

# Sector review processes in Nepal's WASH sector: scoping and recommendations for moving forward

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## 1. Introduction

The acceleration in coverage needed to reach everyone with lasting water and sanitation services by 2030 will depend on the existence of effective country systems that can deliver sustainable and equitable services to all.

Formal, participatory review cycles such as joint sector reviews (JSRs) are one of the building blocks of effective country processes. As part of a broader government-led cycle of planning, monitoring and learning, and reform, an effective JSR can identify areas where implementation is not going well and, by facilitating evidence-based decision making, suggest appropriate course corrections.

JSR processes should also encourage all partners to demonstrate and demand mutual accountability for sector progress. In particular they should offer a means by which development partners can demonstrate accountability by adopting 'system strengthening' behaviours, in line with the principles of development effectiveness.

In Nepal a JSR was established to assess sector performance and policy constraints, and to promote the concept of a sector-wide approach in the WASH sector in 2011. Although the institutionalisation of JSR has been commendable, research shows that many sector actors feel the WASH JSR process in Nepal has not yet fulfilled its potential. However, the sector cannot afford to lose a forum of this kind which is the main opportunity to promote mutual accountability and sector performance monitoring.

As the country prepares to accelerate progress to meet the 2017 basic sanitation and water targets, looks at challenging post-earthquake reconstruction, and moves towards the first WASH Sector Development Plan 2016 as well as the 14th National Plan for development, a strong sector review process such as the JSR will be an essential building block of improved sector performance. This will enhance the sector's ability to influence prioritisation of WASH in national development efforts crucial in the context of the Sustainable Development Goals' (SDGs') 2030 vision.

In May 2016, WaterAid, in consultation with the Sector Efficiency Improvement Unit (SEIU), supported a study on 'Sector review processes in Nepal'. Interviews were conducted with key stakeholders across Government, development partners and civil society (see Annex 1), to gather feedback on the strengths and weaknesses of current sector review processes, and identify opportunities for their evolution. The findings of the study are presented in the following report, which starts with a brief overview of Nepal's WASH sector (Chapter 1) and a more detailed introduction to key elements of the country's current WASH sector review processes (Chapter 2). Chapter 3 analyses the strengths and weaknesses of these current processes, and Chapter 4 outlines areas where a joint sector effort is needed to build on current strengths and overcome bottlenecks. Finally, Chapter 5 summarises key recommendations for moving forward, including urgent priorities for 2016.

## 2. Background

2016 is a crucial time for Nepal's WASH sector. Not only does the Government's target of achieving universal coverage of improved water and sanitation by 2017 call for a rapid acceleration of efforts, but the global framework provided by the Sustainable Development Goals, and the inclusion of the Right to Water and Sanitation in Nepal's 2015 Constitution, make it vital that the sector can collaborate effectively, avoid duplication, and ensure no one is left behind, to achieve the longer term ambition of available and sustainably managed water and sanitation for everyone in Nepal by 2030. Nepal's WASH sector is in a period of evolution and change, to increase the ability of government and partners to rise to these challenges.

Unlike the country's health and education sectors, Nepal's WASH sector does not currently have a pooled fund, and progress towards a Sector Wide Approach has been minimal. However, the sector is working towards consolidation in several areas:

- **Institutions.** A dedicated WASH ministry – the Ministry of Water Supply and Sanitation (MoWSS) – was created at the end of 2015, providing clear, central leadership for the sector.
- **Plans.** The 15-year WASH Sector Development Plan (SDP) is being approved. The formulation of the SDP, collectively agreed in JSR II, stems from the need to improve sector capacity, responsiveness, and accountability through the development of a comprehensive national WASH framework to guide and align WASH sector stakeholders towards improved performance in the sector.
- **Policies and acts.** An umbrella act and policy for the WASH sector is also in the pipeline, led by the Sector Efficiency Improvement Unit (SEIU).

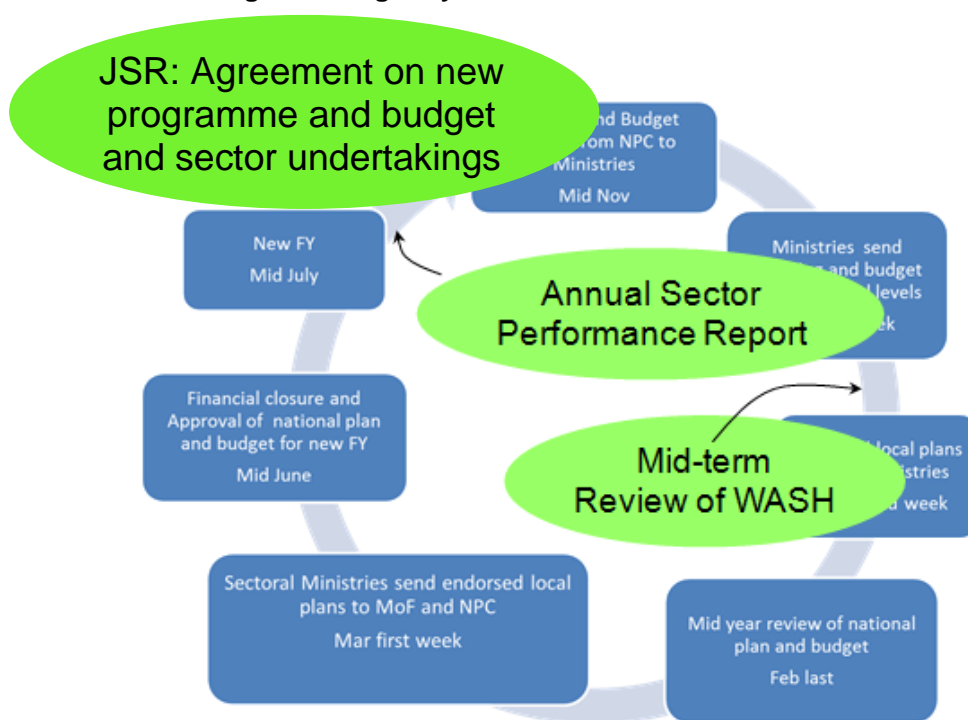
However, in other areas the sector remains somewhat fragmented; in particular, the rationalisation of sector **coordination mechanisms** is less advanced. In addition to a national Sector Stakeholder Group (SSG) led by the SEIU, a hierarchy of coordination committees exists at the central, regional, district, and village/municipality levels. Central and regional coordination is under the leadership of the MoWSS, and district and village coordination is under the leadership of the Ministry of Federal Affairs and Local Development (MoFALD).

