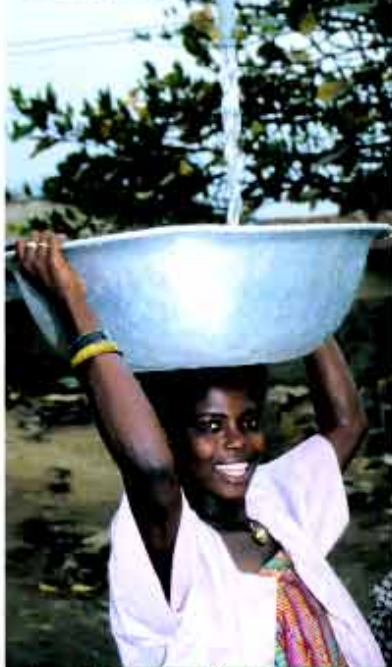




Rural Water Supply and Sanitation Toolkit for Multisector Projects

Developed by:
Rural Water Supply and Sanitation
and
Social Funds Thematic Groups



THE WORLD BANK



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F O R E W O R D

Multisector projects, including Social Funds, are increasingly being used as a mechanism for channeling funds to communities to help them undertake their own development activities. These new approaches often provide more efficient ways of delivering community-based investments, and can empower communities by allowing them to define their own priorities and to manage subproject implementation, including, in many cases, procurement, contracting, and funds administration. However, results also show that rural water and sanitation has consistently been one of the key challenges for many multisector projects in terms of achieving long-term sustainability, and ensuring the effective use of the improved services. With an estimated two-thirds of the World Bank's financing for rural water supply and sanitation (RWSS) investments taking place in the context of multisector investment programs, the stakes are high for making sure that the RWSS components of such programs are well designed.

The purpose of this document is to improve the quality and sustainability of RWSS investments financed under multisector community-based projects by providing task teams with guidelines and tools for designing, implementing, and monitoring and evaluating the RWSS components of these projects. The target audience includes Bank staff, government officials, consultants, and other practitioners who are involved in the preparation and implementation of Community-Driven Development programs.

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RWSS TOOLKIT FOR MULTISECTOR PROJECTS GUIDE

“If anything has been learnt in the almost 50 years of installing village water supply systems, it is that where there is no local participation in planning and decision-making and no local commitment to operation and maintenance, including local financing, the system has a short life.”

Arthur Okun

I N T R O D U C T I O N

Multisector projects, including Social Funds, are increasingly being used as mechanisms for channeling funds to communities undertaking development activities. These new approaches often provide efficient ways to deliver community-based investments, and can empower communities by allowing them to define their own priorities and to manage subproject implementation.

Rural water supply and sanitation (RWSS) is often a high development priority in communities, and there are good examples of communities actively participating in the planning and implementation of RWSS subprojects. However, a persistent challenge is how to ensure the quality and sustainability of the services that these water and sanitation subprojects are designed to provide.

Decades of experience have produced a body of knowledge which can be useful and instructive in addressing these issues. This toolkit has been devised to help multisector task managers tap into this body of knowledge. The toolkit is divided into the following main sections:

1. Basic Principles in RWSS. This section heightens awareness of sector-specific issues, and highlights the basic principles of good RWSS practice.

2. Rapid Sector Assessment. The first step in determining how to include RWSS components in a multisector project is through a sector assessment. This provides a broad overview of the critical constraints and opportunities of RWSS service provision in the country, and is used to design the strategy for incorporating RWSS into the multisector project.

3. RWSS in the Project Cycle. An organizing framework is provided for implementing each stage of the subproject cycle as it relates to RWSS investments.

4. Resources. This section provides terms of reference (TORs), checklists, and other tools for carrying out the rapid sector assessment and implementing RWSS through the project cycle, as well as bibliographic references to online documentation, useful links, and contact information.

The series of steps needed to incorporate an RWSS component into a multisector project are summarized on the next page.

WHAT DO I NEED TO DO?

STEP 1

What: Assess the country situation and define an RWSS strategy for the project.

Undertake a rapid sector assessment of the policy and institutional environment, review proposed project objectives, and determine how RWSS can best be incorporated into the project.

Who: Internationally qualified consultant(s) in RWSS or a Bank technical staff member. Best would be a team of consultants comprising technical, social, and financial staff.

Result: Country sector snapshot, agreement on the basic approach to RWSS in the project, and input to project concept document (PCD), including input to logframe.

STEP 2

What: Design RWSS project interventions, set up project rules, and elaborate operational manual. Develop an implementation strategy, define project activities, and spell out the rules under which RWSS subprojects will be funded.

Who: Government project office in coordination with sectoral agencies, with or without assistance of local consultant(s), with expertise in RWSS hardware and software issues.

Result: Definition of RWSS component and final draft of operational manual.

STEP 3

What: Review RWSS component during project appraisal. Review and agree with government on the implementation strategy, component definition, and operations manual; finalize RWSS input to project appraisal document (PAD) logical framework and project appraisal analyses (if applicable).

Who: Internationally qualified consultant in RWSS or a Bank technical staff member as part of appraisal team.

Result: Project appraisal document (PAD).

STEP 4

What: Implement project and carry out regular monitoring and reporting. Oversee community-based evaluation; assess performance of completed subprojects and take corrective actions.

Who: Government project office and communities, with or without assistance of local consultant.

Result: Progress reports and evaluation reports.

STEP 5

What: Carry out implementation support and evaluation. Organize regular supervision missions and evaluate outcomes.

Who: Internationally qualified consultant in RWSS or a Bank technical staff member as part of Bank implementation support team.

Result: Aides-mémoire, evaluation reports.

1. BASIC PRINCIPLES IN RWSS

1.1 Key Characteristics of RWSS Investments

What is RWSS? RWSS involves *providing potable water to rural communities for domestic uses* (including drinking, eating, cooking, bathing/hygiene), and requires *the supply of high-quality water on a continuous basis*. In the developing world families, especially women, spend a considerable amount of time trying to provide sufficient water for these uses. The potable water systems usually replace traditional sources of water, such as rivers and open wells, which are often contaminated and distant from the household. Improved rural water solutions include a *range of technologies*, from protected wells equipped with manually operated handpumps, to more complex gravity-flow or pumped piped water systems connected to houses or public standposts. The technical solution is very *location specific* and will depend on a range of characteristics, such as community demand, affordability and willingness to pay, community size and household density, water resources and electricity availability, and topographical issues.

The **health benefits** of improved water and sanitation services derive mainly from the safe disposal of human excreta and the adoption of sustained and effective use of water for hygienic purposes. These objectives often need to be achieved through intensive community sensitization campaigns, based on the existing practices and beliefs of the population. Technical solutions for sanitation will depend very much on household preferences and include many factors, such as cultural and gender issues, traditional building materials, costs, water supply availability, environmental concerns, and a sound legal and policy environment.

RWSS services need to be managed and paid for. Experience shows that community-based management solutions are the most appropriate, as long as the community organization is representative, accountable, and has the capacity to implement its tasks, and there is an adequate tariff and cost-recovery mechanism in place to pay for the costs of supplying the service. It is essential for communities to make informed choices about the costs to be incurred, since the estimated tariff must take into account maintenance costs as well. Years of experience also show that community-based management committees need access to technical assistance on a *continuous basis*. This assistance can be provided by local government, a national sectoral agency, or the private sector.

The **institutional and policy framework** in which the multisector project operates, and the rules and procedures adopted during project implementation, are critical to the success and sustainability of community RWSS subprojects. It is important that the stakeholders' roles and responsibilities (primarily *communities, the private sector, and the government*) be clearly defined, within an appropriate legal framework of ownership and management. This should include, but not be limited to, an autonomous, community-elected water users association to operate the service, set tariffs and manage funds, and ensure continuity in the provision of service.

Capacity building and training at a local level are also vital to the project's success. Experience tells that for operations and maintenance (O&M) to be long lasting, communities need to be trained before, during, and after facility construction, make choices based on all available options, and be given the opportunity to develop their capacity.

Two fundamental characteristics of RWSS can be summarized as follows:

First key characteristic: RWSS involves the provision of a continuous service, and this service requires management and generates costs. Understanding this basic concept is fundamental to improving the performance of RWSS subprojects. A reliable level of service that the communities can afford, and for which they are willing to pay, must be ensured.

Second key characteristic: Water is increasingly viewed as an economic as well as a social good. This is reflected in the users' *willingness to pay* for the cost of the service. RWSS practitioners around the globe agree that this concept — referred to as the *demand-responsive approach (DRA)* — is essential to successful water supply projects, because it establishes the basis for sustainable operations and maintenance and provides a framework for communities to make informed choices as to the level of service they desire and can afford.

Other related characteristics include:

» **RWSS components have immediate and direct welfare consequences.** The failure or malfunction of RWSS systems has direct welfare consequences on the beneficiaries — they no longer have water for essential daily life. Thus, the social cost of poor operations and maintenance is high.

» **RWSS components are essentially interdisciplinary in nature.** Investments in water supply cannot achieve their full potential benefit, and ultimately their poverty reduction goals, without complementary efforts in hygiene and sanitation, environmental protection, and sustainable water consumption.

» **RWSS investments involve multiple alternatives for design and level of service.** Communities need to be aware of, and participate in, the choice of these alternatives, because it will have implications for the size of the investment and the cost of future operations and maintenance.

» **Adherence to quality standards is an essential ingredient for sustainable service delivery.** Quality work is necessary for ensuring long-lasting investments. Construction and equipment installation must therefore be carried out by trained professionals from the beginning.

» **RWSS includes hardware and software aspects.** Successful and sustainable RWSS projects include not only the infrastructure investment (in wells, pipes, pumps, and latrines), but also the software aspects of service management and promoting health and hygiene practices.

» **Sanitation and hygiene aspects should be seen as distinct activities within RWSS.** In contrast to water supply, rural sanitation systems — entailing household latrines and drainage — do not generally lend themselves to a fee-for-service framework. They involve a strong *software aspect*, which focuses on *awareness and behavioral changes* which extend to the household level and recognize women as key actors, as well as on linkages with education and health projects.

1.2 Definitions in RWSS: DRA and Willingness to Pay

Fundamental to RWSS jargon are two concepts: demand-responsive approach and willingness to pay, both of which are interlinked.

Four overarching principles encompass the notion of **demand-responsive approach (DRA)**: (a) water should increasingly be managed as an economic as well as a social good; (b) management should be focused at the lowest appropriate level; (c) a holistic approach to the use of water resources should be employed; and (d) women should play a key role in the management of water.

The demand-responsive approach has four fundamental characteristics:

(a) **Community members make informed choices about:**

» Whether to participate in the project

» Technology and service-level options based on their willingness to pay for various levels of service (higher levels of service are more expensive)

» When and how their services are delivered

» How funds are managed and accounted for

» How their services are operated and maintained.

(b) **Government plays a facilitative role**, sets clear national policies and strategies, encourages broad stakeholder consultation, and facilitates capacity building and learning.

(c) **An enabling environment is created** for the participation of a wide range of providers of goods, services, and technical assistance to communities, including the private sector and NGOs.

(d) **An adequate flow of information** is provided to the community, and procedures are adopted for facilitating collective action decisions within the community and between the community and other actors.

If we understand that water is an *economic* good, it is also true that the poor are no different from anyone else in their **willingness to pay** for reliable water supply and sanitation services. In most countries, people are already paying for water and sanitation services, either in time, labor, or money. Experience also shows that, if asked, households are often willing to pay more for water and sanitation than the established rate.

Several methods are currently in use to quantify the willingness to pay at the subproject level:

- » Determine what people are currently paying under similar and existing schemes (revealed preference surveys)
- » Carry out household surveys, using such methods as the contingent valuation method (CVM)
- » Carry out focus group discussions on various service and payment options.

In assessing these alternatives, the multisector project should keep in mind that the whole point of the exercise is to facilitate informed choice on investment options and determine a fair basis for setting tariffs that will ensure sustainable operations. In this context, the key question is: *Does the established rate cover the real costs of offering the desired level of RWSS service, and are consumers willing to pay that amount?*

1.3 The Policy and Institutional Environment Matter!

Reliability and sustainability of community-based RWSS services depend on a series of technical, financial, and management support networks, all of which operate within a policy and legal framework.

