THEMATIC EVALUATION OF THE WATER AND SANITATION SECTOR

SYNTHESIS REPORT

Volume 1

Ref.: EuropeAid 116546/C/SV/Multi

July 2006

Evaluation for the European Commission

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Directorate General for Development and

External Relations Directorate-General

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FINAL REPORT

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ABBREVIATIONS AND ACRONYMS

ACP	Africa, Caribbean and Pacific
AIDCO	EuropeAid Cooperation Office
ALA	Asia, and Latin America
CBOs	Community Based Organisations
CNs	Country Notes
CRIS	Common RELEX Information System
CSPs	Country Strategy Papers
DAC	Development Assistance Committee
DG	Directorate General
DGHA	Directorate General for Humanitarian Aid
EAP	Sixth Community Environment Programme
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECHO	European Commission Humanitarian Office
EDF	European Development Fund
EECCA	Eastern Europe, the Caucasus and Central Asia
EIB	European Investment bank
EPR	Environmental Policy Review
EU	European Union
EUWI	European Union Water Initiative
Evaluation	Water and Sanitation Sector Evaluation
HPI	Human Poverty Index
IDB	Inter-American Development Bank
IWRM	Integrated Water Resources Management
LRRD	Linking Relief with Rehabilitation and Development
KfW	Kreditanstalt für Wiederaufbau
MEDA	Mediterranean Countries
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
NIP	National Indicative Programme
NGOs	Non Governmental Organisations
NSA	Non State Actors

O&M	Operation and Maintenance
PCMG	Project Cycle Management Guidelines
PRSP	Poverty Reduction Strategy Paper
PPP	Public-Private Partnerships
QA	Quality Assurance
RG	Reference Group
SPSP	Sector Policy Support Programme
TACIS	Technical Assistance to Community of Independent States
Team	Evaluation Team
ToR	Terms of Reference
UNDP	United Nations Development Programme
W&S	Water and Sanitation
WB	World Bank
WFD	Water Framework Directive
WHO	World Health Organisation
WSSCC	Water Supply and Sanitation Collaborative Council
WSSD	World Summit for Sustainable Development

1. SUMMARIES

1.1 Executive summary

1.1.1 Purpose of the evaluation

This is the **Final Report** of the Evaluation of the Water and Sanitation sector, which aims to provide the external co-operation services, with an independent and accountable evaluation of European Commission (EC) co-operation policies, and development programmes. The Evaluation Unit for external cooperation that is common to DG's External Relations, Development and EuropeAid Cooperation Office (and is located in EuropeAid) has commissioned the work; it is part of its multi-annual programme of evaluations that aims to contribute to quality enhancement of external cooperation policies and actions. The Evaluation is mainly concerned with the period 1995 to 2004, and has examined the EC's performance in the W&S sector, and its relationship with external actors in terms of the following criteria:

- Relevance, impact, effectiveness, efficiency and sustainability of EC funded activities;
- Consistency and internal coherence with regard to EC support and other parallel polices; and,
- Co-ordination and complementarity of EC supported interventions with regard to polices, and programmes of Member States and other prominent donors active in the sector.

Water and sanitation are fundamental to a healthy and productive life, and unfortunately those who suffer most from a lack of these basic services are inevitably the most vulnerable in society. Through its development cooperation polices, and

Water and Sanitation (W&S) funded projects and programmes, the EC is a key international sectoral player. Its overall development goal is to reduce poverty, and establish a stable platform from which socio economic benefits can be delivered in an equitable and sustainable manner. To ensure that successes are replicated, and lessons are learnt from failures, W&S projects and programmes must undergo a continual process of evaluation.

This **Final Report** summarises progress through the various Evaluation phases. It contains a synthesis of the EC's policies and programmes targeting the W&S sector, and describes the methodology used in collecting, analysing, and bench marking data through the field visits. The EC's foremost W&S polices, projects and programmes have been examined in detail, and tested using 9 Evaluation Questions. A number of pre-selected Delegations participated in the questioning activities, which was designed to widen the investigation base, and obtain first hand experience from those engaged in implementing W&S sector actions. The results of this process have been fed into the main findings and analysis, from which a set of recommendations and conclusions has emerged. This executive summary is a précis of the Final Report, and ranks the most important conclusions and recommendations in order of importance. The former are based on an objective analysis of the evidence, and the latter are a subjective statement of the work required to address the challenges emerging from the Evaluation.

1.1.2 Context

An evaluation of EC polices concerned with the W&S sector must consider the sectoral activities and priorities of other actors. These include the Member States, the international development banks, the UN family, the development community, and partner countries. While there is a high degree of uniformity between the policies, there is wide disparity in the way they are prioritised, and implemented. As a consequence, it is important to understand these differences to ensure there is consistency in approach, and that synergies are explored and developed. This is particularly relevant for sector programmes where quite often numerous donors contribute towards a single thematic goal, through direct budget support, sector approaches, and basket funding.

The W&S sector is a key development vehicle for most Member States. Many have a specific emphasis on water-related cooperation development, while others include W&S actions within a much larger initiative (i.e. integrated rural development). The main thrust is almost exclusively poverty reduction, and the promotion of sustainable W&S interventions (projects and programmes) to achieve the goals of socio economic development. Through the EC Treaty, coordination and complementarity of EC and Member States' development cooperation policies and activities, aim to make the contribution to partner countries more effective.

1.1.3 Methodology

The methodology was broadly determined in the Desk Phase and is based on an analysis of key W&S issues and development polices, using procedures and instruments set down via the substantial work on water and sanitation under the Evaluation Unit's Methodology initiative. A major analytical tool was the impact diagram (see annex 2), which was used to trace policies through outputs, results, immediate impacts, and global impacts. Out of this process emerged 9 key Evaluation Questions, with specific judgement criteria and related verifiable indicators. This has been the primary tool to organise information collection and analysis during the course of the Evaluation. The process was supplemented by a study of the CRIS data base (the Common RELEX Information System containing information on EC programmes and projects worldwide), an analysis of 37 Country Strategy Papers (CSPs), 35 Delegations Questionnaire, numerous meetings and unstructured interviews with key stakeholders, field visits to 7 countries, and a general study of the relevant literature.

The nine key evaluation questions presented below address impact and effectiveness of EC support to W&S (questions 1, 2 and 3), IWRM (questions 4 and 5), gender (question 6), efficiency of W&S delivery (7) and consistency and internal coherence, co-ordination and complementarity (questions 8 and 9):

Evaluation questions	
1	To what extent has EC support facilitated improved and sustainable access to safe drinking water and basic sanitation?
2	How far has EC support for access to water and sanitation contributed to a reduction of poverty?
3	How far has EC support for improved water supply and sanitation contributed to better health?
4	How far has EC support contributed to the adoption of national policies and legal instruments that are in accordance with the principles of IWRM?
5	To what extent has EC support facilitated and contributed to the adoption and implementation of IWRM into the planning and implementation of water and sanitation service delivery?
6	How far have the EC addressed existing gender inequalities as a key goal in its water and sanitation service delivery programmes, and how successful have these efforts been?
7	To what extent have EC water and sanitation delivery programmes been implemented in an efficient way?
8	To which extent has EC support to the water sector and other EU development policies affecting the sector, been internally consistent and coherent?
9	To what extent has EC support to the water sector at country level (as defined in the CSPs, NIPs, etc) been coherent with policies, strategies and actions of member states and other major actors?

(see also annex 3)

References and supporting information are clearly distinguished from the judgements and observations of the Team, which have been confined to the Evaluation recommendations. These have been ranked in order of priority in the Executive Summary but are not ranked in the main body of the Final Report, where they appear in the clusters described above, for reasons of simplicity. While a degree of overlap was inevitable, the 9 Evaluation Questions proved an effective means of identifying, collecting, testing, and analysing particular items of data. To demonstrate a particular point, or confirm a hypothesis, specific project and programme examples were referenced. To ensure continuity and logicality, conclusions and recommendations are linked, and can be traced back to the analysis and main findings. For some questions however, in particular those related to impact, the evidence that could be gathered did not always allow well-balanced and comprehensive judgements. This was not so much the fault of the methodology but simply the information was not readily available.

1.1.4 Analysis and main findings

Impact and effectiveness of EC support

The quantifiable data available precludes a buttressed judgment on the extent of EC support to the provision of "sustainable access to safe drinking water and basic sanitation", but the information gathered confirms that EC involvement and investment in the water supply sector has been positive and successful. Not so with regard to sanitation, where the information gathered suggests that in many instances too little emphasis is placed on this issue. When sanitation forms an integral part of a W&S action, the results have been positive. The financing and implementation of basic W&S infrastructure works in the urban and rural areas has improved the livelihoods of many beneficiaries, but sustainability remains the great challenge and few schemes visited and analysed can really be called sustainable.

To demonstrate quantitatively "to what extent EC support to W&S has contributed to a reduction of poverty", was a challenge as the linkage between W&S and poverty reduction is hard to prove, let alone quantify. Nevertheless the information gathered indicates that improved access to W&S services has indeed reduced baseline poverty levels. However, little statistical data to determine to what extent were available, often as a consequence of insufficient base line data. Without this information poverty improvements cannot be measured, and impacts assessed with any confidence.

The test in determining "how far EC support to improved water and sanitation has contributed to better health" is similar to that for poverty reduction. Simple studies like examining health records pre and post W&S project or programme to quantify improvements is a common approach, but how effective this is in isolating improvements is questionable. Projects and programmes were found to rarely generate data on health benefits, and often when they did the answers prove inconclusive. Verifying the link between W&S actions and better health is an issue long recognised by those working in the development sector. As a consequence, little quantifiable data exists to identify, isolate, measure, and evaluate W&S health and poverty improvements. On balance the information points to qualified success, and EC investments in the W&S sector have made a positive contribution to better health of the target groups.

Integrated water resources management, governance and programmes

In judging "how far EC support contributed to the adoption of national polices and legal instruments that are in accordance with the principles of IWRM" showed there is a surprising degree of uniformity between countries, donors and the development banks and agencies in the way it is applied. Most IWRM best practices are designed to value, raise the profile and conserve water, engage the private sector and reduce the decision making process down to the least possible administrative level. On the whole, most policies are consistent in their approach, and where the differences occur are in how they are implemented. The EC's promotion of IWRM has been positive and is prominently reflected in projects and programmes.

In determining to what "extent has EC support facilitated and contributed to the adoption and implementation of IWRM into the planning and implementation of W&S service delivery", it has become quite clear that the rationale and appropriateness of the EC's water management and development policies are

acknowledged by recipient governments, and welcomed. Principles of IWRM have however in practice rarely been mainstreamed into W&S delivery although there is a gradual shift to the inclusion of the IWRM principles. Of major concern is that many water supply schemes (large and small) are being designed, and built with only cursory knowledge of the available water resources. However, in the cases where infrastructure works have been designed and implemented in line with IWRM principles, the environmental impacts and socio economic benefits are undeniably positive.

Gender

An assessment of "how far the EC has addressed existing gender inequalities as a key goal in its W&S service delivery programme and how successful have these efforts been" indicates few positive results, although in some successful actions they have clearly reduced the inherent burden, and drudgery placed on women and children. To what extent and how successful EC policies and programmes have addressed gender inequalities in the wider context was found to vary considerably. What was clear is that most, if not all, initiatives now include a gender component or statement of some sort, and with some exceptions the bulk of the information suggests that successes have been recorded, but so have failures. The analysis indicates that progress has probably been made at project and programme level but little at the institution or decision-making level, which continues to be male-dominated. Hence, the issue of how W&S service delivery can be used as a lever to advance gender equality in society at large is poorly addressed.

Efficiency of service delivery

Determining to "what extent EC W&S delivery programmes have been implemented in an efficient way" can really only be determined through evaluating specific projects or programmes that have a well elaborated data base which has not been the case. Focusing on a few carefully selected judgment criteria, the evaluation has found that the quality of project and programme management varies widely and is often hampered by the EC's procurement, financial and management procedures. Also, too little attention is given to alternative solutions or the promotion of new technologies and ideas; in some instances unsuitable and unsustainable technologies have often been used.

Consistency, internal coherence, co-ordination and complementarity

Deciding to what "extent has EC support to the water sector and other EU development policies affecting the sector, been consistent and coherent" has been possible, albeit only insofar as the countries visited, and the information collected have allowed. Most internationally recognised water related best practices and development principles are enshrined in current international treaties. The EC's policies embrace all of the major elements of the MDGs and the WSSD targets in some form or other. Therefore from this perspective at least there is clearly consistency and internal coherency, but in practice their implementation doesn't always progress smoothly. Problems were found often to exist with inter-sectoral contradictions, and the emphasis placed by one party on a particular subject (sanitation) is sometimes out of phase with the sectoral priorities (IWRM or gender) of another.

The assessment "to what extent EC support to the water sector at country level (as defined in the CSPs and NIPS, etc) has been coherent and complementary with overall EC development policies,

strategies and actions of Member States and other actors" has indicated that EC support at country level is generally in harmony with EC policies but that coordination could be strengthened, in particular between Delegations and ECHO operations. Further, there are undoubtedly considerable efforts being made by Delegations, and some Member States to align their respective projects and programmes. They recognise that overlap and conflict is counterproductive and divisive, but there is a long way to go before coordination and complementarity reach acceptable levels.

1.1.5 Main conclusions and recommendations

Addressing the specific sectoral needs of partner countries

EC support to partner countries in the W&S sector is viewed as an appropriate and valuable contribution to reducing poverty and raising living standards generally. The move towards more formal partnerships and joint development programmes is undoubtedly seen as a positive step and this approach should be emphasised in future EC policies, and in the application of its operational procedures. The move towards more **formal partnerships between the EC and its partners should be accelerated and mainstreamed into general operations.** This will enable the specific sectoral needs of a partner country to be mainstreamed into the CSPs and NIPs with greater certainty and conviction.

Sanitation service provision

Sanitation is not always included in W&S projects and programmes, and greater emphasis should be placed on this requirement. **Before a water supply project or programme is contemplated the need for a sanitation component must be properly assessed, and if appropriate included.** The possible exceptions are where sanitation is considered unnecessary (i.e. in the rural context), or being undertaken via a parallel initiative. The collection, treatment and disposal of sanitation effluents for those sanitation schemes that warrant it (i.e. peri urban and urban), should be included in the sanitation component, along with hygiene education and awareness raising, particularly with regard to women and children.

Improved sustainability and social service provision

For most water supply projects and programmes cost recovery is weak, which presents a serious threat to short term, and long-term sustainability. When setting tariffs the ability of poor people to pay, either through cross subsidies, free service provision, or direct beneficiary contribution, is not always taken fully into consideration. **Investment in O&M is consistently low and there is a lack of serious commitment by governments and municipalities to address the question of social service provision**. The issue of subsidised or free water is ambiguous, and cuts across EC and international polices which credit water with an economic value. Balancing W&S polices, the inability of some in society to pay for water, and the need for sustainability must be viewed as W&S sectoral priorities.

Gender awareness raising and mainstreaming

Although there is widespread recognition of its importance and relevance, gender in W&S projects and programmes is not always considered a key goal, and many governments do not (or will not) give it the attention it deserves. All equality

(gender, racial, ethnic, religious, etc) should be treated in a similar manner, and W&S projects and programmes must be designed to reduce tensions and conflicts, close the gap between rich and poor, and accredit benefits in a proportionate manner. **Efforts to advance gender awareness in W&S projects and programmes, particularly at the decision making level, should be redoubled, as performance is often found to be ineffectual, and regularly appears too low on the list of priorities**. Consideration should be given to including a gender specific activity in all projects and programmes, as well as including it as a cross cutting activity.

Strengthening of the application of IWRM principles

In spite of the emphasis being placed on IWRM, few projects and programmes apply the principles correctly, and some water supply schemes are being constructed without clear knowledge of the available water resource. **The principles should be applied more rigorously and water supply schemes must be planned and designed with a proper understanding of the water resources management process and stakeholders provided with the instruments and technology to collect the necessary scientific data**. In addition, many important issues associated with the approach are being neglected, or applied incorrectly. These include understanding the environmental consequences of the action (immediate and long term), the resolution of internal conflicts due to competition for water (primarily agriculture but increasingly industry), addressing external trans border tensions, building river basin and community management structures, the formation of water user associations, and the provision of support to the decentralisation process, to name the most prominent.

Management and financial systems

Applying the EC's financial and management systems is a challenge for Delegations, governments and all those charged with responsibility for project and programme implementation. As a means of overcoming this constraint, and possibly as part of a wider administrative review, the **EC's project and programme financial and management systems should be revisited and a means devised whereby the impact of existing incompatibilities can be minimised.** At the preparation stage in particular, the procurement procedures take too long to identify, prepare, approve, and initiate an action. As a consequence, governments are deprived of prompt attention, and sometimes seek support from other donors. In some countries, the EC's procedures conflict with national laws, and a balancing act is performed by Delegations to maintain a measure of legal equilibrium.

Linking relief, rehabilitation and development

In dealing with disasters, there is a recognised and urgent need to identify and implement a range of workable LRRD synergies. To address these challenges much stronger links should be forged between Delegation and ECHO operations, and a set of mutually beneficial procedures prepared to address LRRD. While ECHO budget lines are included in the CSP's they have little involvement in their preparation, even in countries that are disaster prone.

Data collection, monitoring and evaluation

Without base line data, sensible M&E procedures, and continuous estimates of

W&S service coverage, it is difficult for the EC to formulate and promote credible development strategies. The EC should **define and develop a set of key W&S sector specific data collection and performance instruments to record progress, and provide the means of monitoring and evaluating project and programme performance**. These should augment and buttress existing rules and management procedures, be easy to follow, and use industry wide definitions, international best practices and common terminology. In addition, **a small group of perhaps 3 or 4 explicit performance indicators should be selected, and mainstreamed into future W&S projects and programmes**. These could include details of cost by sectoral component (water, sanitation, gender, education, etc.), the number of people actually provided with a W&S connection, the unit cost per connection (water and sanitation), and basic socio economic data (beneficiary income, health and education statistics, etc.). This data would enable senior managers and future evaluators to assess W&S service delivery, and provide a way of demonstrating successes to a wider audience with a degree of confidence, which is not possible at the present moment.

1.2 Résumé exécutif

1.2.1 Objectif de l'évaluation

Ce document constitue le **rapport final** de l'évaluation sectorielle « Eau et Assainissement », dont l'objectif est d'offrir aux services de coopération externe une évaluation indépendante et responsable des politiques de coopération et programmes de développement de la Commission Européenne (CE). L'unité Evaluation pour la coopération externe, commune aux directions générales des relations externes, de développement et de l'office de coopération EuropeAid (au sein de laquelle l'unité se trouve) en a commandé le travail, dans le cadre de son programme pluriannuel d'évaluations visant à contribuer à l'amélioration de la qualité des politiques et actions de coopération. L'évaluation couvre principalement la période 1995 à 2004, examine les résultats des actions de la CE dans le secteur « Eau et Assainissement » et ses relations avec les acteurs externes selon les critères suivants :

- Pertinence, impact, efficience, efficacité et durabilité des activités financées par la CE;
- Consistance et cohérence internes vis-à-vis des aides communautaires en général et des autres politiques parallèles de la CE;
- Coordination et complémentarité des interventions de la CE vis-à-vis des politiques et programmes des Etats membres et des autres bailleurs de fonds actifs dans le secteur.

L'eau et l'assainissement sont essentiels à une vie saine et productive. Malheureusement ceux qui souffrent principalement du manque de ces services de base sont en règle générale les populations les plus vulnérables. La CE est un acteur majeur du secteur par le biais de ses politiques de coopération au développement et le financement de programmes et projets. Son objectif global de développement est la réduction de la pauvreté, avec la mise en place des conditions de base pouvant permettre une répartition équitable et durable des bénéfices socio-économiques. Pour assurer la replicabilité des expériences couronnées de succès et tirer les leçons des erreurs passées, les projets et programmes d'E&A doivent faire l'objet d'une évaluation continue.

Ce **rapport final** résume un exercice progressif composé de différentes phases évaluatives. Il contient une synthèse des politiques et des programmes de la CE relatifs à l'E&A, décrit la méthodologie utilisée de collecte et d'analyse de données de références générales et de visites de terrain. Les principales politiques d'E&A de la CE, ses projets et programmes sectoriels ont été examinés en détail, et appréciés en utilisant 9 questions d'évaluation. Des délégations ont participé à un questionnaire conçu pour élargir la base de l'exercice, et obtenir une expérience de premier plan des personnes engagées dans la mise en œuvre d'actions d'E&A. Les produits de cette démarche ont été introduits en résultats et analyses, desquels un ensemble de conclusions et de recommandations ont été tirées. Ce résumé exécutif présente les principales conclusions et recommandations par ordre d'importance. Les premières sont basées sur une analyse objective des faits et les secondes sont des appréciations subjectives des actions nécessaires pour faire face aux enjeux mis en évidence par l'évaluation.

1.2.2 Contexte

L'évaluation de politiques sectorielles en E&A de la CE doit prendre en compte les activités sectorielles et priorités d'autres acteurs : Etats membres, banques internationales de développement, organisations des Nations Unies, et pays partenaires. Alors qu'un haut degré de conformité se retrouve entre les politiques, les priorités et les approches de leur mise en œuvre présentent quant à elles une grande disparité. Il est dès lors important de comprendre ces différences pour s'assurer de la consistance des approches ainsi que de la recherche et du développement des synergies. Ceci est particulièrement pertinent pour des programmes sectoriels pour lesquels assez souvent plusieurs bailleurs contribuent à un but thématique unique, via un appui budgétaire, une approche sectorielle et un financement à la demande (« basket funding »).

La plupart des états membres considèrent le secteur de l'E&A comme un vecteur majeur de développement. Beaucoup donnent à leur coopération une importance particulière au développement du secteur, d'autres l'incluent au sein d'initiatives plus larges (p.ex. le développement rural intégré). La réduction de la pauvreté est la principale tendance générale et presque exclusive, avec la promotion d'interventions durables (projets et programmes) pour atteindre les objectifs de développement socio-économique. Les politiques et activités de coopération au développement de la CE et des états membres reprises dans son Traité visent à rendre les contributions des pays partenaires plus efficaces.

1.2.3 Méthodologie

La méthodologie a été développée dans la phase préliminaire. Elle se base sur une analyse des enjeux majeurs en E&A et des politiques de développement, en mettant à profit les procédures et outils offerts par le travail conséquent sur l'E&A mené par l'unité d'évaluation. Le diagramme d'impact en a été un outil analytique important (voir annexe 2). Il est utilisé pour exposer les politiques en produits, résultats, impacts immédiats et impacts globaux. Neuf questions d'évaluation comprenant chacune des critères spécifiques de jugement et indicateurs vérifiables ont constitué l'outil fondamental pour l'organisation de la collecte d'informations et l'analyse durant cet exercice d'évaluation. La démarche a été complétée par une étude de la base de données CRIS (système commun d'informations RELEX contenant toutes les données des programmes et projets de la CE), une analyse de 37 Documents de Stratégie Pays (DSP), l'envoi de questionnaires à 35 délégations, de nombreuses réunions ainsi que de multiples entretiens informels avec les bénéficiaires principaux, des missions de terrain dans 7 pays, et une étude documentaire générale.

Les 9 questions d'évaluation présentées ci-dessous abordent : l'impact et l'efficacité de l'aide communautaire en E&A (questions 1, 2 et 3), la GIRE (questions 4 et 5), les aspects genre (question 6), l'efficacité de mise en œuvre (question 7), la consistance et la cohérence internes, la coordination et la complémentarité des actions (questions 8 et 9):

Questions d'évaluation	
1	Dans quelle mesure les aides de la CE ont-elles facilité un accès amélioré et durable à l'eau potable et à un assainissement de base?
2	Dans quelle mesure les aides de la CE pour l'E&A ont-elles contribué à une réduction de la pauvreté ?
3	Dans quelle mesure les aides de la CE à l'amélioration de l'accès à l'eau potable et à l'assainissement ont-elles contribué à de meilleures conditions de santé?
4	Dans quelle mesure les aides de la CE ont-elles contribué à l'adoption de politiques nationales et d'instruments légaux en accord avec les principes de la GIRE?
5	Dans quelle mesure les aides de la CE ont-elles facilité et contribué à la mise en œuvre de la GIRE dans la planification et la mise en œuvre de fourniture de services d'eau et d'assainissement ?
6	Dans quelle mesure la CE a-t'elle abordé les inégalités de genre comme objectif majeur dans ces programmes d'E&A et quels en ont été les progrès acquis?
7	Dans quelle mesure les programmes d'E&A de la CE ont-ils été mis en œuvre de façon efficace?
8	Dans quelle mesure les aides de la CE au secteur E&A et autres politiques de développement influençant le secteur ont-elles été en interne consistantes et cohérentes?
9	Dans quelle mesure les aides de la CE dans le secteur de l'E&A aux niveaux nationaux (tels quel définis dans les DSP, PIN, etc.) ont-elles été cohérentes avec les politiques, stratégies et activités des pays membres et les autres acteurs principaux?

(Voir également l'annexe 3)

Les références et les sources d'informations sont distinguées des jugements et observations de l'équipe d'évaluation, limitées aux recommandations. Celles-ci sont classées par ordre d'importance dans le résumé exécutif mais ne le sont pas dans le corps du rapport, où elles apparaissent regroupées selon les questions reprises ci-dessus, pour des raisons de simplicité.

Bien qu'un certain recouvrement ait été inévitable, les 9 questions d'évaluation se sont révélées comme un moyen efficace d'identification, de collecte, de mesure et d'analyse. Des exemples spécifiques de projets et de programmes sont pris en référence pour démontrer un point particulier ou confirmer une hypothèse. Les conclusions et les recommandations sont liées logiquement et peuvent être

reliées aux analyses et principaux constats. Pour certaines questions cependant, en particulier celles ayant trait aux impacts, les indications recueillies n'ont pas toujours permis un jugement équilibré et détaillé. Ceci n'est pas dû à la méthodologie mais simplement au fait que l'information n'était pas objectivement disponible.

1.2.4 Analyse et principaux résultats

Impact et efficacité de l'aide

Les données quantifiables disponibles n'autorisent pas un jugement étayé de la mesure de l'aide fournie pour un « accès durable à l'eau potable et à l'assainissement ». Les informations recueillies confirment cependant que les implications et les investissements pour l'accès à l'eau potable ont été généralement positifs et menés avec succès. Il n'en a pas été de même pour l'assainissement, pour lequel les informations recueillies tendent à montrer qu'en de nombreux cas trop peu d'attention a été portée sur le sujet. Lorsque l'assainissement fait partie intégrante d'une action sectorielle, les résultats se sont avérés positifs. Le financement et la mise en œuvre d'infrastructures de base en E&A en milieu urbain et rural paraît avoir amélioré sensiblement les conditions de vie de nombreux bénéficiaires. Il reste que leur viabilité demeure un enjeu d'importance et peu d'installations visitées et analysées peuvent réellement être considérées comme durables.

