

Performance Audit on Community-based Clean Water and Sanitation Infrastructure Provision in Support of The Healthy Lifestyle Movement

(An On-going Audit)

I. SAI Role & related topic

In accordance with BPK Regulation Number 1 of 2019 concerning the Organization and Implementing Work Procedure of the BPK, It is stated that BPK (SAI Indonesia) has the task of examining the management and responsibilities of state finances at the ministries, including Ministry of Public Works and Housing (MPWH) and related institutions within the entity. To support the national development agenda that is a National Priority (PN), then BPK carries out inspection duties at the MPWH. One of the plans is to conduct an examination of the implementation of the "Clean Water and Sanitation Provision" program to support the theme of the examination on the 3rd PN namely "Improving quality and competitive human resources, which is focused on the fulfillment of basic services", in the 3rd Priority Program (PP), namely "Improving access and quality of health services", with the 4th Priority Activity (KP) namely "Strengthening the Healthy Lifestyle Movement (Germas)".

As an environmentally conscious institution, BPK is always at the forefront in such issues, including encouraging government accountability for environment. Moreover, clean water and sanitation provision are the major projects of the national agenda. The programs on clean water and sanitation provision would bring a better condition for the environment. The people participation is of the key factor brought to sustainability for better environmental condition.

II. Relationship between SDGs and National Targets on Clean Water and Sanitation Infrastructure

On September 25, 2015, the United Nations General Assembly adopted the 2030 Agenda for Sustainable Development, along with a new set of development goals that so called the Sustainable Development Goals (SDGs). The new global goals, or the SDGs, are 17 different goals that range from ending poverty to strengthening international partnership for development and are designed to end all forms of poverty everywhere and to build a better planet (UN, 2015). The SDGs' goals and indicators focus on six key areas: people, planet, prosperity, dignity, justice, and partnerships. The SDGs seem to offer a global transformative schedule in which people and the environment are assigned at the heart of improvement. It is also argued that the idea is expected to be used to help the world realizes sustainable development to achieve their goals (Sachs, 2012).

The accelerated achievement of the SDGs' goals is very dependent on how the government formulates its policies in the future. The determination of steps to be taken by the government in the long-term plan to achieve the SDGs goals is very important and crucial, as it is a fact that the SDGs' goals cannot be achieved in an instant and within the short term. It takes time, energy, effort, and commitment from all parties to realize the goals. The dedication of several sovereign states and the unprecedented participation of civil society have made it clear that the 2030 Agenda and the SDGs are part of our society as a whole and call upon everyone's duty to adopt them: individuals, corporations, civil society organizations, and political and administrative forces at all levels (Pesce-Monteiro, 2019).

According to the objective of the SDGs and the formulation of a government policies, the Indonesian government adopts and translates the SDGs targets into the 2015-2019 National Medium-Term Development Plan (RPJMN) and 2020-2024 RPJMN in the form of programs, activities and measurable indicators as well as its financial supports. Moreover, it includes the target of developing clean water and sanitation properly.

The development of Clean Water and Sanitation in Indonesia refers to the Sustainable Development Goals (SDGs) target which is by 2030 are targeted to ensure the availability and sustainability management of clean water and sanitation for all. The achievement of the SDGs targets is outlined as a national development priority, which requires a synergy of planning policies at the national level and at the provincial and district/city levels.

In implementing the synergy of planning policies at the national level regarding clean water and sanitation as well as the targets in the SDGs, Presidential Regulation Number 59 of 2017 concerning the Implementation of Achieving Sustainable Development Goals and also Presidential Regulation Number 185 of 2014 concerning Acceleration of Provision of Drinking Water and Sanitation are stipulated as an effort to achieve universal access in meeting the community's need for clean water and proper sanitation.

