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Check-list for Improved Effectiveness in the Water and Sanitation Sector in sub-Saharan Africa

In Africa, Germany is one of the largest bilateral donors in the water and sanitation sector, with a current portfolio of more than € 1.2 billion. At the same time, Africa is the priority region for German development cooperation in the water sector, accounting for more than 50% of the respective budget. The check-list is geared towards the focus area of German engagement, which is access to water and sanitation and water sector reform. However, German development cooperation also plays an important role in the area of regional and national water resource management.

The BMZ has made a commitment to realise better access to drinking water for a total of 25 million people in sub-Saharan Africa by 2015, and to achieve improved access to (basic) sanitation for 5 million people within the same parameters. The focus is on urban and peri-urban areas.

This check-list encourages important changes in sub-Saharan Africa¹ that will also contribute to the realisation of the human right to water and sanitation, and to the achievement of the MDGs. Potential to increase effectiveness is seen in particular with regard to poverty orientation, making greater use of basic sustainable systems and strengthening the focus on sanitation. Eight criteria are used to show how increased effectiveness can be achieved. The aim for the future is to bring water and sanitation to even more people with the same amount of funding. The criteria are to be used for the implementation of programmes by the German implementing organisations (KfW, GIZ and BGR).

Where can we be more effective and efficient?

Poverty reduction is an overarching goal of BMZ development policy. The strong focus on effectiveness makes it necessary to concentrate more on poverty-oriented approaches for the water and sanitation sector, in order to better reach the majority of the population – the poor. The following reports and evaluations demonstrate the high potential for increasing the effectiveness of German development cooperation with regard to providing access to poor people in urban areas.

- **More standpipes instead of house connections:** Reaching far more people by using low-cost technology.

The DIE discussion paper on the strategic orientation of German development cooperation in the water and irrigation sector recommends that “sustainable and efficient low-cost options should also be given more attention in infrastructure projects”, in order to improve access for poor target groups

¹ The check-list applies for sub-Saharan Africa only. In North Africa about 90% of the population has access to drinking water and improved sanitation and most countries are on track to achieve the MDGs. The focus of German development cooperation in North Africa is on effective use and protection of water resources.

to water and sanitation in urban areas.² The World Bank also finds that development cooperation projects in Africa could be twice as successful (in terms of number of people reached) if more projects invested in standpipes rather than in house connections.³

- **Poverty orientation:** Clearly stating the goal of poverty orientation in projects and increasing the number of poor people in the target group.

This GIZ synthesis report of the evaluations of 15 Technical Cooperation projects recommends paying more attention to poverty orientation in the planning of projects and at the impact level.⁴ The poverty relevance can definitely be further developed in Financial Cooperation projects too: in sub-Saharan Africa only 48% of the target group is categorised as poor.⁵

- **Cost coverage:** Creating a stable and sound basis for funding.

Recent findings show that the majority of projects did not achieve the aim of full cost recovery. In order to create a stable funding basis that can be sustained in the long term, the overall funding for the sector can comprise a mixture of the three “Ts”⁶: a functioning tariff system and cross-subsidies (tariffs) as well as subsidies from public funds (taxes) and donor contributions⁷ (transfers).

- **Hygiene:** Focusing on health impacts.

The findings of the BMZ/NL evaluation of rural water supply and sanitation programmes in Benin show that good water quality at the standpipes is not enough, since the water gets contaminated during the process of filling it into containers, transporting it home and storing it there.⁸ Backing up all infrastructure programmes with hygiene and awareness-raising measures is a crucial component of the measures aimed at achieving the intended health impact on the population. Specific strategies to tackle this challenge need to be developed.

- **Sanitation:** Strengthening commitment.

Sanitation is now a significant aspect in many priority sector papers. However, the level of financial resources deployed here is low and it is only rarely that specific strategies and implementation mechanisms are developed.

How can German development cooperation become more effective?

The overarching aim of development cooperation in the water and sanitation sector is the sustainable management of water resources and improved access to safe water and basic sanitation within the framework of a sustainable overall system.

² DIE, Susanne Neubert/Lena Horlemann (2005): Recommendation for the future strategic orientation of German development cooperation in the water and irrigation sector, p. 47.

³ World Bank (2010): Africa's Infrastructure: A Time for Transformation, p. 305.

⁴ GTZ (2008): Synthesis Report of the Independent Evaluations in 2008 on the Focal Topic of Water, elaborated by independent experts from the GFA Consulting Group, p. 5.