Understanding the nature, strengths, and weaknesses of this environment will help the task manager to design RWSS interventions that have the greatest chance for sustainable service delivery.

Good practice in RWSS has tended toward decentralized ownership and management of assets and service delivery. This approach dovetails well with the trend towards decentralization and Community-Driven Development. The following summarizes the general distribution of roles among stakeholders at various levels:

National agencies (usually ministries or parastatal agencies) are increasingly acting as *advisor, facilitator, and trainer* to local governments and communities, who themselves are organizing the procurement of RWSS equipment and services. In this revised role, national agencies also define and certify quality norms, procurement standards, and training programs for RWSS equipment and service suppliers.

Local governments (usually provincial, district or similar administrative units) usually provide *support to communities* (such as villages or neighborhoods) in planning, procurement of equipment and services, and training. In some cases, local governments themselves may organize the procurement of equipment and services on behalf of multiple communities.

Communities (usually villages, small towns, or neighborhoods) should be the *owners* of the RWSS assets, with the responsibility for ensuring service provision, operations, and maintenance. This includes procurement of the equipment and services, as well as the setting and collection of user fees to ensure continuous financial self-sufficiency of service delivery, and operations and maintenance.

The private sector (including equipment and spare parts suppliers, operations and maintenance providers, and NGOs) are contracted by the communities to provide a range of RWSS *support services*, which could include equipment and spare parts supply, operations and maintenance, organizational support, and training. These are done under accountable and transparent procurement procedures, and according to national standards and regulations.

1.4 Basic Principles

Below are 13 best practice design principles in RWSS, to be used when assessing the country situation and designing the project interventions. This is followed by a table which highlights these principles in relation to major thematic areas.

- 1.** Promote a **demand-responsive approach** where communities make informed choices regarding their participation, service level, and service delivery mechanisms.
- 2.** Promote **institutional reform based on clear roles for key stakeholders** where communities own their facilities, the private sector provides goods and services, and government facilitates the process.
- 3.** Ensure an **appropriate legal framework** for ownership and management.
- 4.** Implement RWSS projects within the context of broader **community and local government development**.
- 5.** Establish **financial policies** that underpin the demand-responsive approach, whereby communities pay part of the capital cost in proportion to the cost of the facilities, and all operations and maintenance costs.
- 6.** Support the formation of representative **water users associations** for planning, implementation, and management of community water supply facilities.
- 7.** Create a **competitive environment** for allowing communities to access a range of providers of goods and services for all aspects of the project cycle.
- 8.** **Integrate water, sanitation, and hygiene education** in RWSS projects.
- 9.** Promote **user investment in sanitation** through public awareness and hygiene education, and strengthen the private sector's ability to construct facilities.
- 10.** Ensure the representative and informed **participation** of all stakeholders.
- 11.** Include clearly defined **capacity building components** that enable all stakeholders to play their roles and **build partnerships**.
- 12.** Set **rules to target poor, unserved communities** and **vulnerable groups** in these communities.
- 13.** Support **community-based environmental management** to improve living conditions and protect water resources.



TABLE 1
**KEY DESIGN PRINCIPLES FOR COMMUNITY WATER AND
SANITATION SERVICES**

Thematic Area	Problem Definition and Key Responses	Community Water and Sanitation (CWS) Strategy for Rural Areas and Small Towns
Policy Environment	Limited political commitment, weak legal framework, and poor governance lead to unstable policy environment for sector. This results in: underinvestment, undefined ownership, poor participation, weak regulation, and conflicting priorities <i>Response:</i> • Bank works only where policy reform is in place, or where there is a demonstrated commitment to it. • Government should clearly articulate and disseminate policies, regulations, and programs. • Role of stakeholders should be clearly defined. • Broad consultation in policy review should be promoted.	Promote a demand-responsive approach (DRA) where communities make informed choices regarding their participation, service level, and service delivery mechanisms. Communities decide: • Whether to participate in project • Preferred level of service based on willingness to pay • How services are planned, implemented, operated, and maintained • How funds are managed and accounted for. Promote institutional reform based on clear roles for key stakeholders where communities own their facilities, the private sector provides goods and services, and government facilitates the process: • Community owns, manages, and helps finance services. • Government at all levels facilitates the process by encouraging stakeholder participation, setting policies and standards, and financing facilities. • Private sector and NGOs provide goods, services, and financing. • External support agencies: financing, technical assistance, policy coordination. • Civil society provides policy and implementation support. Ensure appropriate legal framework for ownership and management: • Ownership (water resources + assets) • Recognition and autonomy of community-elected water users associations (WUAs) to operate, set tariffs, and manage funds, especially vis-à-vis local government. Implement CWS projects within context of broader community and local government development: • Support decentralization reforms • Recognize and promote cross-sectoral linkages (education, health, rural development, energy, etc).
Financing Options	Demand for services is increasing but service expansion has been constrained by insufficient resource allocation from the public sector, inefficient investments in costly schemes, and a lack of capacity to mobilize resources from users, local government, private sector, and others. <i>Response:</i> • Financial policy should link prices charged to costs of services. Users should pay more for higher levels of service. • Tariff policy is important and should be designed to ensure financial viability of each system. • Subsidies should only be transitional and targeted to communities on a one-time basis. • Balance capital investments with long-term O&M.	Establish financial policies that underpin the demand-responsive approach where communities pay part of the capital cost in proportion to the cost of the facilities, and all operations and maintenance costs. Promote increased capital cost recovery from users: • An upfront cash contribution based on their willingness to pay is required from users to demonstrate demand and develop community capacity to administer funds and tariffs. • Ensure 100% recovery of operations and maintenance costs. • Improve community-level financial management and resource mobilization, especially for major repairs/replacements and service expansion. • Set up robust financing mechanisms (public and private sector) and explore financial intermediation options (such as household credit for on-site sanitation) to increase internal resource mobilization. • Small towns may need specific assistance for tariff setting and devising a financial management plan for service expansion and upgrading. • Provide detailed information on costs to allow for informed choice, and seek to reduce investment costs through lower-cost options and more efficient delivery mechanisms.

Thematic Area	Problem Definition and Key Responses	Community Water and Sanitation (CWS) Strategy for Rural Areas and Small Towns
Service Delivery Options	Government monopoly on service provision has resulted in lack of accountability and community ownership, poor management and sustainability, low-quality services, and weak development of private sector and alternative delivery options. Response: - Promote community ownership and management and support a range of delivery and management options based on service levels, population size, etc. - Promote policies and institutional reform that remove barriers to private sector participation and other support and management arrangements. - Develop mechanisms for allowing users to make informed choices (social intermediation). - Promote flexible standards that open up choice and support appropriate technologies and equipment standardization (where required for spare part network). - Consider management and O&M issues as an integral element of the community planning and decision process.	Support formation of representative water users associations (WUAs) for planning, implementation, and management of community water supply facilities. Promote community contracting and transparency in all procurement: - Recognize range of management options based on community size, technical and financial complexity, and consider the special needs of multicommunity regional systems and neighborhood options in small towns. The larger and more complex the system, the greater the need for professional operators. - Ensure long-term support and technical assistance to community management (private and public sector support, association of WUAs, etc), appropriate technology, availability of spare parts in the local market, etc. Create competitive environment for allowing communities to access range of providers of goods and services for all aspects of the project cycle: - Community organization and formation of representative WUA, resource mobilization - Service planning: estimating costs, engineering designs, financing plans - WUA training in financial management, contract administration, operations and maintenance - Community awareness raising, hygiene education, sanitation promotion - Contracting, procurement, and construction supervision - Long-term support to management, and operations and maintenance - Small towns are institutionally, technically, and financially more complex than rural areas and require additional support and training.
Hygiene and Sanitation	Full economic and health impact of improved CWS are often not achieved due to lack of attention to hygiene education and sanitation (HES). Approaches to sanitation have focused mainly on technology aspects, rather than on behavior changes and creating a market (supply and demand) for sanitation facilities. Response: Ensure that HES components are included in national policy dialogue and resources provided in CWS programs.	Integrate water, sanitation, and hygiene education in CWS projects: - Hygiene education and sanitation need clear objectives, performance indicators, and monitoring and evaluation processes. - Hygiene education should build on existing beliefs and community priorities, and seek to achieve effective and sustained use of improved water and sanitation services and hygiene practices. - Schools and family units are both important in HES programs. Promote user investment in sanitation through public awareness and HES education, and strengthen the private sector's ability to construct facilities: - Subsidy programs for sanitation are not sustainable; however, targeted subsidies may be appropriate to demonstrate approaches and stimulate demand. - Include a wide range of technology options for wastewater and excreta disposal and treatment. - Interventions should be coordinated with, and supplement, national health programs.
Participation and Gender	Lack of community involvement, especially the involvement of women, has been the main reason for poor service sustainability. Traditional project design did not consider the required project rules and incentives to achieve full participation. Response: DRA requires ample information flow, and processes for the community to make all investment decisions.	Ensure representative and informed participation of all stakeholders: - Place the community at the forefront of decision-making and management through appropriate project rules, incentives, and social intermediation. - Ensure participation of women and minority groups. - Promote exchanges (meetings, newsletters, e-mail, associations of WUAs). - Facilitate stakeholder participation in policy formulation and program design/evaluation. - Monitoring and evaluation should include participation of all stakeholder groups.

Thematic Area	Problem Definition and Key Responses	Community Water and Sanitation (CWS) Strategy for Rural Areas and Small Towns
	CWS programs should recognize women as primary users of water, hygiene educators, and managers, and involve women in sector development, treating men and women as equal partners.	
Capacity Building	Insufficient attention is paid to the appropriately targeted capacity building required to implement DRA, and there are also few incentives for local private sector and NGOs to participate in programs. <i>Response:</i> - Capacity building is central to Bank support in sector. - Capacity building requires a commitment to long-term support. - Projects must have realistic objectives consistent with local capacity and build local knowledge. - DRA recognizes the need to support community outreach, social intermediation, and training.	Include clearly defined capacity building components that enable all stakeholders to play their roles and build partnerships: - Target training to communities, private sector, NGOs, and local/regional/national government. - Innovative tools and methodologies are required as well as a learning-by-doing approach. - Community outreach, intermediation, and training are required before, during, and after facility construction. - Selection of trainers and community development workers should be done in a cost-effective and competitive manner, with the community involved in the contracting process as appropriate. - Capacity is most required in social intermediation skills and informing communities about choices. - Training should be time bound and output and impact-oriented, with performance monitoring and targets to measure capacity and achieve goals. - Develop opportunities for local stakeholders (private sector, local government, NGOs) to participate and build their capacity.
Poverty and Access	Majority of clients are the poor, poorest are outside cash economy and politically weak, it is easier to provide services to rich, population is increasing, and there are decreased services and resources as well as lack of political commitment towards the poor. <i>Response:</i> - Design CWS programs to reach the poorer segments of the population. - Expand range of technology and management options that are affordable to the poor.	Set rules to target poor unserved communities and vulnerable groups within these communities: - Develop baseline information, identify vulnerable groups, and monitor access of the poorer communities to project services. - Expand range of technology options, building on existing resources in community. - Ensure adequate flow of information to all eligible communities and ensure adequate social intermediation and participation by all groups, including women, poor, and minorities. - Recognize and build on informal safety nets within communities. - Involve women and minority groups in community decisions and management.
Environmental Management	Improper excreta and solid waste disposal is increasingly a source of pollution and related disease. Growing demand for water coupled with high variability of supply contributes to increased competition for scarce water resources and degradation of resource. <i>Response:</i> - Consider environmental aspects of CWS: water resources and waste management. - Promote holistic view of integrated water resource management (IWRM) in designing CWS policies and programs.	Support community-based environmental management to improve living conditions and protect water resources: - Consider source protection, conservation, education of water users as stewards of water resources, watershed management, and appropriate water resource allocation among competing sectors, etc. - Promote waste management as an integral part of IWRM. - Support public awareness and community education programs on environmental protection and IWRM. - Rely on groundwater rather than surface water, which must be treated to protect water quality.

