

### Fourteen of 38 responding countries indicate that needs-based investment programmes are being implemented for both urban and rural drinking-water

Investment programmes, such as medium-term expenditure frameworks, capital improvement plans and national strategic development plans, help to improve intergovernmental coordination, predictability and transparency of budgeting and expenditure. The medium-term expenditure framework, for example, consists of a matching of resource envelopes with an estimation of the current and medium-term costs of existing policy.

Surveyed countries were asked about their investment planning processes and mechanisms to coordinate investment in water and sanitation. While a majority of countries indicated that a needs-based investment programme was under preparation or being implemented for urban and rural drinking-water, 7 out of 38 countries indicated that investment programmes did not exist for urban and/or rural drinking-water. Sanitation lags behind drinking-water in this area, as 19 of 38 countries indicated that investment programmes did not exist for urban and/or rural sanitation (Table 8).

Some countries report that they do not have a separate investment plan for water and sanitation, but water and sanitation targets are incorporated in the poverty reduction strategies.

Some countries report having established mechanisms or special programmes to coordinate investment in water and sanitation. For example, Senegal has established the Programme d'eau potable et d'assainissement du Millénaire, a national investment programme, and local priorities are addressed through a planning process called Plan local d'hydraulique et d'assainissement.

**Lack of reliable data, especially at subnational and local levels, was the most common reason cited for the failure to implement investment plans.**

Source: 2009–2010 CSO and GLAAS country survey results

**TABLE 8:** Investment programmes

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	●	●	●	●
Benin	●	●	●	●
Burkina Faso	●	●	●	●
Burundi	●	●	●	●
Cameroon	●	●	●	●
Central African Republic	●	●	●	●
Chad	●	●	●	●
Côte d'Ivoire	●	●	●	●
Democratic Republic of the Congo	●	●	●	●
Ethiopia	-	-	-	-
Ghana	●	●	●	●
Kenya	●	●	●	●
Lesotho	●	●	●	●
Madagascar	●	●	●	●
Mali	●	●	●	●
Mauritania	●	●	●	●
Mozambique	●	●	●	●
Niger	●	●	-	●
Rwanda	●	●	●	●
Senegal	●	●	●	●
Sierra Leone	●	●	●	●
South Africa	●	●	●	●
Sudan (south/north)	●	●	●	●
Togo	●	●	●	●
Uganda	●	●	●	●
United Republic of Tanzania	●	●	●	●
Zimbabwe	-	●	●	●
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	●	●	●	●
Cambodia	●	●	●	●
Indonesia	-	-	-	-
Kazakhstan	-	-	-	-
Lao People's Democratic Republic	●	●	●	●
Mongolia	●	●	●	●
Nepal	●	●	●	●
Philippines	●	●	●	●
Thailand	●	●	●	●
Timor-Leste	●	●	●	●
Viet Nam	●	●	●	●
<b>Northern Africa, Western Asia</b>				
Morocco	●	●	●	-
Oman	-	-	-	-
<b>Latin America and the Caribbean</b>				
Honduras	●	●	●	●
Paraguay	●	●	●	●
<b>Progress score</b>	<b>74%</b>	<b>69%</b>	<b>45%</b>	<b>48%</b>
<b>Colour key:</b> Is there an investment programme for sanitation and drinking-water based on an MDG needs assessment that is published and agreed?				
● Programme is operationalized				
● Programme is under preparation				
● Programme does not exist				
- No information				

Source: 2009–2010 CSO and GLAAS country survey results

# COUNTRY CAPACITY TO SUSTAIN PROGRESS

## Almost one half of the countries surveyed do not have an annual review process for either drinking-water or sanitation

The capacity of governments to monitor and evaluate the performance of sanitation and drinking-water uptake and services continues to be a concern. Almost half of the countries (17 out of 38 respondents) indicate that an annual review is missing for either sanitation or drinking-water, urban and/or rural (Table 9). Ten of these countries are missing annual reviews for both drinking-water and sanitation.

However, there are some indications that review processes are being established and institutionalized. For example, 19 countries had been through a process of sanitation and/or drinking-water review in the previous 18 months and also had a date set for the next review. For example, Nepal counts among its achievements a national water and sanitation coverage and functional status survey completed in 2008 and a rural water supply and sanitation monitoring and evaluation process established and working.

## One of the most common constraints to effective planning, monitoring and evaluation reported by countries was lack of capacity and resources at the local level

Lack of resources for planning, monitoring and evaluation may be a major factor limiting the use of annual reviews in some countries. In addition, less than one half of the responding countries reported that there had been improvement in the availability of human and financial resources for planning, monitoring and evaluation in the previous three years (i.e. 2007–2009).



TABLE 9: Annual review processes

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	●	●	●	●
Benin	=	▲	▲	▲
Burkina Faso	▲	▲	▲	▲
Burundi	●	●	●	●
Cameroon	=	=	=	=
Central African Republic	▲	▲	▲	▲
Chad	=	=	=	=
Côte d'Ivoire	●	●	●	●
Democratic Republic of the Congo	●	●	●	●
Ethiopia	-	-	-	-
Ghana	●	●	●	●
Kenya	=	=	=	=
Lesotho	=	=	=	=
Madagascar	=	=	=	=
Mali	▲	▲	▲	▲
Mauritania	▲	▲	▲	▲
Mozambique	●	●	●	●
Niger	▲	▲	-	▲
Rwanda	▲	▲	▲	▲
Senegal	▲	▲	▲	▲
Sierra Leone	●	●	●	●
South Africa	●	●	●	●
Sudan (south/north)	●●	●●	●●	●●
Togo	=	●	=	●
Uganda	●	●	●	●
United Republic of Tanzania	●	●	●	●
Zimbabwe	-	●	●	●
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	●	●	●	●
Cambodia	▲	▲	=	=
Indonesia	-	-	-	-
Kazakhstan	-	-	-	-
Lao People's Democratic Republic	▲	▲	▲	▲
Mongolia	=	=	=	=
Nepal	▲	▲	▲	▲
Philippines	▲	▲	=	=
Thailand	▲	▲	▲	▲
Timor-Leste	▲	▲	▲	▲
Viet Nam	●	=	▲	=
<b>Northern Africa, Western Asia</b>				
Morocco	▲	▲	▲	-
Oman	-	-	-	-
<b>Latin America and the Caribbean</b>				
Honduras	=	=	▼	▼
Paraguay	=	=	=	=
<b>Progress score</b>	<b>68%</b>	<b>60%</b>	<b>43%</b>	<b>41%</b>
<b>Colour key: Is there an annual review in place to monitor performance in drinking-water and sanitation, and is it used to set new targets/undertakings?</b>				
●	Review and setting of new undertakings			
●	Review, but no setting of new undertakings			
●	No review or setting of new undertakings			
-	No information			
<b>Shape key: Over the past three years, has the effectiveness of the review process in aiding planning been decreasing, constant or increasing?</b>				
▲ ▲ ▲	Increasing trend			
= = =	No change in trend			
▼ ▼ ▼	Decreasing trend			
● ● ●	No trend information			

Source: 2009–2010 CSO and GLAAS country survey results

## 2.3 BUDGETS AND EXPENDITURES

Publicizing sanitation and drinking-water budgets establishes transparency and enables stakeholders to identify priorities, funding sources and potential funding gaps. Some financial information is available for central government and external donors, but it is difficult to report on subnational and local government expenditures. Further, because funding for sanitation and hygiene is often spread over several different institutions, budget data were less available for sanitation and hygiene than for drinking-water.

### Most of the funds allocated to rural sanitation are “off budget” or are combined with other budgets, such as water or health

It is easier for countries to track expenditures and monitor outcomes if resources (internal and external) allocated to sanitation and drinking-water are reflected in the government budget (i.e. “on budget”). This is particularly important for countries with a large number of sanitation and drinking-water donors, in order to ensure that investments are in accordance with priorities identified in the investment plans.

Budget transparency is lacking in sanitation and drinking-water. Twenty-one out of 37 country respondents indicated that less than 50% of investment in rural sanitation is “on budget” (Table 10). Both urban and rural drinking-water budgets are more transparent than those for sanitation, but transparency was still lacking, with nearly one third (11 out of 37) of countries indicating that less than 50% of investment was “on budget”. A few countries did not have separate budget lines for water and sanitation, making it difficult to track resource allocations.

#### Mozambique gets donor projects “on budget”

From 2006 onwards, the Government of Mozambique began placing all significant donor projects in all sectors “on budget”. This did not mean that the funds were being spent through government channels; instead, it indicated that the funds were accounted for in the budget and would be reported upon as though they were part of the national budget.