A Cluster Group has also been active since the 2015 earthquake. District level coordination – through the District WASH coordination committee (DWASHCC) – led by local development officers, – is reported to be quite strong, but the links between these various groups, and between these groups and key sector processes, remain unclear, and many still see the WASH sector as fragmented. Likewise, the sector **monitoring** landscape remains complex, due partly to challenges in developing a joint monitoring and evaluation system, and a lack of transparency from development partners. This fragmentation not only poses a challenge to effective cooperation within the WASH sector, but also makes it difficult for the WASH sector to influence and collaborate with other key sectors such as health and education.

Within this context, the Government of Nepal has recognised JSR as a key building block of improved sector performance, and over the past five years has built a systematic pathway around a biannual JSR process. In turn, this support has been reiterated at the highest level – Nepal’s Statement of Commitment for 2014 Sanitation and Water for All High Level Meeting states that ‘The second Joint Sector Review (JSR II) held in March 2014 has provided clear direction and solid contribution through intensive consultation and review’, and JSR meetings have been used as milestones of progress against Sanitation and Water for All (SWA) commitments. The successes of Nepal’s JSR process have also been highlighted on the global stage, with a recent study from the Water and Sanitation Program (WSP) drawing on Nepal’s experiences to inform global learning.<sup>1</sup>

However, today the future evolution of the JSR process is somewhat in doubt. The little progress in ensuring the JSR fulfils its potential has risked the loss of Government support for the process, and although the new Sector Development Plan makes reference to an ‘annual sector review’, clarity on what this will entail has become less clear as drafts have progressed. A diagram in the latest version of the SDP<sup>2</sup> suggests a movement towards ‘Annual Sector Reviews’ (ASRs) as part of an annual cycle that also includes a mid-term review and development of an annual sector performance report.<sup>3</sup>

Figure 1: National Planning and Budget Cycle as outlined in SDP Draft 5



There is therefore a timely opportunity to refresh and strengthen the JSR, to ensure that the future evolution of Nepal’s sector review processes builds on these existing foundations to further catalyse long-term sector performance and sustainability.

### 3. Key elements of the current WASH sector review process in Nepal

#### 3.1 Joint sector review

The first ever JSR was held under the lead of the Ministry of Physical Planning and Works in 2011 (then the lead Ministry of the WASH sector), and a joint resolution with action points in seven thematic areas was signed by Government ministries, development partners and civil society organisations. The second JSR<sup>4</sup> was kicked off by a planning meeting on 21 February 2014 and culminated in a conference held on 31 March and 1 April 2014. A 2016 JSR has not yet taken place.

In Nepal 'Joint Sector Review' is widely understood to refer to a four-week to six-week intensive process of preparation by thematic groups that incorporates a kick-off meeting, field trips and learning exercises, and intensive work by thematic groups, culminating in a large two-day gathering or conference (for more than 200 people). These individual elements are outlined in more detail below.

#### 3.1.1 Thematic working groups

The work and inputs of the sector thematic working groups (TWGs) are widely seen as the core of Nepal's WASH JSRs to date. Groups exist in nine thematic areas (with the ninth – Urban WASH – only recently added). Each has both a Government lead and a development partner co-lead, but anyone with expertise and interest can join. Through this structure the thematic groups have been credited with helping widen Government ownership of the JSR process beyond the SEIU (indeed, the Sector Financing Group actually has a lead from outside the WASH Ministry – the National Planning Commission).

The current WASH thematic working groups are:

- Institutional Framework and Capacity Building: MoWSS (lead), ADB (co-lead)
- Sector Finance: NPC (lead)\*, WB (co-lead)
- Monitoring and Evaluation: MoUD (lead), UNICEF (co-lead)
- Functionality and Sustainability: DWSS (lead), SNV (co-lead)
- Sanitation and hygiene: DWSS (lead), UNICEF (co-lead)
- Water quality: DWSS (lead), WHO (co-lead)
- Gender Equity and Social Inclusion: DWSS (lead), ADB (co-lead)
- Disaster Risk Reduction and Climate Change: DWSS (lead), UNICEF (colead)
- Urban: Ministry of Water Supply and Sanitation (lead), Ministry of Local Development (co-lead), UNHABITAT (secretary)

Before each JSR conference, the TWGs are responsible for distillation of lessons from field visits and identification of suggested undertakings. They should also pull together traffic lights based on progress since the last JSR. On this basis each

thematic group prepares a thematic report as an input to the conference (some do this themselves, others use consultants), and at the conference itself this information is presented and used to stimulate discussion. Crucially, TWGs are also seen as responsible for implementing the activities agreed as an outcome of the JSR – but activity around this seems much weaker.

Although the work of the TWGs is seen as incredibly valuable, the level of activity undertaken is perceived to vary considerably across the groups, and depends very much on the engagement of the leads and members, rather than the importance of issue. No standard terms of reference to guide the work of the TWGs seem to exist, and the composition of the groups is also largely dictated by organisational interest and mandate (ranging from three to 25 members).

### 3.1.2 Field/learning visits

Field trips have been organised four to six weeks ahead of both national JSR meetings. They are organised on a regional (rather than thematic) basis, with each trip looking across all thematic issues to bring the different thematic discussions together. Participation in the field trips is self-funded.

Field visitors were given a checklist of theme-specific questions, which were used to gather lessons. A narrative description of the highlights of these ‘learning team visits’ – and associated thematic findings – was then consolidated into the JSR technical report (see below).

These field trips are widely praised for playing a key role in ensuring the national JSR is based on field reality by identifying lessons from the local level, strengthening understanding of capacity at regional and district levels, and ensuring this informs national policy discussions. They are also credited with building confidence and taking people out of their siloes by bringing together the different thematic streams.

### 3.1.3 Reports and action points

In previous years, several reports have been associated with the JSR process. These include:

- A **Technical Report**, which includes a summary of agreed resolutions/action points, consolidated reports, and recommendations of the technical working groups, and reports of field visits.
- A **Process Report**, which provides a detailed overview of the preparatory process, conference agenda, participants, and funding etc.

The format of these two reports is agreed at the start of the intensive JSR process (i.e. 4-6 weeks before conference itself).

Key priority actions or ‘resolutions’ are included in the Technical Report. These are developed by a Resolution Team on the basis of recommendations (drawing in particular on the work of the thematic groups and field visits) and presented in the

conference. Because of a struggle to reach consensus (largely driven by the desire of different stakeholders to ensure inclusion of ‘pet’ topics), JSR II resulted in more than 30 undertakings, although the intention is to end up with around ten to 12.

