



Role of Water Utilities in Climate Adaptation for Communities:

Incentive grants to reward Water Utilities Service Improvements

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WATER
&
WASH 2023
FUTURES

Achieving SDG6 in a Changing Climate

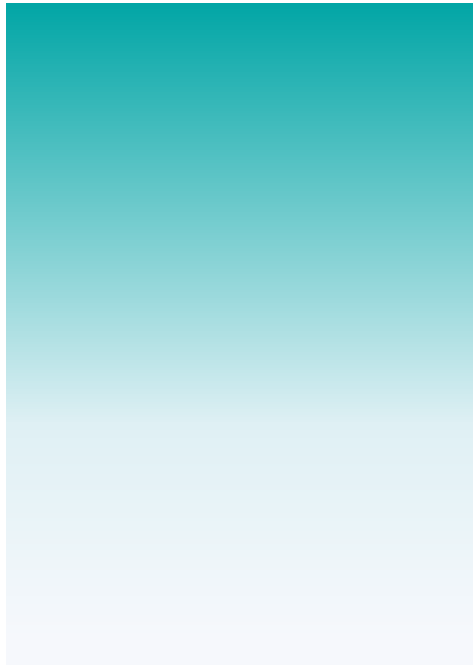


#WaWF23

OUTLINE

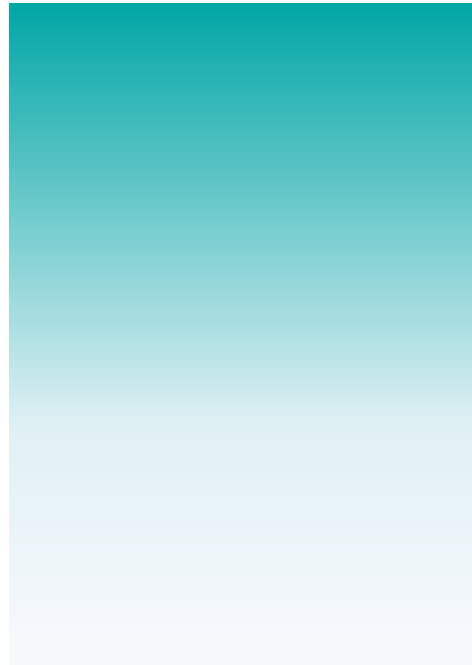
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Water Sector in
Indonesia



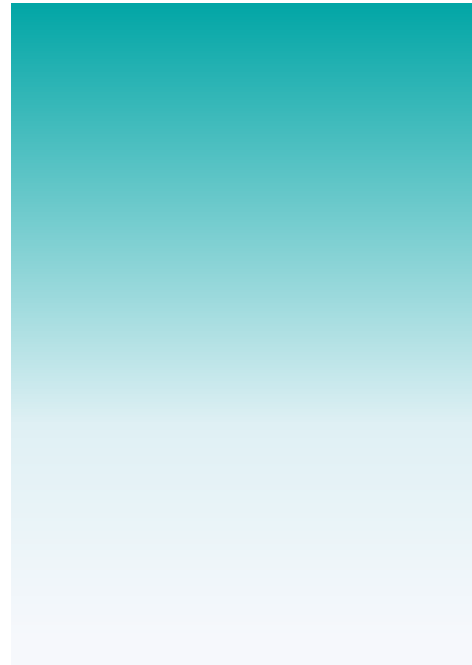
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Accelerating Progress



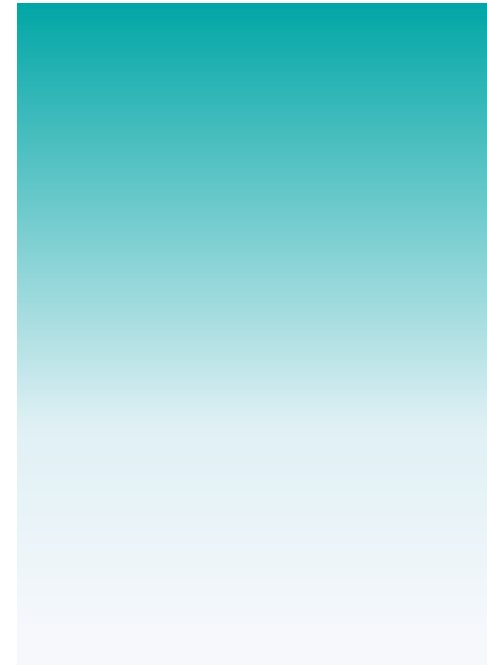
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Performance Based
Grant Mechanism



4

Institutional Climate
Resilience





Water Sector In Indonesia

Water Sector in Indonesia Background and Targets (2020 – 2024)



6 CLEAN WATER AND SANITATION



Sustainable Development Goals (SDG's)

Target 6.1: “achieve universal and equitable access to safe and affordable drinking water for all”

