

From Recovery To Empowerment

FINAL REPORT



***Community Recovery Programme
Final Report
1998-2006***



THE COMMUNITY RECOVERY PROGRAMME IN INDONESIA 1998-2006

NAD (ACEH)
 96 Projects
 Contract Rp. 7.817.524.397 **Contract** **US\$ 1.200.000**
 Disbursed Rp. 7.817.524.397 **Disbursed** **Rp. 1.277.537.000**

NAD (ACEH)*
 60 Projects

KALIMANTAN BARAT
 54 Projects
 Contract Rp. 4.438.502.276
 Disbursed Rp. 4.438.502.276

SULAWESI TENGAH
 133 Projects
 Contract Rp. 15.639.177.912
 Disbursed Rp. 15.639.177.912

SUMATERA UTARA
 112 Projects
 Contract Rp. 10.089.581.200
 Disbursed Rp. 10.089.581.200

SUMBAR-RIAU
 46 Projects
 Contract Rp. 5.184.310.650
 Disbursed Rp. 5.184.310.650

KALTIMENGSEL
 52 Projects
 Contract Rp. 2.294.628.000
 Disbursed Rp. 2.294.628.000

SULAWESI UTARA
 17 Projects
 Contract Rp. 2.418.724.140
 Disbursed Rp. 2.418.724.140

PAPUA
 47 Projects
 Contract Rp. 6.497.421.476
 Disbursed Rp. 6.497.421.476

JAMBI
 37 Projects
 Contract Rp. 4.610.811.000
 Disbursed Rp. 4.610.811.000

MALUKU UTARA
 30 Projects
 Contract Rp. 4.068.792.832
 Disbursed Rp. 4.068.792.832

SULAWESI TENGGARA
 120 Projects
 Contract Rp. 15.974.812.900
 Disbursed Rp. 15.974.812.900
European Commission (12 Projects)*
Contract Rp. 4.802.999.860
Disbursed Rp. 4.802.999.860

SUMATERA SELATAN
 32 Projects
 Contract Rp. 2.237.148.650
 Disbursed Rp. 2.237.148.650

BALI
 25 Projects
 Contract Rp. 3.176.880.500
 Disbursed Rp. 3.176.880.500

SULAWESI SELATAN
 181 Projects
 Contract Rp. 11.525.259.583
 Disbursed Rp. 11.525.259.583

BENGGULU
 32 Projects
 Contract Rp. 4.223.639.000
 Disbursed Rp. 4.223.639.000

LAMPUNG
 52 Projects
 Contract Rp. 4.120.298.600
 Disbursed Rp. 4.120.298.600

BANTEN
 44 Projects
 Contract Rp. 3.921.961.037
 Disbursed Rp. 3.921.961.037

DKI JAKARTA
 90 Projects
 Contract Rp. 8.981.228.189
 Disbursed Rp. 8.981.228.189

JABAR PANTURA
 102 Projects
 Contract Rp. 9.753.330.431
 Disbursed Rp. 9.753.330.431

PARAHYANGAN
 145 Projects
 Contract Rp. 13.372.538.448
 Disbursed Rp. 13.372.538.448

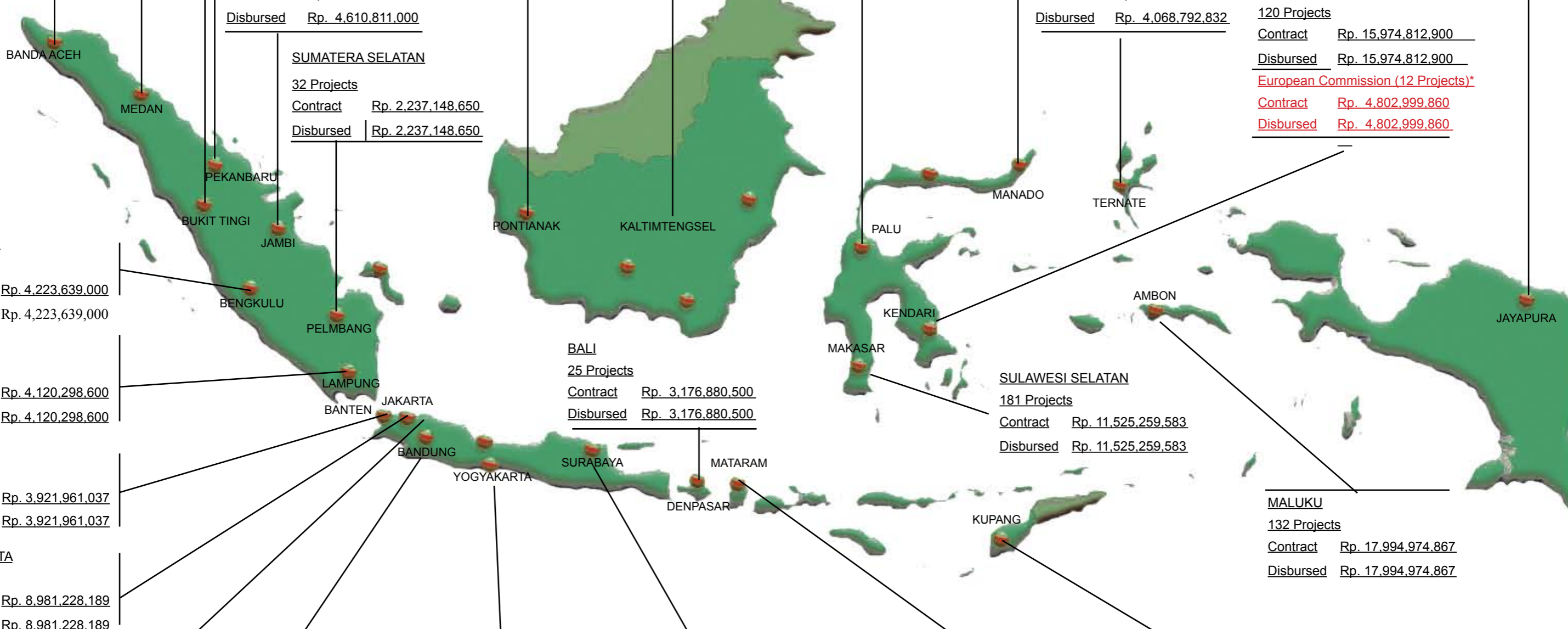
YOGYAKARTA/JATENG
 282 Projects
 Contract Rp. 18.469.263.512
 Disbursed Rp. 18.469.263.512

JAWA TIMUR
 146 Projects
 Contract Rp. 13.028.786.555
 Disbursed Rp. 13.028.786.555

NUSA TENGGARA BARAT
 36 Projects
 Contract Rp. 3.674.666.750
 Disbursed Rp. 3.674.666.750

NUSA TENGGARA TIMUR
 88 Projects
 Contract Rp. 9.071.528.671
 Disbursed Rp. 9.071.528.671

MALUKU
 132 Projects
 Contract Rp. 17.994.974.867
 Disbursed Rp. 17.994.974.867



***Entries in Red Signify Ongoing Projects financed with funds outside of the CRP Trust Fund.**



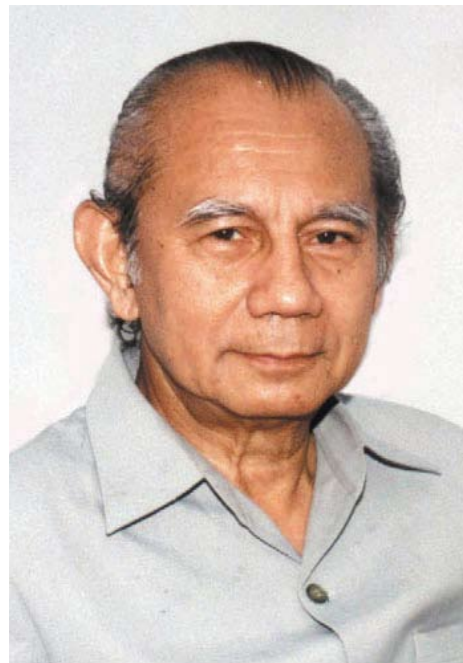
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Left: Children play in the ocean on Buton Island, Southeast Sulawesi.

This page: Ibu Nufus fills water canisters from the CRP, clean water network in Duntana, Western Flores



Message from the Chairman of the Association for Community Empowerment

The Community Recovery Programme (CRP) was formed in 1998 during a time of national economic crisis to provide rapid and effective assistance to poor and vulnerable communities throughout Indonesia. It was a time of great turmoil when literally millions of people lost everything: their savings, their homes and their livelihoods. Almost overnight the incidence of poverty throughout the country doubled. Inflation skyrocketed as did unemployment. Government agencies were overwhelmed by the sudden surge in requests for assistance. Entire communities of poor and vulnerable fell through the cracks in the existing social safety net, and could not continue to meet their basic needs. It was precisely these groups that CRP would set out to assist.

Established in Jakarta in October of 1998, CRP brought together the expertise and commitment of a consortium of 27 national Civil Society Organisations (CSOs). With generous support from the Governments of the Netherlands, the United Kingdom, Sweden and New Zealand, and with the coordination of the United Nations Development Programme (UNDP), the consortium would appoint CRP's National Secretariat and oversee the assembly of a vast network of regional offices throughout the nation. Working closely with the Indonesian Government, as well as with regional NGOs, and CBOs, CRP would facilitate the distribution of critically needed resources and assistance to communities throughout the nation. Much of the assistance provided in the early days was purely humanitarian in nature, ensuring that communities did not go hungry, that their basic health requirements were met, that they had clean water and that their children could continue to go to school.

Despite reaching a level of relative stability in the following years, conditions in Indonesia evolved into a multidimensional crisis revealing serious deficiencies in the nation's economic, political and social agenda. The poor and vulnerable continued to be the worst affected. As the government has continued to work towards solutions to the nation's problems, civil society has played an increasingly vital role. This is particularly true now that the nation is no longer governed by technocrats who are promoted to their position, but rather by elected officials who may be unfamiliar with the problems faced by their constituents or with the best means to implement solutions. In today's environment of decentralised governance, civil society acts as a guiding light. Through real partnership with local government, civil society becomes a key player in invoking real change for long-term sustainable development.

Poverty in Indonesia is like layers of a shell. On the first layer we see that the poor have little access to income or employment. They have no credit nor do they have capital (be it financial, physical, natural, human or social). They lack education and social infrastructure such as health care. Without access to these resources, the poor remain isolated, trapped within a shell of poverty. The challenge then is how to get them out of this shell when they do not know how to do so by themselves. Together with local NGOs and CBOs the communities may work to discern the challenges which face them and identify the scarce resources necessary to build sustainable way of living (be it fishing, cultivation of certain plants, a small business venture or the making of products from locally available materials). Such progress does not happen overnight, there is always a process which needs to begin from the bottom up. Through dialogue and consensus the shell of poverty may then be opened and the opportunity grasped.

In its evolving mandate, away from humanitarian assistance to the more long term goal of poverty eradication, CRP became increasingly involved in the process of helping communities to develop sustainable livelihoods. Thousands of communities benefited from an extensive variety of programmes. CRP has worked in rural as well as urban communities, with men and with women, in areas of conflict and natural disaster bringing new capital resources to bear on endeavours which have helped these groups to find ways of providing for themselves. But beyond the attainment of a sustainable livelihood, we have found that many of the poor who break out of their shell to grasp hold of the resources available to them are still trapped within a larger shell of structural poverty. While the newly enfranchised communities have a means to maintain a sustainable livelihood, they are encumbered by a power structure which prevents them from realising their full potential. In many cases this occurs due to inadequate access to markets in which the poor may sell their products. In other circumstances it may be due to a lack of physical and social infrastructure. The possible manifestations of structural poverty seem infinite. Every community has its own individual characteristics. Poverty must therefore always be assessed within the context that it occurs.

It is not enough to focus only on creating sustainable livelihoods for the poor. Of course that is a necessary step, but if one is to have a lasting effect, then one needs to go further to build the capacity of civil society so that the poor may independently ascertain the various bottlenecks which keep them from reaching their aspirations of lasting prosperity. We need to pursue a path of Community Empowerment which gives civil society the knowledge and skills necessary to petition the forces of change within the government and private sector. By leveraging this vast untapped social resource, we commit to assisting the poor to break beyond the outer shell which has hitherto kept them ensnared within a cycle of dependency.

In 2003, CRP evolved to become the Association for Community Empowerment (ACE). Since then, ACE's mandate has grown and diversified to make capacity building of civil society the over arching nexus of its being. It continues to facilitate the development of sustainable livelihoods, but always within the context of developing the community's capacity to understand the structural forces behind poverty and granting them the tools to invoke real change. On an institutional level, ACE has restructured many of its operations devolving many of its core process from the National Secretariat to the regions where the development occurs. The regional offices which once belonged to the executive continue to decentralise. Many now function as independent NGOs. They remain however a part of ACE's vast network as regional partners in development.

This CRP Final Report formalises the closure of the trust fund which was initially founded in 1998 when the national NGO consortium came together to form CRP. It represents a watershed, an opportunity to look back at the work which has been achieved. But more than that, the CRP Final Report provides an opportunity to present the network's continuing operations as ACE. It delivers a message that the goal of poverty eradication is within our grasp, but that it will only occur through full ownership of development by all stakeholders. With continued support from the domestic and foreign donor community, and from the government and the people of Indonesia, ACE can become a leading force in the development of civil society to eradicate poverty in Indonesia.

Emil Salim
Chairman of Association for Community Empowerment



STATEMENT BY THE RESIDENT REPRESENTATIVE OF THE UNDP

As one of the 189 nations to sign the Millennium Declaration in September 2000, Indonesia has demonstrated an ongoing commitment to making poverty reduction, improved health and education, peace, human rights and environmental sustainability the priorities of its national development agenda. The Millennium Development Goals (MDGs), which emerged from the Millennium Declaration, offer an ambitious set of specific, measurable development targets, which all signatories have agreed to achieve by 2015; they now serve as the foundation for development in Indonesia. The Government's recently launched Poverty Reduction Strategy Paper (PRSP) which places pro-poor policy and programmes as a primary strategy for growth and development, embodies many of the targets of the MDGs.