A third report – the **Sector Status Report** – is also often associated with the JSR, but is less directly linked with the JSR conference, and is usually prepared **after** the conference using end of year data. Problems compiling the 2014 report meant it wasn’t actually finalised until 2015. The report focuses on access and functionality statistics, and aims to provide a picture of how different regions are progressing; it does not seem to look explicitly at progress against JSR resolutions.

The only report that seems to include a review of progress against JSR resolutions is the report of the Sector Stakeholder Group annual progress review meeting.<sup>i</sup> Produced as an output of the SSG meeting, this report includes progress reviews by agency, a broad analysis of sector progress in the past year, resource projections for the coming year, and – crucially – an analysis of progress against the JSR recommendations. However, of all the reports listed above, the SSG report itself is most weakly linked to the JSR process.

### 3.1.4 Regional JSRs

Only one set of formal Regional JSR meetings has taken place in Nepal, with three held in February and March 2015. They were attended by representatives from district-level Government agencies: DWSS; DoLIDAR; Health, Education and Women Development; and by regional and district NGOs and CSOs.

The regional JSRs were described as an opportunity to capture local learning, and were used to present thematic traffic lights, although serious consideration and debate of findings was apparently limited. The TWGs – and indeed most partners – seem not to have been aware or involved in the regional reviews, and no visible follow up or report is apparent. Indeed, despite being referred to as ‘regional JSR’, these meetings seemed to have little link to the national JSR process, and to serve primarily as a consultation forum for the SDP.

### 3.2 Sector Stakeholder Group (SSG)

The formation of the WASH SSG was delineated by the RWSS Policy/Strategy–2004 and Urban WSS Policy–2009 to provide a platform for sector dialogue and coordination. Under the leadership of the SEIU, the SSG brings together 60–100 people representing DPs, INGOs and key Government programme leaders. Several annual SSG meetings have been held with the objective of bringing all sector stakeholders into a joint planning and monitoring exercise, but the effectiveness and productivity of these meetings has been questioned.

The SSG is not currently formally considered to be part of Nepal’s Joint Sector Review, but its role is intimately linked to the process of sector review (and indeed it

<sup>i</sup> September 2012. Proceedings of Annual Progress Review Sector Stakeholder Group Meeting.

### Box 1: Reconciling JSR and SSG Meeting

Although the SEIU provides the secretariat for both the JSR and SSG, the link between the two platforms is unclear, because neither has a formal charter or terms of reference.

The key differences between the two seem to be understood as frequency (the JSR is currently bi-annual, and the SSG is annual), size (the SSG is considerably smaller) and depth of discussion (the JSR provides an opportunity for detailed thematic review and includes a regional consultation element through field visits, whereas the SSG tends to be limited to in-house reflection). The JSR is also seen as more forward looking, whereas the SSG is focussed on taking stock.

However, many stakeholders admitted to having difficulty distinguishing between the purpose of the JSR and SSG, describing this as 'an unresolved issue for the sector'. Many questioned the need for two distinct platforms called different things that both deal with review issues, especially when they involve largely the same stakeholders. The fact that the agreement and review of JSR resolutions is split between the two platforms (with the JSR agreeing new resolutions, but the SSG being the only forum in which progress against the resolutions is substantively reviewed) is a cause of further confusion.

There is a strong desire among sector stakeholders to clarify, link, and possibly rationalise the roles of these two platforms. The SDP seems to grapple with this to some extent, but the implications of the suggestion that 'from now on the SSG meeting will be organised coinciding with the Annual Sector Review' are unclear.

is described by many as a 'mini JSR' or 'annual review'). Indeed, the description of the objectives of the 2012 SSG seems to overlap considerably with the perceived functions of the JSR: 'The objective of the SSG meeting on 3rd September 2012 was to document physical progress, the results and investments in the sector in 2068/2069 (2011/2012) by all sector agencies (GoN and DPs/INGOs), and to share priorities/action plans with allocated resources for the next year. In addition, this meeting also sought to reduce duplication, overlapping of resources and identify the unreached areas and resource gaps.'

Today, the SSG seems to provide the primary forum for review of progress against actions identified in the JSR. Some also see it as providing a forum for INGO accountability, although this aspect has been poorly coordinated in previous years.



## 4. Strengths and weaknesses of the current sector review process

Support for continuation of the JSR, as a key component of a broader sector review process, remains high across stakeholders in Nepal's WASH sector. However, stakeholders also recognise that there is scope for the process to evolve, to build on current strengths, and mobilise a joint sector effort to strengthen the elements that are weaker.

### 4.1 Strengths

#### Coordination and Collaboration

The last four to five years of JSR processes in Nepal are widely welcomed, primarily for their contribution to the coordination of stakeholders. By bringing sector actors together, the JSR is seen as fulfilling its function as a single forum for learning, sharing and discussion. The lack of a single functional national coordination platform for WASH seems to make the JSR's role in this basic coordination function – which in other countries might be met through other mechanisms – all the more important in Nepal.

The JSR is praised for moving the sector away from the landscape of ten years ago, when development partners were implementing their own programmes in siloes, and meeting individually with the line ministry. By bringing diverse stakeholders closer together the JSR process is credited with facilitating synergies, including donor division of labour, and it continues to be appreciated as a forum through which to work together.

As such, the inclusive nature of the forum and the wide variety of stakeholders actively involved in processes of preparing and presenting technical reports, developing recommendations etc. is seen as a particular strength, with the thematic working groups and field visits especially valued for bringing together different stakeholders at different levels.

The JSR has also been praised for providing an opportunity for inter-sectoral review through engagement of representatives from health, education and local development, although this seems to have waned in recent years.

#### JSR actions as the basis for joint planning

JSRs have been used to identify key priority actions for Nepal's WASH sector, which in turn have been credited with concentrating the plans of sector actors around common areas of consensus. In particular, both the 'One Plan' and the 'One Policy' outlined in Section 2 represent action points agreed by JSR II that are now on the path to being realised. In particular, the development of the SDP, through a Government-led consultative process with support from across the sector, marks an enormous achievement for the sector and a clear success for the JSR. Crucially, this common plan can in turn now provide a roadmap for further joint planning and actions (to date JSR priority actions have remained somewhat distinct from broader

sector commitments and have not been grounded in annual sector plans, but it is hoped that the SDP will help to better align planning and review processes).

More generally, development partners credit the JSR with helping them plan based on commonly agreed gaps and priorities, even expressing surprise at the extent to which action points have been taken forward in their own work. Some can point to concrete examples of how JSR decisions have been incorporated into their programming (for example around institutionalising support for water user committees, or increasing work in dry areas).

