

Water and Sanitation Service Delivery

1 Background

1.1 The delivery of water and sanitation services is dependent on the efficient and effective performance of highly vulnerable and complex systems of administration, finance and hardware and energy infrastructures. The sector is all too often susceptible to systemic and chronic failure if any one of these interdependent parts underperforms or fails. In essence, the critical factor for determining whether water and sanitation services successfully reaches or works for the poor is governance.

1.2 This section highlights some of the key governance challenges faced by the sector in low-income countries and fragile states in particular and it suggests areas where DFID and donor policy can act to strengthen governance in the sector.

2 Governance Challenges to Water and Sanitation Service Delivery

2.1 Researchers, sector practitioners and NGOs working in the water and sanitation in low-income countries point to a set of common deficits. These constraints include:

- a lack of trained personnel, and remuneration levels that are inadequate for the recruitment and retention of qualified staff, particularly in sub-Saharan Africa;
- the lack of sufficient and predictable and stable finances for water and sanitation infrastructure projects from national allocations and un-coordinated donor-assisted infrastructure projects that frequently override local capacity;
- the lack of trained personnel and managerial leadership for planning and for the integration of financial, hardware and administrative systems both within and between local and central government offices;
- the inadequacy of routine monitoring systems and capacity and the poor use of available administrative data for planning;
- and, it is no surprise that these daunting supply-side deficits are matched by impoverished communities lacking the energy and drive to demand change.

2.2 These findings are consistent with the evidence identified by DFID as critical to turning round the sector.

- The Department's Water Action Plan 2004 says that solving the lack of incentives and prioritisation of water and sanitation by local authorities "is the real prize". It promises a "dialogue" with recipient governments to explore why the sector is not being given priority.
- The ERM report commissioned by DFID, Meeting the Water and Sanitation Millennium Development Goal 2005, highlights the importance of good local level "diagnosis of water-poverty-economy linkages" and comes up with the key recommendation that DFID "re-examine the political-economy dimensions of water sector reform to identify appropriate drivers of change and support reform processes accordingly".

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2.3 While DFID and other donors are aware of the deficits at the level of local government agencies it is hard to point to any remedial policy responses.

3 Turning around water and sanitation service delivery at the local level

3.1 WaterAid's own experience of working with local authorities in building their capacity to deliver water and sanitation services suggests some best practices that form an integrated set of policy actions. These must include:

- an initial mapping of current coverage that identifies shortfalls in service coverage in terms of the geographic areas and population groups excluded;
- the initial survey should also include some assessment of current capacity to deliver services by available contractors and personnel, and the costs and feasibility of differing technological options;
- the facilitation of local government authorities to understand the relevance and potential value of national or international poverty objectives, such as PRSPs or MDGs, in terms of local level policy and planning requirements;
- the facilitation of local sector practitioners, government personnel and local communities in a water dialogue that identifies local level goals and areas for priority investments;
- building skills for supervising contractors and investing in adequate and appropriate monitoring of progress;
- facilitating the shared lesson-learning and problem-solving of local government water authorities across districts, regions or states;
- the adequate remuneration of key personnel and staff to build the capacity needed to coordinate the initial planning phases and to build sector-wide plans at the local level.

4 Building up demand for pro-poor reform

4.1 While water and sanitation services frequently come first in the priorities of the poor, governments (and donors) rarely respond with a complementary prioritisation. There is a need for a concerted focus of civil society and consumer group demands for access to this essential service to have impact on the policies and resource allocation by central government. The marginalisation of the poor can be reversed by the building of alliances between policy communities, representatives of the poor and consumer groups. This process can be assisted by:

- Donors funding of civil society organisations and national platforms organised around increasing access to water and sanitation;
- Donors funding and building of sectoral policy communities, by procuring technical assistance from local think-tanks and academic institutions, to develop sets of in-country analysis necessary for successful sector reform proposals;
- Facilitate and convene multi-stakeholder dialogues as the main sector policy-making platform to plan and review sector reforms, performance and improvements in the quality of service delivery.

4.2 The broad aim of these strategic funding interventions is to create or strengthen existing systems of accountability. The idea would be to develop multi-stakeholder fora that would oversee and help drive the reform process.

5 How Donors should be responding

5.1 Donor conditionalities and programmes frequently push a policy of decentralisation. But decentralisation reforms have too often over-reached the capacity of local government agencies to absorb and implement programmes. In effect, decentralisation reforms have often contributed to, or left, 'phantom local structures' particularly in rural and peri-urban areas in Africa. Too often they are coping with few personnel and no plans, resources, leadership or hardware for service delivery.

5.2 As DFID's own policy analysis has recognised the point at which the water and sanitation sector is weakest is at local government level. There are instances where the reduction of DFID's Country Programme presence in the sector has been the reverse of what is required. Donors could target resources at the local level either through a Water Governance Fund or through hypothecating a percentage share of all project and programme finance to supporting local level capacity development.

