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# FINAL EVALUATION OF THE CITIZEN MONITORING FOR TRANSPARENCY AND ACCOUNTABILITY OF LICENSING AND REVENUE MANAGEMENT IN THE MINING SECTOR PROJECT (P163797), INDONESIA

The TAP Room  
August 2022



## **Acknowledgements**

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All errors remain our own.

# Executive Summary

## Introduction

This is the final evaluation report for the Citizen Monitoring for Transparency and Accountability of Licensing and Revenue Management in the Mining Sector [[Social Accountability in Mining Sector](#)] (henceforth, referred to as the project). A grant of \$475,000 from the Extractives Global Programmatic Support (EGPS) multi-donor trust fund was used to fund this Global Partnership for Social Accountability (GPSA) project. It was implemented by a coalition led by the [Yayasan Transparasi Sumber Daya Ekstraktif - Publish What You Pay Indonesia \(PWYP Indonesia\)](#).

The project was implemented between November 2020 and March 2022 through a collaborative social accountability approach at provincial and regency, or district, levels in Indonesia, by [Gerak Aceh](#), [LePMIL](#) and [Pokja 30](#) in Aceh, Southeast Sulawesi and East Kalimantan respectively. Evidence from testing and learning about social accountability approaches in the provinces fed into national-level multi-stakeholder forums (MSFs) and sharing sessions supported by learning partners [PolGov](#), [Seknas FITRA](#) and [Awrago](#).

The World Bank EGPS chose to support PWYP Indonesia's proposal because of several favorable environmental conditions. These included top-level political will, such as government reforms to increase investment in and employment from mining and extractive operations.<sup>1</sup> The government's international Extractive Industry Transparency Initiative (EITI) commitments on transparency, as well as more recent pledges to reduce carbon emissions were also promising.

Partnership with PWYP Indonesia presented the World Bank with opportunities to access more in-depth evidence on the level of participation of communities in all stages of mining licensing and revenue management. The project also promised insights on the capacities and motivation of government and private sector actors to engage and respond to community demands. More specifically, from the perspective of governance advisors in the World Bank Indonesia office, the project provided opportunities to learn about the relevance of different social accountability tools for tackling key issues arising across several different sub-national contexts.

From the perspective of GPSA globally, the project also provided lessons on the relative complexity of including extractives in social accountability portfolios. Historically, the GPSA has mainly focused on improving access to or the quality of health and education services in the context of decentralization reforms. However, its scope has expanded since joining the World Bank's Social Sustainability and Inclusion Global Practice in 2019.

## Evaluation Aims and Limitations

The evaluation used a theory-based approach to test a **localized version** of the generic GPSA Theory of Action (ToA) which can be summarized as follows:

*GPSA support for CSOs to undertake adaptive, collaborative, multi-stakeholder social accountability projects will enable the relationships, motivation, capacity development and*

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<sup>1</sup> World Bank project documents

*learning required for iterative problem solving. This will ultimately lead to examples of improved transparency, participation and accountability in mining licensing and revenue management that can be scaled up and replicated for enhanced realization of rights, infrastructure and service delivery.*

The evaluation explored single loop learning on the question of whether the project did things right as well as the double loop learning question on whether the project did the right things. The breadth and complexity of the very short project duration as well as now recognized weaknesses in the GPSA monitoring, evaluation and learning (MEL) model mean that PWYP Indonesia and the TAP Room struggled to implement an effective monitoring and evaluation system. This made it difficult to substantiate the projects' contributions to some of PWYP Indonesia and its partners' outcome claims. As a result, we have adopted a problematizing approach to writing up some of our findings. Instead of ignoring partner claims that we could not substantiate we have written them up in a caveated style and where relevant made reference to reasons why they may be interesting to follow up and explore more deeply.

### **Summary of Findings and Conclusions**

On the whole the project did things right. At a very general level the project validates key assumptions in the GPSA ToA. GPSA's support for PWYP Indonesia and its partner CSOs to undertake adaptive, collaborative, multi-stakeholder social accountability projects did provide opportunities, capacity development and learning required for different stakeholders to engage in iterative problem solving in all three provinces. In several instances this involved typical social accountability attempts at vertical integration. The project provided citizens with opportunities to use new capacities and evidence they had generated on the negative effects of mining on communities; poor rates of government responses to complaints; as well as their perceptions of transparency and accountability on revenue management to participate in multi-stakeholder conversations. A PolGov report reflecting learning from the coalition on collaborative social accountability mechanisms added to evidence included in these discussions that made links between actors at village, regency, province and national level. The extent and scope of activities involving citizens and government actors located in extremely remote locations during a short-term project implemented in the middle of a global pandemic was truly impressive.

Turning to double loop learning, the question on whether PWYP Indonesia and its partners were doing the right thing to achieve their desired outcomes - more transparent and accountable licensing and revenue management - is more difficult to answer. This is partly because the ambitious project (originally designed for a three-year time frame) was cut short by the World Bank as the trust fund that funded the project was running out. But it is also because the collaborative social accountability strategy involved several entry points along Indonesia's complex extractives' value chain involving a myriad of actors and agencies. While such a project would pose challenges in many countries it was particularly difficult in Indonesia because of the size of the country, the political economy around mining as well as the mountainous terrain of many of its 17,000 islands. We have not been able to establish why PWYP Indonesia made no attempt to adapt and redesign the project to a more modest level of ambition following the decision to reduce its time frame. However, in our view, it would be

unrealistic to expect the project to have made significant impacts on shifting power and increasing government responsiveness or replicating tested social accountability models in such a short project timeframe.

Given the scope of the project and level of the project ambition approved by GPSA and the World Bank Indonesia, it makes more sense to assess this project in terms of its contribution to behavior changes that strengthen aspects of the complex and dynamic mining and extractives' accountability ecosystem in Indonesia.

Combining behavior change and ecosystem lenses, we conclude that PWYP Indonesia and its partners made some important contributions to their organizational long-term aims. These stretch beyond the GPSA project and involve various government actors who frequently move positions, playing varied roles in the complex extractives' accountability ecosystem.

More specifically, the project demonstrated an appetite among citizens to demand more transparent and accountable behaviors by government and mining companies. Project achievements include leveraging the existing capacities of partners to equip and provide intermediation services for these already motivated citizens impacted by mining operations. PWYP Indonesia's partners contributed to behavior change on the part of community representatives including women. Engagement in the project mining circle community groups at village level gave community members a greater understanding of their rights relating to licensing and mining revenue allocations. Additionally, project interventions provided them with understanding and opportunities to collaborate with other accountability-seeking actors, strengthening components of the extractive's accountability ecosystem as part of the process of realizing such rights. These included provincial-level CSO partners, academics, media, national CSOs with special expertise in public finance analysis and grievance mechanisms as well as ombudsmen.

Community members were also able to use new knowledge, evidence and confidence gained by working with other accountability-seeking actors to take up opportunities to actively participate and share their frustrations and demands in MSF discussions at different levels. PWYP Indonesia's innovation of providing opportunities for such participation at regency level on issues related to mining revenue management deserves special mention. With support from Seknas FITRA, citizens and government actors gained fresh motivation and capacities to engage on mining revenue allocations for services and infrastructure, an extremely complicated issue that few had previously known about or understood. New knowledge on their rights to certain revenue allocations, including for corporate social responsibility projects was particularly valued by local government representatives and communities.

The projects tested a number of social accountability tools that provided fresh capacities in the form of vast amounts of evidence that was used to both inform project priority themes as well as substantive MSF discussions. Evidence generated by partners and communities on problems resulting from mining operations, grievance mechanisms, and stakeholder scorecard perceptions of the transparency and accountability of licensing and revenue management has equipped the World Bank Indonesia office with more in-depth data on the level of participation of communities in all stages of licensing and revenue management. Additionally, this evidence

included stakeholder recommendations on how these might be improved. It will be important that the World Bank follows up on these findings and recommendations. It was difficult for PWYP Indonesia and its partners to prioritize from the broad range of issues raised during such a short project time frame, resulting in the risk of motivated citizens' expectations not being met on a range of issues.

Various project activities including, but not restricted to, MSFs led to some behavior change on the part of government officers and representatives of the mining industry. MSFs provided opportunities to discuss information asymmetries and poor coordination/communication between different levels and parts of government. PWYP Indonesia's multi-stakeholder approach, engaging government actors at different levels provided some of them with capacities and opportunities to behave differently and engage in more meaningful discussions with citizens. Though we could not validate all examples, it appears that in some instances this led to responses by government and companies to licensing mining regulation complaints, such as reducing environmental harm or making infrastructure improvements in villages affected by mining operations. Such conversations also seem to have informed efforts to improve the transparency and accountability of discrete components of mining revenue management systems.

More importantly, perhaps, government champions and mining industry associations' interest in sustaining conversations with citizens might be interpreted as a behavior change that both strengthens the accountability ecosystem while also indicating increased responsiveness. Both saw value in an approach that gave them access to non-confrontational feedback from citizens. Arguably this willingness to listen and engage with communities transcends some of the discretionary responses to individual complaints mentioned above. Government and private sector association interest in sustaining and improving the quality of such engagement might be interpreted as early signs of more substantial improved responsiveness. Recent reports of partnerships and engagement in Aceh alongside the involvement of provincial governments in EITI multi stakeholder groups (MSGs) focusing on revenue allocations are encouraging signs of this. They may also be possible indicators of the sustainability of some of the project's collaborative accountability approaches. However, given the highly complex nature of the multifaceted extractives accountability ecosystem, more evidence that government or mining companies are listening and acting on citizen concerns is needed to support such conclusions.

One industry representative asked to be involved in planning MSF research and meetings to give the association adequate time to consult with its members. Other evaluation respondents' recommendations for strengthening MSF processes included making clear recommendations and decisions at MSF meetings that are documented, enabling everyone in government agencies to know what has been decided. Other respondents also highlighted the need for CSOs to maintain constant pressure for follow up.

Implementing the modifications suggested by respondents might lead to more effective collaborative social accountability approaches. However, this would not guarantee that collaborative social accountability MSF initiatives would be sufficient to achieve the levels of attitudinal and behavior change required for accountable corporate and government

responsiveness in all areas of mining licensing and the revenue accountability ecosystem tackled by the project.

The progress that was made was largely due to factors influencing the World Bank's initial decision to support the project. Senior government champions' commitment to transparency and international commitments in order to attract investment, now also linked to decarbonization and the Just Transition, helped. The collaborative approach taken by PWYP Indonesia and legitimized by EITI was also important for achieving stakeholder buy-in. Additionally, partners' considerable experience and established reputations for linking community engagement with work to support the government played a role in project gains.

Despite this progress and notable achievements, project progress was stifled not only due to over ambitious objectives (given the time frame), but also because of weaknesses in several contextual assumptions namely:

- the centralization of licensing authority following a change in the legal framework for licensing severely disrupted relationships and work on licensing regulations. With the exception of Aceh where the project played a small part in clarifying new roles and responsibilities, project assumptions that government roles would be clarified and that coordination would improve did not hold.
- various government agencies involved in licensing and revenue management were risk averse and did not have adequate capacity to respond to citizen demands.
- Covid-19 continued to cause more disruption than initially anticipated.
- the overambitious external MEL component struggled to align GPSA and other World Bank performance management and learning objectives, making project learning more challenging than expected.

In other words, project activities and outputs were insufficient to address constraints highlighted in the World Bank project documents. Moreover, while weak coordination and monitoring capacity within the bureaucracy might be described as 'technical' issues, they were also caused by political and power dynamics. A weakness of this evaluation is that it did not engage deeply with partners' approaches to understanding political economy dynamics and rent seeking, known to be the cause of many of the blockages to transparency and accountability in mining licensing and revenue management in Indonesia. We were unable to establish whether and how partners were using such analysis to inform their choices of issues to work on, entry points or tactics. Some partners and communities were complementing collaborative approaches with more confrontational tactics, such as peaceful protest and media tactics that we were unable to explore in depth.

It is difficult to assess whether the project could have achieved more by adapting and reducing the scope of its objectives following the World Bank's decision to reduce the time frame. The project demonstrates that social accountability approaches are appropriate for projects in the extractives sector. However, findings, and our own review of literature on the political economy of mining in Indonesia, suggest that making progress in short-term projects in the extractives sector is likely to be far more difficult than in social accountability projects working



directly on social service issues such as health or education. Work on governance in the extractives sector is highly political and sensitive involving powerful actors with significant vested interests. It is also complicated because of the range of actors and complexity of accountability relationships involved. In the case of this project, they were particularly broad. This was not only because of the size and scale of the issue in Indonesia, but also because of the scope of the project which sought to address accountability challenges across several phases of the extractives value chain.

Such complexity should not discourage GPSA or other donors from social accountability work on extractives in the future. Social accountability tactics have a role to play in politically informed work by national and international coalitions to ensure mining revenues contribute to service delivery and sustainable development. They are likely to become of greater relevance as countries such as Indonesia take forward initiatives to address climate change as part of the Just Transition. A question arising from this evaluation is how to frame and design such projects with more realistic objectives and levels of ambition, that include ‘quick wins’ for communities given the complexity of accountability ecosystems in mining and coal sectors.

## Recommendations

A number of recommendations emerging from our analysis and reflections during a final workshop with PWYP Indonesia and its national and local-level partners are presented alongside findings in the tables below.

### For PWYP Indonesia

Finding	Recommendation
<ul style="list-style-type: none"> <li>Even though evidence suggests the PWYP Indonesia project was worthwhile and most actors were in favor of sustaining MSFs there was no available funding to continue.</li> </ul>	<ul style="list-style-type: none"> <li>Leverage evidence from the scorecards, PolGov’s study on the potential of collaborative accountability mechanisms plus this evaluation to prioritize issues and make the case for further support to donors interested in accountability in the extractives sector, as well as the Just Transition.</li> </ul>
<ul style="list-style-type: none"> <li>PWYP Indonesia opted not to reduce the level of ambition following the reduction in the project’s budget and timeline.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure the scope of donor-funded projects are appropriate; make sure PWYP Indonesia takes up donor suggestions to adapt and reduce levels of ambition following reductions in budgets or shortened project timeframes. Ask Seknas FITRA to share lessons from their collaboration with the International Budget Partnership under the SPARK program regarding linking ‘quick wins’ from service delivery audits with advocacy on budgets and revenue management.</li> </ul>
<ul style="list-style-type: none"> <li>MSFs did not have clear decision-making objectives or follow-up plans.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure future MSFs have clear decision-making objectives and follow-up plans that are documented and disseminated.</li> </ul>

<ul style="list-style-type: none"> <li>● Asosiasi Pengusaha Batubara Indonesia (ABPI) (Mining Coal Industry Association) thought the MSFs were useful and had incentives to engage with communities on issues addressed by the project. However, they reported that they did not get sufficient warning of MSFs to consult with their members beforehand and maximize their potential.</li> </ul>	<ul style="list-style-type: none"> <li>● Explore with ABPI, perhaps through EITI, its interest in helping to make the collaborative accountability MSFs sustainable. Find ways to engage business early in plans for MSF events so that they can undertake adequate preparation.</li> </ul>
<ul style="list-style-type: none"> <li>● The evaluation found no evidence of nuanced power and political economy analysis or actor mapping to identify specific individuals or groups who may have shared interests in making mining licensing and revenue management more transparent and accountable.</li> </ul>	<ul style="list-style-type: none"> <li>● Reflect with partners on whether more deliberate power and political economy analysis might reveal other actors with shared interests that could be engaged in reform coalitions to strengthen the accountability ecosystem. These might include media actors, parliamentarians, audit authorities, elites or other social movements/associations and coalitions working on public budgets or social accountability in sectors financed by mining revenue allocations.</li> </ul>
<ul style="list-style-type: none"> <li>● Media were involved in some project activities, e.g. in East Kalimantan, but assumptions about the role they would play in advancing PWYP Indonesia's aims were somewhat implicit.</li> </ul>	<ul style="list-style-type: none"> <li>● Be more explicit regarding your assumptions on the role of media and how different media tactics are expected to contribute to strengthening accountability ecosystems and changes in government and or citizen behavior.</li> </ul>
<ul style="list-style-type: none"> <li>● PWYP Indonesia struggled to implement a project level monitoring system that could evidence the projects contributions to outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>● Consider adopting outcome harvesting as a monitoring approach and seek capacity development support for partners to document evidence on their contributions to change.</li> </ul>

**For the World Bank Indonesia**

<b>Finding</b>	<b>Recommendation</b>
<ul style="list-style-type: none"> <li>● Even though evidence suggests the PWYP Indonesia project was worthwhile, and most actors were in favor of sustaining MSFs, there was no available funding to continue.</li> </ul>	<ul style="list-style-type: none"> <li>● Seek additional funding to sustain the MSFs initiated by the project and support EITI and Energi dan Sumber Daya Mineral (ESDM) (Mineral and Resources) in institutionalizing sub-national collaborative multi-stakeholder accountability initiatives.</li> <li>● Continue efforts to support PWYP Indonesia and its partners in leveraging the evidence generated by the scorecard exercise and in prioritizing recommendations generated by project stakeholders.</li> </ul>
<ul style="list-style-type: none"> <li>● PWYP Indonesia opted not to reduce the level of ambition following the reduction in the project’s budget and timeline.</li> </ul>	<ul style="list-style-type: none"> <li>● Be alert to over ambitious projects that may have unintended consequences, such as raising citizens’ expectations that can’t be met. This is a delicate balancing act. On the one hand it means being sensitive to power relationships between donors and grantees that might encourage potential partners to be over ambitious. On the other hand, it requires recognition that donor-funded projects make short-term contributions to local partners’ long-term and more ambitious theories of change.</li> <li>● Ensure grantee projects adapt and are redesigned following changes to budgets or timeframes.</li> <li>● Look for opportunities to facilitate PWYP’s learning from Seknas FITRA’s collaboration with the International Budget Partnership under the SPARK program on linking ‘quick wins’ from service delivery audits with advocacy on budgets and revenue management</li> </ul>

<ul style="list-style-type: none"> <li>• The project was not a neat fit within the GPSA portfolio that has tended to focus on health and education social accountability projects implemented in the context of decentralization reforms. PWYP Indonesia was keen to have more opportunities to share and learn with other actors also working in the complex area of extractives transparency and accountability.</li> </ul>	<ul style="list-style-type: none"> <li>• Deepen communication and coordination with GPSA as well as EGPS staff in other regions in efforts to co design a portfolio of grants for CSOs working on EITI/social accountability in the extractives sector: <ul style="list-style-type: none"> <li>○ Consider the possible benefits of an ecosystems approach</li> <li>○ Ensure this includes the co-creation of a MEL approach that allows CSO coalitions working in the extractives and on the Just Transition to come together to share their experiences</li> </ul> </li> <li>• Explore the possibilities of finding and supporting synergies between coalitions using social accountability approaches relating to extractives' revenue management and those working in sectors that partly rely on this revenue.</li> </ul>
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**For GPSA:**

<b>Finding</b>	<b>Recommendation</b>
<ul style="list-style-type: none"> <li>• Even though evidence suggests the PWYP Indonesia project was worthwhile, and most actors were in favor of sustaining MSFs there was no available funding to continue.</li> </ul>	<ul style="list-style-type: none"> <li>• Seek additional funding to sustain the MSFs initiated by the project and support EITI and ESDM in institutionalizing sub-national collaborative multi-stakeholder accountability initiatives.</li> <li>• Continue efforts to support PWYP Indonesia and its partners in leveraging the evidence generated by the scorecard exercise and in prioritizing recommendations generated by project stakeholders.</li> </ul>

<ul style="list-style-type: none"> <li>● PWYP Indonesia opted not to reduce the level of ambition following the reduction in the project’s budget and timeline.</li> </ul>	<ul style="list-style-type: none"> <li>● Be alert to over ambitious projects that may have unintended consequences, such as raising citizens’ expectations that can’t be met. This is a delicate balancing act. On the one hand it means being sensitive to power relationships between donors and grantees that might encourage potential partners to be over ambitious. On the other hand, it requires recognition that donor-funded projects make short-term contributions to local partners’ long-term and more ambitious theories of change.</li> <li>● Ensure grantee projects adapt and are redesigned following changes to budgets or timeframes.</li> <li>● Look for opportunities to facilitate PWYP’s learning from Seknas FITRA’s collaboration with the International Budget Partnership under the SPARK program on linking ‘quick wins’ from service delivery audits with advocacy on budgets and revenue management</li> </ul>
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- The GPSA MEL approach was over ambitious given the project time frame, the project learning approach and PWYP Indonesia's capacity to commission and manage external evaluators from the Global North.

