Private sector engagement and collaboration with civil–military actors in disaster management in Indonesia:

Learning and transforming since the 2010 simultaneous hazards

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Executive Summary

Aim of this study
This paper explores how recent extreme events, particularly the 2010 simultaneous hazards, have or have not catalysed changes in perceptions, practices and policies relating to private sector engagement in humanitarian action and their collaboration with government, humanitarian and military actors. It also aims to identify shared issues and innovative examples within the context of disasters in Indonesia, and suggestions to the wide range of actors involved in humanitarian activities towards multi-actor collaboration.

Audience
The primary audience for this report is the Australian Civil Military Centre (ACMC) and its partners. The secondary audience includes the government, military, private sector, and humanitarian and development agencies in Indonesia, as well as internationally who could learn from the Indonesian context.

Methodology
This report reflects the findings from a 7 day research study in Jakarta and Yogyakarta, Indonesia. Interviews were held in Jakarta with a variety of humanitarian and development agencies, government departments, and private organisations and platforms, whilst a focus group was held in Yogyakarta with local level actors involved in humanitarian activities in the area of Mount Merapi.

Summary of key findings
Since 2010 there appears to have been an increased appetite for systematic involvement of the Indonesian private sector. Indonesian businesses in the Indonesian Global Compact Local Network, approached the government in early 2013 to ask for more in depth consideration and integration of their organisations’ skills and competencies in the national disaster management frameworks. At the local level, due to high demand, OCHA is currently running workshops aimed at empowering small and micro enterprises in disasters, as well as business continuity planning training for small and medium enterprises (SMEs).

There also appears to have been a steady expansion of private sector engagement across the spectrum of disaster management, with the private sector in general becoming increasingly involved in activities beyond relief and response, moving towards preparedness, DRR and resilience building. For example, at the national level, the Disaster Resource Partnership is now running training for builders on earthquake resistant construction. Interestingly, confusion sometimes arose during discussions with private organisations over questions regarding ‘preparedness’. When asked about their preparedness or risk reduction activities most companies or private sector platforms instead referred to ‘business continuity’ and ‘sustainability’. Some did not recognise any of their work as preparedness until the question was reframed using this language. It was also noted that engagement was sometimes facilitated by humanitarian actors who had a background in the private sector, who were familiar with the systems, capabilities and language of their counterparts.

Whilst philanthropy is still a major motivation for engagement in humanitarian action through the country’s compulsory CSR initiatives, it is apparent that private sector organisations are beginning to engage as part of their core business, wanting to ensure their own business continuity or expand into new markets or areas of expertise. However, whilst demand certainly exists, examples of private sector engagement as part of core business, and examples illustrating the effective utilisation of collaboration mechanisms, are not widely accessible to businesses, government departments, and the military.

At the same time, the extreme events of 2010 highlighted that other ‘non-traditional’ actors are also stepping up to meet challenges, often branching outside their ‘traditional’ roles. Whilst usually the first in and first out during a disaster, due to the extremity of the event the military were instructed to remain and assist with land clearance following the tsunami in Mentawai as their skills and equipment lent themselves to this task and capacities elsewhere were stretched. These examples indicate that the boundaries of the military’s role are evolving as their comparative advantage is realised by others and by themselves. There has also been increased appetite amongst the military to expand their role to include preparedness. Spurred by the

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2010 simultaneous hazard event, the national military requested that preparedness activities be included in their training, provided by OCHA. This training began in 2013, however, from what this study could garner, this training has not be operationalised into their regular activities as of yet.

Collaboration between the private sector and the military is also beginning to occur. Crucially, even amongst those that could not see a need for the private sector and the military to collaborate, all informants recognised that direct communication and coordination were becoming ever more essential as they increasingly operated in the same space. Where it does happen, collaboration is taking place mainly via personal connections, but most critically via platforms, which were thought to offer neutral fora for collaboration. However, there is a need for the multitude of platforms to identify their shared objectives and complementary value-addeds so as to allow the groups to work more efficiently together.

Whilst there are individual examples where the government has engaged with the private sector, there is little indication that there has been any effort for both to develop an operational roadmap to set the agenda and direction for multi-actor communication or collaboration. Further, there is a lack of a clear roadmap, and supporting regulatory environment, of how to integrate disaster risks with development priorities and the role of the private sector in this interface.
Context Analysis

The increasingly complex crisis context

Indonesia is one of the most disaster prone countries in the world, experiencing regular and significant loss of life, national economic loss and reduction of livelihoods in communities, as well as rising reports of post-traumatic stress and post-disaster disease (reference WHO). Indonesia’s crisis portfolio is characterised by a large range of geophysical as well as hydro-meteorological hazards, often interlinked and compounded by one another. Poverty and vulnerability are critically linked in a cyclical relationship, and are embedded in the fabric of life in both urban and rural environments. Official and unofficial poverty rates vary greatly but the World Bank estimates that in 2012, 12% of the population live on less that 233,740 rupiah per capita per month (approximately USD$22, as per October 2013 exchange rates), and less than half of rural poor have access to clean water.

Indonesia is also a country that will observe some of the greatest impacts of climate change and variation. Changes in temperature and precipitation patterns have already being observed, and changes in monsoon timing and exacerbation of flooding and droughts are projected in the future1,2,3.

At the same time, separatist movements in some provinces, most notably Aceh, resulted in much of the latter half of the twentieth century being characterised by interspersed violence and continued social unrest, which often compounded response to disasters during this period. This came to head in the aftermath of the 2004 Indian Ocean earthquake, resulting in a peace deal and an end to the insurgency. However, many believe further violence still threatens, pointing towards the Indonesian government’s inability to uphold its 2005 peace agreement obligations4.

A series of recent extreme events have highlighted the increasingly complex crises that Indonesia will face in the future. In 2005 a municipal rubbish dump collapsed following heavy rain, triggering a landslide on two villages near the Indonesian city of Bandung, killing more than 140 people. The event highlighted the interface between environmental problems, such as the poor waste management that is widespread as hydro-meterological hazards, often interlinked and compounded by one another. Poverty and vulnerability are critically linked in a cyclical relationship, and are embedded in the fabric of life in both urban and rural environments. Official and unofficial poverty rates vary greatly but the World Bank estimates that in 2012, 12% of the population live on less that 233,740 rupiah per capita per month (approximately USD$22, as per October 2013 exchange rates), and less than half of rural poor have access to clean water.

With Indonesia’s future sea level rise scenarios5 and ongoing urban environmental problems, the country’s crisis context is set to continue to threaten communities and businesses.