### **Progress towards improved sector reporting**

The JSR is credited with bringing sector stakeholders together to provide thematic reports on gaps and outstanding requirements in respective thematic areas.

To some extent the JSR has also helped improve reporting among partners, by triggering reporting on achievements and challenges of programme activities. Indeed, some stakeholders cited a significant improvement in sector reporting between JSR I and JSR II, with more donors incentivised to provide data by the desire for their contribution to be recognised in sector dialogue.

### **Joint responsibility for sector performance**

The joint nature of the JSR is seen as a central strength, making it clear that the onus for reform lies not just on Government but also on Nepal's development partners, and – through joint signing of decisions – providing a commonly accepted way forward.

### **Transparency**

The clarity of communication on what is expected in the process has also been a strength of Nepal's WASH JSR; the process has been well documented, with good transparency and publicly available resources, all of which have been crucial in strengthening accountability across the sector.

## **4.2 Areas for improvement**

### **Translating plans into action – the implementation gap**

Key stakeholders across Nepal's WASH sector have made a clear commitment to work collaboratively, and have provided inputs to a process that has enabled the sector to articulate a joint plan for the next 15 years. However, despite such promising steps, experience to date casts some doubt on the capabilities of sector stakeholders to translate identified plans and priorities into practice, and to monitor impact.

Despite the positive examples given, some development partners were less positive about the role of JSR in shaping their own plans and activities. Many of the sector's

major donors cited a clear pipeline of activities already mapped out through to 2019/2020, which provides little scope to change programmes to respond to sector discussions. There is also an indication that whether or not undertakings are incorporated into plans depends very much on whether they are already an area of organisational interest and priority. This suggests a worrying disconnect between donors' outward support for joint planning – including through the SDP – and their practice (with the latter heavily shaped by global organisational direction and priorities).

As a result of such practice, Government leadership has raised concerns regarding the failure of development partners to align behind a process of joint planning.

Similarly, despite notable successes such as the SDP, concerns were raised around the extent to which the Government itself is necessarily taking all action points forward, with progress around several undertakings having stalled. In particular, the development of a Sector Financing Strategy<sup>ii</sup> is seen as a key undertaking that was signed off by the Government of Nepal but has not been taken forward. Such gaps are seen as symptoms of the Government's limitations in coordinating collective leadership.

A number of stakeholders attributed the fact that many undertakings included in JSR II were not picked up in plans to their large number; the range of action points was very broad, with many identified as 'high' or 'very high' priority, making identification of sequencing or prioritisation difficult. Currently there seems to be little rationalisation or checking of undertakings to see if suggestions from different groups are compatible and feasible – instead selection is based more on 'who shouts the loudest'. In interviews, many sector stakeholders suggested that greater rigour in deciding what makes the final list – to focus on priority actions that can feasibly be implemented within the given time period rather than a 'shopping list' from each thematic group – would be important in future. This was also suggested as a key lesson from the health sector, which now limits the number action points agreed at each JSR.

Another key dimension of this 'implementation gap' is the extent to which the JSR currently provides an effective forum for mutual accountability. Stakeholders rarely cited accountability as a key function (although it was recognised as important when questioned), and they described the 'checks and balances' of the follow-up process as weak. Unlike the recommendations in the individual Thematic Working Group reports,<sup>5</sup> the overarching JSR resolutions are not accompanied by identification of responsible parties,<sup>6</sup> either within Government or among development partners. This makes the roles and responsibilities of different actors less clear and further undermines their ability to hold each other to account. In theory, thematic groups are seen as collectively responsible for driving implementation around the priorities they have identified, but experience shows that although groups tend to be very active in

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<sup>ii</sup> The current process has been to include a financing chapter in the Sector Development Plan 2016, which may not fully suffice the detail targeting, financial planning, resourcing that would be needed to meet WASH needs to meet the 2030 vision.

preparing input in the weeks before the JSR, their role in follow up has been much weaker, with many going quiet in the aftermath of the JSR conference. Again, the lack of oversight mechanism or clear terms of reference to guide the work of the TWGs means the level of activity and quality of work entirely depends on the competencies and interests of members.

It is also interesting to note that although the JSR identifies action points it hasn't always played a role in reviewing progress against them (this is done in the SSG instead), so there is a lack of a clear cycle of accountability that both starts and finishes with the JSR. The previous two JSR cycles have lacked comprehensive follow-up steps, creating a barrier to progress on the commitments made at meetings – and again contributing to a disconnect between the JSR and broader ongoing processes across the sector.

There is wide agreement that greater focus on the processes of follow up and accountability between the formal JSR meetings must be central to the evolution of the process, and, linked to this, that there is an urgent need to move away from seeing the JSR as a one-off meeting or intensive month of 'activities', towards an ongoing process. A key component of this will be thinking through how other existing sector fora can be used more systematically to play an active role in ongoing monitoring against key JSR action points (as done through quarterly coordination meetings in the education sector).

### **Joint budgeting**

As highlighted, the lack of a credible financing strategy remains a key gap for Nepal's WASH sector, and although the SDP provides a broad vision for the sector, it is not seen as a document that aids joint planning to harness WASH delivery because of the lack of operational details.

However, although donors attributed this lack of a forward-looking financing strategy to the JSR's limited success in stimulating a sector conversation around financing needs, allocations and gaps, Government officials have criticised the lack of transparency of donor and INGO budgets as a significant, ongoing problem. Indeed, lack of timely declaration of budgets by development partners working in the WASH sector is cited as a key impediment to better joint planning. Considerable sector spending is still 'off-budget', and there is no systematic process to report total WASH budget or expenditure considering all sources. Without updated information that brings together donor, INGO and Government budget ceilings – and considers the contribution of users, it is hard for the JSR to play a role in ensuring allocation of funds based on priorities.

### **Joint monitoring**

The JSR framework developed by WSP rightly puts a sector monitoring framework at the heart of any sector review process.<sup>7</sup> However, although Nepal's implementing agencies regularly carry out individual monitoring exercises (often through a consultant), Nepal lacks a coherent joint sector monitoring framework.

A Management Information System has been developed, but it is seen as inactive and rarely used, particularly at district level. Donors are seen as still wanting to use their own targets, especially at local level, making it difficult to know who is working where, how they operate, and what the outcomes of their efforts are. Also, the majority of monitoring which informs the JSR is done in a hurry as part of field visits in the immediate run up to the meeting, without agreed indicators, rather than being integrated into broader systemic monitoring. This uncertainty in turn impedes ability to conduct a robust and comprehensive sector review based on understanding of collective contribution to sector performance over time.