Source: 2009–2010 CSO and GLAAS country survey results

TABLE 10: Budget transparency

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	●	●	●	●
Benin	●	●	●	●
Burkina Faso	●	●	●	●
Burundi	●	●	●	●
Cameroon	●	●	●	●
Central African Republic	●	●	●	●
Chad	●	●	●	●
Côte d'Ivoire	●	●	●	●
Democratic Republic of the Congo	●	●	●	●
Ethiopia	-	-	-	-
Ghana	●	●	●	●
Kenya	●	●	●	●
Lesotho	●	●	●	●
Madagascar	●	●	●	●
Mali	●	●	●	●
Mauritania	●	●	●	●
Mozambique	●	●	●	●
Niger	●	●	-	●
Rwanda	●	●	●	●
Senegal	●	●	●	●
Sierra Leone	●	●	●	●
South Africa	●	●	●	●
Sudan (south/north)	●	●	●	●
Togo	●	●	●	●
Uganda	●	●	●	●
United Republic of Tanzania	●	●	●	●
Zimbabwe	●	●	●	●
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	-	-	●	●
Cambodia	●	●	●	●
Indonesia	-	-	-	-
Kazakhstan	-	-	-	-
Lao People's Democratic Republic	●	●	●	●
Mongolia	●	●	●	●
Nepal	●	●	●	●
Philippines	●	●	●	●
Thailand	●	●	●	●
Timor-Leste	●	●	●	●
Viet Nam	●	●	●	●
<b>Northern Africa, Western Asia</b>				
Morocco	●	●	●	-
Oman	-	-	-	-
<b>Latin America and the Caribbean</b>				
Honduras	●	●	●	●
Paraguay	●	●	●	●
<b>Progress score</b>	<b>62%</b>	<b>60%</b>	<b>45%</b>	<b>27%</b>
<b>Colour key: Does the government budget comprehensively cover domestic and official donor investment/subsidy?</b>				
●	More than 75% of funds on budget			
●	Between 50% and 75% of funds on budget			
●	Less than 50% of funds on budget			
-	No information			

Source: 2009–2010 CSO and GLAAS country survey results



# COUNTRY CAPACITY TO SUSTAIN PROGRESS

## Government absorption of donor funds is greater than 50% in three quarters of responding countries

Government rates of absorption of donor commitments are affected by a number of factors. These range from the quality and efficiency of country or donor procurement systems to the availability of equipment and skilled human resources to local conditions. While 13 out of 38 countries reported the same government absorption rates across sanitation and drinking-water (e.g. Kenya, Bangladesh, Paraguay), a country's ability to absorb funds is also shown to vary widely among urban and rural projects and among sanitation and drinking-water projects (e.g. Burkina Faso, Madagascar, Mongolia) (Table 11).

More than three quarters of country respondents indicated that they used over 50% of official donor commitments in sanitation and drinking-water, both urban and rural (Table 11).

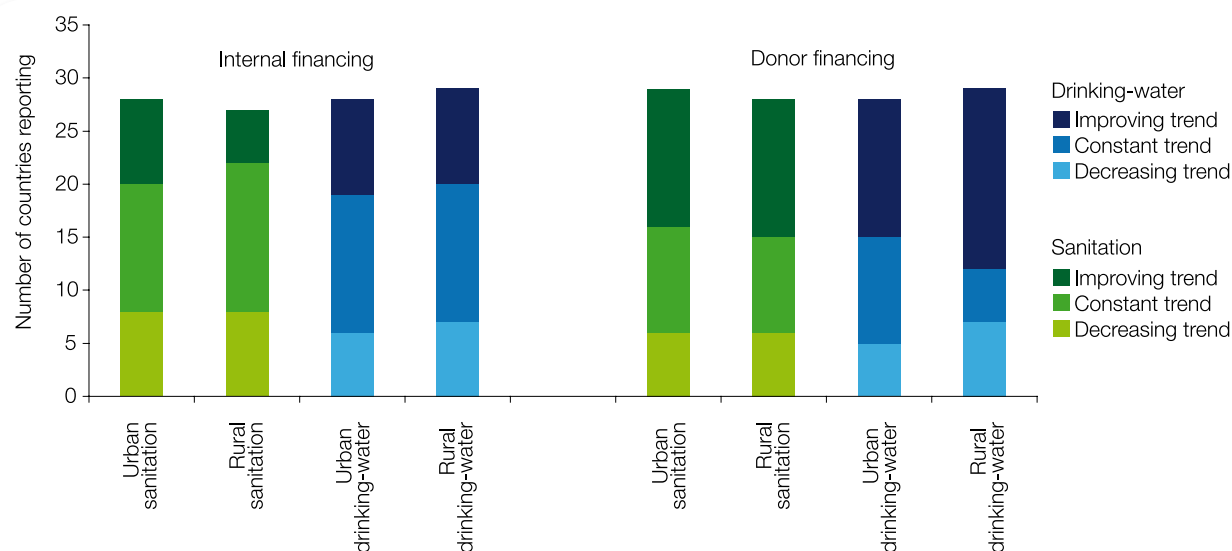
TABLE 11: Absorption rates of development aid

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	●	●	●	●
Benin	●	●	●	●
Burkina Faso	●	●	●	●
Burundi	●	●	●	●
Cameroon	●	●	●	●
Central African Republic	●	●	●	●
Chad	●	●	●	●
Côte d'Ivoire	●	●	●	●
Democratic Republic of the Congo	●	●	●	●
Ethiopia	-	-	-	-
Ghana	●	●	●	●
Kenya	●	●	●	●
Lesotho	●	●	-	●
Madagascar	●	●	●	●
Mali	●	●	●	●
Mauritania	●	●	●	●
Mozambique	●	●	●	●
Niger	●	●	-	●
Rwanda	●	●	●	●
Senegal	●	●	●	●
Sierra Leone	●	●	●	●
South Africa	●	●	●	●
Sudan (south/north)	●●	●●	●●	●●
Togo	●	●	●	●
Uganda	●	●	●	●
United Republic of Tanzania	●	●	●	●
Zimbabwe	●	●	●	●
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	●	●	●	●
Cambodia	●	●	-	●
Indonesia	-	-	-	-
Kazakhstan	-	-	-	-
Lao People's Democratic Republic	●	●	●	●
Mongolia	●	●	●	●
Nepal	●	●	●	●
Philippines	●	●	●	●
Thailand	●	●	●	●
Timor-Leste	●	●	●	●
Viet Nam	●	●	●	●
<b>Northern Africa, Western Asia</b>				
Morocco	●	●	●	-
Oman	-	-	-	-
<b>Latin America and the Caribbean</b>				
Honduras	●	●	●	●
Paraguay	●	●	●	●
<b>Progress score</b>	<b>66%</b>	<b>55%</b>	<b>59%</b>	<b>61%</b>
<b>Colour key: What is the percentage of official donor commitments utilized (three-year average)?</b>				
● Over 75% used				
● Between 50% and 75% used				
● Less than 50% used				
- No information				

Source: 2009–2010 CSO and GLAAS country survey results



## The predictability of donor financing in sanitation and drinking-water is generally perceived to be improving



**FIGURE 30:** Predictability trends of internal government financing and donor financing, sanitation and drinking-water, urban and rural areas, 2007–2009 (27 countries)

Source: 2009–2010 CSO and GLAAS country survey results

Effective financial planning and implementation require that the flow of resources be predictable. Erratic funding flows impede the implementation of investment plans and frequently lead to time and cost overruns. Countries were asked about the predictability of internal government financing and external donor funding.

External donor financing predictability was generally perceived to be improving in nearly one half of the responding countries (Figure 30). Internal financing predictability was more often perceived as decreasing compared with external support agency financing, but it was most often perceived to be relatively constant over the preceding three years (2007–2009).

