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de Alimentos

**Executive Board
Third Regular Session**

Rome, 23 - 26 October 2000

EVALUATION REPORTS

Agenda item 5

For consideration



Distribution: GENERAL

WFP/EB.3/2000/5/2

14 September 2000

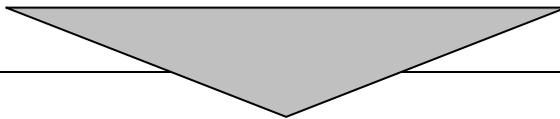
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SUMMARY EVALUATION OF EMERGENCY OPERATION— INDONESIA 6006.00

Emergency Assistance to Drought Victims

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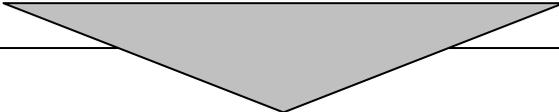
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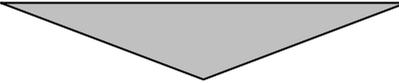
Executive Summary



The initial one-year emergency operation (EMOP), a response to drought and economic crisis, centred on food for work (FFW) in rural areas and vulnerable group feeding (VGF). The National Logistics Agency (BULOG), which manages and oversees a nationwide network of warehouses with adequate storage space, was the most effective logistics partner. In the early stage of the operation, most line ministry implementers regarded FFW interventions as a way to target relief food while avoiding free hand-outs. Insufficient attention was paid to creating the necessary conditions to realize the intended community development activities, oriented towards asset recovery. The Government of Indonesia's budgetary delays resulted in a reduction of the Ministry of Agriculture's allocation in terms of both the quantity and the duration of food assistance. Also, assumptions made concerning government capacity in the initial programme design did not hold. Shortcomings within the rural programme were quickly recognized. At the same time, the 1997-98 economic crisis had created great hardships in urban areas.

When the EMOP was extended, programme emphasis was shifted towards addressing urban food insecurity via NGOs, thus ensuring greater impact and accountability. The Social Welfare Market Operation (*Operasi Pasar Swadaya Masyarakat*—OPSM), the urban programme's main component, is being held up as a model which the Government would like to replicate across the nation. In addition to positively influencing the Indonesian approach to urban programming, the food subsidy project provides important insights. Key points are: the need to incorporate unregistered urban slum dwellers, beneficiary targeting through a combination of formal surveys and community participation in the selection process, and the importance of ensuring compatibility with larger, overarching social safety net programmes implemented by the Government with support from key donors. Overall, the EMOP has been able to respond in a flexible manner to unforeseen challenges, notably internally displaced persons (IDPs) and urban poverty.

Draft Decision



The Board endorses the recommendations contained in this evaluation report (WFP/EB.3/2000/5/2) and notes the lessons identified, taking into account considerations raised during the discussion.



GOALS AND OBJECTIVES

1. The short-term objectives of EMOP Indonesia 6006.00 were to:
 - assist government efforts in assuring an adequate supply of food to the most food-deficient households;
 - establish conditions for and promote rehabilitation and restoration of self-reliance in the worst drought-affected areas of the country; and
 - assist government efforts in preventing decline in the nutritional status of pregnant and lactating mothers and children under 5.