## Joint reporting

Closely linked to the joint monitoring issues is the fact that Nepal's move to 'one sector plan' (SDP) has not yet been paralleled by a move towards 'one sector report', with the absence of the latter widely seen as the key missing link in the JSR process.

Although some limited improvements in reporting have been made (see above), the WASH sector still lacks a consolidated sector performance assessment (or indeed a review of progress against issues committed at previous JSR conferences). Although reports are produced – including the JSR technical and process reports, the sector status report, and SSG reports – they are numerous and difficult to navigate, providing an overload of information rather than a clear view of sector progress. The SSG report is probably the closest to a consolidated overview of sector performance, and yet is not currently seen as part of the JSR process. Those reports that are linked to the JSR process are primarily seen as outputs, rather than inputs that can inform discussion and decisions.

Although country capacity in data collection and analysis remains relatively weak (particularly when it comes to tracking progress among disadvantaged groups<sup>8</sup>), many stakeholders suggested the lack of a common report on the state of the sector was primarily a problem of fragmentation rather than caused by an absence of data and analysis. Stakeholders suggested, 'an abundance of analysis is being made, but not really used', and that information exists (at least at an agency level) but is scattered and not used or usable (in part due to a lack of uniformity and reliability).

Under current reporting process, information should be gathered from the bottom up, with information passing from the district to the department to the ministry for consolidation. However, despite agreement around targets at high level, there is an outstanding challenge around getting different organisations to fit into a consistent reporting framework. Predefined donor procedures can be problematic, leading to reporting which does not fit or feed up as intended. This is further complicated by the fact that donors and INGOs also report directly to the National WASH Coordination Committee as asked, possibly leading to double counting (the latter is also only done on an ad hoc basis, rather than as part of a regular reporting cycle).

Crucially, these challenges are not limited to development partners and INGOs, with the Government itself also struggling to report in a single format. It was also suggested that weak links across ministries means the JSR is failing to draw on all of the information that could shed light on sector experience. For example, information from the Department of Health is not currently used by the WASH Ministry, and the Central Bureau of Statistics (CBS) has not been involved in sector review processes to date (although the CBS focuses solely on production of data, and thus is unlikely to be helpful in terms of ongoing monitoring, it could possibly provide technical support to the WASH sector).

Together, this lack of robust joint monitoring and reporting make it hard for the JSR to fulfil its function as a forum in which stakeholders can use data to inform action. Although information is presented through JSR conferences, its reliability is not always clear, and presentation is rarely accompanied by discussion of what this actually means for what will be achieved and what needs to change. Recommendations are often developed very quickly without critical consideration of sector progress and bottlenecks.

A move towards one consolidated sector report will therefore be vital to the future evolution of the JSR, but will require not only greater transparency of reporting by development partners and INGOs, but also improved harmonisation across government – both of which must be underwritten by a strengthened sector monitoring framework, as outlined.

## Representation

Although the inclusive nature of the JSR process was widely welcomed, some questions were raised around the extent to which focal points are always consulting with, and truly representing, their wider constituency (rather than primarily their own organisation).

Stakeholders also suggested that the notion of joint responsibility may be somewhat undermined by the fact that one of the four constituencies currently participating in the JSR process (INGOs) is not a signatory to the final document, and thus has no formal channel of representation.

## Bringing together national and regional conversations

The field visits organised as part of the JSR process in previous years have been widely welcomed, and at the moment seem to be main source of regional learning and input. However, although the flow of learning and input upwards from the ground to the central level seems to be working well, how decisions made at central level and flowing back down have a real impact on key sector bottlenecks is less clear. The weak involvement in the JSR of the Ministry of the Federal Affairs and Local Development (MoFALD who lead local level implementation of WASH programmes), apparently due to time constraints that prohibit involvement in something they do not see as 'core work', is also a serious detriment to stronger links between centre and local level. There is thus a call for the SEIU to play a much stronger role in ensuring

greater involvement of MoFALD in the JSR processes, and ensuring institutions and agencies are taking JSR undertakings forward through their district-level work. In contrast with the field visits, the success of the Regional JSR meetings in 2015 seems to have been more limited, with no apparent follow up or feed into national conversation. If such regional JSRs are to continue, their purpose and links to broader review process at regional and central level will need to be much more clearly defined.

## 5. Moving forwards

Although the WASH sector review process in Nepal – and the JSR in particular – is highly valued, particularly for its contribution to sector coordination and learning, it is clear that some key elements of the process (including those around mutual accountability and decision making based on a consolidated picture of sector performance and available financing), remain weaker. The process also remains quite isolated, and does not seem well integrated into the broader sector cycle of planning, budgeting and monitoring. These flaws make it all the more important that the sector review process not only continues, but is strengthened to ensure it can fulfil its potential in bringing stakeholders together around joint planning, monitoring, reporting and budgeting. To achieve this, nine key steps can be identified:

### 1. Place SDP at heart of sector review

The new WASH sector development plan, developed through rigorous consultations under leadership of the Government, provides an opportunity to re-engage stakeholders around a common agenda, and work together to identify – and address - gaps. For the first time, the SDP provides Nepal's WASH sector with a framework for moving towards 'One Plan', behind which the individual plans of ministries, departments and development organisations should align. As such, there is wide agreement that the SDP should provide the overarching document for the sector going forward, including for any sector review processes.

Numerous stakeholders therefore called for the SDP to be put at the heart of sector review processes, with the JSR becoming the channel for realisation of the SDP through the collective prioritisation of actions and consolidation of respective contributions to common sector goals. By providing a joint agenda, the SDP can help move the JSR towards a genuine process of sector-wide review, rather than a forum for sharing individual institutional agendas. The forward-looking milestones included in the SDP can also ensure the JSR links recommendations and undertakings to a clear forward-looking vision, and in turn the JSR can play a role in interpreting the long-term vision of the SDP into a more operational rolling workplan.

As well as being linked to the SDP, it will be crucial that the JSR outputs are easily digestible and linked to a clear and succinct tracking process. If a consolidated set of action points cannot be agreed within the hectic environment of the JSR conference, it may be appropriate for a small representative group to be responsible for developing a final set of harmonised and consolidated action points that has been checked for anomalies and mapped to corresponding finance.