- Continue work to revise the MEL model and approach so it is more supportive of partner learning and aligned with the World Bank's performance monitoring and measurement systems.
- Explore using outcome harvesting as a monitoring tool, and train grantees and their partners in light touch approaches to substantiation and 'contribution analysis'.

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## Abbreviations and Acronyms

ABPI	Asosiasi Pengusaha Batubara Indonesia (Mining Coal Industry Association)
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
DBH	Dana Bagi Hasil (Revenue Sharing Fund)
DLH	Dinas Lingkungan Hidup (Environmental Agencies at the regent/city or provinces)
EGPS	The Extractives Global Programmatic Support
EITI	Extractive Industry Transparency Initiative
ESDM	Energi dan Sumber Daya Mineral (Energy and Mineral Resources)
GPSA	Global Programme for Social Accountability
ICT	Information Communication Technology
LePMIL	Lembaga Pengembangan Masyarakat Pesisir dan Pedalaman (The Institute for Coastal and Inland Community Development)
MEL	Monitoring Evaluation and Learning
MSF	Multi-stakeholder Forum
NRGI	Natural Resource Governance Institute
PolGov	Research Centre for Politics and Government, Universitas Gadjah Mada
PPM	Pengembangan dan Pemberdayaan MAsyarakat (Obligatory Community Development and Empowerment Program)
PWYP	Publish What You Pay
RGI	Resource Governance Index
RPJMN/D	Rencana Pembangunan Jangka Menengah Nasional/Daerah (Medium Term Development Plan (National/Regional))
TOA	Theory of Action
TTL	Technical Team Lead

## 1. Introduction

This is the final evaluation report for the Citizen Monitoring for Transparency and Accountability of Licensing and Revenue Management in the Mining Sector [\[Social Accountability in Mining Sector\]](#) (henceforth, referred to as the project). A grant of \$475,000 from the World Bank's EGPS was used to fund this GPSA project in Indonesia that was implemented by a coalition led by the [Yayasan Transparasi Sumber Daya Ekstraktif - Publish What You Pay Indonesia](#).

The evaluation sought to test a **localized version** of the generic GPSA Theory of Action which can be summarized as follows:

*GPSA support for CSOs to undertake adaptive, collaborative, multi-stakeholder social accountability projects will enable the relationships, motivation, capacity development and learning required for iterative problem solving. This will ultimately lead to examples of improved transparency, participation and accountability in mining licensing and revenue management that can be scaled up and replicated for enhanced realization of rights, infrastructure and service delivery.*

The project was implemented between November 2020 and March 2022 through a collaborative social accountability approach at provincial and regency levels by [Gerak Aceh](#), [LePMIL](#) and [Pokja 30](#) in Aceh, Southeast Sulawesi and East Kalimantan respectively. Evidence from testing social accountability approaches in the provinces fed into national-level MSFs and sharing sessions supported by learning partners [PolGov](#), [Seknas FITRA](#) and [Awrago](#).

The EGPS chose to support PWYP Indonesia's proposal because of several favorable environmental conditions. These included top-level political will, such as government reforms to increase investment in and employment from mining and extractive operations.<sup>2</sup> The government's international EITI commitments on transparency, as well as more recent pledges to reduce carbon emissions were also promising (EITI, 2021a).

PWYP Indonesia was considered uniquely qualified to lead the project. This is due its membership of an established global coalition as well as its proven technical capacity and convening power.<sup>3</sup> In the context of Indonesia where relationships between environmental activists, corporations and government have been fraught, PWYP Indonesia's involvement in EITI and ability to work collaboratively and diplomatically with different actors was highly valued by project planners in the World Bank.

Partnership with PWYP Indonesia presented the World Bank with opportunities to access more in-depth evidence on the level of participation of communities in all stages of licensing and revenue management.<sup>4</sup> The project also promised insights on the capacities and motivation of government and private sector actors to engage and respond or be responsive to community demands and close regulation implementation gaps. More specifically, from the perspective of governance advisors in the World Bank Indonesia office, the project provided opportunities to

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<sup>2</sup> World Bank project documents

<sup>3</sup> Interview ex World Bank staff, March 2022

<sup>4</sup> Interview with TTL, March 2022

learn about the relevance of different social accountability tools for tackling key issues arising across several different sub-national contexts. In the World Bank’s view, it is unlikely that a ‘one size fits all’ sub-national EITI approach will work across different sub-national contexts. Hence the project offered insights on factors that might influence approaches to increasing transparency, participation and accountability in different sub-national provinces and regions.<sup>5</sup>

From the perspective of GPSA globally, the project offers an opportunity to learn about the relative complexity of including extractives in social accountability portfolios mainly focusing on improving access or quality of health and education services in the context of decentralization reforms.<sup>6</sup> The project is particularly complicated. This is not only because seeking to improve transparency, participation and accountability in mining licensing and revenue management involves a vast number of government agencies, private sector actors and intermediaries. It is also due to the extent and diversity of mining and extraction operations as well as the size of the country and terrain: Indonesia is the world’s 4<sup>th</sup> most populous country consisting of over 17,000 islands.

The main body of the report begins with a description of our methodology and its limitations. A short introduction to the national context for mining licensing regulation and revenue management follows. This leads into a discussion of theory informing our analysis of the project, undertaken in the complex and dynamic context of the Indonesian mining sector. We then describe key aspects of the contexts of the three provinces where the project was implemented and introduce the implementing partners. Our main findings section starts with a visual overview and brief summary of findings as they relate to the localized Theory of Action. It then summarizes findings under each evaluation question. We end with conclusions alongside recommendations for different stakeholders.

## 2. Final Evaluation Methodology

The questions for the evaluation agreed with GPSA sought to test the localized Theory of Action. In short, they explore whether, how and why or why not PWYP Indonesia’s collaborative social accountability approach contributed to increasing transparency participation and accountability in licensing regulation and revenue management.

### Evaluation Questions

#### 1. What are the main outcomes that the project has contributed to?

a. What results have been achieved? Is the project’s collaborative social accountability strategy contributing to addressing bottlenecks and power asymmetries resulting in more responsive governance in issues around licensing and revenue management?  
- Was it necessary and sufficient? What other factors were at play?

b. Are responses to MSF demands meaningful and how significant are they in the context of mining in Indonesia? What is the scale of potential benefits for different groups?

c. Are there any unintended results (positive and negative), including spillover effects to other geographic or sectoral areas?

<sup>5</sup> World Bank staff interview, April 2022

<sup>6</sup> Informal discussions with GPSA staff

**2. How and why are different elements of the project working or not?** To what extent do the results validate the GPSA’s Theory of Action and its adaptation to the Indonesian mining sector through the project? Key questions relating to this are driven by PWYP Indonesia’s Theory of Action assumptions that mirror thinking in the global GPSA Theory of Action:

a. What role do different kinds of evidence and information play in providing capacities and motivating different actors to take collective and collaborative action, e.g.: government and company data on mining licensing activities and revenue collection, revenue allocation for different budgets, citizen generated complaints, citizen monitoring data?
b. Do the project’s infomediation approaches make the information more accessible, understandable and relevant for different stakeholders? How? Does this vary across contexts?
c. Has the project been able to leverage community-level interest in and collective action on tangible CSR funds or other issues to broader issues of revenue management and budgeting? How?
d.(How) and under what conditions does the MSF collaborative social accountability model work? How, if at all, does it create new opportunities, capacities and motivations for strengthening accountability relationships between different stakeholders, enabling them to come together to discuss problems and identify solutions?
e. How and why are approaches to engaging and sustaining the interests of private sector actors at the local level successful or not?
f. How and why are approaches to engaging and sustaining the interest of communities including marginalized actors at the local level successful or not?
g. Are the social accountability processes established by the project sustainable? Are actors motivated to continue relationships? Have they got access to necessary finance?
h. What if any role have project lessons played in influencing adaptation or social accountability and other reforms beyond the project? - Were there any major ‘course corrections’ as a result of formal or informal learning and reflection? -Was the project able to leverage its relationship with and support from EITI Indonesia – particularly the Ministry of Energy and Mineral Resources to scale up or out any of the social accountability initiatives at sub-national level? -What, if any, role did the World Bank’s involvement play in leveraging incentives for different government actors to participate, sustain or scale up social accountability initiatives ombudsman will provide legitimacy that motivates other actors to join?

## Approach

Our initial theory-based evaluation design was conceived within the terms of the GPSA MEL design with external evaluators playing an accompaniment role throughout the program. This involved a two-person TAP Room team, one national and one international consultant supporting PWYP Indonesia and its partners to design a MEL approach that would generate monitoring data to support the measurement of performance against project specific World Bank indicators as well as indicators designed by GPSA. The idea was that this monitoring would not only support performance measurement but also reflection, learning and adaptation around the Theory of Action at mid-term and final evaluation. The mid-term review was to be light touch and the final evaluation more intense, taking a broad look at results together with deeper dives into some outcomes, possibly using case studies.<sup>7</sup>

This design had to be substantially revised when PWYP Indonesia, GPSA, the World Bank and TAP Room mutually agreed that the original GPSA MEL design was too burdensome and complicated to work. As a result, the evaluation struggled to add value to the program in the ways initially envisaged by GPSA. This was partly because it had not been engaged at the start, but also because the budget allocation did not match the TOR and the scope of expectations outlined in the GPSA MEL Manual. In addition, we were unintentionally duplicating aspects of PolGov, one of the project's learning partner's, work. PolGov had been commissioned to undertake a study on the potential and challenges of implementing the GPSA social accountability model in three project areas. Although we were able to draw on the report in Bahasa Indonesian during the final evaluation, arguably we could have better aligned with the study at the point of the mid-term review (PolGov, 2021).

Adapting the evaluation design became even more pressing following the World Bank's abrupt U-turn on a no-cost project extension, that had been discussed informally.<sup>8</sup> PWYP Indonesia's efforts to extend its monitoring system to accommodate the needs of the complex design had already been impacted by Indonesia staff departures, absences due to Covid-19 and a family bereavement of one of the staff. The cancellation of the project extension made it impossible for the project-contracted MEL officer to update the intended system retrospectively and remaining staff had responsibilities to other donor funded projects.

As a result, when it came to final evaluation, we were unable to easily identify clear outcomes as appropriate cases or stories for deep dive exploration, or appropriate respondents. This was only partly due to delays accessing monitoring data. As the initial project design and scope of objectives anticipated a longer grant period of three years, there had been insufficient time to achieve the kinds of outcomes that warrant process tracing approaches.<sup>9</sup>

In view of these factors, we adapted and took an opportunist approach to testing the Theory of Action. This involved reviewing available documentation and undertaking as many interviews

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<sup>7</sup> See the TAP Room's mid-term review note for more information.

<sup>8</sup> We were informed that a no-cost extension or new funding was almost guaranteed for the project. Late in March we were notified the request had been rejected and that the project would end on March 31<sup>st</sup> after all.

<sup>9</sup> Process tracing is a qualitative analysis methodology. The main purpose is to establish whether, and how, a potential cause or causes influenced a specified change or set of changes. For further details see <https://www.intrac.org/wp-content/uploads/2017/01/Process-tracing.pdf>

and FGDs as possible within the constraints of Covid-19 restrictions and holidays around Eid. More specifically, this report reflects findings from interviews and focus group discussions with PWYP Indonesia and partners at mid-term and participation in a learning event; end of project interviews with partners; community members from Aceh and Southeast Sulawesi; a range of provincial and regional-level actors whose agencies had been represented in various MSF events; two national-level associations representing the private sector; a national-level representative of the EITI Indonesia Secretariat; and two current and one former staff members of the World Bank in Indonesia. We also reviewed minutes of 17 MSFs/sharing session/community mining circle community group reports, reports submitted to the World Bank and several reports and briefs produced by learning partners. Additional insights contributed by PWYP Indonesia and its partners during a final learning event also feature.

Most interviews were undertaken remotely in Bahasa Indonesian, three were conducted in English and in several we used both languages, relying on TAP Room's national researcher to undertake real-time translation.

Our approach involved analysis on several levels. Initially we engaged in joint discussions and reflections on some interviews and independent analysis of some interview notes and minutes of MSFs, with the international consultant relying on automatic MSWord translation functionality. We then consulted regularly on interpretations during the write up of findings, trying to triangulate data points and challenging each other's interpretations of interviews and minutes of events. In addition, we referred to government documents for the legal basis of some decisions and academic articles to provide contextual information. We also located and analyzed some media reports of project events.

Analysis of findings alongside the Theory of Action was relatively straightforward as it was so embedded in our overall approach. However, for reasons documented below we were unable to undertake as much comparative analysis of findings across the different provinces as initially hoped and expected by World Bank staff in Indonesia.

Finally, we make reference to [double loop learning theory](#) in findings and conclusions that seek to distinguish between single loop learning on whether the project did things right to achieve outputs and whether they were the right things for outputs to achieve outcomes.

## **Limitations**

One of the risks of the evaluation approach is that it resulted in fragmented data. With no outcomes harvested to drive sample designs, we found ourselves interviewing a range of stakeholders using generic questions as opposed to questions carefully tailored to substantiate outcomes and explore the project's contribution to various pathways of change. Partners were of course able to give full accounts of what they had done and of the immediate responses of those they had engaged. We could partly triangulate these accounts through reviews of meticulous MSF meeting transcripts. In instances where their collaborations appeared to have led to follow up involving multiple agencies and actors, it was far more difficult to investigate causal links, however. For example, citizens lodging complaints on an ICT-based complaints mechanism about failing public infrastructure or environmental damage were sometimes associated with company activity to repair or address the problem that was the cause of the complaint. But, such examples involve various stages of intermediation making causal links

hard to prove. For example, the complaint mechanism administrator may have to contact the government agency responsible for the specific kind of issue, e.g., Ministry of Environment (DLH). In light of law changes this may have involved the complaint ‘ping ponging’ between bureaucrats unsure of their respective authorities.<sup>10</sup> Then the government agency has to contact the company concerned and this might involve chains of communication within large companies who, like governments, establish responsibilities at various levels.

We only engaged with a handful of community members, so findings on community-level changes in knowledge and behavior need to be handled with care. And overall, we found it difficult to ascertain how many citizens directly engaged with the project. Small numbers of ordinary citizens attended MSFs, but a larger number participated in the implementation of social accountability tools, such as the mapping and scorecard. PWYP Indonesia estimates these numbered around 181<sup>11</sup> people across all three areas, but we do not have information concerning whether and how they represented different demographics. Whatever the case, the limited number of people engaged should be taken into consideration when reviewing our findings.

Additionally, it was difficult to pin down members of bureaucracies who had been to a sufficient number of project events to answer specific questions or have an opinion on the PWYP Indonesia coalition’s collaborative social accountability approach. We did find some, but turnover meant that in several cases we ended up interviewing staff who had only recently arrived in post and thus reverted to normative responses. While this frustrated our attempts to follow interesting leads on stories of change, such interviews did enhance our understanding of contextual issues (including staff turnover) that hindered or helped PWYP Indonesia and its partners achieve their goals.

As a result of the above challenges, we have adopted a problematizing approach to writing up some of our findings. Instead of ignoring partner claims that we could not substantiate we have written them up in a caveated style and where relevant made reference to why they may be interesting to follow up.

### **3. Mining and Coal in Indonesia**

As explained in World Bank project documents, the extractive sector plays a critical role in the Indonesian economy, with coal and minerals contributing five percent of GDP in 2019 (EITI, 2021b). This importance has long been reflected in government reforms trying to encourage investment and improve management and accountable use of mineral and coal resources.

Legislation, namely the Local Government Law No. 22/1999 implemented in 2002, decentralized the process of awarding and monitoring mineral licenses to sub-national level authorities. This was to ensure that mineral resources generated greater benefits for local populations, including by empowering citizens to participate in decision-making over mineral resources, and increasing accountability mechanisms between local authorities and citizens. Decentralization was also accompanied by a raft of policies associated with resource nationalism (Junita, 2015), through divestment obligations for foreign miners, a ban on the

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<sup>10</sup> Awrago final evaluation workshop

<sup>11</sup> Estimates received from PWYP Indonesia, August 2022

export of raw mineral ores, new content requirements and restrictions on foreign investment in oil and gas. Additionally, during the period 2002 to 2013 there were increases in popular mobilization and legal cases taken against foreign companies (Warburton, 2017).

Law No. 4/2009 on Mineral and Coal Mining (“Mining Law”) took decentralization further, providing guidelines to clarify the roles and responsibilities of different government actors involved at various stages of the mineral licensing process, both at the national and local level. Law No. 23/2014 on Regional Government extended the power of provincial governments in monitoring and licensing. However, in 2020, Law No. 4/2009 was amended with a significant piece of legislation Law No. 3/2020. This aimed to improve the regulatory framework and increase the efficiency and effectiveness of mineral and coal-mining activities, including by appearing to recentralize key aspects of licensing regulation.

In addition to domestic legislation and despite apparent resource nationalism, Indonesia has also signed up to international norms such as the multi-stakeholder Extractive Industries Transparency Initiative (EITI), becoming the first ASEAN country to achieve compliance. Recently, following discussions with PWYP Indonesia, the European Commission, and EITI, in the run up to COP 26 the Indonesian Government became one of only 12 countries to commit to decommissioning coal power stations and implementing a moratorium on commissioning new ones, though the situation might change as a result of the war in Ukraine.<sup>12</sup> This was shortly followed by the implementation of a carbon tax, representing part of its new commitment to addressing the effects of climate change and the Just Transition (Yeap, 2021).

Indonesia did not participate in the Resource Governance Survey that generates a comparative index of country performance on the governance of oil, gas and mining revenues in 2021. However, data from 2017 suggests that Indonesia performed quite well in terms of transparency of value realization and revenue management, but less well in transparency participation and accountability on licensing.

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<sup>12</sup> Thanks to Ann- Sofie Jespersen of GPSA for making this point



## Index results summary

### LICENSING PROCEDURES ARE AN EXCEPTION AMONG GENERALLY SATISFACTORY GOVERNANCE PERFORMANCE

The Indonesian mining industry performs well in revenue management. The government discloses national budgets, revenues and expenditures, and for the past two years has followed the fiscal rule limiting the general government deficit to three percent of gross domestic product (GDP) and public debt to 60 percent of GDP. Despite a risk of pro-cyclicality, the Indonesian government has managed to use this fiscal rule to lower public debt and adjust government spending following a more modest revenue outlook.

#### INDONESIA (MINING): SUBCOMPONENT SCORES

Value Realization		Revenue Management		Enabling Environment	
	<b>64</b>		<b>76</b>		<b>65</b>
Licensing	37	National budgeting	80	Voice and accountability	78
Taxation	84	Subnational resource revenue sharing	73	Government effectiveness	62
Local impact	58	Sovereign wealth funds	-	Regulatory quality	70
State-owned enterprises	78			Rule of law	63
				Control of corruption	63
				Political stability and absence of violence	46
				Open data	69

**Figure 1: NRGi 2017 Resource Governance Index**

Source: NRGi

### Licensing

Literature on the extractives sector in Indonesia confirms Resource Governance Index (RGI) 2017 findings on non-implementation of laws around licensing which is opaque (Toumbourou et al, 2020). Research by NRGi finds two main causes of implementation gaps that are relevant here, administrative constraints and factors related to political economy and political settlements.

World Bank documents identify various administrative weaknesses and complaints. These include inconsistent rules and regulations across different provinces alongside complicated procedures for monitoring and enforcement of licenses, under-resourcing of institutions tasked with oversight and insufficient coordination between different actors (Shafaie et al. 2021). As a result, even the most basic data on the number of mineral licenses awarded is unavailable, making monitoring and assessing socio-economic impact by government or citizens almost impossible.

When it comes to political factors, rent seeking is ubiquitous (Toumbourou et al, 2020). This is due to inter-elite pacts between industry and political actors, particularly in the coal sector. Such interests have been instrumental in holding back progress on ‘closing the implementation gap’ on governance reforms and transparency. In the Indonesia setting, they take the form of the capture of mining legislation as well as lower-level technical ministerial regulation and decrees. As a consequence, laws in support of business tend to be implemented while implementation gaps remain a problem for laws designed to safeguard the environment (Ihsanuddin. 2019).

A small but growing movement of CSOs and environmental activists, including PWYP Indonesia's partners, were able to engage on issues such as the governance of licensing, land accumulation, fiscal arrangements and ecological and social impacts prior to the project, with some notable success (van Schalkwyk and Canares, 2020). The terrain for such engagement and political economy changed substantially before [and during] the project however, with the enactment of the new Mining Law and subsequently the Omnibus Law on Jobs Creation (Warburton, 2017). These recentralized the governance arrangements around licensing regulation, giving power back to central and provincial governments. The Omnibus Law in particular, aimed to address weak capacity and coordination of licensing in order to create a more attractive environment for industry.