2. RAPID SECTOR ASSESSMENT

THE RAPID SECTOR ASSESSMENT

Why is a rapid sector assessment important? Carrying out a rapid sector assessment is important because it provides the project's task manager and team with crucial information about the country's commitment regarding the provision of water and sanitation services and the general strengths and/or weaknesses of the policy and institutional environment. This allows the team to evaluate, prior to intervention, whether the situation is ripe for getting involved, or if there is *first* a need for policy reform. Accomplishing a good rapid sector assessment can save many future headaches and help the team be better prepared for potential obstacles.

The first step in the rapid sector assessment is to get a *quick overview* of the country context by clarifying the nation's policy and strategy for providing RWSS services and understanding its ongoing programs and capacities. This will involve discussions with the responsible sector agency and stakeholders and review of existing strategy documents, master plans, implementation manuals, and reports.

Secondly, a determination is made of the extent to which sector reform is needed, leading to an assessment of (a) if and how this reform should be addressed by the project; and (b) how other RWSS interventions should be addressed by the project.

The rapid sector assessment can be accomplished by examining the following subthemes: (a) national goals and strategy, (b) roles and responsibilities, (c) technology options, (d) finance and cost recovery, (e) legal issues, (f) ongoing programs, and (g) formulating a strategy.

KEY TOOLS
The key tools for carrying out a rapid sector assessment are:
1. *Terms of Reference for Country Assessment for RWSS Component (Annex I)* and
2. *A Checklist addressing the subthemes mentioned above (Annex II)*

TABLE 2
SUMMARY: RAPID SECTOR ASSESSMENT AVAILABLE DOCUMENTS

Rapid Sector Assessment Phase	Key Document(s) Provided & Additional Online Resources
<i>General</i>	<i>Annex I:</i> TORs for Country Assessment for RWSS Component <i>Annex II:</i> Checklist for Rapid Sector Assessment Online: Sample reports
National Goals & Strategy	Use "General" documents
Roles & Responsibilities	Use "General" documents
Technology Options	Online: Manuals – The Ethiopia Social Rehabilitation and Technical Design Manual, DFID Guidance Manual on Water and Sanitation Programmes, Lao PDR Water Supply and Sanitation Technology Options documents, Peru technical manuals, and technology-related websites
Finance & Cost Recovery	Online: Guidelines on calculating tariffs, fiduciary management for Community-Driven Development projects
Legal Issues	Use "General" documents
Ongoing Programs	Use "General" documents
Formulating a Strategy	Online: Sample reports

Complementary information to the TORs and checklist is provided for some of the subcategories.

2.1 Roles and Responsibilities

The definition of roles and responsibilities in the sector should be seen within the context of ongoing programs for decentralization and reforms in the urban water sector (for instance, management of small town systems may be transferred from national utility to local governments). The sector assessment should summarize the strengths and weaknesses of the actors in order to assess their ability to play their respective roles in RWSS service provision, with a view towards compiling lessons learned for the project. In particular, the following stakeholders and the fulfillment of their roles should be examined:

- » National agency and its ability to pursue a demand-responsive approach, and to regulate and promote quality standards
- » Local governments and their capacity to support communities
- » Communities and their ability to manage the procurement and oversight of equipment supply and O&M services
- » Local market of suppliers of goods and services for design, construction, procurement, and spare parts
- » Local organizations to provide support to communities in mobilization, subproject identification and preparation, engineering design, training of water committee members, and so on.

2.2 Technology Options

The relevant key issues to examine here include (a) the extent to which communities have choices for RWSS service delivery; (b) how these options are framed and discussed with the communities (for example, are they fully understood? do they cover operations and maintenance? Are gender aspects considered?); and (c) the extent to which technical norms and standards exist and are enforced within the country. Other important issues are:

» Are there national RWSS standards? Are they appropriate? Are they flexible enough to meet various community needs? Are they affordable? Examples of national standards include:

- » Types of technology or service level for given populations within a given radius
- » Technical specifications for various technology or service levels
- » Minimum water quality standards for household use
- » Environmental standards for siting of RWSS facilities.

The assessment should ascertain the extent to which these standards exist, and who is responsible for enforcing them. Also, is there a cadre of sector professionals who are familiar with these standards and can provide quality services to the communities? If not, how can this be developed?

» Are communities provided with a list of standard technology options, with their advantages/disadvantages? An example of the range of technical options might include:

- » Improved shallow wells
- » Boreholes equipped with handpumps
- » Spring protection
- » Mechanized boreholes connected to standpipes or household connections
- » Surface water catchments linked to a piped system
- » Latrine improvements
- » Small sewer networks.

KEY TOOLS
The key tools for analyzing technology options are located *online*. These include technical design manuals and papers from Ethiopia, Lao PDR, and Peru, and several links to websites with information specific to water supply & sanitation technology

» **Do these options provide information on the investment costs and management implications for operations and maintenance, including annual costs and the tariffs required to cover those costs?** Communication of these options to communities highlights the need to think through the cost and management implications of their investment choices.

» **Is water resource availability an issue in the country?** The project should be aware of any concerns related to water scarcity and its effect on the cost and sustainability of project investments.

2.3 Finance and Cost Recovery

RWSS subprojects often fail because inadequate attention is paid to finance and cost recovery issues. Therefore the following questions must be addressed:

» **Is there a standard countrywide subsidy policy? Is the subsidy level fiscally sound and affordable? Is there a standard policy for local sharing of the investment cost that follows the principles of DRA (that is, cost-share level related to cost of service)?** The project should strive to promote a consistent approach and financial policy within the country, at least at the regional level. It is also important to determine the extent to which the level of cost share relates to various levels of service. For example, does the percentage contribution and level of subsidy vary for hand-dug wells, deep wells, communal standpipes, or household connections?

» **Is there a standard policy for recovery of operations and maintenance costs through tariffs? How are these tariffs arrived at?** As with investment subsidies, the project should avoid conflicting with established tariff policies and practices, and should promote standard approaches. The key issues to examine are whether the tariffs:

» Are based on actual costs for rendering differing levels of service

» Include provision for equipment renewal

» Include a provision for annual tariff adjustments

» Allow for financing potential network expansion and upgrading.

» **What are the software costs, and how are they financed?** Does the government have a policy on the provision of software items, such as capacity building for the community, local governments, and the network of service providers, and promoting behavioral change for improved hygiene and sanitation? Often referred to as social intermediation, these crucial activities, which generally amount to about 25 percent of project costs, are often either not considered in the project costs, or are add-ons.

» **Is there any reliable information on RWSS costs?** The initial assessment should determine the extent to which data exists on unit costs of RWSS service investments, operations and maintenance costs, and other software project costs. These will provide a foundation for estimating project costs and developing the operational manual, as well as a baseline to be used for monitoring and evaluation.

Words of Advice...

Quantify all project costs. Although all subprojects quantify hardware investment costs, they often do not fully account for the software costs necessary for ensuring sustainable service delivery. This includes such expenses as training and institution building for the community, local government, and other stakeholders; educational programs for environmental management, hygiene, and sanitation; and project supervision, follow-up, and support. Resources for such expenses should be reserved in the project, or generated through user fees at the subproject level.

Ensure that local contributions to investment costs rise in proportion to the cost of the facilities. This is an essential element of the community's making a meaningful choice between service-level options. Experience has shown that the arbitrary use of subsidies for all service levels leads to the use of inappropriately expensive facilities, and creates expectations that cannot be replicated or effectively scaled up.

For water supply, calibrate tariffs to cover all O&M, including equipment replacement and depreciation. In the absence of good O&M cost information, most projects set an amount that reflects common practice, willingness to pay, and/or ability to pay for water. However, in the interest of providing sustainable service, the project should require that improved cost of service information be generated and used to establish cost-based

KEY TOOLS
Several crucial tools for finance and cost recovery are located *online*: guidelines on how to calculate tariffs specific to RWSS, fiduciary management for Community-Driven Development project guidelines, community financing agreements, and extensive literature on the subject

tariffs in a transparent way. This information can then be used to establish a tariff policy that can be revised regularly by the service providers with the community.

When it comes to sanitation infrastructure, such as latrines, focus on creating demand and minimizing subsidies. Unless the subproject funds can provide for everyone in the community, requesting up-front contributions may mean that the better-off gain a higher subsidy or that the poorest are excluded. However, if these investments are part of a multisector project menu, then the following lessons ought to be considered:

- » Subsidize only the most basic level of facility, leaving people to make improvements as they can afford them.
- » Ensure that the economic ranking of various choices remains the same based on the real costs (such that a more expensive option does not become more attractive than a less expensive option because of the subsidy).
- » If funds are limited, consider subsidizing only the interventions that have the greatest health impact.
- » Find out what people are willing to pay.
- » Calculate the real cost of assisting the entire target population. Is it affordable?

Establish a common financing and cost-recovery strategy. The lack of such an agreement could lead to projects and programs undermining each other. The potential payoffs are great, in terms of generating and improving information available for future investments and service providers.

2.4 Legal Issues

The rapid assessment should review existing water legislation with a view towards identifying any potential constraints and facilitating legislation for the development of rural water supply systems. Of particular interest to multisector projects is the legal basis for water use rights, customary entitlements, standards for water quality, and the conditions which govern watersheds, groundwater, and protected areas. Without a clear definition of asset ownership, the responsibility for operations and maintenance can be ambiguous with respect to who does what. This state of affairs results in a steady deterioration of the physical assets and an erosion of the basic service the assets were designed to provide. The following questions therefore need to be addressed:

- » What is the current law governing water resource ownership and use, and how is it applied?
- » What is the current law concerning RWSS asset ownership?
- » Is there a legal recognition of water boards, water user committees, or other entities promoted by the project?

2.5 Ongoing Programs

Once the basic policy, strategy, and institutional framework is clarified, a critical look should be taken at how all this is working. This can be done by means of a rapid analysis of the performance of ongoing RWSS programs, and the capacity of the various stakeholders and actors to play their roles.

2.6 Formulating a Strategy

Depending on the results of the analysis of the country context, the rapid assessment will suggest a strategy for incorporating RWSS components into the multisector project.

This task should conclude with a clear definition of the next critical steps and responsibilities of the government's team in the preparation of the component. This would include, but not be limited to:

- » Contribution to the project logical framework, and to technical, economic, environmental, and social analyses
- » Preparation of project rules and covenants
- » Preparation of operational manual and guidelines
- » Development of project monitoring and supervision arrangements.

KEY TOOLS
Look at *Checklist for Rapid Sector Assessment: Item 7, Analysis of Ongoing Programs (Annex II)*

2.6.1 Sector Policy Reform

Are the sector policy and institutional conditions favorable? The assessment should gauge the nature and severity of policy and institutional constraints on, and opportunities for, providing and improving sustainable RWSS services. The situation may fall into one of three broad categories:

» **Unfavorable**, due, for example, to highly centralized, rigid, and supply-driven policies, with little attention to sustainable maintenance

» **Functional, but with a need for capacity building and reform** to ensure sustainability and improve current institutional frameworks and capacities

» **Fully functional**, such that the multisector project can readily link into ongoing programs and institutional frameworks.

Is there a need for sector reform? Clarification of the policy and institutional constraints and opportunities should indicate the extent to which additional policy reform and institutional strengthening should take place, either within the project, or in a separate sector-based project.

If the country's policy is considered "unfavorable", that is, focused totally on centrally controlled, supply-oriented provision of infrastructure, the project should seriously consider whether RWSS investments should be made at all. In such cases it may be better to propose a sector-based reform package and put RWSS investments on hold, pending these reforms. More commonly, however, RWSS policies will be moving in the right direction, but the support networks and institutional capacities are weak. In these cases, the strategy should be to zero in on the most important weak points and propose ways in which such weaknesses can be addressed, either with project funds, or as part of subproject costs.

The strategy should also include explicit monitoring and adjustment of the various measures such that, over time, capacity building and support mechanisms are continuously improved, even beyond the life of the subproject intervention.

What is the approach to community development/training/gender? Depending on stakeholder capacities and progress toward decentralization, the strategy should propose an explicit approach for promoting community ownership and management of the RWSS assets, as well as ensuring that gender-related issues are addressed in the project. A simplified decision-making framework, which capitalizes on the basic knowledge generated during the sector assessment, can assist the project team in addressing the above issues and narrowing down the options for defining the RWSS component.