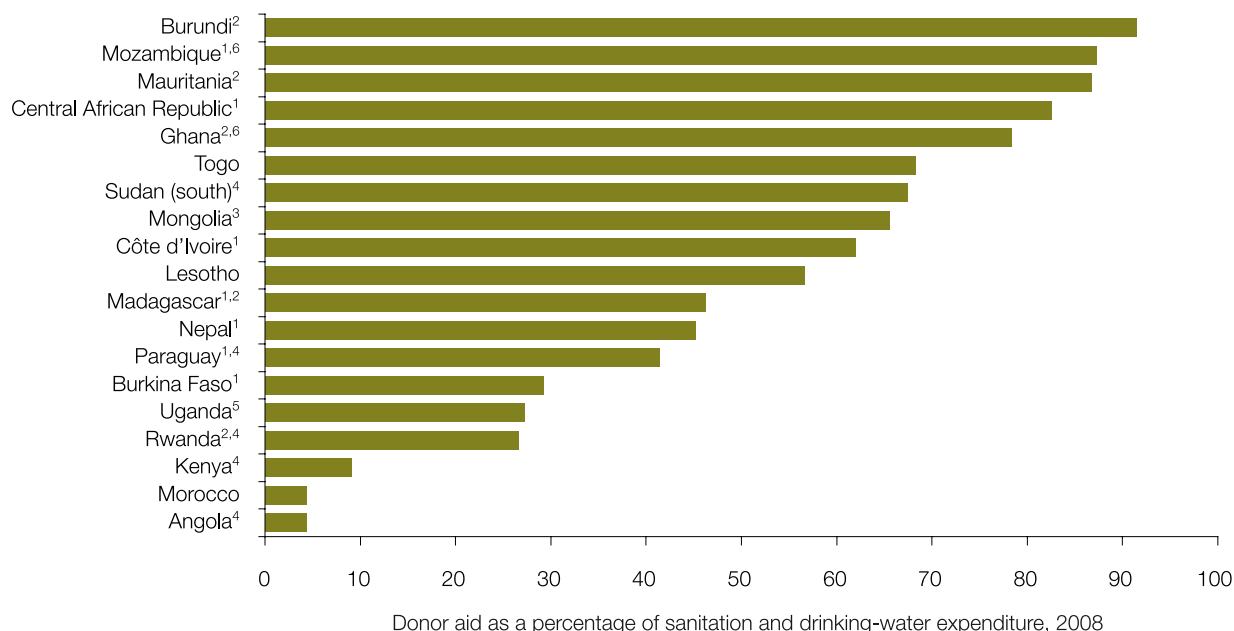
### Sources of financing

The sources of financing for sanitation and drinking-water come from 1) domestic budget allocations at the central and local levels, 2) household expenditures, 3) private sector investments and 4) foreign aid. Information on some of these sources is either not available or very difficult to access. Nevertheless, it is critical to understand the total amount of financing for sanitation and drinking-water and, therefore, the possible gap between needs and available funding.



# COUNTRY CAPACITY TO SUSTAIN PROGRESS

## Some countries rely heavily on donor funding for sanitation and drinking-water



<sup>1</sup> Does not include regional or local government expenditures.      <sup>4</sup> 2009 anticipated expense.  
<sup>2</sup> Figures available for drinking-water only.                                      <sup>5</sup> No urban sanitation utility.  
<sup>3</sup> Figures available for sanitation only.    <sup>6</sup> Capital investment only.

**FIGURE 31:** Donor aid as a percentage of expenditure (government and external aid sources) on drinking-water and sanitation, 2008

Source: 2009–2010 CSO and GLAAS country survey results

Where donor aid levels in a particular country are a high proportion of investment in drinking-water and sanitation, there may be concerns, substantiated or not, about excessive donor influence over policy and institutional development, planning or implementation, long-term sustainability, given the possibility of donors not continuing to provide funding, government prioritization and governments' commitment to geographical areas. Eighteen countries and southern Sudan provided information regarding financing for sanitation and/or drinking-water, as well as donor funding levels. A wide range of potential donor dependency is shown, where donor aid as a proportion of expenditure on sanitation and drinking-water ranged from 4% to 91% (Figure 31).

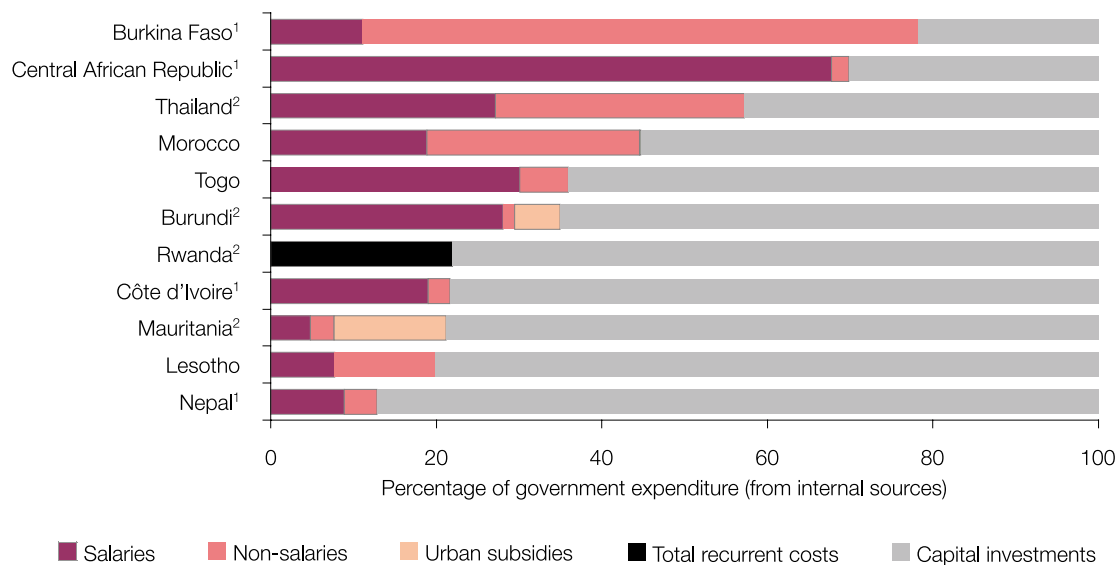
### Donor aid to Mozambique nearly 90% of total investment in sanitation and drinking-water

Sanitation and drinking-water in Mozambique are heavily dependent on donor aid to keep pace with rapid urbanization and economic growth. They received an average of US\$ 120 million in external development aid per year over the period 2003–2008. The largest donors include the Netherlands, the African Development Bank, the European Commission, the USA, the World Bank, Sweden and Italy (OECD, 2010a).

The Netherlands, for example, has engaged in programmatic support that goes directly to the National Directorate of Water and generally can be used for any budgeted purpose. Most remaining aid is disbursed through projects, and much of that, especially that portion coming from the international development banks, is disbursed through the public finance system, although with some donor discretion. Mozambique also recently signed a five-year US\$ 500 million compact with the Millennium Challenge Corporation, of which US\$ 200 million is specifically targeted towards increasing access to safe drinking-water and sanitation services. Projects will include water supply and sanitation services in six cities in the provinces of Zambézia, Nampula and Cabo Delgado; water supply in two mid-sized towns in Nampula and Cabo Delgado provinces; rural water supply services covering 600 water points in Nampula and Cabo Delgado provinces; and capacity building of local institutions and policy development (MCC, 2009).



## Government spending on recurrent costs for 11 responding countries ranges from 13% to 78% of expenditures on sanitation and drinking-water



<sup>1</sup> Does not include regional or local government expenditures.

<sup>2</sup> Figures available for drinking-water only.

**FIGURE 32:** Breakdown of government spending on recurrent costs and capital expenditures, 2008

Source: 2009–2010 CSO and GLAAS country survey results

While the need for capital investment for new systems is often emphasized, there are significant costs associated with human resources and operation and maintenance to ensure that existing systems are kept functional. As use of improved sanitation and drinking-water sources increases in the future, it will become increasingly important to better understand how funding is being allocated between capital investment and recurrent costs, as well as what portion of recurrent costs is used for salaries.

Responding countries were requested to provide a detailed breakdown of expenditures on drinking-water and sanitation in terms of recurrent costs—i.e. salaries, non-salaries, urban recurrent subsidies to utilities—and capital expenditures by central government, utility, local government and donor sources. Only one half of the countries responding to the financial portion of the survey questionnaire could provide a partial breakdown. Four respondents provided data only for drinking-water, and three respondents were unable to provide estimates of regional or local government expenditures. Nevertheless, the breakdown of expenditures into capital expenses and recurrent expenses from 11 countries was calculated from the partial data, and the contribution of recurrent expenses to total expenditures ranged from 13% to 78% (Figure 32). Note that only internal sources of financing for government expenditure are shown on Figure 32 (i.e. the figure excludes expenditures made from donor sources).





# COUNTRY CAPACITY TO SUSTAIN PROGRESS

## 2.4 HUMAN RESOURCES DEVELOPMENT

Even where national strategies are well developed, government institutions are well coordinated and adequate financing is available, progress in sanitation and drinking-water may still be limited by the lack of adequately trained, capable staff and a work environment conducive to effective outputs. Further, lack of trained staff may affect the capacity of countries to use internal and external financing for related projects. Increased knowledge concerning human resource capacity and working environment, both globally and at country level, can provide an insight into the reasons for slow uptake of services and can help in targeting technical support, including assistance with education and training efforts.