While law capture and rent seeking traditionally happened at sub-national and regional levels, (Junita, 2015) recent centralization of licensing authority means elites operating at regional and provincial level appear to have ceded power to national elites. These national actors are probably now better able to capture regulation and determine the allocation of resources. This is further unpacked in a brief exploration of the contexts in the three project provinces below.<sup>13</sup>

### **Revenue Management**

Indonesia scored satisfactorily on the 2017 RGI scores assessing revenue allocations to sub-national levels. This means it has clear rules and procedures pertaining to how various revenues from oil and gas and mining of minerals should be shared at sub-national levels to contribute to budgets for social services and infrastructure.

Despite such achievements, recent analysis of these allocations shows Indonesia's system of funding provincial, district and city governments is poorly understood because it is one of the most complex in the world (Manley et al, 2020). Though sub-national levels of government can collect local taxes, most of their funding comes from national level allocations of revenues collected by the central government. These take the form of nine different types of transfers totaling 10 percent of Indonesia's gross domestic product and the amounts transferred have increased by over 450 percent since 2001 (Manley et al, 2020).

The precise details of some responsibilities and revenue allocations may have changed under a very recent law amendment. However, our reading of an NRGi paper explaining the revenue allocation suggests that the Ministry of Finance distributes revenue allocations to provincial, district governments and sectoral ministries with transfers to districts including special allocations called 'village funds'.

Since the enactment of Law 23/2014, provincial governments were meant to supervise some of the affairs of the districts and city authorities in their province. In practice, however, some are still supervised by the central government. District and city governments in turn supervise sub-district governments. These sub-districts in some cases supervise villages, the lowest level of government.

While some responsibility over local governments switched from the central government to provincial governments, the central government continued to transfer funds directly to provincial, and local governments. Moreover, autonomous villages had rights to manage the

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<sup>13</sup> TAP Room engagement with various project actors

interests of local communities based on their origins and local customs, though the village fund was channeled through the district account on an annual basis.

A formula based on Law No 33/2004 decreed that a proportion of mining revenues is included in revenue sharing 'DBH' transfers to provinces and districts hosting mining operations. In the case of East Kalimantan and Southeast Sulawesi, 80 percent of royalties are transferred back to provinces hosting mines. 16 percent is kept by the province, with 32 percent being transferred to the regency where the mine is located. The remaining 32 percent is distributed to the other regencies in the province that hosts the mine. Similarly for mining rent, 80 percent is allocated back to provinces hosting mines with 16 percent staying with the provincial government and 64 percent going to the regency that hosts the mines. In the case of Aceh, a special autonomous region, the provincial government is allocated 80 percent of land rents and mining royalties to distribute according to customary laws and plans. (Similarly complicated calculations but with different formulas cater to revenue sharing from oil and gas). Towards the end of the project term PWYP Indonesia and its partners were working to understand the implications of changes to this formula under Law No 1/2022 concerning relations between Central and Local Government.<sup>14</sup>

In addition to benefiting from mining revenue allocations from mining royalties and rents, regencies hosting mines also stand to benefit from mining company contributions to local taxes, for example water taxes. Also, they benefit from laws that require mining companies to implement a corporate social responsibility model regulated by the Ministry of Energy and Mineral Resources and the Ministry of State-Owned Enterprises. This corporate social responsibility model, that tends to be referred to as 'PPM' is implemented through the Community Development and Electricity Program of the ESDM. Implicitly it aims to compensate local people for externalities due to mining operations (Prasetio et al, 2021). According to a discussion between the DJMB and ABPI in 2019 there seemed to be a suggestion that the value of PPM should be about 1.3 percent of earnings before tax, which industry was challenging on the basis that corporate responsibility programs were generally understood as voluntary, even though this may not in fact be the case (ABPI, 2019). In some countries, for example France and Brazil, laws have been passed that mean multinational companies are obliged to make contributions, going beyond obligations of local law.<sup>15</sup>

Implementation falls under 'PPM blueprints' prepared by provincial governors in accordance with the Medium-term National and Regional Development Plan (RPJMN/D), also involving the regent/mayor in the region of mining business activities. Ri-PPM documents accommodate activities relating to eight areas that are the focus of basic government services (Kementerian ESDM, 2018). These are health, education, employment, socio-cultural, economic independence, community participation in environmental management, the establishment of PPM supporting institutions and the development of PPM supporting infrastructure.

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<sup>14</sup> Discussions with PWYP Indonesia staff

<sup>15</sup> Comment from GPSA reviewer of a draft report

## **4. Applying Social Accountability Approaches to Mining Projects in Indonesia**

In this section, we discuss some of the challenges of applying social accountability approaches to the project and the influence this has had on conceptual lenses used for our analysis.

### **Matters of Definition**

According to the authors of a World Bank note, *Integrating Social Accountability Approaches in Extractives Projects*, (Heller et al, 2016), social accountability describes a range of actions that citizens can use to hold the state accountable beyond elections. In this definition they also include actions to promote or facilitate such efforts. As is common in the social accountability field, these actions are described with reference to principles of transparency, participation and accountability. Transparency is described in terms of the clarity of government rules and decisions as well as providing access to understandable information. It is the foundation for action relating to the other two principles. Accountability refers to obligations of power holders to account and be answerable for actions, facing sanctions when they fail to do so. Participation is defined as a link between transparency and accountability with citizens participating and taking advantage of transparency and information disclosure to influence budget and planning decisions and holding governments to account for implementing them.

It is hard to disagree with any of these normative ideas. A table included in the World Bank note that describes how social accountability approaches and tools might be used to address various citizen concerns relating to extractive industries is at first sight appealing.

CITIZEN CONCERN	HOW SOCIAL ACCOUNTABILITY CAN HELP	SAMPLE TOOLS
<ul style="list-style-type: none"> <li>Lack of information about EI projects and impacts</li> <li>Lack of information about EI contracts, license procedures, collection of royalties and taxes, and revenues and how they are allocated</li> <li>Lack of information about local procurement, local sourcing opportunities, or hiring by extractives operators</li> </ul>	<ul style="list-style-type: none"> <li>Increase transparency and access to information</li> <li>Make information more understandable to people</li> </ul>	<ul style="list-style-type: none"> <li>Public disclosure of information</li> <li>Public displays of information</li> <li>Information campaigns</li> <li>Budget literacy campaigns</li> </ul>
<ul style="list-style-type: none"> <li>Complaints about EI operations, especially their negative impacts</li> </ul>	<ul style="list-style-type: none"> <li>Provide people assistance in seeking redress</li> </ul>	<ul style="list-style-type: none"> <li>Grievance redress mechanism</li> <li>Public hearings</li> <li>Citizens' juries</li> </ul>
<ul style="list-style-type: none"> <li>Weak monitoring of EI operations</li> <li>Limited oversight of how EI revenues are collected and allocated</li> </ul>	<ul style="list-style-type: none"> <li>Establish independent, civil society, or community monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Third-party monitoring</li> <li>Participatory monitoring</li> <li>Community scorecard</li> </ul>
<ul style="list-style-type: none"> <li>Weak legal framework for collection of taxes and royalties</li> <li>Weak regulation of EI operations</li> </ul>	<ul style="list-style-type: none"> <li>Integrate citizen concerns into EI regulations and policies</li> <li>Develop legal frameworks to regulate EI operations</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with civil society and communities</li> <li>Citizen participation in decision-making bodies</li> </ul>
<ul style="list-style-type: none"> <li>EI regulations do not sufficiently protect impacted communities and their interests</li> <li>People are not sufficiently involved in decisions on EI revenue allocation, community development agreements, etc.</li> <li>Skepticism that benefits of EI operations are adequately shared with impacted communities</li> <li>Lack of EI company accountability to citizens and communities</li> </ul>	<ul style="list-style-type: none"> <li>Organize people to protect their interests through committees, CSOs, and community-based organizations (CBOs)</li> <li>Invite citizen and community participation in EI decision making and policy setting</li> </ul>	<ul style="list-style-type: none"> <li>Citizen participation in decision-making bodies</li> <li>Participatory planning</li> <li>Participatory budgeting</li> </ul>

**Table 1: Sample Social Accountability Tools to Address Different Citizen Concerns**

Source: Heller et al, 2016

Yet, when considering the practicalities of applying such tools within the project in the context of Indonesia, things get more complicated. This is partly because of the political economy around mining described earlier but also because PWYP Indonesia's project aimed to work across most components of the extractives value chain in Figure 2.



**Figure 2: Extractive Industry Value Chain**

Source: Heller et al, 2016

### Applying Social Accountability Concepts to Practice

The World Bank's note (Heller et al, 2016) identifies over 20 possible challenges associated with this value chain and a far larger set of possible social accountability tools and approaches that might be used to address them. The range of challenges and tools partly reflects the complexity of the accountability relationships involved in each step of extractive value chains.

Each phase in Figure 2, incorporates vast numbers of government agencies and private sector actors. In the context of the Indonesian mining sector, for example, this can involve the Ministry for Energy and Mineral Resources, the Ministry of Home Affairs, the Ministry of Finance, various revenue agencies, the planning agency and various arms of the Ministry of Environment and Forestry. The latter include government arms responsible for illegal mining, forest areas, damage to river morphology, water pollution, as well as provincial and government departments responsible for specific bodies of water and overseeing CSR/PPM that covers all sectoral areas. Unsurprisingly this results in fragmented lines of accountability responsible for the poor coordination described above.

### **Analytical Lenses**

As mentioned earlier, our overall evaluation questions and analytical framework were informed by GPSA's Theory of Action. This hypothesized that support for civil-society organizations (CSOs) to undertake adaptive, collaborative, multi-stakeholder social accountability projects will enable iterative problem-solving. This would ultimately lead to examples of improved transparency, participation and accountability that can be scaled up and replicated for enhanced realization of rights, infrastructure and service delivery.

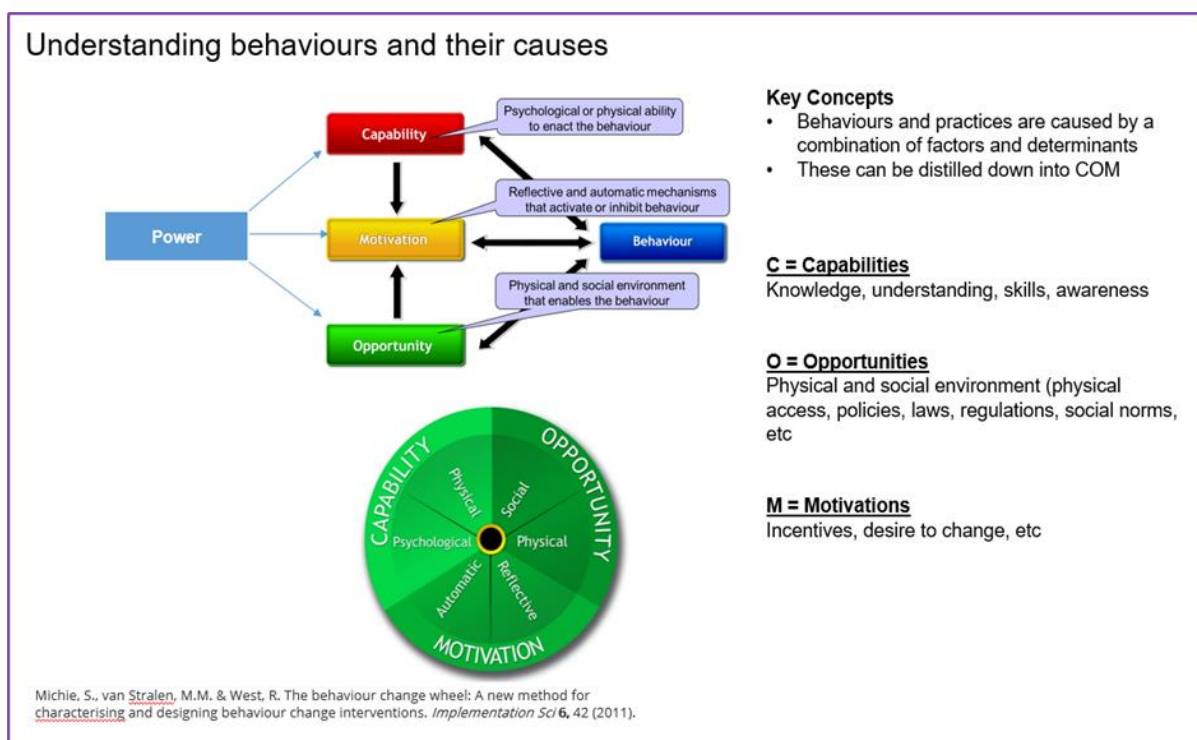
Like GPSA and others working in the field, we recognize the challenges of applying normative transparency, participation and accountability concepts within complex, dynamic contexts such as the extractives value chain in Indonesia. Complex politics and power relations, such as those suggested above, mean that public and private sector duty bearers may be unwilling or unable to disclose information to accountability seeking or oversight actors. Likewise, complicated power relations can make it difficult for oversight or accountability seeking actors (ranging from audit authorities on the one hand to poor women and marginalized groups on the other) to use different types of government information, or evidence they generate themselves, for successful advocacy and other accountability demands.

Two key ideas that can be useful when considering how to enhance transparency and accountability in such complex value chains and systems are those of actor-based behavior change frameworks and accountability ecosystems.

### **Actor-based Behavior Change Models**

Assumptions about behavior change are at the heart of Theories of Action that aim to enable different oversight actors to generate and use information to make demands, and for duty bearer agencies to respond in meaningful ways. Such behavior change is increasingly conceptualized with reference to an actor-based change framework. In this model, changes in transparency, accountability and participation to improve service delivery rely on GPSA grantees, such as PWYP Indonesia and their partners being able to influence behavior change by public servants, citizens, and oversight actors. As illustrated in the Figure 3, such behavior change requires that relevant actors, such as citizens, have the requisite capability, motivation and opportunities to make demands, and duty bearers have the capability, motivation and opportunity to respond.





**Figure 3: Understanding Behaviors and their Causes**

Source: Michie et al, 2011

### Accountability Ecosystems

Supporting oversight actors and duty bearers to undergo the kinds of behavior change that result in meaningful transparency, participation and the use of information that achieve either discretionary responses or more systemic change in licensing management or revenue cannot be achieved in short-term projects. According to leading thinkers in the field,<sup>16</sup> it is more useful to consider such changes as part of longer-term, non-linear initiatives that require actors such as PWYP Indonesia to understand, navigate and strengthen relationships within the broader accountability ecosystem. An accountability ecosystems approach:

- anticipates that actors seeking accountability at different levels are likely to encounter blockages in terms of weak capacities or incentives on the part of companies or government officers and politicians to respond. Such blockages and gaps need to be understood by those wanting to contribute to shifts in power and behavior change.
- allows more space for assumptions relating to the complex sets of brokering and intermediation relationships required to successfully navigate the complexities of systems, such as those encountered in mining social accountability work. Such assumptions include that actors such as PWYP Indonesia and its partners would need to ‘join up the dots’ to address blockages and power relations within different parts of civil society and at different levels of government.

<sup>16</sup> For example see Halloran, B. (2021).

- recognizes that the diversity of accountability seeking actors' motives and power or capacities to act means supporting individual actors to understand and navigate ecosystems using specific accountability tools or tactics, such as scorecards, may be successful in influencing government responses. However, while such responses are important, they may be discretionary and insufficient to influence the kinds of shifts in power relationships associated with meaningful responsiveness and accountability of duty bearers. Such responsiveness requires strengthening accountability ecosystems so that they result in the institutionalization of engagement between citizens, oversight actors and relevant government and private sector actors. Achieving changes in responsiveness relies on longer-term investment in strengthening accountability ecosystems (Fox, 2020).

Whereas accountability ecosystems relating to the delivery of services typically include public finance management, service delivery and oversight components, extractives accountability ecosystems are more complicated. They can include PFM, service delivery oversight but also other components related to the environment and local content - where companies purchase supplies, protective equipment etc. locally and also provide improvements related to transport and infrastructure.

## **5. Introduction to Provinces and Partners**

This section provides a brief overview of each provincial context as well as the experience of PWYP Indonesia's partners.

### **Aceh**

Aceh is a proud autonomous region<sup>17</sup> that in 2005 achieved a successful transition to peace after decades of conflict (Lee, 2020). The peace agreement involved the renegotiation of patronage relations and hierarchies that reintegrated members of Aceh Freedom Movement (GAM) so that they became stakeholders in Aceh's future. On the one hand this has enabled peace however, on the other hand, governance has been weak with elites maintaining control of power and ordinary people experiencing little social and economic development (Atah et al, 2017).

Nagan Raya, the focus of project activities on revenue management, is the originating district of gold and coal mines that have had negative and environmental health impacts on local communities (Simangunsong, 2022). For many years it was ruled by a political dynasty (2010-2017) (Syanbandir et al, 2019). However, in 2017, an electorate that had grown frustrated with local nepotism voted for change (Manan, 2017). Over the years, Nagan Raya has seen considerable conflict between one mining company PT EMas Mineral Murni, communities and other stakeholders, such as student activists. Tensions have tended to keep various actors apart. However, in 2019 the acting governor signed a student petition resisting a proposed change in the law that would give the central government -and by extension the company- more power, committing to resigning if he did not fulfil some of the student and activist demands (Putra et al, 2020).

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<sup>17</sup> Gerak Aceh interview, October 2021



PWYP Indonesia's partner, Gerak Aceh, an anti-corruption network, has played a role in this conflict, gaining increasing influence after 2018. The coordinator reported that they had empowered local women to take leadership roles,<sup>18</sup> and successfully engaged the government through multi-stakeholder forums in the past. Successes include increasing community access to information on mining licensing.<sup>19</sup> They then used this to mobilize other actors to apply pressure in demands for the provincial government to extend a moratorium on the issuance of licenses for mining activities (described above). According to van Schalkwyk and Canares (2020), this achievement was due to Gerak Aceh's political clout. It represented such a large constituent that it could leverage political incentives at the level of the provincial government. This continues to enable a collaborative relationship in pursuit of shared goals.

This collaborative arrangement meant Gerak Aceh not only persuaded the government to release relevant data, it also effectively capacitated the government by sharing relevant data on its own web portal for a time.<sup>20</sup> Local CSOs were trained to use this information to come up with visual examples of tax payments and outstanding payments of companies to the government, permit issuance etc. In this instance, evidence-based advocacy was said to be the main factor influencing the extension of the moratorium as they managed to demonstrate the need for provincial reform before further issuance of permits (van Schalkwyk and Canares, 2020).

In summary, Gerak Aceh had proven capacity and experience in successful politically informed collaborative social accountability work in both revenue management and licensing similar to that undertaken by the GPSA PWYP project at its baseline.

### **East Kalimantan**

As in other parts of Indonesia, there was a significant rise in the issuance of coal mining concessions following the implementation of 1999 decentralization laws in 2004, leaving space for self-enrichment amongst local authorities (Fünfgeld, 2016). In Kutai Kartanegara district, several officials, including the former district head, were convicted of using their political positions for the benefit of coal mining businesses. It follows that mining companies have traditionally had significant influence on local politics and the financing of elections, making it difficult for those without money to curry favor with local people to compete and win elections (Anugrah, 2019). Thus, notoriously corrupt individuals, such as Rita Widyasari, the former bupati of Kutai Kartanegara found it relatively easy to get into power. Though there have been instances of local activists being able to mobilize significant support and get into power, once elected they have had to tone down behaviors and take more collaborative approaches with officials and other political actors.

In this setting, the legal rights of communities have been denied. Despite several regulations stressing their rights to access information about mining activities, including environmental assessments and commitments to community development, it has rarely been provided. In response to these developments as in Aceh, local anti-mining groups have emerged and East

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<sup>18</sup> Gerak Aceh interview, October 2021

<sup>19</sup> Gerak Aceh interview, October 2021

<sup>20</sup> The <https://www.gerakaceh.id/client-logo/portal-open-data-gerak-aceh/> was no longer functional at the time of writing this report.

Kalimantan has been the site of a vibrant anti-mining environmental movement. In 2007, for example, a group of 50 people began street blockades, demonstrations, and making inquiries to the local government. They received support from local NGOs, local academics, and parliamentarians, and were soon able to gain nationwide recognition through media reports. Nationwide campaigns organized by the NGO JATAM against CV Arjuna, a company operating in Makroman, even gained international attention (Fünfgeld, 2016). Largely attributed to similar litigation and advocacy, in 2013 the East Kalimantan legislature adopted a provincial regulation reinforcing higher-level regulations that mandate coal mining companies to conduct reclamation and post-mining clean up. This was important as it was the first time that activists had directly influenced policy regulating mining at the sub-national level in Indonesia. Yet the policy outcome alone has not been sufficient to shape change (Toumbourou et al, 2020).