2.7 Expected Outputs

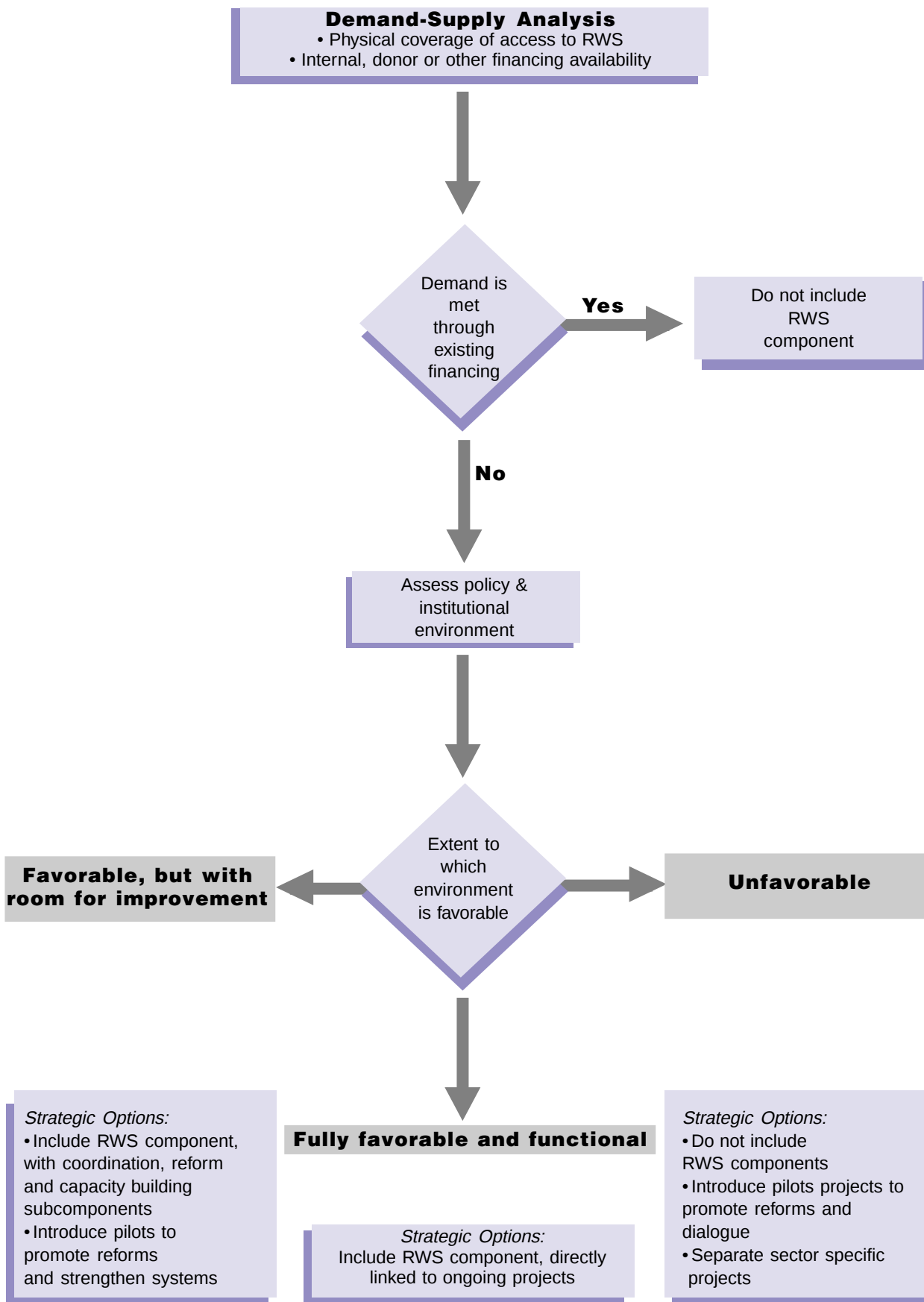
After reviewing this section and considering the questions posed, the expected outputs of the rapid sector assessment should be (a) an assessment of the demand for, and supply of, RWSS in the country; (b) an assessment of the policy and institutional capacity to meet the RWSS demand; (c) recommendations as to the role of the project; and (d) formulation of a strategy as to the next steps to take.

Once a rapid sector assessment is accomplished, you are ready to begin project preparation for designing the RWSS component in the project cycle...



DIAGRAM 1

DECISION FRAMEWORK FOR DETERMINING ROLE FOR RWS IN MULTISECTOR PROJECTS



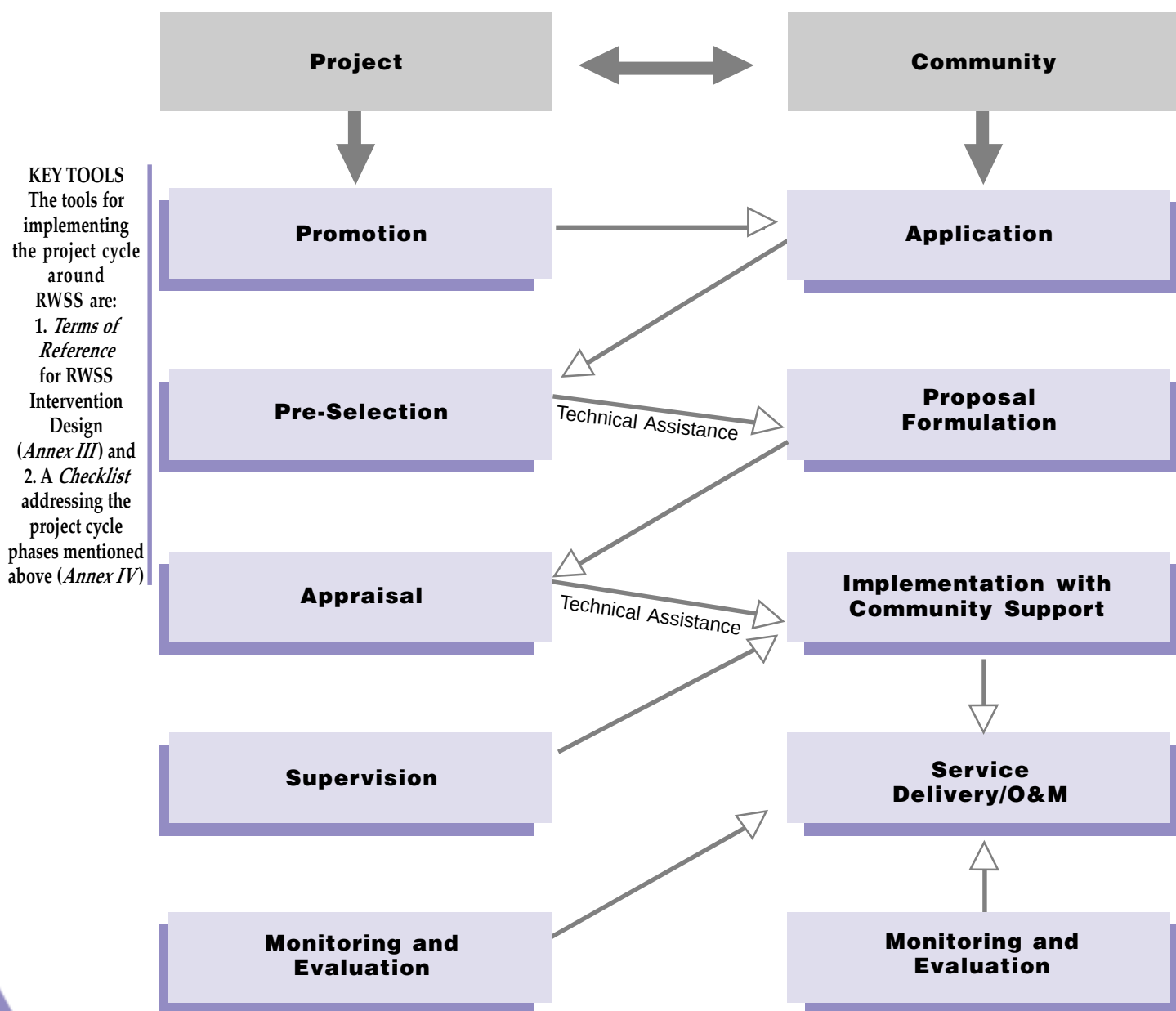
3. RWSS IN THE PROJECT CYCLE

RWSS IN THE PROJECT CYCLE

The project cycle may be viewed as an interactive process between the project and the community, with supporting roles being played by the private sector, NGOs, and other stakeholders. Depending on the country, the project may be viewed as an implementing agency similar to a social fund or local government.

DIAGRAM 2

PROJECT/COMMUNITY INTERACTIVE ROLES DURING THE PROJECT CYCLE



Using the subproject cycle as a framework, this section provides (a) guidance on why each stage is important to RWSS; (b) guidance on what can be expected from each partner throughout the project cycle; and (c) references to the resource section and the online toolkit for tools for achieving these tasks.

TABLE 3
SUMMARY: RWSS IN THE PROJECT CYCLE
AVAILABLE DOCUMENTS

Subproject Cycle Phase	Key Document(s) Provided	Additional Resources Online
<i>General</i>	<i>Annex III: Sample TOR Intervention Design</i> <i>Annex IV: Checklist for RWSS Component Design</i>	Surf through "Resources" section online to find: TORs, checklists, PADs, manuals, procurement guidelines, sample contracts, audits and monitoring, and more...
Promotion		• Community promotion guidelines • UNICEF Manual on Communication for Water Supply and Environmental Sanitation
Application	<i>Annex V: List of Documents Required during Project Preparation</i>	• Community project request form • Project sample forms • Application/action by community guidelines • Guidelines for designing a water and sanitation committee
Preselection		• Standard score sheets • Preselection criteria
Proposal Formulation	<i>Annex V: List of Documents Required during Project Preparation</i>	• Community project request form • Guidelines on calculating tariffs • Procurement and financial procedures manual for use of community-based organizations • Hygiene and sanitation literature • Sample TOR for programmatic environmental assessments • Community mobilization and planning guidelines
Appraisal	<i>Annex V: List of Documents Required during Project Preparation</i>	• Subproject appraisal checklist • Ex ante evaluation tool (based on FHIS - Honduras Project) • Community subproject agreement between the implementing agency and communities (example from Ethiopia)
Implementation Support	<i>Annex VI: Project Operational Manual Index</i> <i>Annex VII: Service-Based Performance Indicators</i>	• Training resources (manuals on water, sanitation, and hygiene promotion) • Community-based contracting sample projects • Community-based contracting literature • Flow of funds scheme • <i>Procurement</i> section contains: memoranda of understanding (MOUs), agreements, applications, contracts, and useful links
Operations and Maintenance	<i>Annex VII: Service-Based Performance Indicators</i>	• User cost sharing rules • O&M task schedule sample (from India) • Guidelines on tariff determination • O&M training package for managers and planners (from WHO)
Monitoring and Evaluation	<i>Annex VIII: Monitoring and Evaluation Checklist</i>	• Sample TORs for M&E • Participatory evaluation guidance • Ex-post evaluation tool, sample impact studies

KEY TOOLS

Key tools

located *online*:

1. Community

promotion

guidelines

2. UNICEF

Manual on

Communication

for Water Supply

& Environmental

Sanitation

3.1 Promotion

Why: The promotion phase is the first critical opportunity for the subproject to engage communities in (a) deciding whether or not they want a project; and (b) defining their development priorities, one of which may include RWSS. If RWSS is chosen, this is an occasion for communicating the demand-responsive approach and explaining the project rules.

What: Options for RWSS investments should link into the multisector project's initial information campaign, which will allow the community to evaluate and decide what type of project best meets its needs. Approaches such as integrated rural accessibility planning may be useful in assisting communities to identify their priorities. If a water project is chosen, the message should be that RWSS is a separate service that must abide by certain basic principles (look at Basic Principles in RWSS section). These principles may be transmitted into an RWSS brochure or flier, which would spell out the basic approach, rules, and procedures under which RWSS investments may be made. Key themes would include:

- » The concept of water as an economic good that requires management and comes at a cost
- » Informed choices on the technical options and implications for management and cost
- » The community's responsibility for continuous management and finance of operations and maintenance
- » Cost-recovery rules and tariffs to ensure sustainable service delivery
- » Community organization, management, and contracting arrangements
- » Minimum technical standards and quality
- » Asset ownership, roles, and responsibilities
- » Environmental, hygiene, and sanitation aspects
- » Application and proposal formulation requirements.