In the responses to the survey questionnaire, countries indicated several obstacles with regards to numbers, skills and deployment of human resources in drinking-water and sanitation that had generally been experienced in the preceding three years, including:

- inability to attract and retain staff as a result of:
  - inadequate budgets and salaries at all government levels;
  - limited opportunities for trained professionals;
  - poor incentives for staff retention;
  - insecurity in some areas;
  - the perception of sanitation and drinking-water as a non-attractive area of work;
- lack of training;
- failure to implement recommendations of institutional and organizational studies;
- inability to retain trained staff after completion of specific projects for which capacity building had been conducted;
- limitation or prohibition of filling vacant government positions by government streamlining policy;
- external factors, such as an ageing workforce (rural water supply).

Human resource barriers are limited not only to educational levels and shortages of qualified applicants, but also to equipping the existing human resources with the necessary “soft” skills (e.g. project management, leadership skills, people management) to perform their roles. Also affecting human resources deployment and effectiveness is an organization’s overall capacity, which depends critically on the existence of processes, equipment, internal policies and finance to achieve its objectives.





## Two thirds of responding countries have fully addressed human resources in national plans or annual reviews of drinking-water and sanitation

As an important step in evaluating the adequacy of human resources, 20 out of 29 responding countries have addressed human resources in national strategies or annual reviews for both drinking-water and sanitation (Table 12). For example:

- In Senegal, organizational studies have been conducted to assess the impact on personnel of proposed development schemes, including a proposal to reorganize government institutions to facilitate the transfer of responsibility for maintaining borehole equipment to the private sector in rural areas.
- In Thailand, a human resources plan for the Metropolitan Waterworks Authority helps to control the number of staff in line with budget limits, but sufficient to render services to Metropolitan Waterworks Authority customers. There are stipulated core competency levels for every position, and training programmes for management and services are provided, which encourage all Metropolitan Waterworks Authority personnel to develop professional and leadership skills.



TABLE 12: Human resources planning

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	-	-	-	-
Benin	●	●	●	●
Burkina Faso	●	●	●	●
Burundi	●	●	●	●
Cameroon	●	●	●	●
Central African Republic	●	●	●	●
Chad	●	●	●	●
Côte d'Ivoire	-	-	-	-
Democratic Republic of the Congo	-	-	-	-
Ethiopia	-	-	●	●
Ghana	-	-	-	-
Kenya	●	●	-	-
Lesotho	●	●	●	●
Madagascar	●	●	●	●
Mali	●	●	●	●
Mauritania	●	-	●	-
Mozambique	-	-	-	-
Niger	●	●	●	●
Rwanda	●	●	●	●
Senegal	●	●	●	●
Sierra Leone	-	-	-	-
South Africa	-	-	-	-
Sudan (south/north)	--	--	--	--
Togo	●	●	●	●
Uganda	-	-	-	-
United Republic of Tanzania	-	-	-	-
Zimbabwe	-	-	-	-
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	●	●	●	●
Cambodia	●	●	●	●
Indonesia	-	-	-	-
Kazakhstan	●	●	●	●
Lao People's Democratic Republic	●	●	●	●
Mongolia	●	●	●	●
Nepal	●	●	●	●
Philippines	●	●	●	●
Thailand	●	●	●	●
Timor-Leste	-	-	-	-
Viet Nam	●	●	●	●
<b>Northern Africa, Western Asia</b>				
Morocco	●	●	●	●
Oman	●	●	●	●
<b>Latin America and the Caribbean</b>				
Honduras	●	●	●	●
Paraguay	●	●	●	●
<b>Progress score</b>	<b>79%</b>	<b>74%</b>	<b>82%</b>	<b>74%</b>
<b>Colour key: Are human resources addressed in national strategies or in annual sector reviews?</b>				
● Yes				
● No				
- No information				

Source: 2009–2010 CSO and GLAAS country survey results

# COUNTRY CAPACITY TO SUSTAIN PROGRESS

## Opportunities for in-country education and training exist in 24 out of 29 responding countries

Twenty-four out of 29 responding countries indicated that one or more opportunities for training and education exist in-country (Table 13). In Nepal, a central human resources development unit acts as a drinking-water and sanitation training centre. In Burkina Faso, institutions and schools, such as the Regional Centre for Low Cost Water Supply and Sanitation (CREPA) and the International Institute of Water and Environmental Engineering, help to provide solid relevant technical skills.

In Cambodia, the Department of Rural Water Supply works closely with the Technical Institute of Cambodia, the Royal University of Phnom Penh and Resource Development International (an NGO) for development of water quality improvement and arsenic monitoring systems and has trained technical staff from seven provinces.

### Regional Centre for Low Cost Water Supply and Sanitation (CREPA)

The Regional Centre for Low Cost Water Supply and Sanitation (CREPA) was established within the framework of the International Water Supply and Sanitation Decade (1981–1990). It is one of the African centres of the International Training Network for Water and Waste Management. Created in 1988, CREPA specializes in research and training for the promotion of appropriate technologies for water, sanitation and hygiene and the participatory development of related policies. It is a resource and reference centre for water, sanitation and hygiene. CREPA is a multistate institution, with 17 members—the Francophone and Lusophone countries of western and central Africa. Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Congo, Côte d'Ivoire, Gabon, Guinea, Guinea Bissau, Mali, Mauritania, Niger, Rwanda, Senegal, Chad and Togo are all members. The organization is based in Burkina Faso.

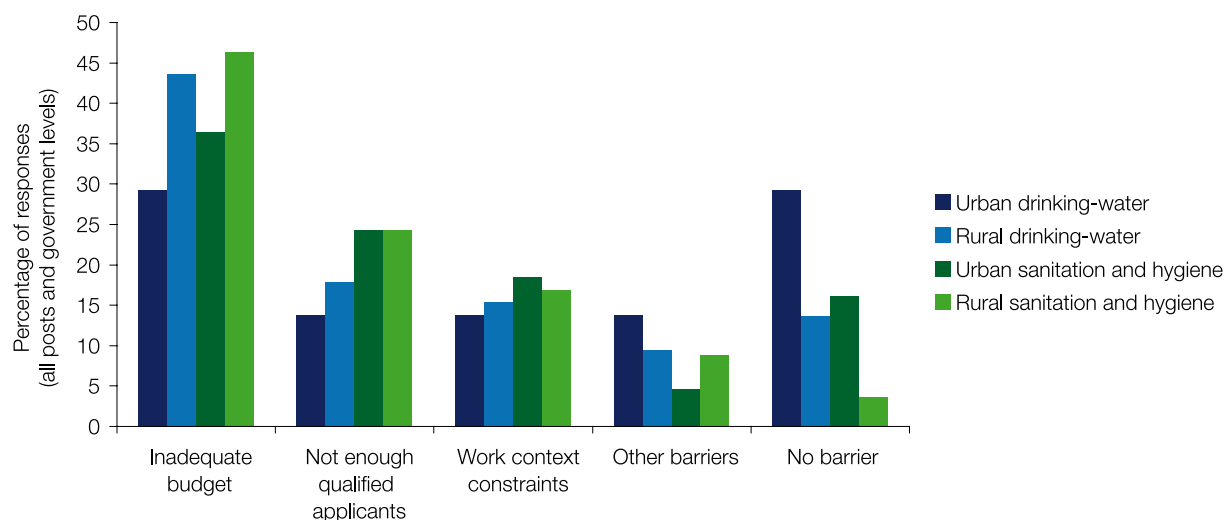
Source: CREPA (2007)

TABLE 13: Education and training

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	-	-	-	-
Benin	=	=	▲	▲
Burkina Faso	▲	▲	▲	▲
Burundi	▲	▲	=	▲
Cameroon	▼	▼	▼	▼
Central African Republic	▼	▼	▼	▼
Chad	=	=	▼	▼
Côte d'Ivoire	-	-	-	-
Democratic Republic of the Congo	-	-	-	-
Ethiopia	-	-	▲	▲
Ghana	-	-	-	-
Kenya	=	=	-	-
Lesotho	=	=	=	=
Madagascar	=	=	=	=
Mali	=	=	=	=
Mauritania	=	=	=	=
Mozambique	-	-	-	-
Niger	▼	▼	▼	▼
Rwanda	▲	▲	▲	▲
Senegal	▲	=	▲	=
Sierra Leone	-	-	-	-
South Africa	-	-	-	-
Sudan (south/north)	--	--	--	--
Togo	=	=	=	●
Uganda	-	-	-	-
United Republic of Tanzania	-	-	-	-
Zimbabwe	-	-	-	-
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	▲	▲	▲	▲
Cambodia	▲	▲	=	=
Indonesia	-	-	-	-
Kazakhstan	▼	▼	▼	▼
Lao People's Democratic Republic	▲	▲	▲	▲
Mongolia	=	=	=	=
Nepal	=	=	=	=
Philippines	=	=	▲	▲
Thailand	▲	=	=	▲
Timor-Leste	-	-	-	-
Viet Nam	▲	=	-	=
<b>Northern Africa, Western Asia</b>				
Morocco	▲	=	▲	=
Oman	▲	▲	▲	▲
<b>Latin America and the Caribbean</b>				
Honduras	=	=	=	=
Paraguay	▼	▼	▼	▼
<b>Progress score</b>	<b>71%</b>	<b>68%</b>	<b>81%</b>	<b>71%</b>
<b>Colour key:</b> Are there in-country education and training institutions for drinking-water and sanitation professionals?				
● Yes				
● No				
- No information				
<b>Shape key:</b> Over the past three years, have the opportunities for education and training of staff and field workers been declining, constant or increasing?				
▲ ▲ ▲ Increasing trend				
= = = No change in trend				
▼ ▼ ▼ Decreasing trend				
● ● ● No trend information				