Démontrer de façon quantitative « dans quelle mesure l'aide de la CE a contribué à une réduction de la pauvreté », a été un enjeu difficile et le lien entre l'E&A et la réduction de la pauvreté n'est pas évidente à prouver, et encore plus à quantifier. Néanmoins les constats de terrain et les documentations disponibles indiquent généralement qu'une amélioration de l'accès à des services d'E&A réduit le niveau de base de pauvreté des bénéficiaires. Il reste que compte tenu du peu de données statistiques disponibles, le lien entre E&A, santé et réduction de la pauvreté ne peut être mesuré avec certitude.

Déterminer « dans quelle mesure l'aide de la CE pour améliorer l'accès à l'E&A a contribué à de meilleures conditions sanitaires » est comparable à la question concernant la réduction de la pauvreté. Des études de base des conditions sanitaires avant et après projet ou programme sont courantes, mais déterminer l'impact et l'efficacité de manière isolée des projets et programmes reste non concluant et constitue un problème reconnu depuis longtemps par les acteurs travaillant dans le secteur du développement. Peu de données quantitatives permettent d'identifier, d'isoler, de mesurer et d'évaluer les impacts sur la réduction de la pauvreté et l'amélioration de la santé. Cependant les appréciations de terrain et documentaires montrent un succès qualitatif des investissements de la CE dans le secteur E&A. Ceux-ci ont contribué de manière positive à de meilleures conditions de santé des populations cibles.

Gestion intégrée des ressources en eau, gouvernance et programmes

L'évaluation de la « mesure de l'aide de la CE à l'adoption de politiques nationales et d'instruments légaux en accord avec les principes de la GIRE » a montré un degré surprenant d'uniformité de conception entre pays, bailleurs de fonds et banques de développement. La plupart des bonnes pratiques de la GIRE sont conçues pour valoriser l'image et la conservation de l'eau, engager le secteur privé et réduire les procédures de décision au niveau administratif le plus bas. Dans l'ensemble, la plupart des politiques de la GIRE sont consistantes et lorsque des différences apparaissent, il s'agit d'approches

différentes pour aborder sa mise en œuvre. La promotion par la CE de la GIRE a été positive et est en évidence reflétée dans les projets et programmes.

En déterminant dans « quelle mesure l'aide de la CE a facilité et contribué à l'adoption et la mise en œuvre de la GIRE dans la planification et la mise en œuvre des services d'E&A », il est clair que le raisonnement et le bien fondé des politiques de développement et de gestion de l'eau de la CE sont bienvenus et bien perçus par les gouvernements bénéficiaires. En pratique, les principes de la GIRE sont encore rarement suivis pour la fourniture d'E&A et beaucoup de réseaux d'adduction d'eau (grands et petits) sont encore conçus et construits sur la seule base d'une connaissance superficielle des ressources disponibles en eau. Lorsque les ouvrages et les infrastructures ont été conçus et réalisés en accord avec les principes de la GIRE, les impacts environnementaux et socio-économiques se sont avérés indéniablement positifs.

Aspect genre

Peu de résultats positifs indiquent « l'attention portée aux inégalités de genre comme objectif majeur au sein des programmes de fourniture d'E&A». Certaines actions apparaissent cependant réussies et ont clairement réduit la charge inhérente et le caractère pénible des corvées d'eau réalisées par les femmes et les enfants. Dans quelle mesure et avec quel succès les politiques et programmes de la CE ont adressé les inégalités de genre s'est avéré fort variable. La plupart sinon toutes les initiatives comprennent désormais une composante genre ou au moins une déclaration en ce sens mais les données recueillies présentent des succès mais également des échecs. Des progrès ont été réalisé aux niveaux de projets et de programmes mais peu au niveau des institutions et leviers de décision, qui continuent à être à majorité masculine. La fourniture de service de l'E&A comme levier pour améliorer l'égalité des genres dans la société reste faiblement utilisée.

Efficience du service

Déterminer « dans quelle mesure les programmes de fourniture de services d'E&A ont été mis en œuvre de manière efficace » ne peut réellement se faire qu'au travers d'évaluations spécifiques de projets ou programmes qui disposent d'une base élaborée de données, ce qui n'a pas pu être le cas. En se focalisant sur un petit nombre de critères de jugement, il s'avère que la qualité et la gestion des projets et programmes varient largement et les procédures financières et de gestion de la CE entravent assez souvent leur bonne exécution. D'autre part les solutions alternatives ou la promotion de nouvelles technologies et idées ne bénéficient que de peu d'attention, dans certains cas des techniques inadaptées et peu viables ont été utilisées.

Consistance,cohérence interne, coordination et complémentarité

Aussi loin que les informations recueillies dans les pays visités l'ont permis, il a été possible d'apprécier dans « quelle mesure l'aide de la CE au secteur de l'eau et des autres politiques de développement liées au secteur a été consistante et cohérente ». La plupart des bonnes pratiques liées à l'eau et reconnues internationalement sont inscrites dans les traités internationaux actuels. Les politiques de la CE englobent tous les éléments majeurs des objectifs du millénaire de couverture en eau et assainissement. De ce point de vue il y a une consistance claire et une cohérence interne. En pratique, leur mise en œuvre ne progresse pas toujours sans problèmes de contradictions intersectorielles, d'importance placée par l'une des parties

sur un sujet particulier (l'assainissement p. ex.) parfois déphasée avec les priorités sectorielles (GIRE ou genre) d'une autre partie.

L'appréciation de « la mesure de l'aide de la CE au secteur de l'eau au niveau pays (tel que défini dans les DSP et PIN, etc) en cohérence et complémentarité avec les politiques générales de développement de la CE , et stratégies et actions des pays membres et autres acteurs » a montré que l'aide de la CE au niveau pays est généralement en harmonie avec les politiques de la CE. Leur coordination pourrait pourtant être renforcée, en particulier entre les délégations et les opérations gérées par ECHO. Il y a indubitablement de considérables efforts faits par les délégations et certains pays membres pour aligner leurs projets et programmes respectifs. Les délégations reconnaissent que les chevauchements et les conflits sont contre-productifs et décisifs, mais il reste du chemin avant d'atteindre un niveau acceptable de coordination et de complémentarité.

1.2.5 Principales conclusions et recommandations

Aborder les besoins sectoriels spécifiques des pays partenaires

L'aide de la CE aux pays partenaires dans le secteur de l'E&A est perçue comme appropriée et comme une contribution substantielle pour réduire la pauvreté et améliorer les standards de vie en général. La tendance vers un partenariat plus formel et la réalisation de programmes en commun est indubitablement considérée comme un pas positif et cette approche devrait être encouragée dans les futures politiques de la CE. La tendance à des **partenariats plus formels entre la CE et ses partenaires devrait être accélérée et incluse dans les opérations générales.** Ceci permettra d'inclure avec plus de certitude et de conviction les besoins sectoriels spécifiques du pays partenaire.

Fourniture de services d'assainissement

L'assainissement n'est pas toujours inclus dans les projets et programmes et une plus grande attention devrait être portée à cette exigence. **Avant d'envisager un programme d'approvisionnement en eau, il s'agit d'évaluer précisément une composante assainissement, et l'inclure si elle est appropriée.** Il peut y avoir des exceptions où l'assainissement (au sens réseaux) peut être considéré peu utile (en milieu rural p. ex.), ou lorsqu'elles sont entreprises via une action parallèle. La collecte, le traitement et l'enlèvement des effluents usés (en milieu péri urbain et urbain p. ex.) devraient être inclus dans une composante assainissement, en même temps qu'une éducation à l'hygiène et des campagnes de sensibilisation, particulièrement à l'égard des femmes et des enfants.

Viabilité améliorée et fourniture de service social

Le recouvrement des coûts est faible pour la plupart des projets et programmes d'E&A, ce qui constitue un sérieux handicap pour leur viabilité à court et long termes. Lors de l'établissement des tarifs, il n'est pas toujours bien pris en compte la capacité des pauvres à payer, soit au travers d'un mécanisme de péréquation, de fourniture de services gratuits, ou de contribution directe du bénéficiaire. **L'investissement en O&M est constamment faible et il y a un manque d'implication sérieuse des gouvernements et des municipalités pour aborder la question de fourniture de service social**. Le problème d'eau subsidiée ou gratuite est ambigu, et transgresse les politiques de la CE et internationales qui attribuent une valeur économique à l'eau. La recherche d'un

équilibre entre une politique d'approvisionnement en eau, l'incapacité de certains groupes à payer l'eau et le besoin de viabilité doit être considérée comme une priorité du secteur.

Accroître et induire la sensibilisation aux aspects genre

Bien qu'il y ait une large reconnaissance de son importance et de sa pertinence, l'aspect genre dans les projets et programmes d'E&A n'est pas toujours considéré comme un objectif majeur. De nombreux gouvernements ne lui donnent pas (ou ne veulent pas lui porter) l'attention qu'il mérite. Toutes les égalités (de genre, de races, de religion etc) devraient être traitées de la même manière et les projets et programmes d'E&A conçus pour réduire les tensions et les conflits, combler le fossé entre riches et pauvres, et répartir équitablement les bénéfices des projets. **Des efforts pour promouvoir la sensibilisation aux aspects de genre dans les projets d'E&A, particulièrement aux niveaux de décision devraient redoubler. Leur mise en œuvre s'avère souvent inefficace et apparaît régulièrement trop loin comme priorité.** Il s'agit d'inclure une activité spécifique genre en une composante et dans tous les cas en terme d'activité transversale.

Renforcer l'application des principes de la GIRE

En dépit de l'importance placée à la GIRE, peu de projets et programmes appliquent ces principes correctement, et certains réseaux d'adduction d'eau sont construits sans connaissance précise des ressources disponibles en eau. **Les principes devraient êtres appliqués avec plus de rigueur et les réseaux d'adduction d'eau planifiés et conçus avec une connaissance appropriée de la gestion des ressources. Les personnes impliquées dans cette approche devraient être équipées des instruments et de la technologie nécessaires pour acquérir les données scientifiques indispensables**. De nombreuses questions importantes liées à l'approche sont négligées ou appliquées de façon incorrecte. Ceci inclut la compréhension des conséquences environnementales à court et à long terme des actions, la résolution de conflits internes dûs à une compétition pour l'eau (l'agriculture mais de plus en plus l'industrie), les tensions transfrontalières dans la construction de structures de gestion de bassins, la formation d'associations d'usagers de l'eau et le support au processus de décentralisation, pour en nommer les plus saillants.

Gestion et systèmes financiers

Appliquer les systèmes financiers et de gestion est un enjeu pour les délégations, les gouvernements et tous ceux qui sont chargés de responsabilités pour la mise en œuvre de projets et programmes. Pour alléger cette contrainte, et peut-être comme partie d'une plus vaste révision administrative, **les systèmes financiers et de gestion devraient être revus en pensant à minimiser l'impact des incompatibilités existantes.** Au stade de la préparation en particulier, les procédures sont souvent trop longues pour identifier, préparer, approuver et démarrer rapidement une action. En conséquence, les gouvernements sont privés d'une attention rapide et recherchent l'appui d'autres bailleurs de fonds. Dans certains pays, les procédures de la CE sont en désaccord avec certaines lois nationales, et les délégations maintiennent au mieux un équilibre légal.

Lier aide humanitaire, réhabilitation et développement

Il y a un besoin urgent et reconnu d'identifier et de mettre en œuvre un éventail de synergies opérationnelles pour traiter les catastrophes. Pour aborder ces enjeux, des liens plus forts devraient être forgés entre les délégations et les opérations d'ECHO pour préparer au bénéfice de chacun un ensemble de procédures à l'usage des actions d'urgence en E&A. Bien que les lignes budgétaires ECHO soient inscrites dans les DSP, il y a peu d'implication d'autres acteurs dans leur préparation, même dans les pays sensibles aux catastrophes.

Collecte de données, suivi et évaluation

Sans données de base, procédures raisonnables de suivi-évaluation, et estimations continues de couverture des services en E&A, il est difficile pour la CE de formuler et promouvoir des stratégies crédibles de développement. La CE devrait **définir et développer un instrument de collecte de données spécifiques au secteur et fournir les moyens de suivi et d'évaluation des performances.** Il s'agit d'accroître et de conforter les réglementations et procédures existantes, qui doivent être simples à suivre, et utiliser des définitions et une terminologie communes. De plus, **un petit groupe de 3 ou 4 indicateurs explicites de réalisation devraient être choisis et imposés de façon univoque dans tous les futurs programmes d'E&A**. Ceux-ci pourraient inclure un coût unitaire particulier d'une composante (eau, assainissement, genre, éducation, etc.), le nombre de personnes bénéficiaires selon un critère clairement établi, le prix unitaire des connections (eau et assainissement) et des données socio-économiques de base (revenu des bénéficiaires, santé et statistiques d'éducation et de santé). Ces données devraient permettre aux dirigeants et futurs évaluateurs d'évaluer l'accès à l'E&A, et fournir une présentation plus fiable des expériences à une audience plus large.

2. INTRODUCTION

2.1 Evaluation Purpose

The purpose of this Water and Sanitation Sector Evaluation (Evaluation) is to provide the external co-operation services with an independent and accountable evaluation of EC co-operation policies, and development programmes. It has been commissioned by the Evaluation Unit for external cooperation that is common to DG's External Relations, Development and EuropeAid Cooperation Office (and is located in EuropeAid) and is part of a multi-annual programme of evaluations that aims to contribute to quality enhancement of external cooperation policies and actions. A measure of synergy between these sectoral evaluations was maintained, without influencing or compromising the Evaluation's independence.

A consortium managed by PARTICIP GmbH was appointed to carry out the Evaluation, and a Team comprised of Senior and Junior Experts were engaged to execute the work. National Consultants were appointed in the 7 target countries to assist the information gathering, and analytical procedures. The consortium maintained responsibility for the Quality Assurance of the Evaluation outputs, and a Reference Group (RG) comprised of members of all the concerned EC External Relations family, Research and Budget Directorates, oversaw the process. The scope, timeframe, and general Evaluation methodology were described in the Terms of Reference (ToR)[1] attached as Annex 1, Volume II.

2.2 Availability of Water Resources

Although water is the main substance of the planet, only 2.5% of it is fresh water - of which two-thirds is trapped in glaciers and in mountains as snow, and therefore difficult to utilize. The remaining one-third represents the accessible fresh water in lakes, rivers and aquifers, to which can be added fresh water available through man-made storage reservoirs/dams. This means that although water seems to be abundant on the planet at first glance, its availability for human consumption, irrigation and a great part of animal and ecological life is much smaller.

Over the last 50 years, the world's finite supply of freshwater has been subject to increasing pressures and has also suffered quality degradation in many regions. With increasing pressure on natural freshwater, and an unequal distribution of fresh water around the world, there is a growing concern to improve the management of water resources and explore other potential sources, such as the production of freshwater by desalination of brackish or saltwater, and the reuse of urban wastewater or agricultural drainage water.

In its review of world water resources, the FAO estimates that the total volume of water on Earth is about 1,400 million km³. Only 2.5% of this, or about 35 million km³, is fresh water. The usable portion of these sources for human consumption, irrigation, a great part of animal and ecological life is only about 200,000 km³ of water – less than 1% of all fresh

[1] Evaluation of the Water Sector, Terms of Reference European Commission, General Affairs, Evaluation, 30th September 2004

water. Furthermore, the availability of water resources varies sharply in terms of resources per inhabitant in each continent: America has 24,000 m³/year per inhabitant, Europe 9,300 m³/year per inhabitant, Africa 5,000 m³/year per inhabitant, Asia 3,400 m³/year per inhabitant.

Water scarcity is defined at the threshold of 500 m³/year per inhabitant. Water stress corresponds to the threshold of 1,000 m³/year per inhabitant. In addition, in an average year, 1,000 m³ of water per inhabitant can be considered as a minimum to sustain life and ensure agricultural production in countries with climates that require irrigation for agriculture. The above figures show that there are important variations of water availability among continents but, at country level, there is an even more extreme variability: from a minimum of 10 m³/year per inhabitant in Kuwait to more than 100,000 m³/year per inhabitant in Canada.
Nine countries are the world giants in terms of internal water resources, accounting for 60% of the world's natural fresh water (Brazil, Russian Federation, Canada, Indonesia, China, Colombia, USA, Peru and India). At the other extreme, the water-poor countries are usually the smallest, notably islands, and arid areas (Israel, Gaza Strip, Jordan, Libya, Mauritania, Cape Verde, Djibouti, United Arab Emirates, Qatar, Malta, Bahrain, and Kuwait).

Not all natural fresh water is accessible for use. In general, exploitable resources for drinking water supply and irrigation are significantly smaller than the natural resources. Exploitable water resources (manageable water resources or water development potential) consider factors such as: mobilization costs, the economic and environmental feasibility of storing flood water behind dams or extracting groundwater, the physical possibility of catching water that naturally flows out to the sea, and the minimum flow requirements for navigation, environmental services, aquatic life, etc.

By 2025, two-thirds of the world's population could be living in countries subject to water stress, thus affecting water available for human consumption and economic activity.

2.3 European Commission Cooperation, Strategies and Instruments

2.3.1 Development Cooperation Policy Framework

The EC are actively engaged in development across an extensive spectrum of inter-related actives worldwide. Within this international context, the EC Development Policy is grounded on the principle of sustainable, equitable, and participatory human and social development[2]. Its principal aim is to reduce poverty, and it recognises in particular that "access to and sustainable management of water resources is an important component of social sector policies"[3]. Today, the draft Constitution, elaborated by the Convention, contains a statement on European Union (EU) values (Art 3, para 4), referring to a wide range of issues such as peace and sustainable development, free and fair trade and the eradication of poverty.

Poverty is defined not simply by the absence of income and financial resources, but also as "encompassing the notion of vulnerability, and such factors as access to adequate food

2 EC's Development Policy - Statement by the Council and the Commission, November 2000
3 Communication on EC's Development Policy, page 18

supplies, education and health, natural resources and drinking water, land, employment and credit, information and political involvement, services and infrastructure". Thus, access to this common resource and the expansion of service delivery to those who are not served are at the heart of poverty reduction strategies.

Of the thematic priorities and crosscutting issues defined in the EC's Development Policy[4], water management is considered a cross-sectoral issue to be mainstreamed into the specific development strategies associated with poverty reduction.

Gender: Gender inequality hinders growth, impedes poverty reduction, and adversely influences progress in health and education improvement[5]. One way in which gender inequality contributes to poverty is the heavy burden imposed on women in terms of their time and energy spent on providing domestic water supplies. The 2001 Communication from the EC to the Council and the European Parliament presented a 'Programme of Action for the mainstreaming of gender equality in community development intervention'[6], which commits the EC to meeting the following 3 main objectives:

- Integrate gender issues into the 6 priority areas of EC development co-operation as defined in the EC's Development Policy[7];
- Mainstream gender within projects and programmes at country and regional level; and,
- Strengthen the Commission's internal gender capacity, tools and methods.

Environment and sustainable development: When placing poverty alleviation and human development at the centre of policy, it is essential to recognise that these objectives can only be achieved if the integrity and functionality of the natural ecosystems, which sustain our existence, is protected. Neglecting environmental threats may not only undermine efforts to reduce poverty but even lead to increased poverty[8]. A joint EC/UNDP initiative looking at the impact of involving the poor in improved environmental management addressed the water resources dimension in particular[9]. The Sixth Community Environment Programme (EAP)[10] provides a stable framework up until 2012 for community environmental policies, as well as for the integration of environmental concerns into sector policies. Its objectives respond to the key environmental priorities to be met by the EC in the following areas: 1) climate change, 2) nature and biodiversity, 3) environment and health and quality of life, and 4) natural resources and waste.

4 Communication on EC's Development Policy, COM(2000)212, 26.4.2000
5 COM(2000)212
6 COM(2001) 295
7 COM(2000) 212 - namely: (i) support to macroeconomic policies, poverty reduction strategies, and social sector programmes in health and education; (ii) food security and sustainable rural development; (iii) transport; (iv) institutional capacity building, good governance and the rule of law; (v) trade and development; (vi) regional integration and capacity building
8 Communication: Integrating the Environment into EC Economic and Development Co-operation
9 UNDP/EC Poverty and Environment Initiative: Attacking poverty while improving the environment – towards win-win policy options.
10 Decision n°1600/2002/EC of the European Parliament and the Council of 22 July 2002 laying down the Sixth Community Environment Programme OJEC L242/1

The Communication from the EC to the Council and the European Parliament on the 2004 Environmental Policy Review (EPR)[11] reports that the environment, including eco-innovation, is an essential element of the Lisbon strategy, and to the long-term competitiveness of the EU economy through its contribution to sustainable economic growth. In particular, the EC will develop a dialogue with emerging economies to take forward international action necessary to address global environmental problems, to avoid competition based on reducing environmental standards, to promote the uptake of eco-innovations, introduce more sustainable products and processes, and promote international global co-operation on environmental policy issues. These will focus on security, development, trade, and beneficial neighbourliness.

The 2005 environment management planning priorities align with the Sixth EC Environment Action Programme (2002/1600/EC), which remains the main driver of EC environment policy until 2012. The key thematic areas promote research and the use of renewable energy, and have an internal (EU) and an external (global) dimension, with external objectives pursued both bilaterally and through multilateral Agreements. The strategic approach is underpinned by the need to:

- Improve the implementation of existing environmental legislation at national and regional level;
- Integrate environmental concerns into other policy areas;
- Work closely with business and consumers in a more market-driven approach to identify solutions;
- Ensure better and more accessible information on the environment for citizens; and,
- Develop a more environmentally conscious attitude towards land-use planning.

These 5 major objectives each emphasise the need for more effective implementation and innovative solutions if the goals of the Sixth Action Plan are to be realised.

Trade and Development: The relationship between international trade, food and water security, especially where the interests of the poor are concerned, have only recently begun to receive sufficient attention. Many countries have traditionally perceived food self-sufficiency as an important strategic concern, and have used valuable water resources in pursuing this objective. Others, in trying to promote agricultural and industrial exports for economic growth, have grown water-intensive crops and placed unsustainable demands on their water resources, or polluted them with industrial effluent. Remedying these impacts can be costly. In water-scarce environments it is necessary to pay more attention to water consumption, and the protection of the environment, in both agricultural and industrial policies. For some countries, importing virtual water, in the form of water-intensive crop requirements, may be a more practical and cost-effective form of national food security than growing them[12]. The EC promotes sustainable trade

11 {SEC(2005)97} Environmental Policy Review COM(2005) 17 final, 27th January 2005

12 Virtual water is water that is imported or exported through the import or export of goods that have required water in their production process. For example, feeding one country's population with highly water-intensive agricultural products could be better achieved from a water perspective through the import of such products (i.e. virtual water which is the water required for producing such products in the country) as compared to the possible cheaper option of growing the relevant crops in the country that would increase pressure on water resources.

policies (EU and India, Partners in Progress, 2003), especially in poor countries, while preserving environmental resources and promoting social equity. It supports countries that adopt trade policies, which take full account of their scarce water resources.

Transport: A key sector for EC support is transport, with a major focus on road transport. In some regions investments may be directed towards river (and maritime) transport. In deltaic areas, coastal zones, or riverine-forested areas, waterborne systems may be the best or only transport solution, but the absence as well as the superabundance of water can threaten this form of transport. The large use of rivers for transport in Europe has shown that such activity can bring great benefits, but it can also pose severe threats to the environment where the risks and potential impact of a pollution spillage are much higher then for land based transport, and needs to be incorporated into an IWRM approach. The EC promotes sustainable transport policies, which integrate land and water use planning.

Research and renewable energy: Research and renewable energy play a vital role in developing the critical knowledge needed to formulate and implement appropriate policies and programmes. Numerous research initiatives and technical papers are sponsored by the EC, which are feed back into policy and strategy formulation. Under the EUWI research component a Review of International S&T Cooperation Projects Addressing IWRM (1994-2006), December 2006 and provided a useful insight how the science is being viewed and implemented internationally.

Other EC policy concerns include **awareness raising and governance**. Awareness raising is needed to ensure that stakeholders recognise the value of water in all its dimensions – economic, social, cultural, for health and the environment. Better understanding of the pressures on water resources, and the consequences of irresponsible and unsafe water management, improve motivation to manage water more effectively and help in defining societal norms to adapt to a changing situation. Attention needs also to be given to the legislative and regulatory framework, administrative capacity, and transparency so as to assure good water governance. One of the most important areas for cooperation is therefore capacity building by means of human resources development, training and networking, to make water institutions more effective and water services more attractive for private investment.

2.3.2 Current water related strategies

The main development priorities of the EC for sound water-related interventions are:

- Ensuring a supply to every human being (especially the poorest) of sufficient drinking water of good quality and an adequate means of waste disposal, with the general objective of reducing poverty and improving people's health and quality of life;
- Sustainable and equitable transboundary water resources management taking into account all relevant interests and integrating the competing needs of the various users, in particular those of riparian communities and states sharing the same resource base; and,
- Cross-sectoral coordination to ensure fair and appropriate distribution of water between users of different types and the mainstreaming of water management

principles into related policies; water for food security, for the environment, energy, industry, etc.

In 1998, the EC published the **'Guidelines for Water Resources Development Co-operation'**, which set out the approach to water-related development activities. The guiding principles for water resources and water services management were defined in 5 categories: 1) Institutional, Management, and Social, 2) Economic and Financial, 3) Environmental, Information, 4) Education and Communication, and 5) Technological. These principles and the tools for their application at the programming and project level, guide water-related development activities supported by the EC.

Integrated Water Resource Management[13] and river basin management are today central principles of policy. Water resources must be managed in an integrated manner taking account of all legitimate uses and demands, including environmental objectives and sustainability. A water management policy must take proper account of the available water resources, the real cost, and the actual needs of the various sectors concerned (i.e. drinking water, agriculture, industry, energy, etc.).

On 23rd October 2000, the Council and the European Parliament adopted Directive 2000/60/EC establishing a framework for the action in the field of water policy. Entitled the **Water Framework Directive (WFD)**, its purpose is to establish a framework for the protection of inland surface waters, transitional waters, coastal waters and groundwater. The IWRM management approach included in the WFD and applied in 36 countries (including the 25 member states) is embedded in development projects. The challenge in sharing waters is to avoid conflict and promote peaceful co-operation between different interests, both within countries and between them. The Communication on conflict prevention recommends EC support "where a clear commitment to regional collaboration exists, to regional actions aiming at a fair management of shared water resources"[14].

2.3.3 European Commission instruments

The W&S sector is addressed through geographical co-operation instruments such as the European Development Fund (EDF), which is the most important funding instrument for the African, Caribbean and Pacific (ACP) states. The Southern Mediterranean and Middle East (MEDA), Asia and Latin America (ALA), Eastern Europe and Central Asia (TACIS) use other budgetary instruments. The European Investment Bank (EIB) also funds W&S sector loans[15].