Who: Projects often engage promoters familiar with community facilitation, who can be trained to discuss these issues with prospective communities, perhaps supported by radio and other media campaigns.

3.2 Application

Why: The completion of an application form is the first expression of demand. Successful RWSS projects have found it useful to allocate within the subproject cycle a time period during which communities:

- » Confirm RWSS as a development priority
- » Assimilate the basic principles and requirements for RWSS investment, transmitted during the promotion phase
- » Establish an appropriate organizational structure to oversee the maintenance of the systems and service provision
- » Start revenue mobilization
- » Apply for assistance under the project.

What: Communities would meet to confirm their interest in the project in general and in RWSS investments in particular. If RWSS is selected, the meeting will discuss the information received and identify the assistance required to enable the communities to acquire their own water supply and sanitation facilities. Topics of discussion would include:

- » Selection of spokesmen/women
- » Participation of all community members
- » Analysis of information contained in the flier and application form

KEY TOOLS

List of Documents

Required during

Project Preparation

(*Annex V*), and

online resources:

community project

request form,

project

sample forms,

application/action

by community

guidelines,

guidelines for

designing a water

and sanitation

committee

- » Community interest and form of involvement in the project
- » How the community will raise funds for investment and O&M
- » Who could assist the community to understand and prepare to receive project assistance
- » Technological options.

Based on these meetings, the interested communities would fill in application forms for:

- » The whole project in general
- » RWSS specifically.

The community would also open a bank account, with a specified minimum deposit.

Who: The community may organize these meetings itself, or recruit technical and facilitation assistance to complete these initial steps. The project, through district-level technical staff, may participate in, or observe, the community-level meetings.

3.3 Preselection

Why: The preselection process enables the project to (a) screen communities for RWSS investments based on need, commitment, and capability; (b) get an initial assessment of investment and annual budget requirements; and (c) avoid disappointing communities by reducing the number of full-blown proposals that are prepared.

What: The project will organize a subcommittee responsible for reviewing applications. The applications will be ranked on standard score sheets according to preselection criteria. The project will preselect a limited number of communities, based on financial and staffing capacity.

Who: The project, in collaboration with technical agency and local government.

3.4 Proposal Formulation

Why: Experience has shown that successful RWSS projects require a committed up-front investment in order to establish durable community organizational arrangements. This is because an RWSS subproject has distinct requirements, insomuch as it:

- » Depends on a limited natural resource, water, which is also an economic good, and therefore requires consumers to pay for the service.
- » Requires consultation and coordination among community members, local governments, investors, development workers, engineers, and other stakeholders.
- » Lends itself to alternative technical design and levels of service with varying cost and management implications.
- » Requires an intersectoral and integrated approach, including engineering, the environment, health, and education.
- » Needs a maintenance system that is (a) intensive; (b) managed by the community; (c) supported by additional technical assistance; (d) able to provide spare parts; and (e) backed by a reliable system of financial and administrative management.

Technical assistance can help the community address these sector-specific requirements in their proposals, through:

- » Analyzing the existing situation as regards hygiene, water, and sanitation, environmental issues, and baseline information; and determining effective demand for sanitation facilities
- » Choosing service-level options for water and sanitation services

KEY TOOLS
Online resources include: standard score sheets and preselection criteria

KEY TOOLS
List of Documents Required during Project Preparation (*Annex V*), and additional *online* resources such as: community project request form, guidelines on calculating tariffs, procurement and financial procedures manual for use of community-based organizations, hygiene and sanitation literature and training methodology, sample environmental TORs, community mobilization and planning guidelines

- » Determining the capital cost and the level and mobilization of community contributions
- » Formulating a facilities management plan for operations and maintenance and method of organization
- » Establishing a financial management plan and a tariff plan to finance the facilities management plan
- » Preparing a hygiene and sanitation promotion campaign and linking it to sanitation investments
- » Identifying and addressing potential environmental and social safeguard concerns
- » Identifying responsibilities and ongoing training requirements, including organization and training of the water and sanitation committee.

What: Preselected communities will prepare subproject proposals, according to standard guidelines and templates laid out in the operational manual.

Who: Prior to preparation, the communities would receive technical assistance to help them make decisions and complete their proposal request. Technical assistance would be recruited and paid for by the project from among consultants or NGOs, or by hiring a qualified individual in the community. Such personnel would act as facilitators for the community and the water and sanitation committee.

3.5 Appraisal

Why: A sector-specific appraisal format is necessary to assess effective RWSS demand and verify technical, social, and economic feasibility and sustainability.

What: Subproject appraisal is undertaken with a standard appraisal checklist designed to verify and confirm community commitment and capacity, in order to ensure sustainable service delivery. Once projects are selected, a community subproject agreement or memorandum of understanding is signed by the community and the project. This is also signed, if appropriate, by local government and by sector-based or other implementing agencies.

Who: The project would identify an appraisal team for RWSS applications, in conjunction with technical implementing agencies and local government authorities as appropriate.

3.6 Implementation with Community Support

Why: Intensive community-level assistance and training is required at this stage to reinforce ownership, promote health and hygiene benefits, and establish a sound foundation for sustainable service delivery and operations and maintenance. Many lessons have been learned regarding community-based contracting of RWSS services. Two major issues stand out:

- » **Adapt contracting mode to fit service-level option.** This can range from simple, witnessed agreements to formal performance-based service and supplier contracts.
- » **Ensure adequate skills and tools to administer contracts.** “Short and sharp” training modules can explain to water and sanitation committee members what is required in terms of expertise and skills.

What: All civil works should be accompanied by community development activities. The operations manual should lay out:

- » The types of investments eligible under the project
- » Procurement of goods, services, and works, including rules, procedures, and responsibilities for bidding, selection, and supervision
- » Flow of funds during the investment period
- » Construction, which involves supervision of contractors and certification of works.

KEY TOOLS
List of Documents
Required during
Project
Preparation
(Annex V) and
others online:
sub-project
appraisal
checklist, ex ante
evaluation tool,
community
subproject
agreement
with agency

KEY TOOLS
Project Operational
Manual Index
(Annex VI),
Service-Based
Performance
Indicators
(Annex VII), and
online tools:
training
resources –
manuals,
community-based
contracting
sample projects,
community-based
contracting
literature, flow
of funds scheme,
various
agreements,
applications,
memoranda of
understanding
(MOUs),
contracts, and
useful links

Three types of arrangements may be envisioned:

- » The community manages the funds by themselves.
- » The community hires a qualified individual or firm and is responsible for supervising them.
- » The project and/or local government does the hiring on behalf of the community.

At the same time, each subproject budget should include the provision of technical assistance for training in such vital areas as community organization, health and hygiene education, service delivery management, and operations and maintenance.

Who: The communities should be involved at all stages of subproject implementation, construction, and community development activities. Technical assistance would be recruited to ensure the community development aspects.

3.7 Operations and Maintenance

Why: Lack of effective operations and maintenance (O&M) is the most common problem of RWSS components. To address this problem, O&M training should begin during the implementation phase, and focus on the community's capacity to ensure reliable and sustainable service delivery.

What: Four major elements are emerging in good-practice RWSS projects:

1. O&M and facilities management plans. Operations and maintenance plans should not only list maintenance tasks, but also provide a detailed task schedule focused on preventative maintenance and specifying responsibilities. The project operations manual can provide guidance or models for such schedules, relying on, for example, color-coded cards and other management techniques for regular maintenance and monitoring.

2. Cost recovery and tariff structures. The key to achieving sustainable service delivery is an effective system for user payments. Methods for RWSS tariff calculations have been developed, which can be adapted to O&M budgets on an annual and multiyear basis, as well as covering financial needs for future system expansion or equipment replacement.

3. Community-level training for O&M. Numerous methodologies have been developed for community-level training in RWSS services. An excellent source can be found in *Operation and Maintenance of Rural Water and Sanitation Systems – A Training Package for Managers and Planners* (WHO).

4. Performance-based service contracts. This relatively new approach aims to remunerate a contractor for providing a service at a predefined quality standard, rather than pay the contractor based on time, works, or materials. In its simplest form it could involve paying a village operator a flat monthly fee to cover scheduled routine and periodic maintenance, with incentives for improved service and penalties for a reduction in the service standard. As systems increase in complexity, the use of *service contracts, leases, management contracts, or concessions* may be appropriate.

KEY TOOLS
Service-based
Performance
Indicators
(Annex VII),
and *online*:
user cost sharing
rules, O&M
task schedule
sample, tariff
determination
guidelines, O&M
training package
for managers
and planners

Who: Operations and maintenance responsibility starts with the management committees chosen by, and accountable to, the community. Backstopping services, however, need to be planned for, by some mix of the private sector and technical government services.

3.8 Monitoring and Evaluation

Why: Effective monitoring and evaluation (M&E) systems should be viewed as tools for helping stakeholders at various levels focus on achieving sustainable service delivery.

Community-level information systems will encourage ownership, transparency, and accountability in the investment phase, as well as promote a longer-term commitment to the monitoring of operations and maintenance.

At the **government level**, since the multisector project is not set up to provide long-term sector support, but rather to launch sector-based investments, the government project unit needs to have a monitoring tool to ensure that:

» RWSS investments are carried out as planned and of acceptable quality.

» Sustainability and management issues are addressed after the initial investment (through the community-based systems noted above).

» Sector-based support networks are in place and functioning.

At the **project level**, information is needed to assess the project's contribution to poverty reduction goals and the poverty reduction strategy paper (PRSP).

What: As noted in the terms of reference, input, output, and outcome indicators for RWSS would be developed in conjunction with the stakeholders and be linked to the project's logical framework, as well as to the PRSP development goals and indicators.

The operations manual would specify approach, procedures, and responsibilities for two broad types of interlocking activities:

1. Subproject performance monitoring

» **Community-level participatory monitoring and assessments.** As part of the software support, the subproject should assist communities to develop their own simple information systems to document and monitor progress and performance of project implementation and postinvestment service provision. A wide range of tools and methods has been developed along these lines, which can be adapted to project circumstances.

» **Government-level subproject performance monitoring.** In addition to the standard investment progress and completion reports, it is recommended that the subproject cycle include *postinvestment subproject assessment*, at intervals of six months or one year following completion of the investment. To this end, postinvestment evaluation tools for each subproject can also provide the basic data for aggregating, analyzing, and reporting project results in the government's regular progress reports, as well as providing basic information on the project's contribution to poverty reduction objectives.

2. Project performance and impact evaluation

This encompasses the periodic assessment of overall project performance and its causal links with poverty reduction and other project objectives. Within the context of the multisector project, these would aim to meet the following milestones:

» Midterm review

» Implementation completion report

» Specific reviews and focused impact studies.

Who: As part of the community development activities, technical assistance and training would be provided to the community in the establishment of simple community-based information systems, focused on service-level performance indicators.

KEY TOOLS
Outline Terms of
Reference for
Project
Supervision
Missions
(Annex VIII), and
online: sample
TORs for M&E,
participatory
evaluation
literature, ex post
evaluation tool,
and sample
impact studies

The next section only presents a few of the many key tools currently available online by visiting <http://www.worldbank.org/rwsstoolkit/index.htm>

In addition to those provided here, you will find:

TORs: Sample TOR templates that can be adapted to a specific project for both a rapid sector assessment and for designing the RWSS component of a multisector project.

Checklists: Practical tools to facilitate the tasks spelled out in the TORs. The checklists address rapid sector assessment and RWSS in the project cycle.

Sample reports: Good practice examples of rapid sector assessment reports (including back-to-the-office reports and aides-mémoire) and project appraisal documents (PADs) of multisector projects with a RWSS component.

Manuals: Best practice examples of project-specific RWSS operational and technical design manuals, which can be adapted to the multisector project. Also included are generic manuals produced by other agencies such as WELL, DFID, IRC, WEDC, and the U.N.

