

Achieving a step change in sector performance: towards universal access to water, sanitation and hygiene.

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Acknowledgements

This discussion note was written by Clare Battle. It draws on the 2009 WaterAid paper *'Aid Compacts' built around national plans* by Yael Velleman, Tom Slaymaker and Henry Northover.

Summary

Although there is no blueprint for an effective water, sanitation and hygiene (WASH) sector, key characteristics are consistently recognised as essential to building effective sector systems at national and local levels. There is also increasing recognition of the 'behaviours' needed to put these 'building blocks' in place, with both governments and development partners responsible for adopting ways of working that will improve long-term sector performance and sustainability. Recognising these mutual obligations, and working together to build the systems and capacities needed to deliver and sustain services, will be essential to reaching everyone everywhere with lasting access to WASH.

A global commitment to water and sanitation for all

In 2015 UN member states came together to commit to a vision of safe and sustainable management of water and sanitation for all by 2030, as part of the broader framework of the Sustainable Development Goals (SDGs). By recognising universal access to water and sanitation services as a key pillar of a global framework for poverty eradication, this landmark political agreement provided a historic opportunity to catalyse progress.

However, the SDGs have also raised the bar for the WASH sector. SDG 6's ambition to reach everyone with safely managed services marks a significant step up from the Millennium Development Goals – in which UN member states committed to halve the number of people without access to basic water and sanitation services.ⁱ

ⁱ The SDG targets for drinking water and sanitation and hygiene are highly ambitious. They call for universal access, which goes beyond the household and includes institutional settings such as schools and healthcare facilities, and call for the reduction of inequalities in service levels. The indicators selected by the Inter Agency and Experts Group on SDG indicators (IAEG-SDGs) for monitoring targets 6.1 and 6.2 establish ambitious new global service norms which represent new rungs on the 'service ladders' used by the WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation (JMP) for global reporting. See <https://www.wssinfo.org/sdg-baselines/for> further information.

The WASH sector has a poor record when it comes to delivering permanent, affordable and accessible services. Rates of progress remain slow, due in part to poor targeting of existing finance, a lack of capacity to plan and use funds effectively, and a lack of political will to undertake the reforms necessary to enable progress. Even where infrastructure is in place, services are often failing or underperforming.

With 663 million people still living without clean water and 2.4 billion people without access to adequate sanitation, current rates of progress will clearly be far from adequate to realise the ambition of the SDG targets for water and sanitation. A step change in performance is needed to overcome key bottlenecks to progress and ensure access to water and sanitation for everyone everywhere by 2030.

Achieving a step change in progress

Meeting the SDG targets for water and sanitation will not only require significant increases in sector investment; it will also require a different way of doing business. It forces us to challenge the current accepted sector development norms, and intensify the search for service delivery models and approaches that are truly inclusive and sustainable.

Learning from cross-country studies, we know that the countries and cities that have been most successful in accelerating access to sustainable WASH services are those that systematically embed effective diagnostic mechanisms capable of identifying the bottlenecks holding back progress, and proposing a reform agenda to tackle these bottlenecks. They usually consist of regular horizontal inter-sectoral and inter-departmental planning meetings that progress chase reforms and assess their effectiveness. They tend to be led by senior officials and politicians and are replicated at all tiers of the implementation chain.¹²

In particular, there is increasing recognition that sector strengthening and system building are central to building high-performing WASH sectors and that donor and government investments should be directed towards this goal. Evidence shows that the operation of well-coordinated and well-planned sectors with strong institutions are necessary conditions for the step change in sector performance needed to achieve universal access by 2030,³ and that financial and institutional strengthening is needed to ensure that capital investments translate into effective service delivery.⁴