SUMMARY OVERVIEW AND CONCLUSIONS

2. Initially, EMOP 6006.00 was a response to the El Niño-induced droughts, compounded by economic and financial crises; the first of these ‘peaked’ at the end of 1997 and the second in June/July 1998. Their effects were to have a varied impact on Indonesia’s poor in the next two to three years. WFP re-opened its Indonesia country office in May 1998, with EMOP 6006.00 providing 208,000 tons of rice and 17,000 tons of blended food to assist 4.6 million people. Project implementation began with Phase I of the EMOP (August 1998-March 1999). It was initially conceived as emergency food aid to rural areas (FFW 78 percent; VGF 8 percent; general relief 14 percent) mainly implemented by government institutions, but 18,000 tons was set aside for distribution by local and international NGOs. In early 1999 ethnic violence erupted in West Kalimantan and Maluku, giving way to the first change in target groups as WFP started providing support to the resulting internally displaced persons (IDPs). The East Timor crisis created additional IDP/refugee beneficiaries in September 1999.
3. Following a management review mission in October 1998, WFP shifted its programme in favour of urban interventions from mid-1999 onwards. Phase II of the EMOP (April 1999-March 2000) entailed an additional 69,334 tons of rice. Unutilized food from Phase I was reallocated for use in rural programmes under Phase II, while that from Phase II rural programmes was reallocated to both urban and IDP/refugee feeding operations.
4. The EMOP extended over two electoral periods, changes in government, social unrest resulting in over 700,000 IDPs, and the closure or restructuring of key government partners. The strength of the overall programme lay in its flexibility to respond to unforeseen and emerging challenges—IDPs and urban poverty. The Government itself was persuaded by the rationale of shifting the programme emphasis to the urban sector, and of the greater efficiency in implementing this through NGOs. By early 2000 the urban programme had received more than half of the designated food aid tonnage.
5. In Phase I, the assumption that the failure of the rice harvest and the mainly rainfed crops would cause food insecurity led to the primary rural intervention, food for work. However, the assumptions in the initial programme design regarding the Government's implementation capacity did not hold. Moreover, food security policy and operational priorities (see selection criteria discussed below) followed by the Government were not always in line with those of the EMOP. However, the urgency of undertaking an immediate response appeared to have left WFP with no option but to accept them. The



EMOP objectives and the Letter of Understanding (LOU) with the Government were ambiguous and, ultimately, unmeasurable. Line ministry implementing partners perceived and treated FFW as an alternative way to target resources, avoiding free distribution and a sense of dependency. It was not necessarily perceived as an asset-building intervention. Moreover, their selection criteria used to identify recipients were insufficient, both geographically and in terms of household food security analysis.

6. Although operational constraints, particularly government budgetary delays, reduced the original number of provinces and districts ultimately reached by the programme, the bulk of WFP food assistance went to those geographic areas most affected by drought and economic crisis. In a prevailing culture of “all are deserving”, village heads often distributed food to all villagers regardless of whether FFW targets had been achieved or of the original beneficiary list. Poor training or incentives for extension workers meant that government monitoring reports simply matched warehouse dispatch forms to planned beneficiary numbers. Spot-checks by WFP’s small monitoring staff could not verify the extent to which warehouse dispatches corresponded to the actual beneficiary food entitlements and receipt. Hence, they were not able to make an overall assessment of losses. However, irregularities were frequently observed and reported by the country office and sub-offices.
7. Criteria for selecting beneficiaries were applied more stringently within the rural component of Phase II. Yet, Phase II also saw a repeat of budgetary and distribution delays. Most significantly, the allocation by the Ministry of Agriculture extension service (BIMAS) of 48,000 tons of food (572,423 beneficiaries) over eight months was reduced to 10,000 tons (216,085 beneficiaries) over less than three months.
8. All line ministry budgets, relating to delivery and project execution, are channelled through the National Development Planning Agency (BAPPENAS), WFP’s primary counterpart agency for policy matters. A persistent problem for WFP has been delays in the release of these budgets. The consequence in several instances has been very late, or cancelled, project implementation and/or distributions. Moreover, reporting by the three implementing line ministries—Agriculture (*Bimbirgan Masal*—BIMAS), Social Affairs (*Departemen Sosial*—DEPSOS) and Health (*Departemen Kesehatan*—DEPKES)—was either inadequate or late. The mode of operation, selection of partners and choice of beneficiaries were decided by the Government. Few ‘fast track’ mechanisms were instigated in favour of an emergency operation.
9. Shortcomings within the rural programme were quickly recognized. At the same time, the 1997-98 economic crisis had created great hardships in urban areas. The Government's Special Market Operation (*Operasi Pasar Khusus*—OPK) a countrywide rice subsidy initiative that is part of the donor-backed Social Safety Net Interventions, was fully operational in 1999. When it was found, in March 1999, that the OPK coverage in urban slums (especially non-registered residents) was inadequate, WFP was invited to assist (through NGOs) about 580,000 households in 650 urban villages.
10. WFP’s urban programme reaches large numbers of needy people in accessible areas where control over resources is relatively easy to enforce. The objectives are to increase the consumption of food, both in quality and quantity, while preventing further deterioration in nutritional levels and restoring self-reliance. The programme’s main component, the Social Welfare Market Operation (*Operasi Pasar Swadaya Masyarakat*—OPSM), is now held up as a model which the Government wishes to replicate nationwide. While there is still some room for improving partner selection, targeting and monitoring, the mission believes this project is appropriate and that it can be extended to the whole country.