Procurement: Agreements, applications, contracts for works and services, memoranda of understanding (MOUs) between different stakeholders, audits, and monitoring sample templates and examples.

Audits and monitoring: Sample templates for monitoring and reporting on project implementation performance, as well as examples of progress reports and implementation completion reports.

Guidelines: Other useful guidelines for setting up water and sanitation committees, NGO selection criteria, rules for user cost sharing, and calculating tariffs.

Selected readings: Case studies, readings categorized by theme; community contracting, decentralization, finance, gender issues, health, legal, hygiene and sanitation, monitoring and evaluation, supply chain, technology, training resources, willingness to pay, notes on lessons learned, and links to presentations on RWSS.

Useful links: A list of internal World Bank links and external links to organizations committed to water-related issues is provided for additional resources.

4. RESOURCES

ANNEX I
SAMPLE TERMS OF REFERENCE
COUNTRY ASSESSMENT FOR RWSS COMPONENT

(NAME OF MULTISECTOR PROJECT)

(NAME OF COUNTRY)

BACKGROUND *(Provide brief description of the project, including its background, stage of development or implementation, geographic scope, etc.)*

OBJECTIVE

The objective of the country assessment is to establish an operational knowledge base concerning RWSS activities in ... *(name of country)*. This knowledge base will assist the ... *(name of project)* ... team to identify critical constraints and opportunities for RWSS components within the project. The assessment will set the stage for formulating a strategy on how to incorporate RWSS components into the project and lay the foundation for interface between the project and RWSS sector-based institutions. The assessment seeks to address two fundamental questions:

- » Do existing policies, practices, and the institutional framework favor sustainable RWSS service delivery in the country?
- » Depending on the above answer, what should be the strategy for incorporating RWSS components into the multisector and/or country Bank program?

TASKS

The country assessment will be divided into the following five major tasks:

Task 1: Review RWSS Policy and Institutional Framework

The objective of this task is to clarify the nation's policy for providing RWSS services and its strategy for achieving that policy. It will involve discussions with the responsible sector agency and review of existing strategy documents, master plans, and/or implementation manuals. This review should be essentially *descriptive*, while Task 2 will provide an analysis of performance. It will include the following subtasks:

Subtask 1.1: Clarify national RWSS goals and objectives. Specify whether this is expressed in terms of national coverage; access to services; or other indicator(s). It may be in the form of a mission statement of the national agency or national master plan.

Subtask 1.2: Assess national RWSS strategy. Assess the government's strategy to achieve its stated goals, focusing on whether, and to what extent, the strategy involves a demand-responsive approach (DRA). This may be stated as a set of guiding principles, within the context of a master plan or implementation manual for the national agency or ministry. Indicate whether the strategy involves integration of health and hygiene considerations.

Subtask 1.3: Assess roles and responsibilities. Clarify the roles and responsibilities for RWSS service provision in the country, in respect of (a) national policy development and implementation; (b) social intermediation; and (c) RWSS equipment procurement and service provision. This assessment should take into account ongoing programs for decentralization, and clarify the evolving roles of stakeholders such as the national government, local government, communities, the private sector, and NGOs.

Subtask 1.4: Assess technology options and standards. Summarize the extent to which communities are provided with a choice of service-level options for RWSS. Indicate how these options are presented to the communities and whether the choices are framed in terms of cost of equipment and cost of operations and maintenance. Describe the technical standards and norms existing in the country, as well as if and how they are enforced.

Subtask 1.5: Assess finance and cost-recovery policy and methods. Clarify the current policy and practice for local contribution during (a) the equipment and installation phase; and (b) the operations and maintenance phase. Indicate the sources of finance (private, donor, government subsidy) during both phases, and the extent to which user fees are required during the operational phase. Describe mechanisms for collecting user fees and adjusting user fee rates to reflect increases in service levels and covering long-term amortization and equipment replacement cost.

Subtask 1.6: Assess legal framework. Clarify the legal status of RWSS assets, indicating to what extent the communities, local government, and/or national agency retains ownership of the assets. Summarize any cases of conflicts that have arisen in the project area or the country regarding RWSS assets, and mechanisms available to resolve these conflicts.

Task 2: Analysis of Ongoing Programs and Institutional Capacity

Once the basic policy and institutional framework is clarified, Task 2 will assess how the strategy is working. This will involve a rapid analysis of the performance of ongoing programs and the capacity of the various stakeholders and actors to play their roles. It will include two broad subtasks:

Subtask 2.1: Assess program/project performance. Describe the types and number of donor and internally funded programs for RWSS in the country. Evaluate the basic approaches taken in these programs. Critically evaluate the performance of these programs, in terms of their stated goals (for example, coverage rates and sustainability).

Subtask 2.2: Assess capacity and performance of actors. Provide a critical overview of the ability of the various actors to perform their respective roles as identified in the strategy. This would include, but not be limited to (a) national agency; (b) local government; (c) community organizations; (d) private sector suppliers of equipment, spare parts engineering, and operational services; and (e) NGO and social intermediation agencies. Describe the strengths and weaknesses of the above groups of actors in terms of:

- » Local market of suppliers of goods and services for design, construction, procurement, and spare part provision at the community or local government level
- » Existing and potential capacity of local organizations to provide required community-level intervention in mobilization, subproject identification and preparation, engineering design, training of water committees, hygiene education, and outreach to community members
- » Evolving nature of decentralization and its future role in supporting community-based efforts.

Task 3: Constraints and Opportunities: Evaluate a Role for the Project

The goal of Task 3 will be to decide whether or not to include an RWSS component in the (*name of project*) multisector project, and if so, what should be the elements of this intervention. Every effort should be made to link with the ongoing PRSP preparation process and information sources in the country. Depending on the outcome, the next steps in the project preparation process will be identified, including terms of reference for further design activities. It will involve the following subtasks:

Subtask 3.1: Assess demand and supply for RWSS services. Provide a broad overview of the extent to which the demand for RWSS services is being met in the country and/or project area. This should be expressed in terms of (a) physical coverage by types of service and geographic dispersion; and (b) source of donor or other financing. Secondary data sources should be used for this assessment, which could include PRSP-related studies, social assessments, or RWSS master plans. The outcome of this analysis should show:

- » Whether there is a need for additional financing for RWSS services, which could be met through the multisector project
- » An order of magnitude estimate of the level of RWSS investment requirements, should an unmet demand be identified.

Subtask 3.2: Assess policy and institutional capacity to meet RWSS demand. Evaluate the nature and extent of policy and institutional constraints on, as well as opportunities for, providing and improving sustainable RWSS services. The outcome of this analysis should determine whether the policy and institutional environment is

(a) unfavorable, due, for example, to highly centralized, rigid, and supply-driven policies, with little attention to sustainable maintenance; (b) functional and oriented toward demand-driven approaches, but where institution-strengthening and capacity-building measures will be required to ensure sustainability; or (c) fully functional, such that the multisector project can readily link into ongoing programs and institutional frameworks.

Subtask 3.3: Recommended role for the project. Based on the above analyses, determine whether (or not) there is a role for the multisector project to play in RWSS service provision, and recommend an overall strategic approach for this to occur. This may involve one or more of the following strategic options:

Constraints and Opportunities		Sample Strategic Options
Demand-Supply	Policy and Institutional Environment	
Demand is already met through existing finance and projects	N/A	Do not include RWSS component
Demand is not met through existing finance and projects	Unfavorable	- Do not include RWSS component - Introduce pilot projects through multisector investment funds (MSIF) to promote reform and dialogue - Prepare a separate sector-specific project
	Favorable, but some need for reform and capacity building	Include RWSS component with coordination, reform, and capacity building elements
	Fully favorable and functional	Include RWSS component, directly linked to ongoing programs

Subtask 3.4: Contribute to project logical framework. Depending on the outcome of Subtask 3.3, provide a concise statement of the RWSS-related development objectives, as well as draft outcome indicators, to be integrated into the project logical framework.

Subtask 3.5: Definition of next steps. Based on the above results, spell out the next critical steps to be taken, in the context of project preparation. This could include, but not be limited to, the Terms of Reference (Annex I) for consultancy to:

- » Finalize project strategy
- » Prepare operational manual and guidelines
- » Prepare project rules and covenants
- » Contribute to project logical framework, technical, economic, environmental, and social analyses
- » Develop project monitoring and supervision arrangements.

OUTPUTS

The output of this assignment will be a country assessment report summarizing the results of the above five tasks. The consultants will present a draft report and verbal briefing of the major findings after three weeks of fieldwork. A final report will be presented one week following comments by the project task team leader.

LEVEL OF EFFORT AND EXPERTISE REQUIRED

The country assessment will be carried out by a two-person team:

- » Water supply and sanitation engineer/specialist
- » Rural development/social scientist.

Both persons will have extensive field experience in the planning and implementation of community-managed water and sanitation projects, preferably both in and outside the country.

ANNEX II

CHECKLIST FOR RAPID SECTOR ASSESSMENT

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1. National RWSS Goals, Targets, and Indicators

- Is there a stated national goal for rural water supply and sanitation? Is it stated in terms of:
 - (a) Coverage (e.g. "xx% of communities have RWSS systems")
 - (b) Access to services (e.g. "xx% of population have access to RWSS services")
 - (c) Health, hygiene, or sanitation factors
 - (d) Other indicators?

2. National RWSS Strategy

- What is the strategy to achieve the goal?
- Does it also include an element of the demand-responsive approach (DRA) and effective and sustained service delivery?
- Is there any link with hygiene and sanitation strategies?
- Are there links with the PRSP and is it consistent with the Millennium Development Goals? Are there clear and realistic indicators?

3. Roles and Responsibilities

- Who is responsible for national policy development and implementation? (For example, a central ministry, a parastatal agency, donor projects, service fees?)
- What is the distribution of roles and responsibilities for RWSS services? How does this relate to decentralization programs? Central government of parastatal agency? Local governments? Communities? Private sector and NGOs?
- What is the capacity and performance of the actors?

4. Technology Options and Standards

- Do communities have a choice in the scale and type of RWSS systems installed?
- Are these choices framed with regard to cost of construction and operations and maintenance?
- Are there standards and norms with regard to RWSS service levels in the country?

5. Finance and Cost Recovery

- What is the policy for local contribution for construction and installation of the system?
- How are operations and maintenance services financed? (a) user fees? (b) community funds?
- What are the sources of funds for the contributions of various actors?
- Does the policy include arrangements for long-term system amortization and replacement?

6. Legal Framework

- What is the legal framework regarding asset ownership and water resource use?
- Have there been any serious conflicts regarding water resource use and are there any effective mechanisms for resolving these conflicts?

7. Analysis of Ongoing Programs

- Describe the types and number of donor and internally funded programs for RWSS in the country. What is their performance of the strategy in terms of achieving the stated goals (e.g. coverage rates)?
- To what extent is the demand for RWSS services being satisfied through ongoing programs?
- What is the capacity and performance of the actors in playing their respective roles? These would include, but not be limited to: national agency, local government, community organizations, private sector suppliers of equipment/spare parts/engineering/operational services, NGOs, and social intermediation agencies.
- What is the capacity and performance of the local market of suppliers of goods and services for design, construction, and procurement at the community or local government level?
- What is the existing and potential capacity at local level to mobilize social intermediation and engineering aspects of the ongoing programs?
- In the context of decentralization, in what direction is this evolving?
- How effective are the programs in achieving the national goal and strategy?

8. Strategy for RWSS in the Project

- How can the project contribute to unmet RWSS demand in the project area?
- Is there need to differentiate between types of systems and geographic areas?
- Is there need for sector reform and capacity building that can be addressed in the project, or should this be addressed in a separate stand-alone project?
- What should be the distribution of roles and responsibilities among sector stakeholders?
- What should be the next steps in the detailed preparation of the component, including establishing subproject rules and operational manuals?

ANNEX III
SAMPLE TERMS OF REFERENCE,
RWSS INTERVENTION DESIGN FOR:

(NAME OF MULTISECTOR PROJECT)

(NAME OF COUNTRY)

BACKGROUND

(Provide brief description of the project, including its background, stage of development or implementation, and geographic scope, drawing on country assessment or other preliminary information on the RWSS sector.)