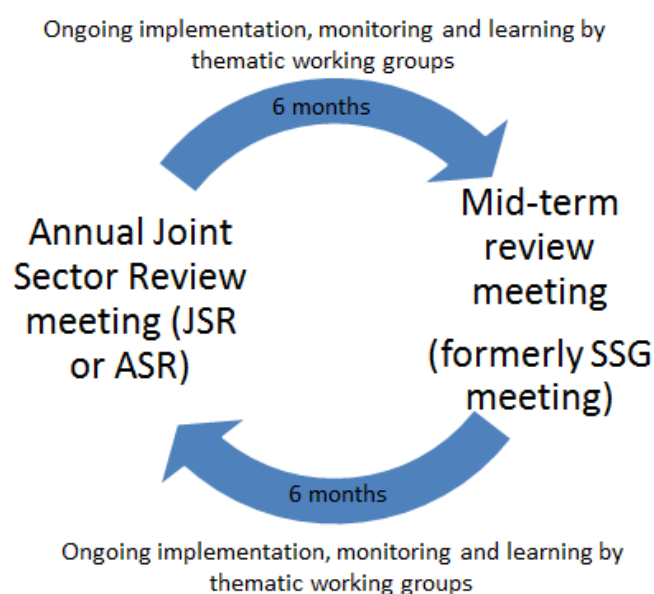
## 2. Bring together current activities to create streamlined review cycle

At the moment WASH sector review in Nepal is made up of a number of fragmented elements, which – although individually beneficial – are failing to fulfil their collective potential because the sector does not yet have a clear system of review that is widely understood. As the sector review process evolves, a primary objective should be to better identify the respective roles and responsibilities of the various elements of the review process, and bring them together into a unified review cycle. This will also help ensure sector review is understood as an ongoing process, rather than an isolated annual or biannual event.

There is a clear case for a JSR to remain a key component of this review process, and there is support for an annual review meeting to continue under this name, as it is seen to capture well the aspirations of what is intended, and to have global resonance. But it needs to be integrated into a continuous process of information gathering and follow up, to ensure policies and decisions are implemented or, if necessary, revised.

Of particular importance is the need to clarify the respective roles of the JSR and the SSG within such a cycle. Rather than being timed to coincide with the annual sector review (as suggested by the draft SDP), there seems to be a strong case for the SSG to be reframed as a mid-term review that operates six months after each annual JSR gathering (although a name change for the SGG is not vital, it could help clarify and strengthen the link with the JSR). SSG or mid-term review meetings could complement the larger JSR forum by providing an opportunity for more in-house reflection and stock-take against undertakings agreed at previous JSRs, and identification of any necessary course corrections to ensure the sector remains on track. One stakeholder described this as ‘focusing on the hiccups’.

### Suggested WASH sector review cycle





There was also some debate about whether these two fora should be further complemented by a more regular convening of thematic group leads (e.g. on a quarterly basis) to check activity, and ensure greater accountability for progress. Before a decision on this point is taken, it would be useful to clarify if/how the National WASH Coordination Committee could be positioned within an ongoing cycle of follow up and review, and whether it might be able to play such a role (to avoid further fragmentation or duplication).

The role and timing of future Regional JSRs is also an area in need of careful consideration, because, unless these are better integrated into a broader review process, they will continue to add little value to sector performance. As such there is tentative support for their continuation, as long as better follow up and integration into a broader cycle of learning and review can be assured. Stronger involvement of the MoFALD across the review cycle will be critical to achieving this, as will mapping out links to Regional WASH Coordination Committees, and to the JSR field visits, to avoid duplication or fragmentation. Indeed, one suggestion is that the Regional JSR and JSR field trips should be brought together, with field visits accompanied by collection of documentation and reports from districts and WASH divisional offices, and culminating in a more robust and in-depth regional discussion that is then directly carried through into a central JSR.

Such an evolution would obviously have implications for what is currently known as the 'JSR process' – the intensive four to six-week period ahead of the JSR conference itself. A number of stakeholders suggested a slightly longer but less intensive preparation period, to allow more time to digest inputs from regional reviews and thematic group inputs, and ensure lessons from these could be digested and consolidated as part of a broader sector performance assessment that could then in turn provide key input to the meeting (see below). It was suggested that the current intensity of preparation does not allow time for a sufficiently measured and informed approach to defining key areas of discussion.

### **3. Clarify an annual calendar that integrates review with other sector processes**

Not only do the individual elements of the sector review process need to be brought together, but the entire review process needs to be better integrated into the broader sector cycle of planning, budgeting, and monitoring. This will be critical in ensuring the JSR fulfils its key role in shaping sector plans on the basis of critical review and reflection, and ensuring activities that follow JSR are in line with key policy decisions. The National Planning and Budgeting Cycle (figure 1) outlined in the SDP is a good step towards this, but more detail is needed, and there is still confusion around if or how other key sector fora (such as the SSG) will be incorporated into this cycle.

As a key step, the timeline of sector review needs to be revisited with renewed attention to establishing a common planning, reporting and review process for the sector. On the basis of this, a clear sector calendar should be identified, agreed and enforced, to ensure predictability and allow adequate preparation. In doing so, consideration should be given to whether the JSR should remain a biannual process,

or whether an annual process would better allow sector review to become an integral part of monitoring, reporting and planning for the sector. A move to an annual sector review cycle need not necessarily involve a doubling of efforts, as elements of an annual sector review are already taking place every year through SSG meeting. Repositioning these under a JSR banner could in fact help streamline and consolidate the review process – as well as reinforcing the idea of JSR as an ongoing process rather than a meeting that happens every two years.

A key consideration in the development of such a calendar will be identifying moments in the Government fiscal year and planning cycle when the JSR and mid-term sector review process can best be situated. However, although there is widespread agreement on the importance of such alignment, reflections and suggestions on how best achieve it vary considerably. Many stakeholders suggested September as the best window for the JSR itself, to allow reflection on what was achieved in the fiscal year that ended in July. Crucially, moving the JSR to September would allow a sector performance report using end of year data to be consolidated before stakeholders convene to review sector progress. This timing would also allow JSR outcomes to be incorporated into planning for the coming fiscal year, because planning at district level usually begins around December or January. Under this model, the SSG or mid-term review could take place in March, to allow review of progress. However, a September JSR would come too late to inform plans for the immediate fiscal year, so would be operating with a year's delay for lessons to be fully integrated into planning.

An alternative suggestion – that the JSR continue to take place in March/April – also received support from several stakeholders. Such timing would fall just before the preparation of the budget, and allow review of the year that is just coming to an end. It would also coincide with the timing of review processes in other sectors such as health. However, a March review would come too late to inform the start of the planning process. Thus identifying an annual calendar taking into account other key processes to be informed by and to influence or contribute to would be a key step to ensure a vibrant review process.

Constitutional changes may have implications for the timings of the annual fiscal and planning cycle, which the WASH sector would need to be prepared to respond to.