On the whole, laws have facilitated the expansion of extractive industry operations, lessening effects of laws to reduce negative social impacts fought over by local communities (Toumbourou et al, 2020). However, recently the centralization of licensing power is likely to have shifted the political economy, lessening the power of provincial-level elites. In addition, impending plans to move Indonesia's capital to East Kalimantan are likely to have had some influence on the context in which Pokja 30, PWYP Indonesia's partner is operating (Financial Times, 2022).

Pokja 30 is an environmental NGO with long experience working with communities advocating on mining issues (Bell, 2014). Though they have previously worked on licensing transparency and mining revenue monitoring in an adjacent area using tactics that engaged different government actors,<sup>21</sup> this project was their first experience with collaborative social accountability MSFs.<sup>22</sup>

### **Southeast Sulawesi**

Southeast Sulawesi province (Sultra) is rich in mineral and coal resources. However, we could not locate much specific discussion on community attitudes to mining in secondary literature. According to 2021 data from the Ministry of Energy and Mineral Resources, there were 248 active mining permits, and the mining sector covered about 12 percent of the province's area.<sup>23</sup> Rapid mining expansion has triggered conflicts between communities and companies, particularly as floods in 2018 - 2019 were associated with mining operations. More recent expansion of nickel mining for electric vehicles is seen by some local people as making positive contributions to local development while others are still concerned about environmental impacts (Sirregar, 2022). Additionally, there has been some criticism that regulations and licensing operations discriminate against small miners whose mining activities tend to be defined as illegal (Salman and Agustang, 2019).

The Institute for Coastal and Inland Community Development (LePMIL), is a CSO with long experience managing collaborative multi-stakeholder discussions involving communities, regency and provincial government bodies in Southeast Sulawesi that dates back nearly 20

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<sup>21</sup> Transcript of Feb 2022 meeting with media

<sup>22</sup> Pokja 30 interview, October 2021

<sup>23</sup> PolGov report

years (Wiyono, 2007). Most of this work centered on conflicts related to natural resources and agrarian reform. LePMIL had some previous experience working on community empowerment in mining and participation in some failed MSF processes (2017-2018) related to mining.<sup>24</sup>

## **6. Findings**

This section begins with a brief overview of findings relating to the overall Theory of Action before moving on to discuss the evaluation evidence in support of the high-level findings in more detail. We start by providing an overview of activities implemented to achieve outputs before turning to outcomes under the relevant evaluation questions

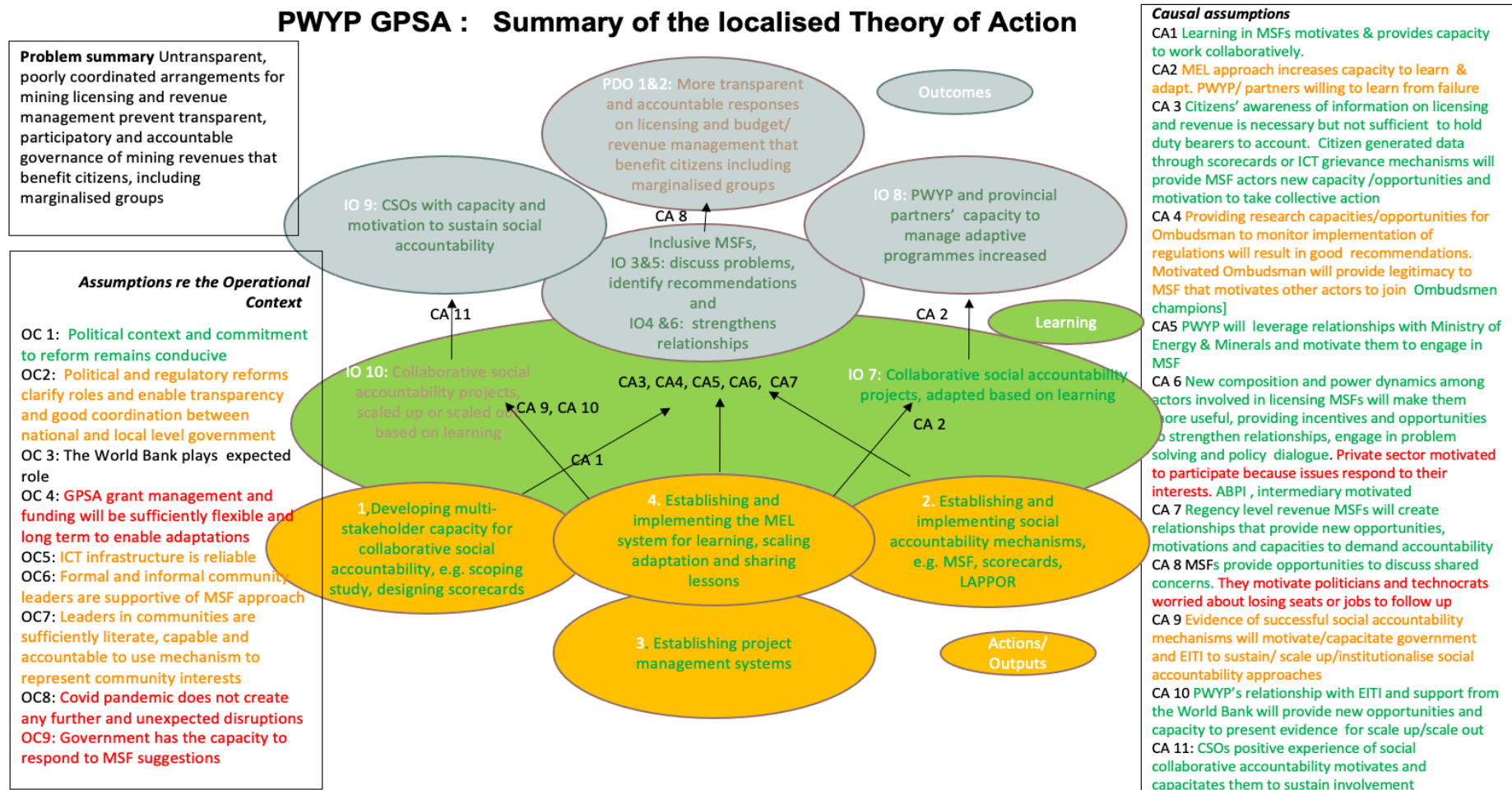
### **Findings on Testing the PWYP Indonesia Theory of Action**

Our overall findings as they relate to the localized Theory of Action are shared in Figure 4. Green font indicates that outcomes have been achieved or assumptions hold, amber that the evidence is weak or assumptions partly hold and red that assumptions did not hold at all.

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<sup>24</sup> LePMIL interview, October 2021

**Figure 4 : PWYP Indonesia GPSA project: Summary of the localized Theory of Action**



## Doing Things Right

PWYP Indonesia and its partners were able to complete and document a vast range of project activities. These took place within an extremely limited time frame and during periods disrupted by various Covid-19 lockdowns, illnesses and deaths among project staff and stakeholders. Key activities are documented below following a numbering system used in the diagram above.

### 1. **Developing multi-stakeholder capacity** for addressing obstacles and reform priorities through collaborative social accountability mechanisms:

- PWYP Indonesia and its partners worked in very remote locations to conduct stakeholder analysis and map out the stakeholder roles, interests and level of influence/engagement, as well as identify champions to partner in collaborative social accountability initiatives.<sup>25</sup> They provided capacity building and technical assistance to various stakeholders. Communities were given information on their rights in relation to mining licensing, e.g., from initial exploration through to post mining activities. This related to rights to access relevant information and participate in planning and monitoring activities, as well as how to lodge complaints when these rights were compromised.
- Additionally, the project provided detailed information on entitlements to revenue through companies' CSR programs, and community development and empowerment (PPM) plans. Sessions on revenue management led by Seknas FITRA, an expert in budget analysis, covered complex legal formulations for other revenue allocations from central to provincial and district-level governments in districts and provinces hosting mining operations.<sup>26</sup>
- Project activities introduced communities and stakeholders to various social accountability tools through which they could apply their new knowledge and increase their participation in policy reforms: for example, ICT Tools such as the SP4N-LAPOR government complaint system (PWYP Indonesia, 2021), and scorecards that generate monitoring data on different stakeholder perceptions of government transparency and accountability in different areas of licensing and revenue management.
- Overall, they engaged 181 individuals at community level (119 men, 62 women).<sup>27</sup>
- PWYP Indonesia and its partners also implemented a communication strategy. This included an online platform constructed to provide a 'one stop shop' for accessing various complaint mechanisms and data on mining (<https://infotambang.id/>). This has received over 750 visitors and 2000 visits to date this year.<sup>28</sup> They also used other means to share knowledge products and blogs discussed later.

### 2. **Established collaborative social accountability mechanisms to improve mining licensing and revenue management through collaborative work with multi-**

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<sup>25</sup> Stakeholder mapping report

<sup>26</sup> Interview with Fitra and LePMIL, 2022

<sup>27</sup> Data received from PWYP, August 2022

<sup>28</sup> [InfoTambangAnalytics.jpeg](#)

**stakeholders.** Skills developed under component one were applied in research that generated themes and evidence for multi-stakeholder discussions:

- *A participatory scoping study generated detailed findings on the problems and blockages to transparent, accountable and participatory licensing mechanisms.* These looked particularly at the lack of clarity on roles and responsibilities under the new reforms, the lack of meaningful community engagement and poor coordination among various stakeholders involved in the governance of licensing management.<sup>29</sup> Findings were a basis for prioritizing MSF themes.<sup>30</sup>
- *With input from various ministries<sup>31</sup> PWYP Indonesia, Seknas FITRA and other project partners designed a scorecard,<sup>32</sup> that enabled different stakeholders (government, communities and private sector) to assess government performance in various areas of licensing and revenue management.<sup>33</sup>* There followed multi-stakeholder discussions on areas to prioritize in recommendations to the government.
- *Partner CSOs in East Kalimantan and Sultra, aided by Awrago monitored and supported citizens to use complaints mechanisms; they also monitored response rates.<sup>34</sup>* This generated evidence on citizen capacity and willingness to use complaint mechanisms and rates of response.
- *PolGov conducted a study on the effectiveness of the collaborative social accountability MSFs at the end of 2021.* This provided insights on the strengths and weaknesses of the MSF platforms that fed into a national-level MSF discussion (PolGov, 2021).

PWYP Indonesia and its partners established MSFs to deliberate on issues generated through their scoping and action research mentioned above.<sup>35</sup> MSFs relating to licensing were held at provincial level while PWYP Indonesia and its partners innovated in establishing revenue MSFs at regency level. Participants of the forums included CSOs with government counterparts, community members from surrounding mining vicinities, relevant ministries and planning agencies, ombudsmen, academics, mining companies, the EITI secretariat, and media (particularly in East Kalimantan) among others. Evidence generated through the various activities influenced discussions in the following ways:

- *MSF themes:* Following an introductory MSF on licensing (three meetings in total, one in each province) and revenue (three in total, one in each province at regency level), MSF meeting themes were selected from issues identified in the scoping study. PWYP Indonesia and its partners aimed to ensure that themes related to priorities and interests of the stakeholders in different locations:
  - East Kalimantan: province-level MSF on illegal mining.

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<sup>29</sup> Interviews with partners 2021, minutes of multiple MSFs

<sup>30</sup> PWYP final evaluation workshop

<sup>31</sup> The meeting was attended by 15 government officials from various ministries. See [https://drive.google.com/drive/folders/1pN8Lb9CSFmuiU9VR8n9HhQ\\_3XUdl9e2E](https://drive.google.com/drive/folders/1pN8Lb9CSFmuiU9VR8n9HhQ_3XUdl9e2E)

<sup>32</sup> Review of scorecard results, minutes of East Kalimantan MSF “*Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan*”

<sup>33</sup> PWYP introduction to scorecard in East Kalimantan MSF on scorecard results

<sup>34</sup> Interviews with communities from Sultra and Aceh April 2022, minutes from community level MSFs on SP4N-LAPOR in East Kalimantan and Sultra

<sup>35</sup> Reviews of minutes of various MSF meetings, interviews with PWYP partners and government officials



- Aceh: province-level MSF on the authority of the autonomous region in relation to licensing regulation
- Sultra: province-level discussion on the revocation of IUPs (mining permits)
- *Scorecard evidence on weak government performance and recommendations:* PWYP Indonesia and its partners summarized findings on different stakeholder perceptions of governance in the following areas: community participation and engagement; transparency and disclosure of information; accountability of regional revenue and budgeting; regulation, institutional and supervision; socio-economic impact. Recommendations were developed and in the case of East Kalimantan discussed in an MSF as well as a media briefing event.
- *Evidence on the low use of the ESDM complaints mechanism and weak response to complaints made through SP4N-LAPOR was shared at a national MSF:* Local partners in East Kalimantan and Southeast Sulawesi monitored complaints and responses at community level. Evidence on poor follow up was taken into a national MSF on complaints mechanisms that included the participation of agencies authorized to respond.<sup>36</sup>
- *Evidence from lessons PolGov's research on the social accountability mechanisms* was shared at a national sharing event alongside findings from research conducted by IDEA on the impacts of mining on women.<sup>37</sup>
- *Evidence from Seknas FITRA's work on budget allocations* was discussed in revenue MSF's and documented in several policy briefs.<sup>38</sup>

**3. PWYP Indonesia set up project management systems needed to implement the project and disburse funds to partners.** These included systems for procurement, administration and financial management, social and environmental safeguards, risk management, as well reporting. We did not review these systems and assume GPSA and the World Bank are better positioned to assess the strength of these systems through PWYP Indonesia's direct reporting and exchanges with the World Bank.

**4. PWYP Indonesia developed a monitoring and learning system that enabled learning and sharing between partners and with other stakeholders such as the World Bank through many of the means mentioned under component two.**<sup>39</sup> As mentioned earlier, dual monitoring and learning demands from the World Bank and GPSA, including MEL support from TAP Room, made it challenging to develop a strong MEL system in such an ambitious and short-term project. Layering additional reflection and adaptation processes focusing on causal assumptions in the Theory of Action within a project that had embedded such a strong contextually informed action research component risked overloading partners

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<sup>36</sup> Minutes of National MSF on complaints mechanisms *Strengthening Community Participation Through Optimization of Mechanisms Handling of Complaints in the Mineral and Coal Mining Sector*

<sup>37</sup> Review of minutes of national level *sharing session: Driving Collaborative Social Accountability of the Mineral and Coal Mining Sector*

<sup>38</sup> Interview Fitra, Feb 2022

<sup>39</sup> Conversation with World Bank, March 2022

who were already extremely busy trying to implement a suite of complicated activities in a short space of time. Moreover, it was challenging to align the GPSA and World Bank approaches and indicators for measuring performance. GPSA has already acknowledged some of these weaknesses and is adapting its MEL approach so that it is more closely aligned with the World Bank's performance indicators in the future.<sup>40</sup>

This is not to say MEL support, in this case from TAP Room, has not or cannot contribute to building organizational capacity, more that the MEL model needs to be in synch with project delivery timelines; the project must have sufficient implementation time; and be cognizant of the complexities and differing project stakeholder needs and not overload project partners.

While the project monitoring system may not have been able to produce data organized in ways that enabled easy measurement of performance according to some of the Bank's indicator definitions, we were able to access very detailed and useful accounts of most of the key events.

We have been less successful in building contribution stories, partly because partners are not accustomed to being asked to substantiate outcomes and provide evidence of contributions to outcome level change.

### **Doing the Right Things?**

#### **Evaluation question 1: What are the main outcomes that the project has contributed to?**

*a. What results have been achieved? Is the project's collaborative social accountability strategy contributing to addressing bottlenecks and power asymmetries resulting in more responsive governance in issues around licensing and revenue management?*

Outputs from the project have made modest contributions to addressing bottlenecks and power asymmetries on issues around licensing and revenue management. MSFs contributed to new knowledge, improved relationships as well as motivation, capacities and opportunities for increased participation by communities and other stakeholders on issues of transparency, authority and accountability in licensing and revenue management. The project MSFs were valued spaces and the project adapted to ensure they focused on issues of key concern to stakeholders in different locations. Various activities increased the capacities of partners and other select actors to engage in and appreciate such collaborative spaces. Research and evidence generated by the project including lessons on the potential benefits of multi-stakeholder approaches, were central to MSF deliberations. However, there were no examples of such learning informing concrete plans to scale up or scale out.

Some government actors and companies responded to requests and complaints, however the project's scope, short timeline and complex, dynamic political context meant that there were few outcomes that could be interpreted as obvious examples of deeper responsiveness. Nonetheless, the interest of some government actors such as ESDM and business association representatives to continue to engage with, listen and respond to citizen feedback could possibly be seen as early signs of a willingness to deepen their responsiveness to community concerns.

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<sup>40</sup> Discussions between GPSA and external evaluators



**IO 3 and 5: Community members from each province used knowledge provided by the project to make complaints and to participate in more inclusive MSFs conducted at regency, provincial and national levels.<sup>41</sup>**

In Aceh, community members, including women, participated in MSFs and voiced their opinions on mining revenue for the first time.<sup>42</sup>

*“The people ...previously did not know at all and do not want to know [about mining revenue]. Now they already know a lot and there is interest. In some meetings with the community, it is emphasized that in the official MSF forum who must speak is ladies and gentlemen because it concerns the state of the village of the father/ mother. This should be a joint advocacy. In several meetings there are some community leaders who have dared to express their views. This is a tremendous impact of the mentoring process. There are several times in the official forum they dare to express an opinion. It's an official forum outside of MSF. Some official forums such as Bappeda are invited to the village, about budget discussions and CSR issues. An alternative to talking through forums, some mothers write on cards/papers to convey to others.”<sup>43</sup>*

According to PWYP Indonesia’s partner, this behavior change in terms of citizen participation is due to capacities and opportunities provided by the project. Citizens have a greater understanding of laws re revenue allocation, as well as confidence resulting from coaching and confidence building in informal spaces.<sup>44</sup> Community members reported greater understanding of SP4N-LAPOR as well as CSR/PPM and DBH.<sup>45</sup> There is evidence that they have used this knowledge to raise issues in MSFs e.g.in December 2021<sup>46</sup> and to make individual complaints on SP4N-LAPOR. They have complained about the non-implementation of CSR projects (see more below), raised questions on whether CSR projects are targeted for the poorest. In addition, they raised concerns about the social and environmental impacts of a disused open pit mine.