OBJECTIVE

The objectives of the RWSS component design are to establish an implementation strategy, define project activities, and prepare guidelines under which RWSS subprojects will be funded by the *(name of multisector project)*.

(Add any additional information or objectives identified in the country assessment.)

TASKS

The assignment will be divided into the following tasks:

Task 1: Summarize Policy and Institutional Issues

Based on the country assessment or other existing information, summarize the main policy and institutional issues for RWSS, with particular reference to sustainable service delivery, to be financed under the project. This would include, but not be limited to:

- » Policy and institutional environment and extent to which the demand-responsive approach is used
- » Extent of unmet demand for RWSS services and performance of other projects or programs.

Task 2: Carry Out Sector Dialogue and Participatory Strategy Formulation

In view of the overall policy and institutional issues summarized above, initiate a participatory process with the major stakeholders and arrive at a consensus on the basic strategy for including RWSS components in the project. This would be implemented through a series of consultations/workshops, and would address how, and under what conditions, RWSS investments will be made under the project. It would include, at a minimum, the following strategic themes:

- » **Policy and institutional framework.** Are fundamental reforms needed of the existing policy and institutional framework before RWSS can be considered part of the project? (For example, reform of the central or sector-based agency.) If so, how will they be addressed? Within the project? Or in a sector-based project?
- » **Roles and responsibilities.** Clarify areas of responsibility and collaboration for RWSS components of the project. For example, should RWSS subprojects be required to collaborate with existing sector-based institutions, and/or existing norms? Do such norms need be created?
- » **Establishing technical norms and making service-level options available to communities.** Recommend a policy and approach to ensure availability of service-level choices to communities and adherence to technical norms during both the investment and operational phases. This should include a policy and implementation framework for communications with the community at all stages of the subproject cycle.

» **Hygiene and sanitation issues.** Recommend a policy and approach to ensure that hygiene and sanitation issues become part of the RWSS component.

» **Finance and cost recovery.** Recommend a policy and approach for finance and cost recovery for both the investment and the operational phases.

» **Community support and institution building.** Define the strategy to ensure local capacity for sustainable service provision. This will include:

- » Local government capacity to backstop communities
- » Support to NGOs and private sector to provide sustainable supply chains for software and hardware components
- » Community contracting mechanisms
- » Ensuring environmental and social safeguards and mitigation during installation and operational phases.

Task 3: Define RWSS Component and Activities

Based on the results of Task 2, specify the types and estimated magnitude of RWSS investments that would be financed under the project. If applicable, define sector-specific institutional and capacity-building activities to be financed under the project. Describe how and where linkages with other subprojects or programs (such as health-related projects) will be promoted.

Task 4: Elaborate Operations Manual for RWSS Subprojects

Within the framework of the above strategy, and in collaboration with (*specify the main stakeholders*), spell out the rules and procedures for identifying, preparing, appraising, implementing, and monitoring community RWSS interventions within the context of the project. The implementation manual would specify all the steps in the subproject cycle, and provide a checklist of critical items or issues to be addressed at each stage in the cycle (see Annex I for a list of model operations manuals).

Task 5: Elaborate Community-Based RWSS Management Tools

In addition to the project-based guidelines, the consultant will collaborate with sector-based stakeholders to prepare a set of toolkits, to be used and continuously improved on by the communities and RWSS service providers. These tools would be developed in local languages and user-friendly formats. They would be at various levels of technical detail and targeted to various stakeholders, according to their roles and responsibilities. Specific areas would include, but not be limited to:

- » Participatory analysis of existing water and sanitation facilities, as well as hygiene and environmental practices, as part of needs assessment
- » Simple tools for assessing different technologies and making an informed choice of service-level options
- » Communications approaches in respect of ensuring long-term operations and maintenance and financing through user fees and tariffs
- » Communications approaches in respect of promoting hygiene and sanitation benefits
- » Forming, organizing, and managing water users committees
- » Community contracting methods, management, and documentation
- » Standards and norms for private sector-based operations and maintenance services
- » Standards and norms for spare parts supply and social intermediation services
- » Standards and norms for community-based performance monitoring and auditing of RWSS services.

Task 6: Finalize Logical Framework and Monitoring and Evaluation Plan

Based on the overall strategy and project subcomponents, a short workshop would be conducted with the project team and major RWSS stakeholders to summarize the sector-based goals, development objectives, and project outputs and inputs. This will also provide a forum for arriving at a consensus concerning indicators for performance at various levels:

- » Project performance, which would be part of the operations manual
- » Community-level and institution-level performance, which would be part of the locally-based RWSS management tools.

Task 7: Specify Critical Issues and Risks

Specify critical policy or institutional issues that have a bearing on the successful achievement of sustainable RWSS services and recommend conditionalities or measures to address these issues or minimize the risks.

OUTPUTS

The consultant will produce the following outputs:

Week	Output
0	Commencement of assignment
2	Preliminary report, which would summarize results of Tasks 1, 2, and 3, with an outline and work plan for completing Tasks 4-7
4	Draft RWSS component operations manual (Task 4)
6	Final operations manual (Task 4). Draft logical framework and critical issues report (Tasks 6-7)
8	Draft community-based RWSS management toolkit (Task 5)
10	Final locally-based RWSS management toolkit (Task 5)

LEVEL OF EFFORT AND EXPERTISE REQUIRED

The design of the RWSS intervention design will be carried out by a three-person team:

- » Water supply and sanitation engineer/specialist 2.5 months
- » Rural development/social scientist 1.0 month
- » Communications/publications specialist 1.0 month.

The water supply and rural development specialists will have extensive field experience in the planning and implementation of community-managed water and sanitation projects, preferably both in and outside the country.

The communications/publications specialist would be locally-based. A local graphics and publishing company may also be engaged to produce the locally-based management toolkits.

ANNEX IV
CHECKLIST FOR RWSS SUBPROJECT COMPONENT DESIGN

1. Promotion

- A field-tested communications strategy and program
- Trained promoters or facilitators
- Explanation of policy framework (such as DRA) and institutional responsibilities.

2. Application and Preselection

- Application form designed and field tested
- Preselection criteria and procedures established (including score sheets)
- Community facilitation support available.

3. Proposal Formulation/Community Support

- RWSS proposal templates and guidelines
- Guidelines and resources available for community-level technical assistance (TA)
- Procedures for recruiting and paying for community-level TA.

4. Appraisal

- Establishment of appraisal criteria and checklist
- Establishment of qualified evaluation team
- Template community subproject agreement.

5. Implementation (Construction and Community Development)

- Eligible project list
- Procurement guidelines and forms
- Flow of funds guidelines and forms
- Community development guidelines and procurement procedures.

6. Operations and Maintenance

- Guidelines for O&M management, including cost recovery and contracting
- Community-level training for continued service delivery and O&M management.

7. Monitoring and Evaluation

- Midterm review
- Implementation completion report
- Specific reviews and focused impact studies.

LIST OF DOCUMENTS REQUIRED DURING PROJECT PREPARATION

(*These documents and guidelines are all available in the resources section online)

Global Tools

- » Terms of reference for intervention design
- » Checklist for RWSS component design

Applications, Forms, and Contracts

- » Community project request form
- » Memorandum of understanding (MOU) between ministry and local government
- » MOU between local government and community water agency
- » MOU between local government and community
- » MOU between community water agency and community
- » Letter of invitation to bid by a community/farmer group
- » Subproject proposal format
- » Letter of submission of bid
- » Instructions to bidders
- » Contract for works
- » Order and contract for services
- » Order and contract for supply of goods
- » Contract form
- » Subproject appraisal checklist
- » Subproject completion report
- » Environmental impact assessment

Guidelines and Manuals

- » Community promotion guidelines
- » Application/action by community guidelines
- » Guidelines for designing a water supply and sanitation committee
- » Guidelines for calculating tariffs
- » Community mobilization and planning guidelines
- » Manual on hygiene promotion

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- » Performance Indicators
- » Project Components and Items to Be Financed
- » Project Components

3. Eligibility Criteria for RWSS Investments

- » Community Eligibility Criteria
- » Subproject Eligibility Criteria
- » Criteria for Subproject Prioritization
- » Project Appraisal

4. Subproject Identification

- » Promotion Campaign
- » Community Water & Sanitation Agency Roles & Responsibilities
- » Application by Community
- » Selection of Community
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5. Subproject Implementation and Monitoring

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- » Planning for Construction
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- » Guidelines
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- » Operations and Maintenance
- » Auditing
- » Monitoring and Evaluation
 - » Monitoring Methods
 - » Evaluation Methods
 - » Roles and Responsibilities
 - » Key Monitoring and Evaluation Indicators
 - » Monitoring of Gender Aspects
 - » Water & Sanitation Committee Indicators
 - » Supervision by the World Bank
 - » External Monitoring and Evaluation

6. Technical Design Aspects

- » Design Parameters
- » Sanitation
- » Water Source Siting and Selection
- » Construction Procedures and Technical Specification
- » Water-Lifting Devices
- » Water Quality
- » Other Technologies

7. Training and Capacity Building

- » Local Government
- » Private Sector
- » Water and Sanitation Agency
- » Communities

8. Financial Management

- » Project Accounts and Payments
- » Fund Flow Mechanism for Subproject Implementation
- » Audit

9. Environmental Impact Identification

ANNEX VII
A SAMPLE LIST OF SERVICE-BASED PERFORMANCE INDICATORS FOR RWSS

Coverage

- » Percentage of households/population with access
- » If houses are excluded, what are the reasons?
 - » Point sources: within a certain distance
 - » Connections: based on # of households with connections.

Quality, Sanitary, and Environmental Conditions

- » Water quality parameters (e.g. lead, arsenic, cadmium)
 - » Measured: daily, monthly, annually
- » Other quality parameters (e.g. taste, color)
- » Sanitary conditions at and around the point sources (e.g. protecting potable water sources from animals, proper drainage).

Availability

- » Number of days per month service provided xx hours per day
- » Average waiting times at point sources
- » Number of days/hours service interrupted.

Operations and Maintenance

- » Accomplishment of routine and periodic maintenance tasks according to schedule
- » Response time to repair breakdowns
- » Types, number, and cost of repairs
- » Types, number, and cost of spare parts replacements.

Financial Issues

- » Does established tariff level cover recurrent administrative and O&M costs? Major repairs? System rehabilitation and expansion?
- » Cost recovery: amount of tariff arrears, % consumers who have paid
- » Is there a positive cash flow? Account balance? Is this sufficient to cover major repairs?
- » Maintenance of bank account, financial records
- » Is there an audit mechanism? If so, when was the last audit and what were the results?

Consumer Relations

- » Time for collecting user fees
- » Responsiveness to complaints and inquiries
- » Customer satisfaction (from surveys)
- » Does management body provide periodic reports to community?

ANNEX VIII

OUTLINE TERMS OF REFERENCE FOR PROJECT SUPERVISION MISSIONS

Introduction

The following can help task managers assess the progress of the RWSS component at various stages of project implementation. Prior knowledge of these issues by implementing agencies would also help them prepare for supervision missions and make supervision time in the field more effective.

Project Launch

The following items may be verified during a project launch mission or workshop.

Written Documentation. Is a field-tested operations manual complete? Is it written in local language and accessible to all stakeholders? (It may be useful to have manuals targeted to various levels.) Are procedures, rules, and procurement regulations clear? Do the templates facilitate their implementation? Are they based on a demand-responsive approach (DRA)? Do they include environmental and water quality standards? Do they reflect the “dos” of RWSS project design?

Stakeholder Analysis. Are all the people who are involved at various levels fully aware of and understand their roles, and do they have the capacity to carry them out? How will the project rectify perceived capacity gaps? This analysis may include short visits to potential project sites for first-hand assessment and interviews with stakeholders.

Work Plan. Is there an implementation plan for the first six months of the program, with clear delineation of responsibilities? Does this include such key initial activities as promotion and the establishment of project information management systems? Does the management information system (MIS) include collection of baseline information for monitoring and evaluation, which could be tied to targets in the PRSP? Is there an agreed plan for the types of information required for the supervision and follow-up missions (see below)?