Source: 2009–2010 CSO and GLAAS country survey results

## Inadequate budget to hire and retain staff is most often cited as the main factor affecting human resource levels in both rural drinking-water and rural sanitation and hygiene



**FIGURE 33:** Most prevalent reasons for staff shortages cited by countries, percentage of responses

Source: 2009–2010 CSO and GLAAS country survey results

Country survey respondents were asked to identify the most critical factor affecting the adequacy of human resource levels in drinking-water and sanitation at several levels of government and for three separate professions (professionals, technical/skilled workers and hygiene promoters). For both rural drinking-water and rural sanitation and hygiene, inadequate budget to hire and retain staff was viewed as the most limiting factor affecting human resources for all government levels and staff professions (Figure 33). In urban drinking-water and sanitation, fewer barriers to human resources were perceived, with nearly 29% of the responses indicating that there were no perceived barriers to hire and retain staff in the urban drinking-water setting and 16% of responses indicating no perceived barriers in the urban sanitation setting. In those areas where perceived human resource barriers existed in urban settings, inadequate budget was cited as the most prevalent factor.

### Sustainability-enhancing activities

The country survey tried to capture aspects of sustainability. Responding countries were assessed on the basis of sustainability parameters in each separate sanitation and drinking-water area (urban and rural). In general, sustainability got low scores, signifying that, even if countries do achieve the MDG target, sustaining progress will continue to be an issue.

Among the four areas, urban water supply scored highest on sustainability. About 40% of the responding countries reported the existence of autonomous urban water utilities that accessed commercial finance and had a regular system of tariff review. Senegal, Burkina Faso, Côte d'Ivoire and Mozambique all reported the existence of strong urban water utilities. The Société de Distribution d'Eau de la Côte d'Ivoire, the urban water utility for Côte d'Ivoire, reported a collection efficiency of 98% for private subscribers, high productivity rates (with 2.7 employees per 1000 subscribers) and low water production costs.

Sustainability across the other three areas was calculated in a similar way and was more or less equivalent. Importantly, countries flagged the deteriorating quality of water resources as a factor likely to affect the sustainability of both rural and urban drinking-water.







# PART 3

## PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

The landscape of the different stakeholders in sanitation and drinking-water is very complex at national, regional and global levels. Therefore, stakeholder collaboration, coordination, harmonization and mutual accountability become critically important to achieve and sustain progress. Part 3 of this report looks at the effectiveness of stakeholder coordination and harmonization (section 3.1), aid channelling and alignment (section 3.2) and mechanisms for mutual accountability (section 3.3).

### KEY OBSERVATIONS

- 3.1 Stakeholder participation in planning, budgeting and implementing programmes in drinking-water and especially sanitation is a challenge.
- 3.2 Aid is increasingly untied, and the majority of it is in the form of long-term commitments of five years or more.
- 3.3 Donor coordination and harmonization are essential, especially considering that the majority of responding countries receive sanitation and water aid from 10 or more donors.
- 3.4 Eleven donors have specific goals for their aid to result in increased coverage for sanitation and drinking-water. Assuming these targets are met, these donors would directly support governments to provide new access to drinking-water and sanitation for an equivalent of over 100 million persons annually.
- 3.5 At the same time, 17 responding countries plan to reach a total of 73 million additional persons with improved sanitation and/or drinking-water by 2014.
- 3.6 Five-year disbursements of aid to sanitation and drinking-water are equivalent to 71% of five-year commitments, assuming a one-year time lag between the two.

# PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

## Sanitation and Water for All: A Global Framework for Action

Sanitation and Water for All: A Global Framework for Action, launched in September 2008, is an initiative of national governments, external support agencies, civil society organizations and other development partners working together to increase political will and improve aid effectiveness for water supply and sanitation. The initiative will serve as a platform to:

- put sanitation and water firmly on the global agenda at the highest political levels;
- enable the development and implementation of actionable national plans;
- improve aid targeting and effectiveness through harmonization and alignment;
- encourage national governments to increase budget allocations for basic water and sanitation services;
- assist in identifying outstanding financing gaps and the sources of funds to narrow those deficits;
- mobilize additional resources and use existing resources more effectively;
- improve information for better decision-making;
- promote mutual accountability between external support agencies and recipient governments and between governments and their people.

Source: UNICEF (2009)





### 3.1 STAKEHOLDER COORDINATION AND HARMONIZATION

Consultation and coordination with local stakeholders and donor aid partners are crucial to ensure that policies, legal frameworks, monitoring reviews, reforms, budgets, expenditure priorities and resource planning are reviewed and fully owned by stakeholders and that users receive the services that they want and are willing to pay for. Coordination can be promoted through various institutional frameworks or processes at local, national and regional levels.

#### Local stakeholder participation in planning, budgeting and implementing programmes is a challenge

As Table 14 suggests, procedures to support local stakeholder participation in planning, budgeting and implementing programmes have not been systematically applied, especially in urban and rural sanitation, where the great majority of countries indicated that either there are no procedures or procedures are usually not implemented.

TABLE 14: Local stakeholder participation

	Drinking-water		Sanitation	
	Urban	Rural	Urban	Rural
<b>Sub-Saharan Africa</b>				
Angola	●	●	●	●
Benin	▲	▲	▲	▲
Burkina Faso	▲	▲	▲	▲
Burundi	▲	-	=	=
Cameroon	▲	▲	▲	▲
Central African Republic	▲	▲	▲	▲
Chad	▲	▲	=	-
Côte d'Ivoire	●	●	●	●
Democratic Republic of the Congo	●	●	●	●
Ethiopia	-	-	-	-
Ghana	●	●	●	●
Kenya	▲	▲	=	=
Lesotho	▲	▲	▲	▲
Madagascar	▲	▲	▲	▲
Mali	▲	▲	▲	▲
Mauritania	▲	▲	=	=
Mozambique	●	●	●	●
Niger	▲	▲	-	▲
Rwanda	▲	▲	▲	▲
Senegal	▲	▲	▲	▲
Sierra Leone	●	●	●	●
South Africa	●	●	●	●
Sudan (south/north)	●●	●●	●●	●●
Togo	=	▲	=	=
Uganda	●	▲	-	●
United Republic of Tanzania	●	●	●	●
Zimbabwe	●	●	●	●
<b>Southern Asia, South-eastern Asia, Eastern Asia, CIS</b>				
Bangladesh	▲	▲	-	▲
Cambodia	▲	▲	▲	▲
Indonesia	-	-	-	-
Kazakhstan	-	-	-	-
Lao People's Democratic Republic	▲	▲	▲	▲
Mongolia	=	=	=	=
Nepal	▲	▲	▲	▲
Philippines	▲	▲	=	=
Thailand	▲	=	-	=
Timor-Leste	▲	▲	-	▲
Viet Nam	▲	=	▲	=
<b>Northern Africa, Western Asia</b>				
Morocco	▲	▲	▲	-
Oman	-	-	-	-
<b>Latin America and the Caribbean</b>				
Honduras	▲	▲	▲	▲
Paraguay	=	=	=	=
<b>Progress score</b>	<b>44%</b>	<b>60%</b>	<b>27%</b>	<b>49%</b>
<b>Colour key:</b> Are there clearly defined procedures for informing, consulting with and supporting local participation in planning, budgeting and implementing programmes?				
● Yes, and procedures are systematically applied				
● Yes, but procedures are not systematically applied				
● No procedures are in place				
- No information				
<b>Shape key:</b> Over the past three years, has the working of mechanisms that promote multistakeholder coordination been worsening, constant or improving?				
▲▲▲ Increasing trend				
== No change in trend				
▼▼▼ Decreasing trend				
●●● No trend information				

Source: 2009–2010 CSO and GLAAS country survey results



# PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

## Donor coordination and harmonization are essential, especially in those countries with a high number of donors

Donors were asked to report on their efforts to coordinate with other donors and to harmonize their activities with national counterparts. Table 15 shows that the majority of the GLAAS responding countries are receiving sanitation and water aid from 10 or more donors, with Ethiopia and Mozambique at the top, with 20 donors. Donor coordination and harmonization, as per the Paris Declaration on Aid Effectiveness (OECD, 2008), therefore become essential. In fact, national coordination and harmonization platforms exist in many countries in different forms: for example, donors and governments can work jointly through an approach applicable to the entire drinking-water and sanitation area, as is implemented in South Africa, or through programmatic approaches that support one or more aspects of drinking-water and sanitation, as in Lesotho and Zambia. Objectives of coordination mechanisms can vary as well, such as in Jordan, where information exchange is the main focus of the platform's activities, and elsewhere, as in Zambia and Kenya, where partners and donors commit to undertake joint reviews of drinking-water and sanitation.