Similarly, in Southeast Sulawesi, communities had a greater understanding of complaints mechanisms and DBH, CSR and PPM.<sup>47</sup> They used complaints mechanisms<sup>48</sup> and critiqued DBH allocations.<sup>49</sup> According to the ombudsman, community members were better able to advocate their interests and ideas. For example, they spoke of plans to collaborate with local authorities and estimate various revenues due to mining operations:

*“Local communities could monitor shipping (the quantities of product shipped and the volume of tongkang/barges going outside). At least they can get a rough estimate on what the royalties*

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<sup>41</sup> Interviews LePMIL, Pojka 30 and Gerak Aceh October 2021 and March 2022, interviews community members Sultra and Aceh April 2022, minutes of community MSFs in East Kalimantan and Sultra, minutes of various MSFs

<sup>42</sup> Gerak Aceh Interview, October 2021, review of early MSF notes

<sup>43</sup> Gerak Aceh Interview, October 2021, review of early MSF notes

<sup>44</sup> Gerak Aceh Interview, October 2021, review of early MSF notes

<sup>45</sup> Interview Aceh community, April 2022, interview Gerak Aceh, March 2022

<sup>46</sup> Minutes of Aceh MSF, ‘Signing of Memorandum of Understanding and MSF Discussion: Mining Revenue Management in Nagan Raya’

<sup>47</sup> Interview with community members, interview with LePMIL October and March, reviews of minutes from community level MSF on SP4N-LAPOR, national MSF on complaints mechanisms and regional level MSFs on revenue

<sup>48</sup> Minutes of community level meeting on complaints mechanisms

<sup>49</sup> Southeast Sulawesi community member focus group discussion, April 2022

*should look like. Also, regarding PPM obligations that should be disbursed by companies based on extracted volumes.”*<sup>50</sup>

East Kalimantan community members are also using complaints mechanisms<sup>51</sup> and making suggestions for expenditure based on new knowledge to do with mining revenue management.<sup>52</sup> The MSFs have provided useful opportunities for conversations regarding the implementation of laws on revenue allocations from mining. However, as of now, it is unclear whether this has led to meaningful responsiveness on the part of the regency and whether it is prepared to engage with CSO, communities and other actors on these various issues.<sup>53</sup>

*“We are here [media event] because we are facilitated by colleagues from Pokja 30, because for the past year we have often been involved in meetings like this, we have gained a lot of knowledge such as the DBH paid by companies operating near our village. At the previous meeting in Mercure I learned information that the central government has underpayment in the area of 4 trillion rupiah. This means that though it [mining operations] has been two years already, there are not many changes. For example, on the road there, the way out of Kuntap hamlet to the river bank is still very bad, let alone when exposed to rain. Then on the issue of clean water- there are palm oil and coal around our village, so if it rains for an hour the water is muddy for one week. The difficulty we experience is that our needs, such as clean water for bathing, washing clothes, etc. are not met.”*

*“From this program, we can understand what DBH is and its usefulness, then we also know that there is a SP4N-LAPOR application to report complaints that we have to the relevant agencies directly, but the response is also absent, even though our needs are urgent.”*<sup>54</sup>

*“...since Pokja 30 arrived, our eyes are open, so if there is a problem, we can convey through Pokja 30. I am also grateful to PWYP because we can be here to convey what we feel or experience in the mining circle. With a forum like this we really feel that there is a way out, moreover, media friends here can help us to convey what is our complaint. What is clear is that with a forum like this there is knowledge for us residents in the Payang river because we are very little informed. With a forum like this, we now know about DBH that we did not previously understand at all. Although not in detail, we know that there is DBH given by the KuKAR Government to the people of Sungai Payang village. Hopefully what we say- this can be done. Don't wait for us to demonstrate first in order to receive response, we want what we say can be responded to quickly.”*<sup>55</sup>

Transcriptions from an MSF on revenue management provide evidence of voices of women from communities raising complaints about the effects of mines on their environment and also asking questions regarding mining revenue allocations through the DBH:

*“Currently in the hamlet of Kuntap there is a massive exemption, but the land price is not appropriate, we sell one hectare of land and if we buy one kapling of land the size of 10X20 is*

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<sup>50</sup> Ombudsman interview, April 2022

<sup>51</sup> Minutes of community-level meeting on complaints mechanisms

<sup>52</sup> Interview with regency-level agencies in East Kalimantan April 2022, Interview Pokja 30, March 2022

<sup>53</sup> Pokja 30 interviews, October 2021 and March 2022

<sup>54</sup> Female community member media event, February 2022

<sup>55</sup> Female community member media event, February 2022

*not enough sir. ... Yesterday I was told that we were invited to attend today's forum. Last night there was heavy rain, at 8pm there was a power outage because it rained. ... in the morning the impact we received was the rise of sungai water there resulted in a change in the color of the water to chocolate,... I bathe using mud water ... I don't want to have to delay washing clothes for two or three days, so that the white clothes that our family has do not turn yellow, so I can't help but wear dirty clothes, .... Then when we were about to leave today, we were told to prepare at 8am because we should have been here ready at 9am. Well, the driver set out at 4am, but it turned out that the road was affected. The impact of last night's rain meant the road was muddy ... it turns out that we were only picked up at 9:05am, and we arrived here at 11:16am. This means that I feel that for the Pokja 30 meeting if we are invited, we feel appreciated, we want to attend, we want to hear what the government says, we also want to understand that even though we are villagers, we also want to have knowledge about DBH ... from the central government for 2020 was underpaid to Kaltim. APBD there are 4 trillion, meaning that in 2020 it is now 2022 why is the road still bad? Because we can't possibly shout, we are not thugs so we beg the Central Government maybe there should be an audit to the APBD?"<sup>56</sup>*

**IO 4 and 6: Inclusive collaborative multi-stakeholder approaches that enabled communication between community members, CSOs government and business were valued and helped to strengthen relationships between different stakeholders.** According to APBI, an industry intermediary representing members of the coal industry, MSFs convened by the project were opportunities to share the perspective of industry - rules practices and responsibilities - with different stakeholders. The collaborative approach made a change from confrontational approaches that deterred business from engaging with communities and CSOs. They provided industry intermediaries with a useful space for industry to have its say and to counter negative public opinion. Additionally, the APBI representative we interviewed valued the chance to get feedback from the public which they could then share with members.<sup>57</sup> However he commented that they needed more careful planning, an issue returned to later, to be maximally effective.

A member of the EITI secretariat also considered MSFs to be useful spaces for the government to listen to citizen concerns on environmental impact. In his view, they were venues for citizen participation which will be important moving forward on mining issues related to decarbonization and the Just Transition.<sup>58</sup> Again, the two-way communication between communities and policy makers, particularly the opportunities for communities to feedback to government and companies, were valued by EITI and Seknas FITRA.<sup>59</sup> Seknas FITRA also commented on the importance of spaces for policy makers to demonstrate good will to solve mining problems, with regards to mining impacts, providing there was due follow up.<sup>60</sup>

Several PWYP Indonesia partners mentioned the benefits of bringing together stakeholders with different perspectives on various licensing issues that felt equally disempowered by the

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<sup>56</sup> Female community members, February MSF minutes

<sup>57</sup> APBI interview, April 2022, minutes of several MSFs

<sup>58</sup> Interview EITI, April 2022

<sup>59</sup> Interview Fitra, March 2022, interview EITI April 2022

<sup>60</sup> Interview Seknas Fitra, March 2022

recent change in law.<sup>61</sup> These changes extended and complicated accountability relationships between mining companies, government and communities. This is captured in a quote from Pokja 30.

*“At the provincial level, they are happy, since we have a forum. Usually before this, things are discussed separately, with this forum everyone can gather and speak openly, for example regarding regulation, so far they are only considered as recipients of central government policy.”*<sup>62</sup>

In Sultra, ESDM representatives similarly reported that provincial-level MSFs gave the provincial government the right channel to voice concerns about the new centralization law that has denied them authority.

*“Although there are revocations on certain authority [as they are transferred to national government] we see that there are still gaps in which we can exercise authority, for example regarding community empowerment programs.”*<sup>63</sup>

From the perspective of the ESDM in Aceh, provincial MSFs provided useful spaces for non-confrontational engagement between companies and communities that can help to smooth relationships and create an enabling environment for investment.<sup>64</sup> Provincial ESDM staff and regency revenue agencies agreed with the ABPI observation above that MSFs could provide companies opportunities to counter misinformation.<sup>65</sup>

Some government respondents went further in acknowledging that MSFs capacitated them to perform their jobs. One provincial representative of ESDM in Aceh commented:

*“My impression is that the MSF is really good, we obtain a lot of information about mining activities also from the communities. With such information, this is beneficial for us, in terms of supervision (monitoring), especially towards IUP holders. We receive a lot of information from community leaders, regarding the impact on mining.”*<sup>66</sup>

An informant from PUBR Aceh also acknowledged that project activities were contributing to a greater understanding of revenue issues at regency level by companies, communities, and also government.<sup>67</sup>

Additionally, LePMIL, PWYP Indonesia’s partner in Sultra, commented on the importance of the project innovating by supporting regency-level initiatives. Convening multi-stakeholder discussions at this level provided fresh perspectives on various interfaces between regency government, e.g., BPKD (the Ministry of Finance), Bapedda (the Planning Ministry), and CSOs such as LePMIL.<sup>68</sup>

**IO8: National-level partners gained useful experience in supporting multi-stakeholder forums to use their research findings to inform various strands of work.** The project’s

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<sup>61</sup> For example, Seknas Fitra and PolGov contributions at the final evaluation workshop

<sup>62</sup> Seknes Fitra and PolGov at the final evaluation workshop, interview with implementing partner, March 2022

<sup>63</sup> Interview Southeast Sulawesi ESDM, April 2022

<sup>64</sup> Interview Aceh ESDM, April 2022

<sup>65</sup> Interviews with representatives from ESDM province and regency revenue agencies in Aceh, interview ABPI, April 2022

<sup>66</sup> Interview ESDM Aceh, April 2022

<sup>67</sup> Interview Aceh PUBR, April 2022

<sup>68</sup> Interview with LePMIL, March 2022

duration did not allow double loop learning and adaptation on the relative success of different tactics used within the multi-stakeholder forum.<sup>69</sup> However, there is good evidence that national-level partners supported local partners to adapt project activities and themes in light of emerging evidence from their various research activities and evidence generated from social accountability tools.<sup>70</sup> Furthermore, PolGov and Seknas FITRA both commented that the project provided them valuable opportunities to learn about perspectives of diverse stakeholders involved in revenue management operating at different levels.<sup>71</sup> According to PolGov, this diversity was the project's unique selling point.<sup>72</sup>

**IO9: Project partners in all three provinces had enhanced capacity and/or interest in sustaining MSFs compared with baseline; PWYP Indonesia is seeking means to sustain forums and work on specific themes. Aceh was the only province where stakeholders had reached a concrete agreement to continue working together after the project's closure, however more recently government representatives from Aceh and Southeast Sulawesi have joined MSGs convened by EITI.** In Southeast Sulawesi, the MSFs, particularly on mining revenue, were more successful than those attempted previously (2017-2018). They provided LePMIL with more experience and capacity in using such fora to engage various stakeholders. This was not only because community members had enhanced knowledge of issues and confidence to participate, but also because of changed attitudes and willingness of ESDM BPKAD, Bappeda and Bapenda to collaborate. In Kalimantan, Pokja 30 increased its capacity to use collaborative MSFs to advance its aims. These MSFs involved a wide group of stakeholders, including women in discussions on mining revenue, the SP4N-LAPOR complaints mechanism and illegal mining. Though Pokja 30 was keen to institutionalize such platforms, there was no concrete evidence of agreements between different stakeholders to do so. In Aceh prospects for sustaining gains and following up on key issues relating to revenue management appeared more promising.<sup>73</sup> Gerak Aceh used the project to continue and deepen collaboration with government actors identified at baseline. Regency Bappeda head (Pak Kamarudin) agreed to support this sort of activity at the regency level. After signing an MoU, Gerak Aceh and the regent formed a joint team to continue the revenue MSFs post-project. The joint team consisted of regency officials in relevant regency agencies and also CSOs keen to follow up on the important agenda. The MoU expired in May, 2022, and its extension was agreed by the regent of Nagan Raya on June 2022.<sup>74</sup> Additionally, the governor entrusted Gerak Aceh to play a role in the provincial-level Aceh Green Team with responsibilities to facilitate future MSFs related to mining licensing regulation. Staff were optimistic that this group will help to increase accountability of the government, reducing losses of mining revenue in the future.<sup>75</sup>

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<sup>69</sup> PolGov input to final evaluation workshop

<sup>70</sup> MSF minutes on discussion of scorecard findings in East Kalimantan, national level MSFs on *Sharing Lessons: Driving Collaborative Social Accountability of the Mineral and Coal Mining Sector*, and *Strengthening Community Participation Through Optimization of Mechanisms Handling of Complaints in the Mineral and Coal Mining Sector*

<sup>71</sup> Final evaluation workshop

<sup>72</sup> Final evaluation workshop

<sup>73</sup> Partner interview, March 2022, MOU document

<sup>74</sup> See MoU Document <https://drive.google.com/file/d/1ZDd5MdVZP0PcmYBi1yBefsCZLUhafa3T/view?usp=sharing>

<sup>75</sup> Partner input at final evaluation workshop

PWYP Indonesia reported that the project had created opportunities for learning around a vast number of issues and social accountability tools. PWYP Indonesia is taking findings on poor SP4N-LAPOR responses to the anti-corruption commission in the hope that it will be possible for them to sustain project efforts improve government responses.<sup>76</sup> The World Bank's decision not to grant an extension or follow-up grant means it may be challenging to sustain other gains and indeed the continuance of some of the multi-stakeholder initiatives that received so much interest and good will among sub-national bureaucrats. While the national EITI secretariat supports PWYP Indonesia's proposal to continue multi-stakeholder meetings on licensing and revenue management in principle, the representative we interviewed thought it unlikely that ESDM would allocate the necessary funds to sustain MSFs at the provincial or regency level.<sup>77</sup> The PWYP Indonesia project does, however, appear to have led to the increased participation of some government actors in EITI MSGs. As a result of PYWP Indonesia's actions, Southeast Sulawesi and Aceh provincial governments were invited to an EITI MSG meeting<sup>78</sup> and are being proposed<sup>79</sup> to be included as permanent EITI MSG members. According to an interview with PYWP Indonesia,<sup>80</sup> PWYP Indonesia is also using these spaces to push the government to establish an 'endowment fund' in light of recent increases in oil and gas revenues as part of its ongoing advocacy related to the HKPD Law (Law on Financial Relations between the Central Government and Regional Governments).<sup>81</sup> PWYP Indonesia has also identified possible funding opportunities offered by the Asia Foundation that might provide opportunities to continue multi-stakeholder discussion on licensing and revenue management, including links to the Just Transition.<sup>82</sup>

**PDO 1 and 2: Project stakeholders reported several examples of government or company responses to PWYP GPSA collaborative social accountability initiatives.**

- *Aceh - licensing transparency, clarifying regulations:* MSFs in Aceh made a small contribution to clarifying provincial-level authority for licensing regulation. Gerak Aceh organized the first [MSF on licensing](#) on June 29th, 2021 attended by various stakeholders including the private sector (see [PT MIFA presentation](#)). The issue of greatest interest to government stakeholders was the Aceh government's authority following the signing of the centralization law.<sup>83</sup> The Aceh ombudsman issued a press release immediately after an MSF saying that under Law 11/2006, the authority rests in both province and regency. At around that time Gerak Aceh received an invitation from the national ESDM task force to contribute its perspective on the issue of mining authority.<sup>84</sup>

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<sup>76</sup> Final evaluation workshop discussions with PWYP

<sup>77</sup> Interview with EITI national secretariat

<sup>78</sup> See Minutes of Meeting MSG Forum, May 18, 2022

<https://drive.esdm.go.id/wl/?id=K1ERyDGyOzu99GmaJsNb5Knc3xMO0m15>

<sup>79</sup> See Agenda 3, EITI presentation May 18, 2022 which proposes to include several provincial governments (Aceh and Sulawesi Tenggara) as MSG members

[https://drive.esdm.go.id/wl/?id=x2yMvHvdrUNc2whvNufFRHscTvQFue2a&path=220518%20Agenda%203\\_Partisipasi%20Stakeholder.pdf&mode=list](https://drive.esdm.go.id/wl/?id=x2yMvHvdrUNc2whvNufFRHscTvQFue2a&path=220518%20Agenda%203_Partisipasi%20Stakeholder.pdf&mode=list)

<sup>80</sup> Interview with PYWP, August 19 2022

<sup>81</sup> See EITI, 2022

<sup>82</sup> Discussion with PWYP at final evaluation activities

<sup>83</sup> Gerak Aceh interview, March 2022

<sup>84</sup> Gerak Aceh interview, March 2022



It seems these project activities complemented rather than caused a chain of events that eventually led to clarification on Aceh's authority. Earlier, on June 21st, the Aceh governor had [sent a letter](#) to the director general of regional autonomy of the Ministry of Home Affairs. The letter sought clarification regarding his region's authority over mining issues whilst reiterating Aceh's special autonomy status. On July 22, 2021, he replied through letter number 118/4773/OTDA. The letter confirmed Aceh's special autonomy status referring to Law 11/2006 on Aceh Special Autonomy which stipulates that the Aceh provincial and regency government manage all natural resources within its territory. However, Aceh's provincial government is still required to comply with certain standards to be issued by the national government.

Additional analysis by academics under the PWYP Indonesia project informed a policy brief recommending revision of Qanun 15/2017 to affirm the authority of mining in Aceh based on Aceh's Special Autonomy. This was shared at the last provincial-level MSF.<sup>85</sup> We have no evidence to suggest a causal link between this brief and subsequent decisions. Yet on the 11th of April 2022, the government issued Presidential Regulation [55/2022](#) ("PR 55") on the delegation of certain licensing authority to provincial governments across Indonesia. PR 55 delegates the awarding of licenses and certificates, supervision and fostering (pembinaan) to the provincial government. However, such delegation is only valid for nonmetallic minerals (sand, gravel, limestone, clay, marble), thus, it does not apply to metals and coals.

- *Aceh - licensing transparency, data disclosure:* The project is reported to have contributed to plans that should capacitate the regency of Nagan Raya to increase data transparency and enhance citizen participation. The regency of Nagan Raya has signed an MOU with Gerak Aceh that aims to improve the disclosure of mining licensing data and enhance user functionality on its information website (Pejabat Pengelola Informasi Dan Dokumentasi).<sup>86</sup> Following an MSF, the Nagan Raya government embedded spatial data produced by PWYP Indonesia on this website. Once the regent signs a decree, the MOU implementation team can start work on other areas. As well as supporting data disclosure, Gerak Aceh and the technical team plan to integrate the ESDM 123 (complaint handling) number as well as spatial information regarding mining licensing areas on the PPID website.<sup>87</sup> Additionally, they will seek to increase the accessibility of SP4N-LAPOR by supporting the local government to integrate a link to the system on its main website, <https://sektoral.naganrayakab.go.id/>

In addition to project activities, other enabling factors contributing to this outcome possibly include Nagan Raya's leadership competing for a high-ranking position in a comparison of regency PPID openness.<sup>88</sup>

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<sup>85</sup> Review of MSF minutes "*Implications of the Law on Financial Relationship between Central and Local government to Regional Revenues for the Mineral and Coal Mining Sector in Aceh Province*"

<sup>86</sup> Gerak Aceh interview, March 2022

<sup>87</sup> The spatial information comes from embedding a project map into Nagan Raya's PPID website at <https://ppid.naganrayakab.go.id/news/page/info-tambang-nara>. This shows the spatial boundaries of existing IUP holders

<sup>88</sup> A respondent volunteered that Nagan Raya ranks second in the PPID regency openness ranking, suggesting this was an important motivation; such rankings have provided incentives in similar evaluations e.g. Hivos Open Contracting program.

The information embedded on the Nagan Raya PPID website enhances the public's access to information about IUP boundaries in the area. However, we have not evaluated how this information is being used by citizens. It is unfortunate we did not have more time to explore this area of the project. It is particularly important given PWYP Indonesia, GPSA and the World Bank's interest in strengthening ICT infrastructure and streamlining mining data.<sup>89</sup> Previous work in this area has had very mixed results, with such portals seldom making data accessible, relevant, and usable for non-specialists.<sup>90</sup>

- *Aceh - revenue management, infrastructure repair*: Follow up on citizen complaints through SP4N-LAPOR is assumed to have resulted in repairs to a damaged connecting bridge in Alue Buloh village. One of the citizen reports on weak implementation of CSR in relation to maintaining public facilities was followed up by the regency government. It is assumed that the government then contacted the company that is currently undertaking bridge repairs.<sup>91</sup> Although, we do not have strong evidence of contribution, the project certainly introduced community members to SP4N-LAPOR. Furthermore, the generally positive responses of the regency government to MSFs, discussions on CSR and anecdotal reports on changes in behaviors of companies suggest it is likely the GPSA project played at least a small role in achieving this result.
- *Aceh - revenue management*. Gerak Aceh and regency government officials reported that the regency government has increased its capacity<sup>92</sup> to a) to calculate mining revenue related income that it should receive through DBH allocations each year and b) to analyze information relating to CSR allocations (not included in DBH). According to Gerak Aceh, as a result of regency-level MSFs on mining revenue, the regency government now knows what kind of data they need from PT BEL (the mining company) to calculate its CSR and DBH obligation.<sup>93</sup> The ombudsman, academics and members of the legislature have backed the CSOs in engagement with MIFA and PT BEL mining companies who attended the provincial-level licensing MSF.<sup>94</sup> Gerak Aceh reports that the government (Bappeda) has also taken firm steps to hold the company (PT BEL) to account for better quality CSR implementation. Steps taken include encouraging the company to set up a local office in order to enable more effective coordination and calculation of revenue due, not only relating to DBH and CSR revenue, but also to regional taxes, such as water taxes levied by the regency.<sup>95</sup> The transparency of CSR management is judged by Gerak Aceh to have improved.<sup>96</sup> Additionally, the mining community has been involved in a special musrenbang meeting on corporate social responsibility which had not happened

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<sup>89</sup> TTL interview, March 2022

<sup>90</sup> e.g. see Shutt, 2019 evaluation for NRG

<sup>91</sup> Gerak Aceh interview, March 2022

<sup>92</sup> FGD Aceh regency officials, April 2022 – they said their understanding had improved but were not as specific.

<sup>93</sup> PURB Aceh interview, April 2022

<sup>94</sup> Minutes of 29 June 2021, provincial MSF “*Collaboration Drives Mineral and Coal Mining Governance After Law Number 3 of 2020 in Aceh Province Banda Aceh, 29 June 2021*”

<sup>95</sup> Interview Gerak Aceh March 2022

<sup>96</sup> Input in Final Evaluation workshop



previously.<sup>97</sup> This suggests the project may have contributed to some incipient gains in participation,<sup>98</sup> although the level and meaningfulness of this participation has not been assessed.