The UNDP has steadfastly supported Indonesia's development. One way in which it has done so is through its engagement of Indonesia's many Civil Society Organisations, which work in areas related to poverty reduction and community development. This has been a driving factor of UNDP's support for the Community Recovery Programme (CRP).

Established in 1998 at the height of the Asian financial crisis, CRP's initial mandate was the provision of rapid and targeted assistance to poor communities across Indonesia. UNDP has supported CRP by managing the multi-donor CRP trust fund, and by providing technical assistance. With the gradual recovery from financial crisis, CRP's mandate has evolved away from emergency response to focus more on long-term development and the attainment of the MDGs. This shift in emphasis has been accompanied by decentralisation and fundamental restructuring of the organisation, which has since changed its name to the Association for Community Empowerment (ACE). As a national organisation that advocates for pro-poor policy reform, ACE operates as one of the most innovative poverty alleviation programmes in Indonesia. The current report signals UNDP's intention to formally close the trust fund, the financial resources of which have now been fully disbursed. Although this closure will conclude UNDP's role as a direct financial manager of the programme, UNDP continues to provide support to ACE through its specialised MDG Support Unit (MSU). Programmes facilitated by ACE financed outside the trust fund include ongoing initiatives in Aceh and Nias, and in Southeast Sulawesi.

I would like to extend my gratitude and appreciation to the Governments of the Netherlands, the United Kingdom, New Zealand and Sweden as well as to the private sector, for the generous contributions they have made to the CRP trust fund. I would also like to thank the European Commission for its support of ACE activities in Southeast Sulawesi which are outside of the trust fund. The work accomplished with these contributions has had a remarkable impact on the lives of poor communities throughout the nation. With continued support, ACE will utilise its organisational knowledge and vast network of CSOs to strengthen civil society and work for the achievement of the MDGs.

Bo Asplund
UNDP Resident Representative



Note from the Executive Director of ACE

The Community Recovery Programme Final Report represents an opportunity to look back at the significant development work which has been carried out by CRP and later ACE. The report signals the formal closure of the multi-donor trust fund which was established in 1998 to finance the programme's community driven development initiatives. Although this closure brings an end to UNDP's involvement as financial manager of the programme, the secretariat and the vast CSO network established during the period of trust fund financing continues to respectively facilitate and implement development activity on a programme basis.

During CRP's early years of operation, the primary objective was to provide a rapid response to the crisis, delivering aid quickly, in a transparent and accountable manner. Through its 28 regional offices across the country CRP solicited proposals for grants from local CSOs who would then act as the implementing partners. As the crisis in Indonesia abated and the economy returned once again to an overall

pattern of growth, CRP restructured and decentralised its operations. In 2004 the organisation was renamed the Association for Community Empowerment (ACE).

ACE would continue to facilitate community based initiatives which generate income and promote food security and basic services of affected communities. The overarching aim of these initiatives has however evolved to become the empowerment of civil society to foster long term development and social change. In line with the mandates declared in the original CRP project documents, ACE decentralised its operations. This has entailed the evolution of its regional offices to become independent NGO partners. This network has subsequently consolidated to become the Konfederasi Anti-Pemiskinan (KAP). The members are among the many CSOs which ACE supports on a programme basis, through its ongoing facilitation of grassroots development activity.

ACE has accumulated a wealth of experience through its role as a facilitator of community driven development initiatives across Indonesia. Since its inception in 1998 the programme has facilitated the disbursement of grant assistance of over US\$23.5 million to benefit over a quarter of a million families in thousands of communities across the nation. ACE has come to understand that structural poverty is very much defined by the context in which it occurs. Through ongoing use of the Participatory Planning Process and the Sustainable Livelihoods Framework, ACE's implementing partners work together with local communities to develop initiatives which provide for their basic needs and rights.

As a national NGO with an established network of implementing partners and experience working at the grassroots level, ACE is well positioned to facilitate development activity which empowers communities and simultaneously improves their social economic circumstance. With continued support, ACE will foster real change and lay the foundation for the attainment of the MDGs.

Titik Hartini
Executive Director, Association for Community Empowerment

Executive Summary

The Community Recovery Programme (CRP) was founded in 1998 by a consortium of 27 national NGOs. Its primary mandate was to provide a rapid response to Indonesia's crisis, delivering aid quickly, in a transparent and accountable manner to communities which otherwise had not received assistance from the Government of Indonesia's social safety net.

CRP used a multi-donor trust fund that received contributions from the Netherlands, the United Kingdom, Sweden and New Zealand. It also included a private sector contribution from PT Beiersdorf as well as funds from the UNDP for support activities. Total financing for the CRP trust fund amounted to US\$28,937,847. Use of the trust fund finances was governed by a series of formal agreements entered into when CRP was formed and when pledges of support were made.

The organisational structure of CRP included a National Council, a National Secretariat and 28 regional technical teams which solicited proposals for development from NGOs and CBOs at the grass roots level. Viable project proposals were forwarded to the National Secretariat for consideration by the National Council. If the project was approved, a request for funds transfer was sent to UNDP which as the manager of the trust fund would then make a transfer direct to the implementing partner in the field.

CRP initially supported three types of interventions: Job Creation and Income Generation; Food Security; and Basic Social Services. Later it would add a Humanitarian Aid programme which was developed specifically to meet the needs of communities in conflict and areas with Internally Displaced People (IDPs). Also added, were programmes specifically related to advocacy and capacity building. Most CRP programmes were a mix of these categories with advocacy and capacity building taking on a more

predominant role as CRP grew and evolved. All programmes facilitated by CRP were assessed, planned, implemented, monitored and evaluated in accordance with the Participatory Planning and Implementation cycle.

A comprehensive evaluation and audit in 2001 concluded that CRP was an effective mechanism for channelling needed development assistance to impoverished communities. At the same time these reviews cited a number of deficiencies in CRP's operations. Primary among these was that despite the changing economic environment in Indonesia, to a more stable post recovery pattern, CRP continued to operate in crisis mode, emphasising rapid delivery of assistance. The evaluation therefore recommended that CRP focus more upon developing the capacity of CSOs to engage the causes of poverty within the various contexts that it occurs. The evaluation recommended that CRP activities should be carried out in support of the greater objective of promoting advocacy for pro-poor policy reform.

In direct response to the recommendations made in the 2001 evaluation, CRP implemented several strategic changes to shift its emphasis to the long-term strategic objective of developing civil society for poverty eradication. This included the adoption of the Sustainable Livelihoods Framework, a model for development which takes account of each individual community's, vulnerability and resources, and places them within the greater framework of policy, processes and institutions. To ensure the effectiveness of these changes, CRP, with direct support from UNDP, would conduct a series of capacity building workshops for the regional offices as well as for its CSO implementing partners in the field.

In 2004 the organisation changed its name to the Association for Community Empowerment (ACE). Concurrently the status of the organisation was changed from being a foundation or Yayasan to become an Association. The tran-

sition would herald several significant shifts in programme emphasis and operations. In addition to the shift from emergency assistance to structural poverty, the programme would also feature support for pro-poor advocacy activities and stress the building of "strategic alliances" and networks within and between the regions. Greater emphasis would be placed on getting the regional offices to share their experiences and synergize their activities. This latter emphasis on networks and horizontal linkages represented the "heart and soul" of the ongoing decentralisation process. The strategy was to build a self sustaining "critical mass" of community groups and support facilities in each of the regions where the programme was active.

Through a process of consensus with all stakeholders, ACE would develop a new long-term vision and mission. The new vision statement became: "Poor and vulnerable communities are empowered and able to meet their basic needs. Full access to needed resources, control over public policy through strategic alliances that assist in building and strengthening of civil society with gender and social equality." The organisation's activities would be based on five basic principles. These were: Democracy; Gender and Social Equality; Environmental Awareness using local wisdom and knowledge; Sustainability; and Human Rights.

In compliance with the mandates of the CRP project documents ACE continued to decentralise its operations. From 2004 the regional offices which had until then been part of the National Secretariat would devolve to become autonomous regional partners. Under the new arrangement, these offices would effectively be responsible for the management of their own projects. In addition to serving as regional facilitators of ACE activities, they were free to compete for other grants and to act as implementing partners for initiatives beyond those supported by ACE. Many of these regional partners formally registered their activities locally to become independent NGOs.

In December of 2004, 22 of the regional partners held a conference in Banten, West Java to declare their resolve to form a new association called the Indonesian Anti-impoverishment Confederation or KAP Indonesia (Konfederasi Anti-Pemiskinan Indonesia). The confederation established an organisational structure to govern their activities and relationships with one another as well as with ACE. Under the new arrangement ACE provides support to its implementing regional partners on a programme basis. KAP members are free to engage in other activities independently of the ones they carry out on behalf of ACE. The emphasis of these activities remains the use of Participatory Planning and the Sustainable Livelihoods Framework to pursue development initiatives and enhance the role of civil society to advocate for pro-poor policy. In addition to working with several KAP members, ACE also engages other CSO networks.

Since 2005 ACE has expanded its operations beyond those financed by the CRP trust fund. With support from the government of New Zealand, ACE would facilitate post-tsunami reconstruction and rehabilitation efforts through its regional partner the Aceh Development Fund (ADF). Also with generous support from the European Commission, ACE is facilitating a comprehensive programme of assistance to local CBOs in Southeast Sulawesi to help IDPs who have decided not to return to Maluku to integrate with host communities.

ACE continues to be a major civil society proponent for the advancement of the MDGs in Indonesia. The issuance of the CRP Final Report signals the closing of the CRP trust fund. ACE will continue to facilitate programmes with finances outside of the trust fund. UNDP is now in the process of organising a final evaluation of CRP/ACE programmes initiated during the period of the CRP trust fund. The results of this evaluation will be made available through postings on the web sites of UNDP - Indonesia (www.undp.or.id) as well as on the ACE web site (www.indoace.or.id).

Introduction:

The Community Recovery Programme (CRP) was established in 1998 to respond to the greatly increased incidence of poverty caused by the economic crisis of 1997-1998 and to fill the gaps within the Government of Indonesia's social safety net programme. CRP created a network of Civil Society Organisations (CSOs) capable of delivering rapid and well targeted assistance to poor households and community groups throughout the nation.

During the decade prior to the Asian financial crisis, Indonesia's economy had performed exceptionally well recording annual growth in the neighbourhood of 6% to 7% per year. Development was accompanied by an increasingly equitable distribution of wealth. Despite this progress, the role of civil society remained limited. The development of social institutions, such as education and health care did not advance at a pace commensurate with the economy. Large numbers of people who were continually just over the poverty line remained vulnerable to any downturn in the economic environment.

When the crisis hit in 1997, it was unexpected, swift and devastating. According to the National Bureau of Statistics, unemployment rose from 4.7 percent just before the crisis to 6.4% in 1999. Twelve million people lost their jobs as a result of the crisis. The sudden scarcity of income opportunities created a raft of other problems. Simmering sectarian rivalries which had long persisted with a relative degree of social cohesiveness, suddenly exploded into all out conflict. Rioting in the urban areas exacted a heavy toll on commercial centres. Many of the unemployed from the formal sector returned to the informal sector or to agriculture. About one million people were estimated to have returned to the countryside during the first two years after the outbreak of the crisis increasing the burden of structural poverty long prevalent in the nation's rural areas.

The Government's social safety net managed to

deliver large amounts of aid in a relatively short time, allowing many children to stay in school and many families to put food on the table. Given the scale of the crisis and the number of people affected however, these services struggled to cope.

CRP was established in direct response to the crisis. Founded by a consortium of 27 national NGO's, CRP utilised a vast network of regional offices and local CSO partners to serve as a mechanism for the emergency channelling of resources in a rapid and transparent manner to community development programmes which would help poor people to help themselves. The emphasis was on providing a rapid response to the crisis, delivering aid quickly and in a transparent and accountable manner. The organisation included a National Secretariat and 28 regional

“The emphasis was on providing a rapid response to the crisis, delivering aid quickly, in a transparent and accountable manner.”

technical teams, which solicited plans and proposals from NGOs and CBOs at the grass roots level. CRP was established as a foundation (Yayasan Pemulihan Keber-

dayaan Masyarakat, or YPKM), and utilised a multi-donor trust fund set up and administered by UNDP. The founders agreed upon the following basic principles to guide the programme:

- Transparency of operations and full accountability for funds;
- No duplication of activity, but rather complimentary initiatives;
- Emphasis on initiatives that empower communities;
- Equal Opportunity regardless of race gender religious conviction or political affiliation.

The CRP trust fund received contributions from the Netherlands, the United Kingdom, Sweden and New Zealand. It also received a private sector contribution from PT Beiersdorf as well as funds from the UNDP for support activities and capacity building. In addition to signing letters of agreement with the various donors, UNDP drafted the project documents which would set the terms and conditions for all stakeholders concerned with CRP activities. Decentralisation of activities and responsibilities from the National Secretariat to the regions was implicit to the project documents.