Based on those regulations, to accelerate the provision of drinking water and sanitation, the government formulates a national policy and strategy for the development of a drinking water and sanitation system that is described in the form of a National Drinking Water Roadmap and a National Sanitation Roadmap. The roadmap is also aligned with the 2015–2019 National Medium Term Development Plan (RPJMN) target that stipulates the achievement of universal access to 100% drinking water, 0% slum settlements, and 100% cessation of open defecation (SBS). The Roadmap for Supervision of the National Drinking Water Quality is also prepared to meet the need for quality drinking water for the community by building drinking water supply facilities and infrastructure in urban and rural areas throughout Indonesia in an effort to meet the universal access target as stated in the SDGs.

In achieving the Sustainable Development Goals (SDGs), a compilation of 17 global goals with 169 goals, the Supreme Audit Institutions (SAIs) are invaluable. In promoting and fostering the efficiency, accountability, effectiveness, and transparency of public administration, the United Nations (UN) believes SAIs are important. The International Organization of Supreme Audit Institutions (INTOSAI) has set out to develop a framework for SDG related audits. Because SDGs are global agendas, now, more than ever, coordination between SAIs in an audit is imperative (Rajaguguk, 2017). With the mission of achieving the SDG goals and its aspiration to become a foresight auditor, BPK – Indonesian SAI – is expected to also be able to play the role and assume the position of consultant and provide input/ opinion in the policymaking process (preventive), as well as play a role in the evaluation of government policies through review of reports or performance (enforcement), the latter being of similar nature as the audits BPK has been performing to date.

III. Entity Profile and Problems Encountered: Ministry of Public Works and Housing

In Presidential Regulation Number 59 of 2017 concerning the Implementation of the Achievement of Sustainable Development Goals, the ministry related to the provision of clean water and sanitation as contained in the SDGs objectives is the Ministry of Public Works and Housing (Ministry of PWH). This ministry plays the role of implementing infrastructure development in order to support the SDGs goals, among others in Goal 6.1 “By 2030, achieve universal and equitable access to safe and affordable drinking water for all” and 6.2. “By 2030, achieve access to adequate and equitable sanitation and hygiene for all, and end open defecation, paying special attention to the needs of women and vulnerable groups.”

The organizational unit in the Ministry of PWH that has the main tasks and functions related to the provision of clean water and sanitation is the Directorate of Drinking Water and the Directorate of Sanitation at the Directorate General of Human Settlements. The Directorate of Drinking Water has the task of carrying out the formulation and formulation of policies and strategies, technical planning, policy implementation, guidance and supervision, fostering the implementation of norms, standards, procedures and criteria for planning, implementing, and evaluating performance, as well as facilitating empowerment in the field of drinking water supply system development. Meanwhile, the Sanitation Directorate has the task of carrying out the preparation and formulation of policies and strategies, technical planning, policy implementation, guidance and supervision, fostering the implementation of norms, standards, procedures, and criteria for planning, implementing, and evaluating performance, as well as facilitating empowerment in the development of wastewater management, domestic waste management, and environmental drainage.

The role of the Ministry of PWH is strategic in supporting the target achievement of clean water and sanitation as stated in the SDGs targets. As it is known that poor water, sanitation and hygiene are major contributors to diarrheal disease and preventable child deaths (Cairncross, et al., 2010). On the other side, the target of SDGs are more ambitious, aiming for safe and affordable water alongside safely managed sanitation including open defecation free communities. In Indonesia, elimination of open defecation in communities is crucial in reducing environmental fecal contamination and optimize health and nutrition gains (Cronin, et al., 2017a) however, poor sanitation facilities are widely being used, posing serious risks of fecal contamination in the environment such as groundwater for drinking (Cronin, et al., 2017a)

Hence, to support the achievement of those ambitious aims – target of universal access to basic sanitation and safe water for all – BPK held the preliminary audit performance on Community-based Clean Water and Sanitation Infrastructure Provision in Support of The Healthy Lifestyle Movement. The expected output from this performance audit is it will be supporting the achievement of access to clean water and sanitation so that it will have an impact on a better living environment for all.

