 3.6	
3.8 Does the project have written position descriptions that clearly define duties, responsibilities, lines of supervision, and limits of authority for all of the officers, managers, and staff?	Yes	In the draft of Head of LIPI Decree
3.9 At what frequency are personnel transferred?	Generally not transferred	See point 3.6

Topic	Response	Remarks
3.10 What is training policy for the finance and accounting staff?	Through work experience and self training	
4. Accounting Policies and Procedures		
4.1 Does the entity have an accounting system that allows for the proper recording of project financial transactions, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds? Will the project use the entity accounting system?	LIPI will use the standard government system	
4.2 Are controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?	Yes, the standard procedure apply, Staff responsible for finance will prepare documents and will be authorize by project manager and paid by treasurer	
4.3 Is the chart of accounts adequate to properly account for and report on project activities and disbursement categories?	Are determined by the loan categories in the loan agreement	And will be cleared or detail breakdown for the Government Indonesia budget document (DIPA)
4.4 Are cost allocations to the various funding sources made accurately and in accordance with established agreements?	Yes	
4.5 Are the General Ledger and subsidiary ledgers reconciled and in balance?	Yes , done monthly	
4.6 Are all accounting and supporting documents retained on a permanent basis in a defined system that allows authorized users easy access?	Yes ,stored in RCO Finance Department Office and can be accessed during the annual audit	
Segregation of Duties		
4.7 Are the following functional responsibilities performed by different units or persons: (i) authorization to execute a transaction; (ii) recording of the transaction; and (iii) custody of assets involved in the transaction?	Yes (i) Project Manager (ii) Treasurer (iii) General & Logistic Department	
4.8 Are the functions of ordering, receiving, accounting for, and paying for goods and services appropriately segregated?	Yes, Ordering by Procurement Committee, Receiving by Receiving Committee, accounting by finance department and payment by treasurer	
4.9 Are bank reconciliations prepared by someone other than those who make or approve payments?	Yes	
Budgeting System		
4.10 Do budgets include physical and financial targets?	Yes	

Topic	Response	Remarks
4.11 Are budgets prepared for all significant activities in sufficient detail to provide a meaningful tool with which to monitor subsequent performance?	Yes, monitoring by Project Manager and Head of RCO LIPI	
4.12 Are actual expenditures compared to the budget with reasonable frequency, and explanations required for significant variations from the budget?	Yes	
4.13 Are approvals for variations from the budget required in advance or after the fact?	Approval done by Project Manager as long as it does not exceed the budget amount	
4.14 Who is responsible for preparation and approval of budgets?	Preparation of budget by Activity Coordinator and approval by PME (Planning, Monitoring & Evaluation) team and Head of RCO LIPI	
4.15 Are procedures in place to plan project activities, collect information from the units in charge of the different components, and prepare the budgets?	Yes	
4.16 Are the project plans and budgets of project activities realistic, based on valid assumptions, and developed by knowledgeable individuals?	Yes, the person who is in charge is experienced in the work and based on past experience in similar activities	
Payments		
4.17 Do invoice-processing procedures provide for: (i) Copies of purchase orders and receiving reports to be obtained directly from issuing departments? (ii) Comparison of invoice quantities, prices and terms, with those indicated on the purchase order and with records of goods actually received? (iii) Comparison of invoice quantities with those indicated on the receiving reports? (iv) Checking the accuracy of calculations?	(i) Yes, Receiving Committee (ii) Yes, Receiving Committee (iii) Yes, Project Manager (iv) Yes, Project Manager	
4.18 Are all invoices stamped PAID, dated, reviewed and approved, and clearly marked for account code assignment?	Yes	
4.19 Do controls exist for the preparation of the payroll and are changes to the payroll properly authorized?	Yes	
Policies And Procedures		
4.20 What is the basis of accounting (e.g., cash, accrual)?	Standard operating procedure used in Government of Indonesia (Cash Basis)	
4.21 What accounting standards are followed?	Single entry book keeping (Government of Indonesia Standard)	

Topic	Response	Remarks
4.22 Does the project have an adequate policies and procedures manual to guide activities and ensure staff accountability?	Yes, following Government Regulation No 190/PMK.05/2012 from Ministry of Finance	
4.23 Is the accounting policy and procedure manual updated for the project activities?	Yes, following on Ministry of Finance regulation and PAM	
4.24 Do procedures exist to ensure that only authorized persons can alter or establish a new accounting principle, policy or procedure to be used by the entity?	Yes, follow the government regulation and PAM	
4.25 Are there written policies and procedures covering all routine financial management and related administrative activities?	Yes, there are many written policies and procedures on this from Ministry of Finance	
4.26 Do policies and procedures clearly define conflict of interest and related party transactions (real and apparent) and provide safeguards to protect the organization from them?	Yes	
4.27 Are manuals distributed to appropriate personnel?	Yes	
Cash and Bank		
4.28 Indicate names and positions of authorized signatories in the bank accounts.	Head of RCO LIPI and Treasurer	
4.29 Does the organization maintain an adequate, up-to-date cashbook, recording receipts and payments?	Yes	
4.30 Do controls exist for the collection, timely deposit and recording of receipts at each collection location?	Yes	
4.31 Are bank and cash reconciled on a monthly basis?	Yes	
4.32 Are all unusual items on the bank reconciliation reviewed and approved by a responsible official?	Yes	
4.33 Are all receipts deposited on a timely basis?	Yes	
Safeguard over Assets		
4.34 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?	Yes, in Government system there is <i>SABMN/Standar Barang Milik Negara</i> (Standard Accounting for Equipment of Government Property)	
4.35 Are subsidiary records of fixed assets and stocks kept up to date and reconciled with control accounts?	Yes, monthly	
4.36 Are there periodic physical inventories of fixed assets and stocks?	Yes, monthly	
4.37 Are assets sufficiently covered by insurance policies?	No, there is no Insurance policies in standard government procedure	