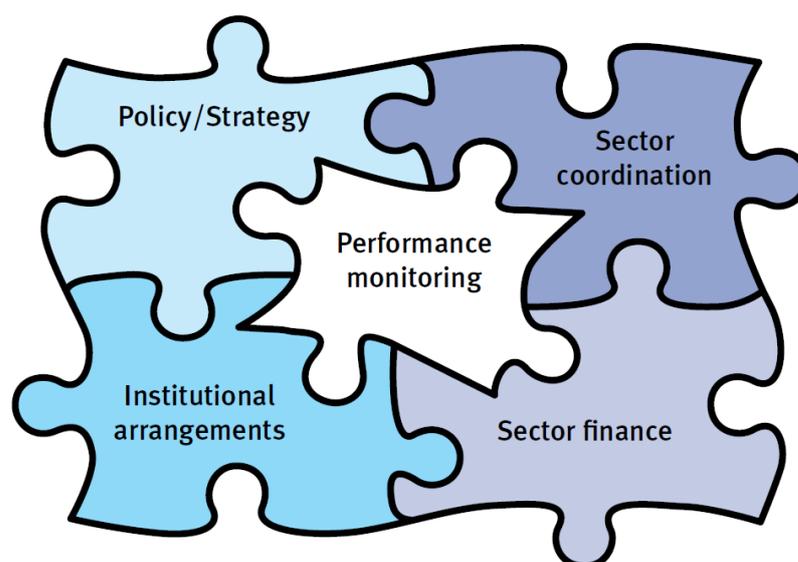
During the MDG period, the countries that made greatest progress in extending and sustaining WASH services were those that had put in place the necessary components of a high-performing sector. Sustaining and extending this progress under the SDGs requires governments and development partners alike to continue to build and strengthen these sector 'building blocks', and to adopt the behaviours and ways of working that will most effectively drive change.

Identifying basic sector building blocks

A collective understanding of the foundations of a strong WASH sector is a prerequisite for joint action to address sector bottlenecks. While articulations vary slightly, overall there is a large degree of consensus on the essential building blocks for a well-functioning WASH sector.ⁱⁱ

The basic sector building blocks outlined below are intended to provide a useful starting point for further discussion. They are not definitive, but provide a broad framework to assist donors and developing country governments in defining common parameters to work towards as part of a mutual commitment to sector development.

Figure 1: Sector building blocks



While these building blocks provide a useful framework, it is important to recognise the dynamic nature of sector development processes, and the importance of organisational and implementation culture that allows space for reflection, review and reform. To result in improved performance and accountability, dialogue between governments and development partners needs to go beyond the status of sector architecture and take account of trends in sector development and performance.⁵ Flexible and responsive partnerships focused on a continuous cycle of monitoring, review and course correction are therefore vital.

ⁱⁱ WaterAid identified the building blocks outlined in this paper in 2009. More recently, the Sanitation and Water for All partnership has identified a similar set of five building blocks, which can also be used to guide sector discussion.

1. Sector performance monitoring

Sector performance monitoring is the keystone of a strong WASH sector, acting as the dynamo that drives reforms and successive improvements in sector performance. Effective monitoring and evaluation depends on improving the reliability of sector data as a basis for setting realistic targets and monitoring processes of sector development. Establishing sector information management systems which link financial inputs, outputs and outcomes is therefore key.

Accountability mechanisms should be clearly defined, together with a framework for multi-stakeholder review of sector performance based on routine monitoring of performance against specified (realistic) outputs and systematic identification of bottlenecks at all levels. Procedures should be in place to ensure these reviews feed back into policies and strategies, with remedial reforms taken to overcome bottlenecks. Independent monitoring of sector plans is essential, with public access to information to ensure transparency at national and local levels. There should also be a mechanism for incorporating CSO feedback into decision-making processes.

2. Sector policy/strategy

Policy/strategy framework: an essential requirement is the existence of a clear set of sector policies and nationally defined goals, such as a national water policy, which are closely linked to the national development framework. Policies provide a vision for sector development and outline specific objectives. Country ownership is an important condition for the serious commitment to achieving the sector's goals. Although this ownership is difficult to define, it can act to build the links to other sectors that affect the effectiveness of WASH policies. Clear examples are health, education, urban development and environment policies.

Policies are elaborated through strategies for implementation within a specific timeframe to avoid the hazard of vague commitments or aspirations. They should include clear objectives with the required measures for achieving these as well as specific targets. These should be ambitious but realistic and adapted to country-specific challenges and capacity constraints. Ideally, further elaboration of integrated sub-sector strategies will be achieved, with a specific emphasis on sanitation if not included from the outset. Legal (laws, acts and decrees) and regulatory frameworks exist in all countries, but often need to be revised to complement the policy framework, enshrine institutional responsibilities, establish standards and prevent contradictions and overlaps.