National Medium Term Development Planning (RPJMN) 2020-2024

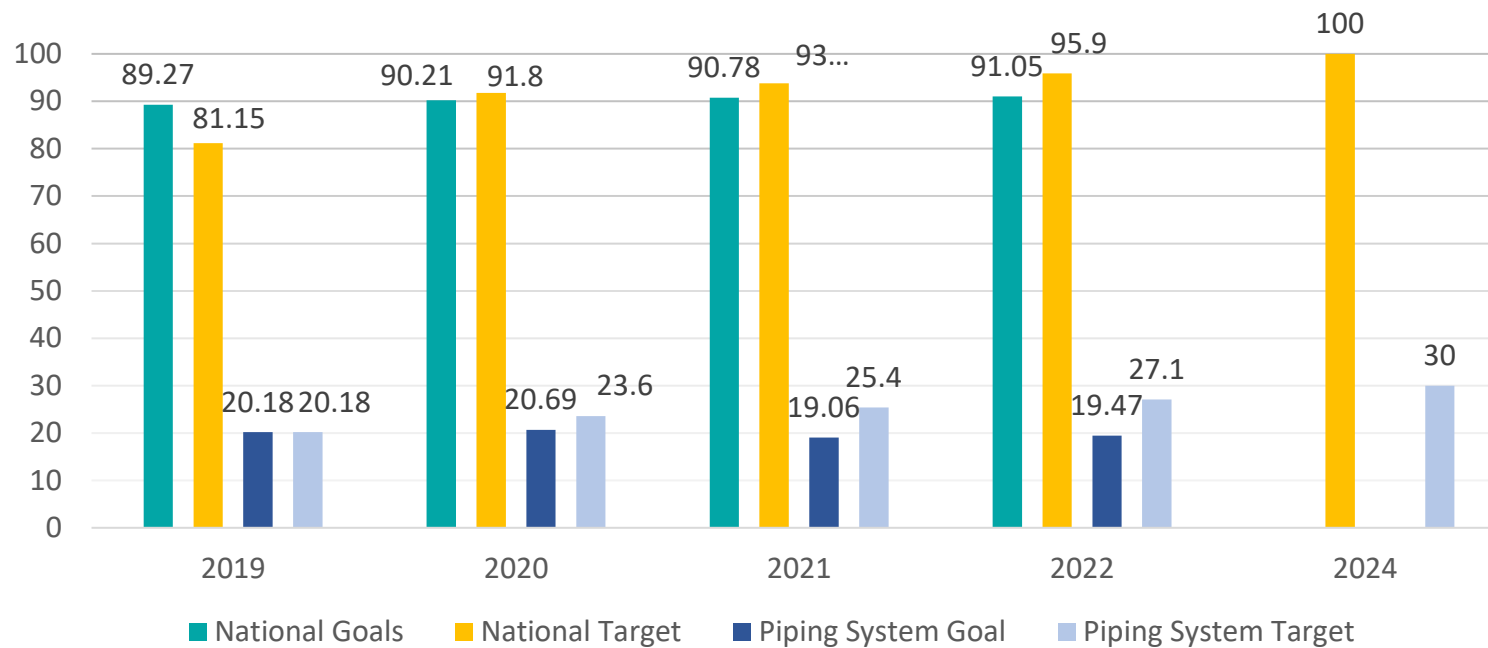


- **100%** access to improved water, including 15% safely managed water
- **10 millions** new household connections
- **30%** of population have access to piped water supply system
- **509** districts/cities have Water Safety Plan Documents
- **34** water utilities implemented Prime Drinking Water Zone (ZAMP)
- **15** water utilities implemented Smart Grid Water Management
- ‘Healthy’ performance of **100%** water utilities

Water Sector in Indonesia

Current Status to Achieve SDGs and RPJMN

Goals and Target Water Sector In Indonesia




| WATER ACCESS | GOALS 2021 (%) | TARGET 2020-2024 (%) |
|----------------|----------------|----------------------|
| Improved Water | 90,8 | 100 |
| Safe Water | 11,8 | 15 |
| Piping System | 19,1 | 30 |



Accelerating Progress

Accelerating Progress



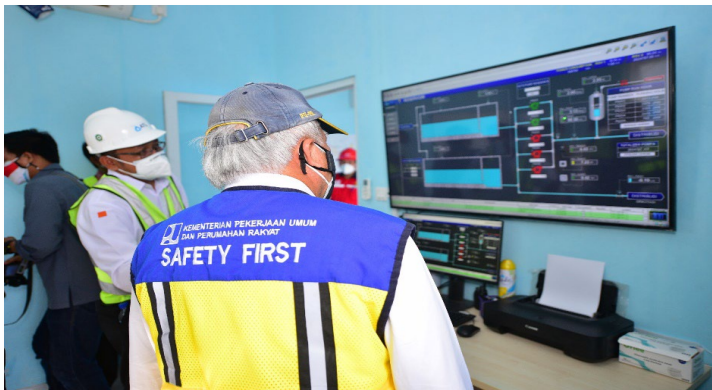
UMBULAN REGIONAL WATER SUPPLY
Regional Water Supply
(Across cities)