Topic	Response	Remarks
Other Offices and Implementing Entities		
4.38 Are there any other regional offices or executing entities participating in implementation?	Yes, with PMO and other implementing agencies	
4.39 Has the project established controls and procedures for flow of funds, financial information, accountability, and audits in relation to the other offices or entities?	Yes,	
4.40 Does information among the different offices/implementing agencies flow in an accurate and timely fashion?	Yes	
4.41 Are periodic reconciliations performed among the different offices/implementing agencies?	Yes, monthly	
Other		
4.42 Has the project advised employees, beneficiaries and other borrower to whom to report if they suspect fraud, waste or misuse of project resources or property?	Yes	
5. Internal Audit		
5.1 Is there a internal audit department in the entity?	Yes, Inspektorat of LIPI (internal auditor of LIPI)	
5.2 What are the qualifications and experience of audit department staff?	Varies , from Accounting to other related background	
5.3 To whom does the internal auditor report?	To the head of RCO-LIPI and head of LIPI	
5.4 Will the internal audit department include the project in its work program?	Yes	
5.5 Are actions taken on the internal audit findings?	Yes	
6. External Audit		
6.1 Is the entity financial statement audited regularly by an independent auditor? Who is the auditor?	Yes, BPK, Republic of Indonesia	
6.2 Are there any delays in audit of the entity? When are the audit reports issued?	No, during the fiscal year and after the fiscal year	
6.3 Is the audit of the entity conducted according to the International Standards on Auditing?	Yes, Standard GOI procedure	
6.4 Were there any major accountability issues brought out in the audit report of the past three years?	ownership of equipments bought by projects in COREMAP Phase I & II	But now it is resolved
6.5 Will the entity auditor audit the project accounts or will another auditor be appointed to audit the project financial statements?	BPK , Republic of Indonesia	
6.6 Are there any recommendations made by the auditors in prior audit reports or management letters that have not yet been implemented?	No	
6.7 Is the project subject to any kind of audit from an independent governmental entity (e.g., the supreme audit institution) in addition to the external audit?	BPK , Republic of Indonesia	

Topic	Response	Remarks
6.8 Has the project prepared acceptable terms of reference for an annual project audit?	No, standard Government of Indonesia procedure	
7. Reporting and Monitoring		
7.1 Are financial statements prepared for the entity? In accordance with which accounting standards?	Yes, Standard GOI Procedure and PAM	
7.2 Are financial statements prepared for the implementing unit?	Yes, follow the PAM	
7.3 What is the frequency of preparation of financial statements? Are the reports prepared in a timely fashion so as to useful to management for decision making?	Annually, Yes	
7.4 Does the reporting system need to be adapted to report on the project components?	Yes	
7.5 Does the reporting system have the capacity to link the financial information with the project's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that the physical data may not synchronize with the financial data?	Yes, review by PME (Planning, Monitoring & Evaluation) team and Head of the RCO LIPI	
7.6 Does the project have established financial management reporting responsibilities that specify what reports are to be prepared, what they are to contain, and how they are to be used?	Yes, following PAM developed by PMO	
7.7 Are financial management reports used by management?	Yes, Project Manager and Head of RCO LIPI	
7.8 Do the financial reports compare actual expenditures with budgeted and programmed allocations?	Yes	
7.9 Are financial reports prepared directly by the automated accounting system or are they prepared by spreadsheets or some other means?	Manually	For RCO activities it is automatic accounting, but for specific project it is done manually
8. Information Systems		
8.1 Is the financial management system computerized?	Yes	
8.2 Can the system produce the necessary project financial reports?	Yes, for all activities in RCO LIPI, but manually for specified project	
8.3 Is the staff adequately trained to maintain the system?	Yes	
8.4 Does the management organization and processing system safeguard the confidentiality, integrity and availability of the data?	Yes	

P2O = Pusat Penelitian Oseanografi = RCO = Research Centre For Oceanography
 LIPI = Lembaga Ilmu Pengetahuan Indonesia = Indonesian Institute of Sciences
 PPK = Pejabat Pembuat Komitmen = Project Manager
 PME = Team Planning, Monitoring & Evaluation who helped Head of RCO LIPI

Appendix 2. PROJECT MONITORING AND EVALUATION PLAN (GEF GRANT)