Subproject Supervision and Follow-Up

It will be useful for the supervision mission to structure its regular supervision missions around the following elements to gain a cumulative picture of how the project is proceeding throughout its life. These may be organized as follows:

Overall Progress. This will include quantitative information related to the number and types of systems, number of communities and populations served, and overall costs and disbursements. The supervision missions should aim to continuously build an information base on cumulative RWSS outputs and outcomes. This would be rapidly reviewed during each supervision mission to get a feel for progression toward original targets, and assessed in more detail in annual, midterm, and final reviews. This information would emanate from the logical framework and include such indicators as:

- » Number of communities, populations, and households serviced by improved RWSS (by type of system and region)
- » Investment costs (total costs, costs per system, cost per household, variations by region)
- » Completion and quality of works (planned vs. actual)
- » Performance of systems (continuous service and breakdowns)
- » Impact on health (follow up of baseline surveys and PRSP indicators)
- » Capacity and performance of the actors (analysis of actors: national and local government, communities, private sector, and NGOs)
- » Customer satisfaction
- » Lessons learned.

Subproject Field Verification. It will be useful for the supervision mission to carry out a short field trip to verify reported results and adherence to project rules and procedures, gain a firsthand appreciation of field-level implementation constraints, and discuss potential solutions (see attached checklist).

Stakeholder Assessment. The supervision mission should assess the actual performance and capacities of various stakeholders and institutions, with the aim of identifying problems, issues, and potential solutions.

Policy and Institutional Issues. If the component includes policy and institutional reforms, which may include legislation or capacity building of the national water or sanitation agency, the supervision mission should report on the progress of these reforms.

Work Plans. The supervision mission should verify the work plans for the next implementation period, focusing on milestones and responsibilities.

Resources

The supervision mission for the RWSS component should have at a minimum:

- » A technically qualified person familiar with RWSS design, installation, and management
- » A social scientist familiar with the software aspects of RWSS projects.

This expertise may be drawn from other members of the team supervising the multisector project as a whole.

Checklist for Subproject Field Visit/Verification

The following items should be verified during field verification of individual subproject sites:

Promotion and preselection activities. Did the community receive adequate information prior to its application? Was the application and preselection process perceived as transparent?

Subproject development, proposal and appraisal. Has the community gone through a process of informed choice regarding the technology, level of service, and implications for operations and maintenance? Have they focused on health and sanitation issues? Have they received adequate technical assistance?

Subproject implementation progress. The supervision mission should assess the implementation progress in comparison to the agreed plan. This should include not only civil works and procurement, but also community support and software aspects. Any major deviations from the agreed schedule should be analyzed and addressed. In respect of the works, it is imperative to explicitly focus on performance for three contractual areas:

- » Timing of works
- » Cost of works
- » Quality of works

Subproject service provision. For those communities where investments are completed, the supervision mission should verify the functionality and sustainability of the RWSS services. These will include responding to the following main questions (with sample indicators):

- » Is the water flowing reliably? (days of continuous service; no. & types of breakdowns)
- » Is the water and sanitation committee functional? (legal agreements; maintenance records & documents; training & competence of members)
- » Are tariffs being collected? (collection rates; positive bank account balance)
- » Is water quality being assured? (monitoring records; environmental management plan)
- » Is hygiene being promoted and assimilated? (assessment of assimilation of messages for behavioral change)
- » Are vulnerable groups served (assessment of actual vs. planned coverage rates)
- » Are customers satisfied? (results of focus group discussions)

Community Contracting

Community-Based Contracting: A Review of Stakeholder Experience Samantha de Silva, World Bank

Instrumentos para la participación de la comunidad, Manual para la capacitación de capacitadores en técnicas participatorias Lyra Srinivasan, UNPD

Community Contracting in Rural Water and Sanitation
World Bank

Community-Based Water Systems in Small Towns in Sri Lanka
Water and Sanitation Program

La contratación por la comunidad, empoderamiento y saneamiento rural en el Perú
Water and Sanitation Program, November 2001

Environment

Guidance Manual on Water Supply and Sanitation Programmes
WELL/DFID (Water and Environmental Health at London and Loughborough,
Department for International Development)
(Look at Chapters 2.3 Health Aspects and 2.5 Environmental Sustainability)

Environmental Resources Management: Environmental Standards for Water
ODA Ref. 3274 London

Towards Better Programming: A Manual on Communication for Water Supply and Environmental Sanitation
UNICEF in collaboration with IRC

*Operation and Maintenance of Rural Water Supply and Sanitation Systems:
A Training Package for Managers and Planners*
IRC International Water and Sanitation Centre
(Look at Module 1, Unit 4: Linking Water, Health, Sanitation and Environmental Protection)

Finance

Economics and Finance of Rural Water Supply and Sanitation: Rural Water Supply and Sanitation Clinic Series
World Bank, 1999

Subsidios para elaboração de programas estaduais de saneamento rural
Instituto de Planejamento Econômico e Social IPLAN – Instituto de Planejamento

Managing Water as an Economic Good: The Transition from Supply-Oriented to Demand-Responsive Services
Mike Garn, World Bank

*Perú : Modelos de política financiera en la dotación de servicios de agua y saneamiento sostenibles
a comunidades rurales*
Francisco Verdera, Water and Sanitation Program

Financing Water and Sanitation: Key Issues in Increasing Resources to the Sector
S. Annamraju, B. Calaguas, and E. Gutierrez, WaterAid

Do Cross-Subsidies Help the Poor to Benefit from Water and Wastewater Services? Lesson from Guayaquil
Water and Sanitation Program

Estudio Costos en Proyectos Rurales que Proveen Agua en la Región Andina
Water and Sanitation Program, World Bank

Improving Cost Efficiency of Rural Water Supply Projects: Findings, Conclusions, and Recommendations of a Regional Cost Study

Alain Mathys and Shirley Claire, Water and Sanitation Program, World Bank

Financing Water and Sanitation: A Policy Briefing Paper

WaterAid

Designing Direct Subsidies for the Poor: A Water and Sanitation Case Study

Public Policy for the Private Sector, The World Bank Group

Gender

Gender in Water Resources Management, Water Supply and Sanitation: Roles and Realities Revisited

IRC, Water and Sanitation Program, Gender Issues Network Water Supply and Sanitation Collaborative Council

Toolkit on Gender in Water and Sanitation: Gender Toolkit Series No. 2

Monica S. Fong, Wendy Wakeman, and Anjana Bhushan

Género en el sector agua y saneamiento de la Región Andina, Hallazgos,

Recomendaciones y Propuesta Estratégica

Water and Sanitation Program

Objetivos e Indicadores, Incorporación de la mujer a las tareas relativas al agua y al saneamiento

UNPD

Hygiene and Sanitation

Domestic Hygiene and Diarrhoea: Pinpointing the Problem

Val Curtis, London School of Hygiene and Tropical Medicine

Handwashing for Health: the Power of Market

World Bank

Achieving Sustained Sanitation for the Poor: Policy and Strategy Lessons from Participatory Assessment in

Cambodia, Indonesia and Vietnam

Water and Sanitation Program

Motivating Better Hygiene Behavior: Importance for Public Health Mechanisms of Change

UNICEF

La pequeña y mediana entidad de servicios de saneamiento (PYMESS), Propuesta para mejorar la gestión en la ciudad de Talavera

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El impacto de reglas institucionales en la sostenibilidad del suministro de agua en áreas rurales
José Quilton, Water and Sanitation Program

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Global Water Supply and Sanitation Assessment 2000 Report
WHO, UNICEF, Water Supply and Sanitation Collaborative Council

Evaluación participativa de 15 sistemas de agua y saneamiento en la República de Bolivia
Water and Sanitation Program, World Bank

Jamaica Social Investment Fund: Technical Audit, Appendix 4, Completed Audit Forms for Individual Projects

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ITAD LTD, 4 December 2000

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Water and Sanitation Program, World Bank

Letting Communities Take the Lead: A Cross-Country Evaluation of Social Funds Performance (see Chapter 7)
World Bank

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R. Dayal, C. Van Wijk, and N. Mukherjee

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World Bank, February 2002

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Water and Sanitation Program

The Private Sector in Water Competition and Regulation
World Bank

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Water and Sanitation Program

The Growth of Private Sector Participation in Rural Water Supply and Sanitation in Bangladesh
Water and Sanitation Program

The Treadle Pump: An NGO Introduces a Low-cost Irrigation Pump to Bangladesh
Water and Sanitation Program

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Metodologías y tecnologías apropiadas en proyectos de saneamiento básico rural: Compendio de experiencias y evaluaciones de proyectos en Bolivia y Ecuador

Consumers Choice: The Sanitation Ladder, Rural Sanitation Options in Lao PDR
National Water Supply and Environmental Health Programme, Ministry of Health, Vientiane, Lao PDR,
Water and Sanitation Program, East Asia and Pacific (WSP-EAP), May 2001

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Tecnologías Apropriadas, Diseño y Construcción de Tanques de Ferrocemento
Carlos Ibarra Sandoval, Water and Sanitation Program

Willingness to Pay

Willingness to Pay for Water in Remote Chinese Villages
Huang Ping, Chinese Academy of Social Sciences

Giving Communities Choice Is Not Enough!
Jennifer Sara, The World Bank

Promoting DRA in Lao PDR: Water Supply Informed Choice
Lao Country Office, World Bank

Willing to Pay but Unwilling to Charge
Water and Sanitation Program



» **Internal Links**

Rural & Small Towns Water & Sanitation
Community Contracting, Rural and Small Towns Water and Sanitation Website
Toolkits for Private Sector Participation in Water and Sanitation
Rural Water & Sanitation Online Documentation
Water Supply and Sanitation Publications
On Gender and Social Intermediation
Rural Water and Sanitation Presentations
Social Funds Website
Community-Driven Development Website

» **Technology-Related Links to RWSS**

SKAT-Watsan Web: http://www.skat.ch/ws/link/watsan/WW_tech.html
Sanicon-Sanitation Connection: <http://www.sanicon.net/themes/intro.php3?theme=3>

» **Participatory Planning-Related Links**

Livelihoods: <http://www.livelihoods.org/>
Tools for Training and Planning M&E (Intranet)

» **External Links**

CEPIS: Pan American Center for Sanitary Engineering and Environmental Sciences:
<http://www.cepis.ops-oms.org/indexeng.html>
Development Gateway: <http://www.developmentgateway.org/>
Department for International Development – DFID: <http://www.dfid.gov.uk/>
GARNET: <http://www.lboro.ac.uk/departments/cv/wedc/garnet/>
Global Water Partnership: <http://www.gwpforum.org/servlet/PSP>
Integrated Resource Management Research Pty Ltd: <http://www.iwra.siu.edu/>
International Water and Sanitation Centre: <http://www.irc.nl/>
Stockholm International Water Institute: <http://www.siwi.org/>
The Water Page: <http://www.thewaterpage.com/>
The World Water Assessment Programme (WWAP): http://www.skat.ch/ws/link/watsan/WW_tech.html
Third World Water Forum, Kyoto, Japan: <http://www.waterforum.org/>
UNICEF – Water, Environment and Sanitation: <http://www.unicef.org/programme/wes/>
WaterAid: <http://www.wateraid.org.uk/>
Water Magazine: <http://www.watermagazine.com/>
Water and Sanitation Program Website: <http://www.wsp.org/english/index.html>
Water Web Organisation: <http://www.waterweb.org/>
Water, Engineering and Development Center (WEDC): <http://www.lboro.ac.uk/departments/cv/wedc/>
World Commission on Dams: <http://www.dams.org/>
World Conservation Union: <http://www.iucn.org/>
World Resources Institute: <http://www.wri.org/>
Water Supply and Sanitation Collaborative Council:
<http://www.wsscc.org/index2.cfm?CFID=3498&CFTOKEN=58384806>
Worldwatch Institute: <http://www.worldwatch.org/>
World Water Council: <http://www.worldwatercouncil.org/>

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Caricatures:

page 13: "Project Implementation Manual, in 2
Volumes", Volume 1, Government of the Republic of
Zambia, Microprojects Unit,
National Commission for Development Planning, Zambia
pages 22 and 54: "District Operational Manual (DOM)",
Rural Water and Sanitation Programme, The United
Republic of Tanzania, Ministry of Water and Livestock
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