Figure 1: Documents Governing the CRP trust fund

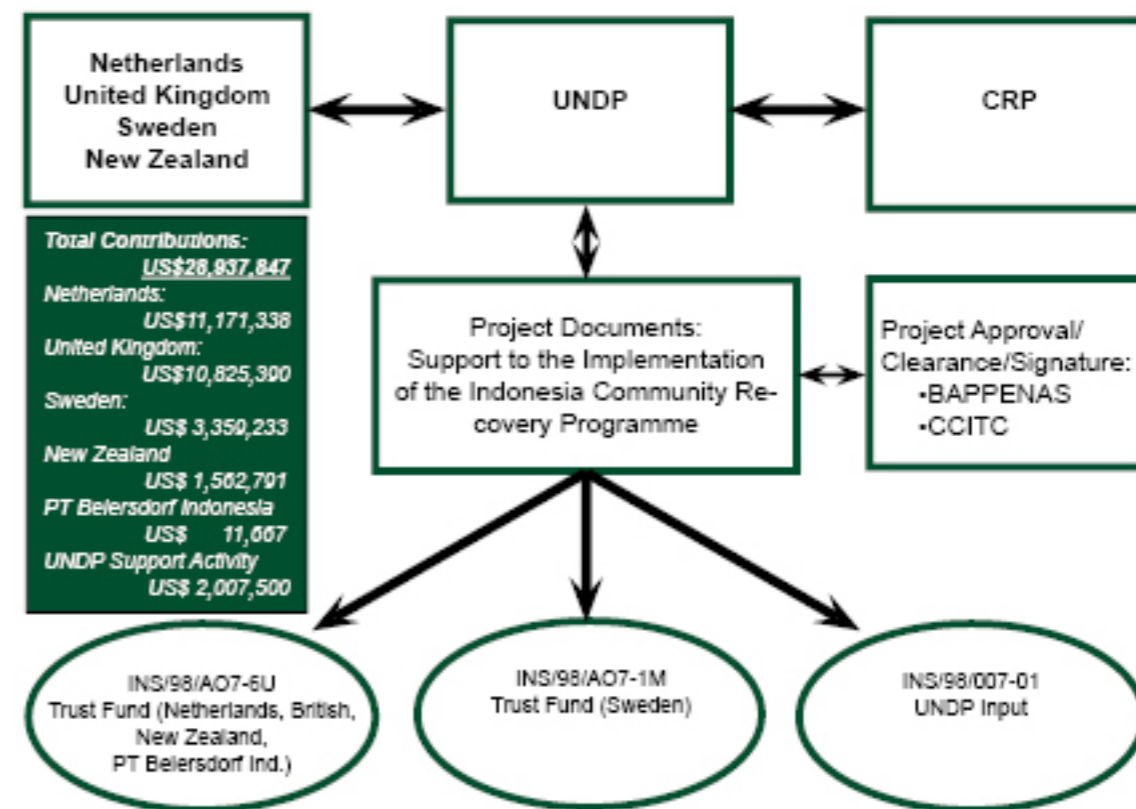
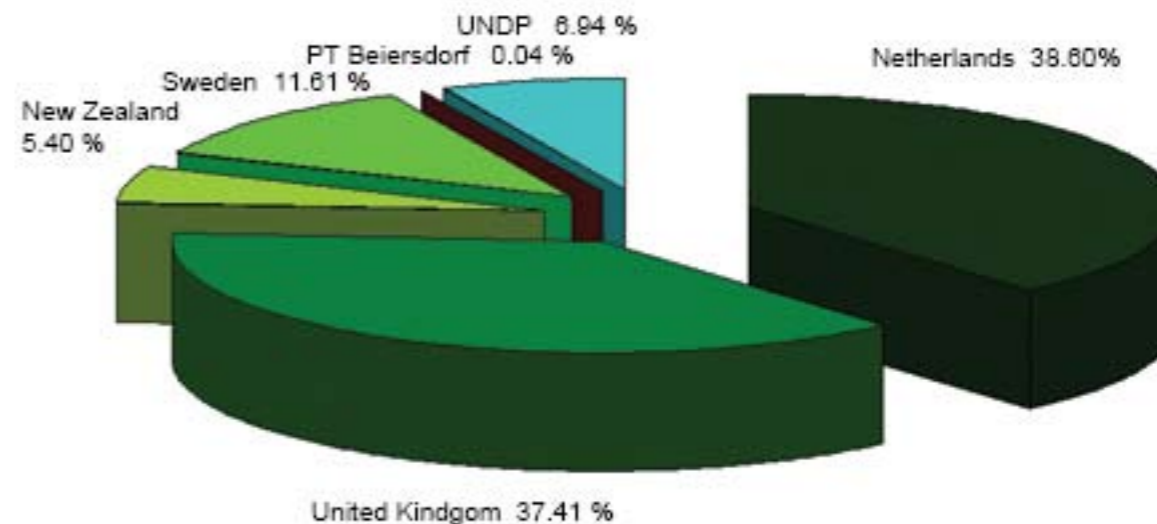


Figure 2: Contributions to the CRP trust fund



The CRP Project Cycle:

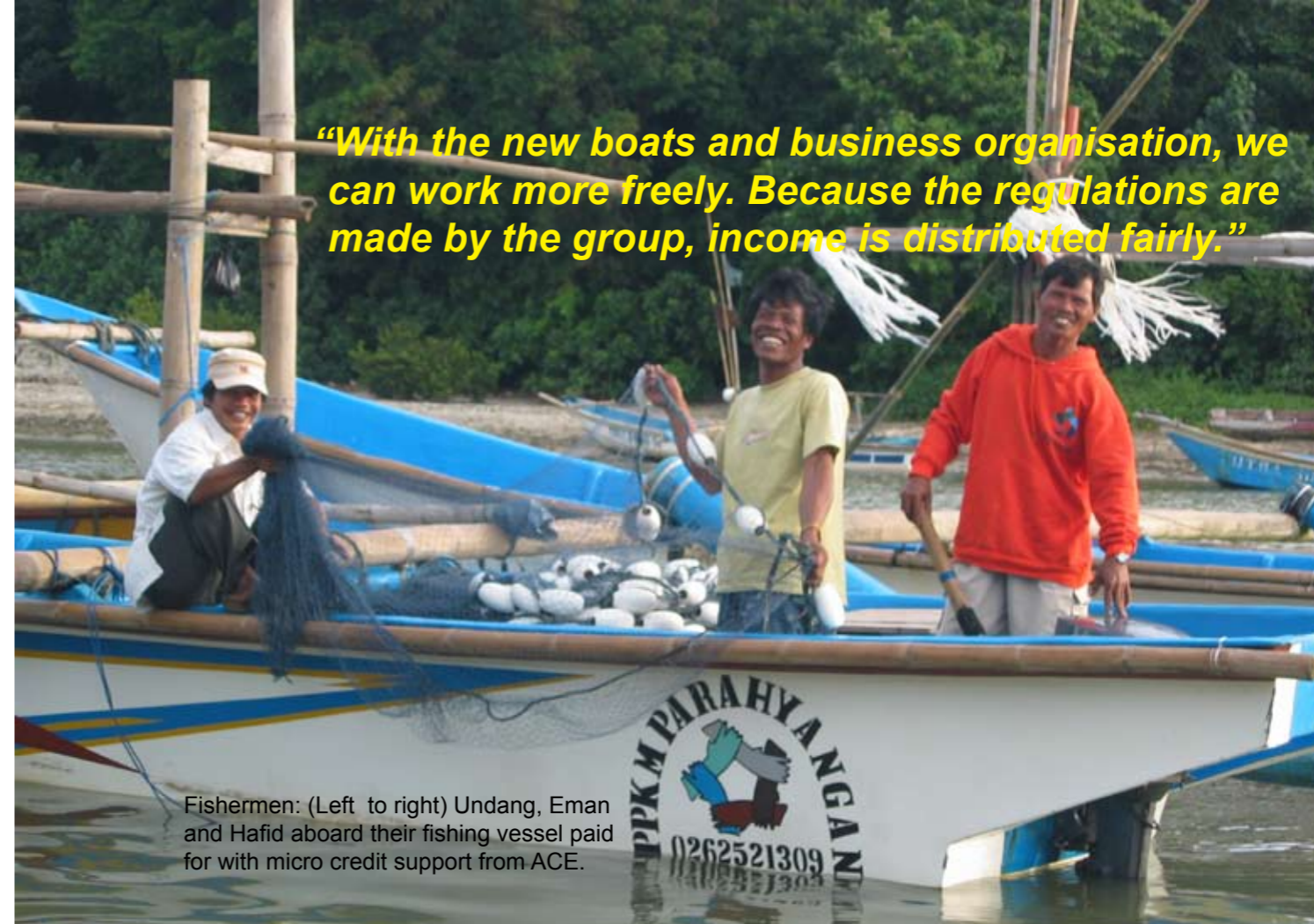
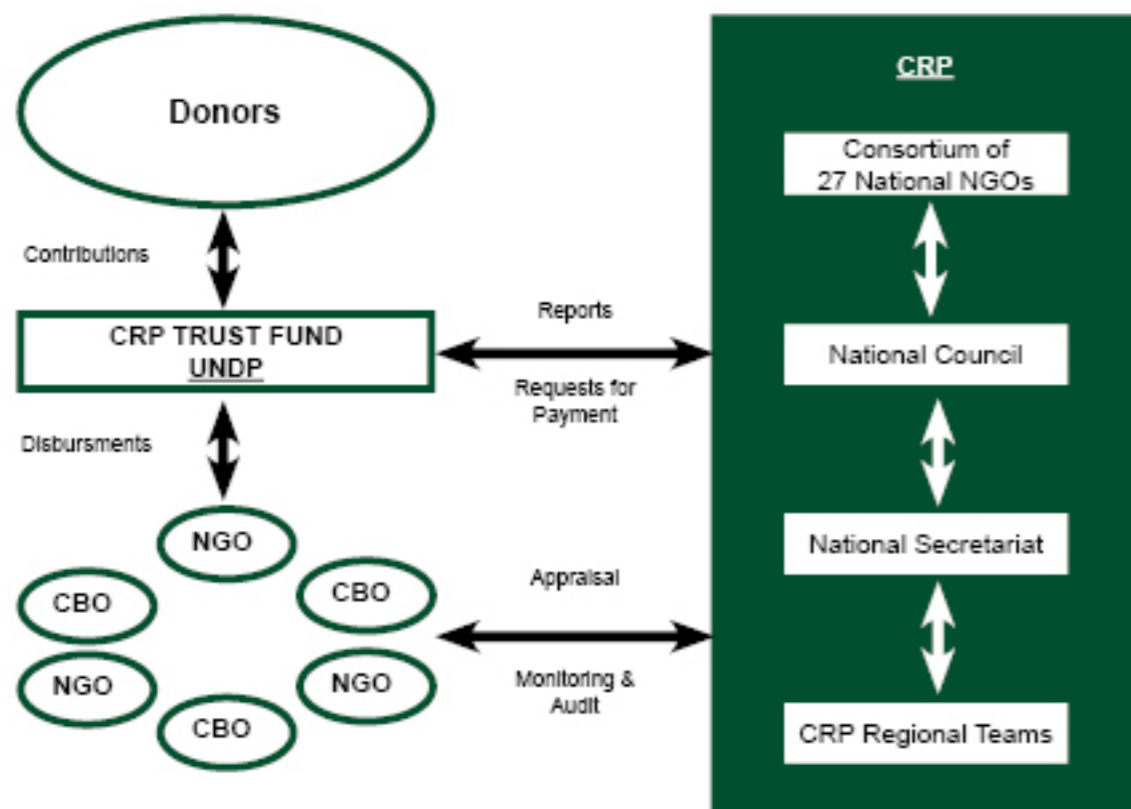
During the first years of CRP's existence the emphasis remained on the provision of rapid and efficient aid to alleviate poverty caused by the economic financial crisis. The project document outlined the following four objectives:

1. To support and increase the capacity of Civil Society Organisations in initiating and sustaining a newly established non-governmental emergency response system, which can rapidly and correctly identify and meet the needs of the vulnerable groups affected by the economic crisis.
2. To build local NGOs' capacity to identify, design, manage and sustain the newly established emergency response system in support of the gradual decentralisation of the programme.
3. To facilitate and further strengthen a collaborative, equal partnership between Civil Society Organisations and the Government in mitigating the social consequences of the economic crisis on the vulnerable segments of the population;
4. To assist in the dissemination of information about CRP to support the gradual expanded

coverage, participation in and support for the programme through Information and Communication activities.

The process by which CRP provided assistance started with an initial proposal prepared by a group of people through a local NGO, or in the case of a CBO, in cooperation with CRP's regional facilitators. After reviewing the proposal and making a field appraisal to ascertain the projects' viability, the Regional Team would forward a recommendation to the National Secretariat in Jakarta. The National Secretariat would then review the proposals to generate a short list of qualified initiatives that would then be reviewed by the National Council. If the National Council found that the proposal met the criteria for selection, a contract was signed between CRP and the recipient of the grant. A request for transfer of funds was then sent by CRP to the UNDP office. UNDP transferred funds from the CRP trust fund directly to the grantees in two or three disbursements based on the progress of work as discerned by the Regional Team's ongoing monitoring and audit activities.

Figure 3: CRP Institutional Arrangements



Fishermen: (Left to right) Undang, Eman and Hafid aboard their fishing vessel paid for with micro credit support from ACE.

Conditions in the small fishing village of Pameungpeuk on the south coast of Java in Garut province, are typical of much of the structural poverty prevalent throughout Indonesia. The fishermen have little education, no financial resources and lack capital. As a result they have little option but to work for the local *Juragan* (Boat Owners), who usually provides very small compensation for their labour. As the fishermen are only able to fish nine months out of the year, they inevitably have inadequate income to support themselves during the off-season and go into debt to the *Juragan*. The situation creates a cycle of dependency.

The programme in Pameungpeuk began in 2003 and was facilitated by CRP's regional office in Bandung (now KSPI, ACE's regional partner). The programme provided revolving credit of approximately Rp.950 million to five *kelompok* (self-help groups) each of which has 17 members. The group decided to use half of their funds, to build and equip three small sized fishing boats as well as one larger diesel powered boat. Approximately 30% of the money was used to support local small business enterprises, some of which are engaged in marketing the catch. The remainder was kept on ac-

count to cover incidentals such as fuel costs and equipment maintenance. Since the programme started the fishermen have consistently allocated 30% of their income from fishing to repaying the group fund. Although the small business contingent has not been as successful in making repayments, overall the group has managed to maintain a healthy balance.