"Prior to the formulation and implementation of projects/activities, Japan organizes a series of dialogues with partner governments to elaborate the mid-term rolling-plans and cooperation programs. Through this dialogue and planning process, it is assured that the projects/activities are aligned and coordinated with partner governments' policies/priorities and other donors' activities." – *Japan response to 2009–2010 GLAAS external support agency questionnaire.*

### The European Union (EU) Code of Conduct on Complementarity and Division of Labour in Development Policy

"In 2007, the EU Council approved the 'Code of Conduct on Complementarity and Division of Labour in Development Policy' to reinforce the complementarity of donor activities. It includes, among other things, guidance on the maximum number of active donors per country per sector, lead donor arrangements, the establishment of priority countries and the problem of 'orphaned' or neglected countries."

Source: EUWI-AWG (2008)

### Libreville Declaration on Health and Environment in Africa

Parallel to donor coordination efforts, such as the EU Code of Conduct, there are also regional or national processes that aim to create strategic synergies between sectors. One example is the Libreville Declaration on Health and Environment in Africa (signed in Libreville, Gabon, 2008), where the 53 signatory countries agree to establish a strategic alliance between the sectors of health and environment, including the areas of sanitation and water supply (<http://www.unep.org/health-env/pdfs/libreville-declaration-eng.pdf>). Implementation of the Declaration began in 2009, whereby a road map for implementation was developed and adopted by several African countries and partners. As the first step of this implementation, each country will develop a situation analysis and needs assessment in connection with the 11 priority actions.



**Table 15:** Donor/organization coordination, sanitation and drinking-water (GLAAS countries)<sup>1</sup>

Recipient country	Number of donors	Donors with leading roles	Donors active in national coordination or harmonization platforms	Donors that provided at least US\$ 1 million in aid disbursements in 2008 <sup>2</sup>
Angola	10		UNICEF	IDA (8), EC (6), United Kingdom (3), Spain (1), UNICEF (1)
Bangladesh	12	ADB, Japan	ADB, Denmark, Japan, Netherlands, UNICEF, United Kingdom, WaterAid	Netherlands (20), United Kingdom (18), Denmark (8), IDA (4), Japan (3), Switzerland (2), UNICEF (2)
Benin	13	Denmark, Netherlands	Denmark, France, Germany, Netherlands, UNICEF	Germany (15), EC (13), Netherlands (9), Denmark (9), IDA (6), France (4), AfDF (1)
Burkina Faso	18	France	Denmark, EC, France, Germany, Japan (water), Sweden, UNICEF, WaterAid	Denmark (15), Germany (10), AfDF (10), EC (8), France (5), IDA (4), Sweden (1)
Burundi	10	Germany	EC, Germany, UNICEF	Germany (7), AfDF (3), Belgium (2), IDA (1)
Cambodia	13			France (6), IDA (3), Japan (2), United Kingdom (1)
Cameroon	11			AfDF (9), Japan (4), IDA (2)
Central African Republic	5		UNICEF	IDA (1)
Chad	10		Germany	EC (10), France (7), AfDF (3), Germany (1), IDA (1)
Côte d'Ivoire	9		UNICEF	IDA (4), Germany (1)
Democratic Republic of the Congo	13		Germany, United Kingdom	IDA (39), EC (8), Germany (3), UNICEF (2), Belgium (1), Spain (1), United Kingdom (1)
Ethiopia	20		EC, Finland, United Kingdom, USA, WaterAid	IDA (31), United Kingdom (16), AfDF (12), EC (10), Finland (7), Japan (6), Netherlands (5), Germany (5), UNICEF (2), France (1), Italy (1), Norway (1), USA (1)
Ghana	14		Denmark, WaterAid	IDA (45), Netherlands (23), Denmark (13), Belgium (11), EC (10), Canada (10), AfDF (4), Germany (4), United Kingdom (1)
Honduras	11		EC	Spain (8), EC (5), IDA (4), Japan (4), Switzerland (2), Italy (1)
Indonesia	13	Netherlands (sanitation)	Netherlands, Sweden, UNICEF, USA	IDA (72), Japan (37), Netherlands (31), Germany (5), Canada (3), Sweden (3), USA (3), Australia (1)
Kazakhstan	3		UNICEF	Japan (50)
Kenya	18	France, Germany, Sweden (water)	Denmark, France, Germany, Japan (water), Sweden, UNICEF	Germany (32), IDA (19), Sweden (10), AfDF (7), Denmark (5), EC (5), France (4), Netherlands (4), Japan (3), Austria (1), Spain (1), USA (1)
Lao People's Democratic Republic	8			Japan (9), France (3)
Lesotho	7		Ireland, USA	EC (12), Ireland (3), IDA (1), USA (1)
Madagascar	10		UNICEF, WaterAid	IDA (6), AfDF (4), EC (2), France (2)
Mali	19	Germany	AfDB, Denmark, Germany, Sweden, WaterAid	EC (11), France (8), Germany (6), Belgium (3), Netherlands (3), AfDF (2), Denmark (2), Spain (2), IDA (1), Luxembourg (1)
Mauritania	9		France, UNICEF	AfDF (11), IDA (3), Spain (2), EC (1), France (1)
Mongolia	9			Japan (7), Germany (1), IDA (1)
Morocco	11	France	Germany	EC (40), Germany (16), Japan (14), France (13), Spain (4), Belgium (3), Italy (1), Luxembourg (1)
Mozambique	20	United Kingdom	France, Netherlands, Portugal (water), UNICEF, United Kingdom, USA, WaterAid	Netherlands (30), AfDF (14), IDA (14), EC (10), Switzerland (2), France (1), Germany (1), Ireland (1)
Nepal	12	ADB	ADB, Finland, UNICEF, WaterAid	IDA (6), Finland (5), United Kingdom (1)
Niger	15		Denmark, France, Germany (water), Japan (water), UNICEF	EC (12), Denmark (7), France (4), IDA (4), Spain (2), AfDF (1), Belgium (1), Germany (1)
Paraguay	4			Spain (2)
Philippines	15		Germany, Sweden, UNICEF, USA	EC (27), Japan (19), Germany (3), USA (3), Spain (2), Sweden (1)
Rwanda	15	EC	EC, Germany, United Kingdom, UNICEF	IDA (17), AfDF (9), EC (4), Japan (3)
Senegal	16	EC, France	EC, France, Japan, UNICEF	IDA (24), AfDF (23), EC (11), Luxembourg (5), France (4), Belgium (3), Japan (1)
Sierra Leone	10		EC, United Kingdom	IDA (7), United Kingdom (4)
South Africa	13		EC, Ireland	EC (44), Ireland (6)
Sudan	11		Germany, UNICEF	Netherlands (8), USA (4), United Kingdom (2), Belgium (1), Ireland (1), Japan (1)
Thailand	7			Japan (1)
Timor-Leste	7			Japan (5), Australia (2)
Togo	7		UNICEF	France (1), Spain (1)
Uganda	18	Denmark, Germany	AfDB, Denmark, Germany, Sweden, WaterAid	AfDF (25), Sweden (9), Germany (8), Denmark (4), EC (4), Austria (3), IDA (2), Ireland (1), UNICEF (1)
United Republic of Tanzania	18	Germany	AfDB, France, Germany, Japan, UNICEF, USA, WaterAid	IDA (41), Germany (33), AfDF (32), EC (19), Japan (12), Norway (5), UNICEF (1)
Viet Nam	15	Australia	Australia, Denmark, Finland (water), Germany, Netherlands, UNICEF	IDA (80), Japan (66), France (29), Netherlands (15), Denmark (14), Germany (14), Norway (8), Finland (7), Belgium (3), Spain (1)
Zimbabwe	9			United Kingdom (8), EC (1)

ADB, Asian Development Bank; AfDB, African Development Bank; AfDF, African Development Fund, African Development Bank; EC, European Commission; IDA, International Development Association

<sup>1</sup> Coordination is for both sanitation and drinking-water, unless otherwise noted.