SPAM KOTA BALIKPAPAN
BALIKPAPAN WATER SUPPLY SYSTEM
Districts Water Supply
System



MOJOLAMONG WATER SUPPLY SYSTEM
Optimization of Water
Supply System



NRW PROGRAM
Increasing Water Utilities
Performance
(Grant)

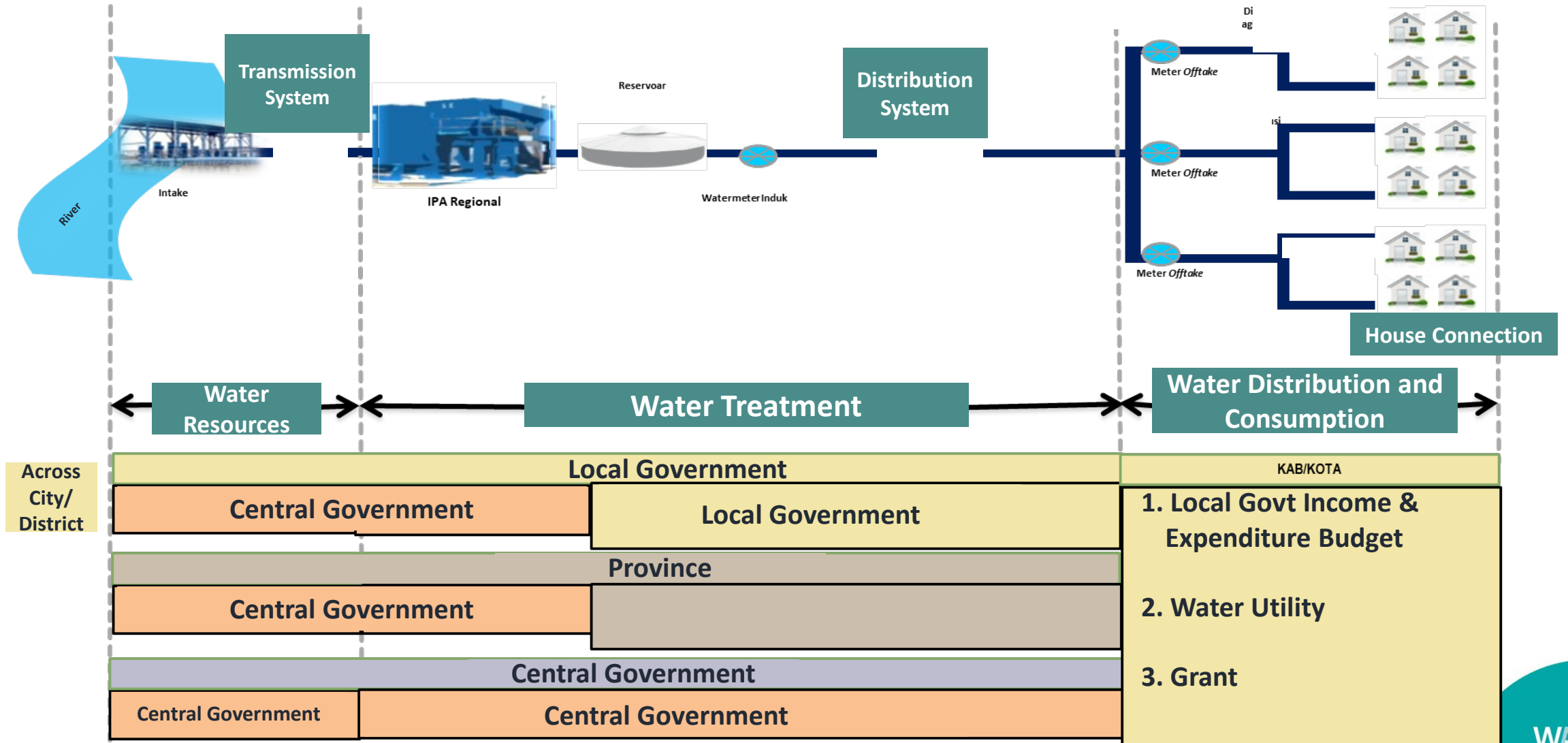


Drinking Water Zone



**Smart Grid
Water Management**

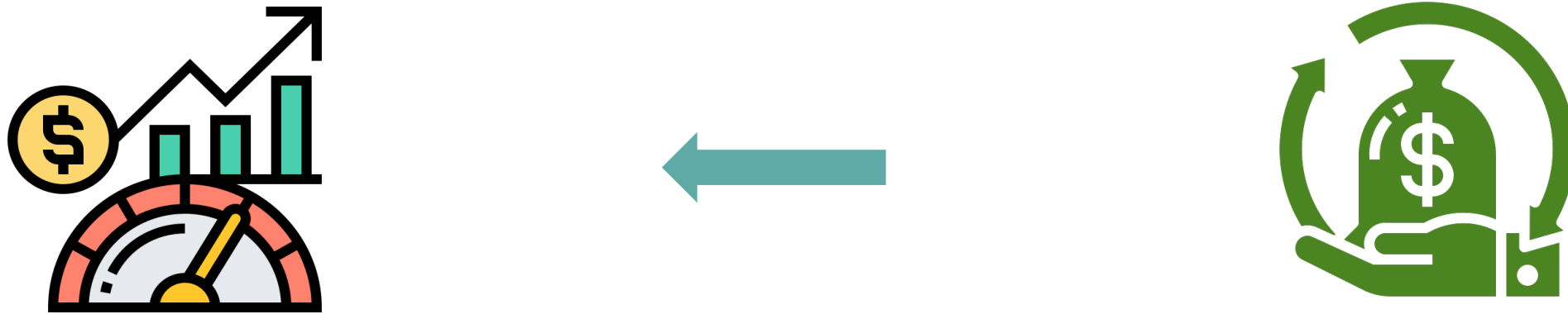
Role of Government in Water Supply





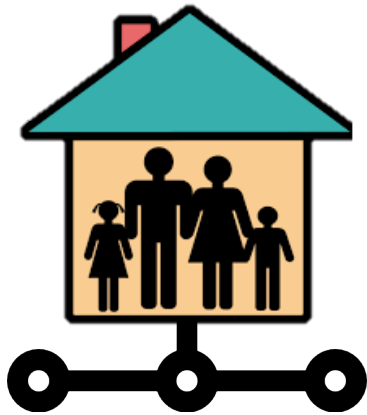
Performance Based Grant Mechanism