The DG Humanitarian Aid (sometimes still called under its former name ECHO and the term used in this Evaluation) was established in 1996 with the express purpose of saving and preserving life during emergencies, providing assistance to people affected by long-lasting crisis, carrying out short term rehabilitation works, coping with the consequences of population movements, and ensuring preparedness for risks of natural or comparable

[13] IWRM is a process that promotes the co-ordinated development and management of water, land and related resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems

[14] Communication on conflict prevention, COM (2001) 211 (11.4.2001)

[15] Completed by COM (2004) 626 final on the "Instruments for External Assistance under the Future Financial Perspective", 2007-2013

emergencies[16]. ECHO has commissioned a review of W&S issues relating to the funding of humanitarian operations. The key output of the initiative was a set of model guidelines designed to assist planners, and project managers, in the mainstreaming of W&S interventions into emergency, protracted crises, LRRD and disaster preparedness operations[17].

2.3.4 The Water Initiative, the Water Facility and allied initiatives

At the World Summit for Sustainable Development (WSSD) in Johannesburg in 2002[18] the EU launched the **European Union Water Initiative (EUWI)**[19]. The EUWI and the European Development Council Resolution on Water Management in Developing Countries Policy and Priorities for EU Development Co-operation from 2002[20] intend to:

- Reinforce EU commitment to contribute to meeting the Millennium Development Goals (MDGs), namely the targets on water (halving by 2015 the proportion of people without access to basic water); and,
- To support IWRM and the development of water efficiency plans by 2005.

The key objectives of the EUWI are the:

- Reinforcement of political commitment towards action and innovation oriented partnerships;
- Promotion of improved water governance, capacity building and awareness raising;
- Improved efficiency and effectiveness of water management through multi-stakeholder dialogue and co-ordination;
- Strengthened co-operation through promoting river basin approaches in national and transboundary waters; and,
- Identification of additional financial resources and mechanisms to ensure sustainable financing.

One of the main missions of the EUWI is to enhance coordination and complementarity within the EU. The initiative is designed as a catalyst and a foundation on which future action can be built to contribute to meeting the W&S specific MDGs, within the context of an integrated approach to water resources management. In particular it shall:

- Through a multi-stakeholder process, bring EU and Member States together with civil society and financial institutions, and access the combined expertise and investment potential of the water industry;

[16] Council Resolution (EC) 1257/96, 20th June 1996
[17] Model Guidelines for Mainstreaming Water and Sanitation in Emergencies, Protracted Crisis, LRRD and Disaster Preparedness Operations, AGUACONSULT, 2005
[18] Report of the World Summit on Sustainable Development – Facts about water UN-A/CONF.199/20
[19] The EUWI goals, background and approach – Brochure "Water for Life: International Cooperation from knowledge to action" – EUWI: the challenge (EUR20612)
[20] Directive establishing a framework for Community action in the field of water policy 2000/60/EC OJ L237 (22/12/00)

- Generate scientific knowledge and translate this into innovative ideas and approaches; and,
- Raise public awareness on water related issues.

In December 2004 the EU launched its EUR 500 million **Water Facility** for ACP countries - the single biggest allocation for W&S projects. Its objective is to boost the sustainable delivery of W&S infrastructure, and to improve IWRM practises in ACP Countries. The Water Facility is based on 3 key principles:

1. **Governance**: commitment to the development or improvement of sound national water policies as well as to a modern and efficient management of water resources;
2. **Ownership**: the Water Facility is demand driven and an instrument to support and deepen the involvement of actors in ACP States in the design and implementation of water policies; and,
3. **Innovation and flexibility**: maximum impact will be achieved by offering creative mixtures of grants and other financial sources to fund basic infrastructure. The Water Facility will provide the necessary seed capital to launch projects, and serve as a tool in forging public/public and/or public/private partnerships needed to increase funding.

For the countries of Eastern Europe, the Caucasus and Central Asia (EECCA), **the EU-EECCA Strategic Partnership on Water for Sustainable Development** was also launched during the WSSD in Johannesburg. As in Africa, a multi-stakeholder working group was set up to take the initiative forward. For the EU this was led by Denmark, and for the EECCA by Russia. The EC has earmarked EUR 35 million under the 2004-06 TACIS Regional Programmes for IWRM and W&S as part of the EU Water Initiative. Another EUR 3 million will be devoted to a Water Investment Support Facility for the region.

With regard to the MEDA region, a working group led by Greece is in the process of finalising the design for this regional component. Spain and Portugal, in close cooperation with Mexico, are developing a Latin American component. While the priority remains to consolidate and deepen the EU Water Initiative in the regions where it has been developed up until now, expansion to other regions such as Asia and the Caribbean and Pacific regions is being explored.

2.4 European Union Member States and international organisations

Most Member States have a specific emphasis on water-related development cooperation. For some, water may be an integral part of an individual country cooperation programme or included under the sector budget for health or educational assistance. Although there are differences between the importance attached to water as a development component, and in specific water-related policies and priorities, there is an important similarity in the policy frameworks. In accordance with the EC Treaty, coordination and complementarity of EC and Member States' development cooperation policies and activities, aim to make the contribution of partner countries more effective. Overall coordination of cooperation within country programmes is the primary task and responsibility of partner governments.

Many development agencies, institutions, banks, Non Governmental Organisations (NGOs) and the UN family are involved in the W&S sector and although each one may have its own particular focus, there is general uniformity between their respective policies and programmes. Relationships between the EC and the NGO community are strong, and projects and programmes are implemented buy them through a separate budget facility. The universal thrust is towards poverty reduction and the promotion of IWRM to achieve the goals of socio economic development.

Box 1: Examples of EU Donors and their Policies in the water and sanitation sector

European Investment Bank

The EIB is committed to taking forward the EU's environmental policies by implementing new strategies that further the fulfilment of international undertakings, especially those concerning the contribution to water sector initiatives launched at the Johannesburg World Summit. The EIB is also associated with the EU "Water for Life" initiative designed to help achieve the MDGs.

Austrian Co-operation

Priority is given to the reduction of poverty, paralleled by securing peace and protection and preservation of the natural environment, so as to bring about just and sustainable development. The policy of Austrian Development Co-operation has always been characterised by 3 main goals: projects supported have to create concrete benefits for people, they have to be sustainable, and protect natural resources in the catchment area. In few other areas are these requirements better met than in the W&S sector.

Danish International Development Assistance

As far as the water sector is concerned, DANIDA has played an active role for many years in international efforts to resolve the world's growing environmental problems, and to make the principle of sustainable development an integrated part of global social development in individual countries. DANIDA works in areas such as the fight against desertification, sustainable management of fresh water, forests and other natural resources, and the promotion of sustainable energy.

United Kingdom Department for International Development

DFID believes that sustainable access to safe water is one of the key indicators of international development. It is therefore a major development priority for poor people, and can be considered a universal development theme. Improving access to safe water and sanitation, and improved water resource management systems are therefore not objectives that necessarily stand on their own.

The Netherlands Development Co-operation

The MGDs have become the basis of DGIS development policy. Special attention is devoted to education, the environment, water, HIV/AIDS and reproductive health care. Access to clean drinking water and proper sanitation are considered essential for poverty reduction. As many environmental problems extend beyond national borders, a regional co-operational approach is followed.

German Development Bank

KfW finances investments and project-related consultancy services to expand social, economic and industrial infrastructure, and to protect the environment and natural resources. KfW appraises the eligibility of projects for financing according to development-policy criteria, assists the partner countries in implementing the projects, and evaluates their success after completion.

Norwegian Agency for Development Co-operation

An important goal of NORAD's assistance is environmental sustainability. They promote sound management of the global environment and biological diversity, and towards solving environmental problems that affect poor people in particular. NORAD gives priority to 4 areas of environmental assistance: the development of sustainable production systems, conservation and exploitation of biological diversity, reduced pollution of soil, air and water, and conservation of cultural heritage and management of the cultural landscape. While NORAD's efforts are based on the priorities of its partner countries, there is a strong emphasis on water resource management and sustainable agriculture.

Swedish International Development Co-operation Agency

The goal of SIDA is to improve the standard of living of poor people, and in the long term to eradicate poverty. SIDA has for the past 30 years supported the improvement of domestic water supply and sanitation systems. Over recent years, as the importance of the broader concepts of IWRM have been internationally endorsed and accepted, their support to the water sector has expanded to include sustainable management of water resources.

3. METHODOLOGY

3.1 Sequencing

The Evaluation was conducted along 5 main phases, and an equal number of methodological stages, as foreseen in the ToR. More details on the evaluation methodology are provided in Annex 4, Evaluation Analysis Methodology. The process started with a preparation phase, at the level of the Evaluation Unit for external/development cooperation, corresponding to the first stage of the evaluation methodology during which the RG was constituted, the ToR drafted, and finalised after a consultation round among the most important actors. This was then followed by the **Desk Phase I – Start-up phase** during which a Launch Note was prepared, and subsequently approved by the Unit in December 2004[21]. The next step saw the preparation of the Inception Report, which was the first part of the **Desk Phase I – Structuring Phase** Report. It contained a correlated précis of the preliminary documentation and data analysis, the construction of the intervention logic, and the selection of the Evaluation questions with corresponding indicative judgement criteria. All these steps allowed the laying down, in methodological terms, of a clear structure for the evaluation. The **Desk Phase 1 – Desk Study** Report followed the Inception Note, and comprised sections dealing with documentation and information (initiatives, study of the CRIS data base, analysis of 37 Country Strategy Papers, CSPs, comparative analyses of instruments and field visit portfolios), the constructive logic and the application of the evaluation criteria, and the drafting and circulation of the evaluation questions (classification, judgement criteria and indicators).

The **Field Phase** closely followed the Desk Phase, and comprised field visits to 7 target countries, and the circulation of Questionnaires, covering 13 W&S thematic questions to 35 selected Delegations. Visits by the Team were made to Bolivia, India, Cape Verde, Samoa, South Africa, Morocco and Russia, and the output was individual Country Notes (CNs) for each. A key evaluation function was the "benchmarking" of the data collection process in the 7 target countries. This established a recognisable base line against which the design and implementation of projects and programmes could be measured and judged. The field visits consisted of meetings and detailed field interviews with a wide range of stakeholders, to see first hand how W&S policies and programmes were being implemented on the groundThe primary investigation instrument used for the field visits was the 9 Evaluation questions (see annex 3), and in all a total of 38 projects were analysed, 11 of which were visited in the target countries.

This **Final Report Writing Phase** is the culmination of the Evaluation process and entails the synthesis of the information collected from various sources, the analysis of this information and the corresponding judgement related to the main findings. It has examined the EC's W&S sectoral policies and programmes from the perspective of member states, the UN family, the international community, NGOs and organisations representing civil society interests. How effective W&S policies have been in attaining the EC's development goals has been assessed, and various implementation scenarios were examined to identify any contradictions between the development policies of key actors.

[21] Thematic Evaluation of the Water and Sanitation Sector, Launch Note, PARTICIP GmbH, December 2004

The instruments used to implement policies and programmes have been considered, and the various links (internal and external), synergies and parallel initiatives have been explored for consistency and relevance.

3.2 Main evaluation tools and instruments

Detailed guidance to evaluators working in the W&S sector is contained in the recently completed work on W&S under the Evaluation Unit's Methodology initiative, which contains a range of typical evaluation questions, criteria and indicators, impact diagrams, sector delineation information, policy and donor overviews, links to relevant evaluations, and sector specific references. The Evaluation Unit's Methodology initiative guidelines were explicitly cross referenced to the ToR and were used to identify and apply a systemic and logical rational to:

1. Identify and examine key EC sectoral policies and initiatives, linkages to donors, delineation of the water sector, and assess their relative importance;

2. Apply the EC sectoral policies and initiatives, define and analyse a range of implementation scenarios using impact diagrams; and,

3. Assess achievement through various data collection and analytical tools including meetings and contacts (formal and informal), structured questions for the field case study benchmarking process, Delegation questionnaire, and literature reviews (past evaluations and experiences).

With regard to Item 1, the most **significant EC polices and programmes** (regional and country specific) related to water resources and development cooperation generally were identified and examined in the Desk Phase. They were classified in terms of scope, importance, relevance and interdependency, and tested against international agreements, Member States and development agency initiatives, and the donor community's general development goals.

For Item 2 a set of evaluation tools capable of analysing key EC sectoral policies and initiatives were then developed to cater for a range of different implementation scenarios. The formulation and application of the constructive logic used in this process is defined in the **water resources impact diagram** attached as Annex 2, Volume II. This provided the analytical basis, which facilitates the definition of the evaluation questions.

Item 3 was organised around a set of **specifically structured questions**, and based upon the reconstruction of the intervention logic, the 5 Development Assistance Committee (DAC) evaluation criteria[22] (relevance, effectiveness, efficiency, impact and sustainability), and the 3C's (consistency and internal coherence, coordination and complementarity). Specific elements taken into consideration when selecting the evaluation questions were:

- Requirements defined in the ToR, and in particular Chapters 3.1 and 3.2;
- An analysis of relevant key documentation related to the EC's policy and programming and the subsequent constructive logic, also taking into account key documentation of Member States, other international donors and agencies; and,

[22] OECD's Development Assistance Committee
http://www.oecd.org/document/22/0,2340,en_2649_34435_2086550_1_1_1_37413,00.html

- Technical knowledge and experience of major issues of concern to the W&S sector.

Through the design and application of the following nine evaluation questions, the Evaluation has addressed impact and effectiveness of EC support to W&S (questions 1, 2 and 3), IWRM (questions 4 and 5), gender (question 6), efficiency of W&S delivery (7) and consistency and internal coherence, co-ordination and complementarity (questions 8 and 9):

Table 1 – Evaluation questions

Evaluation questions	
1	To what extent has EC support facilitated improved and sustainable access to safe drinking water and basic sanitation?
2	How far has EC support for access to water and sanitation contributed to a reduction of poverty?
3	How far has EC support for improved water supply and sanitation contributed to better health?
4	How far has EC support contributed to the adoption of national policies and legal instruments that are in accordance with the principles of IWRM?
5	To what extent has EC support facilitated and contributed to the adoption and implementation of IWRM into the planning and implementation of water and sanitation service delivery?
6	How far have the EC addressed existing gender inequalities as a key goal in its water and sanitation service delivery programmes, and how successful have these efforts been?
7	To what extent have EC water and sanitation delivery programmes been implemented in an efficient way?
8	To which extent has EC support to the water sector and other EU development policies affecting the sector, been internally consistent and coherent?
9	To what extent has EC support to the water sector at country level (as defined in the CSPs, NIPs, etc) been coherent with policies, strategies and actions of member states and other major actors?

(see also annex 3)

The following table indicates how the nine questions relate to the main evaluation criteria; it illustrates that all criteria, including impact, are fairly well covered.

Table 2 – Evaluation criteria

Evaluation criteria	Evaluation questions								
	1	2	3	4	5	6	7	8	9
Relevance	(X)	X	X	(X)	X	X		(X)	(X)
Efficiency				(X)	(X)		X	X	
Effectiveness	X	(X)	(X)	X	X	X			
Impact	X	X	X			X			
Sustainability	X	X	X		X	X			
Coherence, co-ordination, complementarity				(X)	(X)		X	X	X

Several **judgement criteria** were developed for each question, and for each criterion a set of indicators was identified. For each indicator, potential sources of information were proposed. The review and modification of the evaluation questions, the selection and formulation of criteria, and the selection of indicators and data-collection instruments, were presented as part of the Desk Report, and were subject to discussion and subsequent approval by the RG. The 9 evaluation questions and their corresponding judgement criteria are included in Annex 3, volume II.

3.3 Data and information collection and analysis

Numerous data collection sources have been employed for the Evaluation and these are summarised below:

Table 3 – Data Collection Procedures Summary

Item		Data Collections Sources	Output
1	Commission policy review	Communications, directives, regulations and initiatives, etc	Overview of key policies, programmes and initiatives
2	Multi and bilateral review	Strategies, country programmes, evaluations, resolutions, handbooks, guidelines, etc	Global sectoral overview and development linkages
3	Data literature review	Past thematic, project and programme specific evaluations, reports, technical papers, etc	Experiences, lessons and success of similar initiatives
4	Meetings formal/informal	Country Desk Officers, AIDCO, DGHA, Water Facility, external Consultants, other DGs, etc	Data on target countries, and relationships between entities
5	Data base analysis	CRS (OECD/DAC), AIDCO dbase, CRIS-Saisie and regional instruments	Sector initiatives, size, classification and investment
6	CSP analysis	Countries 37 – MEDA, ACP and ALA	Specific initiatives, size, classification and investment
7	Questionnaire	Delegations 35 – MEDA, ACP, and ALA	Detailed information on specific evaluation issues
8	Field case studies	Countries 7 - MEDA, ACP, ALA and TACIS	Bench marking on specific evaluation issues

The analysis of relevant data collected from the mixture of sources described above was accomplished through a variety of methods, which have been summarised below.

3.3.1 Literature review and meetings

During the Desk Phase, a significant part of the Evaluation was concentrated on the collection and analysis of W&S sectoral documents. These included policies, programming documents and instruments, as well as key documentation produced by international donors and agencies. The Evaluation Unit's Methodology initiative provided the initial data collection-starting point, supplemented by literature references, and supplemented by sources supplied by the EC. Other documents and relevant information on the W&S sector generally were sourced from the EC, and other donor agencies through Internet searches. A comprehensive Evaluation Bibliography has been compiled, and is attached as Annex 11, Volume II.

During the Desk and Field Phases a range of structured and unstructured meetings was conducted with representatives of the relevant EC divisions and entities, private sector actors and recipient governments, Member States and other stakeholders.

3.3.2 Data base analysis

The OECD/DAC policy sub-sectors form the basis of W&S sectoral delineation, and were the primary reference point for the data base analysis. To identify W&S related projects, the EC's Common RELEX Information System (CRIS) database was screened. The CRIS is the main source of information on EC programmes and projects worldwide. Given the limitations of the databases, the accuracy of the data analysed is questionable, and the data should not be interpreted as a precise description of the EC's sectoral involvement. The full data base analysis is attached as Annex 7, Volume II.

3.3.3 Country Strategy Papers analysis

The selection of countries for the CSP analysis was based on countries that have received a significant share of EC assistance in the W&S sector, and on a sample reflecting the distribution of resource commitments over the different geographical regions. As EC support varies considerably between the countries, it was important to identify in which national strategies W&S is treated as a **focal sector**. This enabled the inclusion of countries receiving relative low overall support, but giving high attention to the sector (i.e. Ecuador and Algeria). A total of 37 countries were selected and analysed. The selection was agreed with the Evaluation Unit and included 24 ACP countries, 7 MEDA countries, and 6 ALA countries[23]. A grid linked to the Evaluation questions and their related judgment criteria and indicators was used to analyse the selected CSPs. Summaries for each country and the output are presented in Annex 6, Volume II.

3.3.4 Questionnaire survey

To complement the information collected through the data and information collection initiatives, and in particular the field visits, a questionnaire was drafted and circulated to 35 selected EC Delegations, and marked for the attention of the W&S adviser. The questionnaire survey was aimed at broadening the empirical base of the Evaluation by including the opinions and experiences of some Delegations. In all 23 Delegations (66%) returned completed Questionnaires, which were then processed. A report summarising the main findings of the Questionnaire survey has been prepared and is included as Annex 9, Volume II.

3.3.5 Country case studies

A total of 7 countries were visited during the Evaluation Field Phase. The primary goal was to test and evaluate the manner in which W&S policies and plans financed by the EC were designed and implemented, in the context of overall development cooperation at country level[24]. Applying the investigatory prerogative demonstrated in the 9 Evaluation Questions, a detailed programme was prepared to guide the field phase, and ensure a measure of continuity in terms of approach, data collection, analysis, synthesis, and reporting. The country field visits were of 10 or 11 days duration. At the commencement

[23] Countries in which field visits will be carried out for the Evaluation were excluded

[24] ACP: Cap Verde (30/05 – 8/06), Samoa (6/07 – 17/07), South Africa (26/07 – 4/08): ALA: India (21/06 – 30/06), Bolivia (9/08 – 18/08); MEDA: Morocco (18/07 – 27/07); TACIS: Russia (27/06 – 7/07).

and culmination of the field visits, briefing and debriefings were delivered at the Delegations respectively, and CNs prepared summarising the findings in each country.

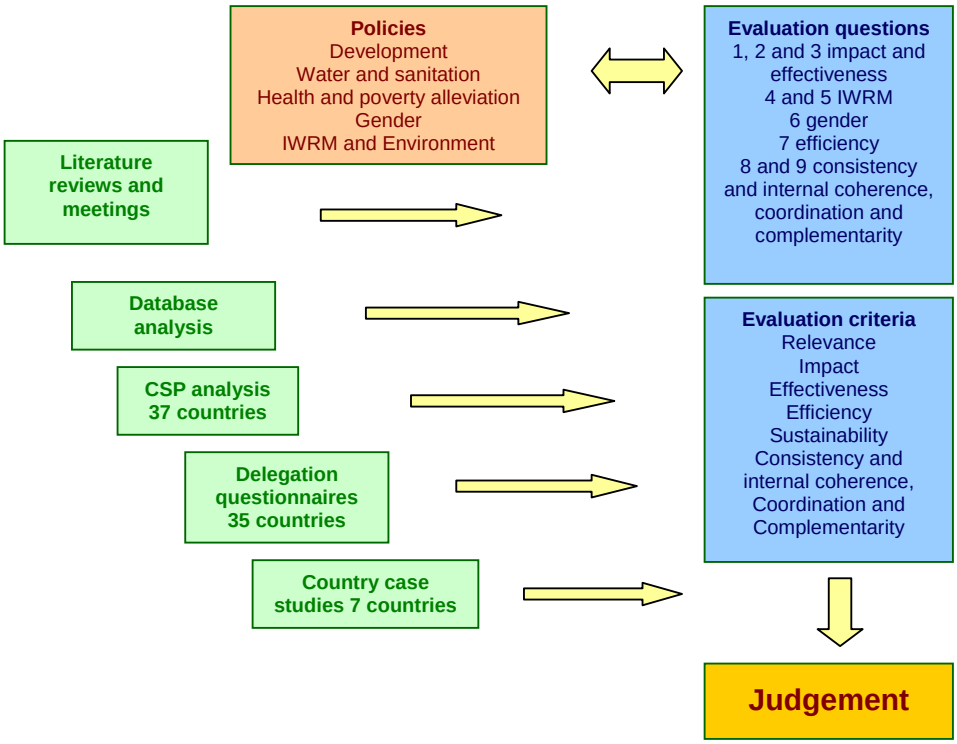
3.3.6 In-depth analysis, synthesis and judgment

Data collection and analysis has been an iterative process that has run continuously throughout the Evaluation. It has been used to assess, benchmark, integrate, and evaluate the information compiled from each of the collection sources. As such, the process provided the basis for the elaboration of the main Evaluation findings, and the analysis and judgement related to the 9 Evaluation questions. At the data capture level, and using the information emerging from the information collection procedures described above, the following 4 distinct elements formed the *"backbone"* of the analysis:

- Information and factual statements - literature review, interviews and meetings;
- Analysis – date base, and CSP (37 countries);
- Questionnaires (35 Delegations); and,
- Country case studies benchmarking process (7 countries).

These elements are described pictorially in the following figure, which links the key W&S policy themes, and the Evaluation Questions and criteria. This analytical process eventually leads to the evaluation judgement.

Figure 1: Data collection, analysis and synthesis process



The method of data collection and analysis followed the logic described in the diagram above and is broadly in line with the approach outlined in the Desk Report. Factual data gained from the interviews, meetings, literature review, database and CSP analysis, Delegation replies, and site visits was used to appraise the 9 Evaluation Questions by applying the 8 evaluation criteria. The key policies provided the guiding influence. In this way a particular hypothesis was identified, its validity tested, and its relative success judged. The outputs for each Evaluation Question were then described in a logical order that examined:

- Objectives – goals, policies, approaches, and modalities;
- Findings – results, success, selected examples, constraints, and challenges; and,
- Overall judgement – key lessons learnt, recommendations and conclusions.

Only factual data has been used in compiling the main findings and analysis (see Section 4), and references and supporting information have been clearly distinguished from the judgements and observations of the Team, which have be confined to the conclusions and recommendations (see Sections 5 and 6 respectively). Particular programme and project examples have been selected, and used to demonstrate a point or confirm a hypothesis. To ensure continuity and logicality, each conclusion and recommendation has been linked to the analysis, and it's antecedents described.

3.4 Challenges in the application of the evaluation methodology

The Evaluation has been implemented in accordance with the methodological guidelines outlined in Part IV of the ToR. As described above (see Section 3.3), the 5 main evaluation phases could be successfully completed, while organising the work in accordance with the clearly distinguished stages of the evaluation (i.e. setting up the RG and finalisation of the ToR, structuring, data collection, analysis, and judgement process). While the Evaluation was generally implemented as foreseen, for a number of reasons elaborated below, the Team was constantly challenged to ensure the necessary methodological rigour and validity of the process was achieved, while trying at the same time to produce a rich and comprehensive report, with interesting and useful findings, analysis, conclusions and recommendations.

Firstly, the Team had to address the challenges of optimising and using the limited resources available to achieve the Evaluation's objectives. The Team believes these resources have actually been too limited, considering the wide scope of activities in the W&S sector, the EC's comprehensive development programme, the broad coverage of each of the 9 evaluation questions (most of them actually cover a theme and could become, as such, the subject of a self-standing evaluation), the important number of judgement criteria and corresponding indicators, and the number of countries that had to be visited.

Secondly, in the structuring phase of the Evaluation, the Team benefited from the work completed on the W&S sector in the Evaluation Unit's Methodology initiative, which was a useful starting point. More particular, an important number of the 9 evaluation questions selected for this evaluation were derived from the "typical" evaluation questions developed under Evaluation Unit's Methodology initiative as they deal with issues that actually should be addressed by a thematic evaluation. Hence, the judgement criteria and indicators developed for the Evaluation Unit's Methodology initiative was an important starting point for the Team in developing its own criteria and indicators. While questions, criteria and indicators constitute logic entities, their application in practice has not been without difficulties. Indeed, the Team quickly discovered that in many cases the information related to the indicators was simply not available. There were many reasons for this, mostly related to the insufficiently developed data collection, monitoring, and evaluation systems at the country level. As a consequence, findings related to the indicators that had been developed remained often limited, or related only indirectly to the indicators available. Therefore and in retrospect, it should be recognised that some evaluation questions (in particular those related to impact and outcome) were too ambitious to be addressed in the context of this evaluation that essentially had to rely on existing secondary date of good quality.