Company responses may also have been influenced by the actions of communities who critiqued PT BEL's CSR implementation, following the aforementioned training from Gerak Aceh. When they asked for more information, the company referred them to the regency to ask for financial data. Once they had accessed this, they began to audit regency expenses, finding some items recorded had not been delivered to the respective villages. Interviews suggested that community members suspected a sleight of hand by both the regency bureaucracy as well as village heads. Perhaps related, they see protests as a necessary accompaniment to collaborative MSFs, especially given companies do not turn up to the meetings. Therefore, as well as undertaking peaceful demonstrations, they also filed a number of complaints with law enforcement officers, as well as the ombudsman.<sup>99</sup>

Also related to this outcome and further evidence of Gerak Aceh 'capacitating' local government is an agreement with the regent that confirms its role in safeguarding processes of revenue reconciliation with the Ministry of Finance. Gerak Aceh will accompany representatives of the regency government to discuss revenues due with the Aceh regional office of the Ministry of Finance (Kanwil keuangan) in the future under the MOU mentioned earlier.<sup>100</sup>

- *East Kalimantan - little progress on closing the licensing implementation gap:* Pokja 30, PWYP Indonesia's partner in East Kalimantan, claimed relatively little progress improving transparency, participation and accountability relating to mining licensing. While the MSF had provided a useful space to discuss the implications of the centralization of power under new regulations, they were unable to follow up concrete recommendations in a project of such short duration.

*"Programmatically, all activities have been conducted. The difficulty is on follow-up. MSF only produces recommendations. However, the focus at this point, for example on licensing MSF, the policy is with the [central] government. All stakeholders both in provincial and regencies complain about the new mining law which transfers the authorities to central government. Thus, in several MSF, especially in licensing they only said that there are no authorities in provincial or regency to do something with regards to mining. Provincial government thinks they still have supervisory authorities; however, regencies have no authorities at all. Programmatic output, activities are done. However, the recommendations – in order for us to advocate for the recommendations – it is still not maximum since we only have one year."<sup>101</sup>*

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<sup>97</sup> Gerak Aceh interview, March 2022, Aceh regency officials interview, April 2022, Aceh community members interview, April 2022- they mentioned an invite to a meeting to discuss discrepancies.

<sup>98</sup> Gerak Aceh input to final evaluation

<sup>99</sup> Aceh community members interview, April 2022

<sup>100</sup> Gerak Aceh interview, March 2022

<sup>101</sup> Interview Pokja 30, March 2022

In view of the limited opportunities to address significant issues on licensing, the partners adapted and focused on mobilizing different stakeholders, including media, to engage with the issue of illegal mining and also monitoring weak responses to complaints that community members were making via SP4N-LAPOR.

- *East Kalimantan - licensing implementation, brief crackdown on illegal mining.* Partners partly attribute a brief crackdown on illegal mining to strong statements made by the CSO community following an MSF as well as informal discussions they had with the anti-corruption agency.

*“We have not collected evidence (news clippings), but we can see that after MSF there is a total cessation around my house on illegal mining. So what we have now are a stockpile of coals which have not been moved. Regional government made a statement (provincial ESDM), media coverage was wide, no other mining activities took place for almost three months. There are also some cases which goes to criminal proceeding.”*<sup>102</sup>

The [MSF on illegal mining on December 23, 2021 was](#) attended by one representative from the provincial ESDM, one representative from provincial Environmental Agency and one representative from Gakkum KLHK (Directorate General of Law Enforcement, Ministry of Environment and Forestry). During the meeting, a representative from Gakkum KLHK explained the actions taken against illegal mining operations in East Kalimantan. Other participants, including from the ESDM and other experts, discussed complaints that had been lodged by the community with regards to illegal mining and tried to cross check the data with Gakkum KLHK. Suggestions were made to sustain efforts to monitor progress in eliminating illegal mining through meeting every three months, but no decision was taken regarding follow-up actions. The meeting also mentioned the governor’s task force on illegal mining which had been formed several months earlier, but participants did not discuss how this could be integrated into a forum such as the project MSF.

In April 2022, Gakkum KLHK conducted a crackdown on illegal mining in Bukit Soeharto. Though we have reviewed some of the media coverage of the MSF that links the crack down to reports made by Pokja 30, we have not been able to make the link between specific community reports discussed at the MSF or other project activities.<sup>103</sup> Nonetheless, minutes of the MSF suggest it was a useful space for strengthening the accountability ecosystem by mobilizing CSOs and academics in opposition to illegal mining and contributing to media coverage.<sup>104</sup> CSOs, academics and media representatives had a robust discussion on the implications of illegal mining in terms of damaging the environment and reducing revenue flows that could contribute to sustainable development.<sup>105</sup>

While we have not been able to make the link between media coverage and government action, some of the articles reviewed raise interesting questions about the media strategy

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<sup>102</sup> Interview Pokja 30, March 2022

<sup>103</sup> See Pokja 30 website: <https://pokja30.org/975-2/> (Menlhk.go.id, 2022) and media briefing on the MSF (Nigsah, 2021)

<sup>104</sup> See Kalim Today, 2021 and Nigsah, 2021

<sup>105</sup> Minutes of MSF: *Coal Mining with No License, What Is the Solution?*

in East Kalimantan that we were not able to explore to our full satisfaction. A former World Bank staff member commented on how comparatively difficult it is for NGOs working in the extractives sector to get attention in a country as vast as Indonesia. While the media reporting we have looked at might all be local, it is still important. PWYP Indonesia and its partners would be well advised to monitor and report in detail on their assumptions about the role of such media in ongoing work to close implementation gaps and enhance participation accountability and transparency in the mining sector. Key questions might be:

*‘What role does media play in the extractives accountability ecosystem?’*, and *‘Are ‘naming and faming’ strategies more effective than ‘naming and shaming’ strategies? Is the aim just to inform the public or also to influence political incentives?’*

Insights on such tactics and whether they work will be of interest to the wider social accountability community and particularly those working on the sensitive issues of extractives. Recent evidence reviews suggest naming and shaming media tactics are far riskier than previously thought (Aston and Zimmer Santos, 2022). Not only because they can undermine opportunities to collaborate and make nervous bureaucrats less willing to share data, in the short term, but also because of the strength and longevity of pushback from vested interests (Aston and Zimmer Santos, 2022).

One final point on the crack down by law enforcement. Traditionally the police and military have benefited from taking rents from illegal miners in East Kalimantan so it is difficult to explain their sudden enthusiasm for enforcement. One possibility is that elite interests in the development of the new capital are shining a spotlight on the negative impacts of mining on the new city’s infrastructure. This aligns with press reports advocating for the need to provide alternative employment for those living around the new capital (Ranggasari, 2022).

- *East Kalimantan - licensing implementation, company reducing/clearing mining waste.* Project activities contributed to increases in citizen participation via SP4N-LAPOR with occasional response from government and relevant mining companies. But overall responses to complaints made by community members in East Kalimantan reported earlier were poor. Pokja 30 monitored these,<sup>106</sup> bringing evidence of poor response rates to the national-level MSF on complaints mechanisms (see later). Nonetheless, several respondents reported that they thought companies were starting to take them more seriously and a few complaints were followed up indicating government and mining company responses to actions prompted by the project.

Following GPSA training on the SP4N-LAPOR complaints mechanism, community members of Sungai Payang filed reports on complaints that they had made previously with no response. The provincial environmental agency DLH subsequently summoned the village head, following up on one complaint on mining waste in Beroaq hamlet and another on the siltation of tributaries in Donomulyo hamlet. The company responsible

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<sup>106</sup> Minutes from “*Follow-up to Community Complaints Regarding Mining Licensing and Governance for the Mining Circle Resident Community*”

for the siltation that caused local flooding immediately followed up to resolve the problem and community members reported that there is now less flooding.<sup>107</sup>

*“After participating in this Pokja 30 activity, I have done reporting from the SP4N-LAPOR application, after one month of reporting at that time there are activities that we do not know where they came from, indeed at that time the river had been dredged by excavators from RT 8 to RT 10, but the river still did not experience significant changes, the river was still murky and difficult to use because we used it every day both for dish washing, washing clothes, etc. The change now is not easy to flood now, if it used to be half an hour of rain it is definitely flooded.”<sup>108</sup>*

- *East Kalimantan - licensing transparency, data disclosure:* The director of program management at ESDM said they would improve data on licensing on MODI <https://modi.esdm.go.id/> following an MSF.<sup>109</sup> Pokja 30 recently reported evidence of follow up resulting in increased disclosure. These included updates on permit extensions, changes in company directors and concession areas, especially in relation to PT MHU (Multi Harapan Utama, a company operating on the project site) and KPC (Kaltim Prima Coal, another company) as PKB2B (Coal Contract of Work) holders.<sup>110</sup> We have not seen material evidence, but if this action happened and can be traced back to a decision influenced by the MSF, it is an example of the project prompting a government response in terms of data transparency. Additional data on whether such updates are sustained and considered by Pokja 30 to be indicators of true government responsiveness would add value to this claim. It is important for partner reporting to distinguish between information disclosure that might be a form of ‘open washing’, from disclosure as an indication of meaningful openness intended to enable citizens to participate in supporting government in holding mining companies accountable in ways that benefit them directly as well as the national economy.
- *Southeast Sulawesi- little progress on closing the licensing implementation gap:* As was the case in East Kalimantan, LePMIL reported that it has been more difficult to make progress in the area of licensing transparency and accountability than in revenue management because of the province having limited authority.<sup>111</sup>

*“Follow-up, we have difficulties in identifying follow-up in licensing. This is because after the new regulation, provinces do not really respond to licensing issues. This is different from revenue, where they respond to the issue quite well. Some SP4N-LAPOR feedback received a response. First in ESDM, but then the confirmation is to DLH. This is about a flooding incident, due to mining activities, which happened at night. This has not been followed up by ESDM. There is only an email response (receipt/ticket) from SP4N-LAPOR.”<sup>112</sup>*

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<sup>107</sup> Interview Pokja 30, March 2022

<sup>108</sup> Community member testimony at media event : “Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan” Feb 2022

<sup>109</sup> Interview Pokja 30, March 2022

<sup>110</sup> Partner input final evaluation workshop

<sup>111</sup> Interview LePMIL, March 2022

<sup>112</sup> Interview LePMIL, March 2022,

Weak follow up was also attributed to the lack of capacity on the part of DLH when it comes to resources for monitoring the implementation of mining licensing regulations. During FY 2021/22 the DLH had no budget to carry out monitoring in any of the GPSA project locations thus Mr. La Oba suggested the community needed to advocate for a budget to be allocated so their villages could be monitored in the next fiscal year.

- *Southeast Sulawesi - revenue management:* During one of the MSFs, a champion, Marten Minggu, committed to publish DBH data showing the percentage receipts from different sources of mining revenues using BKAD (Ministry of Finance) and Konawe Utara regency websites.<sup>113</sup> Konawe Utara region was already labelling DBH data prior to the meeting, but publishing details of this data should make it more useful for community members interested in reconciling receipts with production data. Konawe Utara had been identified by PWYP Indonesia and LePMIL as a model in this regard that other regencies could follow.<sup>114</sup> However, as of 11<sup>th</sup> May 2022 the partner had not checked on whether this had been implemented.
- *Southeast Sulawesi - revenue management, transfer of an underspend allocated to fund infrastructure.* Partners claim that the scorecard exercise resulted in the identification and follow up of a royalty underpayment that has subsequently been paid and allocated to funding local infrastructure. Respondents suggested that both provincial BPKAD, Bapenda and Bappeda as well regional-level agencies had engaged enthusiastically with the project aims and activities. Yet fragmented data from different interviews made it difficult to trace concrete stories of change in relationships, motivations or capacities that would lead to responses from companies or government. There was some suggestion that government was making more effort to include community interests in PPM plans,<sup>115</sup> but we were unable to determine the respective roles and accountabilities of companies versus government in planning and implementing PPMs as well as facilitating community participation in planning and monitoring/ supervision. Partner representatives noted that although several companies had sensitized communities to PPM plans, decision-making processes were still top down suggesting there remained little opportunity for meaningful participation.<sup>116</sup> A more positive story, but one that was more difficult to nail down, was that the scorecard exercise carried out in late 2021 contributed to LePMIL identifying a royalty underpayment that was pursued by the ombudsman at the national level.<sup>117</sup>

*“There is an important finding by LePMIL, that is the underpayment of DBH, I said that this cannot be settled here, so I push this to be settled at the national level. It will be difficult to settle this at the local level. I did not attend but I did receive a letter in which the national ombudsman was involved, so this is interesting because they follow up by bringing this to*

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<sup>113</sup> Interview LePMIL, March 2022

<sup>114</sup> Interview LePMIL, March 2022,

<sup>115</sup> Interview Community Members from Waturanbha, Southeast Sulawesi, April 2022; Interview LePMIL, March, 2022

<sup>116</sup> Partner input final evaluation workshop

<sup>117</sup> Interview ombudsman Southeast Sulawesi, April 2022



*national level. So in general this is interesting, because they have tried to build collaboration including with the company.*"<sup>118</sup>

Various data suggest that this chain of events may have been responsible for the transfer of a 300 billion rupiah underpayment to the regency<sup>119</sup> that was then allocated to infrastructure in project areas in the 2022 spending plan.<sup>120,121</sup> If this can be validated, it would be an important example of how regency-level collaborative social accountability work on mining revenue can succeed in making vertical linkages to national-level agencies, securing a response, and should be documented in more depth accordingly.<sup>122</sup>

*b) Are responses to MSF demands meaningful and how significant are they in the context of mining in Indonesia? What is the scale of potential benefits for different groups ?*

Unfortunately we did not have time to ask partners their opinions on the significance of changes they attributed to the project. However, MSF discussions and project activities have prompted some important examples of responses by government actors to mining licensing and revenue management issues, not least motivating quite diverse stakeholders to continue to participate in conversations on issues of common concern. However, with the exception of Aceh, where there seems to be elite interest in institutionalizing MSFs, responses and interests in continuing MSFs come from individuals and therefore are not examples of significant shifts in responsiveness, such as institutional commitments to implement recommendations emerging from the scorecard exercise.

*c) Are there any unintended results (positive and negative), including spillover effects to other geographic or sectoral areas?*

Scaling up and replication of MSFs to other localities and sectors was always an explicit intention of the project and there is some limited evidence that there is interest in replicating regency-level revenue MSFs and improvements in disclosure of revenue in other localities. However, we were not directed to any well evidenced examples of replication, positive or negative spillover effects.

### **Evaluation question two: How and why are different elements of the project working or not?**

To what extent do the results validate the GPSA's Theory of Action and its adaptation to the Indonesian mining sector through the project? ‘

*a. What role do different kinds of evidence and information play in providing capacities and motivating different actors to take collective and collaborative action, e.g.: government and company data on mining licensing activities and revenue collection, revenue allocation for different budgets, citizen generated complaints, citizen monitoring data? Information on government and companies' promises and citizen rights to participate through making complaints and using budget analysis and knowledge of DBH allocations and CSR/PPM*

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<sup>118</sup> Interview ombudsman Southeast Sulawesi, April 2022

<sup>119</sup> Interview LePMIL, March 2022

<sup>120</sup> Interview LePMIL, March 22,

<sup>121</sup> Interview community members Southeast Sulawesi, April, 2022

<sup>122</sup> Interview LePMIL, March 2022

amplified existing community motivation. It equipped community members we spoke to with the capacity to take up opportunities to voice concerns in MSF spaces provided by the project. The initial scoping study provided evidence that influenced the thematic focus of MSFs. And it seems reasonable to assume that focusing on issues emerging as priorities from this exercise would have motivated stakeholders to attend events.

Scorecard findings on stakeholders' perceptions of: community participation and engagement; transparency and disclosure of information; accountability of regional revenue and budgeting; regulation, institutional and supervision; socio-economic impact did not reveal anything startlingly new. However, at a more granular level the justifications for the scores identified clear weaknesses that allowed PWYP Indonesia and its partners to work up a set of recommendations for each province. Proceedings of an East Kalimantan MSF discussion on these findings, attended by representatives of the Ministry of Finance and regional revenue agencies suggests justifications for the scores provided PWYP Indonesia and communities with capacities that prompted various agencies to provide verbal accounts on issues related to DBH allocations.<sup>123</sup>

PWYP Indonesia was able to use scorecard evidence to draw attention to information asymmetries arising from ineffective government approaches to sharing DBH information with citizens. They were also able to show that this was partly because local regency-level government officers lacked information or understanding of some of the complexity of new revenue distribution laws themselves.<sup>124</sup>

During the national MSF on complaints mechanisms, PWYP Indonesia described complaints mechanisms as opportunities for citizen participation. Evidence from the scoping study had illustrated that citizens were not using complaint mechanisms because people were used to using personal contacts. Additionally they were put off because responses to complaints passed between different agencies with different responsibilities were weak. Community representatives and project partners from each province provided specific examples, posing questions to representatives of the ESDM and Ministry of ICT to answer. Their responses mostly explained why different aspects were not working as well, including performance statistics as well as making sure the communities were aware of the different mechanisms through which they could lodge complaints.<sup>125</sup>

Evidence from PolGov and Ideas research was similarly shared in a national-level MSF, receiving positive responses from participants from ESDM and EITI among others.

While all of the examples suggest information and evidence played an important role in motivating and capacitating different actors, there was no significant commitment or response. On the one hand, this is probably an unrealistic expectation of such a short project involving such complicated accountability relations. However, some informants also raised questions

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<sup>123</sup> Minutes of East Kalimantan MSF Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan” Feb2022

<sup>124</sup> Interview PWYP, analysis of East Kalimantan MSF Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan”

<sup>125</sup> Minutes of national MSF on complaints mechanisms: Strengthening Community Participation Through Optimization of Mechanisms Handling of Complaints in the Mineral and Coal Mining Sector

about whether meetings could have been organized to be more effective decision-making spaces. Moreover, while information helped, and appeared to leverage existing political will on some issues of information disclosure for example, it was not sufficient to overcome capacity constraints, such as low numbers of mining inspectors. Neither was it enough to make any significant shifts to the existing political economy.

*b. Do the project's infomediation approaches make the information more accessible, understandable and relevant for different stakeholders? How? Does this vary across contexts?* We were not able to assess infomediation methods in detail, however generating and sharing information was central to the work of local and national-level partners. Findings reported earlier suggest they succeeded in making basic information about 'promises', rights and responsibilities of government and mining companies to communities, as well as information on complaints mechanisms, more accessible, understandable and useful. Not only to citizens, but also to bureaucrats working in revenue agencies, especially at the regional level.

Minutes of MSF meetings also suggest that CSOs were effective intermediaries in supporting local community members to raise issues and share evidence generated by various participatory research processes at different levels. Methods combined consolidated evidence from research on grievance mechanisms, scorecard score justifications and lessons from early project implementation with community voices and experiences, making them accessible to stakeholders at regency, province and national level. We were unable to get a real sense from meeting minutes on whether this approach had any significant impact on decision makers. When the legitimacy of the scorecard results was challenged by a representative of a mining community in the East Kalimantan MSF, PWYP Indonesia was able to respond on how the multi-stakeholder approach gave the evidence legitimacy for the purpose it was being used. However there were not many other remarks about the legitimacy or compelling nature of such evidence in interviews, which given our experience in similar evaluations is a little surprising.

What we have not evaluated is whether information shared through the project's website has been accessible, used or useful for communities and other project stakeholders. Project analytics suggest the site is being visited (over 760 visitors this year) but we don't have a more detailed analysis on users or uses. Nor are we able to comment on the relevance and utility of any additional licensing and revenue data disclosed as a result of this project, though we raised concerns about its utility earlier.

*c. Has the project been able to leverage community-level interest in and collective action on tangible CSR funds or other issues to broader issues of revenue management and budgeting? How?* The project was successful in stimulating community-level interest in CSR and other sources of revenue and budgets for local services and infrastructure in each of the regencies that were the focus of the research. There is some evidence that the project had managed to give more voice to women in East Kalimantan and Aceh, however several respondents suggested more work was needed to include a broader set of interests and perspectives at community level.

The assumption underpinning this question is of potential interest because, at the beginning of the project, PWYP Indonesia explained it was far easier to engage communities in discussions around CSR projects of individual companies that made direct investments in employment or



services in their local area, than it would be to engage them in advocacy around whether their provincial and regency government were in receipt of all due DBH allocations. Moreover, making the link between discussions on the sources of resource allocations for provincial and regional budget items is likely to be challenging in the absence of hypothecation.