Type of M&E Activity	Responsible Parties	Issues Addressed	Project Budget	Time Frame
Project Progress Report	Project Management Office	Implementation progress of each component. Progress towards achieving targets/indicators set in the results framework. Issues related to project implementation and any deviations from agreed project framework and scope.	\$5,000	Semiannual
Review Missions	ADB as lead in collaboration with World Bank	Review of project progress and verification of the issues raised and progress mentioned in project progress report. Recommendation of remedial actions if there are major slippages.	-	Semiannual
Audit Report	Project Management office and MOF	Financial management and fund utilization. Fiduciary aspects.	\$5,000	Annual
Midterm Evaluation	ADB in lead in collaboration with World Bank and external Consultants	Comprehensive review of project in project component. Identification of any major slippages in project implementation. Continued relevance of project components to the needs of the province. Recommendation of remedial actions if necessary. Updating the tracking sheet	\$10,000	At the midpoint of project implementation
Project Completion Report	ADB and external consultants	Comprehensive assessment of project implementation. Quantification of the results achieved including global environmental benefits. Documentation of the lessons learnt from the project. Assessment of the sustainability of project results and recommend measures to ensure sustainability and follow-up actions. Updating the tracking sheet	\$30,000	At the completion of the project.

ADB = Asian Development Bank, M&E = monitoring and evaluation, MOF = Ministry of Finance.

The baseline data from the Biodiversity Tracking Tools will be a key tool for future monitoring, reviews, and assessments and have been cited as one of the means of verification in the projects design and Monitoring Framework

**Appendix 3. Financial Management Assessment Questionnaire
for Project Period 2020 - 2022**

Topic	Response	Potential Risk Event
1. Executing / Implementing Agency		
1.1 What is the entity's legal status / registration?	ICCTF is a Working Unit (<i>Satker</i>) under Ministry of National Development Planning/Bappenas under Deputy Minister for Development Funding, Ministry of National Development Planning/Bappenas please refer to attachment #1	
1.2 How much equity (shareholding) is owned by the Government?	Because ICCTF is Trust Fund institution under Government entity, the equity is 29% owned by GOI, and 71% owned by Bilateral Grants (USAID, UKCCU, and DANIDA) please refer to attachment #2	
1.3 Obtain the list of beneficial owners of major blocks of shares (non-governmental portion), if any. ³	Currently ICCTF manages grants from USAID, UKCCU, and DANIDA. For the details of list of beneficial owners (non GOI) and the portion please refer to attachment #2	
1.4 Has the entity implemented an externally-financed project in the past? If yes, please provide details.	Yes, Please refer to question #1.3	
1.5 Briefly describe the statutory reporting requirements for the entity.	ICCTF's reporting refer to Government Reporting Mechanism and Donor Reporting Mechanism	
1.6 Describe the regulatory or supervisory agency of the entity.	ICCTF is a Board of Trustees Organization chaired by a Chairperson. (Deputy for Maritime Affairs and Natural Resources under Ministry of National Development Planning/Bappenas on	

³ In such cases, consult OAI on the need for integrity due diligence on non-governmental beneficial owners.

Topic	Response	Potential Risk Event
	behalf of Government of Indonesia. The Director of Marine and Fisheries Bappenas was appointed as the coordinator of marine and fisheries working group under ICCTF. Please refer to attachment #3	
1.7 What is the governing body for the project? Is the governing body for the project independent?	Governing Body is Ministry of National Development Planning/Bappenas	
1.8 Obtain current organizational structure and describe key management personnel. Is the organizational structure and governance appropriate for the needs of the project?	Please refer to the attachment #4 for Current Organizational Structure and Please refer to the attachment #5 for Proposed Organizational Structure adjusted for the projects	
1.9 Does the entity have a Code of Ethics in place?	Yes. ICCTF follow Code of Ethics of Government of Indonesia. (the Regulation of Minister of PPN/Bappenas no. 8 2016) Please refer to the attachment #6	
1.10 Describe (if any) any historical issues reports of ethics violations involving the entity and management. How were they addressed?	N/A	
2. Funds Flow Arrangements		
2.1 Describe the (proposed) project funds flow arrangements in detail, including a funds flow diagram and explanation of the flow of funds from ADB, government and other financiers, to the government, EA, IA, suppliers, contractors, ultimate beneficiaries, etc. as applicable.	ICCTF will proposed project fund flow arrangement refer to Financial Policy ADB and Director General of Treasury, Directorate of State Treasury Management, MoF. For the diagram, please refer to the attachment #7	

Topic	Response	Potential Risk Event
2.2 Are the (proposed) arrangements to transfer the proceeds of the loan/grant (from the government / Finance Ministry) to the entity and to the end-recipients satisfactory?	Yes, they are satisfied. ICCTF is following Government of Indonesia Regulation (APBN System). Please refer to question #2.1	
2.3 Are the disbursement methods appropriate?	Yes. Disbursement methods are appropriate. ICCTF will follow ADB Disbursement Manual	
2.4 What have been the major problems in the past involving the receipt, accounting and/or administration of funds by the entity?	There have been no significant problems. ICCTF has been providing assistance to each proponents through proper induction and communication SOPs before project commencement. Constant monitoring of good practice and governance is also provided by ICCTF.	
2.5 In which bank will the Advance Account (if applicable) be established?	Bank of Indonesia (central Bank)	
2.6 Is the bank in which the Advance account is established capable of – <ul style="list-style-type: none"> • Executing foreign and local currency transactions? • Issuing and administering letters of credit (LC)? • Handling a large volume of transaction? • Issuing detailed monthly bank statements promptly? 	Yes Yes Yes Yes	
2.7 Is the ceiling for disbursements from the Advance account and SOE (Statement of Expenditure) appropriate/required?	Yes. The ceiling for Initial Deposits will refer to the COREMAP Project Admin Memorandum (PAM) of ADB	
2.8 Does the (proposed) project implementing unit (PIU) have experience in the management of disbursements from ADB?	Yes, the Ministry of National Development Planning (c.q Deputy of Maritime Affairs and Natural Resources) has experience managing ADB Grant/Loan.	