"With the new boats and business organisation, we can work more freely. Because the regulations are made by the group, income is distributed fairly," explains Hafid one of the group members. "Also we can save money through the group fund. If one of the fishermen has an emergency, he can borrow money from the group and repay it later."

Despite their new independence, the group still has difficulty in marketing their catch. This is an area in which they are currently advocating for change and increased support from the local government. The development of sustainable models such as this one in Garut help break the cycle of dependency which has traditionally kept these fishermen poor. The programme represents the first step towards the greater goal of lasting prosperity.

Participatory Development Planning and Implementation Cycle

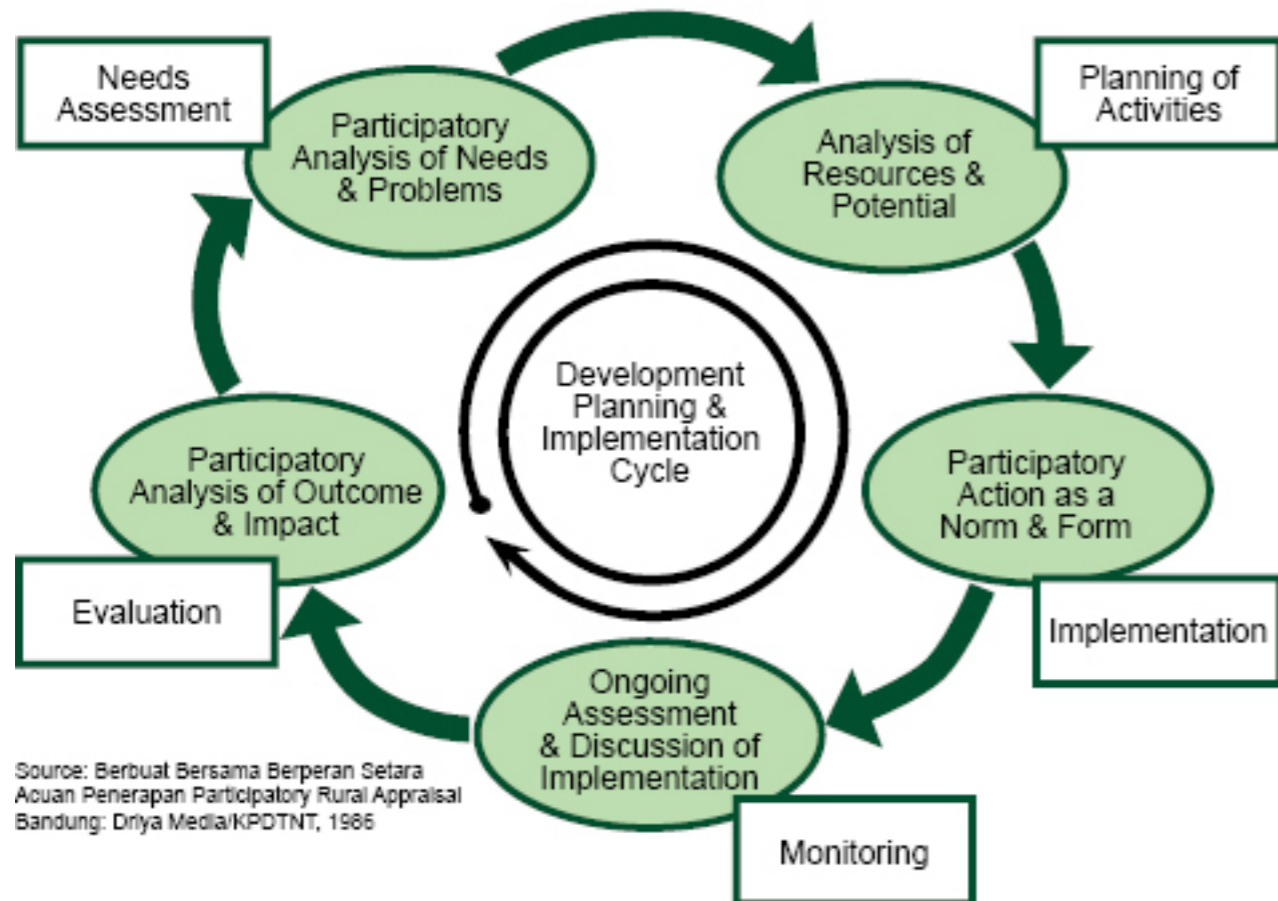
CRP programming has always begun with needs assessment and participatory planning. At this stage members of the community would be invited by the NGO (or by the Regional Office in the case of a CBO), to gather for a discussion. They would begin by analysing their problems and issues as a means of setting their priorities, identifying local resource and listing a range of possible scenarios and approaches to deal with their needs. On the basis of this discussion, the group would develop a programme. During the initial years of CRP activity, the proposals were made in accordance with the guidelines set for CRP initiatives. By facilitating the programmes in this manner, the community would generate a sense of ownership which would persist throughout the programme implementation, and onward to activities of monitoring and evaluation. A primary reason for this continuing involvement was to ensure that the programmes still met the requirements of the changing socio-economic environment.

CRP Interventions:

One of the characteristics which distinguished CRP from all other civil society initiatives was its status as a national organisation whose work with communities was executed by local NGOs and CBOs. CRP publicised its grant making potential as a means to soliciting proposals. For the CBOs it would initially facilitate community discussion and assist with the drafting of the proposal. Once the initiative had received approval however, the CBO would become a separate entity independently managing its own community initiative. The regional offices would operate in an oversight capacity, conducting monitoring and evaluation. This would in turn facilitate further disbursements from the CRP trust fund direct to implementing parties. During its initial operations CRP supported three types of interventions; these were:

- 1. Job Creation and Income Generation:** Items in this category formed a bulk majority of CRP's disbursements in the initial period. These included distribution and marketing for the pro-

Figure 4: Participatory Development Planning and Implementation Cycle



Source: Berbuat Bersama Berperan Setara
Acuan Penerapan Participatory Rural Appraisal
Bandung: Driya Media/KPDTNT, 1986

“With the new machines and tools our productivity has doubled. Also the quality of our work is much better.”

Stone Carving: Edi of Gunung Kidul, Central Java applies his trade.



Gunung Kidul is one of the most impoverished areas of Central Java. Many of the youth have little option but to move away to the cities when they reach adulthood. When the Asian financial crisis occurred in 1998 many of these people returned home to seek support from their families. For this reason the Yogyakarta regional office of CRP was particularly active in providing material assistance and promoting sustainable livelihoods in the region.

The rugged terrain and often severe climate of Gunung Kidul encouraged generations of residents to pursue creative arts and handicrafts. One such profession is stone carving. The various miners, stone cutters and artisans engaged in this enterprise tend to work in isolation of one another. CRP's intervention therefore sought to unify these professionals by creating economies of scale which would more efficiently utilise the locally available resources.

As with all CRP programmes the initiative required needs assessment and consensus building prior to implementation. As many of this programme's participants had previous experience running their own business, they each possessed their own wisdom and vision on the best course of action to pursue, it took almost a

year to reach full consensus. With the finances made available through a CRP revolving credit fund, the initial group - which comprised 20 stone cutters and 20 artisans - purchased four new cutting machines as well as new tools for processing and carving. Funds were also allocated for the purchase of raw materials from stone miners.

“With the new tools and machines our productivity has doubled” says Edi, one of the artisans; “Also the quality of our work is much better. We now sell our products to areas as far away as Bali and Jakarta.” The group continues to allocate a portion of revenues to repay the revolving credit fund however rising costs due to the recent increase in the BBM are having a serious affect on their profit margin. This issue currently dominates discussion at the group's regular civil society meetings.

The regional Yogyakarta office of CRP evolved to become the Asosiasi Terpadu Anti Pemiskinan Indonesia (ASTAPI) which continues to be ACE's partner in the region. As few new projects have been implemented in Central Java and Yogyakarta since 2004, ASTAPI has down sized considerably but still maintains an office in Wonasari, the capital of Gunung Kidul.

duce of farmers and fisher folk, handicrafts from home industries as well as assistance to other small traders. Also included in this category were economic environmental work such as waste recycling, and nurseries for rehabilitating hinterland.

2. Food Security: included support for subsistence food production activities such as vegetable gardens, animal husbandry, agricultural inputs, etc. for household and/or neighbourhood consumption. It also included the complementary activities to support the extension of food distribution to needy groups as well as rehabilitation of productive lands destroyed by forest fires, draughts and floods, etc.

3. Basic Social Services: included primary education by non-governmental providers with specific emphasis on families/regions most affected by the crisis. Also included were NGO initiatives for primary health care and nutrition. Other social services for specific vulnerable groups affected most by the crisis included support for youth programmes, elderly care facilities, women's crisis interventions, day care, or-

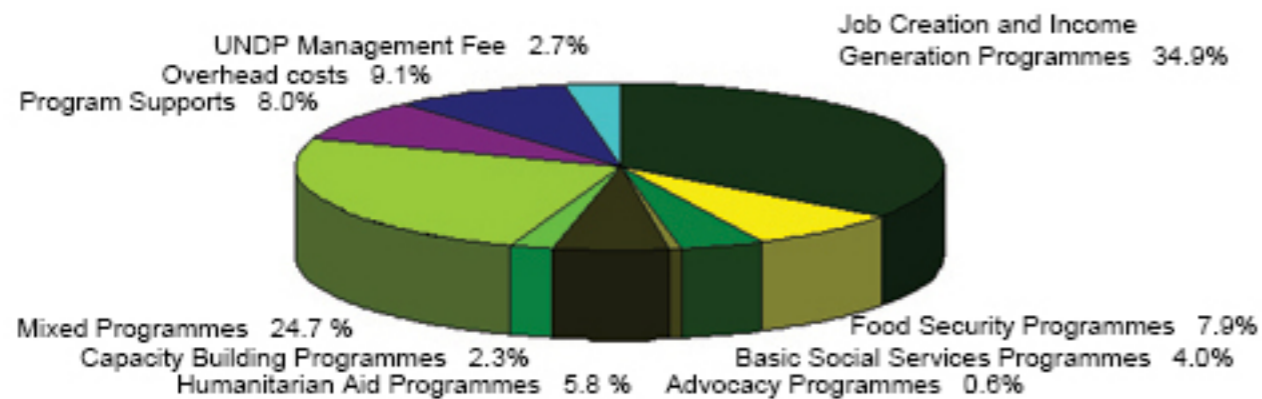
phanages and street children programmes.

By 2000, CRP initiatives expanded to included the following:

The Humanitarian Aid Programme: was established with a special grant of US\$ 1,000,000 from the Government of the Netherlands which was later increased with an additional grant of US\$ 850,000. These funds were used to assist IDPs and other victims of conflict. The program assisted communities in Maluku, South East Sulawesi, Central Sulawesi, Papua, Bali and NTT.

Mixed Programmes including Capacity Building and Advocacy: Many CRP initiatives were not exclusive to one grant category, but rather a combination of two or more initiatives. This has particularly been the case with advocacy programmes. CRP/ACE programmes involved consensus and participation on the part of all stakeholders. The sense of community generated from this process would lay the foundation for capacity building of Civil Society Organisations and other advocacy related initiatives.

Figure 5: CRP Trust Fund Disbursements (1998-2006)



CRP Trust Fund Disbursements	Amounts (US\$)
Job Creation and Income Generation Programmes	10,319,251
Food Security Programmes	2,417,982
Basic Social Services Programmes	1,169,203
Humanitarian Aid Programmes	1,651,530
Advocacy Programmes	431,160
Capacity Building Programmes	7,926,653
Mixed Programmes	4,376,996
Programme Supports	2,318,927
Overhead Costs	2,635,504
UNDP Management Fee	771,399
Total	28,937,847



“These wooden mats provide additional income for our families.”

Home Industry: Nurida (right) and Nurhasana from Kerujuk, Lombok make wooden mats which they sell locally.

Weaving mats from locally available bamboo bark is one of the income generating models used by the village of Kerujuk in East Lombok. “The money from the sale of the mats provides additional income for our families,” says Nurida. “We finish two mats per week which may be sold for between Rp. 50,000 to Rp. 80,000 depending on the size.” The model was introduced by ACE’s local partner Komunitas Pengembang Masyarakat - Nusa Tenggara Barat (KPM-NTB); which now comprises a network of 26 local NGO affiliate members.

KPM’s mandate is to promote community capacity building and advocacy for pro-poor policy change specifically for improving health, nutrition and the environment. A key function of KPM is the collection of data on hunger and malnutrition. Many of KPM’s programmes are educational. Topics include education on health and nutrition and other issues including, the delivery of information regarding Government policy and the health services that are provided by the government. KPM also advocates for charity related activities, which encourages the private sector to support the government in providing goods and services for affected populations.

In addition to promoting sustainable livelihoods, KPM’s ongoing initiatives also include:

- Public Planning, entailing the definition of key responsibilities for stakeholders.
- Making health policy recommendations to all legislative and executive levels from village to district.
- Recommending policy changes to elevate the position of poverty and its associated problems.
- Soft Loans to pregnant women. (Note: should the cost of such loans exceed local budgets then recommendations are made to cut costs for medical treatment of pregnant women or sick children).
- Ongoing recommendations for the review of the national administration’s current BBM compensation programme.
- Promotion of policies to increase freedom of women to take seats at the legislative level.

Regular evaluation and analysis of individual programmes ensures that the work being pursued continues to match with local social conditions. Any required adjustments are socialised prior to implementation. This ensures the full continued support of the communities involved.

CRP Impacts

Over the course of its operations CRP has affected a wide variety of social, economic as well as gender and policy related outputs. As an organisation which pursues a bottom-up approach to development, CRP possesses a dynamism that allows it to respond and evolve to the changing socioeconomic environment in which it works. CRP initiatives have directly benefited individuals and groups most affected by poverty, helping them to raise themselves to a more sustainable livelihood.