Disaster management frameworks and institutional arrangements: the increased incorporation of disaster risk reduction and recent decentralisation

The Disaster Management Law, which was passed following the 2004 Indian Ocean Tsunami, mandates the Government of Indonesia (GoI) to protect all citizens from the affects of disasters. Also as a response to the events of 2004, in 2005 GOI, through the Ministry of Home Affairs, the National Development Planning Agency (BAPPENAS) and the National Disaster Management Coordinating Board (BAKORNAS PB), together with UNDP Indonesia developed the project document Safer Communities through Disaster Risk Reduction (SC-DRR). This specifically targeted DRR as a development issue for the first time in Indonesia. SC-DRR’s strategic approach included legal and institutional strengthening as well as integrating DRR into local development planning, creating institutional partnerships, establishing crisis management systems, creating knowledge sharing systems and networks and integrating DRR into school networks.

4 Amnesty International (2013) Time To Face The Past. April 2013
5 Boer and Faqih, 2004; Wang et al., 2006; Nayor et al., 2007

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curriculum.\textsuperscript{6} Integral to the SC-DRR project was its focus on decentralised government and ensuring capacity at both national and sub-national levels to effectively integrate DRR into development planning, supporting institutional reform measures to enhance the capacity within the national disaster management infrastructure as well as the evolution of sub-national disaster management agencies and the development of Local Action Plans (LAPs) for DRR. The establishment of the National Disaster Management Plan and the National Action Plan for DRR were achieved with the direct support of the SC-DRR project. It also created the National Platform for DRR in 2008, a multi-stakeholder platform, whose member organisations come from the government, non-government entities and the private sector. These changes established a new regime which marked a shift away from the traditional focus on solely disaster response, to a more comprehensive focus which includes prevention, mitigation and preparedness. This is reflected in the current inclusion of Disaster Risk Management as one of the eleven priorities in GoI’s 2010-2014 Medium Term Development Plan.

Activities undertaken by the Indonesian National Board for Disaster Management (Badan Nasional Penanggulangan Bencana; BNPB), which was established in 2008 to replace the National Disaster Management Coordinating Board with a mandate to command, coordinate and implement an integrated disaster management system, are still predominantly related to disaster response. Preparedness and DRR programmes are increasingly coming to the forefront, but the shift of paradigm from response to DRR still needs to be promoted among the sectors at all government levels. Local disaster management agencies (Badan Penanggulangan Bencana Daerah; BPBD) were established both at the provincial and district levels and are responsible for the formulation of local policies related to disasters and the coordination of disaster management related activities. However, this governance decentralisation is thought to have created disconnect between activities at the national and local level. In Indonesia’s national progress report on the implementation of the Hyogo Framework for Action between the years 2011 and 2013, UNISDR highlighted that enhancement of disaster management has mostly occurred at the national and provincial levels and its implementation in the district or city level has yet to be strengthened, both in terms of regulatory and institutional settings\textsuperscript{7}. BPBDs receive funding directly from their national counterpart but receive little direction from and do not report to the national agency. The lack of legal or regulatory framework has made it somewhat difficult to establish coordinated and integrated working arrangements in DRR between the BNPB and sectoral ministries on one side, and local government sectoral offices and BNBDs on the other side. For example, all the provinces in Indonesia have disaster management plans, yet these plans have not been equipped with sufficient budget, and mostly constitute indicative and proposed programs and activities prescribed by the national government.

**The private sector: evolution over time**

During the early years of independence in the 1950s, national policies were primarily aimed at countering the economic dominance of Dutch business and ethnic Chinese economic interests, with the employment of affirmative programmes to advance the welfare of native entrepreneurs. With the introduction of President Sukarno’s ‘Guided Democracy and Guided Economy’ policy, state-owned enterprises were promoted as the pillars of an Indonesian socialist economy. However, during the Suharto era, these policies were reversed and the role of private entrepreneurs, including ethnic Chinese, was promoted. Nevertheless, instead of facilitating the healthy development of the private sector, the New Order nurtured the growth of a dependent capitalist class of entrepreneurs\textsuperscript{8}. The New Order government did not have a clear and consistent view of the expected role of foreign direct investment (FDI), and as a result, Indonesia has not been able to reap the full benefits of FDI, including, critically, technology sharing. Since the early 1970s, the New Order government implemented several nationwide small and medium enterprise (SME) promotion programmes to advance the welfare of economically weak social groups; however, these programmes were largely unsuccessful in nurturing healthy development of viable SMEs.

Since the eighties, large business in Indonesia has been marked by the presence of ‘conglomerates’ - well-connected groups of businesses linked to Indonesian political elites – as well as large State Owned Enterprises (SOEs) - bureaucratic corporations protected by the power of government and patronage. These often operated as limited companies, possessing the same flexibility as private enterprises. Concern was raised regularly of the Indonesian military forming limited companies to support the economies of their military commands and to provide benefits for ex-military personnel in the seventies and eighties (Yoon, 1989:125).

\textsuperscript{6} UNDP (2009) Lessons Learned: Indonesia’s Partnership for Disaster Risk Reduction. The National Platform for Disaster Risk Reduction and the University Forum
\textsuperscript{7} ibid

\textsuperscript{5} Humanitarian Futures Programme // Private sector engagement and collaboration with civil-military actors in disaster management in the Philippines: Typhoons Washi and Bopha and beyond
The Asian economic crisis that began in 1997 had significant adverse impacts on the Indonesian private sector, particularly amongst international and national construction, financial services and manufacturing that depended excessively on foreign borrowing. It also raised the level of international scepticism about the integrity of Indonesian business and the after-shock resulted in a push to re-evaluate both economic and investment policy. SMEs were in general more resilient than the indebted conglomerates, due to their regular direct exposure to ever-changing market conditions. SMEs tend to be more flexible and have quicker decision-making processes. However, many less viable SMEs experienced great difficulties and had to go out of business.

Today the private sector in Indonesia is strong. In particular, the telecommunications industry continues to thrive. Telkom Indonesia is the largest telecommunications service company in Indonesia, and is semi-privatised but majority state owned but has seen many transformations in levels of public and private ownership over the last few decades. Most crucial however, is the growth of SMEs which are thought to make up almost 90% of enterprises. However, little recognition of this strength and capacity exists on the part of the government and GoI’s sometimes ambiguous policies towards the private sector, particularly towards smaller businesses, have continued to be a major determinant of the sector’s development.

Private sector and disasters in Indonesia: impact, influence and engagement

Whilst figures are hard to come by, recent extreme events have highlighted the impact of disasters on Indonesian businesses. The floods in Jakarta earlier in 2013 destroyed significant business assets of SMEs and disrupted markets for Indonesian businesses at all scales. Further, the floods contributed significantly to the surge in Indonesia’s consumer price index by 1.03 percent in January, its highest monthly level in four years. The sharp increase in monthly inflation immediately following the floods pushed up the country’s annual inflation rate to 4.57% at the end of the month, and has steadily increased since. Recent extreme events are also estimated to have caused considerable impacts on revenues from tourism, although figures are contested.