In view of the challenges described above, the Team faced considerable difficulty in achieving the initial expectations of the Evaluation, and in meeting its overall objective, which was to deliver a set of valid and useful findings, conclusions and recommendations that can contribute to internal learning, and the improvement of the quality of W&S projects and programmes implemented by the EC. To do so, at the level of the analysis often an approach had to be adopted where the Team's experts, in addition to the findings

directly obtained by using the tools available (in particular the indicators and judgement criteria, related to the 9 evaluation questions) used there extensive expertise and experience in the sector to deepen and enrich the analysis and subsequent judgement, conclusions and recommendations. Inevitably, it also implied that the team had to adopt a cautionary attitude in presenting its final judgement, conclusions, and recommendations.

3.5 Quality Assurance

The Team employed one key expert as an Internal Assessor for internal Quality Assurance (QA), and another who functioned as an External Assessor. Working closely with the Team, the Internal Assessor performed the following 3 main functions:

- Provided advice on the structure of the Evaluation, the preparation of key conceptual tools, such as the diagram of expected impacts, the development of questions and associated judgement criteria and indicators, and the selection of appropriate evaluation tools and methods;
- Provided the Team with a set of tools for collecting and analysing information, and supported the continued development and adaptation of the evaluation methodology; and,
- Ensured the consistency, sufficiency and quality of all the outputs.

At the final stage of the QA process, the External Assessor reviewed the quality of the output. Any comments from the EC triggered a revision process. The Contract Manager was responsible to the EC for the Evaluation's technical aspects, and in association with the Team Leader, addressed all questions concerning organisation, management, and implementation of the work.

4. MAIN FINDINGS AND ANALYSIS

4.1 Access to drinking Water and Sanitation

Question 1	To what extent has EC support facilitated improved and secured sustainable access to safe drinking water and basic sanitation?

- **Judgement criteria**

For improved and sustainable access to safe drinking water[25]

- Increased proportion of the population having access to an improved and sustainable source of water
- Increased and sustained level of safety of the water provided by the improved source

For improved and sustainable access to basic sanitation [26]

- Increased proportion of the population having access to basic sanitation
- Improved protection of environment against untreated effluents

4.1.1 Objectives

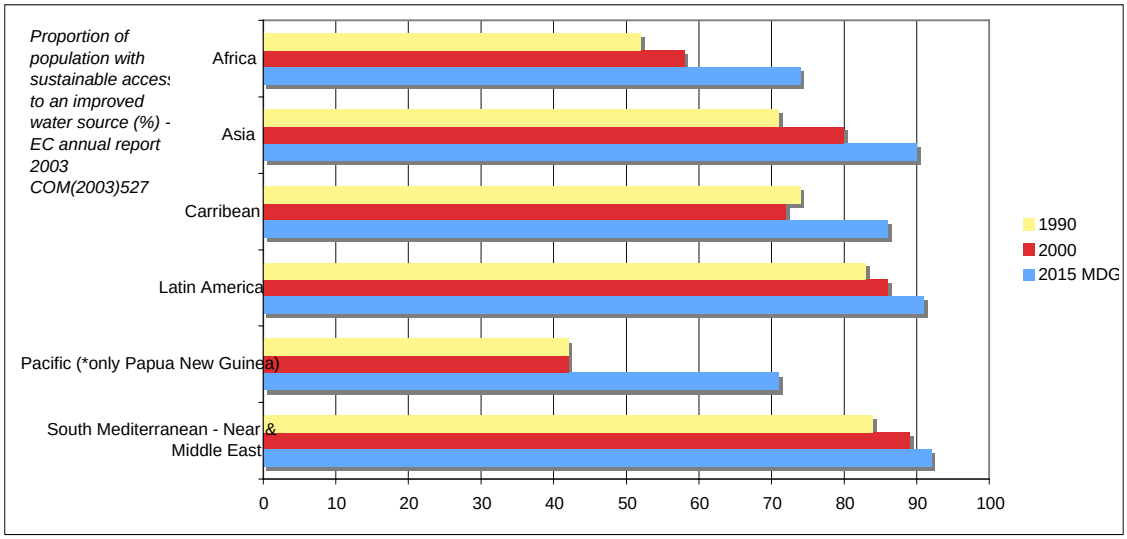
The EC supports and contributes to the achievement of the major W&S related MDGs, and in particular Target 10, which pledges a halving of the proportion of people without sustainable access to safe drinking water by 2015. In addition, it is actively working towards the attainment of the WSSD targets (2002), which aim to halve the proportion of people lacking access to improved sanitation by 2015.

An indication of the relative progress by geographical sector for attaining Target 10 is as follows:

[25] Under the Joint Monitoring Programme, international agreement has been reached on what is meant by an "improved" source of water: improved water supply technologies include household connection, public standpipe, protected dug well, protected spring, rainwater collection. It is assumed that if the user has access to an improved source then such source would be likely to provide 20 litres/capita/day at a distance no longer than 1,000 m

[26] The term "basic sanitation" has been introduced by the WSSD and refers to: access to, and use of, excreta and waste water facilities and services that provide privacy and dignity, while at the same time ensuring a clean and healthful living environment both at home and in the immediate neighbourhood of users

Figure 2: Sustainable access to improved water sources



The MGDs were formulated in 2000 and Target 10 is concerned with water supply and sanitation. However, the base line for many of the targets (including those for W&S) was set at 1990, and so 2002, the last year for which comprehensive data was available, can be "considered half way"[27]. The UNICEF and WHO are responsible for the Joint Monitoring Programme, which is tracking progress through a network of agencies and partners. They produced their mid term assessment in 2004 using the 2002 data and summarised progress as follows:

- The world is on track to meet the drinking water target, but sub-Saharan Africa lags behind;
- Without a sharp acceleration in the rate of progress, the world will miss the sanitation target by 0.5 billion people; and,
- From now until 2005, greater effort must be made to reach the poor, and in rural areas deprivation is hidden behind national averages.

While it is not possible, at least in the context of this Evaluation, to disaggregate the UNICEF and WHO data and relate improvements in service delivery (or not) to particular donor or government initiatives it is clear from the above, that even when starting from such a low starting baseline, achieving the MGDs and WSSD targets is proving to be a major challenge.

4.1.2 Findings

According to the figures available in CRIS for the period 1999 to 2004, the EC has committed approximately EUR 1.94 billion to activities that are relevant to the W&S sector. Commitments to the sector generally have increased from EUR 383.8 million for the period 1999 to 2000 to EUR 457.1 million for the period 2002 to 2003. However,

[27] Meeting the MDG Drinking Water and Sanitation Targets, A mid Term Assessment of Progress, UNICEF, WHO, 2004

between 2002 to 2003 and 2003 to 2004, the resources committed to the general W&S sector decreased from EUR 457.1 million to EUR 224.4 million, a drop of some 50%[28].

Overall, approximately 86% of resources to W&S have been committed through the regional co-operation instruments (EDF, ALA, etc.). Among the group of regional co-operation instruments, the EDF is by far the most important, and accounts for over 50% of the resources committed. The second most important regional co-operation instrument is MEDA with over 19% of all resources committed[29]. In addition to interventions carried out in the context of country and regional programmes, water-related activities are also carried out in the framework of NGO co-financing, micro-projects, decentralised cooperation and humanitarian aid (4.3%). The EC's contribution in this area is set to increase, following the launch of the EUWI at the WSSD in 2002.

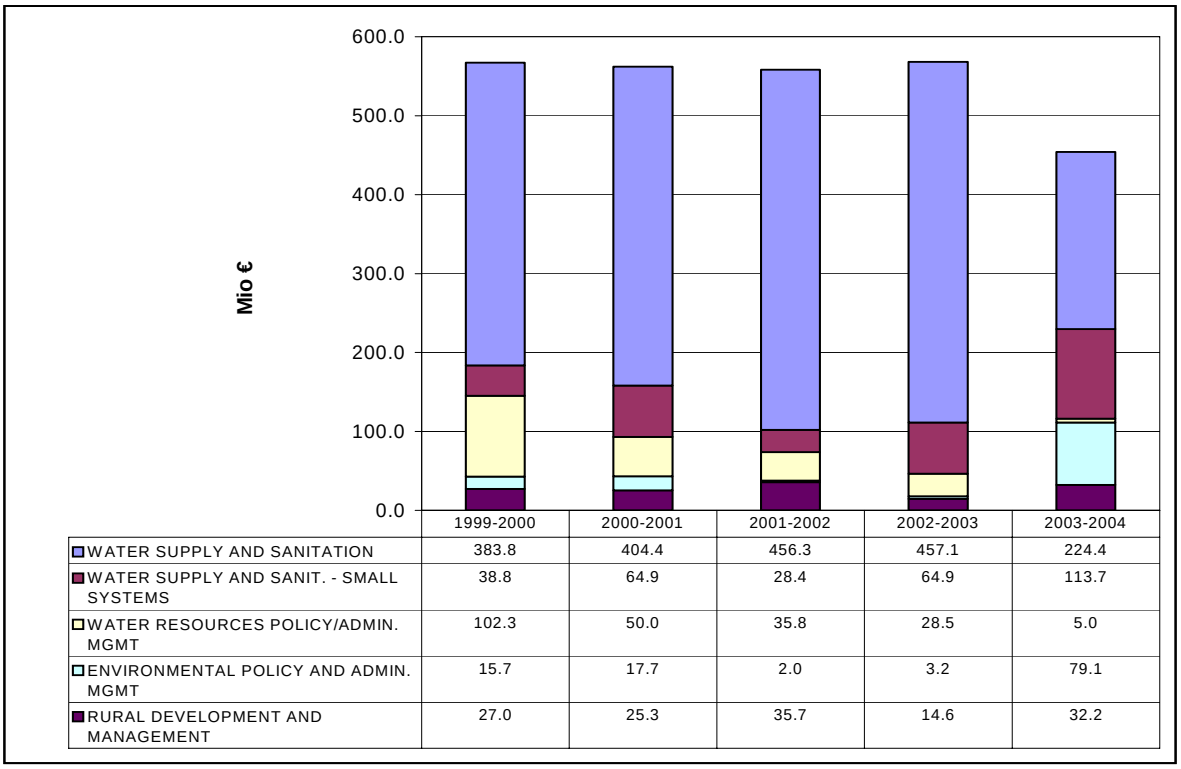
Figure 3 gives the distribution of W&S related resource commitments for the period 1999-2004[30]. Very few trends over time in the commitment of resources can be observed although the sharp drop in W&S investment for 2003 to 2004 is striking.

[28] It should be noted that the data for 2004 were taken from a different database (CRIS Saisie) than the data for the previous years. Therefore, changes in the coding practice might be responsible for this apparent drop in resource commitments

[29] Includes resources committed under B7-41, B74051, B74310 and B74200

[30] Amounts are for overlapping 2 year time-periods, selected sectors.

Figure 3: Water and sanitation commitments for 1999 to 2004



	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
WATER SUPPLY AND SANITATION	383.8	404.4	456.3	457.1	224.4
WATER SUPPLY AND SANIT. - SMALL SYSTEMS	38.8	64.9	28.4	64.9	113.7
WATER RESOURCES POLICY/ADMIN. MGMT	102.3	50.0	35.8	28.5	5.0
ENVIRONMENTAL POLICY AND ADMIN. MGMT	15.7	17.7	2.0	3.2	79.1
RURAL DEVELOPMENT AND MANAGEMENT	27.0	25.3	35.7	14.6	32.2

Of the 37 CSPs reviewed, 14 (38%) have W&S as a sector priority, and 11 (30%) refer to W&S under other specific activities. Even when W&S is not a sector priority, or not even mentioned in the CSP, specific initiatives are quite often included under a number of other activities. As a result, projects related to W&S may be found under other programme heads: health (Benin and Ecuador), education (Tanzania and Lesotho), governance (Guinée), food security (North Korea and Mozambique), rural development (Niger, Namibia and Uganda), institutional capacity building (Nigeria and Yemen), economic development (Algeria, Tunisia, Egypt and Jamaica) transport (Syria), environment (China, Mauritius and Indonesia), etc.

To the question "have the MDGs targets on W&S been used as a guideline for the programming and implementation of W&S supported initiatives", around 50% of the Delegations responded positively, indicating that the MDGs targets are included in their planning, and in governmental policies and programmes. Of the negative answers 20% stated that at the time of programming and implementation of the W&S supported initiatives, the MDGs did not exist, and the question had no relevance.

There are limited systematically recorded data or figures on beneficiaries 'pre' and 'post' project in the available reports, and where this information is recorded it is difficult to disaggregate. In spite of this , some observations regarding increases in the provision of W&S services are possible and in the case of the water supply projects analysed in South Africa and Samoa the rate of increase is considerable. Whether delivery has been effective in all cases (i.e. fit for service and comparable benefits received) is another matter, and

apart from a few isolated examples it was not possible to evaluate this criterion with confidence.

In South Africa, the evaluation of the Masimbambane Project[31] found that the delivery of basic water services has reached over 10 million people in the past 10 years, with over 4 million people being served with water in the past 3 years, indicating that the rate of service delivery during the programme period has effectively increased by 35%. In addition, the rate of service delivery has also steadily improved at a rate of approximately 18% per annum during the 3 years commencing 2001, indicating a successful delivery programme[32]. The EC contributes some EUR 50 million towards the cost of the Masimbambane Project, which for Phase II is set at EUR 2,699 million.

Since 1993 when the initial "Definition Study" was carried out, a continuous programme of rural water supply service delivery has taken place in Samoa, and is continuing. In quantitative terms the programme has delivered "treated, metered potable water supply" to almost 50,000 rural villagers in the 2 target areas in Upolu and Savaii, which is equivalent to 25% of Samoa's population[33]. Apart from the work being undertaken in Apia funded by the ADB, sanitation has not been addressed, and this question is being examined under the current phase of programme.

In the TACIS area, many of the programmes dealt essentially with studies and technical assistance, mainly for the development of feasibility studies and the identification and preparation of large water investment projects (including possible co-financing investments, where appropriate), as well as supporting small scale investments and pilot projects. In terms of W&S improvements, there were few construction projects undertaken[34]. As a consequence contributions were often restricted to the "transfer of knowledge and exchange of experiences" in the environmental and W&S sector.

How effective EC funded projects and programmes have been in providing improved access to sustainable sanitation services is not easy to determine. This is largely because of a lack of data, but also because designers don't always consider sanitation as a contiguous part of W&S service delivery. In South Africa the municipalities are insisting that the Masimbambane Project, Phase II place more emphasis on sanitation. However, there are exceptions, and in Bolivia the Santa Cruz Project has successfully combined high technology water solutions (constant head borehole pumping) and low technology sanitation (oxidation lagoons). Whether the EC should fund strong revenue earning projects like this, and not the development banks, which have been set up for this purpose, is another issue.

The Gujarat Project in India, which is an extension of the work done by ECHO in the wake of the January 2001 earthquake, has also combined W&S but only at small village community level. Here, the SCALE project has proved successful and has been extended a number of times.

This section addressing Evaluation Question 1 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III)

[31] Evaluation of the Water Services Sector Support Programme, DWAF, 10th August 2004
[32] Masibambane Annual Report, 2003/04, DWAF, December 2004
[33] Evaluation of the Water Supply Programme in Samoa, Project ACP-6WSO-25 and 8-WSO03, Hydro-R&D, I G Harmond and M V De Stricht, January 2004
[34] There are major exceptions to this, such as the WWTP of St Petersburg

and documents in Annex 11 under references 4, 6, 21, 30, 49, 51, 65, and 75

4.1.3 Overall judgement

In so far as the projects and programmes reviewed, visited in the field, and analysed during the synthesis phase can be considered representative of the wider situation, they have demonstrated that the EC's contribution to the provision of **"sustainable access to safe drinking water and sanitation"** has been mixed. For water supply the outcome has been decidedly positive but not so sanitation, where the information indicates that too little emphasis is placed on this issue. When sanitation forms an integral part of a W&S project, the results have generally proved positive. Responses to the 4 judgement criteria can be summarised as follows:

Box 2: Summary of responses to judgement criteria; EQ1

1. **Increased proportion of the population having access to an improved and sustainable source of water** – the overall proportion has increased significantly and data available from the projects and programmes analysed verifies this assertion, however, it has not been possible to extrapolate this finding globally
2. **Increased and sustained level of safety of the water provided by the improved source** - the percentage of people served with safe potable water has certainly increased significantly and all projects and programmes include water quality as a central theme;
3. **Increased proportion of the population having access to basic sanitation** – were sanitation is included in a water supply initiative the proportion has certainly increased but overall projects and programmes still do not address this aspect with sufficient vigour; and,
4. **Improved protection of environment against untreated effluents** – for specific projects and programmes effluent treatment is undertaken but many water supply actions do not address sanitation, and hence the disposal of untreated sanitation effluents is not pursed with sufficient vigour.

In countries where W&S has been a focal sector for a long period (i.e. Ghana, Lesotho, Jordan, Samoa, Cape Verde, etc.), the impact of W&S projects has been positive in the medium, and long term. Experience has shown that by focusing and optimising resources, and with appropriate investment in human capital, sectoral productivity improvements are certainly possible. The financing and implementation of basic W&S infrastructure works in the urban and rural areas, has undoubtedly improved the livelihoods of the beneficiaries. But sustainability is the great challenge and few schemes inspected can really be called sustainable. Cost recovery is weak, Operation and Maintenance (O&M) investment is consistently low, and communities are not willing to address the question of social service provision. The success of future W&S interventions will continue to be blighted until they can be made truly sustainable. It must be remembered that the MDGs are general and cannot serve as a primary basis for planning and implementing detailed country/sector strategies.

Box 3: The issue of irrigation

The greatest share of water consumed worldwide is used for agriculture irrigation (70%), but population growth, coupled with increasingly water-intensive lifestyles, is raising the demand for water. If attitudes towards water do not change fundamentally, a larger part of the world population could be affected by water poverty.
As stated in the Water for Life Brochure, DG Research, the need for innovation is overwhelming. Today's requirements for food and drinking water already put great strains on the available water resources. At the same time, the human population is projected to grow to more than 9 billion by 2050. Thanks to a combination of new seeds, fertilizers and pesticides, high-yield farming techniques doubled the world's grain production between 1960 and 2000, thus staying in line, or slightly ahead of demographic developments. More than 90% of this overall increase came from irrigated land, with water use increasing from about 1,500 km^3 to 2,500 km^3. Despite some progress, much of this irrigation is still inefficient, and the salinisation of irrigated land is a growing problem in many countries.
The situation in much of Africa and Asia is complicated by the fact that water availability is subject to large seasonal fluctuations, as well as by periodic cycles of drought and flood. Climate change is, and will continue to be part of the cause of additional pressure, most severely in the developing world, and particularly affecting the poor in these regions.

4.2 Water, sanitation and poverty reduction

Question 2	How far has EC support for access to water and sanitation contributed to a reduction of poverty?

➢ **Judgement criteria**

- Increased priority, in the design and provision of EC support for those most in need
- Increased attention, in the design and implementation of EC support, for potentially productive uses of water at the level of the poor (beyond the fulfilment of basic human water needs for consumption and hygiene)
- Increased economic activity directly derived from the increased availability of water

4.2.1 Objectives

Of the 8 specific MDGs No 1, the eradication of extreme poverty and hunger, is arguably the most important. Target No 1 aims to halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day, and target No 2 aims to halve between 1990 and 2015 the proportion of people who suffer from hunger. Both of these targets are in accordance with the overarching development cooperation objective of the EC, which is centred on poverty alleviation.

4.2.2 Findings

The EC's development objectives in terms of W&S and poverty reduction are achieved through a range of approaches based on specific regulations, and international agreements aligned along geographical regions. The "development of Country Support Strategies" is focused clearly on poverty reduction in ACP regions. For the ALA countries the "strengthening of the cooperation framework" and 'economic and "financial co-operation" are both making an effective contribution to sustainable development. In the MEDA countries the "establishment of a zone of peace, stability and prosperity" will

support reform and the transition towards creating a "free trade zone". These agreements have various W&S sector requirements, and entail differing levels of commitment from the EC.

What this means in terms of poverty reduction is that various regional instruments are used by the EC to implement its policies and programmes. The Human Poverty Index (HPI) listed in the UNDP human development statistics report, suggests that poor countries benefit more from EC commitments in the W&S sector than other donor or development organisations. A comparison of W&S investment levels referring to the HPI is shown in the following table:

Table 4: EC commitments (1999 to 2004) and UNDP Human Development Index (2002)

Region/EU	Region/UNDP	GDP per capita (US$)	HDI	W&S EU commitments (ME)	%
ACP	Sub-Saharan Africa	1,790	0,465	1,288.8	66.5
MEDA	Arab States	5,069	0,651	373.0	19.2
ALA LA	Latin America and Caribbean	7,223	0,777	132.0	6.8
ALA Asia	East Asia and the Pacific	4,768	0,740	59.5	3.1
	South Asia	2,658	0,584		
TACIS	Central & Eastern Europe & CIS	7,192	0,796	55.1	2.8
CARDS				15.2	0.8
Unspecified				14.6	0.8
Grand Total				1,983.3[35]*	
	High human development	24,806	0,915		
	Medium human development	4,269	0,695		
	Low human development	1,184	0,438		
	OECD	24,904	0,935		
	High income	28,741	0,933		
	Middle income	5,908	0,756		
	Low income	2,149	0,557		
	World	7,804	0,729		

All the CSPs are prepared using a common framework, and the main development cooperation principals of the EC are stated. As a consequence, CSPs are (or maintain to be) coherent with EC development policies and take due consideration of the key objectives of poverty alleviation, and the promotion of economic growth and trade. In the CSP analysis it proved difficult to capture trends in the way EC supports the W&S sector, and there is no identified criteria or methodology to assess the importance of a particular sub sector. Why the W&S sector has been included in the CSP and its extent, depends on the particular country setting, dialogue with the Government, the Delegation's

[35] About 3% of the total aid budget for the same period

own priorities, the EC's cooperation history and experience, and other donors' interventions in the sector.

Programmes and projects focusing on the provision of W&S service delivery are mostly targeted on poor or low-income population groups in urban peri-urban or rural areas, and around 78% of respondents answered positively when asked "has there in the last 5 years been increased priority given in the design and provision of EC support in the W&S sector for those most in need". The percentage of the budget targeting poor population groups proved largely positive, even though for the period 1999 to 2004, 3 Delegations saw the commitment decreasing. To the question aimed at assessing overall performance of EC support to the W&S sector with regard to the percentage of budget aimed at poor population groups, 44% answered "very poor to moderate" and 56% "good to very good". The estimate of change in funding for the period 1999 to 2004, was said to be "very negative to no change" for 33%, and "positive to very positive" for 67%.

The TACIS area does not address poverty in the same way as other EC partner countries, and there is no Poverty Reduction Strategy Paper (PRSP) like other developing countries. The EC's strategy towards the TACIS countries focuses mainly on the strengthening of democracy, the development of the private sector and trade, and the containment within national borders of major environmental problems that developed during the Soviet era. Even with steady economic growth, the country needs to address serious social problems, which could threaten the stability of the reform process. Many people are affected by poverty and this has been aggravated in some regions by a serious energy crises.

In Cape Verde, the W&S sector is an EC focal sector. It has been supported since the first cooperation programme, and has certainly addressed the main national issue, which is poverty reduction. This continuity of approach, which has progressed through several EDFs, has strived and achieved more efficient service delivery. While there are no specific data on changes in socio economic activity, the population of Praia (the national capital) could never have increased from 30,000 inhabitants in 1980 to more than 120,000 in 2004, without EC support and investment in the WS sector[36].

In Bolivia, targeting of the poor in society by the EC and other donors is much stronger than it was previously, and is reflected in current programmes and projects. The wide disparity between rich and poor is striking, and with considerable support from the donor and international community, Government is working to close the poverty gap. From a W&S initiative the size and scope of Pras Beni, it could be expected that poverty levels would have reduced, and they probably have, although there is no quantitative evidence to support this conclusion. The sustainability of W&S projects on Bolivia is a huge challenge for donors, the development banks, member states, and the EC. They are designed with cost recovery a pre-eminent feature, and in many instances it was clear that poor people quite often simply cannot pay for water.

South Africa is unique in the world, and the sophisticated technology and human resources it can draw upon only serves to underline the differences between rich and poor. Numerous initiatives are being implemented at both ends of the development scale, which is causing strain. Perhaps the most controversial is access to free basic services, which includes W&S, as well as electricity, subsidised housing, free education etc. This is

[36] The national GDP is the second highest for the sub-Saharan countries, and Cap Verde may not be classified as a 'less advanced country' for much longer

also a sensitive issue in Tanzania where free access to water is under debate at the present moment. Ultimately, the price of water is linked to the efficiency of service provision, and when this is weak it reduces the scope for applying social water policies. Reconciling the need to see "water as an economic good" which must be valued and paid for, with free basic services is proving controversial.

As an example, among the key areas in which W&S service delivery have contributed to poverty alleviation is in South Africa, and these are as follows:

- Household water supply has helped support economic activity (i.e. time released from fetching water can be utilised for economic activities);
- Employment creation has been achieved through linkages with other programmes;
- Cleaner water has led to the eradication of cholera and the costs associated with outbreaks for both the government and for individuals; and,
- Administrative and technical skills from training in project steering committees and village water committees can be applied in other initiatives.

Indirect benefits have accrued through urban and peri urban W&S programmes (i.e. Santa Cruz in Bolivia) where the value of houses and businesses supplied with new facilities have increased. Properly functioning utilities, and the levying of realistic water and sanitation tariffs will lead to sustainable and viable assets. This will allow social service provision to be introduced, and reduce poverty levels. In Cap Verde and Samoa poverty reduction impacts from EC funded W&S investments are probably not as pronounced as those for poorer countries as they both enjoy relatively high standards of living. It is likely they will loose their less developed status.

This section addressing Evaluation Question 2 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 1, 3, 6, 16, 30, 35, 47, 48, and 87.

4.2.3 Overall judgement

Experience throughout the world has shown that improved access to W&S services does reduce baseline poverty levels, and the projects and programmes visited and analysed support this conclusion. Because of the multitude of external factors, and incompatible data collection procedures, putting a value on **"to what extent EC support to W&S has contributed to a reduction in poverty"** is hardly feasible but the indication is that it has. The fact that less time spent on water collection allows more productive work time, and better access to education for children, will raise living standards is and hard to quantify but those working in the sector agree there is a clear link. Within the EC context, the fact remains that there are no statistics to quantify this assertion due to repeatedly poor project and programme Monitoring and Evaluation (M&E), and a lack of base line data. This was amply demonstrated in India were data on individual elements of the Gujarat SCALE project were available but not an overall synopsis.

Box 4: Summary of responses to judgement criteria; EQ2

1. **Priority in the design and provision of support to those most in need** – on balance positive with the exception of a lack of attention paid to sanitation (basic and improved), social water provision for the most in need, and cost recovery mechanisms as a consequence sustainability remains a major challenge;
2. **Increased attention in the design and implementation for productive water use** – all water supply schemes are now designed with cost recovery paramount and include water user groups (private or public utilities) to operate and maintain the infrastructure, but few are linked to the conservation of water for agriculture or in natural resources management; and,
3. **Economic activity from increased availability of water –** were services are provided house values have increased but the direct link to economic uplift is unproven since potable water supply per se is not money related but simply provides the means for developing economic activity. Few examples were found to exist demonstrating positive economic benefits as a consequence of W&S service delivery.