Social Impacts: With the majority of CRP's grants providing community-level support to income generating activities, far-reaching and diverse changes in the social landscape have been affected. In addition to providing employment and income, CRP programmes helped to foster a greater sense of community. Participatory planning has enabled all beneficiaries and stakeholders to develop a sense of ownership over the initiatives facilitating communication. Often the initiatives would create informal social spaces, particularly in market scenarios where the exchange of goods is required. The solidarity created by this interaction has been particularly positive in conflict areas.

Economic Impacts: CRP's support for Job Creation and Income Generating activities, have usually had a direct and positive economic impact on communities. Micro-credit has often been used to stimulate enterprises which leverage existing resources. These programmes would require the participants to make payments to replenish the source of credit. In many cases this activity became the primary embodiment of social savings for the community. A degree of resilience to economic shocks was thus facilitated. Improvements in food security and basic social services also had the affect of improving community resilience to economic shocks.

Gender Impacts: From its early inception CRP made a commitment to mainstream gender issues throughout its activities. This included providing women with opportunities to administer, oversee and run CRP programmes. Through its

active formation and engagement of women's groups CRP discovered that many of the women-led micro-finance programmes tended to be better run and more successful than those that were exclusively controlled by men. By providing women access/control of community initiatives, CRP directly affected gender equality and empowerment.

Policy Impacts: With the introduction of the overarching role of advocacy, CRP has created an orientation towards long term change through the adoption of pro-poor policy and gender sensitivity. By fostering a closer relationship between civil society and Government, CRP's advocacy initiatives would place communities throughout Indonesia on the correct path to development and ensure more effective and efficient use of scarce resources. As Indonesian society continues on its path towards being a participatory democracy, civil society will act as a guiding light for future policy formation and implementation.

“CRP affected a wide variety of social, economic as well as gender and policy related outputs.”

CRP Audit and Evaluation

In 2001 CRP was subject to an evaluation and audit. While the overall conclusions from these appraisals were positive; both studies drew emphasis to areas in which the programme needed to adjust and develop its approach. These suggestions were consequently incorporated into CRP's changing mandate. Specifically CRP would evolve away from the focus on rapid assistance in response to crisis that had characterised its early existence, to one which was more focused on long-term development to overcome the causes of poverty. The transition was characterised by an increased effort to decentralise many of the responsibilities and functions that had hitherto been centralised in the authority of the National Secretariat in Jakarta. Many of these changes were made in direct response to the suggestions made in the 2001 evaluation and audit.

For the duration of its operations CRP has been subject to annual audits by the Indonesian Government's auditing agency BPKP. Additionally CRP was subject to regular external audits. It



Advocacy: Members of PARAS's Arrido womens group have been successful in securing better access to markets for their community's produce.

“Our group started with capital of Rp.600,000. After two years we had saved Rp.25 million. We now need further training and guidance to develop more business models”

North Sumatra is an area in which CRP has always maintained active support for CBOs and NGOs in the fight against structural poverty. CRP's regional office, LPKM (which is now the regional partner of ACE), has worked with farmers, fishermen, women's groups and urban poor to promote sustainable livelihoods and build capacity for the advocacy of pro-poor policy reform.

Penguatan Rakyat Pedesaan (PARAS), which has received support from CRP since it was founded in 1998, has demonstrated an impressive track record in setting up more than 60 successful credit unions (CUs). Of these, approximately one third have been for women's groups.

One district in which PARAS has made significant contributions is Stabat Lankat, North Sumatra. The community in this area includes many families who migrated to the region as IDPs fleeing separatist violence in neighbouring Aceh. With help received from PARAS the community has been able to settle in with the host community.

One CU in Stabat Lankat named Arrido Women's Group has used their finances to pursue a range of small business enterprises

including food processing, small trading and business networking to improve access of local produce to markets. “Our group started with capital of Rp.600,000. After two years we had saved Rp.25 million,” says group leader Ibu Susilawati. “We now need further training and guidance to develop other business models.” Through a network of women's groups, Arrido regularly lobbies the government on issues related to gender equality and improved access to community health care and other basic social services.

All PARAS programmes include an advocacy component which encourage groups to work together to ascertain the causes of poverty, and interact with local government to invoke change. The network of Fishermen's CUs have been particularly active in lobbying for government action on issues such as encroachment on traditional fishing grounds by commercial trawlers and commercial depletion of the coastal mangrove forests. Farmers unions supported by PARAS are seeking to gain better support for organic food crops and increased market access. Credit Unions in support of professionals in the city lobby for greater support for training initiatives as well as market development.

was audited in 2001 by Grant Thornton and in 2004 by Moores Rowland. Both of these audits found CRPs preparation of financial statements to be in accordance with UNDP financial regulations, rules, practices and procedures for accounting, financial management and reporting on NGO-executed projects. The external audits included field surveys of a sample of ongoing projects.

While the majority of sites visited by the external auditors received positive appraisals, a minority were found to be problematic. In the case of the 2001 Grant Thornton audit, of the 44 sites visited 11 (25%) were found to be problematic. In response to this analysis CRP conducted a series of follow up investigations, the objectives of which were to take remedial actions, monitor implementation of these actions, and to assess the overall impacts of the programmes on the direct beneficiaries and surrounding communities.

In 2004, years after the funding period for these programmes had ended, CRP found that 9(81.82%)

of the 11 problematic programmes were still performing. Of those, the average activity rate was 56.78%. Overall CRP determined that the programmes in question had a positive impact upon beneficiaries which included both social and economic benefits. CRP's independent investigations found that audit of non-profit social activities required a broader more integrated approach which complemented the technical aspects of project management with non-technical aspects. Such programmes are dependent on many dynamic factors which are hard to predict or control. Therefore evaluations including audits need to take these aspects into consideration. CRP accepted the results of the external audits, many of the recommendations of which were in direct agreement with CRP long-term objectives particularly those related to building CSO project management capacity and to reorganising and devolving responsibility for ongoing monitoring and evaluation.

The 2001 CRP evaluation was conducted by a multi-disciplinary team consisting of a team leader, a sociologist, a gender specialist and a community development specialist. Ten field research staff were also employed to carry out

field surveys in a sample of five provinces. The evaluation team concluded that CRP was an effective mechanism for channelling needed development assistance to impoverished community groups, and recommended that the programme be extended. CRP reached a large number of its intended beneficiaries many of whom lived in isolated areas. The report also praised CRP for its relatively transparent operations which were managed by Civil Society Organisations.

The evaluation's overall positive appraisal was balanced by criticism that CRP needed to further adjust itself to the changing economic environment. Despite the fact that by 2001 the Indonesian economy had already moved beyond the Asian Financial Crisis to once again return to a pattern of growth, CRP continued to operate in a "crisis mode". The reports stated that "this was manifest through a continued focus upon quantity and speed of delivery which prevented CRP from more intensive efforts at building the capacity of CSOs and addressing the causes of poverty in a

“CRP reached a large number of its intended beneficiaries many of whom lived in isolated areas.”

multi-faceted way.” In addition to pursuing this change of emphasis the evaluation team recommended that CRP decentralise many of its decision making processes.

CRP evolved into a vast network with nationwide reach over a very short period of time. The centralised approach to management was appropriate in these early days. As the programme grew and expanded its coverage however, the concentration of authority resulted in delays to financial disbursements due to backlogs for appraisal, monitoring and evaluation. Devolution of authority for these responsibilities could not proceed overnight. CRP therefore shifted a good deal of its attention to building the capacity for the regional offices as well as training for local CSOs to build their management capacity and facilitate the process by which monitoring, evaluation and auditing could occur. By proactively engaging these aspects of network development, CRP would lay a proper foundation for its ongoing decentralisation.

CRP's Changing Mandate

CRP has learned many important lessons with

“What we need now is better assistance in promoting our horticulture so that we can sell our products in the market for a good price.”



Civil Society: A group formed under CRP gathers on Saturday morning at the local post office to discuss ongoing advocacy Initiatives.

Capacity building for Civil Society is the overarching theme of interventions conducted by Forum Solderitas Swadaya Masyarakat (FSSM), ACE's regional partner in Nusa Tenggara Timor (NTT).

“Between 85% and 90% of the local communities throughout NTT are farmers,” explains FSSM director Adelheid Da Cuhna. “The local government however, only allocates a very small portion of their annual budget to helping this majority. In addition to increasing budget allocation for the agricultural sector, they need to implement policy changes on farming systems so that the traditional farmers may become independent from external support. The government needs to implement policies which will improve farming infrastructures and improve accesses of transportation so that farmers can sell their harvest products more easily. They also need to adjust commodity market prices policy according to annual inflation.”

“Through participation in these group discussions the community has been able to discern the many complex inadequacies in the power structure which govern their activities and block full market access. Identifying these bottlenecks is the first step toward finding solutions

that will raise the farmers out of poverty,” says Ms.Da Cuhna.

A key element of FSSM's approach in building capacity for civil society has been to provide training in legal drafting for advocacy work. Through this activity the community learns about government structure and channels of policy making. They learn how to draft formal letters to different levels of government to appeal for assistance and change in policy.

“We have learned how to cultivate good harvests of nutritious food,” says Ibu Ontjee who participates in her community's regular civil society meetings. “What we need now is better assistance in promoting our horticulture so that we can sell our products in the market for a good price. We also need more technical assistance in enhancing our product's quality especially for the root and nut crops” Commenting on the civil society meetings Ibu Ontjee says “In addition to providing more information on market organisation, this programme has been driving more women to actively express their aspiration in the group.” Forum Solderitas Swadaya Masyarakat (FSSM) as a member of Konfederasi Anti-Pemiskinan (KAP) continues to be one of ACE's key implementing partners.

respect to the nature of poverty in Indonesia. The primary implication of this wisdom is that the manner in which poverty is manifest is always defined by the specific context (or structure or system) in which it occurs. The causes and constraints in a rural context, for example, are much different from those which exist in an urban setting. Likewise the situations in conflict settings or in disaster situations are also different.

Although it is a necessary step to provide the poor with some form of sustainable livelihood it is not usually enough. Other factors beyond the immediate need to become productive continue to keep the poor disenfranchised. While NGOs could provide capital assistance to fishermen to build boats and purchase equipment, it could not promise them unfettered access to markets. While work could be done to help farmers develop new crops, the absence of roads and other access continued to undermine their output. Alternatively, the lack of basic social services such as clean water or health care might be at the root of another given community's problems. The range of possible bottlenecks or manifestations of structural poverty are as diverse as the settings in which they occur. Resolution of issues such as these would ordinarily be beyond the scope of what any single NGO could achieve. Change at this level could only be invoked through the sustained full participation of civil society to lobby and to advocate for reform at the policy making level.

While poverty alleviation through the provision of support and grants would continue to provide the framework for CRP's interventions, greater emphasis was placed on developing each community's abilities to address the causes for their poverty. Advocacy and capacity building for community empowerment became the key component of future programmes. In addition to ensuring that the immediate needs of their ongoing initiative were being met, community meetings would also address larger issues pertaining to the social conditions which shaped local development. These might include ways of enhancing market access, promoting complimentary development, legal rights as well as basic social

services. CRP would support these discussions with training related to identifying the institutional framework responsible for policy matters and the means to petition the forces of change.

Sustainable Livelihoods Framework

As the scope of CRP programmes evolved to incorporate a more long-term vision, greater emphasis needed to be placed on discerning the root causes of poverty during the needs assessment and participatory planning stages of grassroots programme development. Due to the multidimensional nature of poverty, consideration needed to be given to all factors that potentially influenced community development. To ensure that programmes were well planned from the outset and incorporated the long-term strategic

“Advocacy and capacity building became a key component of future CRP programmes.”

objective of developing civil society, CRP adopted the Sustainable Livelihoods Framework, a model for development which takes

account of each individual community's vulnerability and resources, and places them within the greater framework of policy, processes and institutions. Consequently, CRP was able to improve the identification, appraisal, implementation and evaluation of its development programmes so that they better addressed the priorities of poor people, both directly and at the policy level.

Central to the Sustainable Livelihoods Framework was the assets pentagon, the five different types of capital resource potentially available within communities. These included: Human Capital, Social Capital, Natural Capital, Physical Capital and Financial Capital. Different communities in different circumstances inevitably had some measure of one or more of the above capital resources but a chronic shortage of others.

CRP continued to use the Participatory Development Planning and Implementation cycle but within the context of the Sustainable Livelihoods Framework. One of the principal challenges of needs assessment during the first stages of participatory planning was to conduct an inventory of the five types of capital. The causes for poverty are unique to each specific community as

they are dependent to each one's access to the five types of capital. Despite this fact, CRP came to recognise some general trends in terms of the types of poverty and its relation to the model. For example:

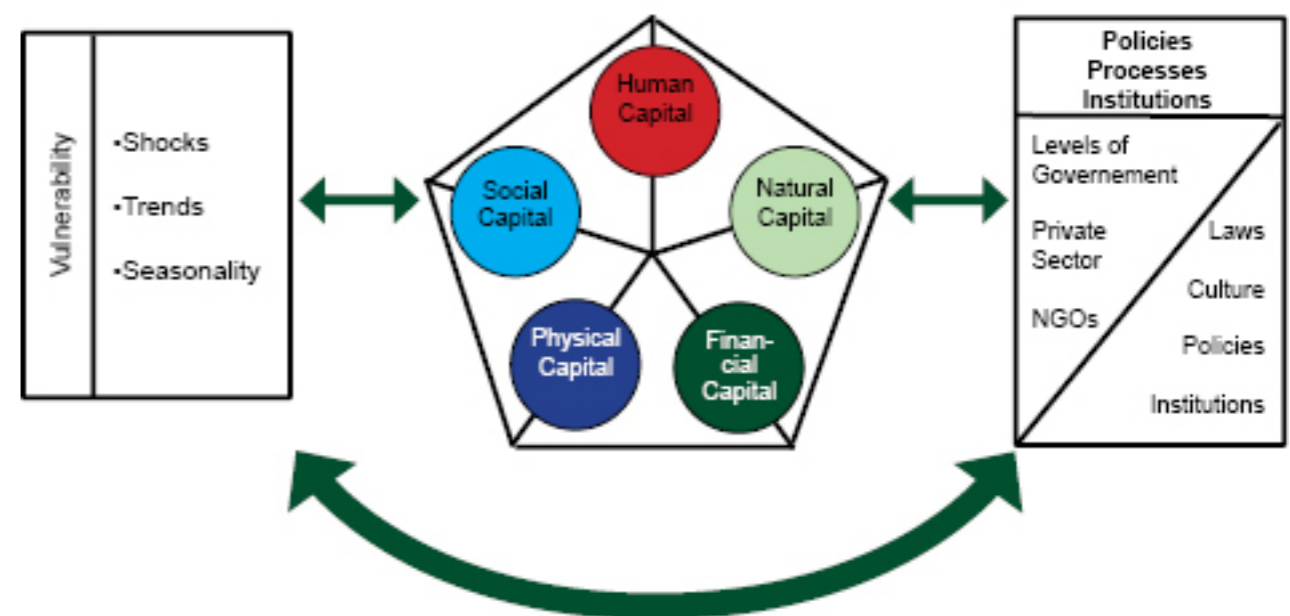
- In Urban settings, lack of financial capital with which to engage in some type of productive activity is the key challenge.
- In Conflict situations (particularly those experienced in the Maluku) a struggle to secure access to Natural Capital combined with a breakdown of channels to access Social Capital creates the key challenge.
- In IDP areas, communities often possess an abundance of Human Capital but are virtually bereft of other forms of capital.