11. Continuity and accountability were further assured in the design of the subsequent protracted relief and recovery operation (PRRO). Greater attention to capacity-building and targeting through a now fully functioning vulnerability analysis and mapping (VAM) unit will provide useful lessons for WFP's urban programme, a relatively new focus for WFP. Crucial to its success is its link with the existing donor-supported national social safety net programme initiated by the Government.

FINDINGS, RECOMMENDATIONS AND LESSONS

Economic Crisis and Food Security

12. In the wake of drought, Indonesia's 1997/98 rice harvest fell by 8 percent. Rainfed crops, particularly maize and sweet potatoes, were also severely affected. The Government responded by importing a larger amount of rice (5.9 million tons). There was at least enough rice and other staple foods in the country to ensure an average intake of 2,100 Kcal per capita. Hence, the net availability of food at the national level did not pose a problem in 1998 and even improved in 1999 following abundant rainfall. However, at the regional and local levels, food security became a matter of people's ability to purchase food rather than one of availability. The economic crisis hit hardest from January 1998 onwards. Construction activities, employing many unskilled or semi-skilled poor, came to a standstill. Tens of thousands of young unskilled women from urban and rural areas were affected by the closure of factories in the larger metropolitan areas of Java and Sumatra. With Indonesia's negative economic growth (minus 14 percent) in 1998 the number of people living below the poverty line increased from 22 million, early in 1996, to 49 million after the crisis. (Source: surveys, Central Bureau of Statistics/UNDP, June 1999.)
13. The impact on rural Indonesia is difficult to assess. The situation is likely to vary among the islands, and even within islands, of this vast archipelago. Almost one third of the rural population of Indonesia is landless (ranging from 12 percent in Nusa Tenggara Timur Province to around 50 percent on Java, pre-crisis figures) with very few assets. As wage labourers or workers in the informal sector, these people face the same levels of food insecurity as the urban poor, since they too have to purchase most of their food.
14. The economic crisis, rather than the drought, had a larger and more enduring impact on the food security of the poor, both in rural and urban areas. A targeted food subsidy programme (continued within the PRRO) was an appropriate response to urban poverty exacerbated by the crisis. At the same time, however, the poor in rural areas continue to face food security problems.



Food Swap and Food Basket

15. WFP assistance consisted of 97 percent rice. The Government agreed that incoming wheat or rice be swapped and/or merged at negotiated rates with national rice stocks and that the same quantity be released at the district level from government warehouses in the provinces.
16. Overall, the mission found the swap arrangement to be most satisfactory. It offered WFP several operational advantages, such as absence of losses during inland transport up to extended delivery points (EDPs) and low operational impact on WFP logistics management staff. From August 1998 to March 2000 WFP shipped a total of 347,000 tons of food to five different ports in Indonesia, 70 percent (234,000 tons) of which was wheat supplied by the United States, Australia and France. With the swap mechanism in place, the actual quantity credited to the WFP rice account was reduced to 243,000 tons.
17. The National Logistics Agency (BULOG) manages and oversees a countrywide network of 1,506 warehouses at the provincial and district levels with covered storage space for over 3 million tons. Within the private market, BULOG can arrange for receipt, customs clearance, storage and transport services by sea, road or air. In 1999 the management of WFP commodities represented about 4 percent of the Agency's warehousing and transport activities.
18. Since the Government funded the internal transport, storage and handling (ITSH) for distributing food throughout almost the entire country, BULOG was the most appropriate logistics partner, reducing start-up time and operational costs, eliminating pipeline problems and avoiding losses up to EDPs.
19. The quantity of rice required for Phase II, in addition to the Phase I carry-over stocks of 100,500 tons, was set at 69,500 tons. A further 28,000 tons was purchased locally with funds generated by OPSM.
20. Selecting rice over other commodities has a positive effect since it absorbs the largest part of the household food budget, and is subject to large market price fluctuations. By distributing rice at less than market prices, WFP provided an "insurance" for a major expenditure item of poor households, within a volatile economy with significant inflation rates.
21. In some cases, the impact of the programme was compromised by complaints of rice of less than acceptable quality being delivered from BULOG warehouses. OPSM beneficiaries sometimes continued buying the rice for fear of being dropped from the list of targeted beneficiaries.