In spite of these difficulties, the project approach, in particular training from Seknas FITRA (a budget analysis expert) and establishing revenue MSFs at regency level, succeeded in generating interest and debate on DBH allocations. This was not only among community members, but also regional government agency staff who wanted to understand more about the methodology for DBH calculation and allocation, as well as approaches for reconciling receipts.<sup>126</sup>

Additionally, community members in Southeast Sulawesi were interested in methods suggested by Seknas FITRA whereby they could: estimate amounts of production being shipped; apply this to new understandings of DBH allocations and PPM; and make demands for budget allocations towards infrastructure, among other things.

*d.(How) and under what conditions does the MSF collaborative social accountability model work? How, if at all, does it create new opportunities, capacities and motivations for strengthening accountability relationships between different stakeholders, enabling them to come together to discuss problems and identify solutions?* The project was too short to contribute to any significant responses or responsiveness on the part of companies and government. The scope of the project and the range of actors involved meant we were unable to validate potential examples of responses or trace them back to the use of social accountability tools or mechanisms. Nonetheless, the project did demonstrate proof of concept to some degree. Even without participation of companies, the MSFs provided new opportunities for communities, governments and representatives of companies to exchange information and for communities to provide feedback on a range of issues. Thus it contributed to strengthening the extractives accountability ecosystem. Herewith are lists of factors that helped and hindered the model to ‘work’ together with informants’ suggestions for improvement.

#### **Several factors helped:**

- *Enabling environment created by recent reforms:* Laws designed to encourage investment in mining for job creation alongside those supporting international commitments to EITI and more recently decarbonization,<sup>127</sup> in particular the coal industry, provided incentives for senior government officials and industry representatives to engage with and endorse the project approach.
- *Alignment of political interests as a result of the recentralization of licensing authority:* This was most evident in Aceh, but also influenced engagement in East Kalimantan and Sultra.<sup>128</sup> The centralization of powers provided incentives for the provincial

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<sup>126</sup> For example see minutes of MSF : ‘Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan’

<sup>127</sup> EITI, 2021a, <https://eiti.org/articles/transparency-matters-transition-net-zero>, interview with World Bank staff, review of minutes for national *Sharing Session: Driving Collaborative Social Accountability of the Mineral and Coal Mining Sector*, 28 Jan 2022

<sup>128</sup> Interview Aceh ESDM, April 2022, Interview Southeast Sulawesi KIP, April 2022

government in Aceh to use the MSF as part of their strategy to demand autonomy and regulatory power over mining licenses.<sup>129</sup> Confusion re the respective roles of regency and province also contributed to motivation to use the opportunity of the MSF to sit down together,<sup>130</sup>

*“This one-year process is a good moment, because we have changes in regulation and it has implication for Aceh. With this program, regional government seems awakened and Aceh province has authority in terms of licensing in accordance with Aceh Special Autonomy Law.”<sup>131</sup>*

- *Positive framings and collaborative approach:* Several respondents commented on MSFs being non-conflictual; we also noted PWYP Indonesia’s efforts to frame the national discussion on the failure of government to respond to complaints on citizen feedback positively. PWYP Indonesia suggested that the feedback would provide the government with an opportunity to strengthen systems.<sup>132</sup>
- *Champions at various levels:* Staff at the World Bank commented on high levels of support from senior staff in the Ministry of Energy, and Ministry of Finance on EITI. This had increased following Indonesia’s commitments to decarbonize last year and concerns on the Just Transition<sup>133</sup> (previously discussions between the World Bank and government on coal mining were strictly off limits.) Staff in Southeast Sulawesi regency/province level revenue agencies were also enthusiastic champions,<sup>134</sup> as was the ombudsman in Sultra who is a former LePMIL staff.
- *Legitimacy of MSFs:* PWYP Indonesia MSFs were recognized by government actors, giving industry the confidence to participate; ABPI commented that EITI’s involvement in sending invitations reinforced this.<sup>135</sup>
- *Trust and relationships between PWYP Indonesia partners and key actors:* Especially Gerak Aceh who had a track record in collaborating with government and providing them with technical capacity.
- *Experience of PWYP Indonesia partners in taking collaborative approaches to engaging the government:* Gerak Aceh had the most experience, but LePMIL had also collaborated with government prior to the project; collaboration was new for Pokja 30, an anti-corruption NGO.
- *Long experience of partners working at the grassroots level:* Partners had been working with communities around mining areas (mining circle communities) for 12 years prior to the project. The approach involved approaching villagers, gaining an understanding of their issues, gaining trust, training, and supporting women to gain confidence to

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<sup>129</sup> Partner interviews October 2021 and March 2022, various MSF notes

<sup>130</sup> Gerak Aceh interview, March 2022

<sup>131</sup> Gerak Aceh Interview, March 2022

<sup>132</sup> Interviews above and review of minutes of national MSF *Strengthening Community Participation Through Optimization of Mechanisms Handling of Complaints in the Mineral and Coal Mining Sector*

<sup>133</sup> Interview World Bank, April 2022

<sup>134</sup> Discussions with PWYP and review of minutes of second Southeast Sulawesi MSF on revenue

<sup>135</sup> Interview APBI, April 2022

speak in more formal spaces. In this instance it also involved follow up on responses to community level complaints.<sup>136</sup>

- *Anonymity of complaints mechanism was valued by some in communities.*<sup>137</sup>

#### **Factors that hindered progress:**

- *Disempowerment as a result of centralization:* Though centralization provided motivation for some actors, e.g. in Aceh to work together, others were demoralized, feeling they had neither the resources nor authority to supervise mining operations, e.g. regency offices in East Kalimantan.<sup>138</sup>
- *Rent seeking and elite capture:* A couple of respondents commented on community-level engagement not being sufficiently inclusive. For example, the Aceh regency said more effort was needed to include youth and getting women to speak up is still challenging. Moreover, there was also mention of tension in communities between those who benefited from mining directly and others concerned with environmental issues. PolGov's research draws attention to the impacts of rent seeking, discussed earlier in the section on context (PolGov, 2021). Unfortunately, we were not able to explore any examples in depth to determine how different interests shaped discussions or their distributional effects.
- *Individualistic nature of complaint system:* One villager commented on the approach of uploading reports being counter cultural to traditional ways of lodging complaints that tended to be made by groups and/or channeled through trusted friends and relations and also were made by groups. This was countered to some extent by the value placed on anonymity.
- *Poor ICT infrastructure:* This made it difficult for some communities to upload complaints.<sup>139</sup>
- *Weak participation of mining companies:* This had a significant influence on expectations of what MSFs might achieve.<sup>140</sup>
- *Inadequate notice for industry representatives to engage in appropriate consultation:* According to APBI (a willing and able industry intermediary) it needs more warning of PWYP Indonesia's research and events. While they understood that PWYP Indonesia had to work according to government schedules, which can involve last minute confirmation, they need to be advised well in advance so that they can consult with members. In the absence of such notification they can only give normative responses in MSF settings.
- *Power relations between government-company-citizen actors:* The PolGov report comments that it is still novel for these different actors to come together. Despite progress, at the end of 2021 discussions were influenced by power relations and a degree of mistrust between some participating members (PolGov, 2021).

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<sup>136</sup> Researcher, final evaluation workshop

<sup>137</sup> Awrago final evaluation workshop, mining circle minutes

<sup>138</sup> Interview East Kalimantan Bappeda, April 2022

<sup>139</sup> Minutes of national MSF, *Strengthening Community Participation Through Optimization of Mechanisms Handling of Complaints in the Mineral and Coal Mining Sector* and village level discussions on complaints mechanisms

<sup>140</sup> Minutes of MSFs and various partner interviews

- *Lack of a clear follow-up protocol at the end of MSFs.* Minutes of one community meeting on poor responses to complaints facilitated by LePMIL listed clear follow-up actions. These were largely missing from other meetings and a couple of interview respondents recommended this be addressed.
- *Staff turnover in different agencies within the bureaucracy:* In several instances we were unable to explore government participants' perceptions of project activities or follow-up actions because staff had moved on. Evidently this would also affect possibilities for follow-up actions after MSFs.
- *Confusion over responsibilities for following up complaints following re centralization of licensing authority:* This was a factor that may have contributed to poor response rates.<sup>141</sup>
- *Risk aversion of bureaucrats operating in a context with constantly shifting rules and regulations:* This made it challenging for them to keep abreast of changes and what they meant in terms of authority. It was also cited as a reason they were nervous to take any decision, for example on disclosing information without first establishing a clear basis in law.<sup>142</sup> This can be a particular issue in regard to extractives as tax laws protect the identity of taxpayer companies to some extent. So, it requires explicit waivers from companies to say that it is fine for their data on the taxes or royalties paid to be disclosed. Technical officials in different parts of government are still quite surprised when they learn that over the last nine years or so, some companies have been disclosing very detailed information in the form of EITI reports.<sup>143</sup>
- *Company capacity to update data on systems:* Some small companies claim that they still lack the human resources and technical infrastructure to upload and disclose the data required for various reporting requirements and responses to government or community demands.<sup>144</sup>
- *Lack of human capacity to undertake monitoring and supervision:*<sup>145</sup> This was in part due to the lack of capacity of DLH when it comes to resources for monitoring the implementation of mining licensing. During FY 2021/22 the DLH had no budget to carry out monitoring in the project locations thus Mr. La Oba (ESDM) suggested communities in Southeast Sulawesi should advocate for a budget to be allocated so mining operations in their villages could be monitored during the next fiscal year.
- *Inability of ombudsman to take action until complaints have been raised with relevant government agencies and government fails to respond:*<sup>146</sup> Though ombudsmen in all three provinces were very keen to support communities with complaints, they were unable to provide much help until an initial attempt to get a government response had failed.

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<sup>141</sup> Gerak Aceh, final evaluation workshop

<sup>142</sup> Interview World Bank, April 2022 and East Kalimantan ombudsman, April 2022

<sup>143</sup> Interview World Bank April 2022

<sup>144</sup> Interview Perhapi April 2022

<sup>145</sup> Interview with East Kalimantan ombudsman, April 2022

<sup>146</sup> Interview with ombudsman, April 2022

- *Inaccessibility of various government and company reports:* Though we did not collect much detailed information on this, regency actors in particular were complaining that they found it difficult to access relevant information from the Ministry of Finance on revenue allocation. This would have reduced their ability to respond to budget requests.
- *Unreliability of revenue allocation projections:* Regency governments find it difficult to plan and budget as they have to mitigate risks of allocations from central government being significantly under supposed DBH allocations. This may make them appear ‘unresponsive’ to budget requests from citizens or other parts of government.<sup>147</sup>
- *Covid disruption:* Covid-19 certainly made work to access remote villages difficult, though the project adapted and conducted more meetings online. Some project partners wondered whether such disruptions were also used by government actors as excuses.
- *Burdensome MEL approaches:* PWYP Indonesia partners and the evaluation team wasted considerable time and effort trying to reconcile the World Bank’s results framework with GPSA indicators. Also, belatedly we discovered there was some overlap with the work of PolGov.
- *Broad scope of the program:* Deciding to cast the net wide and generate evidence of issues in both the scoping and scorecard process, helped to ensure that efforts to prioritize themes and recommendations were based on the views of a wide range of stakeholders. However, an interesting counterfactual thought experiment might ask whether the project would have made more progress had it decided in October 2021 to focus on one area of the extractives value chain, e.g. revenue management.
- *Departure of PWYP Indonesia coordinator and other staff members:* Even though the replacement coordinator had similar capacities and social capital, the loss of highly experienced staff was bound to cause some disruption.

*e. How and why are approaches to engaging and sustaining the interests of private sector actors at the local level successful or not?* With a few exceptions, the project struggled to engage individual mining companies in MSF meetings, and hence we did not have the opportunity to interview any representatives. However, partners’ experience and previous work in this area, as well as anecdotal information from communities, confirm that the willingness and ability of different types and offices of mining companies and actors to engage meaningfully with citizens’ concerns varies considerably. This is unsurprising as the population of mines includes international, national and state-owned companies; companies with licenses that are not engaged in mining activities; alongside illegal mining operations.

More importantly perhaps the project did engage with mining associations representing mining industry, namely Perhapi,<sup>148</sup> (representing mining professionals) and ABPI<sup>149</sup> (representing the coal mining industry). In interviews with representatives of each, incentives for these intermediaries and indeed their members to engage in multi-stakeholder forums were mentioned. Such platforms, particularly if legitimized through the involvement of EITI, can

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<sup>147</sup> Interview with Aceh Revenue Agencies, April 2022

<sup>148</sup> Interview with Perhapi, March 2022

<sup>149</sup> Interview with ABPI, April 2022

play an important role in enabling mines to comply with legal requirements relating to mining CSR and PPM. They were seen as a safe space for two-way dialogues in which companies or their intermediaries could hear and provide answers to community and other stakeholder feedback. Industry representatives mentioned that the collaborative approach made a pleasant change from more confrontational engagement. However, for this to be effective, associations that are important intermediaries between companies and citizens/CSOs need to be included in early discussions on proposed research or complaints, so that they have time to adequately consult members on such matters.

These findings resonate with others from the evaluation of an open contracting project in 2020 (Hivos, 2020). While this evaluation recognized that the political capture of some companies would undermine constructive engagement, they also found examples where business had incentives to engage with projects working on integrity. In those instances, business associations also played important intermediary roles, carefully managing interactions between CSOs and private sector actors so as to ensure engagement processes, such as MSF, were efficient for business. Careful facilitation of collaborative MSFs by business associations also sought to avoid overly critical interjections by CSOs thought likely to undermine efforts to encourage constructive engagement between CSOs and private sector actors.

*f. How and why are approaches to engaging and sustaining the interest of communities including marginalized actors at the local level successful or not?* Project approaches to engaging communities appeared successful as they provided opportunities and capacities that worked on citizens' existing motivations to achieve answers to the failings of government and companies in licensing areas that significantly impacted on their lives. Those interviewed regularly experienced the effects of externalities from mining operations and were keen to learn about redress mechanisms.

*"The community condition is really, really worse, sometimes I want to cry: 'for God's sake, we are almost dead, why is our complaint receive no respond, don't we have the right to speak our voice!'. ... Infrastructure for example from APBN, when infrastructure is destroyed the state also suffer loss.... But really there is no change, really, I felt worse.... Now we are hopeless, until LePMIL program we have a little hope, hopefully this program can open the eyes and ears of the elites on the impact of mining."*<sup>150</sup>

The focus on revenue management, including DBH allocations and PPM, prompted new motivations. It created capacities and opportunities to engage on a range of benefits that should be accruing to them and for which they could hold government and companies to account.<sup>151</sup>

Anecdotal accounts of company and government responses in Sultra, Aceh and East Kalimantan could prove to sustain the interest of communities. Community members in Aceh and Sultra target communities expressed interest in ongoing involvement in multi-stakeholder discussions. The approaches CSO partners were taking, acting as intermediaries and enabling them to access MSFs, were valued. However, the poor response by government and companies and the short time frame raised some concerns on unmet expectations.

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<sup>150</sup> Interview with Southeast Sulawesi Community members, 2022

<sup>151</sup> See earlier references to community capacities under answer to evaluation question one

*g. Are the social accountability processes established by the project sustainable? Are actors motivated to continue relationships? Have they got access to necessary finance?* The kinds of activities supported by the project are indeed sustainable, providing a source of funding to sustain activities can be identified. Even though participation of mining companies was low, PWYP Indonesia and its partners achieved ‘proof of concept’ in terms of confirming the appetite of communities, different government agencies, mining associations, academics, media actors and CSOs to come together and discuss issues relating to mining licensing and revenue management.

As reported earlier, Gerak Aceh is continuing to work with regency and provincial level governments on issues related to more accountable licensing and revenue management. Additionally, communication from PWYP Indonesia after the project closed suggested that the project has enabled the increased participation of some government actors in EITI MSGs. Southeast Sulawesi and Aceh provincial governments were invited to an EITI MSG meeting<sup>152</sup> and are being proposed<sup>153</sup> to be included as permanent EITI MSG members. PYWP Indonesia is currently pushing for the creation of an ‘endowment fund’ as a part of its advocacy on broader mining revenue issues surrounding HKPD Law (Law on Financial Relations between the Central Government and Regional Governments).<sup>154</sup>

*h. What if any role have project lessons played in influencing adaptation or social accountability and other reforms within or beyond the project?*

- *Were there any major ‘course corrections’ as a result of formal or informal learning and reflection?* Research, learning and modification were central to the project design, which makes it difficult to identify deliberate course corrections. The initial scoping study provided data on key issues in the different provincial locations. Then, after very general MSFs on licensing and revenue management in each province, these became the basis for choosing issues to focus on in subsequent MSFs. Issues of greatest interest to stakeholders selected were as follows:

- Aceh clarification of provincial authority for the Aceh the autonomous region under Minerba law, CSR
- East Kalimantan: illegal mining, scorecards
- Southeast Sulawesi: revocation of IUPs, DBH

Poor performance on SP4N-LAPOR responses discovered by partner monitoring informed decisions to make this the focus of a national-level event.

*Was the project able to leverage its relationship with and support from EITI – particularly the Ministry of Energy and Mineral Resources to scale up or out any of the social accountability initiatives at sub-national level?* EITI and ESDM respondents at sub-national level were unanimous in their desire for the MSF discussions to continue at national and sub-national

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<sup>152</sup> See Minutes of Meeting MSG Forum, May 18, 2022

<https://drive.esdm.go.id/wl/?id=K1ERyDGyOzu99GmaJsNb5Knc3xMO0m15>

<sup>153</sup> See Agenda 3, EITI presentation May 18, 2022

[https://drive.esdm.go.id/wl/?id=x2yMvHvdrUNc2whvNufFRHscTvQFue2a&path=220518%20Agenda%203\\_Partisipasi%20Stakeholder.pdf&mode=list](https://drive.esdm.go.id/wl/?id=x2yMvHvdrUNc2whvNufFRHscTvQFue2a&path=220518%20Agenda%203_Partisipasi%20Stakeholder.pdf&mode=list)

<sup>154</sup> See [EITI, 2020](#)

level. However, without additional resources from the World Bank or another donor, this is likely to prove challenging in the near term. According to the EITI secretariat, it is unlikely that the government would commit funds for this purpose. Therefore the closure of the project poses challenges to sustainability and replication. PWYP Indonesia is engaging with EITI in the hope that the EITI can use some of the lessons from the project to address issues of transparency at the sub-national level and also exploring alternative donor funds.<sup>155</sup>

*What, if any role did the World Bank's involvement play in leveraging incentives for different government actors to participate, sustain or scale up social accountability initiatives?* The World Bank's role in leveraging government incentives to participate in, sustain or scale up social accountability work in the extractives sector was curtailed by the World Bank's decision not to approve an extension to the project. PWYP Indonesia and its partners' professional approaches have provided the World Bank with unique and valued perspectives of the impacts of mining and the relative transparency, participation and accountability of different actors involved in the industry. According to the TTL, even though some of the World Bank's national-level research provides insights on this, PWYP Indonesia's in depth scorecard exercise provided much deeper data on issues such as community participation. Such insights are critical as the government has started to engage the World Bank more closely for policy advice in relation to the role of mining in development as Indonesia moves forward with commitments to decarbonization and the Just Transition. Hence the World Bank TTL had hoped to be able to leverage excellent relations with champions in ESDM and EITI and support PWYP Indonesia in a national advocacy event to share lessons from the project. The idea was for these lessons to inform the design of a subsequent project to streamline data on mining in one portal. Had this transpired it might have implicitly responded to mid-term review requests made by PWYP Indonesia to the World Bank on:

- enacting licensing regulation and other implementing regulations under the new Minerba Law through development of policy dialogue processes and provision of technical assistance as required by the government.
- facilitating dialogues of design and implementation of regulations under UU HKPD for transparent transfers of mining revenue allocations that form part of DBH transfers from national to local level.

## **7. Conclusions**

On the whole, the PWYP Indonesia coalition implementing the project did things right. At a very general level the project validates key assumptions in the GPSA TOA. GPSA's support for PWYP Indonesia and its partner CSOs to undertake adaptive, collaborative, multi-stakeholder social accountability projects did provide opportunities, capacity development and learning required for different stakeholders to engage in iterative problem-solving in all three provinces. In several instances this involved text-book type social accountability attempts at vertical integration. The project provided citizens with opportunities to use new capacities and evidence they had generated on the negative effects of mining on communities; poor rates of government responses to complaints; as well as their perceptions of transparency and

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<sup>155</sup> PWYP Final Evaluation Workshop



accountability on revenue management to participate in multi-stakeholder conversations. A PolGov report (PolGov, 2021) reflecting learning from the coalition on collaborative social accountability mechanisms added to evidence included in discussions that made links between actors at village, regency, province and national level. The extent and scope of activities involving citizens and government actors located in extremely remote locations during a short-term project implemented in the middle of a global pandemic was truly impressive.