Topic	Response	Potential Risk Event
2.9 Does the PIU have adequate administrative and accounting capacity to manage the imprest fund and statement of expenditure (SOE) procedures in accordance with ADB's Loan Disbursement Handbook (LDH)? Identify any concern or uncertainty about the PIU's administrative and accounting capability which would support the establishment of a ceiling on the use of the SOE procedure.	Yes, the Ministry of National Development Planning (c.q Deputy of Maritime Affairs and Natural Resources) has adequate administrative and accounting capacity to manage the imprest fund and statement of expenditure (SOE) procedures	
2.10 Is the entity exposed to foreign exchange risk? If yes, describe the entity's policy and arrangements for managing foreign exchange risk.	Yes it is. To remedy the issue, the Ministry of National Development Planning will follow ADB's regulation on foreign exchange.	
2.11 How are the counterpart funds accessed?	Counterpart fund is deposited in treasury account by monthly bank reporting to MoF	
2.12 How are payments made from the counterpart funds?	Currently ICCTF made all payments through the issuance of payment instruction letter in accordance to GOI regulation. Similar to the response of question 2.1, the Ministry of National Development Planning has the experience to prepare withdrawal application (WA) for payment submission to ADB.	
2.13 If project funds will flow to communities or NGOs, does the PIU have the necessary reporting and monitoring arrangements and features built into its systems to track the use of project proceeds by such entities?	Yes. ICCTF already has a proper system to do the reporting and monitoring.	

Topic	Response	Potential Risk Event
2.14 Are the beneficiaries required to contribute to project costs? If beneficiaries have an option to contribute in kind (in the form of labor or material), are proper guidelines and arrangements formulated to record and value the labor or material contributions at appraisal and during implementation?	Based on current practice, the beneficiaries encourage to contribute to the project cost. In this proposed project, ICCTF will be follow the Project Administration Manual (PAM) from ADB regulation.	
3. Staffing		
3.1 What is the current and/or proposed organizational structure of the accounting department? Attach an organization chart.	Please refer to the attachment #8 for Current Operation Department/ Accounting and Finance Department And Please refer to the attachment #9 for Proposed Operation Department/ Accounting and Finance Department	
3.2 Will existing staff be assigned to the project, or will new staff be recruited?	Yes, the existing staff will be assigned to the ADB's Project and also ICCTF will recruits new staff to support this projects.	
3.3 Describe the existing or proposed project accounting staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions and CVs of key existing accounting staff.	Please refer to the attachment #10	
3.4 Is the project finance and accounting function staffed adequately?	Yes. project finance and accounting function staffed adequately Please refer to the attachment #10	
3.5 Are the project finance and accounting staff adequately qualified and experienced?	Yes. project finance and accounting staff adequately qualified and experienced Please refer to the attachment #10	
3.6 Are the project finance and accounting staff trained in ADB procedures, including the disbursement guidelines (i.e., LDH)?	The project finance and accounting staff has experience to the donors disbursement guidelines and in the proposed	

Topic	Response	Potential Risk Event
	timeline, the incumbent will arrange the training.	
3.7 What is the duration of the contract with the project finance and accounting staff?	Currently the contract period of project finance is for 1 year, refer to the fiscal year. And for propose ADB's project, the the contract period will be for 3 years and subject for performance appraisal every year.	
3.8 Identify any key positions of project finance and accounting staff not contracted or filled yet, and the estimated date of appointment.	Currently all positions of project finance & accounting staff are fully in place and for support the projects, ICCTF will also recruit new staffs	
3.9 For new staff, describe the proposed project finance and accounting staff, including job title, responsibilities, educational background and professional experience. Attach job descriptions.	Please refer to the question #3.3	
3.10 Does the project have written position descriptions that clearly define duties, responsibilities, lines of supervision, and limits of authority for all of the officers, managers, and staff?	Yes. Please refer to the question #3.3	
3.11 What is the turnover rate for finance and accounting personnel (including terminations, resignations, transfers, etc.)?	For project finance position, there is no turnover during 6 years. And for accounting staff there is 1 time resignation in the last 2 years.	
3.12 What is training policy for the finance and accounting staff?	Graduated from the Accounting Department and has minimal 3 year experience in finance and grant	
3.13 Describe the list of training programs attended by finance and accounting staff in the last 3 years.	<ul style="list-style-type: none"> - IPSAS (International Public Sector Accounting Standards) - Project Costing Please refer to attachment #11	
4. Accounting Policies and Procedures		