Internal Transport, Storage and Handling (ITSH)

22. The Government agreed to provide for the receipt, handling, transport and distribution of WFP food assistance from the port of entry to the beneficiaries. However, to facilitate distributions in the eastern part of the country, where the transport infrastructure is less developed, an ITSH subsidy was introduced. A negotiated rate of US\$12.67 per ton distributed was payable to the Government and NGOs (in Phase I and II) as a subsidy for transport from the district warehouses to distribution sites. This was applicable to the rice tonnage distributed outside Java and Sumatra, i.e. about 80 percent of the tonnage. Budgetary provisions were also made to finance air transport of food in exceptional cases, resulting in a total ITSH subsidy rate of US\$15.00 per ton.
23. In Phase II, NGOs involved in food assistance to IDPs in Maluku and Timor agreed to an ITSH rate of up to US\$35 per ton based on detailed budgets submitted, which more realistically reflected transport and distribution costs. Also, an ITSH-like element was



incorporated in the agreements with 14 local NGOs involved in the OPSM (urban) scheme. NGOs retained 120 rupiah per kg from the proceeds of the sale of WFP rice. In addition to transport and handling, these funds were to cover costs of salaries and administration.

24. Substantial ITSH savings were made due to negligible airlift expenditures, and a larger than foreseen distribution on Java and Sumatra where no ITSH subsidies are payable. Also, swapping of wheat against rice resulted in a volume reduction of about 40 percent, whereas ITSH was provided against the wheat tonnage supplied. The reimbursement within the OPSM scheme was adequate, rendering the programme self-financing for the NGOs. During the mission a de-obligation exercise was initiated against the available ITSH balance.

Assistance to Internally Displaced Persons (IDPs)

25. Various political, ethnic and religious tensions (or a combination of these factors) have displaced more than 700,000 people in Indonesia. They are spread over several provinces and locations in West Timor, Maluku, North Maluku, Sulawesi, Aceh and Kalimantan. Many displaced people have left their initial camps, finding temporary homes with host families; others have returned home.
26. The displaced population in West Timor presents the greatest conceptual challenge. Following the East Timor referendum many de facto “refugees” fled west. In addition to civilians, these included salaried civil servants, army and militia, and their families. WFP has made clear its policy of not aiding armed factions. However, in the absence of a thorough registration exercise, the responsibility of UNHCR, discriminatory assistance has been difficult. Further problems with Timorese refugees include:
- hostility among some of the refugees towards the international community as it played a significant role in advancing independence for East Timor;
 - resentment in the general population about the perceived preferential provision of assistance to displaced persons, and harassment of them due to their being beneficiaries of relief assistance;
 - refugees being afraid to have their names on a registered list;
 - different interpretations of what aid should be given; and
 - overall lack of programme coherence, further compromised by poor coordination among the various agencies involved.
27. Since May 1999 WFP has been distributing rice to some 90,000 IDPs in Ambon and other locations within Maluku and North Maluku provinces, through NGOs (*Action contre la faim* and World Vision International). In West Kalimantan WFP assisted a further 20,000 IDPs from July 1999, coordinated through DEPSOS. In West Timor, food has been distributed to about 76,000 refugees through six national and international NGOs since the end of 1999.



📌 **Recommendations**

- ✍ The country office could undertake a thorough analysis of: a) the long-term effects of free food distribution to IDPs; b) options to avoid resentment in the host population; c) capacity-building of local NGO partners; d) recovery options and realistic exit strategies for the PRRO; e) advocacy and promotion of long-term reconciliation and recovery strategies; f) how to strengthen methods of coordination; and g) gender concerns/breakdown. Such an analysis would benefit from the insights presented in WFP's Consultations on Situations of Displacement.
- ✍ A post-distribution monitoring system could be implemented by NGO partners to record cases of harassment of beneficiaries after food collection, food transport systems and local market prices (including food aid items re-sold).
- ✍ To help targeting and monitoring, the issue of proper registration of people displaced from East Timor should continue to be raised by WFP headquarters with UNHCR in accordance with the action points agreed at the High-Level Meeting held in October 1999 between WFP and UNHCR.