Proving the link between access to water supply and sanitation services, and poverty alleviation is challenging. The key measurement criteria are hard to measure, and the influence from extraneous factors (objective and/or subjective) complicates matters. UNICEF has admitted that attempts to link W&S interventions with poverty reduction have largely failed[37]. What may seem to be a reduction in poverty levels might simply be an early rainy season or a good harvest. And there are some recorded instances where the imposition of a water charge to fund a new W&S initiative has in fact increased, and not reduced poverty levels for the truly poor. In spite of these reservations, those donors and agencies working in the sector agree that improved access to W&S services must logically reduce baseline poverty levels.

Poverty alleviation strategies that use W&S interventions tend too respond to fixed objectives. A policy of investment in basic infrastructure designed with a coherent logical approach allows the development of the capacities of the beneficiaries. Success was found to be generally higher when a project focuses on the household level, rather than on collective systems where responsibility for payment, and management are shared. Although the management of the infrastructure is more difficult than the construction works, asking the user to pay for low service provision is counter productive: the delivery of quality services pays and is usually paid for by beneficiaries. Quite often the problem for the poor is the cost of the service connection not the water tariff, and when these are met from the intervention budget sustainability is possible. In rural areas, an approach that is too focused on "all-in" community management often proves to be detrimental to the good service management. The community approach is indeed essential when defining need and sharing information, but it's doubtful if a community (in the wider sense) is really capable of managing W&S services. The "community" often doesn't exist other than as a concept, but there are customers that do agree to pay for services rendered on time, and for a reasonable price.

[37] Water – A matter of Life and Health – UNICEF 2005 http://www.secheresse.info/article.php3?id article 1924

4.3 Water, Sanitation and improved Health

Question 3	How far has EC support for improved water supply and sanitation contributed to better health?

- Judgement criteria
- Degree to which EC support for water and sanitation has included health improving measures in its design
- Degree to which the incidence of infections related to water and sanitation has decreased

4.3.1 Objectives

The MDG Target 11 aims *"by 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers, reducing the proportion of people with access to improved sanitation and proportion of people with access to secure tenure"*[38]. This is the only reference to sanitation in the MGDs and it is the WSSD targets that address this issue in detail. Access to sanitation refers to the share of the population with the minimum disposal facilities that can effectively prevent human, animal, and insect contact with excreta. Numerous levels of service are possible and these range from simple protected pit latrines, septic tanks and oxidation lagoons, to flush toilets with water born sewerage reticulation and treatment.

Sanitation is firmly established as an integral part of water supply service delivery, and water supply initiatives should always be planed and implemented with this knowledge in mind. Improvements in water supply will exacerbate problems of sanitation disposal, and eventually lead to negative health and environmental impacts. These are usually greater the higher the level of service provision.

[38] Sanitation is defined e as maintaining clean, hygienic conditions that help prevent disease through services such as garbage collection and wastewater disposal. An adequate amount of water is enough to satisfy metabolic, hygienic, and domestic requirements, usually about 20 litres per person per day

Box 5: Sanitation services and Health

Sustainable management of waste water and sanitation assets, through safe disposal of human excreta, adequate management of solid waste, efficient collection of waste water and effective sewerage devices, safe disposal of industrial waste, waste water treatment plants, monitoring of water quality and pollution control are crucial to sustaining both the quality of life and natural resources. This is the reason why the promotion of appropriate domestic and collective hygiene behaviour as well as poverty reduction objectives are now incorporated in most sector development operations.

Population growth, changing lifestyles and economic developments are behind the increasing pressure on water resources everywhere, but especially in developing countries, where water use tends to grow at an even higher rate than population increase. W&S are intimately linked, and will face enormous challenges over the coming decades. According to the London School of Hygiene and Tropical Medicine, water hygiene, appropriate drainage, personal hygiene and safe human excreta disposal have an impact on the reduction of numerous diseases such as diarrhoea, dysentery, cholera as well as malaria (through appropriate drainage).

Water-borne disease transmission occurs by drinking contaminated water. Water-washed disease occurs when there is a lack of sufficient quantities of water for washing and personal hygiene. The example of diarrhoea speaks for itself. It is the most important public health problem affected by poor water and sanitation and it can be both water-borne and water-washed. Approximately 4 billion cases of diarrhoea are reported each year, with 2.2 million deaths — mostly among children under the age of five. The simple act of washing hands with soap and water can reduce diarrhoeal disease by one-third. Aiming for hygiene behaviour change is therefore an important priority. Finally, in rural water supply programmes the benefits generated from improved access to safe water can be undermined by the unsafe transport and storage of water, and proper attention should be given to water quality norms, waste water management and bathing waters.

Mainstreaming sanitation and health improvements into W&S programme and project design is accomplished through a range of instruments, but there are many challenges. These include the employment of different technologies, the difficulty of proving economic viability and raising loans for infrastructure investment, the inability to ensure cost recovery from larger water born systems, and the problem of proving the link between sanitation services and health improvements. Above all is the engagement of beneficiaries, who when asked to participate in the design of a community development initiative, inevitably request water supply, and place sanitation way down their list of priorities.

This section addressing Evaluation Question 3 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 48, 85, 78, 72, 87, 75, and 90.

4.3.2 Findings

Only limited specific sanitation related activities could be identified in the budget screening carried out for the data base analysis. The largest share of resources for the sector has been committed to projects and programmes under the general sector-heading Water Supply and Sanitation. This is almost certainly due to the fact that many specific activities have been assigned to this general sector heading in CRIS, despite the fact that due to their nature, they could have been assigned more properly to one of the sector sub-headings. A summary of EC aid to the W&S sector for the period 1999 to 2004 with sanitation related sub-sectors highlighted is as follows:

Table 5: Overview of aid commitments by sub-sector

Sector	Total	Percentage
1. Water Supply and Sanitation	1064.5	54.9%
2. Water Supply and Sanitation – Small Systems	180.8	9.3%
3. Water Resources Policy / Administrative Mgmt.	143.1	7.4%
4. Environmental Policy and Admin. Mgmt.	96.7	5.0%
5. Rural Development and Management	94.9	4.9%
6. Agricultural Water Resources	90.2	4.7%
7. Urban Development and Management	62.3	3.2%
8. Waste Management / Disposal	51.9	2.7%
9. Multisector / Cross-cutting	47.0	2.4%
10 Flood Prevention / Control	40.6	2.1%
11. Economic and Development Planning	31.1	1.6%
12. Strengthening Civil Society	19.2	1.0%
13. Environmental Education / Training	5.6	0.3%
14. Education and Training in Water Supply and Sanitation	4.9	0.3%
15. Water Resources Protection	4.2	0.2%
16. Women in Development	0.9	0.0%
17. River Development	0.5	0.0%
Grand Total	**1938.3**	**100.0%**

Even when W&S is categorised as a focal sector, or included under other headings (i.e. health, specific activities to increase access to basic sanitation or increased level of safety against water borne diseases) it seldom appears as such in the CSPs. In cases where the principles were stated several times, mainly when the rural area acts a focal target, a specific description was impossible to identify, and the development of an analytical mechanism to cope with this issue proved successful. Quite often when these activities are mentioned, they appear as a consequential "activity" rather than one in its own right.

In ACP countries, the construction of latrines is the main method of sanitation support, and even then not always systematically. Water born sewerage systems and wastewater treatment plant projects are few, and many of these rarely get beyond the design stage[39]. Several investments in water treatment have been made in northern Poland and the Baltic States under PHARE, and through other EC instruments. These have led to significant and rapid improvements in the ecological situation. However St. Petersburg, which is by far the largest city on the Baltic Sea rim with 5 million inhabitants, and Kaliningrad another major conurbation have received little support from the EC under TACIS to date, although they are the 2 major polluters of the Baltic Sea. With insufficient treatment plant capacity, there is a clear need for investment. In Bolivia, all of the EC supported W&S projects examined, and the one visited at Santa Cruz have strong health components. Here, one of the main drivers of W&S projects and programmes is the delivery of health improvement for the most needy in society, and with few exceptions these are the poor.

To the question "has support for W&S included health improving measures in its design" about 74% of responses from the Delegations were positive and declared that sanitation issues are an integral part of water projects. This was not born out by the field visits, and this disparity is perhaps explained by the answers, which describe these activities mainly in terms of "building W&S infrastructure that is hygienic and not contamination-prone". In spite of the focus on education, hygiene training, and awareness raising, only one respondent mentioned special education measures, and this was in schools. The drinking water programmes typically include support for health measures in 3 ways:

1. Awareness raising and socio economical activities for the local population on the healthy use of water;
2. Support for changes in the institutional responsibilities for sanitation and the implementation of health oriented projects and programmes; and,
3. Design and building of infrastructure to avoid the possible sources of water related diseases.

The problems associated with solid waste management are growing dramatically, and while the main impacts are in the urban and peri-urban areas, it is now being experienced in some rural areas. This has serious consequences for health, and in some situations might overtake sanitation as the prime cause of some diseases (i.e. El Altos in Bolivia). Insufficient attention is currently being paid to this problem but here are indications that donors, and the EC, recognise that something has to be done. In Cape Verde, EDF funds have been assigned to deal with this problem.

Improved health is generally accepted as a prime motivation for W&S investments, yet it's difficult to prove a discernible link between them. Those project reports that were available and analysed contain little data on which to judge health improvements, and no quantifiable information has been located to confirm or refute the hypothesis that improved W&S services deliver better health. As well as the more obvious examples (i.e. less diarrhoea in children, reduced mortality and morbidity rates, etc) there can also be some negative factors. These include storing water in unhygienic conditions, or allowing water to be kept in open tanks, which provide a convenient breeding ground for malarial

[39] The only CSP analysed where sanitation is a major intervention in an ACP country is Senegal where EUR 30 million is dedicated to the 'Appui à l'ONAS, réalisation de réseaux d'évacuation d'eaux usées et pluviales, soutien à la réforme du secteur".

mosquitoes. Some studies have shown that health benefits from water supplies are negated by increases in malaria infection through poorly maintained reservoirs and tanks.

The Gujarat Project in India is addressing sanitation through the construction of school latrines and community facilities. Expressed in health terms, the project has been successful, and the reported cases of diarrhoea show a clear decline in the cases reported in year 2004 to 2005 as compared to 2003 to 2004. Similarly the cases reported for typhoid in the year 2003 to 2004 have also showed a decline.

In Samoa, the World Health Organisation (WHO) and the Ministry of Health were unable to provide any reliable long-term data to demonstrate that after some 10 years of water supply interventions the incidence of water borne diseases had measured reduced. Indeed, a recent typhoid outbreak has recently occurred in areas being served with potable water, at a time when you would expect waterborne disease levels to be dropping. However, the source of infection is suspected to be raw sewage from villages spread out along the cost line, which strengthens the argument for delivering sanitation improvements in line with water supplies. A further example of the difficulty of finding a link between W&S and health is demonstrated in Kwazulu Natal where a recent cholera outbreak occurred in an area that had been the recipient of large W&S investments.

This section addressing Evaluation Question 3 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 48, 85, 78, 72, 87, 75, and 90.

4.3.3 Overall judgement

The test in determining **"how far has EC support to improved water and sanitation contributed to better health"** is similar to that for poverty reduction. Simple studies like examining health records pre and post W&S project works to quantify improvements is a common approach, but isolating improvements and assessing conditionality is difficult. In spite of projects having to apply the EC's Project Cycle Management Guidelines (PCMG) rarely is this done properly, and often when it is the answers prove inconclusive. As a consequence few programmes or projects generate sufficient quantifiable data to identify, isolate, measure and evaluate W&S project success, particularly as regards health and poverty improvements. The project monitoring reports generated by some Delegations are a good guide to implementation, and is a useful management tool, but they contain little quantifiable data on which to judge or evaluate success. Responses to the 2 judgement criteria can be summarised as follows:

Box 6: Summary of responses to judgement criteria; EQ3

1. **Degree to which support has included health improving measures in its design** – many water supply projects and programmes have health related activities, although they are often only mentioned as a consequence. When sanitation is included and resources in terms of finance, awareness raising and education are allocated, this has proved successful in improving health; and,
2. **Degree to which the incidence of infection has decreased** – there are no overall statistics to prove (or disprove) this point, but the experiences of numerous projects and programmes have proved positive, and demonstrates that it has.

According to the WHO[40], improved W&S service delivery brings valuable benefits in terms of social and economic development. The simple act of washing hands with soap and water can reduce diarrhoeal disease transmission by one-third, and hygiene promotion is therefore an important priority. Sanitation facilities interrupt the transmission of much faecal–oral disease at its most important source, by preventing human contamination of water and soil. Epidemiological evidence suggests that sanitation is at least as effective in preventing disease as improved water supply. Often, however, it involves major behavioural changes and significant household cost.

Sanitary education at schools associated with W&S projects has provided children with a basic understanding of healthy living practices. As a consequence they bring these attitudes home, and good health, hygiene messages and practices spread throughout the family. Paradoxically, studies have shown that greater health benefits often accrue from health messages rather than the actual W&S interventions.

Evaluations of the environmental component of the TACIS Regional Programme, concerning in particular the Black, Caspian and Aral seas, have confirmed the positive impact water quality has on agriculture, fisheries and tourism. Actions like these, that improve water quality in highly polluted rivers, provide considerable benefits to coastal economies. And in the rural, peri urban and urban areas, when the links between poverty alleviation and improved access to W&S services can be made, the EC has made a substantial contribution to improvements in health, hygiene and nutritional standards. On the available evidence, EC support to the sector has contributed to improved health in the target population.

The EC funded W&S projects in urban and rural areas have certainly helped in improving basic need by extending service coverage and reducing the vulnerability of the population, to the incidence of water borne diseases, particularly for the poor. However, low service coverage in the informal settlements, and in the peri-urban fringes, severely limits the socio-economic impact. Inefficient service delivery, and the poor operating performance of many utilities threatens short and long sustainability. The sanitation coverage in most countries is still low and at unacceptable levels, and a sustained effort is needed by the donor community to redress the balance.

4.4 Policies, legal instruments and water management

Question 4	**How far has EC support contributed to the adoption of national policies and legal instruments that are in accordance with the principles of Integrated Water Resources Management?**

➢ Judgement criteria

- Increased and proper application of the principles of IWRM in the national water sector policies and legal framework (as a consequence of EC support)

[40] http://www.who.int/docstore/water_sanitation_health/Globassessment/GlobalTOC.htm (Main findings)

4.4.1 Objectives

The application of IWRM principles in the planning, design and implementation of W&S programmes and projects are central themes of EC policy. They define water resources and management policy, which is for the most part aimed at sustainable resources management and satisfying the basic needs of the population, particularly the disadvantaged. The proper application of IWRM creates a fitting setting for improved governance, health and socio economic development, sustainable environmental management, dispute resolution, and the settling of trans boundary conflicts.

In 2000, the European Parliament and Council adopted the WFD[41]. The purpose of the WFD is to establish a framework for the protection of inland surface waters, transitional waters, coastal waters and groundwater resources. It applies to EC partner countries and their neighbours sharing river basins. The IWRM management principles included in the WFD, and applied in the 36 participating countries (including the 25 member states), are already embedded in the EC's development policies, and is regularly updated and refined. This is important for EC cooperation projects and programmes especially in neighbouring countries (MEDA and some TACIS countries) where European legislation will have to be integrated with legislation convergence.

Box 7: Basic IWRM principles and approach[42]

IWRM is not a dogmatic framework, but a flexible, common-sense approach to water management and development. While there are no set **IWRM** "rules", the approach is founded on the Dublin principles, which assert that:

1. Fresh water is a finite and vulnerable resource, essential to sustain life, development and the environment
2. Water development and management should be based on a participatory approach, involving users, planners and policy-makers at all levels
3. Women play a central part in the provision, management and safeguarding of water
4. Water has an economic value in all its competing uses and should be recognized as an economic good

An **IWRM** approach promotes the coordinated development and management of water, land and related resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems. This includes more coordinated development and management of land and water, surface water and groundwater, the river basin and its adjacent coastal and marine environment, and upstream and downstream interests.

But, as the above definition points out, **IWRM** is not just about managing physical resources, it is also about reforming human systems to enable people (women as well as men) to reap sustainable and equitable benefits from those resources.

For policy-making and planning, taking an **IWRM** approach requires that:

- water development and management takes into account the multiple uses of water and the

[41] Directive 2000/60/EC, Framework for Community action in the field of water policy, October 2002

[42] Catalyzing Change: a handbook for developing integrated water resources management (IWRM) and water efficiency strategies, Produced by the Global Water Partnership Technical Committee with support from Norway's Ministry of Foreign Affairs - 2004

range of people's water needs;

- stakeholders are given a voice in water planning and management, with particular attention to securing the participation of women and the poor;
- policies and priorities consider water resources implications, including the two-way relationship between macroeconomic policies and water development, management, and use;
- water-related decisions made at local and basin levels are in-line with, or at least do not conflict with, the achievement of broader national objectives; and,
- water planning and strategies are integrated into broader social, economic, and environmental goals.

4.4.2 Findings

An overview of EC commitments to the W&S sector by sub-sectors shows that the resources committed to policy and administrative aspects (Water Resources Policy and Administrative Management) have decreased from EUR 102.3 million (1999 to 2000) to EUR 5.0 million (2003 – 2004). In the CSPs analysis, countries where water is considered a focal sector and provisional activities are described, the interventions take due consideration of IWRM principles, and water conservation programmes generally promote a coordinated approach to water resources management. In such cases, the EC programme document establishes clear linkages between W&S service delivery and proper application of the principles of IWRM in the national water sector policy formulation process, and the legislative framework. Nevertheless, CSPs only state intentions and provide guidance, and how IWRM principles are applied (i.e. water law and legislation, national water strategy, etc) is not clear from the analysis. For some countries, CSP activities clearly contribute to the implementation of IWRM (i.e. China and Indonesia). However, in most cases the way these principles will be implemented, developed and fostered, or the instruments to be used is not described (i.e. Mauritius).

To the question to what "extent have the principles of IWRM been mainstreamed in the EC's contribution to W&S delivery", about 40% of the answers from Delegations were negative or neutral. Of the remaining, the overall focus was of a general nature and only indicated whether IWRM played a particular role. In some cases the answers indicated that the responders did not really have a full understanding of the question. Overall the Delegation's responses as regards the application of IWRM, and its contribution to W&S service delivery was too variable to be decisive.

For Cape Verde, the IWRM approach is not mentioned as such in the 2001 to 2007 CSP but the strategy adopted applies the general principles. Overall the national water sector policies and legal framework include water resources master planning, and contain economic, social and environmental goals. The application of the EUWI approach, which favours greater dialogue, and better coordinated relationships between the different stakeholders active in the W&S, is particularly relevant.

In Russia the EC's investment in the water sector to date has demonstrated qualified support for national policies and legal instruments, and is in accordance with the principles of IWRM. The projects aim to develop sustainable and equitable transboundary water resources management taking into account all relevant interests, and

integrating the competing needs of users. Various national water and sanitation related laws exist, and are administered by ministries and departments at national and municipal level. In spite of this, the impression gained is that while most people are aware of the importance of the IWRM principles there is neither the financial, nor the political will to rigorously apply them. The main challenges when applying IWRM are as follows:

- Sharing benefits from water use rather than simply sharing water;
- Stakeholder participation and involvement in the decision making process;
- Cross-sectoral integration; and,
- Demand driven management.

In India the principles of IWRM form a fundamental part of the National Water Policy prepared by the Ministry of Water Resources in 2002. While there are some textural differences, the approach it espouses is broadly in line with the EC's principal policies, and approach to water management[43]. That is not to say it is universally applied, and the various states making up the federation have their own water sector strategies, and in some instances they are not always in harmony with the National Water Policy.

One of the main reasons why the EC's investment in the water sector in Samoa has proved so successful is the strong technical rational on which it has been based. Studies to identify technical demand (and more recently socio economic demand), and a parallel process of Government initiated policy preparation, under-pins national policies and legal instruments in line with IWRM principles. A development framework has emerged from a consultative process that involved all the stakeholders, and was supported by the EC both financially, and through the efforts of the EC Office. Most of the IWRM principles have been addressed and the crucial importance of a detailed water resources management plan is fully realised, although currently not placed high enough on the water management agenda.

In South Africa, the introduction of the National Water Resources Strategy is one of the provisions of the National Water Act. It is being implemented with support from the EC and contributes to the adoption of national policies and legal instruments that are in accordance with the principles of IWRM. The Act provides for the development of Water Services Development Plans, which are based on available water resources and catchment management strategies. The use of development plans using this information is a clear acknowledgement of the importance of IWRM, and the need to integrate water resources, and water supplies.

Through the "FAS-Eau initiative"[44], the EC is regarded as a main actor and supporter of the application of IWRM principles in Morocco. The FAS provides direct support to the necessary W&S sector reforms, which aim to converge approaches, improve procedures, and apply the IWRM principles. The initiative is not limited to national actors engaged in the W&S services, but also involves other institutions, mainly the seven "Agences de Bassin Hydraulique".

[43] Water Management in Developing Countries Policy and Priorities for EU Development Cooperation, 12th March 2003

[44] Fond d'Ajustement Structurel du secteur national de l'Eau (EUR 120 million), 2004-2005)

In Bolivia, the EC's investment in the water sector to date has demonstrated qualified support for national policies and legal instruments, which are generally in accordance with the principles of IWRM. Other member states (notably The Netherlands) are strong supporters of IWRM and are supporting the "Programa Nacional de Cuencas". One of the latter's current projects demonstrates the complexity of water resources management, and highlights the importance IWRM. This was a study of all cities in the county with over 10,000 persons, which showed that while having 70% of the population they only had access to 1% of the available catchment area. As a consequence the cities had very little, or no control in some instances, over their own water requirements, and other interests (primarily farming and industry) were the dominant force when allocating resources.

This section addressing Evaluation Question 4 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 3, 5, 8, 19, 28, 31, 52 and 78.

4.4.3 Overall judgement

The use of structured IWRM principles to assess a catchment's water resources is a relatively new approach, and if all the water resources components have been assembled, the classification and compilation of quantifiable evidence around an "integrated" concept is possible. To judge **"how far EC support contributed to the adoption of national polices and legal instruments that are in accordance with IWRM "** has been possible and there is a surprising degree of uniformity between countries, donors and the development banks and agencies in the way IWRM is perceived. Most best practices are designed to value, raise the profile and conserve water, engage the private sector and reduce the decision making process down to the least possible administrative level. On the whole, IWRM policies are consistent in their approach, and where the differences occur are in how they are really implemented. The response to the single judgement criteria can be summarised as follows:

Box 8: Summary of responses to judgement criteria; EQ4

Increased and proper application of the principles of IWRM in national water sector polices and legal framework – there is a positive increase in the adoption of IWRM principles, but many countries need to improve or redefine the necessary legal statutes and implementation framework. It is more a matter of a practical understanding of what IWRM implies in terms of structures, resources, knowledge, legislation, governance, etc, than agreement on the approach.

When considering IWRM it is important to appreciate the considerable intricacies and challenges it poses, particularly when moving the process from the conceptual to the application phase. There is an often intuitive understanding of how IWRM should be applied, which is rarely fulfilled. For example it is relatively easy to prepare a river basin management plan but its implementation requires political commitment, and considerable skill. Reconciling geopolitical, industrial, agricultural and potable demands as well as environmental factors, and the needs of beneficiary communities is a considerable challenge. By its very nature, the approach confronts existing orientations and institutional arrangements, but changing these will not be possible unless people and organisations understand, and are persuaded of the need for change, and the form that change will take.

4.5 Water Management, Water and Sanitation

Question 5	To what extent has EC support facilitated and contributed to the adoption and implementation of IWRM into the planning and implementation of W&S service delivery?

➢ **Judgement criteria**

- The principles of IWRM have been mainstreamed into the EC's contribution to W&S service delivery
- W&S service delivery maintains the integrity of a sustainable environment within economical and social development activities

4.5.1 Objectives

The mainstreaming of IWRM principles into EC support to the W&S sector is a confirmation of the paradigm shift toward integrated approaches and the inclusion, at country and programme level, of key principles such as the recognition of water as a basic human good, that it is a finite resource with an economic value, and that it will be of increasing importance in terms of international security. Understanding how IWRM is being applied, the reason why it proves successful in some instances, and not so successful in others is important in the design of programmes and projects. For sector support programmes IWRM can be promoted with great effect.

4.5.2 Findings

The CRIS projects data analysis showed that the resources committed by the various EC instruments to policy and administrative aspects of W&S support (Water Resources Policy and Administrative Management) decreased from EUR 102.3 million during the period 1999 to 2000 to EUR 5.0 million during the period 2003 to 2004.

The CSP analysis reflects the intention of the EC to include the adoption and application of IWRM into country policy frameworks as a priority. In countries where the legislative framework is weak or less developed, the EC includes support to strengthen the national administration (Benin, Guinée and Niger). In Honduras the overall objective is to support the process of decentralisation and the transfer of competencies to local government entities.

Around 74% of the Delegations replied positively to the question "have the principles of IWRM been included in the national water sector policy and legislative framework". It was noted that countries in arid zones suffering from a water deficit (i.e. Egypt, Jordan, Burkina Faso, Niger, etc) generally related more strongly to the question than countries in temperate regions. In the main, the replies indicated that the EC has indeed contributed to the adoption and mainstreaming of IWRM principles into W&S service delivery. This has been accomplished by supporting governments in the framing of W&S policies, the planning and development of programmes, the enforcement of legislation, and the dissemination of information.

In Cape Verde, the EC started the country level W&S dialogue under the EUWI[45]. This initiative seeks to facilitate a country level dialogue aiming at:

- Contributing to the achievement of the water, sanitation and hygiene MDGs in each of the countries involved;
- Improving coordination of work, strategic planning and prioritising of efforts in the water, sanitation and hygiene sector by linking with existing initiatives to attain the MDGs;
- Rationalising programmes, sector related strategies and plans to ensure that investment in the sector is better targeted on the poor and most vulnerable, and able to attract more financing to attain the water related MDGs;
- Bringing all water, sanitation and hygiene stakeholders together to identify policy, institutional and financial bottlenecks that impede achievement of the water, sanitation and hygiene MDGs, which are then to be reflected in a national water, sanitation and hygiene roadmap to 2015: and,
- Disseminating results and best practices to countries more widely.