#### **4. Strengthen the monitoring and reporting framework**

Strengthening the performance of Nepal's WASH sector will depend on the sector's ability to move towards a common monitoring and reporting mechanism. As an urgent priority, common indicators that can be used to review sector progress need to be identified and agreed, and captured through strengthened monitoring and reporting systems.

It may be that useful information is already being collected through existing systems and platforms such as the National Management Information Project (NMIP). Rather than establishing new processes or platforms, a first step should therefore be to

identify what information is already being collected through current systems, and then work to fill any gaps through collective action to strengthen the NMIP.

Similarly although current donor and INGO reporting has been criticised, there seems to be an openness to improve on the basis of clear direction from Government. Seizing this window to clearly identify and insist on a common reporting format based on identified information needs should therefore be a priority for the Ministry ('what you ask for is what you get'). For their part, development partners must equip to respond in a timely and transparent manner.

The information gathered through these efforts should be used to prepare a consolidated performance report that captures both a broad sector overview (to allow reporting on SDG progress) and a detailed activity level review of sector performance against particular undertakings or targets committed in previous JSRs. Crucially, this kind of analysis needs to be prepared and circulated **before** the JSR conference to enhance discussions and enable evidence based decision making.

## 5. Revitalise thematic groups

Although the TWGs are recognised as playing a vital role in the JSR process, a lack of overall coordination seems to be creating a scenario in which the level of activity around key issues is determined by organisational interest and preference, and some important groups remain inactive or unproductive (for example institutional development groups). Similarly, implementation of action points has not been going as well as has identifying them, and there is a widespread view that the TWGs need to be better coordinated and more accountable.

In particular, stakeholders felt that the sector could benefit from more regular stocktaking of group activities and progress, to ensure groups that aren't working well or haven't met for several months are brought to the attention of the sector. This was widely seen as being the Government's responsibility (in particular the SEIU), but ensuring greater accountability and functionality of all thematic working groups will require the commitment of all sector actors.

Basic guidance on expectations for leadership and co-leadership of thematic groups (for example how often they should meet), may also help ensure greater structure and consistency across TWGs.

Finally, current uncertainty around 'fit' with the SDP seems to be causing considerable confusion. A decision around if or how the groups will be realigned is needed as soon as possible to ensure clarity, and allow stakeholders to continue valuable thematic work. If current groupings are reshuffled to allow alignment with the 11 priority areas in the SDP, the Government should outline clearly how those areas that do not have explicit space in the new framing (e.g. urban) will be taken forward to ensure continued space for policy-level discussion.

## 6. Strengthen capacity of the SEIU

The fact that the SEIU, which leads the JSR process, is now fully financed by the Government as a permanent unit is a major achievement for Nepal, and there is widespread support for the SEIU to continue its leadership of the JSR process. However, a number of stakeholders mentioned the need to strengthen the capacity of the SEIU, to allow it to better exercise this leadership – especially regarding overarching coordination or supervision of the TWGs, as outlined.

It was also suggested that the SEIU's resources will need to be strengthened if the unit is to adequately oversee delivery of JSR processes and arrangements, because this level of preparation is beyond what can be expected of thematic groups.

Questions were also raised around whether capacity is needed outside central level (e.g. mini SEIU units focused on efficiency at regional level), to ensure follow up at regional level and better national or regional linkages, although there was no clear consensus. It may be appropriate to revisit this question as the JSR becomes more established in country processes and better linked to existing regional coordination platforms (such as Regional WASH Coordination Committees), to see if additional units are needed.

## 7. Strengthen participation of non-WASH Government actors in sector review

The cross-cutting nature of WASH also makes it vital to have a joint forum for review. As mentioned, greater involvement of MoFALD will be crucial to the evolution and success of the WASH JSR, but stronger links with other ministries such as health and education would also add enormous value to the review process.

There is also a need for the WASH sector review to be better linked into other parts of Government with oversight of planning, financing, monitoring, programme approval etc, to ensure coherence with non-sector processes. Continued involvement of the National Planning Commission will therefore be crucial.

## 8. Engage in national and global knowledge sharing and learning around sector review

Although not directly comparable, this study has highlighted the valuable learning that can be drawn from review processes in Nepal's other service sectors, especially those that are further down the path towards a consolidated sector-wide approach than is the WASH sector.

There is also value to be gained from engagement in global discussions around the strengthening and evolution of WASH sector review processes, through fora such as the SWA. In many ways Nepal's JSR has been an example of good practice, and the challenges it is facing also provide an opportunity for learning and exchange.

## 9. Strengthen cooperation to improve development effectiveness

Refreshing and strengthening Nepal's JSR process to ensure it fulfils its function in driving sector reform will require action from both Government and development partners.

In particular, the importance of Government leadership is recognised by all, and the Government of Nepal is to be praised for the clear, strong leadership it has shown, especially around JSR II. However, there are also areas where the Government's collective leadership needs to be enhanced to allow the sector to move forward effectively, for example:

- Outlining and enforcing a clear and predictable sector calendar
- Outlining and enforcing a common reporting format for the sector (crucially, this also requires districts and WASH divisional offices to be more responsible – i.e. beyond central level)
- Strengthening the sector monitoring framework
- Oversight and coordination of TWGs
- Ensuring greater harmonisation and integration across the Government's own ministries and departments

In parallel, there is a need for development partners and INGOs to adopt behaviours that support this Government leadership and are aligned with movement towards robust, country-owned sector systems.

In particular, improved transparency is urgently needed in terms of both reporting what has been done and sharing forward-looking budget ceilings. The absence of such information is seen as a key impediment to effective sector planning and review. Ensuring that rhetorical commitment to a 'one sector plan' is translated into practice will also be critical.

The [SWA Collaborative Behaviours](#) – endorsed by the SWA Partnership of which the Government of Nepal and many of its development partners are members – may provide a useful framework for fostering mutual accountability around collective behaviour change in support of more effective cooperation.<sup>iii</sup>

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<sup>iii</sup> Performance against these behaviours by both of both governments and development partners will be tracked and reported as part of future GLAAS surveys.

## 6. Summary of key recommendations

Although there is value in keeping some degree of consistency with current sector review processes, there are also huge potential gains from seizing this timely opportunity to strengthen and refine certain aspects of the process. In particular, the following recommendations focus on the importance of streamlining elements of sector review into a single, cyclical process and integrating this into wider sector processes of planning, budgeting and reform.

Only by addressing these issues can the sector ensure Nepal's sector review processes evolve to catalyse long-term sector performance and sustainability.