Analysis of each community's capital inventory would form a key element of the planning and implementation phases. At this stage the inventory of capital resources would be placed within the greater systemic context in which they existed; namely: the vulnerability context; and the context of policies, processes and institutions.

The vulnerability Context is the external environment in which people exist. People's livelihoods and the wider availability of assets are fundamentally affected by critical trends as well as by shocks and seasonality. These factors have a direct impact on people's lives and the options that are open for them to pursue. Individuals and small communities are limited in terms of what they can do to reduce their vulnerability, other than to become aware of the forces at work in their lives and to try to increase their resilience. They may seek remedial measures at the policy/decision making level.

Policies, processes and institutions within the Sustainable Livelihoods Framework include all cultural norms, practices and structures which affect the life of the community. They effectively determine access to: various types of capital; decision-making institutions; the terms of exchange between different types of capital; and returns (economic and otherwise). Unlike with the factors comprising the vulnerability context, individuals and communities can have some influence in determining the policies, processes and institutions that affect their livelihoods. Through its

Figure 6: The Sustainable Livelihoods Framework



Source: Adapted from the DFID Sustainable Livelihood Guidance Sheets (1999)

use of the Sustainable Livelihood Framework, CRP's regional partners worked with local communities to discern possible means of productivity, while at the same time identifying avenues by which the community may work together to petition authority and implement change that would create the best opportunity for social and economic advancement.

The adoption of the Sustainable Livelihood Framework was accompanied by a renewed focus upon capacity building for regional offices and implementing CSO partners. In conjunction with UNDP, CRP conducted five training needs assessment workshops at the end of 2003 and early 2004. The workshops were held in key focus areas throughout the country. These events also gave the participating organisations an opportunity to discuss successes and challenges and evaluate shared needs.

Association for Community Empowerment

In 2003, in compliance with its changing mandate from crisis response to a more long term strategy of civil society strengthening, CRP changed its name to the Association for Community Empowerment (ACE). The renaming of the organisation symbolised an adoption of a more democratic approach to the changing environment in which the network operated. Concurrent to the renaming, the legal status of the organisation was changed from a Foundation (Yayasan) to an Association.

The transition would herald several significant shifts in programme emphasis and operations. In addition to the shift from emergency assistance to structural poverty, the programme would also feature support for pro-poor advocacy activities and stress the building of "strategic alliances" and networks within and between the regions. Greater emphasis would be placed on getting the regional offices to share their experiences and synergize their activities. This latter emphasis on networks and horizontal linkages represented the "heart and soul" of the ongoing decentralisation process. The strategy was to build a self sustaining "critical mass" of commu-

nity groups and support facilities in each of the regions where the programme was active.

ACE Vision:

"Poor and vulnerable communities are empowered and able to meet their basic needs. Full access to needed resources, control over public policy and though strategic alliances that assist in building and strengthening of civil society with gender and social equality."

ACE Mission:

- Support and nourish community initiatives using local wisdom and knowledge.
- Build partnerships with poor and vulnerable communities and support them to help themselves.

"The transition would herald several significant shifts in programme emphasis and operations."

- Develop synergy of initiatives among civil society, government, private sector and international agencies to empower communities.
- Support initiatives that promote social and

gender equity.

- Support efforts that promote improvements of institutional capacity of local civil society organisations so that they are able to control manage and maintain ownership of various resources in sustainable ways.

- Support efforts that promote improvement in pro-poor policy formulation and provide legal aid for poor and vulnerable communities through strategic partnerships and alliances.

- Support efforts that promote open access to information and education of the General Public.

ACE Basic Principles:

ACE activities are based on democracy among all stakeholders. They uphold social as well as gender equality. They are based on environmental awareness using local wisdom and knowledge, and upon sustainability and human rights.

"The family garden gives us nutritious and organic food."



Family Garden: Venaranda and her two sons Sumaidin (right) and Ryan tend to their biointensive garden in Maumere, Flores, Nusa Tenggara Timur.

Kebun Keluarga or Family Garden as it is affectionately referred to is the bio-intensive small scale agriculture initiative of ACE's local partner Forum Solderitas Swadaya Masyarakat - Nusa Tenggara Timur (FSSM-NTT). "The family garden gives us nutritious and organic food" says Venaranda, a mother of two young sons; "With the garden we don't need to buy many of the items we would regularly purchase at the market."

"The programme has helped the community on a number of different levels," explains FSSM director Adelheid Da Cunha. "Most immediately it helps in our objective of creating greater food security and combating malnutrition. By consuming healthier foods (nuts, corn, banana and roots) from locally available seed, the community, particularly women and children, gain an enhanced source of protein which allows them to retain the necessary nutrition. Secondly the bio-intensive garden has served an educational purpose. We have found that in many cases malnutrition is the result of a lack of awareness about healthy diets. In the process of introducing the programme we have been able to educate people on how to maintain a balanced and healthy diet," says Ms. Da Cunha.

This educational component of the programme is reinforced through participatory analysis, the purpose of which is to discern the benefits of the community's new initiative, to look back at the progress which has been made and discuss possible avenues for advancement. "This activity also helps to develop a cohesiveness within the society which leads straight into our other key objective of enhancing civil society participation" continues Ms. Da Cunha. "By interacting with one another, the community gains a better understanding of the larger forces at work which keep them in a state of poverty. They have the opportunity to discern their needs as a community and to work together for change."

FSSM's work in combating malnutrition, increasing food security and enhancing civil society Networks has been supported by a range of grants which it has provided to NGOs and CBOs working throughout NTT for poverty alleviation. Additionally FSSM has engaged the support of the local church in promoting an awareness of their various community activities. As the population throughout Flores and NTT are predominantly Catholic this has been an effective means to communication with the local communities.

Decentralisation of ACE

Although the organisation had changed its legal status from a foundation to become an Association, many of the principles and contracts which governed ACE conduct remained in place. Principal among these were the project documents which lead to the initial creation of the CRP trust fund and the National Secretariat. Implicit in the project documents was the need for the network to decentralise its operations and decision making functions away from Jakarta into the regions. This directive would ensure overall democracy between the various stakeholders and ensure the long-term sustainability of the network.

From 2004, ACE underwent a paradigm shift that would lead the regional offices of the National Secretariat to become independent and autonomous regional partners. Under the new arrangement, these offices would effectively be responsible for the management of their own projects. In addition to serving as regional facilitators of ACE activities, they were free to compete for other grants and to act as implementing partners for initiatives beyond those supported by ACE.

The paradigm shift was fundamentally related to the manner in which programmes would henceforth be initiated and pursued. While ACE activities had traditionally been initiated via proposals from the field (which then received consideration, review and approval from the National Directorate); programming subsequent to 2004 would be initiated only after direct consultation between the national and regional levels had resulted in agreement in principle. Participatory development planning and implementation in the field would antecede this agreement.

One immediate benefit of the new arrangement was the down sizing of the National Secretariat which was reduced from being a broadly dispersed organisation with offices throughout the country, to being the single office in Jakarta. From this point trust fund support to regional partners was granted on a programme basis. While some of the regional offices disbanded as a result of this decentralisation, many would ad-

just to the change by registering themselves as independent NGOs. The National Secretariat would assist in this conversion through technical assistance and capacity building.

Since its early inception as CRP in 1998, ACE's core strength has rested in its vast network. A key challenge for the organisation at this stage therefore became maintaining its close relationship with its regional partners, the activities of whom would now progress with a greater measure of independence and localised authority.

Konfederasi Anti-Pemiskinan (KAP)

The newly autonomous regional partners came together to form a new confederation that would serve to consolidate and unify their strategic vision for future development initiatives. In December of 2004, 22 of the regional partners held a conference in Banten, West Java to declare their resolve to form a new association called the Indonesian Anti-Poverty Confederation or KAP Indonesia (Konfederasi Anti-Pemiskinan Indonesia).

The confederation established an organisational structure to govern its members' activities and relationships with one another as well as with ACE. The KAP National Secretariat is located in Bandung where Bambang Y. Sundayana serves as Secretary General. KAP appointed a Board of Trustees to monitor, evaluate and audit the implementation of the KAP mandate. It also established a board of advisors to provide constructive support, considerations and inputs for KAP's progress and achievements.

The KAP Indonesia mission statement:

1. Build capacity of civil society to advocate for pro-poor policy development.
2. Deliver support for sustainable livelihood programmes which alleviate poverty.
3. Build and enhance strategic alliances in alleviating structural poverty.

Under the new arrangement KAP members are free to engage in other activities independently of the ones they carry out on behalf of ACE. The emphasis of these activities remains the use

“Since its early inception as CRP in 1998, ACE's core strength has been its vast network of regional partners”



Ibu Ciptaningsih Utaryo is the coordinator for Asosiasi Terpadu Anti Pemiskinan Indonesia (ASTAPI), ACE's regional partner in Central Java. She is one of the founding members of Indonesia's social welfare movement. Throughout her career she has shown an unwavering commitment for the protection of children's rights. Despite her advanced years – 76 years having 16 grandchildren and 4 great-grandchildren – she remains an active player in community development activities.

“I have witnessed one revolution, and five reformations” opens Ibu Utaryo, whose activism began as member of the student army during the war for independence. “My involvement in Social Welfare for children really began in 1961 when I was asked by my former revolutionary commander Bung Tomo to succeed his wife as the Chairman of the Yayasan Sayap Ibu (YSI - Mother's Wings Foundation) which at that time was based in Jakarta. “This foundation stands on the premises that every child has the right to be taken care of, from conception until the age of 18. The foundation has been especially involved in helping abandoned and unwanted children.”

Ibu Utaryo would go on to become the

General Secretary of the Jakarta Orphanages Association as well as the Jakarta Coordination Organisation of social welfare activities (BP-KKS). In 1974, Ibu Utaryo was appointed to the National Council on Social Welfare. Her work included the drafting of a bill regarding Indonesian adoption proceedings. She also belonged to the steering committee which developed Law 4/1979 on Child Social Welfare.

“Although I was pleased to have the opportunity to raise the profile of children's rights on the national level, I came to recognise that the top-down approaches pursued by the administration at that time were less effective in providing assistance at the grass roots level,” recounts Ibu Utaryo. “All provinces had to be the same; this is a problem because the conditions in Indonesia are different each place that you go. Nevertheless we proceeded to work within the existing framework to provide social welfare programmes and help the impoverished.”

In 1983 Ibu Utaryo would return to work on the local level in her home province of Yogyakarta. She established the Yayasan Sayap Ibu Yogyakarta branch and became a Board Member of the Yogyakarta Coordinating Organisation of Social Welfare Activities. In 1987 she became a board member of USC Canada Indonesia (which later became the Indonesian NGO - Yayasan Satu Nama). “The opportunity to work on such large-scale grassroots activities diversified my experience beyond child social welfare and areas of policy making.”

“When I joined CRP in 2001 the mandate was already evolving away from crisis mode. One of my first responsibilities was to make sure that our existing programmes still suited the social-economic environment. As a result of my reorganisation, the programme was scaled back to specifically focus on districts which continued to live in particular hardship. We focused on the areas of Gunung Kidul and Tanjung Mas. The programmes in these areas were also further developed to take on a much more integrated approach that would seek to address more of the structural causes of poverty and to develop civil society”.

In addition to acting as the coordinator for ASTAPI's ongoing oversight of CRP/ACE initiated micro-credit programmes, Ibu Utaryo continues to work for the protection of children's rights through her work for the local affiliate of Yayasan Sayap Ibu.

of Participatory Planning and the Sustainable Livelihoods Framework to pursue development initiatives and enhance the role of civil society to advocate for pro-poor policy. ACE is currently cooperating with several KAP members to facilitate initiatives in Aceh, North Sumatra (Nias), South East Sulawesi, Bengkulu, NTB, NTT and Papua (Nabire).

KAP has organised a series of activities to build capacity of its network of Civil Society Organisations. Principal among these has been its ongoing participation in the campaign to promote the Millennium Development Goals in Indonesia. During 2005, KAP held MDG workshops in Bandung, Lampung, Pontianak and Makassar. These workshops assembled all KAP members as well as representatives from local NGOs and CBOs in the community where the presentation was given. KAP also provided training for budget analysis. Additionally KAP has cooperated with the State owned broadcaster Radio Republic Indonesia as well as other local radio stations to facilitate discussion on development initiatives and civil society advocacy. ACE continues to engage all KAP members through various training events which foster greater capacity and strengthen the network. By doing so, ACE enhances the sustained commitment of its regional partners to continue to pursue the ACE mandate.