What is Performance Based Grant?

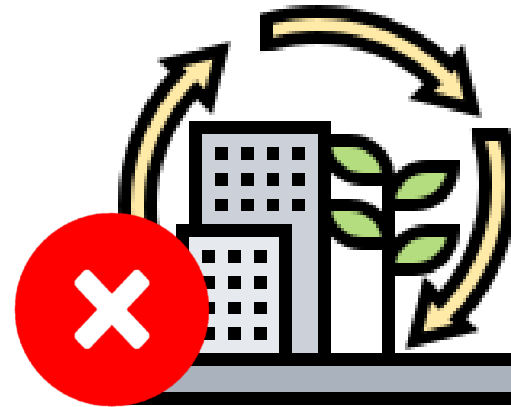


A grant scheme that is targeting measured performance improvement

How does it differ from output-based grants?



Target house connections for low-income household



Subject to availability of idle capacity, less sustainable



Focus on access without attention to service quality

Why PBG?



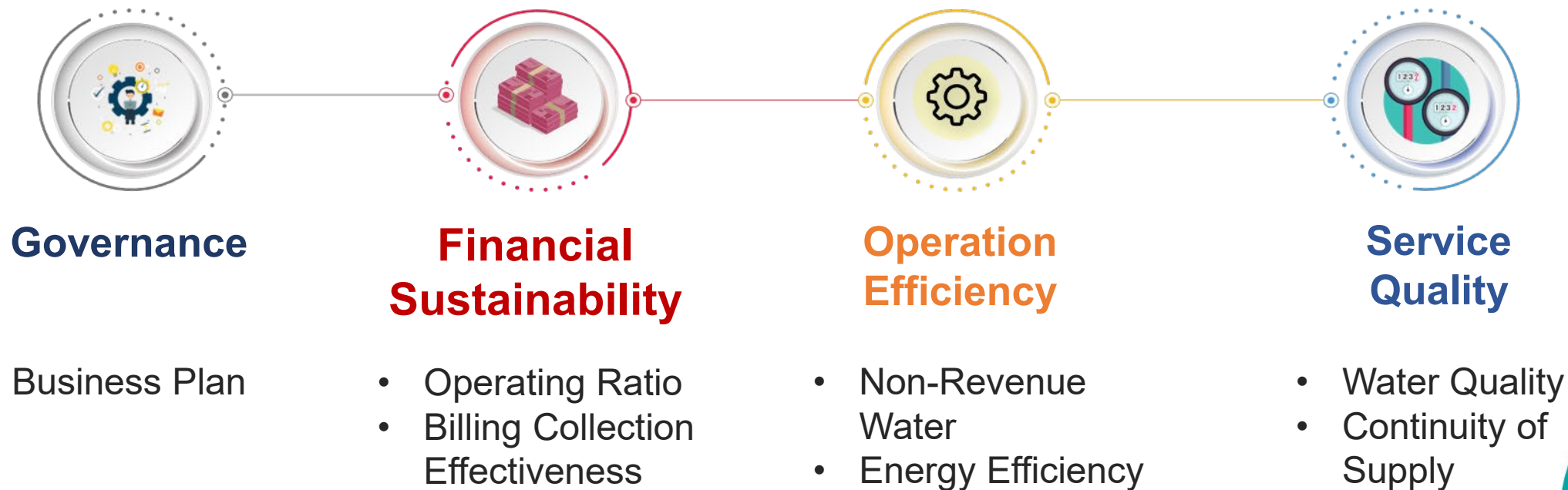
Focus on **governance and operational** management of the water utility