However, the private sector in Indonesia can also be seen as crisis driver. An example is the oil palm sub-sector. From the late 1960s, oil palm expanded from around 106,000 hectares to 2.5 million hectares in 1997, one of the fastest growing sub-sectors of the Indonesian economy. This prolific growth, which was partly fuelled by the numerous incentives offered by the Indonesian government to both domestic and international investors, became an important source of foreign exchange and employment. However, it also resulted in the considerable loss of Indonesia’s natural forest cover and has been thought to have contributed significantly to landslide and flood risk.

The private sector has traditionally been on the periphery of humanitarian action in Indonesia, providing ad hoc finances or in-kind donations for relief and response as part of philanthropic behaviour. However, due to the unprecedented level of impact, the 2004 Asian Tsunami is often perceived as a turning point, where private sector organisations began to engage in different ways than previously observed. Noted by many as a critical initiative was UNDP’s Cooperate Partnership in Emergencies (COPE) website that facilitated the ‘match making’ between the offers from the business sector and demands of the affected communities and UNDP programmes in support of them. The Indonesia website was particularly active and the UNDP country office was provided with a private sector focal point dedicated to assist. However, this website mainly facilitated large multi-national companies to provide cash or in kind.

Following the Tsunami, one could begin to observe more systematic engagement. The national and sub-national frameworks for disaster now include the private sector as a critical actor, the private sector’s role as a contractor and supplier of services to the government and to humanitarian actors is now well established, and a number of private sector platforms have been developed or have shifted their focus on sharing core competencies in response and increasingly preparedness, and protecting their own business continuity. The Disaster Resource Partnership (DRP) Indonesia National Network, for example, was established in 2011 and conceived to address a number of gaps with respect to coordination needs between government, the private sector and key local humanitarian actors in times of disasters. The platform seeks to systematically harness the untapped expertise and resources that the E&C sector can offer with respect to reducing the damage to physical infrastructure in times of disasters and ensuring that when a disaster

9 http://siteresources.worldbank.org/INTINDONESIA/Resources/Publication/03-Publication/01-IndPSDStrategy.pdf
10 http://www.adbi.org/discussion-paper/2006/03/21/1727.private.sector.development.ind/sme.promotion.policies.for.indonesia
11 Central Statistics Agency (BPS)
event occurs the recovery of the affected infrastructure is undertaken in a way that reduces future disaster risks (rebuilding better through risk reduction designs).

Crucially, whilst suggested to be major actors particularly in disaster response, activities on the part of sub-national businesses are not so well documented and need further exploration.

As Indonesia’s crises environment continues to become more complex, businesses are increasingly realising the threat they pose to their long term sustainability. For the private sector, this calls for a shift away from response and a ‘mindset of charity’—to an engagement of the private sector that is based on a clearly articulated set of risk management priorities around which their expertise can be tapped, their activities targeted, and incentives and regulations developed.

The 2010 simultaneous Sumatran earthquake, Mentawai tsunami and eruption of Mount Merapi

One particularly critical recent hazard event was the October 2010 simultaneous earthquake, tsunami and eruption of Mount Merapi. A 7.7 magnitude undersea earthquake resulted in severe infrastructural damage in the Sumatra region and a three meter (10 foot) high tsunami that struck the Mentawai islands off the west coast of Sumatra. The tsunami caused widespread destruction that displaced more than 20,000 people, affected about 4,000 households, and reportedly killed 435 people.

At the same time, Mount Merapi, in Central Java, Indonesia, began an increasingly violent series of eruptions that continued into November. Over 350,000 people were evacuated from the affected area. However, many remained behind or returned to their homes while the eruptions were continuing. 353 people were killed during the eruptions, over 150,000 were displaced of which many suffered respiratory infection and hypertension. BNPB estimates that damage to the core livelihoods in the affected area, including food crops, plantations, fisheries, animal husbandry operations, and forestry projects, equated to USD $24 billion. The 2010 events overall severely affected businesses, particularly SMEs which saw vast damages and interruptions to operations.

The response to the tsunami was hampered by bad weather and the remoteness of the islands, resulting in relief not being received until 2 days after the event. BNPB mobilised the Indonesian military was mobilised to provide much-needed medical supplies and other aid via helicopters. International response was strong with governments providing donations for efforts towards both the tsunami and the eruptions. The European Commission provided 1.5 million Euros, which was to be used to assist 65,000 people affected by the tsunami in Mentawai and at least 22,000 people affected by the eruptions in Yogyakarta. The Australian government provided $2.1 million in aid, parts of which were in the form of donations to Muhammadiyah and Nahdlatul Ulama, Indonesia’s biggest Islamic organisations, as well as the Indonesian Red Cross. This included support for health and psycho-social programs for affected communities as well as longer term emergency preparedness activities and assistance. In addition, an Australian Aid, previously AusAID, officer was posted to work with local assessment teams near Mount Merapi. The International Organisation for Migration was also a key player, focusing on logistics, delivery of non food relief items and improving water and sanitation at the sites, mainly targeting Sleman and Boyolali districts.

Response to the eruptions in Yogyakarta and the surrounding area was complicated by the draw of resources to Mentawai, the dangers of the ongoing eruptions, and the rapid and very high mobility of internally displaced persons. However, the Indonesian government did respond promptly with the execution of contingency plans and a relatively effective early response across the four affected districts. As outlined in the contingency plan, the military was a critical partner in the evacuation efforts; however, the private sector and concerned individuals responded most rapidly and on a highly

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13 Reliefweb situation report
14 Reliefweb situation report
significant scale providing support where necessary. Coordination of these different actors was effectively met in Yogyakarta province by the Yogyakarta DRR Forum, which established an ad hoc cluster system\textsuperscript{15}. This became the primary coordination mechanism for local and international actors. A similar mechanism was initiated in the other affected province of Central Java, but did not continue due to human resource constraints. The Yogyakarta DRR forum, therefore, became the main coordination mechanism for the overall response.

The President expressed concern that due to the complexity of the hazard event, response to the Merapi eruptions needed to be under one command. As a result, the Indonesian military (TNI) formed a special brigade and the Indonesian police (Polri) created a special task force, both of which fell under the command of the head of the BNPB.

The complex emergency stretched the capacities of ‘traditional’ humanitarian actors and acted as a trigger for national, district, and organisational reassessment of disaster preparedness and response approaches. It also generated thinking around the need for and feasibility of tapping into the resources, skills, and knowledge of other actors. This paper explores how recent extreme events, particularly the 2010 simultaneous hazards, have or have not catalysed changes in perceptions, practices and policies relating to private sector engagement in humanitarian action and their collaboration with civil-military actors.

\textsuperscript{15} http://reliefweb.int/report/indonesia/indonesia-asb-completes-merapi-emergency-response-activities
Key Findings: Transformations in perceptions, practice and policy relating to private sector engagement and multi-actor in humanitarian action

Whilst not attempting to systematically attribute change to any other specific event, the following represent key transformations in perceptions, practice and policy relating to private sector engagement in humanitarian action that the study found to have been spurred by the recent extreme events in Indonesia, particularly the simultaneous hazards of 2010.