The activities of preliminary audit were carried out for approximately 30 working days and on the end of activities showed that there were problems related to drinking water and sanitation as follows:

1. Access to Drinking Water
 - a. The target for access to safe drinking water has not been achieved in 2019 where the achievement has only reached 89.27% of the target in the 2015-2019 RPJMN of 100%. This problem has been a reference in terms of improvement access to drinking water in the 2020-2024 RPJMN, but the COVID-19 pandemic that has occurred since the beginning of 2020 has an impact on the implementation of new development activities, improvement, and expansion of access to drinking water.
 - b. Local governments have not established regional water development policies and strategies as a reference for medium-term water development; hence, this has been a trigger of the difficulty of the planning process.
 - c. The low commitment and ability of local governments to improve drinking water services, both in terms of coverage and quality of services for water facilities that have been built by the Ministry of PUPR, even though a Memorandum of Understanding (MoU) between the Central and Regional Governments has been made before physical development activities are carried out; and
 - d. At the pre-construction project stage of access to drinking water, there is a tendency of rejection from the community, such as the location of raw water extraction, which can damage agricultural land, land acquisition problems, and lack of public understanding of healthy and clean living.

2. Access to Sanitation

- a. On the regulatory side, there is no national legal formal for domestic wastewater, lack of local regulations governing sanitation, and weak law enforcement related to violations in the sanitation sector.
- b. The low allocation of local government funds for sanitation management and the low quality of human resources for sanitation management
- c. Local government unpreparedness in meeting readiness criteria, especially land readiness and planning documents (Detail Engineering Design)
- d. The problem of land readiness requirements as well as protracted handover of sanitation infrastructure assets to the region or the community

These problems will be classified based on the sequence of business processes in the water supply and sanitation program. After the classification is carried out, an Audit Design Matrix will be prepared, approved by the auditor and auditee and will later be used as a criterion in main audit of the provision of clean water and sanitation.

IV. Audit Question and Methodology

The audit is carried out during the Covid-19 pandemic, thus increasing the complexity of the audit and becoming a challenge for the auditor and the entity. There is significant uncertainty regarding economic activities, program sustainability, and other inputs that are a major part of reporting.

Auditing standards require auditors to design and perform appropriate audit procedures to obtain sufficient, relevant and reliable audit evidence to draw conclusions on an activity.

The Covid-19 pandemic poses obstacles for auditors in terms of obtaining appropriate audit evidence, for example the limitations of face-to-face and field physical examinations. For this reason, the audit team will prioritize the implementation of alternative procedures to overcome these obstacles. Therefore, this examination will be carried out with the risk-based sampling method.

In general, the audit procedures are expected to answer some audit questions as follows:

- a. Have the policies, institutions, and planning for the community-based of clean water and sanitation infrastructure provision been able to support the Healthy Lifestyle Movement (Germas)?
- b. Have the community-based clean water and sanitation infrastructure provision been able to support the Healthy Lifestyle Movement (Germas)?
- c. Has there been adequate monitoring and evaluation on the use of the community-based clean water and sanitation infrastructure provision?
- d. Has the community-based clean water and sanitation infrastructure provision been measured based on valid data?

V. Tentative audit findings

As far, the audit has found some problem encountered by the entity as follows:

- a. The budget change related to Covid-19 pandemics;
- b. The Not In My Backyard (NIMBY) problems in the project location determination of the clean water or sanitation program by the local people;
- c. The problems came from post-construction which are maintenance and usage;

- d. The availability of raw water;
- e. The incapability of Detailed Engineering Design;
- f. The lack of community or local government cost sharing;
- g. Verification of the readiness criteria;
- h. The lack of material and human resources;
- i. The commitment of community and local government;
- j. Less participation of the local governments;
- k. The lack of evaluation methods for the target achieved by MPWH correlated with healthy indicators influenced.

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