Each of the areas in which KAP is active, continues to be affected by elements of structural poverty. The context within which this poverty occurs of course varies. ACE projects in Aceh and Nias as well as Nabire are carried out within the context of natural disaster, the Southeast Sulawesi programme focuses on assisting IDPs from Maluku to settle in with local host communities. The programmes in Nusa Tenggara (East and West) focus on overcoming malnutrition caused by prolonged rural structural poverty. Civil society and advocacy programmes continue to compliment ongoing income generation, basic social services, and food security interventions.

KAP Indonesia members:

1. ADF (Aceh Development Fund)
2. PPKM (Perkumpulan Peningkatan Keberdayaan Masyarakat) – North Sumatera
3. LPKPM (Lembaga Pengembangan Kemitraan Prakarsa Masyarakat) – West Sumatera
4. Komunitas Mitra Aksi - Jambi
5. FKMB (Forum Keberdayaan Masyarakat Bengkulu)
6. Komunitas Madani - Lampung
7. SORBAN (Solidaritas Rakyat Banten)
8. PMP (Paguyuban Masyarakat Pemberdayaan) – DKI Jakarta
9. KSPI (Kelompok Studi dan Pengembangan Institusi) – West Java
10. ASTAPI (Asosiasi Terpadu Anti Pemiskinan Indonesia) – DI Yogyakarta
11. API (Asosiasi Pendamping Independen) – East Java
12. ELPAGAR (Lembaga Pendidikan Gerakan Rakyat) – West Kalimantan
13. DKM (Daya Kembang Mas) - Bali
14. KPM (Komunitas Pengembang Masyarakat) – Nusa Tenggara Barat
15. FSSM (Forum Solidaritas Swadaya Masyarakat) – Nusa Tenggara Timur
16. LPKM (Lembaga Pemulihan Keberdayaan Masyarakat) – South Sulawesi
17. LPKM (Lembaga Penguatan Keberdayaan Masyarakat) – South East Sulawesi
18. LPKM (Lembaga Pengembangan Kemitraan Masyarakat) – Central Sulawesi
19. LAPKIN (Lembaga Advokasi Program Penganggulangan Kemiskinan) – North Sulawesi
20. LM3 (Lembaga Mitra Masyarakat Maluku) - Maluku
21. BCI (Bajoe Community Indonesia) – North Maluku
22. PCSSF (Papua Civil Society Strengthening Fund) - Papua

“KAP held MDG workshops in Bandung, Lampung, Pontianak and Makassar.”

Nurdin El Jodas is the deputy director of ACE's regional partner, the Aceh Development Fund (ADF). A graduate in Education Science from the University Syah Kuala, Nurdin made an early commitment to pursue development work. While pursuing his studies Nurdin secured support positions for the local NGOs PUGAR and SULOH laying the foundation for capacity building activities of farmers and fishermen.

CRP entered the province of Nanggroe Aceh Darussalam (Aceh) in 1998 as part of its nationwide programme to generate networks for the distribution of assistance to poor and vulnerable communities affected by the economic crisis. “At the time many people had lost their incomes and businesses had closed due to the price increases,” says Nurdin who would become a CRP team member in 1999. “CRP's support to the society was focused on economic development for poor communities. It provided capital for family businesses, farmers, fishermen and businesswomen. The environment in which CRP operated in those days was very political. Many NGOs had difficulty monitoring their programmes and consequently closed down. CRP was one of the few organisations to remain committed to the province during this time.” Nurdin would eventually become the coordinator of CRP's regional office in Banda Aceh.

Nurdin's loss from the December 26th, 2004 Tsunami is nearly inexpressible. Both his wife and daughter were killed in this tragic disaster. Nurdin himself sustained appalling injuries for which he would later be hospitalised for three months in Jakarta.

Upon return to Aceh in April of 2005, he immediately set to the task of helping his community to pick up the pieces. He would take on a leadership role of the newly invigorated Aceh Development Fund (ADF). Today ADF is in the process of launching a diverse variety of civil society and sustainable livelihood programmes throughout the province.

Nurdin's professional objective is to strengthen the NGO network across the province of Aceh: “Local NGO's throughout the province need to shorten the bureaucratic channels that lead to financial assistance from the donor community. By forming a strong network, we will increase individual NGO access to information and build capacity.”

Nurdin's inspiration to engage in development work came from the experience of his home



village of Tapaktuan. “The town where I grew up was on the banks of a river,” explains Nurdin. “During the 1980's there was a small boat which helped people to cross the river. There was always a lot of activity in the river area; there were food stalls and shops. Many of the local men worked as coolies helping to load and off load various cargo. Then came the development; the local government decided to build a bridge near the town. As a result, the traders who passed through the area no longer had to wait for the small boat. They could easily traverse to the other side. The bridge served its purpose and was beneficial to the traders, lowering their overall costs. Soon however the communities near the river became impoverished. As the traders no longer stopped over, many jobs were lost and businesses closed. From that time many of the youth have been forced to leave the village and go elsewhere to find employment. Many people in my hometown blame the development for their poverty. They rightly see that little consideration was given to the effects which the new bridge would have on the local communities along the river. That really is what made me want to join an NGO. I want to help all of society share in the benefit of development.”

ACE in Aceh and Nias

On December 26th, 2004 an offshore earthquake with a magnitude of 9.0 on the Richter scale and its resultant tsunamis devastated coastal regions across South and South-East Asia, particularly the Indonesian provinces of Nanggroe Aceh Darussalam (Aceh) and North Sumatra. The estimated number of Indonesians killed exceeded 250,000, while approximately 100,000 remain unaccounted for or missing. There were an estimated 574,054 displaced persons and those partially or totally losing their livelihoods were estimated at over 800,000. The tsunami flooded coastal areas and washed away homes and buildings, roads and bridges, water and electricity supplies, crops, irrigation and fishery infrastructure, food and fuel networks. In the affected areas, economic life came to a standstill, resource systems and infrastructures collapsed. Millions of people saw their families and communities torn apart; the trauma caused by this catastrophe has severely affected the entire community.

In the aftermath of the disaster local CSO involvement in the recovery and reconstruction process has been critical in mobilising rapid and effective assistance to communities in need. Historically CSO activities in the province of Aceh had been hindered due to the prolonged conflict between the Government and local insurgents. Despite the challenges of the previous era, CRP and later ACE had remained active in the region. ACE's expanded efforts in the region in response to the Tsunami Disaster have been facilitated through its regional partner the Aceh Development Fund (ADF).

The Government of New Zealand provided additional funding support to the CRP trust fund specifically allocated for Aceh. Additionally ACE has accessed finances outside of the trust fund for its activities in Aceh. Through an open competitive bidding process, it gained support from the UNDP's Aceh Emergency Response and Transitional Recovery (ERTR) Programme. The latter programme was established by UNDP to provide grant and technical support to enhance the response and recovery efforts of the Gov-

ernment and civil society in Aceh and Nias. The primary focus of ACE's initiatives in Aceh has been a capacity building programme with 33 local CSOs to enable them to carry-out needs assessments and to facilitate initiatives which are responsive to the needs of the tsunami affected communities and the poor. The programme has resulted in the strengthening of operational and technical capacities of the participants, allowing them to better mobilise themselves to assist with relief efforts as well as to prepare for participation in other programmes related to the longer-term reconstruction process.

Through a series of training workshops on programme formulation, strategic planning, community organising, participatory rural appraisal and the Sustainable Livelihoods Framework, some 120 representatives from local CSOs were

“A primary focus of ACE's initiatives in Aceh has been a capacity building programme with 33 local CSOs”

equipped with a functional understanding of community-development related tools and strategies. Co-ordination meetings were also carried out

which contributed to strengthening networks amongst local CSOs in Aceh and between CSOs and local government authorities. The programme has also built confidence amongst CSOs, enabling them to lobby and negotiate with other partners including International NGOs institutions.

ACE has also conducted a preliminary assessment of community priority needs in Aceh and also in Nias Island. The latter region was included in ACE proposals in the aftermath of the subsequent earthquake of March 2005. These assessments were conducted in preparation for a programme of support to assist in the restoration of community livelihoods. ACE estimates that its programmes in the two areas combined will provide approximately 60 small grants (averaging US\$20,000 per grant) to partner NGOs/CBOs. The grants assistance will support community development activities, including: micro-finance revolving funds for community initiatives; community organising and skills training; marketing assistance; basic social services including health and education services; and women's programmes and enterprises.



Goat Farm: The community of Layun in Aceh Besar work together to build pens for raising goats.

“This is a business that we have experience in. The pens will be ready in a week's time.”

When the Tsunami swept through the small village of Layun on the west coast of Sumatra, 30 km south of Banda Aceh, on December 26th, 2004 the community was devastated. Many people lost their lives. The survivors were left homeless without any way of earning a livelihood.

The village of Layun became a target community for assistance from the Aceh Development Fund (ADF), ACE's regional partner in Aceh. Through the local NGO, HIKMAA, ADF is helping the people of Layun to develop sustainable livelihoods. “The people in this area were mainly fishermen, prior to the Tsunami,” explains Edi the HIKMAA coordinator. “Until now they still do not have fishing boats and equipment to resume fishing. We have therefore focused our assistance on helping the community to pursue alternative means of sustaining their livelihoods. To do this we first needed to conduct assessments to see what experience the people have and learn what resources are available”

“When the NGO first came to our village we had a meeting to discuss what potential business that we could develop,” says Ibu Afriani. “Prior to the Tsunami my family had a small goat farm. The location here is good as there is plen-

ty of feed locally available. Also we don't need to worry about transportation. We are on the main coastal road, and are close enough to the city that people come here to buy our goats. This is a business that we have experience in. Now we are building the pens, they will be ready in a week's time”

The programme will benefit 50 families in the region. There will be 5 groups with 10 women in each. In addition to providing some finances to build the pens, each member of the group will get 3 female goats and there will be another 15 male goats shared by all members. Each female goat is expected to produce 11 offspring, each of which may be sold for approximately Rp.900,000.

HIKMAA also has programmes in Layun to develop fish processing (dried fish), coral reef rehabilitation, mangrove reforestation and small scale crab farming. All programmes are socialised in the community prior to implementation to ensure local support and foster a sense of community. This is key to ADF's over arching long term goal of developing civil society.

ACE in Southeast Sulawesi:

The violent conflict in the Maluku has produced approximately 500,000 Internally Displaced Persons (IDPs) and caused more than 5,000 people to lose their lives since 1999. More than 100,000 of the migrants rushed to the region of Buton Island in Southeast Sulawesi. The rationale for choosing Buton was along ethnic lines, many of the people being the descendants of ancestors who had migrated from the region three or more generations back. Consequently few of these people had anything in the way of a family network to build upon. Dispossessed by their sudden departure, these displaced people were very much dependent on the host community's empathy for their survival. Although the host community has been accommodating, pockets of tension have arisen. Having to share health, education and other basic services has placed a strain on community resources. The region is also challenged by environmental degradation. Deforestation has caused a diminishing water supply, which is now insufficient for household consumption and irrigation.

The region of Buton Island comprises Buton Island, Baubau City, the southeastern tip of Sulawesi Island, the southern part of Muna Island and the nearby small islands. Since the influx of IDPs, the population of this region is estimated to have grown by 21 percent. The population now includes approximately 415,618 households or 1,815,548 people. Of these, approximately 650,000 people (32.5 percent) are living in poverty. A key source of tension in the area has been a perception among the host community, particularly those who live in poverty, that the Government pays too much attention toward the IDP community. Indeed much of the funding from the Government's social safety net which was initially provided to host community poor has been reallocated for the IDPs. A key challenge for CSOs and development agencies operating in the region is to provide assistance that is equitably distributed to all and fosters a sense of community between the IDP and host communities.

CRP/ACE involvement in the Buton Island region dates back to the early days after the economic crisis. Activities in the area were implemented by Tim Mitra Kerja Teknis Wilayah Sulawesi Tenggara (CRP-TMKT Sultra), CRP's integrated Technical Work Partner Team, whose focus was on all four regions and two cities of the province. During a five year period from 1999 to 2004 CRP-TMKT Sultra oversaw the successful implementation of projects valued at Rp. 4,671,405,900. Activities covered a wide range of domains including: agriculture, fishery, livestock cultivation (farming), micro-credit, basic social services, alternative education/training and home industry.

During this initial period, many important lessons were learned and challenges overcome. Through its early activities CRP gained an understanding of the differing contexts which structural poverty has in an IDP scenario. Of all the bottlenecks, physical or social, which arise in systemic poverty, none is more

destructive than the presence of conflict, for not only does conflict prevent access to available resources, it also destroys scarce capital. For this reason, development programmes need to be especially careful not to exacerbate the potential for conflict by generating any perception of favouritism to one group or another. On the contrary, programmes in IDP areas should work to include all parties: host community, IDP, Government and Non-Government to develop each stakeholder's commitment and sense of ownership. It may also be for this reason that CRP/ACE activities in this region experienced their greatest successes working together with Community Based Organisations (CBOs) rather than through NGOs. This latter point would factor in greatly for subsequent programmes.

In early 2005, with support from the European Commission amounting to US\$1.1 million, ACE's regional partner - LPKM began the implementation of a programme to assist IDPs who have chosen not to return to Maluku to integrate into Southeast Sulawesi. The award of this contract was secured through an open bidding process facilitated by the UNDP. The pro-

“Of all the bottlenecks, physical or social, which arise due to systemic poverty, none is more destructive than the presence of conflict.”

“The construction of the Clean Water Network has provided our community with a new born freedom”

Clean Water: Members of the Waliko community work together with technical teams to install a 3.5 km pipeline that will deliver clean drinking water to their village

The Community Based Sustainable Livelihood (CBSL) programme in Southeast Sulawesi was initiated by UNDP with financing from the European Commission. The programme which is being implemented through ACE and its regional partner LPKM is helping the community of more than 100,000 IDPs, who have chosen not to return to Maluku, to integrate into the local community. The programme serves targeted groups throughout 12 locations within 3 districts (Kabupaten Buton, Kabupaten Muna and Kota Baubau). Currently all groups have a total membership of over 5400. The programme has 2 principal components: livelihood and basic social services.