Increased appetite for systematic involvement from the private sector

The corporations and private sector platforms interviewed in this study all expressed great interest in enhancing their involvement in humanitarian action, and demonstrated a desire for a clearer, more systematically embedded role. Indonesian businesses in the Global Compact approached the government in early 2013 to ask for more in depth consideration and integration of their organisations’ skills and competencies into the national disaster management frameworks. At the local level, due to high demand following the 2010 simultaneous hazards and the 2013 Jakarta floods, OCHA is currently running workshops aimed at empowering small and micro enterprises in disasters, in addition to business continuity planning training for small and medium enterprises. These are being planned in conjunction with Chamber of Commerce, the International labour Organisation, and the Ministry of Cooperatives and Small and Medium Enterprises.

Businesses beginning to engage as part of core business

This increased appetite for more systematic engagement has been coupled with a clear aspiration by some organisations and groups to engage beyond simply their compulsory corporate social responsibility (CSR) donations to the government, instead wanting to lead or contribute to activities that fall within their core business. It was expressed that businesses tend to feel that the compulsory donations restrict them, forcing them to contribute in a way they believe does not maximise benefit for both parties. This is particularly the case for SMEs, where the compulsory donations financially bind them into not being able to engage in other ways. Key informants were quick to clarify that while companies want to contribute, the government needs to recognise alternative forms of contributions aside from those that are monetary.

This kind of engagement in humanitarian action as part of corporations’ core business is happening and can be seen in examples such as Sari Husada, an Indonesian corporation that produces nutritional products for babies and children. The company has taken up a principle of zero risk following the 2010 eruption of Mount Merapi, resulting in increased engagement in preparedness and DRR. With the intention of reducing the risk of disruption to business from future eruptions, Sari Husada partnered with Heifer Indonesia, a local NGO with experience in livestock and integrated farming solutions, to support the relocation of the surrounding communities who were impacted by
the Merapi eruptions. This included many of their milk suppliers. As an incentive, the company provided agricultural service centres and also initiated training on income management in high risk environments. As a disincentive for returning to their previous locations, Sari Husada stated that only farmers in locations deemed safe could sell their milk to the company’s cooperatives. Sari Husada designed the initiative not to deal with short term shortcomings in their dairy production but instead to ensure the longer term sustainability of their production. By focusing not solely on building back milk production but instead generating other non-dairy activities, Sari Husada has improved the overall well being of their workers and as well the resilience of their livelihoods to future shocks. This in turn has ensured the longer term sustainability of milk production. See Annex 1 for a full description of this case study.

However, the Indonesian Chamber of Commerce (KADIN) was not able to speak much to the concept and examples of private organisations engaging outside of philanthropic giving, suggesting that whilst individual organisations are actively seeking these opportunities, some national platforms may not aware of this aspiration.

Steady expansion of private sector engagement across the spectrum of disaster management

Interviews highlighted that the private sector as a whole is becoming increasingly involved in activities beyond relief and response, and moving towards preparedness and DRR. At the national level, the Disaster Resource Partnership Indonesia Network is now running training for builders on earthquake resistant construction. Unilever, a representative in the Indonesia Business Link, is now taking a more front seat role in the National Platform for DRR, contributing to risk reduction solutions to problems raised within the forum. It was involvement in this platform that prompted Unilever to reassess its emergency approach and formally move towards aiming to create a ‘habit of preparedness’, not simply short term interventions of response. As part of their business continuity they now ensure the buildings around their 30 local distributors are safe against earthquakes and typhoons. The company has also started educational hand washing programmes in schools to help prevent pandemics, which couples as a marketing campaign for their soaps and other hygiene products. This has recently been expanded to include health education in general to decrease vulnerabilities in disasters. In addition, whilst previously Unilever’s crisis management team did not engage with other actors, the group now works systematically with monitoring systems, including that of the district disaster management offices, so that they can warn distributors and partners to prepare. However, despite these examples, Unilever’s work in response remains the prevalent facet of their disaster management work.

In addition, the government is increasingly engaging with the private sector in pre-disaster activities and resilience building. For example, the BNBP is working with the Indonesia Seaweed Association, a national platform for organisations that deal in the commodity of seaweed, to provide coastal populations, including those that experience regular flooding, with the material and know how to grow seaweed. Seaweed offers opportunities for these communities as it can be harvested in a short time period (45 days) and can be planted at any time, in any weather, throughout the year. The businesses within the Association then buy the produce off them once grown, securing an international market for the communities to rely on. This is providing an alternative livelihood for communities during times of disaster when their regular livelihoods have been interrupted, subsequently building their resilience to future flooding. At the same time, it facilitates increased production of raw materials for the outputs of the platform’s members.

Interestingly, confusion sometimes arose during discussions with private organisations over questions regarding ‘preparedness’. When asked about their preparedness or risk reduction activities most companies or private sector platforms instead referred to ‘business continuity’ and ‘sustainability’. Some did not recognise any of their work as preparedness until the question was reframed using this language.

The changing roles of other actors: Increased military appetite to expand their role to include preparedness

Spurred by the 2010 simultaneous hazard event, the national military requested that preparedness activities be included in training received by OCHA. This request was met in early 2013, however, from what this study could garner, this training has not be integrated into their regular activities as of yet. Additional expansion of their usual role was also observed in the aftermath of 2010; whilst usually the first in and first out during a disaster, due to the extremity of the event the military were instructed to remain and assist with land clearance following the tsunami in Mentawai as their skills and equipment lent themselves to this task and capacities elsewhere were stretched. These examples indicate that the boundaries of the military’s role are evolving as their comparative advantage is realised by others and by themselves.
Private sector and the military: if not collaboration at least coordination and communication