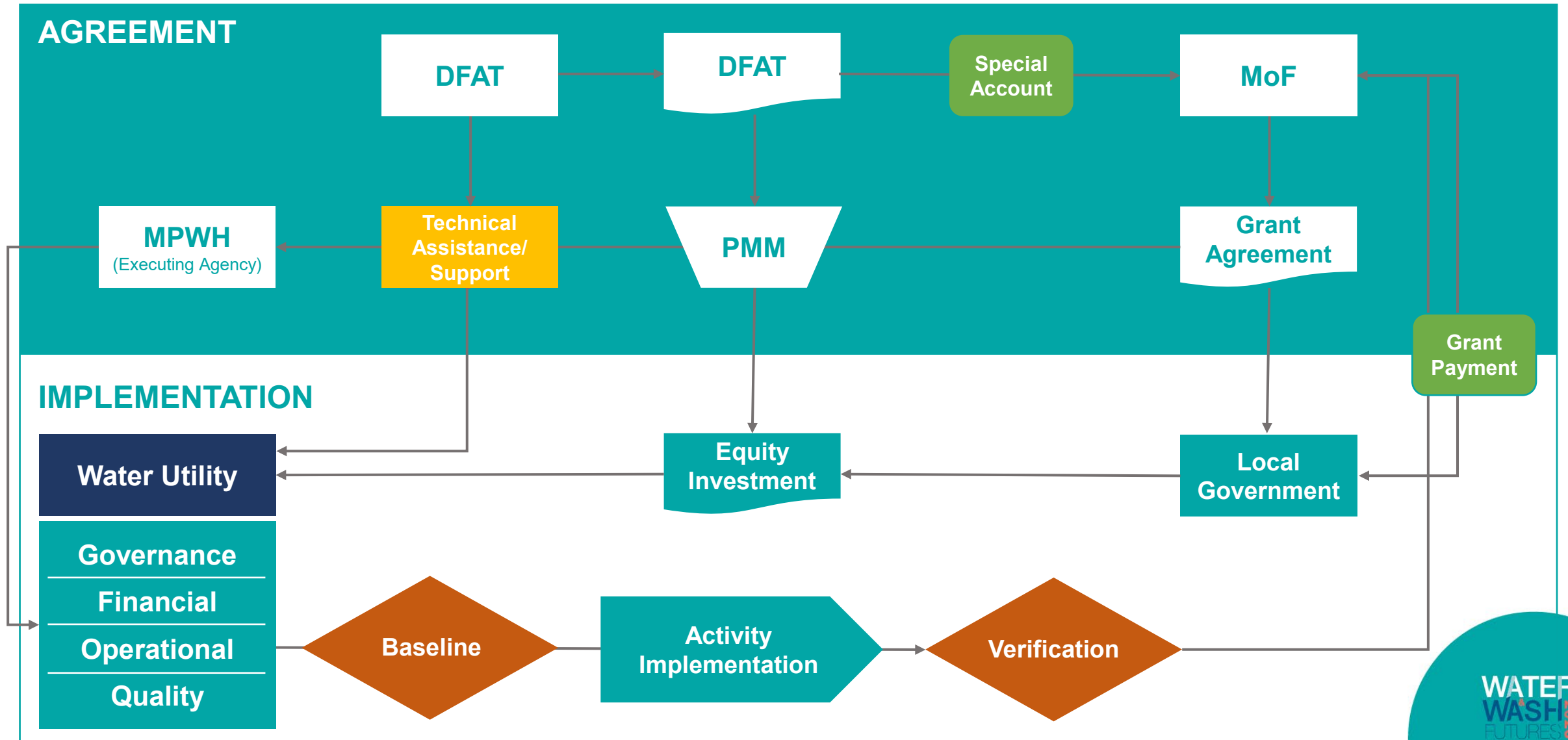
Increase the sustainability of investments

Performance to Measure

- It is designed based on the existing GoI monitoring and evaluation system for water utility **performance**.
- There are 4 key components of the water utility operations considered to best capture the overall performance of the PDAM, measured through 7 indicators:



PBG Scheme

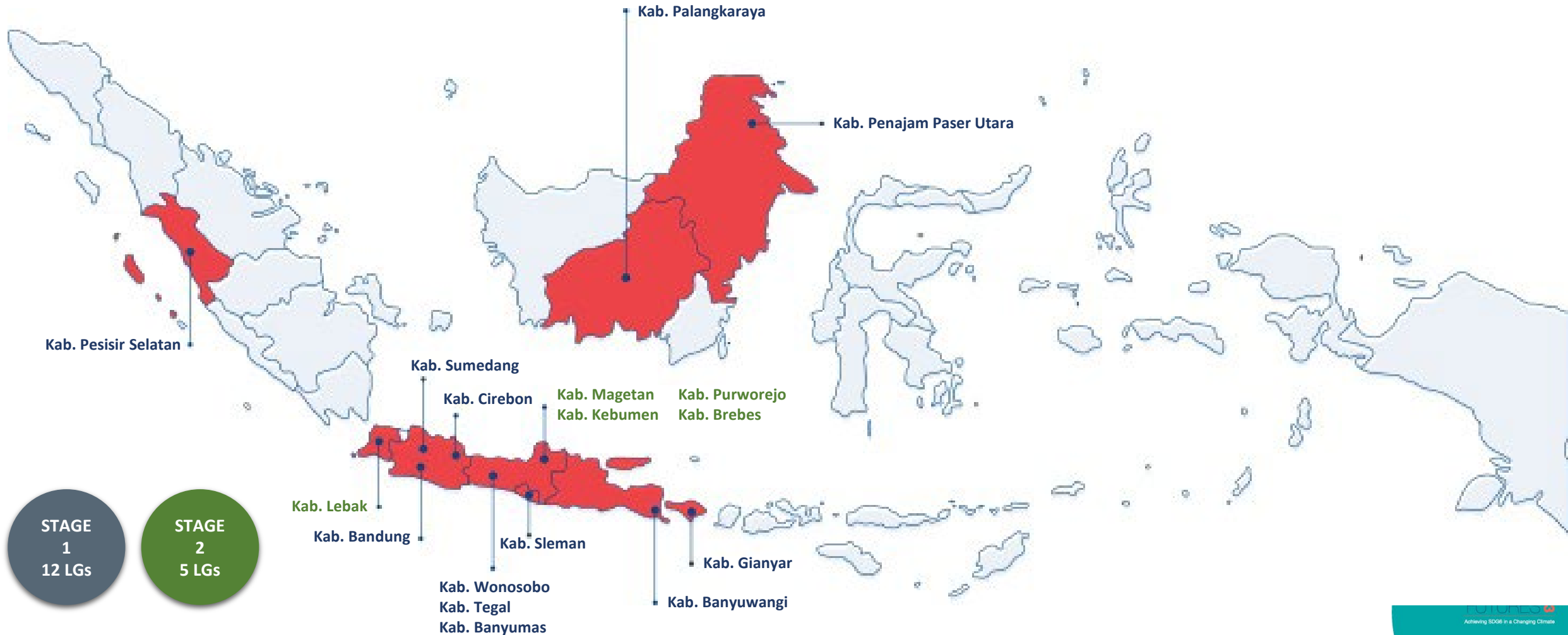


Participants of Performance Based Water Grant Program

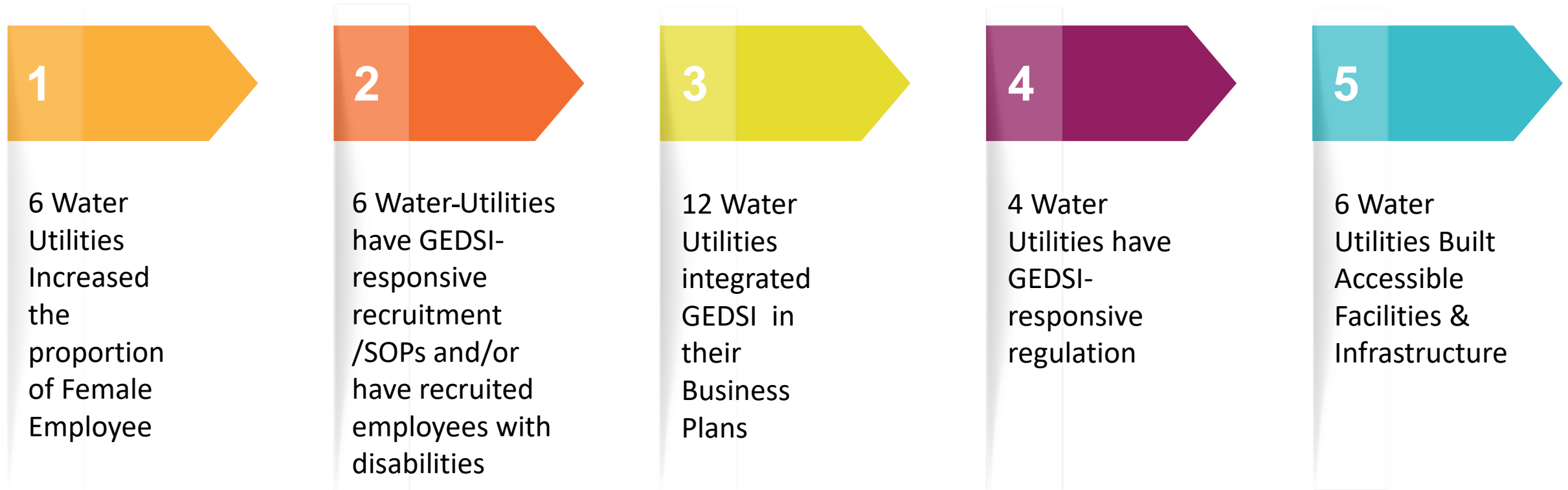
3 years pilot implementation

No of Participants: 17 LGs across 8 provinces

Grant Budget : AUD15 mio
 Grant Agreement : AUD10.3 mio
 Grant Disbursed : AUD2.85 mio



Integration of Gender Equality, Disability and Social Inclusion



The program promotes Gender Equality, Disability and Social Inclusion to help contribute to increasing