<sup>2</sup> Number in parentheses is the amount of disbursement in 2008 in \$US millions.

Sources: OECD (2010a) for columns 2 and 5; 2009–2010 GLAAS external support agency survey results for columns 3 and 4.

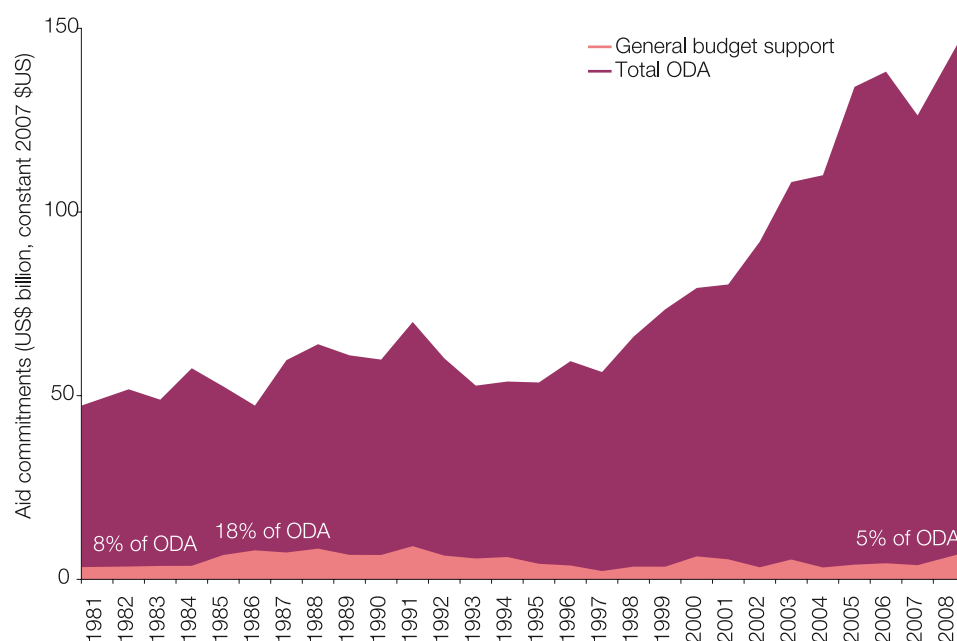


# PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

## 3.2 AID CHANNELLING AND ALIGNMENT

External support agencies can use a combination of funding channels to meet their development aid objectives. For example, providing general budget support gives recipient governments the flexibility to target development aid to priority sectors or cross-sectoral initiatives that are aligned with the governments' own development agendas. On the other hand, funding specific projects, such as the construction of water points or a water distribution system, can, in the short term, facilitate the implementation of activities and the disbursement and tracking of aid.

**While most donors provide some general budget support, the relative proportion of general budget support provided has declined**



**FIGURE 34:** Trends in general budget support aid, 1981–2008

Source: OECD (2010a)

Eleven out of 13 bilateral donors indicated that general budget support is provided to some recipient countries. Several donors noted that pool/basket funding is provided only in limited forms (e.g. no more than 25% of total sanitation and drinking-water aid to the country) and that decisions regarding where to use general budget support are screened carefully to ensure that management capacity is sufficient to administer the funds in the appropriate manner. As shown in Figure 34, commitments to general budget support overall were US\$ 7.3 billion in 2008 (constant 2007 US\$). The allocation of general budget support to specific sectors depends on domestic priorities. Therefore, while general budget support represents the most sustainable aid modality, its targeting to specific sectors depends on their relative priority internally.

## Approaches to the use of aid funding channels vary widely

**TABLE 16:** Funding channels for aid, percentage of sanitation and drinking-water 2008 disbursements

External support agency	Sector budget support	Programmes and projects using pooled funds (e.g. multilateral organizations)	Programmes and projects via international or national NGOs	Academic and training institutes (institutional or local)	Programmes and projects (directly implemented via private sector and consultants)	Other methods
Asian Development Bank		26%			74%	
Bill and Melinda Gates Foundation		28%	59%	13%		
BRAC					100%	
Denmark	68%	13%			19%	
European Commission		4%	2%			94%
Finland					100%	
France (AFD)					100%	
Germany	15%				5%	80%
Inter-American Development Bank		100%				
Ireland	81%		19%			
Netherlands	74%	13%	11%	2%		
Portugal			100%			
Sweden	15%				2%	83%
UNICEF						100%
United Kingdom	15%	14%	23%	21%	27%	
USA		2%	26%	1%	17%	53%
World Bank (IDA)	4%	96%				

AFD, Agence Française de Développement; IDA, International Development Association, World Bank

Source: 2009–2010 GLAAS external support agency survey results

The European Commission indicates that its main channel of aid delivery is decentralized cooperation, whereby aid commitments and disbursements are done by the partner country. Funds are channelled to the national administration for subsequent disbursement to NGOs, academic institutions or multilateral organizations. The USA indicates that 53% of its funds (“others” category) are direct grants to single-purpose government agencies responsible for managing the implementation of the grant agreements. For different reasons, UNICEF and Sweden could not easily disaggregate their aid per the funding channels in Table 16. Germany indicates that approximately 80% of its funds are programme or project support implemented by national partner institutions in charge of water and/or sanitation.

### Inter-American Development Bank (IDB) Water and Sanitation Initiative

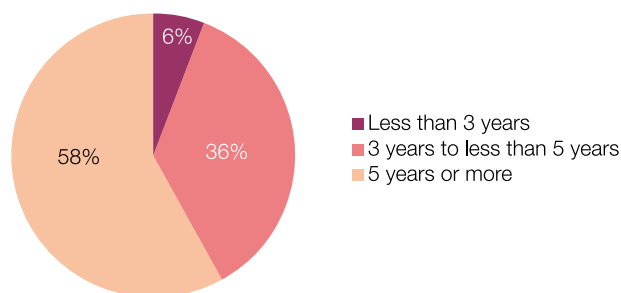
In 2007, IDB launched the Water and Sanitation Initiative, aimed at providing a new set of tools and flexible financing for countries in Latin America and the Caribbean. Between 2007 and 2011, the initiative will emphasize four programmes:

- 1) *100 cities programme* – designed to catalyse investment financing and technical assistance for Latin American and Caribbean cities of more than 50 000 people, giving priority to their poorest communities;
- 2) *Water for 3000 rural communities* – to support communities willing to make their own financial, technical and organizational decisions and to run their local water and sanitation systems;
- 3) *Water defenders* – to provide technical assistance and financing to safeguard 20 priority micro-watersheds;
- 4) *Efficient and transparent utilities* – to finance programmes to strengthen the management of water utilities and to develop a system to measure and certify their performance.

Source: IDB (2007)

# PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

## Long-term commitments comprise 58% of development aid for 14 responding external support agencies



**FIGURE 35:** Long-term, medium-term and short-term commitments by 14 external support agencies for sanitation and drinking-water, 2008

Source: 2009–2010 GLAAS external support agency survey results

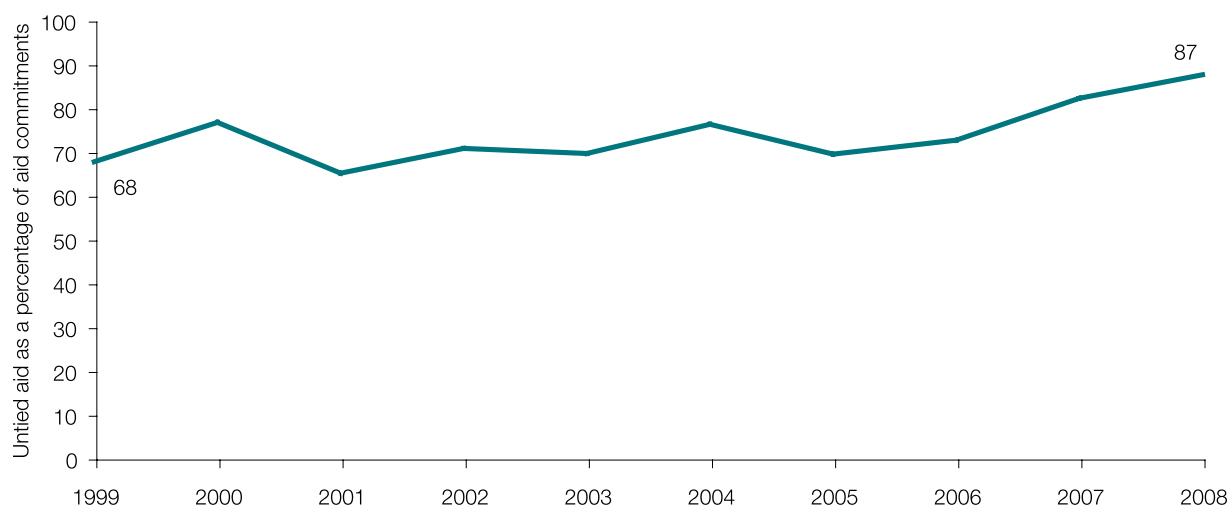
“Nine out of our 15 programme countries have WASH [water, sanitation and hygiene] programmes based on 5-year commitments” – *Danish response to 2009–2010 GLAAS external support agency questionnaire.*

Long-term (i.e. five years or more) funding comprised 58% of 2008 commitments to sanitation and drinking-water by 14 responding external support agencies, weighted by the volume of their commitments. Thirty-six per cent of aid was for the medium term (i.e. three to five years), whereas 6% was for short-term programmes and projects of less than three years (Figure 35).