Policy/strategy content: As an integral part of the national development process sector policies and strategies should be specifically adapted to country contexts with a clear poverty focus. Specific pro-poor targeting and service extension measures are desirable, as well as provisions to address wider challenges such as rapid urbanisation, climate variability, contamination and conflict. Policies and strategies should be adapted to sector characteristics, providing a clear analysis of bottlenecks and priority areas for investment. They should also ideally take account of cross-cutting issues such as integrated water resource management, livelihoods and

economic growth, equity of service distribution, gender and governance. Some agencies also specify the inclusion of strategies to address sanitation and water in emergencies.

3. Sector coordination

Many countries have undertaken – or are working towards – sector-wide approaches (SWAPs) in the sanitation and water sector, allowing a more coherent and engaged planning process in a fragmented and multi-institutional setting, regardless of the aid modalities used.ⁱⁱⁱ Whether or not a SWAP has been embedded, strengthening sector coordination remains a priority. Line-ministry leadership and partnership with the Ministry of Finance is deemed essential for an effective sector, while the existence of a sector working group that ensures clear institutional accountability and involves all relevant ministries (including health and education) is desirable. Donors should coordinate and align their country-level operations to the highest possible extent as part of their commitments under the Paris Declaration and Sanitation and Water for All (SWA) Collaborative Behaviours (see p8). This coordination can be achieved through national or sector-level donor coordination groups that facilitate communication with government, avoid duplication and reduce transaction costs, ideally with a nominated lead donor representing other development partners.

Multi-stakeholder platforms should be established to allow for meaningful engagement of all relevant stakeholders in sector decision-making processes at different levels. The participation of the private sector and NGOs lends credibility to sector planning processes and helps to ensure more equitable targeting of investments. Civil society organisations (CSOs) and service user groups should also be engaged in holding government and service providers accountable. A desirable form of CSO participation is the existence of a coordinated network or representative body, and meaningful public participation should include representation of marginalised sections of the population as well as media dissemination of information to enable public debate.

4. Sector finance

The sector budget should be formulated as part of the national budget process, with a clearly defined process involving all relevant stakeholders. The budget should reflect sector priorities and be realistic in its estimates. Ideally, it should include explicit targets for pro-poor expenditure. The sector budgeting framework should be linked to the General MTEF (or medium-term expenditure framework) and a consolidated Sector MTEF or SIP (sector investment programme), which is revised annually to reflect budget realities. A national sector financing assessment should also include a realistic appraisal of absorption capacity.

ⁱⁱⁱ It is important to note that a SWAP is not an aid modality, and as such does not equal fund-pooling by the donors involved. It is important to make this distinction particularly since conditioning SWAP participation on fund-pooling is likely to alienate those donors whose procedures do not allow them to do so. If a SWAP is to be truly sector-wide, such exclusion-by-default of sector actors is best avoided.

There should be transparency in resource allocation, particularly from national to decentralised levels, with a breakdown of capex and opex requirements; sub-sector SIPs reflecting the size and needs of the sector are also desirable. Joint financing agreements between government and donors are increasingly used to improve sector alignment. An essential aspect of these is a commitment on the donors' side to a policy of progressive alignment with national systems (which may or may not include a resource-pooling arrangement), ideally leading to donors' use of government systems and a move towards longer term predictable funding to enable better planning and implementation. Where donor funding is off-budget, this should be accounted for and included as part of sectoral spending. Sustainable sector financing mechanisms (for example sustainable cost recovery) are also considered an essential component, and should aim to include specific pro-poor measures.

5. Institutional arrangements

Institutional roles and responsibilities should be clearly defined with a clear separation of policy-making, regulatory and service delivery roles to prevent conflicts of interest, and establish clear lines of accountability and responsibilities for target-setting and progress monitoring. Ideally, this should include institutional mechanisms for working across the various sectors that impact on and benefit from sanitation and water. Capacity-building and human resource development plans are a crucial aspect and require systematic analysis of capacity-building needs and human resource requirements. Specification of capacity needs at various levels, for example in sector institutions and local government, as well as in other ministries and sectors, is also desirable.

Decentralisation reforms have been implemented widely and to various degrees in many low-income countries. But WaterAid research⁶ has found too few cases in which institutional decentralisation is matched with fiscal decentralisation. As a result, too many delegated local service authorities have insufficient resources with which to provide the services they are accountable for. Decentralisation must be taken into account as the context in which sector plans are financed and implemented. A clear definition of the central government's role in a decentralised context is essential, and should be taken into account in SWAp arrangements.