The Clean Water Network in Waliko, Muna Island is part of the basic social services component. Prior to the construction of the Clean Water Network, the citizens of Waliko had to travel three and a half kilometres to the nearest well in order to get clean water. “The unavailability of clean water in Waliko caused serious problems,” explains Arsin, the village head. “Rain water was our only local source of water, and so during the dry season people would often not bathe for days at a time. Many people were affected by infections such as skin diseases. Our

children did not want to go to school if they were not clean. We spent much of our time each day travelling to the local well where we would fill jerry cans with water which we would need to bring back to Waliko. The construction of this Clean Water Network has given us a new borne freedom. We now have time to do other work that will improve our lives.”

“When LPKM and the local university first visited Waliko to do an assessment, all community members expressed that access to clean water was their primary concern” explains LPKM coordinator Nurhasniati. “In implementing our plan we have made great efforts to keep the local government involved encouraging a sense of ownership which is vital for all concerned. Besides the Clean Water Network, LPKM also supports livelihood programmes in Waliko. These programmes include cultivation of Seaweed and other small scale agriculture. They are fully integrated to cover cultivation, processing, and marketing. Maintaining this enterprise requires regular meetings of the community which helps to strengthen the sense of community and foster support for ongoing advocacy initiatives.

gramme addresses the socioeconomic impact these new populations are having on local host communities. It began with a thorough assessment of the IDP context undertaken by Haluoleo University. The survey provided data on socioeconomic conditions and problems of IDPs and host communities, identifying the whereabouts of the displaced in order to better target the flow of resources to the most needy.

Subsequent to the University's assessment, a participatory rural appraisal was carried out in 12 targeted locations where the poorest IDPs and host communities lived. This assessment led to the establishment of 12 Community Based Organizations (CBOs) including small scale micro-finance institutions in each village. A community forum was also established in each village to better assure proper monitoring and implementation. A total of \$600,000 in grants is being disbursed to these CBOs in 14 villages. ACE is also providing capacity building support for both local government and civil society to better address the longer-term impact of IDPs in a participatory manner, with a focus on sustainable livelihoods.

The local government similarly has shown its commitment to this programme by establishing a coordination team at the provincial level and technical teams at the district level. Consultation and coordination with local government is one of the principal reasons for the programme's success. Several training and workshop events have been conducted between December 2004 and June 2005, and have been attended by communities local government officers, and other stakeholders.

The programme has provided grant disbursements to CBOs in support of the following types of initiatives:

1. Income Generation - loan programmes using revolving funds provided as capital to develop village enterprises or as soft loans - accompanied by training.
2. Skills training - patterned to answer the need of human resources within the community of the project location and especially to develop skills related directly with project activities.

3. Marketing assistance - to assist farmers, fishermen and households to market products and develop distribution channels.

4. Women's group programmes - Programme proposals focusing on women are prioritised. This includes involving women in strategic positions related to policy decision making. Additionally other projects seek to balance the gender ratio in the programme implementation and membership of the group.

5. Village infrastructure and social services - these are important to support project implementation to serve communities.

Major lessons-learned from the programme implementation show that intrinsic value may be garnered through close cooperation between the multiple stakeholders. Local government, NGOs, communities (host and IDPs), University, UNDP, and other pertinent institutions, can sit, discuss, and find solutions together, addressing community problems in a spirit of teamwork. Through these meetings local

“Poverty reduction contributes to better livelihoods and is a key to the peace-building process.”

people also get opportunities to articulate their problems directly to local government; through workshops where they present their livelihoods proposals. The Government also gets the benefit of measuring the results of its programmes at the grassroots level.

Other Lessons Learned:

- Poverty reduction contributes to better livelihoods and is a key to the “peace-building process”
- The right combination between fulfilling the people's rights to development and ensuring adequate capacity of the duty bearers (local government in particular) is needed.
- Participatory and consultative in-depth assessments are indispensable.
- Social preparation and community organising by a strong NGO partner is critical.
- Building strong local ownership and networks among local stakeholders is important to ensure greater impacts and sustainability.

“I can earn as much as Rp.300,000 in a night through this business”

Small Business: Rahmat operates a stall selling sunglasses, jewelry and other fashion accessories at the Komali Beach Night Market, in Baubau



When Rahmat and his wife and two children fled the ethnic violence in Ambon in 1999 they had to leave everything behind; their homes, their possessions and their livelihoods. They were among the more than 100,000 IDPs who migrated to Southeast Sulawesi in search of a safe haven.

With assistance from LPKM the regional partner of ACE, Rahmat was able to secure credit to open a small business selling sunglasses, jewellery and other fashion accessories at one of the stalls in the Kamali Beach Night Market near Baubau City. “The night market is a good idea” says Rahmat, “I can earn as much as Rp. 300,000 profit in a night through this business.” A share of the profit from Rahmat's business goes to repaying the micro-credit scheme, which is then used to finance other traders.

The night market at Kamali beach is now a thriving centre of commercial activity. What started as a means to providing sustainable livelihood and a sense of dignity among the IDP community, is leading to greater prosperity for the host community. “There are now three night markets operating in and around Baubau City” explains Sariah a member of the community forum. “The Stalls sell products ranging from

clothing and accessories to household goods, children's toys and food. The stalls open in the afternoon and stay open very late.”

Like all of the groups in the area, the trader's activities are governed by three bodies: 1. the community forum which monitors the programme; 2. the CBO which acts as the executive; and 3. the LKM (the Micro Finance Institution) which serves as the financial regulator.

LPKM's support for livelihood initiatives in Southeast Sulawesi have focused exclusively on cooperating with CBOs rather than with NGO's. The results have been exceptionally good. “One of the reasons for this good performance has been the sound financial management practiced by the LKMs. All of the programmes allocate a portion of their funding to hire trained professional financial managers which meet a standard stipulated by LPKM. The individuals entrusted with this responsibility are selected through a bidding process which is initially advertised in the local media,” explains LPKM coordinator, Nurhasniati. The mayor of Baubau City has been particularly supportive of the programme allocating places for traders to set up their business.

Conclusion - ACE and the MDGs

The Millennium Development Goals (MDGs) express an expanded vision of development that promotes human development as the key to sustaining social and economic progress. As a civil society-based poverty reduction programme which is committed to empowering communities, ACE embraces a multi-dimensional definition of poverty which is in line with the Millennium Development Goals (MDGs).

There are clear links between ACE's objectives and the achievement of the MDGs. ACE is committed to assisting the poorest of the poor to fulfil their basic needs, to access needed goods and services, and to increase prosperity through community organising, empowerment and enterprise development. It promotes gender equality and empowers women. Social justice, particularly as it relates to gender issues represents one of the fundamental principles that guide ACE initiatives. Environmental sustainability is another of the basic principles that suffuse ACE's programme design and implementation. ACE is a partnership for development. Its programmes are designed and implemented based on the principle of building and activating social capital - the linkages and relationships between different groups, agencies and individuals, each with their own needs and capacities, to bring about sustainable change.

In addition to its support for grassroots community development initiatives, ACE has also facilitated extensive training of CSOs on matters pertaining to advocacy for pro-poor budgeting related to the achievement of the MDGs.

ACE has supported/participated in the following meetings national events:

- The Asia Pacific Women's Watch Meeting August, 2005. Women's movements from across the Asia Pacific region provided input to the Asia Pacific Ministerial meeting.
- Asia Pacific CSO consultation Meeting -August 2005. ACE facilitated a discussion among CSOs from throughout the Asia Pacific region. This discussion resulted in the formulation of a position statement which was later presented at the Asia Pacific Ministerial Meeting.

- First Government of Indonesia Progress Report on Achievement of the MDGs - ACE participated in a series of discussions with the government to review the final draft of the report.
- International White Band Day - ACE supported the CSO network for MDGs to conduct a national campaign event on July 1, 2005. This national event increased MDG awareness through cultural events and speeches.
- International Poverty Day, 2005 - ACE supported the CSO network for MDGs in its national campaign event in Bogor, West Java.
- Asian Civil Society Forum, Bangkok Nov 2004 - This regional forum focused on building UN/NGO partnerships for Democratic governance through MDGs. ACE presented Indonesia's Civil Society Report on the achievement of the MDGs.
- Local Level MDG campaigns - ACE has facilitated local MDG campaigns in regions including West Java, West Kalimantan, Lampung, South Sumatra, South Sulawesi and South East Sulawesi.

“There are clear links between ACE's objectives and the achievement of the MDGs.”

The issuance of this final report signals the formal closing of the CRP trust fund. UNDP is now in the process of organising a final evaluation of CRP/ACE programmes initiated during the period of the CRP Trust Fund. The results of this evaluation will be made available through postings on the web sites of UNDP - Indonesia (www.undp.or.id) as well as on the web site for ACE (www.indoace.or.id).

ACE has come a very long way in building the institutional capacity which enables it to make an ongoing contribution toward the achievement of the MDGs. As a facilitator or grass roots development, trainer of CSOs and active participant in the campaign to promote the MDGs ACE has shown a steadfast commitment to the principals inherent in the Millennium Campaign. Although the closure of the trust fund represents an end to the direct involvement of the UNDP as financial manager of the programme, the vast network of CSOs which evolved over the course of ACE's activities remains in place today. With continued support and cooperation from the Government and the international community, ACE will continue its efforts to empower local communities and promote advocacy for the attainment of the MDGs.



“Our group continues to work closely with LPKM as well as with the local government.”

Fish Farming: Karim from Kaliaia holds up a Grouper, one of the live catch cultivated in the community Karamba.

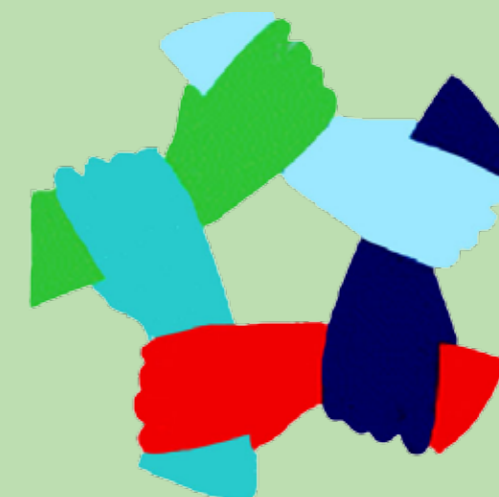
Skills are one of the key factors which allow IDP communities to integrate with their host community. While most IDPs arrive with little in the way of financial resources or capital, many bring with them a previous knowledge on how to make a sustainable livelihood. Karamba are offshore fish farms which use a system of nets on bamboo frames to raise and cultivate fish crops and temporarily store live catch on its way to the market. They are common in regions throughout Indonesia including the Maluku and Southeast Sulawesi. The development of Karamba therefore has served as an excellent vehicle for promoting sustainable livelihood and cooperation between the IDP and host communities.

“One of the key problems which has arisen in previous approaches to development in areas where there are many IDPs is that they tend to use top-down approaches that segregate the IDP community and the host community,” explains Nurhasniati, Coordinator of LPKM, ACE's local partner in Southeast Sulawesi. “Previously IDPs used to be relocated at separate areas than the local host community. This separation had two detrimental effects: one it fostered a degree of resentment among the poor of the host commu-

nity who felt excluded from the assistance; and two it deprived the IDP community of access to the host community and the local authority. For this reason our programme has made every effort to integrate the two communities.”

“Poverty is analysed using the Sustainable Livelihoods Framework,” continues Nurhasniati. “When introducing the programme one of the key assessments is to determine what access the community has to the five main resources: human, social, natural, economic and physical resources. When we plan an activity; in addition to inviting representatives from the IDP and host communities, we always invite all level of local government from implementing authorities to policy makers. We then listen to what all parties want en route to determining what the community really needs.”

Kadir is one of the members of a group in Kaliaia village just south of Baubau on Buton island: “When I heard from the village office that it was possible to receive a grant to do a livelihood programme like the Karamba, I got together with some of my friends and put together a proposal which was later discussed at a series of meetings. Eventually a group with fifteen members was formed. In addition to getting the money and equipment to build the Karamba we also received seedlings which take approximately six months to grow before we sell them. We supplement these with live fish which we buy from the fishermen and then resell for a profit. The head of our village always disseminates information regarding our programme to the entire community. Our group continues to work closely with LPKM as well as with the local government. They help us to sell our fish by providing market information and contacting buyers.”



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12	BINA SWADAYA	Bambang Ismawan	4255354	4208412	Jl. Gunung Sahari III No. 7	binaswadaya@binaswadaya.org	
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26	PPMA (Pusat Peranserta Masyarakat Agrikarya)	Lili Hidayat (08129144591)	Lili Hidayat (08129144591)	7996783/ 7984918	Jl. Kalibata Timur No. 31, Pejaten, Pasar Minggu, Jaksel	ppma78@yahoo.com	Sri
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29	WVI (World Vision Indonesia)	James Leslie T	327467	3107846	Jl. Wahid Hasyim No. 33, Jakpus		
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2	Prof. Dr. M. Amin Aziz (YINBUK)	Secretary General	'0811843754	8311566	8291096	Jl. Tebet Timur Raya No. 57, Jakarta Selatan	Prapti
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Millennium Development Goals

MDGS

- 1. Eradicate Extreme Poverty and Hunger.***
- 2. Achieve Universal Basic Education***
- 3. Promote Gender Equality and Empower Women***
- 4. Reduce Child Mortality***
- 5. Improve Maternal Health***
- 6. Combat HIV/AIDS, Malaria and other diseases***
- 7. Ensure Environmental Sustainability***
- 8. Create Global Partnerships for Development***



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