Topic	Response	Potential Risk Event
4.1 Does the entity have an accounting system that allows for the proper recording of project financial transactions, including the allocation of expenditures in accordance with the respective components, disbursement categories, and sources of funds (in particular, the legal agreements with ADB)? Will the project use the entity accounting system? If not, what accounting system will be used for the project?	Yes, Yes, ICCTF has installed the ERP (Enterprise Resources Planning) for Financial, Accounting and Grant System. All of the transactions will be recorded daily. To maximize the usage of the ERP, ICCTF has developed categories for transaction classification and tracking mechanism	
4.2 Are controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained?	Yes. All the controls in place concerning the preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained Please refer to the attachment #12	
4.3 Is the chart of accounts adequate to properly account for and report on project activities and disbursement categories? Obtain a copy of the chart of accounts.	Yes. the chart of accounts adequate to properly account for and report on project activities and disbursement categories Please refer to the attachment #13	
4.4 Are cost allocations to the various funding sources made accurately and in accordance with established agreements?	Yes. Following Gol regulation PMK Number 252/2014 that stated 1 grant register for 1 account number. Please refer to the attachment #14	
4.5 Are the General Ledger and subsidiary ledgers reconciled monthly? Are actions taken to resolve reconciliation differences?	Yes. the General Ledger and subsidiary ledgers reconciled monthly as required by MoF, following Gol regulation.	
4.6 Describe the EA's policy for retention of accounting records including supporting documents (e.g, ADB's policy requires that all documents should be retained for at least 1 year after ADB receives the audited project financial statements for the final accounting period of implementation, or 2 years after the loan closing date, whichever is later). Are all accounting and supporting documents retained in a defined system	All documents retained for at least 5 years. all accounting and supporting documents retained in a defined system that allows authorized users easy access	

Topic	Response	Potential Risk Event
that allows authorized users easy access?		
4.7 Describe any previous audit findings that have not been addressed.	All previous audit findings were only administrative findings and that have been addressed	
Segregation of Duties		
4.8 Are the following functional responsibilities performed by different units or persons: (i) authorization to execute a transaction; (ii) recording of the transaction; (iii) custody of assets involved in the transaction; (iv) reconciliation of bank accounts and subsidiary ledgers?	Yes. The following functional responsibilities performed by different units or persons: (i) authorization to execute a transaction: Operation Director (ii) recording of the transaction: Accounting Officer (iii) custody of assets involved in the transaction: IT Manager (iv) reconciliation of bank accounts and subsidiary ledgers: Treasury Officer	
4.9 Are the functions of ordering, receiving, accounting for, and paying for goods and services appropriately segregated?	Yes. Below is the details for each function. a. Ordering: Procurement Officer b. Receiving: IT Manager as asset focal point. c. Accounting: Accounting Officer d. Paying for Goods and Services: Treasury Officer	
Budgeting System		
4.10 Do budgets include physical and financial targets?	Yes, the budget that we prepared include the Physical and financial targets.	

Topic	Response	Potential Risk Event
4.11 Are budgets prepared for all significant activities in sufficient detail to allow meaningful monitoring of subsequent performance?	Yes.	
4.12 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations against the budget?	Yes. ICCTF prepared Monthly report for Actual and Budget Monitoring. And updated anytime when proposing a new transaction.	
4.13 Are approvals for variations from the budget required (i) in advance, or (ii) after the fact?	All approvals for variations from the budget required In advance	
4.14 Is there a ceiling, up to which variations from the budget may be incurred without obtaining prior approval?	Following current practice deviation allowed 10% of the original budget.	
4.15 Who is responsible for preparation, approval and oversight/monitoring of budgets?	Preparation: Budget User Approval: Executive Director Oversight: Finance	
4.16 Describe the budget process. Are procedures in place to plan project activities, collect information from the units in charge of the different components, and prepare the budgets?	Please refer to the attachment #15	
<p>4.17 Are the project plans and budgets of project activities realistic, based on valid assumptions, and developed by knowledgeable individuals?</p> <p>Is there evidence of significant mid-year revisions, inadequate fund releases against allocations, or inability of the EA to absorb/spend released funds?</p> <p>Is there evidence that government counterpart funding is not made available adequately or on a timely basis in prior projects?</p> <p>What is the extent of over- or under-budgeting of major heads over the last</p>	<p>Yes. We consider the inflation and any valid assumptions to develop the project plans and budgets and etc. as described in attachment #16</p> <p>None</p> <p>None</p> <p>No. it is frequently adjusted to meet the budget planning</p>	

Topic	Response	Potential Risk Event
3 years? Is there a consistent trend either way?		
Payments		
<p>4.18 Do invoice-processing procedures require:</p> <p>(i) Copies of purchase orders and receiving reports to be obtained directly from issuing departments?</p> <p>(ii) Comparison of invoice quantities, prices and terms, with those indicated on the purchase order and with records of goods actually received?</p> <p>(iii) Comparison of invoice quantities with those indicated on the receiving reports?</p> <p>(iv) Checking the accuracy of calculations?</p> <p>(v) Checking authenticity of invoices and supporting documents?</p>	<p>Yes.</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>We have control for all the invoice supporting documents by checking to the payment checklist. Please refer to the attachment #17</p>	
4.19 Are all invoices stamped PAID, dated, reviewed and approved, recorded/entered into the system correctly, and clearly marked for account code assignment?	<p>Yes.</p> <p>All invoices and receipts stamped PAID, dated, reviewed and approved. Recorded into the ERP System and clearly marked for the right account code.</p>	
4.20 Do controls exist for the preparation of the payroll? Are changes (additions/deductions/modifications) to the payroll properly authorized?	<p>Yes.</p> <p>For the staff who funded by APBN Money, they are acknowledge as "<i>Pegawai Pemerintah Non Pegawai Negeri (PPNPN)</i>" and the payroll is directly transfer from the state treasury. For the staff who funded by Grant Money, the payroll will be directly transferred from the bank, and the preparation for the payroll is Treasury officer, reviewed by Finance and Accounting Manager and authorized by Executive Director.</p>	
Policies And Procedures		