access to water for all, including women, people with disability and the vulnerable people.

Improving Climate Resiliency



Mainstream
PBG approach
to strengthen
institutional
Climate
Resilience



PBG offers
targeted and
quality
assured
funding
mechanism



Enhance and
strengthen
LGs role and
responsibility
in managing
water supply

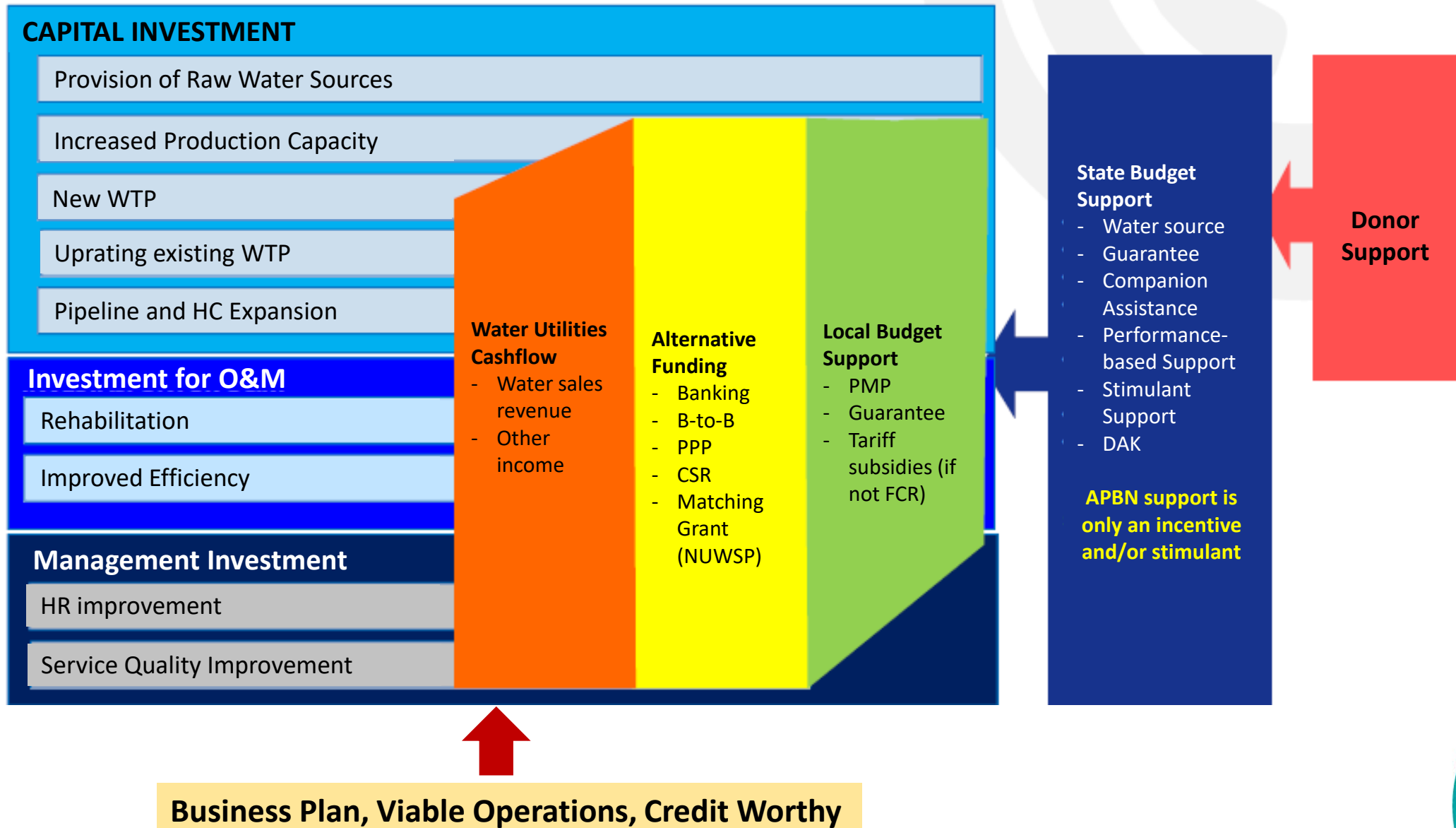


PBG strengthen
the performance
of water utilities
and improve
their resilience
of climate
shocks