⁵ KfW Memorandum to the BMZ, dated 28 March 2011.

⁶ OECD (2009): Managing Water for All. An OECD Perspective on Pricing and Financing, p. 8.

⁷ Donor contributions should not be used to cover recurrent operating costs.

⁸ Ministry of Foreign Affairs NL, German Federal Ministry for Economic Cooperation and Development. (2011): Impact evaluation of drinking water supply and sanitation programmes in rural Benin. The risk of vanishing effects.

In order to achieve these goals in sub-Saharan Africa, an orientation towards a greater focus on poverty and the realisation of the human right to water and sanitation are of central importance. This requires close collaboration of financial and technical cooperation efforts. Specific – poverty-oriented – prerequisites must also be put in place in partner countries. They include access to better information about the precarious supply situation in poor urban areas, and also raising awareness among decision-makers.

In order to increase effectiveness, the following **eight criteria for enhanced effectiveness** have been established.

1. **Focus on pro-poor:** Poverty orientation must be clearly stated as a goal in programmes and projects, and must be given priority in programme planning. Sustainable, cost-covering operations remain as a goal. However, it must not be pursued at the cost of poverty orientation, since that has top priority in sub-Saharan Africa. Therefore a stable financing strategy that can be sustained long term should be drawn up for the sector, a strategy that can if necessary be based on a broad approach (the three “Ts”), in order to ensure maintenance and repairs. Tariffs remain the most important instrument here, since they represent the most reliable source of income.
2. **Poor people as the target group:** The number of poor people in the target group should be increased. The current percentage (48%) of poor people in Financial Cooperation projects in sub-Saharan Africa⁹ should be significantly increased.
3. **Focus on (peri-)urban areas:** Intervention areas should be chosen in urban and peri-urban areas with a high incidence of poverty and without improved access to water and sanitation. The focus is above all on small and medium-sized towns, and on the peri-urban areas of large towns.
4. **Pro-poor water and sewerage tariffs:** The tariff system needs to be poverty oriented.¹⁰ The aim is that poor households do not spend more than 5% of their monthly disposable income on water and sanitation and the price is staggered according to consumption.
5. **Focus on sanitation:** Taking waste water/sanitation into account in every water programme. The intended health impacts can only be achieved through an integrated approach consisting of water and sanitation. This also calls for separate sanitation measures and cooperation with partners other than water suppliers.¹¹
6. **Focus on health impacts:** Informing the population and raising awareness throughout the whole coverage area must be included in the programme as a focal area from the start. Hygiene and awareness raising measures must be complemented by regular sampling of the water to check the quality (at standpipes and in households). Possibilities for implementing awareness raising and hygiene campaigns include the WASH United approach, Community-Led Total Sanitation (CLTS) and social marketing.
7. **Focus on basic systems:** Increasing the number of low-cost basic systems. Standpipes, water kiosks and sanitation facilities with decentralised waste systems are often cheaper options. If these

⁹ KfW Memorandum to the BMZ, dated 28 March 2011, p. 2.

¹⁰ In justified exceptions free provision of a minimum volume of water (~ 20l per day) is conceivable.

¹¹ The KfW symposium Financing Sanitation developed valuable approaches in this regard, website: <http://iwawaterwiki.org/>

approaches are used then more people can be reached with the same volume of funding. Sustainable, environmentally friendly waste water systems urgently need to be considered as part of investment.

- 8. Low investment costs:** The investment costs per person should be kept as low as possible. More attention must be paid to using basic sustainable systems when drawing up strategies in order to reduce the costs per additional person reached. Per capita investment costs should be an important criterion in selecting projects.¹² The introduction of competitive elements into project selection can further reduce costs.

These criteria were developed by the BMZ together with the implementing organisations (KfW, GIZ and BGR) and are used in the following two areas:

- BMZ policy dialogue with partner country governments, at international conferences and expert gatherings
- implementation in all water and sanitation projects under German development cooperation in sub-Saharan Africa

In order to realise the increased focus on effectiveness in the German programmes, implementation plans have been elaborated by the implementing organisations. BMZ will follow-up on the implementation with a monitoring system.

¹² Until now, costs have been calculated on the basis of 50 euros per person for water supply. There are no reliable figures for sanitation available yet. It can be assumed that the costs will fall with a stronger focus on basic sustainable systems.