Rural Food for Work (FFW)

28. In EMOP Phase I, 82,521 tons of aid was utilized for FFW by government agencies in the rural sector, and 9,573 tons by NGOs. For Phase II, government agencies utilized 10,168 tons and NGOs 14,382 tons. FFW in the urban sector was carried out by World Vision International.
29. Although the original EMOP objectives stated standard FFW objectives—asset generation, income transfer, rehabilitation and restoration of self-reliance—the EMOP could have been more explicit regarding the Government's alternative food aid distribution rationale and interpretation.
30. Moreover, the EMOP could have explained more clearly what was meant by FFW for the Government implementing partners. Whether FFW was, in the event, useful for development cannot be ascertained. In order to increase the effectiveness of the grass-roots workers who constituted the weakest link in the rural FFW chain, the responsible implementing partners could have improved their skills through better training and incentives.
31. Substantial shortcomings, openly acknowledged by most partners, were found in targeting and implementing of the major part of the rural drought relief/FFW programme carried out between October 1998 and March 1999. An assessment of areas hit by the drought was largely done on the basis of data that had little or no direct correlation with the climatic phenomenon and its impact. Problems included: a) incomplete, inadequate, or unavailable data sets; b) the lack of proper vulnerability and needs assessments, at the province, district and household levels; and c) the limited use of external experts with intimate knowledge of the situation in the Indonesian provinces most affected.
32. Ideally, the rural programme would have benefited from a more informed analysis on district and inter-district marketing and consumption variations, alternative coping mechanisms, and data on agro-ecosystems which may have revealed relevant patterns of production and crop calendars. In practice a choice was made between either dedicating more time to planning or moving ahead with the food aid disbursements and being ready to make subsequent changes. The VAM unit within the WFP country office became operational only in January 1999. At that stage it was already too late to have any major impact on the vulnerability and needs assessment of Phase I of the EMOP.



33. While WFP food aid coordination meetings were regularly convened at the national level, inadequate consultations among government agencies, donors and NGOs at the regional and sub-regional levels sometimes led to overlapping food aid projects in certain districts and villages. There was a time lag between the strong donor and government reaction to the crisis and the decreasing need for assistance when climatic conditions rapidly improved. Although WFP served a reduced number of districts, government administrative regulations prevented approved funds being re-allocated to other districts.
34. Although households headed by women are generally the poorest, FFW women beneficiaries were not targeted as such. Women appear, however, to have had equal access to work opportunities. The OPSM and IDP monitoring reports show that 80-90 percent of those collecting food are women. Since a majority of women keep the ration and national registration cards, this is not surprising. At a community level, though, women are often absent at the “socialization” information meetings in the villages, unless specifically asked to participate.
35. After the improved harvest of 1999 and WFP’s full presence in the country, rural targeting was more focused, with reduced amounts of food distributed in only five provinces. Reported information included the actual quantity of rice distributed, the gender composition of beneficiaries, and where required, the physical output of FFW activities. Compared with those of government implementing partners, NGO reports were generally of a higher quality. Community project design and participation also improved in Phase II. About 10-15 percent of rural drought relief assistance was administered through NGOs which performed better, particularly in generating lasting assets through FFW, restricting distribution to participants and enforcing work norms. NGOs also obtained timely complementary funds for non-food inputs. Staff numbers and motivation were generally higher.

📌 **Lessons**

- ✍ Crisis targeting is different from general poverty targeting. Pre-crisis data sets should be used carefully and may need to be complemented by vulnerability assessments for the final selection of districts, villages and beneficiaries.
- ✍ Vulnerability and needs assessment in the early stages of an emergency could be strengthened through consultancies or short-term secondment of VAM officers based in other countries.
- ✍ Over and above inter-agency coordination at the national level, careful and equal attention should be paid to regional and sub-regional consultations between providers of relief aid, in order to ensure complementary and timely interventions, maximizing the use of available resources and avoiding duplication of efforts.
- ✍ Monitoring reports on financial expenditures for field-level activities, including distribution breakdown of different activities and levels, should be written into the standard LOU for EMOPs. This will enable WFP to better review programme-related counterpart funds, which often do not trickle down to the field level.
- ✍ Women beneficiaries need to be specifically invited to meetings to ensure that they will participate. Separate meetings for men and women should be considered when this is required by prevailing cultural norms.

Urban Programme

36. The management review mission of October 1998 recognized that the geographic focus of poverty, and in particular of food insecurity, changed after the outbreak of the economic crisis. With the effects of the drought rapidly diminishing, household food security



improved and the situation was expected to return to normal with the new harvest in the first quarter of 1999. Priorities thus shifted towards providing assistance to urban areas, in line with the Government's social safety net policy which came to fruition through the donor-backed Special Market Operations (OPK). OPK provided subsidized rice to poor families in rural and urban areas. By April 1999 it reached about 10.5 million households.