Topic	Response	Potential Risk Event
4.21 What is the basis of accounting (e.g., cash, accrual) followed (i) by the entity? (ii) By the project?	Cash Basis for Budgeting and Modified Accrual Basis for Reporting	
4.22 What accounting standards are followed (International Financial Reporting Standards, International Public-Sector Accounting Standards – cash or accrual, or National Accounting Standards (specify) or other?	National Accounting Standard (Standar Akuntansi Pemerintah)	
4.23 Does the project have adequate policies and procedures manual(s) to guide activities and ensure staff accountability?	Yes, refer to COREMAP PAM (Project Administrative Memorandum) loan of prior COREMAP Project	
4.24 Is the accounting policy and procedure manual updated regularly and for the project activities?	Yes. All the procedure manual is updated base on project's regulation.	
4.25 Do procedures exist to ensure that only authorized persons can alter or establish a new accounting policy or procedure to be used by the entity?	Yes	
4.26 Are there written policies and procedures covering all routine financial management and related administrative activities?	Yes, refer to the Original PAM	
4.27 Do policies and procedures clearly define conflict of interest and related party transactions (real and apparent) and provide safeguards to protect the organization from them?	Yes. Based on common practices	
4.28 Are manuals distributed to appropriate personnel?	Yes.	
4.29 Describe how compliance with policies and procedures are verified and monitored.	Periodic Project Review & Monitor	
Cash and Bank		
4.30 Indicate names and positions of authorized signatories for bank accounts. Include those persons who have custody over bank passwords, USB keys, or equivalent for online transactions.	Currently the authorized signatories for the grant bank account comprise Executive Director, Operation Director, and treasurer.	

Topic	Response	Potential Risk Event
	For the proposed ADB's project the authorized signatories for the special account comprise Proxy of Budget User (KPA) and Billing Examination Officer and/or SPM Authorized Signatory Officer (PPSPM). Please refer to attachment #18	
4.31 Does the organization maintain an adequate and up-to-date cashbook recording receipts and payments?	Yes. All transaction record daily and up to date. And the original receipts will maintain for 5 years.	
4.32 Describe the collection process and cash handling procedures. Do controls exist for the collection, timely deposit and recording of receipts at each collection location?	Yes. Please refer to Cash & Bank Expenditures Mechanism of Gol	
4.33 Are bank accounts reconciled on a monthly basis? Or more often? Is cash on hand physically verified, and reconciled with the cash books? With what frequency is this done?	Monthly Basis	
4.34 Are all reconciling items approved and recorded?	Yes	
4.35 Are all unusual items on the bank reconciliation reviewed and approved by a responsible official?	Yes	
4.36 Are there any persistent/non-moving reconciling items?	N/A	
4.37 Are there appropriate controls in safekeeping of unused cheques, USB keys and passwords, official receipts and invoices?	Yes. Unused cheques safekeeping at a safety box. And all the official receipts and invoices safekeeping in filing cabinet.	
4.38 Are any large cash balances maintained at the head office or field offices? If so, for what purpose?	N/A, following government regulation, should not be deposited more than IDR 50mill in treasury box	
4.39 For online transactions, how many persons possess USB keys (or equivalent), and passwords? Describe	N/A, online transaction is not adopted by ICCTF	

Topic	Response	Potential Risk Event
the security rules on password and access controls.		
Safeguard over Assets		
4.40 What policies and procedures are in place to adequately safeguard or protect assets from fraud, waste and abuse?	Ministry of Finance regulation KMK no.440/KMK.05/2010	
4.41 Does the entity maintain a Fixed Assets Register? Is the register updated monthly? Does the register record ownership of assets, any assets under lien or encumbered, or have been pledged?	Yes. Updated Monthly Basis and subject to be checked randomly by Bappenas	
4.42 Are subsidiary records of fixed assets, inventories and stocks kept up to date and reconciled with control accounts?	Yes	
4.43 Are there periodic physical inventories of fixed assets, inventories and stocks? Are fixed assets, inventories and stocks appropriately labeled?	Yes.	
4.44 Are the physical inventory of fixed assets and stocks reconciled with the respective fixed assets and stock registers, and discrepancies analyzed and resolved?	Yes	
4.45 Describe the policies and procedures in disposal of assets. Is the disposal of each asset appropriately approved and recorded? Are steps immediately taken to locate lost, or repair broken assets?	Please refer to the attachment #19	
4.46 Are assets sufficiently covered by insurance policies?	No insurance policies to any asset purchased	
4.47 Describe the policies and procedures in identifying and maintaining fully depreciated assets from active assets.	Please refer to the attachment #20	
Other Offices and Implementing Entities		
4.48 Describe any other regional offices or executing entities participating in implementation.	Ministry of National Development Planning, Ministry of Finance, CSO, Trustee, Local Community	