During the 2010 simultaneous hazard events, isolated incidents of collaboration between the private sector and civil-military actors could be seen, facilitated by either personal connections or through platforms. At the national level, companies from the Indonesian Business Links (including Nestle, Coca Cola, and a local telecommunications company) collaborated with the navy towards relief and response to the earthquake. The companies provided the products and logistics whilst the Indonesian Navy provided the transportation. The collaboration was initiated by the Navy with an announcement of what they had to offer to help in the event as part of their social outreach programmes. They enquired if this could be of help to any businesses and approached the Indonesian Business Links. Critically, some of those interviewed in Yogyakarta noted that they did not necessarily see the need for the military and the private sector to collaborate directly. For example, the Merapi Rim Information Network (Jalin Merapi), a network of NGOs and private community radio systems designed to provide a volcano early warning system, stated that they do not want to seek out further collaboration with other actors. They explained that they have existing systems in place to engage with who they need producing a timely and efficient warning; attempting to accommodate and incorporate other actors into their work would only slow down procedures. However, other organisations and groups were more open to collaboration, with many informants recognising that there may be skills and expertise that the private sector and the military could offer, and the majority stating they are actively seeking this collaboration. However, even amongst those that could not see a need for the private sector and the military to collaborate, it was recognised that direct communication and coordination were becoming ever more essential. The 2010 eruption of Mount Merapi and the simultaneous earthquake and tsunami highlighted that the expanding range of ‘humanitarian’ actors are constantly in the same physical space and that without communication these actors work in isolation from each other, not maximising their capacities and sometimes hindering efforts. During the eruption, local businesses refused to evacuate as were the orders from the provincial military, due to not wanting to leave their assets behind to be looted. In order to aid evacuation, the provincial military agreed to designate some military personnel as guards to watch out for looters. The private organisations presented their problem, and the military recognised they could use their capacities to provide a solution to the companies, at the same time as achieving their own objective of evacuating everyone from the volcano. However, as this approach to communication and coordination was so new, the private sector actors were hesitant about leaving the military to protect businesses and returned to check up on the guards. The eruption also highlighted to the Yogyakarta government that the vast range of actors involved in the response each conducted their own, and often overlapping, assessments. Instead of this fragmented approach, the government stressed that communication and coordination could have reduced overlap of efforts and helped assessments be undertaken more efficiently as per actors’ value added. And informants stated that communication between the private sector and the military has increased since the 2010 hazard event.

But for the most part, there are no mechanisms in place to facilitate this communication and in their absence many companies and military groups have come to rely on forming personal connections with individuals from the respective sectors. For example, Unilever’s engagement with the navy has been spurred by a personal connection with an old colleague and some local businessmen are only able to coordinate with the provincial military due to having once been in the army or navy. In addition, within the operational level of the police, there is a system in place for engaging the private sector but this system relies heavily on ad hoc decisions from one individual. As most people will report a crisis to the police they will then assign a field operating commander and a public liaison officer. Any private organisation that approaches this public liaison officer will then pass on the information to the field operating commander and distribute the private sector help depending on where it is needed. At the local level, based on the results of situation assessments, the Red Cross will send out teams and work with military if appropriate in disaster responses. For example, the organisation regularly looks to the military to help with the operation of a vehicle specially designed to manoeuvre in eruption situations, filling the gap in the local Red Cross capacity. They also communicate with large private organisations to distribute logistical items, when dealing with the military, this is on an ad hoc manner based on the needs of the context. The local Red Cross branches are hesitant to work with the military, but recognise the need expressed willingness to explore the option.

This coordination and communication needs to improve, especially as the military moves towards involvement in preparedness activities. As more actors are working in the same physical space towards similar aims.
Coordination has been facilitated by platforms

It was mentioned in both interviews with national private organisations and groups as well as local level businesses that platforms have provided a neutral environment that they feel allows them to engage in disaster management and collaborate with the military in a safer environment. For the larger national organisations, it was felt that the National Platform for DRR allows them to better work with the military without fear of reputational risk. For the small and medium enterprises, they highlighted that the Yogyakarta Forum for DRR facilitated collaboration through minimising the fear of corruption.
What is still holding back systematic engagement of the private sector and multi-actor collaboration?

The capacity of private sector, especially SMEs, is still not recognised by the government

The recognition of the private sector by the government as being not merely an ad hoc extra is beginning to emerge. Some key members of BNPB have recognised this appetite from the private sector and realise the potential for private organisations to add value in a more substantial and sustainable way than traditionally conceptualised. Most of these particular government representatives have been involved in recent discussions around private sector engagement agendas with the World Economic Forum, for example at Davos. Some members of BNPB are now working with the Disaster Resource Partnership, a platform of construction companies, OCHA, AusAid, and Oxfam to map how different ‘humanitarian’ actors are involved in different areas to further their understanding of the potential roles of the private sector. The Ministry of Education also works regularly with the Disaster Resource Partnership to build earthquake - safe schools. However, the government still tends to default to envisioning the private sector’s role simply as philanthropic. The BNPB is currently in the process of developing master plans for each major hazard type, and when asked about the private sector’s involvement it was stated that it was believed businesses could provide in-kind donations of items or would be offered the opportunity to erect advertising billboards in exchange for financial support. From interviews with private organisations and platforms it is clear that companies want to push past these restricted engagement opportunities, and that it is hoped the BNPB and BPBDs will realise the potential for using private sector skills and structures optimally.

Of particular note is the perception shared by members of BNPB that smaller businesses have little capacity and therefore go on to exclude the local private sector from their focus of engagement. This misperception goes beyond government. The Yogyakarta DRR forum has members from the private sector, separated into clusters. However, the forum does not have any representatives from SMEs due to the forum coordinators believing that these organisations do not have big enough capacity. The forum allows them to get involved in a voluntarily manner and does hope to expand its membership in the future.

Lack of a jointly developed and operational road map

Whilst examples clearly exist of individual initiatives where the government has engaged with the private sector, there is disconnect between these initiatives, and no sufficient roadmap to set the agenda and direction for multi-actor communication or collaboration.

At the systematic level, the National Plan for Disaster Management (2010-2014) refers to the private sector periodically as an actor that should be engaged but outlines no methodology to communicate, let alone collaborate. Master plans also exist for different hazard types with the private sector included in the relevant actors outlined. However, this incorporation reflects their engagement as potential additional resource to tap after the event, rather than being embedded into planning procedures. In addition, a new framework for engaging the private sector in DRR is currently being developed by BNPB but does not have any private sector organisations in its conceptualisation team. Inclusion of private sector representatives would bring ownership to the framework as well help produce a more realistic and operational coordination structure. Instead the new framework risks repeating recent history, outlining an engagement model that fails to encapsulate the practicalities of partnership, especially the essential inclusion of the private sector in planning stages. The government does not yet appear to consider the
private sector as an equal partner in planning. At the
district level, the Yogyakarta DRR forum, with
members from a variety of sectors, is keen to
contribute to a district level framework for
engagement in DRR that could allow the military
and the private sector to work together. However,
this action is not being initiated by Yogyakarta
BPBD.

At the operational level, the BNBP does have in
place Memorandums of Understanding with 5
private organisations to formalise their relationship
with the companies during times of emergency.
However, these five organisations are solely large
national and multi-national companies contracted
by the agency for discreet activities rather than
being embedded within the planning process. As
well as MoUs with the private sector, the BNBP has
certificates of partnership with a select number of
NGOs and ‘agreements’ with the military; however,
these connections are disparate and do not take
other agreements into account. This highlights the
general perception of the body of humanitarian
actors in Indonesia not as a whole, but as individual
isolated sources of help.

A lack of incentives and disincentives
There is a lack of incentives for private organisations
to support disaster management financially. For
example, there is currently no tax relief on
emergency support. In addition, the compulsory
donations to the government for CSR activities
actually act as a disincentive to contributing to
humanitarian action in other ways.