37. Urban nutritional indicators, particularly relating to nutrient deficiency, suggest that food consumption patterns changed, and included a reduction of animal proteins. Helen Keller International noted that the prevalence of anaemia among children under 5 rose from 40 percent in 1995 to 50-85 percent in 1999, and that it was mostly due to a lack of micronutrients. A study in the second half of 1999 revealed that the prevalence of malnutrition was highest in the slums of the largest cities.
38. In September 1998, WFP launched a pilot urban FFW project with World Vision in Cilincing, Jakarta. The bulk of the urban programme, though, started in September 1999 with three components: a) sale of rice at less than market prices in urban slums (OPSM); b) free distribution of rice in schools for home consumption; and c) urban FFW programmes. It currently covers the four largest urban centres in Java: Jakarta/Jabotabek, Surabaya, Bandung and Semarang.

Social Welfare Market Operation (OPSM)

39. The OPSM allows for up to 20 kg of rice per family per month to be purchased at 1,000 rupiah per kg, as opposed to the market average of 2,500 Rupiah per kg. The potential savings of 30,000 rupiah (US\$3.75) represent a significant income transfer. Accumulated evidence suggests improvements in food security. The country office is compiling data on nutritional indicators and post-distribution household food economy, to further analyse impact.
40. The programme targets urban slums with a high share of illegal (unregistered) squatters. Since, by definition, official government data cannot be used, most sites are identified by WFP's 14 local NGO partners using local knowledge of areas with high poverty, under-employment and destitution. About 60 percent of households are screened through door-to-door surveys according to five economic and food-related factors of food insecurity. Community participation in selecting beneficiaries is used where such surveys are not yet possible. Specific efforts are being made to target households headed by women and families with malnourished children.
41. The success of OPSM—WFP's largest urban programme in the world—depends on its compatibility with a larger established, government social safety net programme, financially supported by key donors such as the World Bank.

📌 **Lessons**

- ✍ It is generally easier to target beneficiaries and work in homogenous areas. When the poor live in heterogeneous areas, problems of differentiation and social conflict arising from selecting individual households have to be addressed by the project.
- ✍ Geographical proximity does not necessarily equal "community". There may be large differences across different locations regarding how people work together on joint activities such as FFW, informal safety nets, choosing beneficiaries or participating in programme implementation. Under these circumstances, uniform approaches across all locations are not appropriate.



📌 Recommendations

- 📌 WFP needs to invest more time in qualitative and contextual studies on urban food insecurity, taking into account, *inter alia*:
 - ✍ legal obstacles (registration/identity cards) preventing the poorest from joining formal safety net programmes;
 - ✍ how wage earners must compete within the informal sector when mass retrenchment occurs;
 - ✍ the strength and/or weakness of informal community safety nets;
 - ✍ the seasonal dimension of food insecurity in urban areas;
 - ✍ patron-client relationships in local neighbourhoods;
 - ✍ links between rural and urban migration; and
 - ✍ the fact that women are often the poorest and may have the most difficulty joining formal safety net programmes for a variety of reasons, and they often suffer the most when mass retrenchment occurs.
- 📌 Part of the funds generated from OPSM rice sales could be used for distributing fortified foods, and conducting research and extension activities.

School Feeding

42. 'School feeding' is a misnomer in this case, since it is actually an extension of the rice sales programme. Delivering food to poor families via schoolchildren increases family consumption while decreasing the school drop-out rate. Drop-out rates as such can only be partly used as a targeting criterion. In most schools, the parent-teacher's association and the school principal select the poorest families; yet the 50-60 percent of children/families, on average, receiving assistance is often based on food availability rather than verifiable selection criteria. The programme will be discontinued in the PRRO phase.

Urban Food for Work (FFW)

43. Urban FFW projects (which began in Phase I: September-October 1998) constitute only a relatively small part of the urban programme, yet offer an interesting alternative option for food assistance, as they are largely self-targeting. The capacity of the various NGOs to carry out such programmes varies, but some interesting proto types have been implemented that could be the basis for expansion.

44. Although the use of food for bringing about improvements in the surrounding environment or physical infrastructure of poor neighbourhoods in urban areas is beneficial for the communities overall, the improved or newly created communal assets may cause rents for housing to rise. As a consequence, FFW participants may no longer be able to afford to live in those areas. This unintended, adverse effect has been observed in other urban projects.