In the Russian Federation, progress in applying the IWRM principles nationally seems slower than in transboundary water management. Basin organisations are in place, although their mandate is largely limited to the distribution of water rights and not the broad mandate envisaged in the WFD. There is a positive attitude towards establishing co-operation on transboundary water issues by the Member States, and the EC promotes a comprehensive approach, which contributes to stability and security. This is important, as the competition for natural resources (particularly water) is a potential source of conflict in Central Asia and the South Caucasus. The EC also assists the Russian Federation in developing IWRM plans and water efficiency instruments. These include the reform of tariff structures, better approaches to demand-management and improved conditions for investment, and the harmonisation of industrial standards.

Although there are a number of positive signs in Bolivia, EC support to the water supply sector at project level has not contributed to the adoption and implementation of IWRM to any great degree. Project experience, and the views and opinions of other actors engaged in the sector suggest that:

- Projects are being implemented with scant regard to available water resources;
- Few initiatives that are applying IWRM are getting sufficient support from Government; and,
- Government has neither the political will nor a sufficiently strong mandate to regulate and limit exploitation of the countries water resources, in particular from industry and agriculture.

In Samoa, EC support to the water supply sector has facilitated and contributed to the adoption and implementation of IWRM into the planning and implementation of water

[45] The EUWI country dialogue covers 11 pilot countries with the Member States: Cap Verde, Central African Republic, Congo Brazzaville, Egypt, Ethiopia, Ghana, Mauritania, Mozambique, Rwanda, Zâmbia, and RD Congo

service delivery but the lack of an IWRM plan for both Upolu and Savaii raises some questions over long-term sustainability. At the present moment Samoa's water resources are largely unknown and there is no means of assessing whether they can meet long-term (or even short term) demand. The second part of the 1966 water resources master plan on which much of the resources planning has been based was never completed, although moves are underway to reverse this position.

The tensions caused by water ownership (legally governments but in practice exercised by local communities) coupled with the problem of access and land compensation, are relieved if there is a proper IWRM plan. This approach has begun to work in Afghanistan where competition for water has been partially alleviated through extensive consultation, and the preparation of river basin management plans that clearly demonstrate to communities (and more importantly war lords) that water is a finite resource and must be preserved for the good of all. The approach is backed-up by the Provincial Reconstruction Teams provided by NATO.

In South Africa, interviews, site visits and a study of the available literature indicates that the EC's contribution to the adoption and mainstreaming of IWRM into the planning and implementation of W&S service delivery has been limited. Indeed, some schemes were (and are) being designed and built under the Masibambane Project without adequate information on available resources. However, examples were found to confirm that IWRM is applied to some EC funded W&S programmes and projects. Unfortunately in a bid to meet legally defined delivery targets, municipalities are under pressure to deliver services and technologies that may not be appropriate. Good water resources management is recognized, but infrastructure construction is often undertaken with inadequate application of IWRM.

Numerous examples were found to confirm that IWRM is applied to the planning and implementation of EC funded W&S programmes and projects in India. In Gujarat the EC funded SCALE project makes the preparation of a water management plan obligatory when considering priorities and designing W&S initiatives. With severe, and sometimes violent competition for scarce water resources, the importance of IWRM, and the river basin management plans they generate are vital. The EC funded Uttar Pradesh Ravine Stabilisation Project is construction small check dams, and at the micro level IWRM principles are being applied in their design and construction. IWRM is the only way to convince competing stakeholders of the need for conservation, and the importance of working together to achieve a common goal. In general the water management and development policies being applied in India are in line the EC's policies and IWRM standards.

The EC brought an undeniable degree of assistance to the development of W&S sector reforms in Morocco, including the application of IWRM through the "FAS-Eau". It helps to create synergies and consensuses between the various governmental authorities and main stakeholders on key issues concerning resources allocation, conservation and allocation. The FAS related IWRM objectives are multi dimensional, and the financial stimulus was important (EUR 120 million), but at the end several basic, and some main goals were not achieved. Assistance for the application and understanding of IWRM, such as legal and technical advice, tariff setting, and legislative support etc, which was to be assumed by the national institutions were lacking. What seems to have been missed in the approach promoted by the EC is the possibility of including a mechanism whereby the

national partner could address the multitude of difficulties being experienced in trying to implement and apply Law 10-95 (the law intended as the basis of IWRM). Support and follow-up by the EC during the last few years has been limited to keeping pace with the programme, and it has failed to search for practical solutions to the problems being experienced by the Moroccan partners. In addition, the funds designated for setting up and running the Basin Agencies (Agences de Bassin Hydraulique) have not always been allocated correctly: the tracking of the use of these funds has not really been clear. While the FAS has been judged by all parties as a positive improvement to the W&S sector, it did however not allow the proper application of Law 10-95 and has finally failed in its purpose. The use of investment to effect change was unsuccessful, and has demonstrated that it's not a single issue which is important but how the changes are managed. This concept seems to have been missed by the EC, and the flexibility of the process and its involvement, vis-à-vis the many challenges and difficulties that the national partner had to address were subsequently compounded.

In almost all Delegations (and some national water and sanitation departments) the primary reference to EC water policy are the "Guidelines for Sustainable Water Resources Management"[46]. They are used widely in W&S project and programme implementation and are soon to be updated, and adapted to the development and application of the IWRM principles.

This section addressing Evaluation Question 5 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 2, 3, 5, 10, 31, 34, 40, 47 and 33.

4.5.3 Overall judgement

The determination to what **"extent has EC support facilitated and contributed to the adoption and implementation of IWRM into the planning and implementation of W&S service delivery"** remains largely qualitative due to the relative newness of its introduction and the absence of information (i.e. number of river basin organisations set up and functioning, management plans prepared, water users groups established, etc.). In spite of this reservation, it is quite clear that the rationale and appropriateness of the EC's water management and development policies are acknowledged by recipient governments, and are generally in line with national standards. Although practical support for their implementation at national level is often inadequate, IWRM is an acknowledged requirement, and to a large degree being practiced in some form or other (policies are universal). However, too often the absence of an IWRM plan means that water supply interventions are planned and implemented with insufficient knowledge of surface and groundwater water availability, or the long and short term demands from industry, tourism, agriculture, inward migration, etc. The responses to the 2 judgement criteria can be summarised as follows:

[46] Annex 11 ref. 8

Box 9: Summary of responses to judgement criteria; EQ5

1. **Principles have been mainstreamed into W&S service delivery** – while the principles of IWRM are being mainstreamed into projects and programmes this is not always being reflected in service delivery and schemes are often implemented with little information on the available and sustainable level of the resource; and,
2. **Service delivery maintains the integrity of sustainable environment within socio economic development** – where infrastructure works have been designed and implemented in line with IWRM principles the environmental impacts and socio economic benefits are positive[47].

The main thrust of water sector policies exemplified in EC policies and programmes have moved towards a more integrated approach, but these changes are uneven in extent, and their general level of acceptance varies widely. The inclusion of IWRM in EC funded W&S programmes and projects through references and links is easy, what is hard is their application. This requires the rule of law, strong governance, appropriate institutions, and an acknowledgement that communities must be allowed a voice. Above all there must be the political will to overcome the many challenges IWRM entails. There will be many false starts and reversals before a country introduces and applies IWRM in the manner it was designed.

[47] Example: RESO Programme (Burkina Faso), PEPAM- Programme National de l'Eau potable et d'Assainissement du Millénaire (Sénégal)

4.6 Water, Sanitation and Gender inequality

Question 6	How far has the EC addressed existing gender inequalities as a key goal in its W&S service delivery programmes, and how successful have these efforts been?

➢ **Judgement criteria**

- Increased attention, in the design of EC support, to existing gender inequalities related to the W&S sector
- Increased inclusion, in the design of EC support, of specific strategies, objectives and measures to redress existing gender inequalities in the W&S sector
- More equitable division of the benefits between men and women

4.6.1 Objectives

Of the MDGs, Target 4 is to eliminate gender disparity in primary and secondary education preferably by 2005, and to all levels of education no later than 2015. The policy statements on gender contained in EC development co-operation[48] sit within a broader policy framework at European level. It includes commitments by the EC to eliminate inequalities and promote equality between women and men in all activities, and defines a strategy to mainstream gender in all policies and programmes.

4.6.2 Findings

An overview of EC commitments in the W&S by sub-sector for the period 1999 to 2004 shows a total commitment of EUR 0.9 million for the sub-sector "women in development" which is 0.04% of the total[49]. There has been a significant reduction in the gender budget line, and prior to 1998, EUR 5 million was committed per annum. Although the "reference" budget for the period 1999 to 2003 was EUR 25 million (equivalent to EUR 5 million per annum), substantially less than this was committed and the budget was reduced. Rather than increasing financial resources to meet the challenges set by gender policies, the money available to support the integration of gender into EC development co-operation has effectively been halved since 1998. Compared to budget allocations available to other cross cutting issues, the financial resources specifically allocated to support the integration of gender in development co-operation are negligible[50]. While the policy frameworks for regional co-operation with Asia, TACIS and CARDS regions contain some very limited references to women's rights and equal opportunities, they do not address gender equality or gender mainstreaming.

[48] COM(2000)212

[49] NB This does not necessarily mean that W&S activities financed in other sectors do not have a gender component mainstreamed into them. The data presented here only states that a low percentage of W&S relevant activities have been classified as a 'Women in Development' activity

[50] Thematic Evaluation of the Integration of Gender in EC Development Co-operation with Third Countries Final Report; PARTICIP GmbH - March 2003

Many CSPs contain only limited references to specific gender issues. When they do, they only contain the standard references to gender as a crosscutting issue, women's participation in political life and decision-making, participation of girls and boys in primary education, women's rights and maternal health. EC supported W&S projects are intended to ensure that women are systematically included in the mobilisation, design and implementation process. However, these intentions are primarily found in the analysis or policy background sections of the CSP, and are very rarely translated into a workable strategy. Objectives addressing gender inequality at country level, or as a focal sector, are not always backed up by actions, and the allocation of the required resources.

When examining whether "there has been, over the last five years, an (increased) attention for gender inequalities in the design of EC support to the W&S sector' around 78% of the Delegation that responded gave a positive answer. This confirms that gender aspects are generally mainstreamed into W&S programmes. The Ghana Delegation said that 50% of the national Water Board is composed of women, and Jamaica and Jordan do not see gender inequality as a big issue. Some Delegations pointed out that activities carried out to improve water supply and sanitary conditions "generally improve gender equality", and the installation of water points gave girls the possibility to attend school. Nevertheless, the role of women in W&S projects and programmes seems to be primary as beneficiaries, and their role in the implementation and decision-making process is minimal.

The second part of the question on gender asking whether there "has been over the last 5 years, in the design of EC support to the W&S sector, increased inclusion of specific strategies, objectives and measures to redress existing gender inequalities", was inconclusive. The responses were split in roughly equal terms and 50% were positive and 50% were negative and/or neutral.

In Cape Verde, the female employment rate increased in the last few years and tends to be the same as for males, and has grown from 25% to 38.6%, although in 2003 women held only 16.3% of executive management positions. In spite of the latter, progress in achieving gender equity and autonomy of women has been remarkable. With regard to EC funded W&S projects, field interviews with steering committee members, and research findings indicated improved relations between men and women. Women serving on the steering committees helped this significantly. As a consequence, there has been a decrease in cultural stereotypes around gender, men seek advice from women, women attend meetings regularly, and have assumed a role beyond the home. However, focus groups have revealed that stereotypes and prejudices still exist among men, which suggests that the introduction of quotas has not always been accompanied by appropriate sensitisation.

In Russia, it was found that none of the W&S projects looked at contained specific gender activities. This is not necessarily lack of attention paid to gender but more a reflection of the type of projects financed by the EC in the Russian Federation, which seem to have little or no opportunity for gender issues to be addressed.

In South Africa, gender has been recognised as one of the crosscutting issues in the Masibambane Programme, and has been given appropriate status in planning, and to some extent budgeting. However, implementation "paints a different picture" and many of the programmes and projects only consider gender an afterthought, and an imposed burden. The evidence suggests that significant successes are recorded when women play an important role in water management committees, and participate in the general decision

making process (in some instances they collect the water fee and manage the scheme). How "deeply rooted" and sustainable this might be is hard to determine but on balance existing stereotypes prevail, and gender inequality has not been highlighted as a key goal in EC funded W&S service delivery projects and programmes.

Bolivia subscribes to international agreements on gender equality, and has developed a legal framework to develop appropriate policies. Unfortunately the W&S sector follows neither the national gender policy nor strategy, and coordination between project implementers and those in charge of gender issues is weak. The Team were surprised at the general lack of attention given to gender mainstreaming. At a project level most W&S projects emphasize the technical aspects of service delivery, and gender is simply treated as women's participation in project implementation. This is not the case with NGOs, and bilateral donor funded initiatives such as the Swedish projects carried out with UNICEF, and the KfW funded PROAPAC project in El Chaco and Potosi Regions implemented by GTZ. One of the recommendations of the evaluation of the Netherlands funded Water Unit Programme, which includes their work in Bolivia, was the need to "elaborate a consistent pro-gender inclusive water related policy". In addition, the output from the focus group conducted in Santa Cruz indicated that women are not generally consulted, nor take an active role in the W&S project planning, and service delivery process. The women were not well versed on the aims of the project, and were unaware of the O&M implications of improved W&S services, which they would have to meet through the water tariff.

The issue of gender in India is complicated and there are believed to be few gender specific projects or programmes. The exception might be the EC funded Support to Women Project being implemented through the NGO programme, which appears by it's title, to directly address gender concerns. Many of the other projects in the CSP project portfolio include gender as a cross cutting issue, and the field visit to the SCALE project in Gujarat was used to investigate how gender was being addressed, and see whether the issue had a discernable bearing on W&S service delivery. It has, and women feature prominently in the running of the water user groups, and in the project's agricultural component.

This section addressing Evaluation Question 6 is based on the findings included in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 1, 8, 9, and 28.

4.6.3 Overall judgement

An assessment of **"how far the EC has addressed existing gender inequalities as a key goal in its W&S service delivery programme and how successful have these efforts been"** indicates positive mainstreaming of the objectives but only a limited reduction in the burden and drudgery placed on women and children. How successful EC policies and programmes have been in addressing inequalities (gender, racial or ethnic) is more complicated and harder to appreciate. What is certainly clear is that most W&S initiatives include a prominent gender component but stereotyping still exists and attitudinal changes are slow to reverse. Evaluation reports consulted and field visits undertaken suggest that successes have been recorded with women playing an important

role in water management committees, and participating in the general decision making process[51]. The responses to the 3 judgement criteria can be summarised as follows:

Box 10: Summary of responses to judgement criteria; EQ6

1. **Increased attention in the design of support to existing gender inequalities** – most projects or programmes contain gender either as a cross cutting issue or as a specific component but the application of the principles is often inconsistent and the benefits limited;
2. **Increased inclusion in the design of support and strategies, objectives and measures to redress existing gender inequalities** – projects and programmes are rarely designed specifically to address gender inequality, which is generally see as an adjunct and reflected in the aims of the action rather than in their participation.
3. **More equitable division of benefits between men and women (girls and boys)** – when women and girls are included in projects there are positive benefits, in particular where they are given financial and management responsibilities. The involvement and benefits accruing to women seems more prominent through specific activities, rather than strategies.

The general conclusion from the field visits is that progress in addressing gender inequality has probably been made at project level but little at the institution or decision-making level, which remains male-dominated. Employment, and the conversion of time saved into economic benefit, appears to be short-term, and confined to non-technical areas for women with limited skills. Gender mainstreaming should not just be about where women and men are located (i.e. institutions and projects), but rather how service delivery can be used as a lever to advance gender equality in society at large. The promotion of gender equality, either through active dialogue or specific strategies remains a challenge, and specific financial provision should be included in projects and programmes to address gender inequality. The large reduction in the EC's budget covering gender in recent years may play a pivotal role in how gender is currently being viewed.

[51] Thematic evaluation of the integration of gender in EC development co-operation with third countries – Particip - March 2003

4.7 Water, sanitation and implementation efficiency

Question 7	To what extent have EC water and sanitation delivery programmes been implemented in an efficient way?

➢ **Judgement criteria**

- Management of EC supported initiatives is of good quality
- The most advantageous technical solutions (optimal cost benefit ratio) at project and programme level are implemented
- Relief and rehabilitation efforts in the W&S sector have been linked with development

4.7.1 Objectives

Efficiency is a major evaluation criterion and is largely a measure of the quality of project design, and management. This includes conceptual, technical, financial and human resource management, risk management, coordination mechanisms with other actors, etc. The effectiveness of M&E, and the level to which projects and programmes optimise the contribution from the host country (i.e. human resources, embedding in local institutions, responsibility, etc.) has a significant impact on efficient service delivery. The choice of the investment instrument also affects efficiency, and call for proposals, budget support and sector approaches will determine how speedily a W&S project or programme can be mobilised, and implemented. One of the key objectives of the EUWI is to improve efficiency and effectiveness of water service delivery through multi-stakeholder dialogue and co-ordination. The EC's Evaluation Guidelines state that efficiency links "means through activities to results, assuming risks and programme conditionality are mostly within direct donor control"[52].

4.7.2 Findings

There is little information contained in either the database or CSP analysis to indicate efficient W&S implementation. The main sources of information to address this question have been the Delegation replies, the field visits, site inspections and meetings.

To the question "how would you assess the overall performance of EC support to the W&S sector' the Delegations were largely positive although 3 said that performance decreased between 1999 and 2004. Dialogue with stakeholders was generally positive, and the inclusion of water resources related interventions, and the acknowledgement of the importance of water as an economic good, was on the whole positive. There is a need for improved dialogue with other donors along with better harmonisation of approaches, and co-ordination. This should be accompanied by a sense of greater realism with regard to contractual and financial management. According to the Delegations, one of the main obstacles to efficiency could be the covert, and sometimes even negative management by participating governments, underlined by limited political commitment.

[52] A Guide to the Evaluation Procedures and Structures Currently operational in the Commission's, External Co-operation Programmes, 21st March 2001

In some countries the insecure political environment has a negative influence on project and programme implementation. Other obstacles to efficient delivery mentioned, were the existence of other priorities (i.e. economy, human rights, education, etc.), limited financial resources and the EC's lengthy procurement, and management procedures. As well as stakeholder involvement, the active participation of beneficiaries in the planning and implementation process was seen as necessary to assure the sustainability of a project or programme. Some Delegations named the decentralisation process as an important condition effecting efficiency (positive and negative), and saw insufficient qualified human resources as a constraint. And there is tangible need for better financing supplemented with stronger financial control.

In Cape Verde, the primary objective of the W&S investments is to increase water consumption of the beneficiaries, and improve services generally (public or privately connected). This has been largely accomplished. The work appears to have been efficiently executed, and was generally coherent. The programmes took due account of strategic issues, and included technical assistance to the EMAP[53], at the time a state company in charge of energy and water supply management. According to the monitoring reports, the works have been implemented without any major problem, or delay, and to budget. They have increased significantly the W&S reticulation networks in the districts of Praia, as well as in a number of other cities. The implementation was efficient, and was assisted by the Ministry of Infrastructure and Transport who played an important role during the supervision period. On the other hand, the rural water supply programme did not appear to match the efficiency of the urban programmes. Here, results were rather weak, and exacerbated by complicated EC procedures, and a lack of national technical response, which hampered the smooth running of the programme. In the rural areas, the approach was too heavily focused on "all-in" community management, which may have been detrimental to good service delivery.

The EC's policy and cooperation objectives with regard to the countries in Eastern Europe and Central Asia are built on the establishment of a relationship in which respect for democratic principles and human rights, and the steady transition towards market economy are fostered. Building good governance is the main priority, and there is less emphasis placed on results oriented project, and programme approaches. In the Russian Federation, efficient service delivery, while important is not really the issue, and a more accurate judge of success perhaps, is the establishment of an efficient institutional environment, which fosters cooperation on W&S sectoral issues in line with government policy and EC strategies.

In South Africa, confirmation from interviews and document reviews suggest that while EC support to W&S projects and programmes is strong on policy and planning, challenges remain as regards implementation. Defining to what extent W&S delivery programmes have been implemented in an efficient way is problematical. Qualitative evaluations have been positive and show that schemes have been constructed, people trained, and water committees established, etc., but little quantitative data was found to confirm how efficient the work has been or whether the technical solutions being applied are appropriate. The move to a sector based approach is welcomed by the entity responsible for the Masibambane Programme[54], and in spite of a few budgetary problems

[53] National Water and Energy Company
[54] Department of Water Affairs and Forestry

the process is working smoothly. The only concern is that one co-donor (Ireland Aid) has "broken ranks" and has asked for a separate budget line for the works funded by them. This runs contrary to the sector approach, which is designed to forestall this eventuality.

In Bolivia, confirmation from interviews, document reviews and a site visit to Santa Cruz indicate that efficient W&S programmes and projects implementation varies significantly. The design and construction of the W&S infrastructure seems generally efficient, and meets expectations in terms of quality and quantity. The required increase in the number of people served has been achieved, and in some cases even exceeded. However, issues of sustainability remain a serious challenge, and at Santa Cruz too little attention is being paid to alternative levels of service delivery, which should reflect more accurately the technical demands, and the ability of beneficiaries to meet the O&M cost.[55] The use of European high technology water supply delivery solutions are being used (i.e. computer controlled on line pumping) which is incompatible with an aging supply network, which will almost certainly lead to problems of sustainability in the future.

In Samoa, the EC's involvement in the W&S sector dates back to 1993 and with one or two exceptions water service delivery projects and programmes have generally been implemented efficiently. However, inefficiencies in the planning and implementation of the Rural Water Supply Programme, the largest EC sectoral investment to date, were identified in the 2004 evaluation. They were largely caused by the EC's own operation and management procedures, and can be summarised as:

- Delays, inherent in rules and procedures, resulted in slow implementation;
- Programme may have been too large, and imposed considerable responsibility, in terms of asset management and O&M, on an emerging water authority involved in a major reform process;
- Separating works design from construction supervision severed the "design chain" and caused contractual disputes; and,
- Complexities of designing and constructing water supply infrastructure in semi rural and built up areas were underestimated.

In India, efficient service delivery at community level is relative. The SCALE approach in Gujarat whereby funding of community driven interventions is based (and enforced) on a percentage contribution (75% project and 25% community), "value for money" is usually assured. With the community development committee supervising the work, authorising expenditure and managing the budget, project implementation is tightly controlled, and transparent. On balance, the SCALE project was well designed, seemed to have been efficiently implemented, and the works were built to budget. However, there has been no evaluation or analysis of the M&E records to quantify, and confirm this supposition.

The site visit to the SCALE project offered a chance to see how projects are implemented in the immediate post disaster phase. The current EC work followed on closely from similar W&S emergency related works done by ECHO immediately after the January 2001 earthquake. It was a surprise to note that the SCALE team had little knowledge of the previous work, and much of the infrastructure built under the ECHO programme has

[55] In the Chuene Maja project it was found that while the infrastructure was generally functional, and there was adequate water in the system, serious water shortages were still being experienced in some areas

been replaced. This is not necessarily a criticism of its quality, as they were conceived and implemented in trying circumstances. However, it does indicate the enormity of applying LRRD, and underlines the importance of constructing a mechanism capable of breaching the divide between post disaster construction and development.

This section addressing Evaluation Question 7 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 1, 22 and 47.

4.7.3 Overall judgement

Assessing **"to what extent EC W&S delivery programmes have been implemented in an efficient way"** requires a reliance on measurable indicators, which are quite often based on unreliable verification parameters, and assumptions. Disbursement levels, programme deadlines met, objectives achieved, technical quality realised, cross cutting issues successfully introduced, and sustainability accomplished are all measures of efficiency. However defining with any certainty to what extent EC W&S projects and programmes have been implemented in an efficient way can only be addressed through specific evaluations.. At a thematic level, and based on a limited but representative number of evaluations, the responses to the 3 judgement criteria can be summarised as follows:

Box 11: Summary of responses to judgement criteria; EQ7

1. **Management to support initiatives of good quality** – on the whole positive although the quality of management varies widely. The EC's procurement, financial and management procedures are often seen as too complicated by the recipient government and a constraint to efficient service delivery;
2. **Most economic and technical proficient solutions at project and programme level** – too little attention is being given to alternative solutions or the promotion of new technologies and ideas[56]. In some instances unsuitable, and unsustainable technologies have been used; and,
3. **Relief and rehabilitation works linked to rehabilitation** – only one example of this approach was inspected, which indicated that the ECHO post disaster works were properly targeted, and most importantly community driven but not linked to rehabilitation.

At a technical level efficiency can be expressed in terms of well-designed, well-constructed and properly operating infrastructure. The quality of the feasibility studies has a significant influence on the efficient implementation of W&S projects. In the rural context, the initial works are often designed to meet emergency needs, and are based on minimal information (i.e. mapping, hydrological, hydrogeological, etc). As a result implementation failure rates are often high. With these constraints in mind, the EC's overall performance is varied with projects and programmes in some countries being implemented efficiently (i.e. Samoa and Cape Verde), and not so efficiently in others (i.e.

[56] NB Hand pumps are installed in many countries where more convenient wind or solar pumping systems might be more appropriate. Water departments are often reluctant to change their approaches, ignoring the interests of beneficiaries. In the Mali FED 9 – PACTEA programme, although new technologies were proposed, the Direction de l' Hydraulique declined these improvements

Bolivia). However, it is dangerous to generalise and efficiency levels fluctuate with time, and are affected by many extraneous factors. In Afghanistan, NGOs were very efficient in constructing river intakes for irrigation schemes in the post disaster phase but they only lasted a single season, and the efficiency of these works must be judged as poor. This example underlines the challenges of LRRD.

Commitments by government to W&S investments should ideally be long term, and if possible continuous. This is demonstrably the most efficient means of service delivery but it requires well co-ordinated donor support to be effective. All of the international actors, Member States, and organisations should be engaged, particularly those with a specific interest in the sector (i.e. Global Water Partnership, the Water Supply and Sanitation Collaborative Council, etc.). The inherently political nature of many water resources issues cannot be avoided, and good governance is paramount. This in turn depends upon the willingness of governments to reform, and if this is lacking very little can be done other than initiate a process of constructive engagement to create a better understanding of the need to change.

Public Private Partnerships (PPPs) have been effective in increasing service coverage rates and quality of service in some large cities and towns. However, it is not a panacea and a number of recent spectacular failures (i.e. Bolivia, Uganda, and Tanzania) have discredited the approach to such an extent that some governments have abandoned it. The formation of small scale PPPs to take on and manage public utilities in small towns and villages in partnership with Community Based Organisations (CBOs) has merit. Tanzania and Uganda are pursuing this policy at the present moment under their decentralisation programmes with some success. Unrealistically high expectations by the international development banks, governments, and funding agencies must be tempered with reality. Certainly W&S service delivery using PPPs can be very efficient but this has to be accompanied by greater operator transparency, equitable tariff setting, and sustainability. The basic lesson from the experience of all types of contracts so far, is that investors and stakeholders will be judged on how service is improved for the poor. To this end, governments will have to ensure effective regulation of PPPs to ensure they provide efficient, and equitable service provision for all, particularly the poor.