National and local disconnect
The current process of decentralisation in the
government, and particularly in the disaster
management offices, has meant that coordination
functions have not been clarified and roles and
responsibilities are not outlined clearly. The BNBP
believes it is the responsibility of the BPBDs to
consider the role of local level businesses, however,
this view is not matched by the BPBDs who state
they need guidance on how to work with the private
sector. This inter-scalar disconnect is also observed
between platforms; multiple platforms exist at
various levels but their objectives and activities are
disjointed rather than complementary.

Lack of trust in military, police, and
private organisations
Deeply embedded preconceptions of the motives of
private and military actors continue to result in
levels of distrust between some actors, particularly
on the part of humanitarian agencies. For example,
Jalin Merapi are hesitant to display the logos of the
private sector organisations that assist them on their
websites or on other materials as they fear
communities will associate the work with a profit
run company, instead of an organisation designed
specifically to help them.
Looking to the future: Key Recommendations

The 2010 events highlighted the capacity challenge that Indonesia's humanitarian actors, at both the national and sub-national levels, will increasingly face. It also demonstrated the value-added that private sector actors can offer and the potential opportunities presented by collaboration between private entities and civil-military actors. Engagement of the private sector in preparedness, DRR and resilience building seems to more readily occur and more and more they are engaging as part of core business. However, there are still significant steps to take in order for the potential offered by the private sector to be maximised, and to make collaboration more consistent and strategic.

For this to occur, the messaging on disaster risk management and business resilience needs to be put forward in a clearer and more coherent way and as the more overarching driver of and rationale for the private sector's engagement. Additionally, the messaging needs to convey that this is a collaborative effort by all actors - government, humanitarian actors, the private sector, military and civil society - disasters are everybody's business. Opportunities need to be created to both test and model how to work together to make risk resilience an issue of business sustainability and competitiveness in the broader context of Indonesia's development agenda.

Indonesia will continue to experience extreme events in the near future and there is an opportunity to make use of these; to trial collaborative initiatives, innovative approaches, and learn from complex scenarios. These events could help instigate the changes in mindsets, approaches and institutional arrangements that are needed for the skills of the private sector to be incorporated into disaster planning, and these opportunities should be harnessed and maximised. All those who want change and improvement need to utilise this window of opportunity; this includes businesses who want to demonstrate their capacities, platforms and NGOs keen to show off their collaborative mechanisms, and representatives from the government wanting to instigate internal change.

Some of the following recommendations correlate to specific issues raised in this research and mentioned in the section above; others address the overarching issues related to private sector engagement in humanitarian action and collaboration with civil-military actors. These recommendations are framed within the context of the imminent opportunities Indonesia has to strengthen private sector engagement and cross sector collaboration in humanitarian action. For example, the development of the new framework for the engagement of the private sector in DRR, the presence of strong leaders currently and emerging in government, and the continued innovation following hazard events all offer opportunities for the improvement of private sector and civil-military coordination at both the national and local level in Indonesia in the near future.

To the Australian Government:

Boost local capacity development initiatives

Investing in the DRM sector provides an important opportunity to strengthen the bilateral relationship between Australia and Indonesia and continues to position Australia as a lead donor in the DRM sector. It also capitalises on Australia’s comparative advantage, which has been gained through its experiences with the Australia-Indonesia Facility for Disaster Reduction.

One form of investment would be to organise capacity building training programmes aimed at small and medium enterprises wanting to engage in humanitarian action. This is an area for which there is both demand, and a need, for significant further attention. Crucially, private sector ownership of this training must be gained through curriculum development with private organisations.

Further, Australia should review the following suggestions and identify where their expertise could add unique value to the efforts.
To the Indonesian government:

**Push for the meaningful incorporation of the private sector into the post-2015 agenda**

In the post-2015 agenda there needs to be a new narrative for the private sector. Currently it appears that issues of private sector fragility and resilience will be incorporated into the new agenda as a goal, and partnerships for disaster management will also likely be included as a target, and this has been supported for and pushed by members of the Indonesian government involved in the process. However, concerns were raised of the tension between forming global targets compared to nation-specific targets. In creating universal targets, the shared priorities of all countries are attempted to be addressed, resulting in the less specific and therefore potentially less useful aims for Indonesia and other countries. Indonesia has a front seat in the development of this agenda and it must lead in pushing for the inclusion of operational private sector, and more generally multi-actor, collaboration targets. The Indonesian government houses some strong leaders that have the potential to make sustained change. For example, the Governor of Jakarta, Joko Widodo, who was appointed in late 2012, has a private sector background and key informants noted that he recognises that the private sector is aspiring for sustainability in ways not being factored into disaster management. Specifically, it was thought by some private organisations interviewed that he has the potential to take this agenda forward effectively.

**Increase the engagement of business representatives in the National Platform for DRR**

This will allow for a more vocal private sector. The additional members should be drawn from a variety of types of private organisations, ensuring that this select sample is representative of the range of private organisations wanting to engage in disaster management. Much attention has been placed by platforms on engaging the Indonesia Business Links. However, the membership of IBL is largely multinational companies operating in Indonesia. It is not a representative of the business environment of the country as a whole. The Indonesian Chamber of Commerce (KADIN) or the various Indonesian professional associations, especially those with SME membership, might be more effective partners to access expertise, mobilise resources, and garner deep-rooted DRR awareness throughout the Indonesian private sector.

**Expand the newly conceptualised framework for private sector engagement in DRR to include all actors**

The new framework for the engagement of the private sector in DRR, and its respective directorate, provide an opportunity for BNPB to produce a realistic roadmap for multi-actor collaboration at a time when the appetite for such a systematic approach is high. It also places BNPB as the lead coordinator of collaborative efforts which it is well placed to do. The framework is only in its early stages of conceptualisation but already this study highlights some challenges ahead. The framework should not simply isolate the private sector and BNPB, but should instead use the framework as a way of formulating communication and coordination mechanisms and structures between all actors, including the military and NGOs. In addition, the development of the framework must be informed by the vast wealth of insight and experience that is held by the private sector, the military, platforms, different government ministries, and humanitarian agencies at both the national and local level. BNPB should actively engage DRP, IBL and the Global Compact in the formulation of the framework, not simply seeking their engagement after the conceptualisation. As part of the framework, SOPs should be developed so that formal collaboration mechanisms are outlined. However, if these are to be realistic and operationalised, they will need to be informed by all actors and be adaptable for possible revisions following future disasters.