The WASH sectors should keep pace with broader decentralisation reforms and devolve responsibilities as well as adequate resources to lower tiers of government administration. Participation and inclusion of a broad range of stakeholders is crucial for effective planning and implementation of WASH services. A participatory planning process is generally considered essential. Ideally, this should be accompanied by efforts to strengthen the capacity of local authorities for effective information managements.

Putting into practice – the challenges of building functioning sectors

Under the MDGs there was an understandable drive towards new access to water and sanitation services, with development partners and countries each working to achieve these results. But this focus on new access results and repeated investment in infrastructure often came at the cost of investment in developing local systems, and did little to help countries put in place the building blocks described above.

As a result, aid to the WASH sector was not as effective as it could be. Project-type interventions accounted for 85% of water supply and sanitation aid in 2013,⁷ and – along with reproductive health – water supply and sanitation saw the biggest increases in fragmentation of all sectors between 2005 and 2009.⁸ WASH sectors were often characterised by poor coordination and inadequate information, which hampered policy-making and planning and led to weak capability to capture, absorb and spend funds effectively. This in turn created a ‘vicious cycle’ of low investment and poor performance⁹.

Today, much of the investment by both developing countries and their development partners still comes through short-term projects, often concentrating on direct infrastructure investment that are outside the framework of an overall sector plan geared towards long-term and sustained service delivery. It is clear that strong leadership in the development, resourcing, review and coordination of WASH sectors is still developing, with political aspirations to improve access to water and sanitation impeded by the absence of an institutionalised system capable of driving progress.

Establishing the building blocks needed to deliver and sustain universal access therefore requires both developing countries and their development partners to think, do and behave differently. It is not about establishing new forms of donor conditionality, but rather mutual agreement on the reciprocal obligations of donors and developing country governments in developing and strengthening national plans and systems, and identification of the changes in government and development partner behaviour needed to ensure sustainable service delivery.

Such behaviour change will ensure that investments play a catalytic role in supporting countries to build WASH sectors that are capable of identifying and resolving major bottlenecks, and have the capacity to find local and lasting solutions to ensure adequate services for all and forever. They will also ensure that aid helps leverage the domestic resources needed to sustain services in the long term, moving countries away from dependency on external support.

Mutual accountability through global partnership

As a global multi-stakeholder platform, the SWA partnership is uniquely positioned to act as a catalyst for improved development cooperation in the WASH sector, bringing partners together to strengthen planning, implementation and review processes across the sector. To strengthen mutual accountability for effective development, SWA has identified four 'Collaborative Behaviours' for both development partners and governments, which are essential to ensuring that support to the WASH sector is effective, equitable and sustainable (Figure 2).

Figure 2: The SWA Collaborative Behaviours



These Behaviours were identified on the basis of original research, lessons from other sectors such as health and education, and direct experiences of SWA partners.^{iv} They also build on international principles of aid and development effectiveness recognised through the Paris Declaration, Accra Agenda for Action and the Busan Partnership Agreement. They aim to focus attention on **how** partners can work together to scale up for universal access, by strengthening sector building blocks and improving the effectiveness of collaboration in the WASH sector.

Adopting these behaviours will be an ongoing process of collaborative action, through a series of incremental steps that carry obligations for both developing country governments and their development partners. It will require changes in approach and risk-taking on all sides.

By reporting performance against the Collaborative Behaviours,^v SWA can ensure actors are held accountable for progress towards more effective, sustainable and equitable outcomes.

^{iv} Experiences and lessons were drawn from country case studies in Burkina Faso, Timor Leste, Ethiopia, Honduras, Niger, Liberia and South Sudan

^v WHO, through the UN-Water Global Analysis and Assessment of Sanitation and Drinking-Water (GLAAS), is leading monitoring of the behaviours on behalf of the SWA partnership.

Moving forwards

The acceleration in coverage needed to reach universal access by 2030 will depend on the existence of effective country systems and institutions capable of planning and delivering sustainable and equitable services for all. Without such strong functioning WASH sectors, the impact of resources will not be maximised, and universal access will remain out of reach.

Building effective WASH sectors requires all stakeholders to cooperate in support of well-coordinated and planned sectors with strong institutions, and to foster a culture of flexibility, adaption and reform based on identification and navigation of bottlenecks. But current incentives and ways of working do not always encourage such investment.

There is therefore an urgent need for governments and development partners to come together to define common goals and ways of working as part of a mutual commitment to sector development. The building blocks and behaviours outlined on p8 offer a starting point for such discussion. All sector actors now have a role to play in ensuring these are translated into action.

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