## Substantial progress has been made in untying aid



**FIGURE 36:** Untied aid as a percentage of sanitation and water aid commitments, all donors, 1999–2008

Source: OECD (2010a)

In an effort to make ODA more effective, the OECD Development Assistance Committee in 2001 recommended that bilateral development institutions should untie their aid to least developed countries and non-least developed highly indebted poor countries. Supporters of untied aid maintain that it provides better value for money, increases ownership and alignment with recipient government systems and helps to build local capacity and use of local goods and services. A recent evaluation (DIIS, 2009) indicates that donors are increasingly recognizing the importance of untying aid; in fact, OECD data indicate that the percentage of sanitation and water aid that is untied has been steadily increasing over the past decade (Figure 36).



# PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

## Ten out of 11 responding donors use country procurement systems in one or more countries

A recent survey (OECD, 2009) monitoring agreements made in the Paris Declaration on Aid Effectiveness (OECD, 2008) indicates that the use of country procurement systems increased from 39% in 2005 to 43% in 2008 for all aid sectors. While responses to the GLAAS external support agency survey make it difficult to estimate a similar percentage of country procurement systems used specifically in sanitation and drinking-water, 10 out of 11 responding donors did indicate the use of country procurement systems in one or more project countries. The use of country procurement systems was dependent not only on the recipient countries, but also on the type of aid. For instance, Japan uses country procurement systems in loan arrangements, whereas donor procurement systems are used for grants.

## Six out of seven reporting bilateral agencies do not use project implementation units in sanitation and drinking-water

Project implementation units (PIUs) refer to dedicated structures created for day-to-day management and implementation of aid-financed projects and programmes that are outside existing national implementation agencies. Reflecting concerns that PIUs undermine country capacity development efforts, the Paris Declaration on Aid Effectiveness (OECD, 2008) invited donors to avoid, to the maximum extent possible, creating such structures or units. A recent survey (OECD, 2009) monitoring agreements made in the Paris Declaration indicates that a 12% reduction in PIUs occurred from 2005 to 2008 for all aid sectors.

Although no baseline number of PIUs for water has been established, 45 PIUs were reported for 2008 by external support agencies responding to the GLAAS survey. The survey indicates that six out of seven bilateral agencies do not use PIUs. None of the European donors reported the use of PIUs, in accordance with the EU Code of Conduct on Complementarity and Division of Labour in Development Policy; however, some of the multilateral organizations they fund (e.g. development banks) do use PIUs.



## Donors cite a wide range of recent achievements in increasing donor alignment, harmonization and coordination, including support for sanitation and water programming, increased use of national procurement and increasing country-led programme design and implementation

Surveyed donors had an opportunity to briefly highlight their achievements in increasing alignment, harmonization and coordination. While not all highlights could be included in this report, a brief list of recent achievements is provided below:

- support for and development of water and sanitation programmes in the United Republic of Tanzania and Benin (Netherlands Directorate-General for International Cooperation [DGIS], German Federal Ministry for Economic Cooperation and Development [BMZ]) and in Mozambique (DGIS);
- multidonor approaches in Senegal (Agence Française de Développement [AFD]);
- increased use of national procurement systems, reduction of number of independent PIUs, increased national competitive bidding processes (Asian Development Bank [ADB], African Development Bank [AfDB], Danish International Development Agency [DANIDA], BMZ);
- supporting subnational implementation to empower subnational agencies and increase sustainability (Australian Agency for International Development [AusAid]);
- through cooperation programmes or country compact agreements, recipient countries lead programme design and implementation (Millennium Challenge Corporation, Portuguese Institute for Development Assistance [IPAD]);
- increased engagement in a variety of national coordination mechanisms, such as Ethiopia's Development Assistance Group for water, sanitation and hygiene or Pakistan's newly established Donor Coordination Group (ADB);
- supporting and advocating for new national water, sanitation and hygiene policies that were approved in 2008 and adopted in Ghana, Kenya, Liberia, Madagascar, Malawi, Somalia and Sierra Leone (UNICEF);
- approval of the Water Initiative, which prioritizes water and sanitation and provides the necessary resources and guidance on a strategic sector approach, including the preparation of strategic sector plans with the countries (IDB);
- use of joint financing tools in sub-Saharan Africa: e.g. trust fund in Zambia, basket fund in Benin, technical assistance basket in Burkina Faso, basket fund in the United Republic of Tanzania (BMZ, DANIDA, EC, AFD);
- the evolution from project approach to water and sanitation policy support programmes, using water and sanitation budget support (European Commission);
- institutional support approach in the Lao People's Democratic Republic (Norwegian Agency for International Development [NORAD]);
- support for the development of the annual national sanitation forum in Burkina Faso (WaterAid).





# PARTNERSHIPS AND EXTERNAL SUPPORT TO ACCELERATE AND SUSTAIN PROGRESS

## Obstacles to alignment, harmonization and coordination are cited both at country level and among donors

While an impressive range of achievements has been realized, external support agencies were also asked to identify obstacles to progress in alignment, harmonization and coordination. The identified obstacles fell into two categories: obstacles at country level, and obstacles among donor relationships. The obstacles at country level included the following factors:

- poor governance;
- weakness in water and sanitation policies or strategies;
- lack of credible national plans;
- weak national procurement rules;
- lack of government capacity in fragile states;
- at local government levels, barriers to increasing alignment with country systems;
- non-optimal integration of local government levels into overarching approaches for water and sanitation;
- lack of prioritization of sanitation and drinking-water.

The identified obstacles among donor relationships included:

- poor targeting of international resources;
- lack of transparency in partner structures and procedures;
- lack of full acceptance of principles of best practices by development partners;
- high transaction costs to harmonize between donors before benefits are realized;
- lack of prioritization of sanitation and drinking-water.



### 3.3 TOWARDS MUTUAL ACCOUNTABILITY

Mutual accountability is a basic principle of healthy partnerships, where donors are accountable to recipient countries, recipient countries are accountable to donors and all governments are accountable to their people. Mutual accountability is built on trust between partners and transparency in setting targets and monitoring results.

#### Eleven donors have implemented specific targets to provide new access to sanitation and drinking-water for an equivalent of over 100 million persons per year globally

Over the past several years, an increasing number of donor and recipient countries have established specific targets for increasing access to water and sanitation services, in terms of numbers of people served over a specified time period, or other types of water and sanitation targets. Table 17 summarizes the specific targets for 11 external support agencies with such targets. In aggregate, these 11 donors aim to reach an equivalent of over 100 million persons annually with new access to sanitation and drinking-water globally.

**TABLE 17:** Specific targets for increasing access to drinking-water and sanitation services globally, populations

External support agency	Target region or country	Population with increased services (drinking-water)	Population with increased services (sanitation)	Time frame
African Development Bank	Africa	271 million	295 million	2015 (Rural Water Supply and Sanitation Initiative)
Asian Development Bank	–	200 million	200 million	2006–2010 (Water Financing Program)
BRAC	Bangladesh	8.5 million	17.6 million	2015
France	–	1.6 million per year	0.6 million per year	Annual targets
Germany	Sub-Saharan Africa	25 million	5 million	2015
Inter-American Development Bank	Latin America	2007–2011 targets to improve and finance services in 100 cities and 3000 rural areas and to finance improvement of 100 urban water operators		
Japan	Africa	6.5 million	TICAD IV commitments amounting to additional US\$ 340 million to provide capacity building to 5000 water resources managers from 2008 to 2012	
Netherlands	–	50 million	50 million	2015
United Kingdom	Africa, South Asia	25 million (Africa only)	55 million	3–5 years
USA	Africa	Legislative commitment of at least US\$ 300 million annual aid for the sectors		
World Bank	–	36 million		Increased commitments in 2005–2009 expected to provide additional access

Source: 2009–2010 GLAAS external support agency survey results