4.8 Water, sanitation development consistency and coherence

Question 8	**To which extent has EC support to the water sector and other EU development policies affecting the sector, been internally consistent and coherent?**

➢ **Judgement criteria**

- Dialogue platforms and mechanisms among relevant actors have been of good quality
- High level of coherence and consistency among sector policies and objectives (of various DGs/Units) affecting the W&S sector

4.8.1 Objectives

Evaluating the consistency and internal coherence of EC support to the W&S sector, and the relevance of policies is one of the main purposes of this Evaluation. Consistency is a relatively simple concept to understand and achieve, but in periods when a paradigm shift takes places, ensuring coherence becomes increasingly complex and is more difficult to accomplish. Coherence is an objective of EC development policy, which complements coordination and focus more on the extent to which policies of different actors are complementary or contradictory.

4.8.2 Findings

The CSPs analysis was only concerned with W&S projects and programmes being proposed, and implemented. It could not analyse operational, implementation or coordination aspects. All CSPs are based on discussions with the governments involved, and in almost all cases are linked to the respective national PRSP, or a similar document. The focal sectors have been chosen jointly, and are in response to one or more main national concerns. In a few cases the rational for choosing W&S as a focal sector is unclear. Yemen has extensive water problems, suffers from severe droughts, and several Member States are active in the sector[57]. Jordan faces similar problems of drought, and also benefits from Member State sectoral activity. In Jordan water is a focus area, in Yemen it is not. This may be a sign that political realities influence the consistency of aid deployment.

To the question "have EC W&S polices and major sector activities been taking into account in the CSP/NIP formulation process" the replies were mixed. Some Delegations said they were while others replied that they were not a sector priority but integrated into other more expansive programmes. With respect to the question "are the W&S objectives defined at CSP/NIP level coherent with W&S policies and major objectives at EC level" around 48% of the Delegations replied positively, referring to poverty reduction objectives, the MDG and environmental policies. And to the question "have relief and rehabilitation actions (if any) implemented via ECHO been taken into account in the EC's W&S sector policies and objectives at country leve"' the replies were mixed. Some Delegations said the question is better put to ECHO, and of the others 26% replied positively. Only 4 Delegations (of the 35 questioned) expressed any knowledge of ECHO activities, and most had little more than a general overview of their activities.

In Cape Verde, the on-going national workshop aimed at creating a better dialogue on water resources management is supported by the EC under the EUWI. It is designed to identify policy issues and institutional bottlenecks that impede W&S investments, promote the setting up a participatory approach to define country actions, ensure consistency with the MDGs, and promote joint donor-supported programmes for capacity building in the water sector. As such, the support is consistent and coherent, even if limited at this stage. The chosen community development strategy is in accordance with EC policies. The coordination and cooperation between the various funding agencies and Member States, is based on a sharing of the interventions and sectoral of activities. The approach promoted by the EUWI in favour of better coordination, and a smoother dialogue between the different stakeholders in the partner countries is particularly relevant.

[57] In Sanaa, 5 years ago the capital had only 10 years supply of groundwater available

The EC supported institutional and tariff reform initiative currently underway in Morocco will establish an appropriate operational environment. If continued long term, it will create the right investment conditions. However, these will need to be compatible with sustainable resource management, be economically viable, and maintain the right balance between infrastructure and network manager requirements. Above all they must serve the social objectives described in EC policies and:

- Strengthen the application of IWRM, with support through targeted studies and technical consultancies;
- Develop greater access to drinking water services for the disadvantaged through infrastructures improvements and increased levels of service; and,
- Support efforts to implement sanitation works, address pollution issues, and increase the level of finance to the sector.

The current objectives designed to support the W&S sector in the Russian Federation are being defined in the context of the EUWI. The Newly Independent States component of the EUWI define the following 2 main thematic pillars:

1. Urban water supply and sanitation, including financing of water infrastructure; and,
2. Integrated water resources management, including transboundary river basin management issues.

Both pillars are broadly in line with the areas of cooperation stressed by TACIS regulation No. 99/2000. The Newly Independent States development plan covering the period 2004 to 2006 is cross-referenced to the EUWI. The water-related focus of the plan seeks to progress towards the provision of efficient, safe and accessible municipal services with regard to water supply, sewerage and waste disposal, and is consistent with the first objective defined in the EUWI.

In Samoa, a review and comparison of the main sectoral elements of the 8 polices related to W&S indicates that there are no significant clashes, and that EC development policies affecting the sector are consistent, coherent and are coordinated at national level. More emphasis could have been placed on sanitation, and the lack of an IWRM plan on which interventions can more confidently be based, are potential areas of policy imbalance but these are currently been addressed.

In Bolivia, the range of activities supported by the EC include the introduction of sector wide development approaches, projects implemented using call for proposals, food security initiatives, institutional and capacity building, the promotion of IWRM, and numerous small-scale W&S infrastructure initiatives. These are broadly in line with national laws and policies, and confirm that EC support to the W&S sector, and other development initiatives allied to the sector (i.e. transport), are to a large extent consistent, coherent, and properly coordinated.

In South Africa, the EC supported Masibambane Programme is essentially the implementation of the national Strategic Framework for Water Services, whose principles are directly aligned to those of the EC. There is no evidence of any EC funds allocated to the W&S sector being used contrary to the Strategic Framework or outside the Masibambane Programme, with the exception of the NGO implemented Rural Water Supply Programme. Initiatives include the application of the sector wide approach,

regular policy reviews and evaluations, institutional development and capacity building, and infrastructure service delivery. On balance they are consistent with the development policies affecting the sector, and are coherent.

In India, the evidence collected from the meetings and site visits indicates that there is general uniformity in the way the EC's W&S polices are being applied. Some ambiguities do exist and problems are being experienced (i.e. the placing of purchase contracts in accordance with the procurement guidelines), although project implementers are by and large accommodating these constraints.

This section addressing Evaluation Question 8 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 1, 3, 6, 11, 50 and 82.

4.8.3 Overall judgement

To judge to what **"extent has EC support to the water sector and other EU development policies affecting the sector, been consistent and coherent"** has been possible, albeit only insofar as the countries visited, and the meetings and data reviews have allowed. Most internationally recognised water related best practices and development principles are enshrined in current international treaties and working procedures. The MDGs and the WSSD targets embrace all of the major elements contained in the EC's W&S, and development policies. Therefore at least from a policy perspective there is clearly consistency and coherency. Nevertheless, coherence is also an outcome of the co-ordination process, and an assessment of coherence, being mainly country specific, is often politically charged. The responses to the 2 judgement criteria can be summarised as follows:

Box 12: Summary of responses to judgement criteria; EQ8

1. **Dialogue platforms and mechanisms among relevant actors are of good quality** – overall there is effective coordination between governments and the Delegations, but the process is not so consistent between Member States, other donors, the development banks and UN agencies; and,
2. **High level of coherence and consistency between polices and objectives** – generally positive although disparities do exist between countries, and while some manage this requirement effectively (quite often through formal written partnerships) others are less successful.

Imparting knowledge, and awareness raising amongst the key actors, and the wider society in general, were seen by project and programme implementers as essential to confronting the critical challenge of delivering consistent and coherent W&S services. During the Evaluation, the discussion continually returned to the need for better information, and better use of the information that is available. There are many good EC funded W&S initiatives, and these positive experiences need to be understood, and the lessons they provide made more widely available.

There are numerous instruments of cooperation through which W&S delivery can be effectively coordinated, and made consistent and coherent. These include the established

international forums, the EUWI, associations with the specialist institutes (i.e. Global Water Partnership) and the EC's own management entities. In spite of the positive answers from respondents, and the views of some governments, there are many areas where project and programme service delivery is incoherent. Some of the more obvious are as follows:

- Incompatibility between the EC's management, financial and operational rules and Member States:
- Governments receiving aid through a sectoral approach unsure of what this means and how it will manage the process; and,
- Project payments being sent back and forth between a beneficiary country and Brussels because the method of payment and receipt were misaligned.

On the positive side, the introduction of the EC's wider based, and much stricter management rules, has enabled some governments to introduce major changes in the way projects are managed technically, and financially. The Masibambane Programme in South Africa is a good example of this management improvement.

4.9 Water, sanitation, development, coherence member states and donors

Question 9	**To what extent has EC support to the water sector at country level (as defined in the CSPs, NIPs, etc) been coherent and complementary with policies, strategies and actions of member states and other major actors?**

➢ **Judgement criteria**

- EC country support is coherent and complementary with overall EC policies
- EC country support is coherent and complementary with policies, strategies and actions of member states and other major actors

4.9.1 Objectives

The Community has a specific, but not exclusive competence in the field of development co-operation. The past decade has witnessed increasing efforts on the part of the donor community to coordinate the various actors in the field more effectively, harmonise assistance to developing countries in order to enhance aid effectiveness, and promote local ownership and capacity building. The most prominent developments have taken place at the national level in terms of strengthening the aid relationship between donors and national governments through partnership, and national execution strategies. The national PRSPs, consultative groups, the comprehensive development framework as well as broader cooperation agreements such as the Cotonou Partnership Agreement or the MEDA Regulations provide opportunities for a more structured and equitable approach to development cooperation.

4.9.2 Findings

The EC lays considerable emphasis on the importance of complementarity in programmes, and the CSP Guidelines reflect this approach. Therefore, in each country when determining the sectors of focus for a CSP it is appropriate for the EC to assess the needs and absorptive capacity of each sector, the nature of existing and planned support from other donors and Member States, and the specific advantages that it brings to each field of work. The PRSPs are taken into account in drafting the CSPs and allow for donor cooperation, which should lead to more coherent management. This can only work provided donors are prepared to collaborate, respect national priorities, and accept sectoral leadership.

The CSP analysis confirms that development activities are implemented in a spirit of cooperation and are systematically co-ordinated in line with the guidelines issued to the EC Delegations, and the Member States. This is undertaken in the context of the standard programming and operational dialogue between the EC and the government, and with other national stakeholders (notably the public and private sectors, and civil society). With the donor community and Member States, the EC support the development of a greater sense of ownership by governments. In addition, regular meetings between the EC and the Member States at a development and economic level are conducted, and regular consultation is built into the programme preparation and implementation process. The intention is to build a regular and comprehensive exchange of information, and allow for a prompt and complete overview of European development and political strategies, programmes, and projects. In several countries (i.e. China and Egypt) some activities are already commonly defined, and the intention is to develop this cooperation whenever possible.

Complementarity of programmes supported by Member States and other donors seems to be a strong feature of existing programmes. The harmonisation process is assisted by the Paris Declaration (OECD countries), which is seeking to establish a universal framework on, which complementary development strategies can be constructed. Some, for reasons of national development policy, explicitly place more stress on poverty alleviation and less on economic partnerships (i.e. MEDA), and the effective implementation of the Association Agreement than does the EC. Through the activities of the EIB and the European Bank for Reconstruction and Development (EBRD), the development polices and national interests of the Member States are widely reflected. All donor programmes (bilateral and multilateral) are now focused on poverty reduction, and there are no major differences related to their objectives. An increasing number of donors have adopted a sectoral rather than a project approach, as has the EC. They are moving, on a selective sector-by-sector basis, towards common implementation and financing procedures (i.e. Egypt and Ghana). Differences exist in the instruments available to donors with some providing grants (i.e. EC, United Kingdom, Denmark, Canada, and the UN), others a mix of concessionary loans and grants (i.e. Germany, France, The Netherlands and Japan) or concessionary loans (i.e. WB, Italy and Spain).

There were around 52% positive answers to the question "have W&S policies and actions of Member States and other actors been taken into account during the CSP/NIP formulation process". Only 50% of the Delegations give a positive answer to the question "have synergies been pursued with the actions of member states and other actors (both development humanitarian actions) during the CSP/NIP formulation process". The

majority of Delegations confirmed that regular contact and meetings took place when replying to the question of whether "operational coordination is taking place between the recipient country the EC and other donors", and only 2 said that no operational coordination took place. Overall the existence of periodical meetings, briefings, and other co-ordination activities involving key stakeholders, Member States and other donors is a positive sign. In 3 instances the EC was explicitly mentioned as a focal point or organiser of these meetings. An important objective of co-ordination is to avoid overlapping activities and to manage funds effectively. The level of inclusion of the national governments in the "round-table-discussions" with the EC, Member States, and other donors was varied.

The responses of the Delegations to Question 11 to determine "how would they assess the role of the various types of support used to achieve the W&S objectives" have been presented in the table below.

Table 6: Summary of delegation responses to question 11

Project Aid	**Specific role**	Direct support to a specifically identified need within the W&S sector. Often focused on specific, and immediate issues (i.e. natural disaster)
	Advantage	Concise answer, tangible result and better control and monitoring. Targeted intervention following identification, could be very successful in case of rapid implementation
	Disadvantage	Narrow focus (insufficient knowledge of EC procedures may cause delays). The EC procedures are too long and complicated. Lack of ownership from the recipient country.
Programme Aid	**Specific role**	Strengthening institutional capacity via an integrated approach and includes different individual projects. Promotes partnerships and complementary activities. Supports autonomous utilities
	Advantage	Cross-sectoral approach. A big impact and co-ordinates decentralisation. Co-financing opportunities made available
	Disadvantage	The implementation is more difficult and longer (slow procedures).
Sector Support	**Specific role**	Broad and sector wide approach. Involves multi donors.
	Advantage	Promotes ownership, enhances coordination, fast implementation, and harmonisation of partnerships. More focus on development of the whole sector.
	Disadvantage	Difficulties in implementing if activities refer to different sectors. Many counterparts in the different Ministries concerned with the sector (agriculture, environment, tourism, etc). Difficult if there is a lack of clear policy and transparent financial management procedures. Depends highly on institutional capacity of the national authority.
Budget Support	**Specific role**	Influences policy commitment and assists financially in achieving the outlined targets. It is linked to policy shifts or reforms; typically for transition countries

	Advantage	Policy based, fast disbursement, easier to manage, flexible, increases government responsibility
	Disadvantage	Corruption risks. Quality of implementation not assured. Lack of control and difficult to monitor. Could be prejudicial to financial programming of beneficiary
Other Support	**Specific role**	Multi-donor funds and large investments
	Advantage	Synergies among donors
	Disadvantage	Possible conflict of interests in terms of donor priorities

In Cape Verde, coordination between the various funding agencies and Member States is good and is based on a sharing of W&S interventions and sectoral activities. Several important sectors where the community does not intervene, such as education, private sector development and decentralisation, are covered by other Member States through bilateral cooperation agreements.

Although not W&S sector specific, the EC's often-cumbersome management procedures slow down not only the implementation of EC funded projects, but also hinder effective coordination with the Member States[58]. There is a general willingness to cooperate but joint projects are difficult to manage, with timing and outputs sometimes misaligned. The use of "basket" funding is particularly difficult to manage, and often leads to delays and negative results. As one senior civil servant put it "the procedures are killing the chicken before the eggs are laid".

In the Russian Federation, the CSP for 2002 to 2006 only refers to coherence in connection with the Common Strategy adopted by the EC and the Member States in 1999. Issues of coherence and complementarity are not specifically discussed in the most recent National Indicative Programme (NIP), covering 2004 to 2006. The NIP briefly presents the overall orientation of the cooperation of Member States with government, but only the sections on Denmark and France specifically mention their involvement in the water sector. In the case of Denmark a little more detail is presented, but for France this is only in very general terms. One of the principal objectives of the Agreement and the Common Strategy is the integration of the Federation of Russia into a wider area of economic cooperation within Europe. Water is only mentioned twice in the agreement, and then only in very general terms. It states that water is the common property of the people of Russia and the EC, and thus of common concern. The agreement does not mention a specific division of responsibilities between the EC and Member States, which limits the value of the Common Strategy as a means for ensuring coherence and complementarity. Other platforms seem to have more potential, in particular the Eastern Europe, Caucuses, and Central Asia component of the EUWI, and the Environment for Europe process. These offer the opportunity for greater coordination and the achievement of improved coherence and complementarity among Member States and the EC.

[58] Plans by Member States and the EC to finance joint programmes actually failed because of the disharmony of the rules and procedures (i.e. Rural Water Supply project - FED9: Mali and Chad - AFD/KfW/EU)

The EC is the major funder of water supply activities in Samoa where it is a focal sector. The only relevant area where it interfaces with other donors and agencies active in the sector is in the rural context, where it funds village and community water supply schemes under the micro projects initiative. Although there has been only limited involvement with other stakeholders, Member States and actors, support to the water sector has been coherent and complements overall EC development policies, strategies, and actions.

In Bolivia, EC support to the W&S sector at country level is coherent and is in harmony with the development policies, strategies and actions of Member States and other major actors. Focus group discussions at national and project level confirmed this view. There are numerous donor-supported W&S projects and programmes implemented in Bolivia, and regular collaboration translates into a coordinated response to submissions from government for advice and support. The most prominent are Germany, The Netherlands, and the Swedish Development Agency. The UN family is also active in the sector and UNICEF is running a joint programme with the Swedish Development Agency, as well as having projects of their own. In addition, there are numerous projects being carried out by bilateral donors (JICA, DFID, Canadian Development Agency, etc), and infrastructure projects are being constructed with Inter-American Development Bank (IDB) and WB funding. As a consequence, W&S support is generally considered to be in line with EC development policies, and there are no obvious clashes of interest, or overlap.

In India, the EC collaborates with the United Nations Development Programme (UNDP) on a project in Rajasthan, where a donor-coordinated committee has been established with extensive organisational functions. Utilising EC support, the state government has adopted a sectoral approach to W&S with potable, irrigation, and industrial water demands being addressed through a working partnership. The evidence from this particular initiative, and similar work funded by KfW and being undertaken by GTZ, suggests there is a strong measure of coherence and complementarity between EC policies, and those applied on other donor-supported programmes in India. There was convincing evidence to suggest that EC support to the water sector at country level was coherent and complemented development policies, strategies, and actions of Member States and other major actors.

This section addressing Evaluation Question 9 is based on the findings including in Annexes 6, 7, 8 and 9, the CN notes findings (Volume III) and documents in Annex 11 under references 6, 7, 11, 13, and 16.

4.9.3 Overall judgement

The EC does not act unilaterally in supporting developing countries to alleviate poverty and raise living standards, but rather is only a member, albeit an important member, of a much wider development community. To judge **"to what extent EC support to the water sector at country level (as defined in the CSPs and NIPS, etc) has been coherent and complementary with overall EC development polices, strategies and actions of Member States and other actors"** must be viewed in the national context and requires an appreciation of the relationship between the EC and the Member States. The notion of complementarity is more a question of direction, than of absolutes. The issue is whether it's up to the EC when preparing the CSPs and NIPs to complement the activities of the Member States, or the other way around. In Mali failure to finance the joint 9th EDF Rural Water Supply Programme came from the rejection of the participating

Member State to follow the EC's implementation procedures, which were judged too cumbersome. The question of "equality" is always raised when considering complementarity, and whether the "partnership" between a Member State and the EC in a particular country is equal depends on the work being undertaken, and the respective political influence. In general, donors focus on areas and countries where they have a comparative advantage (i.e. history, experience, qualified staff in country, headquarters, etc.), and while this might create overlap and inefficiency this is probably the way it will remain. The responses to the 2 judgement criteria can be summarised as follows:

Box 13: Summary of responses to judgement criteria; EQ9

1 **Country support is coherent and complementary with overall EC policies** – at a technical level, the CSPs and NIPs are not always fully aligned with the policies of Member States and key actors. Projects and programmes are coherent in themselves but external coordination at an operational level could be strengthened between key stakeholders; and,

2 **Country support is coherent and complementary with policies, strategies and actions of Member States and other major actors** - meetings and exchanges take place regularly between Delegations, Member States, donors, UN agencies, etc, and while there is a measure of coherence and complementarity between projects and programmes, improvements are certainly possible[59] Greater use should be made of the advantages provided under the EUWI initiative[60].

At national level the existence of coherent and complementary projects and programmes is not necessarily mirrored at the local level, or translated into effective service delivery. Aid continues to be channelled in a fragmented and uncoordinated fashion with more emphasis too often placed on short-term expediency than on long-term sustainability. This is partially caused by weak national governments, and poorly funded and equipped regional administrations, which require long-term, and determined support. Numerous agencies and international NGOs provide development assistance to local administrations and non-governmental actors, using a broad range of instruments and approaches. Some of the technical and financial instruments used, such as municipal institutional cooperation (or twinning), are not necessarily consistent or coherent with local government development.

[59] A workshop in March 2006 called to validate a new water policy for The Gambia initiated by the EC invited other donors with an interest in the sector and none took part

[60] The EUWI calls for better dialogue between actors on water resources management and aims to identify policy issues and institutional bottlenecks that impede investment. It promotes the use of a participatory approach to define country actions consistent with the MDGs, and joint donor-supported programmes for capacity building in the water sector

5. CONCLUSIONS

5.1 Introduction

This section describes the Evaluation conclusions, and is a logical extension of the main findings and analysis contained in Section 4. It has taken the 9 structured Evaluation Questions and grouped them into 5 correlated series in accordance with the analytical approach outlined in the Methodology (see Section 3.2). These can be summarised as follows:

1. Questions 1, 2 and 3 - impact and effectiveness of support;
2. Questions 4 and 5 - IWRM, governance and programmes;
3. Question 6 - gender;
4. Question 7 – efficiency of service delivery; and,
5. Questions 8 and 9 - consistency and internal coherence, co-ordination and complementarity.

Significant issues and decisive points used to illustrate, and support an objective conclusion, are based on factual data and information. Where applicable, they have been referenced to the examples given in the preceding section (Section 4, Main Findings and Analysis).

5.2 Impact and effectiveness of support

There is little doubt that **EC investment in the water supply sector has proved a success. This is not true for sanitation, where the information indicates that in many instances too little emphasis is being placed on this issue**. The proportion of the target population having access to an improved and safe source of potable water has increased, but few W&S initiatives that were assessed have a recognisable sanitation component, and most focus simply on water supply (i.e. Masibambane Programme, South Africa). When sanitation forms an integral part of a W&S project or programme, the results have generally proved positive, but this is not the norm. It follows therefore that few projects and programmes address the treatment and disposal of sanitation effluents satisfactorily. As a consequence many of the benefits from health and hygiene education, often a key component, are lost.

Not surprisingly, **the effectiveness of W&S projects and programmes has been most positive in those countries where it has been a focal sector for a long, and continuous period** (i.e. Rural Water Supply Programme, Samoa). The financing and implementation of basic infrastructure works in the urban and rural areas, has undoubtedly improved the livelihoods of the beneficiaries but sustainability is unquestionably the main challenge, and few schemes are truly sustainable. Cost recovery is weak, and O&M investment is consistently low, with governments and municipalities not prepared to address the question of social service provision (i.e. Santa Cruz, Bolivia).

To **prove a tangible and universal link between W&S service delivery and poverty reduction is challenging** but those working in development are in little doubt that it has

a positive impact. This allows more productive work time, improves the quality of life for women (primary provider), and provides better access to education for children (secondary provider). No statistical data was readily available for the projects and programmes analysed to support this conclusion due to a general lack of base line data. On a positive note, nearly all (if not all) EC initiated W&S projects and programmes are prepared, designed, and implemented with poverty reduction as the primary objective, and those analysed were found to be generally effective (i.e. SCALE, India). The corollary is that W&S specific **interventions designed to reduce poverty do not always use water in the most economical fashion, hence the pressure on sustainability**. Most projects and programmes target poverty reduction either directly (small rural and village schemes) or indirectly (town, peri urban and urban schemes) and see sustainability as a key goal. The former establish water user groups to collect money and run the schemes while the latter have the capability of generating revenue through the water tariff, which can have considerable economic benefit. These are proven and effective approaches which when executed properly have an appreciable impact on people's lives. The most prominent is through engaging the poor in the planning, implementation, operation, and management of the W&S assets. This sees the assets maintained and provides the poor with a source of income.

The challenge in **proving that W&S activities lead to improved health is similar to that for poverty reduction.** Insufficient data, the issue of conditionality, and the resources required to develop a suitable methodology to isolate improvements compounds matters. The studies that have been done show there is a positive relationship between W&S, poverty reduction and health improvements but little else can be proved. Sanitation is the key driver in improving health but not all projects and programmes include sanitation or are linked with one that does[61]. This aspect does not receive the attention it deserves although recent studies show that hygiene education and raising awareness, particularly when involving children, is a more effective means of improving health than sanitation (see Reference 43). Some EC and Member State projects and programmes successfully combine health education with W&S infrastructure construction (i.e. Programme de Agua Potable y Alcantarillado Sanitario en Pequenas y Medianas Cuidades, Bolivia). **Clean potable water can, and does, reduce water born diseases, general infection levels, and improve health particularly for the vulnerable, children and women**. While the impact varies between projects and programmes those that were analysed indicates that W&S projects and programmes are successful in this regard.

[61] Improved water supply service delivery has decisive negative health and environmental impacts unless it is accompanied by sanitation. This can either be project specific or form part of a parallel education or infrastructure initiative

5.3 Integrated water resources management, governance and programmes

There is a **surprising degree of consistency in the way IWRM is applied by the EC, donors, Member States, development banks, the UN agencies, and most countries**. National water laws, strategies, and development plans are generally consistent, and conform to IWRM norms, and international policies (i.e. National Water Policy, India). Most W&S interventions are linked to national policies and many are made conditional on the existence of an enforceable water law, and the existence of a water sector strategy or framework. The Water Facility operational rules have made IWRM a priority, and W&S proposals submitted by an EDF country must demonstrate they have included suitable provision for its application, before they will be considered. There is little doubt the EC are vigorously promoting IWRM, and that the national policies, projects and programmes of recipient governments are in accordance with the principles it sponsors.

Determining and assessing the **success and influence of IWRM on EC funded W&S project and programme implementation has been based on the manner it is applied and the diligence the participants exercise when applying its principles.**. Numerical analyses are of limited use in assessing these principles, nor is the fact that IWRM has been mentioned in a project document mean it has even been applied, let alone effectively. River basin management plans are a prime deliverable but their implementation requires proper structures, river basin management committees, political commitment, the rule of law, and considerable skill. While the IWRM principles are being actively promoted W&S schemes are consistently being implemented with scant knowledge or understanding of the available resources. On the few occasions where projects and programmes have benefited from IWRM, environmental and socio economic development is possible (i.e. Balk River Project, Afghanistan).

The EC have placed the debate squarely on the development agenda and **projects and programmes are almost universally conceived in line with IWRM principles.** Here there is divergence, and while managers (many with a non technical background) play lip service to the approach it espouses, few really understand how it works or is implemented - even fewer appreciate what the final result will be. More importantly, it is not generally appreciated how hard IWRM is to apply, and put into practice particularly when trans boundary issues are involved[62]. In spite of these reservations, it is quite clear that the rationale and appropriateness of the EC's water management and development policies in the context of IWRM, are acknowledged by recipient governments, and are generally in line with national standards.

