

PROJECT FACTS



Aceh Government Transformation Programme (AGTP)

- Total budget: : USD 14,573,149
- Available budget: : USD 14,573,149
- Project period: : 2008-2011
- Implementing partner : Provincial Government of Nanggroe Aceh Darussalam
- Donors : Multi Donor Fund and the United Nations Development Programme
- Location : Nanggroe Aceh Darussalam

Background

Aceh's provincial government is preparing for challenging times ahead. When the Agency for Rehabilitation and Reconstruction in Aceh and Nias (BRR) completes its mandate in April 2009, it will transfer its responsibilities and assets to the Aceh local government. The administration will assume responsibility for more than US\$1 billion in grant money for rebuilding the Aceh province after the devastating 2004 tsunami and 30-year conflict. It will also assume the coordination of on-going programmes funded by the international community. Expectations are high, and this is a big challenge for a province whose total budget was only \$300 million a few years ago.

The United Nations Development Programme (UNDP) is committed to helping Aceh's provincial government meet the demands of these increased responsibilities. The Aceh Government Transformation Programme (AGTP) is addressing the urgent need to strengthen the provincial government's capacity, and ensure it can efficiently assume the responsibilities, functions, resources and assets it inherits from BRR.

AGTP is helping to ensure a systematic and smooth transition that will safeguard the still-fragile legacy of the billions of dollars invested by the Indonesian Government and donors. It helps instill the technical and administrative capacity at the provincial level to carry out these vitally important tasks.

Overall, the programme is designed to address critical gaps. The first gap lies in the Governor of Aceh's capacity to coordinate the transition. The second gap lies in the technical capacity of the provincial and district government agencies to process assets and projects transferred from BRR, and to implement ongoing recovery work. The third gap is the administration's broader institutional capacity to coordinate and implement reconstruction and rehabilitation work beyond the transition.

Objectives

- Enhance the capacity of the Provincial Executive to create the institutional and policy framework for successful transition and recovery. This provides the Provincial Executive with the ability to coordinate and facilitate the transition through a demand-driven approach to key transition policy areas. This is an innovative approach that supports the newly elected provincial government in effective delivery of its policies;
- Enhance the operational capacity of seven key provincial government agencies to fulfill their transition and recovery responsibilities. This provides immediate transitional support to the provincial agencies with the responsibilities for coordination, planning, implementing and monitoring the main transition activities.
- Enhance the capacity of the Provincial Training and Human Resource Agency (BKPP) to retain, manage and transfer to provincial and district government agencies the knowledge and skills required for successful transition and sustainable recovery. This strengthens the province's ability to sustain the recovery, and thereby safeguard the legacy of the resources and effort invested into Aceh's social and physical reconstruction.

In 2008, the revised Master Plan for Reconstruction and Rehabilitation of Aceh and Nias identified capacity-building as the priority for the plan's remaining two years. AGTP is strengthening the provincial government's capacity to effectively coordinate the numerous donor-supported transition and recovery-related capacity-building programmes currently being implemented or in the planning stage. The programme will improve efficiency and avoid duplication of support, as well as promote a coordinated and collaborative approach by the various partners.

Donors:



Addressing the challenges

While BRR's phase down has already begun, Aceh's local government acknowledges that it needs more preparation to manage the transfer of large public assets, as well as projects that have been created and managed exclusively by BRR.

Beyond the immediate transition lies another set of challenges. Experience from around the world suggests that disaster recovery on the scale of the 2004 tsunami can take a decade or longer. Under the new autonomy framework, the provincial government will have the funds to invest in on-going reconstruction and rehabilitation (including an unprecedented USD 1 billion in annual oil and gas revenues and central government funds). However, it lacks the institutional and technical capacity to manage and implement these responsibilities.

The challenges that face the Governor and his team to successfully assume responsibilities managed by BRR for the last three years, while also facilitating the peace process and implementing a development budget that has increased 300 percent, are immediate. The Aceh Government must



establish innovative structures and systems that enable it to assume responsibility immediately, while at the same time transitioning to normal Government functions and sustaining the significant investment to date.

AGTP is designed to provide the strategic and essential support for this complex process, and ensure the sustainability of the post-tsunami recovery efforts.

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