Turning to double loop learning, the question on whether PWYP Indonesia and its partners were doing the right thing to achieve their desired outcomes – more transparent and accountable licensing and revenue management – is more difficult to answer. This is partly because the ambitious project originally designed for a three-year time frame was cut short. But it is also because the collaborative social accountability strategy involved several entry points along Indonesia's complex extractives' value chain involving a myriad of actors and agencies operating in different components of the extractive's accountability ecosystem. While such a project would pose challenges in many countries, it was particularly difficult in Indonesia because of the size of the country, the political economy around mining as well as the geographical terrain. We have not been able to establish why there was no attempt to adapt and redesign the project to a more modest level of ambition following the decision to reduce its time frame. However, in our view it would be unrealistic to expect the project to have made significant impacts on shifting power and increasing government responsiveness or replicating tested social accountability models in such a short project timeframe.

Given the scope of the project and level of the project ambition approved by GPSA and the World Bank Indonesia, it makes more sense to assess this project in terms of its contribution to behavior changes that strengthen aspects of the complex and dynamic mining and extractives' accountability ecosystems in Indonesia.

Combining behavior change and ecosystem lenses, we conclude that PWYP Indonesia and its partners made some important contributions to their organizational long-term aims. These stretch beyond the GPSA Indonesia project and involve various government actors who frequently move positions, playing varied roles in the complex extractives' accountability ecosystems.

More specifically, the project demonstrated an appetite among citizens to demand more transparent and accountable behaviors by government and mining companies. Project achievements include leveraging the existing capacities of partners to equip and provide intermediation services for these already motivated citizens impacted by mining operations. PWYP Indonesia's partners contributed to behavior change on the part of community representatives including women. Engagement in the project mining circle community groups at village level gave a small number of community members a greater understanding of their rights relating to licensing and mining revenue allocations. Additionally, project interventions provided them with understanding and opportunities to collaborate with other accountability seeking actors, strengthening components of the extractive's accountability ecosystem as part of the process of realizing such rights. These included provincial level CSO partners, academics, media, national CSOs with special expertise in public finance analysis and grievance mechanisms as well as ombudsmen.

Community members were also able to use new knowledge, evidence and confidence gained by working with other accountability seeking actors to take up opportunities to actively participate and share their frustrations and demands in MSF discussions at different levels. PWYP Indonesia's innovation of providing opportunities for such participation at regency level on issues related to mining revenue management deserves special mention. With support from Seknas FITRA, citizens and government actors gained fresh motivation and capacities to engage on mining revenue allocations for services and infrastructure, an extremely complicated issue that few had previously known about or understood. New knowledge on their rights to certain revenue allocations, including for corporate social responsibility projects was particularly valued by local government representatives and communities.

The projects tested a number of social accountability tools that provided fresh capacities in the form of vast amounts of evidence that was used to both inform project priority themes as well as substantive MSF discussions. Evidence generated by partners and communities on problems resulting from mining operations, grievance mechanisms, and stakeholder scorecard perceptions of the transparency and accountability of licensing and revenue management has equipped the World Bank Indonesia office with more in-depth data on the level of participation of communities in all stages of licensing and revenue management. Additionally this evidence included stakeholder recommendations on how these might be improved. It will be important that the World Bank follows up on these findings and recommendations. It was difficult for PWYP Indonesia and its partners to prioritize from the broad range of issues raised during such a short project time frame, resulting in risks of motivated citizens' expectations not being met on a range of issues.

Various project activities including, but not restricted to, MSFs led to some behavior change on the part of government officers and representatives of the mining industry. MSFs provided opportunities to discuss information asymmetries and poor coordination/communication between different levels and parts of government. PWYP Indonesia's multi-stakeholder approach, engaging government actors at different levels provided some of them with capacities and opportunities to behave differently and engage in more meaningful discussions with citizens. Though we could not validate all examples, it appears that in some instances this led to government and company responses to licensing mining regulation complaints, such as reducing environmental harm or making infrastructure improvements in villages affected by mining operations. Such conversations also seem to have informed efforts to improve the transparency and accountability of discrete components of mining revenue management systems.

More importantly, perhaps, government champions and mining industry associations' interest in sustaining conversations with citizens might be interpreted as a behavior change that both strengthens the accountability ecosystem while also indicating increased responsiveness. Both saw value in an approach that gave them access to non-confrontational feedback from citizens. Arguably this willingness to listen and engage with communities transcends some of the discretionary responses to individual complaints mentioned above. Government and private sector association interest in sustaining and improving the quality of such engagement might be interpreted as early signs of more substantial improved responsiveness. Recent reports of

partnerships and engagement in Aceh alongside the involvement of provincial governments in EITI MSGs focusing on revenue allocations are encouraging signs of this. However, given the highly complex nature of the multifaceted extractives accountability ecosystem, more evidence that government or mining companies are listening and acting on citizen concerns is needed to support such conclusions.

One industry representative asked to be involved in planning MSF research and meetings to give the association adequate time to consult with its members. Other evaluation respondents' recommendations for strengthening MSF processes included making clear recommendations and decisions at MSF meetings that are documented, enabling everyone in government agencies to know what has been decided. Other respondents also highlighted the need for CSOs to maintain constant pressure for follow up.

Implementing the modifications suggested by respondents might lead to more effective collaborative social accountability approaches. However, they would not guarantee that collaborative social accountability MSF initiatives would be sufficient to achieve the levels of attitudinal and behavior change required for accountable corporate and government responsiveness in all areas of mining licensing and revenue management tackled by the project.

The progress that was made was largely due to factors influencing the World Bank's initial decision to support the project. Senior government champions' commitment to transparency and international commitments in order to attract investment, now also linked to decarbonization and the Just Transition, helped. The collaborative approach taken by PWYP Indonesia legitimized by EITI was also important for achieving stakeholder buy-in.

Additionally, partners' considerable experience and established reputations for linking community engagement with work to support the government played a role in project gains.

Despite this progress and notable achievements, project progress was stifled not only due to its objectives being over ambitious for the time frame, but also because of weaknesses in several contextual assumptions namely:

- the centralization of the licensing authority following a change in the legal framework for licensing severely disrupted relationships and work on licensing regulations. With the exception of Aceh where the project played a small part in clarifying new roles and responsibilities, project assumptions that government roles would be clarified and that coordination would improve did not hold.
- various government agencies involved in licensing and revenue management were risk averse and did not have adequate capacity to respond to citizen demands.
- Covid-19 continued to cause more disruption than initially anticipated.
- the overambitious external MEL component struggled to align GPSA and other World Bank performance management and learning objectives, undermining project learning rather than supporting it.

In other words, project activities and outputs were insufficient to address constraints highlighted in the World Bank project documents. Moreover, while weak coordination and monitoring capacity within the bureaucracy might be described as 'technical' issues, they were also caused by political and power dynamics. A weakness of this evaluation is that it did not

engage deeply with partners' approaches to understanding political economy dynamics and rent seeking, known to be the cause of many of the blockages to transparency and accountability in mining licensing and revenue management in Indonesia. We did not establish whether and how partners were using such analysis to inform their choices of issues to work on, entry points or tactics. Some partners and communities were complementing collaborative approaches with more confrontational tactics, such as peaceful protest and media tactics that we were unable to explore in depth.

It is difficult to assess whether the project could have achieved more by adapting and reducing the scope of its objectives following the World Bank's decision to reduce the time frame. The project demonstrates that social accountability approaches are appropriate for projects in the extractives sector. However, findings and our own review of literature on the political economy of mining in Indonesia suggest that making progress in short-term projects in the extractives sector, is likely to be far more difficult than in social accountability projects working on health or education. Work on governance in the extractives sector is highly political and sensitive. It is also complicated because of the range of actors and complexity of accountability relationships involved. In the case of this project they were particularly broad, not only because of the size and scale of the issue in Indonesia, but also because of the scope of the project which sought to address accountability challenges across several phases of the extractives value chain.

Such complexity should not discourage GPSA or other donors from social accountability work on extractives in the future. Social accountability tactics have a role to play in politically informed work by national and international coalitions to ensure mining revenues contribute to service delivery and sustainable development. They are likely to become of greater relevance as countries such as Indonesia take forward initiatives to address climate change as part of the Just Transition. A question arising from this evaluation is whether and how GPSA can coordinate and work with other parts of the World Bank, such as EGPS, to frame and design such projects with more realistic objectives and levels of ambition given the complexity of accountability ecosystems in mining and coal sectors.

## **8. Recommendations**

A number of recommendations emerged from our analysis and during a final workshop with PWYP Indonesia and its national and local-level partners.

### **For PWYP Indonesia and its Partners**

- Leverage evidence from the scorecards, PolGov's study on the potential of collaborative accountability mechanisms, plus this evaluation to prioritize issues and make the case for further support to donors interested in accountability in the extractives sector, as well as the Just Transition.
- Use some of the findings from this evaluation to ensure the scope of donor-funded projects are appropriate; make sure you take up donor suggestions to adapt and reduce levels of ambition if donors reduce budgets or shorten project timeframes. Ask Seknas FITRA to share lessons from their collaboration with the International Budget Partnership under the SPARK program regarding linking 'quick wins' from service delivery audits with advocacy on budgets and revenue management

- Ensure future MSFs have clear decision-making objectives and follow-up plans that are documented and disseminated.
- Explore with ABPI, perhaps through EITI, its interest in helping to make the collaborative accountability MSFs sustainable. Find ways to engage business early in plans for MSF events so that they can undertake adequate preparation.
- Reflect with partners on whether more deliberate power and political economy analysis might reveal other actors with shared interests that could be engaged in strengthening the accountability ecosystem. These might include parliamentarians, audit authorities, elites or other social movements/associations and coalitions working on public budgets or social accountability in sectors financed by mining revenue allocations.
- Be more explicit regarding assumptions on the role of media and how different media tactics are expected to contribute to strengthening accountability ecosystems and changes in government and or citizen behavior.
- Consider adopting outcome harvesting as a monitoring approach and seek capacity development support for partners to document evidence on their contributions to change.

### **For World Bank Indonesia**

- Seek additional funding to sustain MSFs and support EITI and ESDM in institutionalizing sub-national collaborative multi-stakeholder accountability initiatives.
- Continue efforts to support PWYP Indonesia and its partners in leveraging the evidence generated by the scorecard exercise and in prioritizing recommendations generated by project stakeholders.
- Explore opportunities to link evidence from the project on poor SP4N-LAPOR response rates for mining complaints to policy dialogue on the Just Transition in efforts to complete the test on this social accountability approach in the context of mining in Indonesia.
- Deepen communication and coordination with GPSA as well as EGPS staff in other regions in efforts to co-design a portfolio of grants for CSOs working on EITI/social accountability in the extractives sector:
  - Consider the possible benefits of an ecosystems approach.
  - Ensure this includes the co-creation of a MEL approach that allows CSO coalitions working in the extractives and on the Just Transition to come together to share their experiences.
- Explore the possibilities of finding and supporting synergies between coalitions using social accountability approaches relating to extractives' revenue management and those working in sectors that partly rely on this revenue.
- Be alert to over ambitious projects that may have unintended consequences, such as raising citizens' expectations that can't be met. This is a delicate balancing act. On the

one hand, it means being sensitive to power relationships between donors and grantees that might encourage potential partners to be over ambitious. On the other hand, it requires recognition that donor-funded projects make short-term contributions to local partners' long-term and more ambitious theories of change.

- Look for opportunities to facilitate PWYP's learning from Seknas FITRA's collaboration with the International Budget Partnership under the SPARK program on linking 'quick wins' from service delivery audits with advocacy on budgets and revenue management
- Ensure grantee projects adapt and are redesigned following changes to budgets or timeframes.

### **For GPSA**

- Deepen communication and coordination with EGPS staff in efforts to co-design a portfolio of grants for CSOs working on EITI/social accountability in the extractives sector:
  - Consider the possible benefits of an ecosystems approach.
  - Ensure this includes the co-creation of a MEL approach that allows CSO coalitions working in the extractives and on the Just Transition to come together to share their experience.
- Explore possibilities for finding and supporting synergies between coalitions using social accountability approaches relating to extractives' revenue management and those working in sectors that partly rely on this revenue.
- Avoid approving over ambitious projects that may have unintended consequences, such as raising citizens' expectations that can't be met. This is a delicate balancing act. On the one hand, it means being sensitive to power relationships between donors and grantees that might encourage potential partners to be over ambitious. On the other hand it requires recognition that donor-funded projects make short-term contributions to local partners' long-term and more ambitious theories of change.
- Ensure grantee projects adapt and are redesigned following changes to budgets or timeframes.
- Look for opportunities to facilitate PWYP's learning from Seknas FITRA's collaboration with the International Budget Partnership under the SPARK program on linking 'quick wins' from service delivery audits with advocacy on budgets and revenue management
- Continue work to revise the MEL model and approach so it is more supportive of partner learning and aligned with the World Bank's performance monitoring and measurement systems.
- Explore using outcome harvesting as a monitoring tool, and train grantees and their partners in light touch approaches to substantiation and 'contribution analysis'.

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## Annex 1: List of Interviews and FGDs

### National Level

- Nathaniel Adams Ex World Bank
- Balada Amor World Bank TTL
- Noriko Toyoda World Bank, Indonesia
- Rizal Kasli PERHAPI (Association of Indonesian Mining Professionals)
- Gulfino Guevarrato Seknas FITRA
- Rizka Fitriani (Icha) Seknas FITRA
- Mr. Drs. Sampe L. Purba Head of the Secretariat of EITI Indonesia/Expert Staff ESDM
- Hendra Sinadia Executive Director of APBI (Mining Business Association)
- Aryanto Nugroho PWYP Indonesia Secretariat (Several)
- Ibrahim Zuhdhi Badoh PWYP Indonesia Secretariat (Several)
- Wicitra Diwasasri PWYP Indonesia Secretariat (Several)

### Aceh Province

- Fernan Gerak Aceh (October 2021)
- Edy Gerak Aceh (October 2021)
- Fernan Gerak Aceh (May 2022)
- Arman Fauzi Head of Information Commission
- Ilyas Isti Head of Verification ORI
- Tirahmah ESDM Aceh
- Khairil Basyar Kabid ESDM Aceh
- Romi Gunawan BPKD (Kabid Pendapatan) Nagan Raya
- Fikri Yusdarli BPKD (Staf Bidang Pendapatan) Nagan Raya
- Faisal ex Kabid Sosbud Bappeda, now on PUPR
- Rahmat Head of Bappeda Nagan Raya
- M Idris Bappeda, (Kabid Sosbud) Nagan Raya
- Nelly Bappeda Nagan Raya
- Khairil Basyar ESDM, Kabid Minerba Dinas ESDM Aceh
- Endi Kusnadi DLH Nagan Raya
- Analisis Pengamanan Lingkungan Bidang Pengawasan DLH Nagan Raya
- Teuku Ridwan Community member of Krueng Mangkom Village
- Ibu Lizi Rofika Community member of Alue Buloh Village
- Ibu Nini, Community member of Alue Buloh Village
- Sulaiman Community member of Alue Buloh Village
- Youth from Alu Buloh

### Southeast Sulawesi

- Matri Susilo Ombudsman
- Muhammad Hasbullah Idris ESDM
- Andi Hatta Head of Information Commission
- Solihin LePMIL (October 2021)
- Solihin LePMIL (March 2022)
- Nirma Lestari Community member Desa Boenaga, Mahasiswa

- Awaludin Community member, Desa Boedingi, Nelayan
- Agus Peko Community member Dari Waturambaha. Pekerjaan Nelayan.
- Ayuni Community member Desa Waturambaha. Pekerjaan mahasiswa
- Jeri Patanduk Desa Boenaga. Head of Hamlet 2, Boenaga

#### **East Kalimantan**

- Buyung Marajo Pokja 30 (October 2021)
- Muhammad Sulaiman Pokja 30 (October 2021)
- Krisantus Lung Ngo Pokja 30 (October 2021)
- Buyung Marajo Pokja 30 (March 2022)
- Muhammad Sulaiman Pokja 30 (March 2022)
- Krisantus Lung Ngo Pokja 30 (March 2022)
- Kusharyanto Ombudsman
- Bahari Joko Susilo – Ka Bapenda Kukar

#### **Participants at the Final Evaluation Workshop**

- Askhal Gerak Aceh
- Fernan Gerak Aceh
- Edy Syah Putra Gerak Aceh
- Erna Safitri Gerak Aceh
- Buyung Marajo Pokja 30
- Muhammad Sulaiman Pokja 30
- Krisantus Lung Ngo Pokja 30
- Okky Syaifudin Adam Pokja 30
- Ahmad Salihin Iskandr Alam LePMIL
- Nurpalah LePMIL
- Rizka Fitriani (Icha) Seknas FITRA
- Rahmayani PolGov
- Diaz Prasongko PolGov
- Indah Surya Wardhani PolGov
- Karina Kusumawardani Awrargo
- Aqshal Fatharani Awrargo
- Aryanto Nugroho PWYP Indonesia
- Chitra Regina Apris PWYP Indonesia
- Radikal Lukafiardi PWYP Indonesia
  
- Wicitra Diwasasri PWYP Indonesia
- Mohammad Mova Al Afghani Tap Room
- Cathy Shutt Tap Room

## Annex 2: List of MSF (Notes Reviewed)

MSF /community meeting Name and Type	Date
MSF: Southeast Sulawesi Licensing 1 “ <b>Strengthening Mining Supervision in Southeast Sulawesi Province</b> ”	July 28, 2021
MSF: Southeast Sulawesi Revenue 1 : “ <b>State Revenues Governance in the Mining Sector in the Locals: Problems and Challenges</b> ”	Sept 02, 2021
Southeast Sulawesi Community Discussion :“ <b>Evaluating To What extent The Community Report has been responded by SP4N-LAPOR</b> ”	Nov 16, 2021
MSF: Southeast Sulawesi Licensing 2: “ <b>Agenda for Improving The Governance of the Mineral and Coal Mining Sector in Southeast Sulawesi Province After the Revocation of Mining Business Licenses</b> ”	Mar 31, 2022
MSF: Kalimantan Licensing 1 : “ <b>EITI Indonesia Report Socialization: Collaborative Social Accountability for Improving Mining Sector Governance in East Kalimantan Province</b> ”	July 21, 2021
MSF Kalimantan regarding PETI (Illegal Mining)? :“ <b>Coal Mining with No License, What Is the Solution?</b> ”	Dec 23, 2021
MSF: Kalimantan Rev 1 :“ <b>State Revenues Governance of the Mining Sector in the Locals: Problems and Challenges</b> ”	Aug 31. 2021
Follow up SP4N-LAPOR complaints East Kalimantan : “ <b>Follow-up to Community Complaints Regarding Mining Licensing and Governance for the Mining Circle Community</b> ”	Nov 06, 2021
MSF: East Kalimantan Rev 2: scorecard :“ <b>Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan</b> ”	Feb 16, 2022

East Kalimantan Media : <b>“Stakeholder Scorecard Findings and Recommendations: Revenue Governance of the Mineral and Coal Mining Sector in East Kalimantan”</b>	Feb 26, 2022
MSF: Aceh Licensing I: <b>“Collaboration Drives Mineral and Coal Mining Governance After Law Number 3 of 2020 in Aceh Province Banda Aceh, 29 June 2021”</b>	Jun 29, 2021
MSF: Aceh Revenue I: <b>“State Revenues Governance of the Mining Sector in the Locals: Problems and Challenges”</b>	Aug 26, 2021
MSF: Aceh Revenue II <b>“Signing of Memorandum of Understanding and MSF Discussion: Mining Revenue Management in Nagan Raya”</b>	Dec 16, 2021
MSF: Aceh Licensing II: <b>“Agenda for Improving of Mineral and Coal Mining Governance after Changes to Mineral and Coal Mining Law within the Framework of Special Autonomy of Aceh”</b>	Mar 24, 2022
MSF: Aceh Revenue III : <b>“Implications of the Law on Financial Relationship between Central and Local government to Regional Revenues for the Mineral and Coal Mining Sector in Aceh Province”</b>	
East Kalimantan Community Discussion: <b>“Follow-up to Community Complaints Regarding Mining Licensing and Governance for the Mining Circle Resident Community”</b>	Nov 06, 2021
National MSF <b>Strengthening Community Participation Through Optimization of Mechanisms Handling of Complaints in the Mineral and Coal Mining Sector</b>	Nov 18, 2021
National MSF <b>“Sharing Session: Driving Collaborative Social Accountability of the Mineral and Coal Mining Sector”</b>	Jan 28, 2022
MSF Southeast Sulawesi Revenue II (Revenue Transparency) <b>“Transparency of Natural Resources Utilization in Mineral</b>	Feb 24, 2022