Topic	Response	Potential Risk Event
4.49 Describe the staff, their roles and responsibilities in performing accounting and financial management functions of such offices as they relate to the project.	Please refer to the response of question number 3.3	
4.50 Has the project established segregation of duties, controls and procedures for flow of funds and financial information, accountability, and reporting and audits in relation to the other offices or entities?	Yes. through integrated application (e-spp, e-spm)	
4.51 Does information among the different offices/ implementing agencies flow in an accurate and timely fashion? In particular, do the offices other than the head office use the same accounting and reporting system?	Yes	
4.52 Are periodic reconciliations performed among the different offices/implementing agencies? Describe the project reporting and auditing arrangements between these offices and the main executing/implementing agencies.	Yes. There is a periodic spot check mechanism to monitor the project implementation progress. Please see the spot check reporting form in attachment #21	
4.53 If any sub-accounts (under the Imprest Account) will be maintained, describe the results of the assessment of the financial management capacity of the administrator of such sub-accounts.	Sub account is not allowed by Gov. Regulation	
Contract Management and Accounting		
4.54 Does the agency maintain contract-wise accounting records to indicate gross value of contract, and any amendments, variations and escalations, payments made, and undisbursed balances? Are the records consistent with physical outputs/deliverables of the contract?	Yes. Hard copy and soft copy of each contract stored in data center	
4.55 If contract records are maintained, does the agency reconcile them regularly with the contractor?	Yes. PIC assist PPK to reconcile contract management.	
Other		

Topic	Response	Potential Risk Event
4.56 Describe project arrangements for reporting fraud, corruption, waste and misuse of project resources. Has the project advised employees, beneficiaries and other recipients to whom to report if they suspect fraud, waste or misuse of project resources or property?	Bappenas anti-corruption procedures is applied. ICCTF website also has a media for whistleblower to facilitate the public to reporting any fraud and corruption	
5. Internal Audit		
5.1 Is there an internal audit (IA) department in the entity?	Yes it is. The IA department is called the Inspectorate General (IG) which has 2 units: 1. Inspectorate of General Administration (IBAU) 2. Inspectorate of Institutional Performance (IBKK)	
5.2 What are the qualifications and experience of the IA staff?	The qualifications of the auditors are various from diploma, bachelor, and master degree to Ph.D. level majoring in accounting, management, economics, and law. To perform his task, each auditor is obligated to hold the certification from BPKP for each level (junior/senior auditor). In addition, they also hold particular national/ international certification such as: 1. Qualified Internal Auditor (QIA) 2. Certified Risk Management Professional (CRMP) 3. Certified Risk Management Officer (CRMO) 4. Certified Government Auditing Professional (CGAP)	
5.3 To whom does the head of the internal audit report?	He reports to Minister of National Development Planning/Head of Bappenas (Minister)	

Topic	Response	Potential Risk Event
5.4 Will the internal audit department include the project in its annual work program?	Yes. It will	
5.5 Are actions taken on the internal audit findings?	We have been audited annually, but are no findings	
5.6 What is the scope of the internal audit program? How was it developed?	The scope is both assurance services (audit/review/evaluation and consulting services (facilitation and education)	
5.7 Is the IA department independent?	Yes. The IG is structured at echelon I.	
5.8 Do they perform pre-audit of transactions?	Yes. The IG is obligated to perform review of planning and budgeting process in T-1 to ensure that they are relevant to support the performance targeted and comply with the regulation.	
5.9 Who approves the internal audit program?	The Minister approves it.	
5.10 What standards guide the internal audit program?	<p>The Standards are:</p> <ol style="list-style-type: none"> 1. Regulation of Minister of PPN/ Bappenas No. 4/2012 concerning Supervising Guideline in the Ministry of PPN/Bappenas (see Chapter IV, Article 13-14). 2. Regulation of Minister of PPN/Bappenas No. 4/2016 concerning Organization and the Work Governance in the Ministry of PPN/Bappenas (see Chapter XIV, First Part, Article 531, point f). 3. Standard of Internal Audit for the Government of Indonesia, (Please see standard No 3010 and 3020). 	

Topic	Response	Potential Risk Event
5.11 How are audit deficiencies tracked?	The deficiencies are tracked in two ways: 1. Inter level Review during the audit task 2. Peer review performed by the IG from another agency	
5.12 How long have the internal audit staff members been with the organization?	The senior auditors have been in the organization for 10 to 18 years, meanwhile the junior auditors have been in the organization for 1 to 9 years.	
5.13 Does any of the internal audit staff have an IT background?	Yes they do.	
5.14 How frequently does the internal auditor meet with the audit committee without the presence of management?	Audit committee is not yet established in Bappenas. However IA communicate any crucial issue with Executive Director.	
5.15 Has the internal auditor identified / reported any issue with reference to availability and completeness of records?	Yes. the IG performed a joint review with BPKP in 2016. The review ensure whether the records/transactions comply to the particular regulation.	
5.16 Does the internal auditor have sufficient knowledge and understanding of ADB's guidelines and procedures, including the disbursement guidelines and procedures (i.e., LDH)?	Yes it does.	
6. External Audit – entity level		
6.1 Is the entity financial statement audited regularly by an independent auditor? Who is the auditor?	Yes. Once a year by Supreme audit board	
6.2 Are there any delays in audit of the entity? When are the audit reports issued?	There is no delay for audit. The audit reports issue in January after the fiscal year for KAP. BPK, six month after the fiscal year	