5.3 But there are also a number of examples, in Bangladesh for instance, of best practice or principles where pro-poor reform of local level service delivery has had some success. Donor policy in the sector needs to be recast along these lines.

5.4 These instances of pro-poor reforms include some of the following:

- Services that are accountable, transparent and responsive;
- The convening of multi-stakeholder fora at national and local levels to plan, implement and monitor sector developments;
- Ensuring the predictability of aid flows, committed by DFID in the Paris Declaration on Aid Effectiveness, but also some accountability of the donors to the poor where decisions to invest or withdraw from the sector are made accountable to them through public announcements of decisions to local media, parliamentarians and civil society groups with some transparency around the key triggers for engagement and withdrawal.

6 Central Government support, political will and plans

6.1 While the greatest need for sustained increases in resources and for a strengthened policy focus is at the local level, the experience of successful pro-poor reforms, for instance in Uganda and Bangladesh, suggests that a critical determinant to substantially improved service delivery is the political will and drive behind the sector on the part of national leaderships.

6.2 Too few aid recipient countries have a credible and costed national development plan in water that is supervised, supported and driven with the necessary political support from the centre. One model for establishing a sector-wide framework with the necessary 'follow through' with implementation is the Three Ones plan associated with the campaign against the spread of HIV-AIDS.

6.3 In essence, what is required is a commitment from donors to make up for any financing gaps in the sector for countries that have developed three component parts to their country plans. These parts, or the 3 Ones include:

- One national plan for delivering water and sanitation services with targets consistent with those established in its PRSP or the Millennium Development Goals. This should set out a framework that clearly establishes the role of donors, NGOs, the public and informal sectors and any private sector roles. The plan should be based on an assessment of need, the required policy actions and reforms, the timelines and costs with identified financing shortfalls.

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- One Coordinating Body constituted as a multi-stakeholder coordinating body at central government level with complementing local coordinating bodies at the most appropriate local level. The make up of this national body would include members of the water and sanitation 'policy community'. That is, officials, politicians, sector practitioners, academics, related sector representatives, the equivalent of consumer groups, the donors and so on.
- One Monitoring and Evaluation system charged with overseeing progress of the national plan, identifying key bottlenecks to service delivery and proposing remedial policies.

6.4 The broad point to make here is that the incentive for delivery on the part of the recipients is for donors to establish the principle – consistent with their undertakings in the G8 Kananaskis Summit 2002 – that “no country, committed to good governance, poverty reduction and... reform will fail to achieve the MDGs through lack of finance”.

Key Recommendations

Local Authorities should:

- facilitate the mapping of the geographic areas and population groups excluded from service provision;
- survey current capacity to deliver services by available contractors and personnel, and the costs and feasibility of differing technological options;
- adjust local goals and target-setting with those implicit in national PRSPs or MDGs and build plans for service delivery with intended beneficiaries;
- build 'policy communities' of local officials and politicians, academics, the equivalent of consumer groups and sector practitioners responsible for monitoring implementation and diagnosing sector delivery bottlenecks;
- facilitate the shared lesson-learning and problem-solving of local government water authorities across districts, regions or states.

Central Governments should:

- establish a 3 Ones framework for the sector that would include: One National Action Plan; One Coordinating Body; and One Monitoring and Evaluation system. The framework would allocate responsibilities and activities for all stakeholders;
- ensure the adequate remuneration of key personnel and staff at national and local level to build the capacity needed to coordinate the initial planning phases and to build sector-wide plans at the local level;
- establish a national multi-stakeholder forum that includes consumer groups, trades unions, sector practitioners, donors and officials.

Donors should:

- improve coordination and harmonisation around domestically designed and owned national sector development plans;
- support and align their support behind a national framework or Action Plan;
- reassert the commitment made by the G8 and in the Monterrey Consensus that “no country plan will fail to achieve the MDGs through lack of finance”;
- target resources aimed at capacity building at the local level, either through setting a percentage of programme funding to be set aside for longer term strengthening of local level capacity, or through the setting up of Water Governance Funds based in recipient countries tasked with diagnosing systemic

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bottlenecks at local level and targeting resources until systems are sufficiently robust to be fully integrated into functioning national financing, planning, energy and administrative systems;

- cultivate in-country policy communities and alliances by developing a procurement policy for Technical Assistance where institutions within recipient countries are the primary beneficiaries and by donors facilitating or bringing a serious commitment to multi-stakeholder dialogues and planning fora within the policy design, monitoring and implementation process;
- support the setting up and alignment of donor aid behind one National Water Action Plan, one Sector Coordinating Body and one Monitoring and Evaluation system.