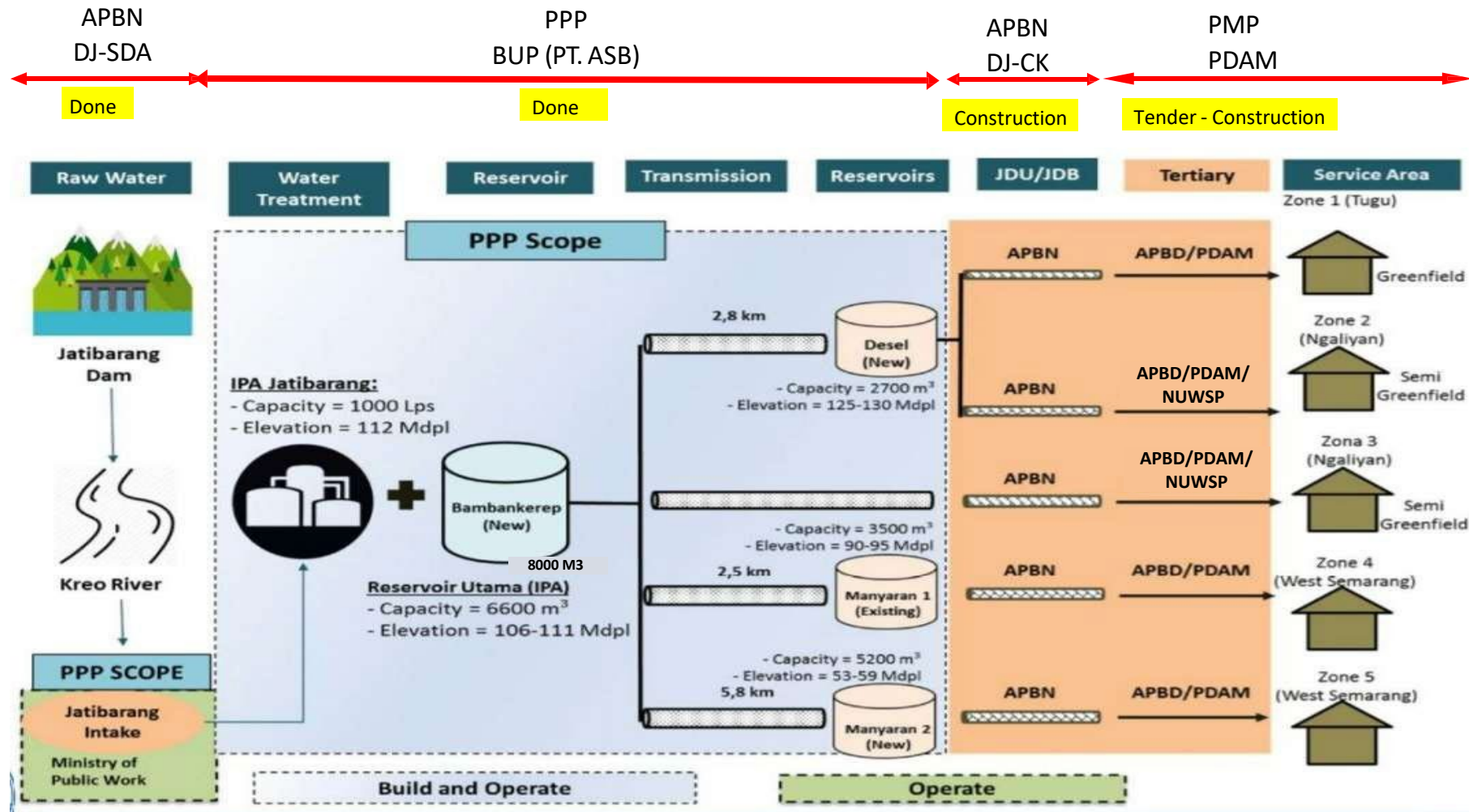


Improve water
utilities
performance for
increasing
commercial
investment

Water Supply Management Funding by Water Utilities (BUMD)



INVESTMENT SCHEME OF WATER SUPPLY SYSTEM IN SEMARANG CITY



Zone 2 & Zone 3
 Rp 70.156.175.800 /
 4,62 Million USD
 APBD/PDAM/NUWSP

Zone 1, 4 & Zone 5
 Rp 228.561.715.000 /
 15,08 Million USD
 APBD/PDAM/PPP



THANK YOU



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