Topic	Response	Potential Risk Event
6.3 Is the audit of the entity conducted in accordance with the International Standards on Auditing, or the International Standards for Supreme Audit Institutions, or national auditing standards?	Yes. Following National Auditing Standard	
6.4 Were there any major accountability issues noted in the audit report for the past three years?	No	
6.5 Does the external auditor meet with the audit committee without the presence of management?	N/A	
6.6 Has the entity engaged the external audit firm for any non-audit engagements (e.g., consulting)? If yes, what is the total value of non-audit engagements, relative to the value of audit services?	N/A	
6.7 Has the external auditor expressed any issues on the availability of complete records and supporting documents?	Yes	
6.8 Does the external auditor have sufficient knowledge and understanding of ADB's guidelines and procedures, including the disbursement guidelines and procedures (i.e., LDH)?	Yes.	
6.9 Are there any material issues noted during the review of the audited entity financial statements that were not reported in the external audit report?	No	
External Audit – project level		
6.10 Will the entity auditor audit the project accounts or will another auditor be appointed to audit the project financial statements?	Yes. The Entity auditor audit the projects accounts	
6.11 Are there any recommendations made by the auditors in prior project audit reports or management letters that have not yet been implemented?	No	
6.12 Is the project subject to any kind of audit from an independent governmental entity (e.g. the supreme audit institution) in addition to the external audit?	Yes.	

Topic	Response	Potential Risk Event
6.13 Has the project prepared acceptable terms of reference for an annual project audit? Have these been agreed and discussed with the EA and the auditor?	Yes.	
6.14 Has the project auditor identified any issues with the availability and completeness of records and supporting documents?	No	
6.15 Does the external auditor have sufficient knowledge and understanding of ADB's guidelines and procedures, including the disbursement guidelines and procedures (i.e., LDH)?	Yes. Please refer to the question #6.8	
6.16 Are there any recommendations made by the auditors in prior audit reports or management letters that have not yet been implemented?	No	
6.17 [For second or subsequent projects] Were past audit reports complete, and did they fully address the obligations under the loan/grant agreements? Were there any material issues noted during the review of the audited project financial statements and related audit report that have remained unaddressed?	Yes. Refer to grant agreement. There is no material issues during the review.	
7. Reporting and Monitoring		
7.1 Are financial statements and reports prepared for the entity?	Yes. The financial statements and reports prepared monthly, quarterly and annually	
7.2 Are financial statements and reports prepared for the implementing unit(s)?	Yes.	
7.3 What is the frequency of preparation of financial statements and reports? Are the reports prepared in a timely fashion so as to be useful to management for decision making?	Monthly, Quarterly, and Annually	
7.4 Does the entity reporting system need to be adapted for project reporting?	Yes	

Topic	Response	Potential Risk Event
7.5 Has the project established financial management reporting responsibilities that specify the types of reports to be prepared, the report content, and purpose of the reports?	Yes	
7.6 Are financial management reports used by management?	Yes	
7.7 Do the financial reports compare actual expenditures with budgeted and programmed allocations?	Yes	
7.8 How are financial reports prepared? Are financial reports prepared directly by the automated accounting system or are they prepared by spreadsheets or some other means?	Using Gov. Accounting system and self-developed accounting system (ERP)	
7.9 Does the financial system have the capacity to link the financial information with the project's physical progress? If separate systems are used to gather and compile physical data, what controls are in place to reduce the risk that the physical data may not synchronize with the financial data?	Yes. the Gov. Accounting system are integrated with government inventory system	
7.10 Does the entity have experience in implementing projects of any other donors, co-financiers, or development partners?	Yes	
8. Information Systems		
8.1 Is the financial accounting and reporting system computerized?	Yes	
8.2 If computerized, is the software off-the-shelf, or customized?	ICCTF is using ERP Oracle Based	
8.3 Is the computerized software standalone, or integrated and used by all departments in the headquarters and field units using modules?	Yes, It is Integrated software	
8.4 How are the project financial data integrated with the entity financial data? Is it done through a module in the enterprise financial system with automatic data transfer, or does it entail manual entry?	Manual entry from IA level and will be integrated to the EA level	

Topic	Response	Potential Risk Event
8.5 Is the computerized software used for directly generating periodic financial statements, or does it require manual intervention and use of Excel or similar spreadsheet software?	Yes, the software directly generating periodic financial statements	
8.6 Can the system automatically produce the necessary project financial reports?	Yes, It can	
8.7 Is the staff adequately trained to maintain the computerized system?	Yes	
8.8 Do the management, organization and processes and systems safeguard the confidentiality, integrity and availability of the data?	Yes	
8.9 Are there back-up procedures in place?	Yes. ICCTF placed a server in a data center to store the backup data	
8.10 Describe the backup procedures – online storage, offsite storage, offshore storage, fire, earthquake and calamity protection for backups.	<p>Online Storage – Available at Ex. Google Drive (Free)</p> <p>Offsite Storage – Available at Ex. External hard drive, NAS (Network attached Storage), Share Drive, Multimedia etc.</p> <p>Offshore Storage - Available at Ex. All the ICCTF's server at Colocation/Data center</p>	