1. The new WASH SDP should be put at the heart of sector review processes, the chief purpose of which should be recognised as reviewing progress against SDP and key sector policies, and making adjustments as necessary through a limited number of prioritised undertakings that are clearly linked to the SDP.
2. The JSR should be considered as part of a broader cycle of ongoing sector review that encompasses:
  - Annual sector review (known as JSR or ASR)
  - Regional field visits and review discussions that feed into the central JSR gathering
  - Annual mid-term review (to replace the SSG)
  - Regular (e.g. quarterly) convening of thematic group leads to check progress
  - Rationalised coordination structure

The respective purposes, functions, or frequency of the various elements of the sector review process should be mapped out and clarified in clear terms of reference.

3. The JSR should be reoriented to be much more closely integrated into a sector cycle of planning, monitoring review and reform. A calendar that clarifies the timing of key elements should be identified, agreed and enforced, so there is common understanding of how review processes fit with annual planning and budgeting cycles.
4. A process and format for development of a consolidated annual sector performance report should be identified and enforced, as an **input** to an annual JSR. This report should include:
  - Broad sector status overview – e.g. coverage data across different districts
  - Specific report on progress against JSR undertakings
  - Sector performance data in common format

- Information on WASH-relevant health outcomes from health ministry
- Financial data on budgeting trends

A formal sector report could incorporate, or be accompanied by, a CSO/NGO report or assessment.

5. In parallel, all stakeholders should make concerted efforts to strengthen joint sector monitoring arrangements (including the development of standard monitoring tools), to ensure better accessibility of key data.
6. Thematic groups should remain central to the review process, but more should be done to ensure coherence and consolidation of work being done by these groups (including development of clear terms of reference). Agreement on alignment of current groups and SDP areas is also needed.
7. Continued strengthening of SEIU should be prioritised, with particular focus on:
  - Coordination/oversight of thematic groups
  - Monitoring and evaluation capacity, to support consolidation of common reporting framework and generation of reports
8. Further consideration should be given to how to best strengthen linkages between review processes across national, regional, and district levels. As a first step, the MoWSS should work with the MoFALD to better align the review process with existing coordination and review platforms at the various levels (particularly the WASH Coordination Committees).
9. Learning and review of the JSR process itself should continue to be prioritised, including learning from other sectors in Nepal and other countries. Nepal should also engage in global discussions, to share their own learning and experiences and to draw from what works elsewhere.
10. The [SWA Collaborative Behaviours](#)<sup>9</sup> should be used as a framework for tracking performance of Government and development partners, to ensure all are accountable for improving the way that they work together to achieve long-term sector performance and sustainability.

## Urgent next steps: the 2016 WASH sector review

Of the above recommendations, some can provide general guidance to shape the evolution of the JSR over the coming months and years. However, others require urgent action. It is therefore suggested that a collective forum be held as soon as possible under leadership of the MoWSS to:

- Reach consensus on the importance of strengthening sector review and performance processes, and the role of JSR in achieving this.
- Ensure collective leadership and collaboration in support of strengthening sector review processes.
- Agree a detailed action plan for moving forward.

Ideally this action plan should include confirmation of the proposed September 2016 JSR, which can then be used to:

- Take a clear decision on the continued relevance of the 2017 target, based on data and analysis.
- Position SDP as the centre point of the review process going forward, and reach consensus on the role of sector review in driving performance.
- Reach a decision on the structure of thematic groups and 'relaunch' if necessary to ensure alignment with SDP (with clear terms of reference).
- Agree a clear sector calendar based around an annual cycle of planning, monitoring and review.
- Map out a common roadmap towards strengthening of national monitoring and reporting systems, based on detailed understanding of the gaps/challenges. (Just as the theme for the 2014 JSR was 'Sector Harmonization for One WASH Plan', the 2016 theme could be convened under the banner of 'Sector Harmonization for One WASH Report').

Although continued Government leadership of the JSR will be crucial, it is suggested that an external and impartial facilitator may be a useful addition, to help guide the discussion process and keep the conference on track.



## Annex 1: Interviewees

- Antti Mikael Rautavaara, WASH Chief, and Anu Gautam, WASH Specialist, UNICEF
- Rajendra Arya, President, and Doren Thapa, Senior Program Officer, Federation of Drinking Water and Sanitation Users of Nepal
- Silva Shrestha, WASH Specialist, World Bank
- Bhupendra Aryal, Executive Director, and Dibya Khadgi, Regional Manager, Rural Water Supply Fund Development Board
- Raja Ram Pote Shrestha, WHO
- Krishna Tuladhar, Under Secretary and Suresh Basnet, Under Secretary, Central Bureau of Statistics
- Sudha Shrestha, WASH Specialist, UNHABITAT
- Chakrapani Sharma, Section Chief, Environment Mgmt. Section, MoFALD
- Prayash Guimire, Engineer, SEIU/MOWSS
- Jukka Ilomoki, Coordinator, Development Partners-WASH, and Kamana Gurung, Program Officer, Finish Embassy
- Kabir Rajbhandari, Senior WASH Advisor, SNV Nepal
- Ms Laxmi Sharma, Senior Project Officer-Infrastructure, Asian Development Bank
- Dr Baburam Marashini, Director, Epidemiology and Disease Control Division, Department of Health Services
- Prem Nidhi KC (GESI), Prem Shrestha (Sanitation), DWSS
- Narayan Krishna Shrestha, Chief Planning section; Jhapper Bishwakarma, and Nirmala, DRR, and Chet Nath, WASH chief, Department of Education
- Kabindra Karki, Chief, SEIU
- Lajana Manandhar, Lumanti and Prakash Amatya, NGO forum

## References

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- <sup>2</sup> SEIU. Nepal Water Supply, Sanitation and Hygiene Sector Development Plan (Draft 5, May 1 2016).
- <sup>3</sup> SEIU. Nepal Water Supply, Sanitation and Hygiene Sector Development Plan (Draft 5, May 1 2016). p83.
- <sup>4</sup> <http://seiu.gov.np/index.php/jsr2>
- <sup>5</sup> JSR II Technical Report, March 2014. p8–32.
- <sup>6</sup> JSR II Technical Report, March 2014. p6–8.
- <sup>7</sup> Kerstin Danert. January 2016. *Effective Joint Sector Reviews for Water, Sanitation and Hygiene (WASH) A Study and Guidance–2016*. World Bank Group / WSP.
- <sup>8</sup> UN-Water Global Analysis and Assessment of Sanitation and Drinking-Water (Glaas) 2014.
- <sup>9</sup> <http://sanitationandwaterforall.org/about/the-four-swa-collaborative-behaviours/>