**Instigate monitoring and evaluation of multi-actor collaboration**

Post-disaster assessments of responses as well as planning activities should include examination of the effective utilisation of the capacities of different actors and partnerships. There could be a potential role for UKP4, the Presidential Working Unit for Supervision and Management of Development, to monitor and evaluate collaboration with private sector in humanitarian action in the future. It currently monitors and evaluates the government’s efforts towards the 14 national priorities through a set of targets. Climate Change and Disaster Management is one of these priorities and targets could be incorporated that ensure involvement with the private sector in an appropriate way. Currently they do not monitor the engagement of the private sector but instead leave it up to the individual government ministries. This often does not happen
and is certainly not fed back to the evaluation body in any systematic way. Regular monitoring could allow for specific areas of improvement and, coupled with incentives or disincentives, could change practices.

**To the Indonesian private sector:**

**Undertake disaster impact assessments as part of standard policy**

Businesses need to examine both what the impact of recent disasters has been on their activities in the short and long term, and assess the cost of doing nothing. This sort of data is not systematically collected nor analysed, but if readily available would allow private organisations, large or small to calculate the cost of disasters, and justify, or not, the engagement in disaster preparedness. As well as using the data internally for decisions regarding the organisations' own approaches, this information could also be used for analysis at the sector level. This could then inform advocacy documents targeted at businesses in disaster prone areas, with the aim of building awareness of the need to incorporate disaster risk reduction into business continuity or business risk mechanisms and the options for engaging with other actors in this process. The Indonesian Chamber of Commerce and Industry or the Disaster Resource Partnership could take a lead on collating this data and disseminating it to a broad network of provincial forums and platforms in a format that is practical.

**To existing and new platforms:**

**Develop an information repository on activities by the private sector**

Businesses who were keen to expand their engagement beyond philanthropy stressed that they needed examples of how to go about undertaking these initiatives as part of their core business, and in particular, examples of cases of collaboration mechanisms which had been successfully utilised. This research highlighted that examples of innovative collaboration between businesses and civil-military actors in response and preparedness at the national and district level exist but are widely unknown. Private sector platforms, as well as wider platforms such as the National Platform for DRR, are in the best position to provide examples of good and bad practices and should take a lead on this collection and dissemination.

**Platform learning events**

There are various disaster management platforms that attempt to bring together diverse actors, and specifically the private sector. These platforms are doing fantastic work and are ever growing and expanding into new areas. However, currently there is little connection between these existing and emerging networks and yet overlap of work exists. If these platforms identify their shared objectives and complementary added value, the groups could work together and reach their aims more efficiently. Platform learning events could be a first step to explore what others are currently undertaking and what potential linkages in the future could be.

**To the Indonesian Military:**

**Systematic incorporation of preparedness activities into the national and provincial military training**

The military has expressed their keenness for undertaking training on preparedness activities and this is currently being undertaken in an ad hoc manner by OCHA. However, this interest should be met with the incorporation of this subject into their standard emergency training. The military should take a lead in implementing these changes but support from BNPB will be essential. As the coordinator and funder of the military during crises, BNPB should be seen to be consistent in their recognition of the military's capacities and roles. BNPB will then need to accommodate the military’s capacities and skills in their preparedness planning mechanisms.
Annex 1:

Building resilience: Sari Husada’s agricultural enhancement project in Yogyakarta following the 2010 Mount Merapi eruption

Introduction
This case study outlines the partnering of Sari Husada, an Indonesian corporation that produces nutritional products for babies and children, with a local NGO to relocate farmers affected by the eruption of Mount Merapi in Indonesia to safe areas, and to diversify farmers’ livelihoods, thereby creating a new sustainable and integrated agricultural business model. This has allowed the communities affected by the eruption to recover from the devastating event and has developed their resilience to future hazards. At the same time, by helping farmers to recover their livelihoods, the project has ensured the sustainability of milk production for Sari Husada products and increased their national reputation.

The Problem Statement
In October 2010 a simultaneous earthquake, tsunami and volcanic eruption struck Indonesia. A 7.7 magnitude undersea earthquake resulted in severe infrastructural damage in the Sumatra region and a three meter (10 foot) high tsunami that struck the Mentawai islands off the west coast of Sumatra. The tsunami caused widespread destruction that displaced more than 20,000 people, affected about 4,000 households, and reportedly killed 435 people. At the same time, Mount Merapi, in Central Java, Indonesia, began an increasingly violent series of eruptions that continued into November. Over 350,000 people were evacuated from the affected area. However, many remained behind or returned to their homes while the eruptions were continuing. 353 people were killed during the eruptions, whilst over 150,000 were displaced - of which many suffered respiratory infections and hypertension.

The eruption of the Merapi volcano severely affected agricultural activities. 2,174 dairy cows died and a further 600 cows were subsequently sold by farmers who could no longer afford to maintain their livestock. As a result, both the quantity and quality of milk production decreased. Prior to the eruption, milk production was the main activity for farmers, who relied heavily on selling their produce to cooperatives for their livelihoods. The eruption therefore resulted in the loss of the local farmers’ main source of income and highlighted the dependency on, and unsustainability of, farming practices. Following the eruption, farmers were relocated to shelters with no space provided for the cows that had survived. The shelters were designed to be temporary but the government made no plans to provide support for permanent relocation. Whilst in these temporary settlements, the nutrition of communities deteriorated, generating long term health concerns for Merapi farmers.

Overview of the initiative
Sari Husada worked with Heifer Indonesia, a local NGO with experience in livestock and integrated farming solutions, on a pilot project from January 2012 to June 2013. The project was designed to relocate farmers to safe localities and to instigate a Sustainable Dairy Business Model and other integrated agricultural farming activities, whilst at the same time securing the quality and quantity of milk production for Sari Husada needs and generating publicity for the company and bolstering its organisational reputation.

The project’s activities included:

1. Development of a new interdependent farming business model with the farmer community
2. Establishment of 5 Agricultural Services Centers across 5 villages acting as central service points and learning platforms for farmers not integrated into the Sari Husada cooperatives.
4. Promotion of other income generating activities through integrated agriculture and livestock good management practices, thereby reducing dependency on Sari Husada.

In order to support the resumption of dairy farming following the loss of livestock, Sari Husada implemented a ‘Pass on Gift’ scheme. Farmers who still had cattle following the eruption could give 2 cows to a farmer who lost all their livestock. In exchange Sari Husada would provide the generous farmers with access to 4 imported cows with high output, as well as barn facilities. Whilst the project did not intend to recover the full scale of the dairy activities existing in the area prior to the eruption, it
did aim to provide an alternative option for all farmers, including those who decided to abandon milk production.

The Business Case

Two Sari Husada factories located at 25 and 30 Km radius from Merapi volcano were damaged by the eruption and 3 of their 10 cooperatives were affected. Sari Husada designed the initiative not to deal with short term shortcomings in their dairy production but instead to ensure the longer term sustainability of their production. By focusing not only on restarting milk production but also on generating other non-dairy activities, Sari Husada has improved the overall well-being of their workers, as well the resilience of their livelihoods to future shocks. This in turn has ensured the longer term sustainability of milk production.