Vulnerable Group Feeding (VGF)

45. EMOP 6006.00 defines vulnerable groups as pregnant women, lactating mothers and children under 5. DEPKES was initially charged with distributing 17,000 tons of blended food (wheat-soya blend—WSB) during Phase I of the EMOP. Only 8,579 tons was distributed (68 tons of which was diverted to new groups of IDPs in Maluku and



Kalimantan). Delays were experienced due to the late arrival at port of the United States-supplied WSB, damage to the 25-kg bags used and, most importantly, long delays over the release of government counterpart funds which in turn hindered reporting from DEPKES.

46. WFP is unable to verify final usage of much of the foodstuff. Only part of the WSB earmarked for distribution through midwives at community health centres was reported at the sub-district level. Little monitoring was possible given WFP's limited staff and the large geographical area covered.
47. The management review mission of October 1998 recommended that WFP expand its VGF programme by collaborating with UNICEF over the manufacture and distribution of a supplementary food, *Delvita*. This will take place under the PRRO, with WFP providing technical assistance to a few selected local factories to establish production capacity for *Delvita*.
48. Other vulnerable groups were assisted under the EMOP by programmes implemented by the Indonesian Red Cross (9,000 tons of rice to poor female-headed households, the elderly, and others not participating in the OPK), and by the Ministry of Social Affairs (14,000 tons in Phase II).

📌 Lesson

- ✍ Nutritional problems in children under 5 and their mothers have considerably increased as a result of the ongoing crisis. In countries like Indonesia with relatively high pre-crisis income levels and access to staple foods, more emphasis should be given to diet quality, micronutrient deficiencies and supplementary feeding, right from the beginning of a severe economic crisis.

Monitoring

49. Much monitoring and reporting on the EMOP focused on specific aspects of food logistics, such as the uptake from sub-warehouses, rather than on the full accountability of food distribution, the generation of lasting assets and the outcome of feeding targeted vulnerable groups. The planned "comprehensive monitoring and reporting system, including adequate performance indicators" to be designed by WFP in close consultation with the government counterpart, BAPPENAS, was rudimentary, at least for the rural programme. Initial reporting forms and requirements mainly included the amount of food distributed by location and the number of beneficiaries; these reports mostly reflected the planned rice delivery figures, and not actual deliveries at the village or household level.
50. The performance indicators required for management information and evaluation needs, programme objectives and the different categories of beneficiaries should have been identified at an earlier stage and supported by corresponding financial and staff allocations.
51. Periodic reviews of the nutritional status of vulnerable groups were undertaken by the Ministry of Health, but they were not reported to WFP nor were they requested by WFP for monitoring purposes. With a high staff turnover, the number of WFP food aid monitors in the rural and IDP programmes was inadequate for the size of the operation and the country. Although field reports often showed severe problems with almost every aspect of the rural programme, local remedial action was rarely taken. Instead the focus of the whole operation was shifted to meet urban needs. The urban programme developed a comprehensive system of monitoring distribution efficiency, beneficiary targeting, and food utilization. Extensive monitoring checklists and various reporting formats to collect



and analyse such data have been established. A three-month impact study has been conducted by a local consultant hired by the country office.

52. Partnerships established and training conducted through the urban programme enabled a more cohesive and replicable programme. However, agreement with implementing agencies on principles of operations alone is not sufficient for effective programme implementation. Close monitoring of local NGO partners in urban areas has proved to be a main factor explaining the satisfactory performance of the urban programme. For the rural programme, better monitoring may have led to higher accountability and more effective design of activities and targeting, faster reaction of management to address problems, and improved reporting by partner agencies.

📌 **Lessons**

- ✍ From the very outset of a widespread rural emergency the number of WFP food aid monitors needs to be carefully tailored to the scope and complexity of their task and to the monitoring capacities of implementing partners. In addition, higher-level field monitoring professionals (e.g. UNVs) should be used as senior focal points within the country office. Alternatively, experienced consultants should be hired to design and implement comprehensive monitoring systems.
- ✍ The key to quality monitoring is capacity-building to enable adequate monitoring by implementing partners. Both adequate incentives and remedial sanctions should be in place to ensure monitoring effectiveness and increased accountability.