The agricultural services centres act as knowledge sharing hubs for both the farmers working for Sari Husada and external farmers to learn from each other and enhance their practices. This has led to the improved production and management of Sari Husada outputs.

The project has built the reputation of Sari Husada as a credible local partner for mainstream consumers, and the company hopes the initiative will lead to the government endorsing the company for customs exemption.

Humanitarian Impact

The project permanently relocated communities that were previously in inappropriate temporary housing to areas no longer at risk of future eruptions. In addition, through the development of the integrated farming model, the project recovered an immediate source of revenue for the farmers. Moreover, it has created sustained and diverse livelihoods, without the same dependency on milk production.

Farmers who are not willing to accept the support for relocation to safe areas will not be able to be part of the cooperative, which can be seen as an incentive for farmers to consider their long term safety. However, agricultural services and training are also open to ‘satellite farmers’, improving the livelihoods and nutrition of those farmers not associated with the Sari Husada cooperatives. Over 300 farmers have been trained, 12 micro-business units have been initiated, and nearly 600 new jobs have been created.
Annex 2:

Coordinating Engagement of Engineering and Construction Companies in Disaster Response: the Indonesian Disaster Resource Partnership

Developed as part of a study with UNOCHA

Introduction

This case example features an innovative, multi-level, cross-sector partnership between humanitarian organisations, the Government of Indonesia and the private sector. It illustrates the potential role that the private sector can play before, during and after a disaster and how intermediary mechanisms can foster cross-sector collaboration and leverage and align the expertise, strengths and resources of diverse actors to work together for a common objective.

Problem Statement

At the World Economic Forum (WEF) annual meeting 2011 at Davos-Klosters, President Susilo Bambang Yudhoyono, requested WEF’s Disaster Resource Partnership Initiative, an international alliance of the Engineering and Construction (E&C) community to be established in Indonesia. The Partnership was officially launched in June 2011 at the East Asia WEF summit in Jakarta with the objective of developing a cross-sector, professional and accountable humanitarian response to disasters including the ability to scale up to meet growing demands.

The platform is conceived to address a number of gaps that had been previously identified with respect to coordination needs between government, the private sector and key local humanitarian actors in times of disasters. The platform also seeks to systematically harness the untapped expertise and resources that the E&C sector can offer with respect to reducing the damage to physical infrastructure in times of disasters and ensuring that when a disaster event occurs the recovery of the affected infrastructure is undertaken in a way that reduces future disaster risks (rebuilding better through risk reduction designs). In turn, the platform provides both a clear and coordinated entry point for the engagement of the E&C sector in disasters and a voice for the E&C sector in humanitarian coordination in Indonesia. Additionally, the platform plays an important role in enhancing the private sector’s own understanding of disaster management, including the resources and tools of the international system.

Overview of private sector innovation and intervention

There are several aspects of the Partnership that make it unique. From the start the Partnership had strong champions with support at the highest level on the part of the Indonesian Government and the private sector, and also with the support of UN System in Indonesia, i.e., UN -OCHA. This included strong links between the Partnership and the Ministry of People's Welfare as, support to identify and help recruit the initial ten members of the platform. and support to host the secretariat.

A second innovative dimension to the Partnership is its governance structure which models the collaboration the platforms seeks to foster with support from four key stakeholder groups that comprise the Partnership: government, private sector, civil society and international organisations. Government bodies include the Ministry for People's Welfare, the National Agency for Disaster Management (BNPB), and the Crisis Management Center of the Ministry of Health, along with private sector representatives and three humanitarian partners –International Federation of Red Cross (IFRC), UNOCHA and a national NGO –the Humanitarian Forum Indonesia. The secretariat functions in a neutral, energizing and catalytic role towards building a systematic entry point for the E&C’s engagement in crisis issues–organizing training, mapping of the private sector, fostering the network and collaboration, documenting and disseminating lessons learnt and sharing good practices, outreach and promotion.

A third innovative dimension to the network was the contribution of the Partnership in the aftermath of the 2013 Aceh earthquake. The members of the Partnership are deemed to contribute to emergency response in three ways: through the provision of direct action when they have operations in an affected area, through E&C staff secondments to equipped with the latest tools and resources, and through the development and dissemination of best practices and lessons learnt.

Note: Since 2001, the World Economic Forum has supported the establishment of a Disaster Resource Partnership for the E&C sector that aims to promote cross-sector collaboration for building resilience to disaster risks. Currently there are three national networks including India, Mexico and Indonesia –launched in 2011.

| Ten initial member companies include: PT. Amec Berca Indonesia, PT.JPP (Perseo Tbk, PT.Wijaya Karya (Persero), Tbk., PT.Waskita Karya, PT. Total Bangun Persada, Tbk., PT. Jaya Konstruksi Manggala Pratama, Tbk., PT. Tatamulita Nusantara Indah, PT. Balfour Beatty Sakti Indonesia, Sukamata & Partners, PT. Yodya Karya (Persero). |
work alongside humanitarian agencies in times of disasters and sharing their technical competencies and expertise. For example, following the 6.1 magnitude Aceh earthquake the DRP deployed network members to conduct a building/construction damage assessment of selected health facilities and a hospital in the affected area. An assessment of local capacity in construction has led to the training of 18 master local builders and vocational training personnel on earthquake resilient construction. This work was undertaken in close collaboration with NGO members of the Humanitarian Forum Indonesia, as the partner of the DRP, who facilitated access to the local community and assisted with the follow-up to the training.

**Business Case**

The companies benefit from their membership in the network in a number of ways. The platform provides them with a clear entry point for their engagement, access to the opportunity to showcase and apply their expertise in a way that enhances their brand and visibility. The platform also supports the companies to demonstrate to their employees and the broader external community that they are socially responsible firms and have a commitment to civic duty. Membership in the platform provides the companies a means for talent development of their staff who can participate in platform activities such as training that is a pre-requisite for deployment in the time of a disaster. DRP E&C members are expected to contribute to the costs associated with any DRP company specific activities, a policy that is deemed to be consistent with their own business thinking and models. Additionally, membership in the platform offers a good networking opportunity including the potential to collaborate with other companies that they may typically compete with, and with the opportunity to broaden their regional and global network contacts.

**Humanitarian Impact**

The MOU for the DRP and the E&C companies states explicitly that ‘the network's primary goal is to save lives and alleviate suffering by harnessing the strengths and assets of the E&C sector for disaster preparedness and response.’ The Partnership also envisions that the E&C sector can make a significant contribution to disaster risk reduction in areas such as building codes and regulations, urban and land use planning, risk sensitive construction, etc. This suggests that the DRP’s long-term objective to expand the network to include other private sector industries such as telecommunications, logistics and transport and insurance could go a long way to advancing the need to harness the private sector’s talent and expertise in managed disaster risks in Indonesia in the context of its ‘core business’.
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