Impact Assessment

53. With about 8.1 million beneficiaries in 1999 (4.7 million in rural drought relief programmes, 3.2 million in urban programmes, and 200,000 in IDP programmes), the total number served under the EMOP was 13 percent higher than the revised plans for that year, although food distribution was 23 percent under target. This is mainly a result of seven budget revisions, and of programme shifts (towards urban areas and IDPs). The extent to which lasting assets (in terms of physical or human capital) were generated by the rural FFW programmes could not be clearly ascertained by the mission.
54. WFP monitoring reports show that over 50 percent of IDPs collecting food are women (more than 90 percent in OPSM). This desirable high percentage may have been due to the fact that a majority of women keep the ration and national registration cards.
55. Income transfers resulting from WFP food assistance can be substantial. The approximate value per month of distributed food for IDPs is 100,000 rupiah (US\$12.5), while it ranges from 75,000 rupiah to 90,000 rupiah for rural households (FFW), and from 20,000 rupiah and 30,000 rupiah for urban beneficiaries of OPSM. It should however be noted that whereas IDPs are being assisted on a “continuing” basis, assistance in the rural programme has been restricted to three or four-month periods and the urban programme is designed for the whole year. Considering the fact that average daily wages do not exceed 5,000 rupiah and high incidence of underemployment, savings for a beneficiary household can reach an income share between 20 and 40 percent.
56. In the urban sector, recent surveys show a marked increase in the consumption of rice and supplementary food as a consequence of WFP’s programme. About 60 percent of the savings generated by OPSM was used to buy more rice and supplementary food items, while 30 percent went towards school expenses. OPSM reaches about 4.5 percent of the urban poor.



Partnerships and Coordination

57. WFP coordinates two regular inter-agency meetings (including government agencies) on Food Aid and Food Security which deal with coordination and policy dialogue on food security. WFP stocks under the EMOP have also been essential contingency reserves for emergency operations identified by the whole humanitarian community.
58. WFP works with over 20 NGOs countrywide, including 14 national NGOs for the OPSM programme. The mission noted inherent constraints in the selection of partners due to varying NGO capacities. Pre-project and on-the-job training has been intensive and improvements over time are indicated by average (and acceptable) cumulative losses of under 1 percent in OPSM. NGOs still tend to push for greater tonnage, sometimes beyond their capacity.
59. Activities undertaken under the urban programme are the outcome of joint consultations among the Government, bilateral donors, the World Bank, United Nations agencies and NGOs. Project proposals submitted by NGOs are reviewed by a joint committee comprising WFP and several NGOs. Implementing NGOs are charged with forming a food aid committee of five to eight members in each urban village responsible for activity identification, supervision and monitoring of outputs.

EXIT STRATEGY

60. The Government has indicated its willingness to take over the OPSM component of the urban programme and work with NGOs in identifying and assisting unregistered persons. Although the economic situation is gradually improving, with evidence of some new job opportunities, it may be years before pre-crisis development levels are reached.

Recommendation

-  Having established the rationale for the urban programme, WFP should build on its success by encouraging government institutions to recognize and incorporate these mainly unregistered residents of squatter areas in future institutional safety net programmes.

Lesson

-  An exit strategy needs to be guided by data that are not the same as those gathered for identifying and targeting project beneficiaries. Nutritional and chronic poverty indices should be supplemented and/or replaced by livelihood security indices (wage employment, newly-generated informal sector income, out-migration, etc).



LIST OF ACRONYMS USED IN THIS DOCUMENT

BAPPENAS	National Development Planning Agency
BIMAS	Ministry of Agriculture Extension Service (<i>Bimbirgan Masal</i>)
BULOG	National Logistics Agency
DEPKES	Ministry of Health (<i>Departemen Kesehatan</i>)
DEPSOS	Ministry of Social Affairs (<i>Departemen Sosial</i>)
EDP	Extended Delivery Point
EMOP	Emergency Operation
FFW	Food for Work
IDP	Internally Displaced Persons
ITSH	Internal Transport, Storage and Handling
LOU	Letter of Understanding
OPK	Special Market Operations (<i>Operasi Pasar Khusus</i>)
OPSM	Social Welfare Market Operation (<i>Operasi Pasar Swadaya Masyarakat</i>)
PRRO	Protracted Relief and Recovery Operation
UNHCR	United Nations High Commission for Refugees
VAM	Vulnerability Analysis and Mapping
VGf	Vulnerable Group Feeding
WSB	Wheat-soya Blend