5.4 Gender

All the information indicates that **mainstreaming gender into EC funded W&S projects and programmes while almost universal has not been a total success in terms of addressing gender inequality**. For some it has proved partially successful, but for others it has not. There have been some practical and positive results reflected in the reduction in the burden and drudgery placed on women and children. Most EC funded W&S projects and programmes address inequalities (gender, racial or ethnic conflict) by

[62] Numerous applications have been submitted under the Water Facility aimed at bridging the gap between IWRM theory and application (i.e. Caribbean States – No 225, and Tanzania – No 188)

including a prominent gender component (i.e. NGO Rural Water Supply Programme, South Africa), but rarely allocate targeted activities through specific budget lines (i.e. Masibambane Programme, South Africa). Numerous instances exist were women play an important role in water management committees, and participate in the general decision-making process (i.e. Rural Water Supply Project Hai District, Tanzania). However, **considerable doubt remains over whether women and girls share equally in the benefits, and too often they assume a large share of responsibility, which is not commensurate with the reward** (i.e. SCALE, India).

At the **project and programming level, some progress has been made but limited success has been achieved in reducing gender equality at the institution or decision-making level, which by and large still remains male-dominated.** Hence, the question is how W&S service delivery can be used as a lever to advance gender equality in society at large is addressed. The redirection of resources, and a reduction in the EC's gender budget, may be a contributing factor to lack of progress. Too often gender is seen simply as a project "add-on", and unless a specific activity is included, which is capable of being monitored and evaluated (a significant challenge in its own right), little of substance is likely to be achieved. The focus group in Santa Cruz underlined this argument. Here, women's involvement is really little more than "window dressing", and they have no real role in the running of the water user associations.

5.5 Efficiency of service delivery

Assessing how **efficient EC funded projects and programmes have been in delivering W&S services (infrastructure, management, training capacity building, O&M systems, etc.)** has shown that while some undoubtedly have, others clearly have not. When efficiency is expressed in terms of expenditure levels, the application of management principles, and the achievement of physical outputs and impacts, the W&S projects and programmes visited and analysed demonstrated an acceptable degree of efficient service delivery. But there was a wide disparity between the high performers (i.e. Rural Water Supply Project, Samoa) and the not so high performers (i.e. Masibambane Programme, South Africa).

Information on efficient service delivery is not always easy to obtain and **project and programme budgets are under increasing pressure, and rarely contain adequate provision for base line data surveys or effective M&E** (i.e. Amu Darya River Basin Management Programme – Kocha and Panj Watersheds, Afghanistan). Where this requirement is included, it's often considered insignificant, seen as too hard to implement by managers, and simply abandoned, often with the agreement of the Delegation[63]. The **EC's financial and management systems continue to slow down project and programme execution, and prove a constraint to efficient W&S service delivery**. Where W&S development assistance is delivery through regional instruments, such as the 9th EDF, service delivery is generally efficient. With derogation the ability of Delegations to speed-up the delivery process is considerably improved. A further constraint is posed by the EC procurement guidelines, and it is a credit to project and programme

[63] Terminal Evaluation of the Cao Bang – Bac Kan Rural Development Project, AGRIFOR Consultant SA, I G Harmond, G Griffith and G Skarner, January 2005

implementers, and the Delegations, that they are accommodated so successfully[64]. And using the EC's standard forms of contract, rather than FIDIC, the international engineering industry standard, quite often causes delays, and can result in contractual claims (i.e. Rural Water Supply Programme, Samoa)[65].

Where **sector approaches are applied, W&S service delivery appears to be more efficient, and many of the problems associated with "call for proposals" are successfully overcome**. But the approach has its shortcomings and some governments find it hard to align there financial and management procedures (often enshrined in national legislation) with some EC rules (i.e. Fondo Nacional de Desarrollo Regional Gerencia de Operaciones, BoliviaAchieving **efficient W&S service delivery is highly dependent on both the level of service provision, and the choice of technology**. Wide disparities were found, with some projects using state of the art technology (i.e. Santa Cruz, Bolivia) while others employed much simple approaches (i.e. SCALE, India). There is no single solution, and each project or programme has to be assessed in terms of what it's trying to achieve, and the technical and financial means at its disposal. In some instances **levels of service were targeted poorly, and rather than tailor delivery to match the ability of the community to pay, schemes simply supplied the same level to all.** This meant that the water tariff was out of balance, and resulted in low cost recovery, which undermined sustainability (see Reference 36, Samoa). In addition social water provision is an issue that does not receive sufficient attention, and one that is causing concern in some countries[66].

When examining LRRD, many of the challenges facing this concept were confirmed, and the one scheme that was inspected demonstrated the size of the problem (i.e. SCALE, India). While links between the ECHO entities at central level are consistent there was a surprising lack of contact or interrelation between projects engaged in the post-emergency activities in Gujarat, and the regional ECHO team. Coordination between Delegations and ECHO offices were also found to be fragile , and perhaps this is one of the reasons why LRRD is so hard to achieve. And while ECHO budget lines are included in the CSP's they have no involvement in their preparation, even in countries that are disaster prone.

The **most efficient means of W&S service delivery occurs when they are a focal sector, and commitments and investments are long term, and continuous** (i.e. Praia Water Supply Project, Cape Verde). Planning, design, public consultation and construction are all key elements of a process that must be well co-ordinated, and managed if success is to be achieved.

5.6 Consistency, internal coherence, co-ordination and complementarity

While there may be some textural differences from a policy perspective, the **principle W&S international best practices are enshrined in current conventions and working procedures**, **and are generally in line with EC policies**. So in policy terms,

[64] Practical Guidelines to EC External Aid Contract Procedures, January 2001

[65] The development banks, bilateral donors, and the EC use there own conditions of contract which are all very similar, and cause problems for consultants and contractors

[66] In South Africa the provision of free basic water under the Water Supply Act is contentious and was queried by the Delegate. The subsequent report by the Department of Water Affairs and Forestry examined EC polices, and their implication on national legislation, February 2003

there is demonstrable consistency, internal coherence, and complementarity. When it comes to coordination, and implementation on the ground the evidence is in the whole positive although there is some project and programme overlap, and competition for projects[67]. In terms of coordination at country level there is a regular and positive dialogue between Delegations and the main actors in the sector (i.e. South Africa). This could certainly be improved in some situations, and serious attempts are currently being made to form more structured relationships particularly when using sector wide approaches for sectoral development. Many Delegations have signed formal partnerships with government describing their respective project and programme obligations, and responsibilities (i.e. European Union and India, Partners in Progress, 2003).

On the **matter of incompatible financial and management systems, some strains are being felt, which all parties are working hard to overcome.** Managing EC sector programmes, particularly those using "basket" funding, is raising challenges especially amongst those Member States that are participating in the funding process (i.e. Sector Programme, Bolivia). Even where the recipient government possess the necessary skills and management structures, problems still occur (i.e. Masibambane Programme budgeting shortfall, December 2004, South Africa). These are being overcome, and there is a spirit of cooperation with all parties (EC, governments and Member States) working together to "iron out" the difficulties. Some UN agencies were found to be operating in isolation, and there have been examples of programming conflict, and overlap. Again there is a genuine spirit of cooperation on both sides and these inconsistencies are being addressed.

Only in one country (India) was it possible to examine consistency, internal coherence and coordination between ECHO operations and Delegation activities. This combined with the Delegation's responses, which were split roughly between "poor" and "good" **suggest that while relationships are decidedly good both parties are too engrossed in their operations to coordinate their activities efficiently**. Deciding whether EC support to the W&S sector is coherent and complementary, as expressed through the CSPs and NIPs, cannot be a judged numerically. Most but not all of them pay due notice to policies, (IWRM, poverty alleviation, development, gender, etc.), and their overriding quest is centred on poverty alleviation, and the raising of living standards. However, the real measure of their success is how these principles are articulated in the projects and programmes being implemented, not necessarily how they are framed. So **from a strictly numerical standpoint no judgement on the coherence and complementarity of the CSPs and NIPs is possible** but from an implementation perspective improvements are possible. Weaknesses include too little use made of synergies between projects and programmes (i.e. gender driven initiatives and W&S actions), deciding on how long running projects can be adapted to new development approaches (i.e. Ravine Stabilisation Project compared to the new state water partnership in Rajasthan, India), and the logic behind the selection of particular focus sectors.

[67] In Afghanistan the EC are competing with other donors (including Member States) for a secure river basin in which to rehabilitate irrigation and drainage schemes and introduce IWRM

6. RECOMMENDATIONS

6.1 Introduction

This section describes the Evaluation recommendations, and is based on the 5 correlated series of Evaluation Questions used in deriving the Conclusions (see Section 5). Each series contains a group of recommendations, and a corresponding explanation of the implications, and execution modalities. The recommendations have been split into those, which are within the direct remit of the EC, and those that can only be addressed by external actors. A subjective order of priority has been introduced, but this might vary depending on the perspective of the Evaluation's target audience.

6.2 Impact and effectiveness of support

6.2.1 Addressing the specific sectoral needs of partner countries

- **Recommendation**

There is irrefutable evidence that EC support to partner countries in the W&S sector is viewed as an appropriate and valuable contribution to reducing poverty and raising living standards generally. The move towards more formal partnerships and joint development programmes is a positive step (i.e. State Partnership Programme in Rajasthan, India) but existing structures make their preparation and execution through the normal range of operational instruments problematic (i.e. CSP and NIP). Setting development priorities and addressing the specific needs of partner countries in a spirit of mutual trust and cooperation enables accurate targeting of resources, constructs bridges, and avoids conflict and overlap with other donor driven initiatives. This approach should be reflected in the EC's policies and in the application of its development instruments more positively. Procedures should be introduced whereby **formal partnerships between the EC and its partners can be developed and mainstreamed into general operations with greater conviction and certainty.**

- **Implications and execution**

A shift of emphasis from an exclusive country programme, which the EC prepares, albeit in consultation with the partner country and other stakeholders, to one that can be seen as inclusive is likely to cement the partnership, and must be the ultimate development goal. Ownership is often seen as lacking by recipients receiving grant aid (as apposed to loans) and achieving stable relationships through formal partnerships can address this deficiency. To build ownership and improve the effectives of EC support **the CSP preparation procedures[68] should be revisited and made to reflect the move towards more formal partnerships that address the specific sectoral needs of recipient countries.**

While there is normally a high degree of consistency between the EC's development polices in the W&S sector, and those of partner countries, some contradictions exist (i.e. free basic services in South Africa). Responsibility for dealing with policy and legal clashes falls to the Delegations who often find reaching a satisfactory compromise

[68] Guidelines for implementation of the Common Framework for Country Strategy Papers IQSG, 2001

challenging. As a consequence a set of hybrid operational procedures are typically devised that satisfies neither party (i.e. contracts used to construct water infrastructure for the Cao Bang – Bac Kan Project, Vietnam). These incompatibilities are a serious issue and a **means should be developed for resolving incompatibilities between EC procurement rules and conflicting laws in partner countries.**

6.2.2 Data collection, monitoring and evaluation

- **Recommendation**

The EC should define and develop a set of W&S sector specific data collection and performance instruments to record progress, and provide the means of monitoring and evaluating project and programme performance. They should augment and buttress existing rules and management procedures, be easy to follow, and use industry wide definitions, international best practices, and common terminology. In addition, a small group of perhaps 3 or 4 explicit performance indicators should be selected, and mainstreamed into future project and programme implementation. These would enable senior managers and future evaluators to assess impacts of service delivery on health and poverty, and provide a way of demonstrating successes to a wider audience with a degree of confidence, which is not possible at the present moment.

At sector and budget support level, more technical guidance is needed for planners, designers, managers and evaluators engaged on thematic programmes with a predominant W&S component. **While assistance for country programme evaluators is available, there is little in the way of practical help for the technical evaluation of W&S sector and budget support programmes. And what there is covers the subject in too much detail, can be confusing, and has limited practical application**[69]

- **Implications and execution**

Without base line data, sensible M&E procedures, and continuous estimates of W&S service coverage, information on the quality of service delivery, and likely sustainability, it is difficult for the EC to formulate and promote credible development strategies, and in particular choosing the correct sectoral approach. To provide planners and managers with this information the **Strategic guidelines**[70] **should be reviewed and Chapter 11, Evaluation, updated to provide practical guidance on project and programme evaluation.** The revision should embed a set of key verifiable performance indicators in future projects and programmes, utilise the methodology contained in the Guide to Evaluation Procedures, and reflect current evaluation methodologies. To manage this process, a simple, easily accessible, electronically managed information recording, and updating facility should be developed, and conveniently centred (perhaps within the Evaluation Unit).In addition, **existing management rules should be applied with greater vigour, and the profile of the Project Cycle Management Guidelines (PCMG) raised**[71]. The management principles in the PCMG should be enforced and applied universally.

[69] The SPSP guidelines include less than a page of advice to those evaluating sector programmes
[70] Towards Sustainable Water Resources Management, A Strategic Approach, September 1998
[71] Project Cycle Management Guidelines, March 2004

At sector and budget support level, advice and additional guidance to planners, managers and technical evaluators engaged in the W&S sector should be provided, either through **updating the SPSP guidelines or by revising Chapters 10 and 11, Implementation and Evaluation respectively of the Strategic guidelines.** Consideration should also be given to providing training on the use and application of the SPSP, and the Strategic guidelines in relation to the technical aspects of W&S service delivery.

6.2.3 Sanitation service provision

- **Recommendation**

In future the EC should place greater emphasis on sanitation, which should be included in water supply projects and programmes unless in a rural context, or when it's being undertaken via a parallel initiative. **The collection, treatment and disposal of sanitation effluents for sanitation schemes that warrant it (i.e. primarily water born systems), should be included in sanitation projects so that the health benefits, which flow from these actions can be maximised. Wherever possible, and provided there is no clash or overlap with other projects, hygiene education and awareness raising**, particularly when involving children, should be mainstreamed into the sanitation component of all W&S initiatives.

- **Implications and execution**

If the profile of sanitation is not raised, benefits derived from water supply interventions will continue to be eroded. **Existing strategies should be reinforced to emphasise this point, and technical advice provided to managers either in the form of an EC focused water and sanitation handbook, or by means of an annex attached to the Strategic guidelines.**

Improved water supply in congested situations (i.e. peri urban and urban) substantially raises the level of effluent generated in a community. It causes pollution, results in serious negative environmental impacts, and is harmful to health. Appropriate technical solutions to address this challenge should be sought that engages, and empowers beneficiaries. These should be accompanied by health and hygiene education targeted in the first instance, on schools and community centres, and must include a strong gender focus.

6.2.4 Continuity of support

- **Recommendation**

The impact and effectiveness of W&S projects and programmes has been most positive in those countries where it has been a focal sector over a long period of time, and where the EC has provided the main impetus. Where every possible EC funded W&S sector initiatives, projects and programmes should be founded on a long-term sector strategy. It may be advisable to reduce the scope of an action and run it for 2 or 3 funding cycles at a reduced level, rather than at maximum level over a single cycle. However care should be excised to ensure that the work is subjected to regular scrutiny, to ensure that it remains "fresh" and innovative. A disadvantage of long-term sectoral interventions (of any sort) is a tailing off of impetus and drive.

- **Implications and execution**

In consultation with its partners, the **CSPs and the NIP should explore synergies more rigorously and provide an appropriate level of continuity for sector initiatives, projects and programmes**. In addition, Delegations should be encouraged to adopt a more proactive approach towards the coordination of W&S sectoral polices and programmes where there are significant EC investments. For those countries where the W&S sector is not a focal sector, Delegations should promote continuous support to the sector through the Member States, donors, the development agencies, and the UN family. Initiatives like the EUWI and the Africa EU Strategic Partnership on Water Affairs and Sanitation, should be supported and used to strengthen the coordinating role of the EC in the W&S sector.

6.2.5 Improved sustainability and social service provision

- **Recommendation**

Balancing W&S policy demands, the inability of some to pay for water, and the need for sustainability must be viewed as a W&S sectoral priority. For most W&S projects and programmes cost recovery is weak, and presents a serious threat to short term, let alone long-term sustainability. In future, EC funded **W&S actions must focus more firmly on sustainability by engaging and empowering beneficiaries, building capacity, and providing appropriate levels of services.** Investment in O&M is consistently low, and there is a lack of serious commitment by government and municipalities to address this issue. Success is generally higher when efforts are focused at the household level rather than on collective systems where responsibility for O&M is shared. The concept of "individual comfort"" is paramount to ensuring sustainability, and the tariff level often proves of secondary importance, compared to the level of service.

The use of social service provision to address poverty is not being addressed sufficiently, and **when setting W&S tariffs the ability of poor people to pay must be reflected either through cross subsidies, free service provision or direct contribution**. The supply of subsidised, or free water is ambiguous, and runs contrary to EC policy and international best practice, which credits water with an economic value. This contradiction needs to be introduced into the development debate and resolved, so that the W&S needs of the poor can be articulated and accommodated.

- **Implications and execution**

All W&S project and programmes should include a robust, transparent, properly costed, and verifiable O&M strategy. It must be demand driven, and not undermine the guiding principle that water is an economic good, but at the same time include suitable social service provision. The EC's **project management rules should be applied more forcibly and further guidance to project and programme planners and managers on alternative cost recovery mechanisms should be provided in the Strategic guidelines.** Topics to be covered would include the development and application of appropriate social development, financial, and economic cost recovery models, the provision of service levels which are commensurate with people's ability to pay, social water provision, the practical difficulties of setting tariffs (water supply and sanitation), mentoring and technical support, post project or programme.

Efforts need to be redoubled to convince participating governments, particularly at local level[72], that without sustainable service delivery, investments in W&S service delivery will not achieve the desired results. Whether using call for proposals, regional funding instruments, or through sector and budget support, future investments must be planned, phrased, and implemented in such a away as to emphasise the importance of sustainability

6.3 Integrated water resources management, governance and programmes

6.3.1 Strengthening the application of the principles

- **Recommendation**

Water supply schemes should be planned and implemented with a greater understanding of the wider water resources management principles described in the IWRM process. In future the EC must **place more emphasis on IWRM, and ensure that project and programme planners and manager are more conversant with their application.** Where the IWRM principles are understood, and are being mainstreamed into projects and programmes, rarely are they employed correctly, and procedures must be strengthened to ensure that the benefits of IWRM are translated into action.

Poor application means that many of the important issues associated with the approach are being neglected, or applied incorrectly. These include understanding the environmental consequences of the action (immediate and long term), the resolution of internal conflicts due to competition for water (primarily agriculture but increasingly industry), addressing external trans border tensions, building community water management structures and water user associations, the provision of support to the decentralisation process through the devolution of responsibility of authority, to name the most prominent.

- **Implications and execution**

Most countries have water laws, water management legislation and strategies, which include the setting up river basin authorities to licence and regulate the sector. These are the natural home for IWRM and should be nurtured (directly or indirectly), and provided with the capacity to manage the process. Every W&S project or programme funded by the EC must be assessed and structured in terms of IWRM, and assistance needs and means to be given to planners and managers to understand and address the challenges entailed. This should take the form of a revision to the **Strategic guidelines, and the inclusion of a new Chapter 13 concerned with IWRM.** Capacity building support and training should also be given in the application of IWRM, in relation to the technical aspects of W&S service delivery.

6.3.2 Water supply service delivery

- **Recommendation**

At the outset, W&S projects and programmes must include confirmation of the river basin's ability to sustain demand. It is not sufficient to sink boreholes, or extract water

[72] Devolution of government responsibility downwards, while perhaps desirable, is causing strain at local level in many African countries where resources are lacking, and the level of technical and managerial support is quite often deficient

from a river or lake, without a proper understanding of the catchment (or sub catchment) water balance, and the potential environmental and social consequences of the action. Each EC **funded W&S project and programme must be preceded or accompanied by a corresponding IWRM initiative, and the capacity of the available resource shown capable of meeting demand.** If this activity is not included as a specific activity, then it has to be accommodated through a parallel initiative. The seriousness of this problem is proportionate to the scheme in question, and clearly a small hand pump scheme will have little impact on a catchment's overall water resources. However, this is not the case for larger schemes, which in many instances are being constructed without reference to a river basin or catchment management plan, and with only a cursory examination of long-term impacts.

- **Implications and execution**

A W&S project or programme of measurable size should only be contemplated when it has been clearly established that sufficient water exists to meet the short, medium and long-term demand. The IWRM principles should always be applied and the catchment or sub catchment water balance calculated. Advice to this effect should be **mainstreamed into the EC's management procedures, and a revision made to the Strategic guidelines, and a new Chapter 13 concerned with IWRM included.** Capacity building support and training should also be given to project and programme planners, designers and implementers in the use and application of IWRM, in relation to the technical aspects of W&S service delivery.

A proportionate response is required, and clearly the scale of a W&S action will determine the level of IWRM detail sought. However, even for small schemes with a potentially negligible impact on a catchment's overall water resources, the IWRM principles should be applied, and confirmation obtained that competition is not going to cause tension, and that there is enough water to meet the projected demand.

6.4 Gender

6.4.1 Awareness raising and mainstreaming

- **Recommendation**

While there is widespread recognition of its importance and relevance, gender is not always considered a key goal, and many governments do not (or will not) give it the attention it deserves. The EC should **redouble its efforts to advance gender awareness raising in W&S projects and programmes to ensure that women and girls participate more fully, and benefit equally from sectoral improvements.** The contributions women can make to the success of a W&S action are not being fully realised, particularly in the area of O&M, sustainability and the achievement of health, poverty and education benefits. At country level **Delegations should raise the profile of gender with governments, and wherever possible maintain closer contact with other donors active in the sector to see that approaches are coordinated, and overlaps minimised.** Inequalities (racial, ethnic, religious, etc) should be treated in a similar way to gender, and projects and programmes designed to reduce tensions and conflicts, close the gap between rich and poor, and accredit benefits in a proportionate manner.

- **Implications and execution**

In addition to mainstreaming gender throughout projects and programmes, **consideration should be given to including gender as a specific activity, and investments in gender, which have dropped dramatically in recent years, should be reviewed and increased**. Where a donor, Member State, or development agency run a gender specific project, links should be established, and synergies explored. Advice and guidance should be given on how gender should be addressed in a project and programme (mainstreamed and or through a specific activity) in the context of W&S sector wide or budget support approaches. Similar arguments apply when addressing racial, ethnic, religious, etc. discrimination.

6.5 Efficiency of service delivery

6.5.1 Information and setting investment priorities

- **Recommendation**

The manner in which the EC manages data and information on the W&S sector needs revision, and procedures adapted to reflect the current situation more accurately. Definitions are confused and skew the relationship between water resources used for agriculture, water resources generally, and W&S, which account for 5%, 10%, and 60% of EC expenditure in the W&S sub-sector. Agriculture accounts for some 70% of world water usage, involves a high proportion of the population in the developing world, and has an overwhelming influence on the MGDs and WSSD targets. Conflicts between urban and city dwellers and agricultural water users are growing and confusion over sectoral terminology compounds the problem. The recording and presentation of **information on EC W&S projects and programmes currently carried out should be brought into line with more generally applied terminology and classifications**. Data should be disaggregated and presented in a form that provides a reliable picture of sectoral activities to enable planners and managers to determine investment priorities with more confidence.

Information gained from projects and programme evaluations (mid term and final) are not readily accessible or being used properly. This applies equally to planners and managers engaged on identifying and preparing the next round of projects and programmes, and managers who are running ongoing actions. The lessons of past successes, and failures, are not being learnt, with the result that the real benefits generated by evaluations are often lost. The EC need to **develop and introduce a process whereby lessons learnt from project and programme evaluations are information compatible, and are made readily assessable.** Unfortunately evaluations are too often seen as a routine activity, and not a means of gaining expert and external advice. A process has to be designed to stress the importance of evaluations, and allow the information to be used more effectively. This might be either through publishing regular thematic sectoral summaries, wider distribution of the documentation, improved procedures, or new guidelines.

- **Implications and execution**

Prioritising W&S investments, and arriving at decisions on where they should be targeted, requires an accurate and complete overview of the sector (sub sector categories, levels of

investment, regional programmes, instruments used, etc.). Without this information the setting of sectoral and investment priorities will be inefficient and disjointed. How sectors and **sub sectors are currently designated should be reorganised, and the CRIS procedures redefined to reflect more accurately W&S sector specific investments**. Consideration should also be given to designing a system capable of identifying and recording information on sub sectors within larger projects and programmes. To be successful the system will have to be simple and user friendly.

Measures should be developed to ensure that the experiences gained from past successes, and failures derived from evaluations, are readily available and built into future CSPs and the NIP to maximise the benefits of lessons learned. The **existing CSP and NIP preparation guidelines should provide practical assistance on how to mainstream past experiences into future W&S projects and programmes**. Project and programme planners, designers, and managers need advice on the best way of ensuring the lessons gained from evaluations are taken into account when preparing new W&S initiatives.

6.5.2 Management and financial systems

- **Recommendation**

Applying the EC's financial and management systems impose strains on Delegations, governments, and those charged with responsibility for project and programme implementation. They can inhibit efficient W&S service delivery, and often impose an additional management burden. At the preparation stage, in particular, the procurement procedures take too long to identify, prepare, approve, and initiate an action. As a consequence governments quite often seek support from another donor. Possibly as part of a wider administrative review the **EC's project and programme financial and management systems should be revisited and a means derived whereby the impact of incompatibilities can be minimised**. In some countries the EC's procedures run counter to national laws, and a balancing act is performed by Delegations to maintain a measure of legal equilibrium.

- **Implications and execution**

Ways should be sought to streamline and loosen the requirements imposed by the EC's financial and management systems to allow more efficient and timely project and programme implementation. It is recognised that the procedures are designed to perform many functions, and satisfy a range of diverse requirements, and any review would have to be all encompassing. Derogation has granted substantial powers to **Delegations, and perhaps a means of addressing this issue in the immediate term might be to increase their freedom to interpret, and apply the procedures** where they clash with national laws and management rules.

6.5.3 Sector and budget support

- **Recommendation**

The use of sector approaches and budget support to implement W&S programmes has proven successful in reducing implementation constraints, and service delivery appears to be much more efficient then when using other instruments. The EC should **continue,**

and expand the use of sector and budget support mechanisms to implement W&S actions. Where "basket" funding is being used through sector programmes, there are instances where member states development and sectoral priorities are not always aligned to those being promoted by the EC. The EC's **financial and management systems, via which it administers W&S sector and budget support programmes, need to be in closer harmony with those used by the recipient government**. Although the approach defined in the current guidelines is designed to ensure compatibility, practical difficulties are being clearly experienced in some situations.

The SPSP requires that priority be given to national firms, and in some countries this may exclude international firms, who have traditionally provided these services. There is a danger that a lack of experienced national technical advisors may result in governments employing firms with inadequate skills. To address this concern **the way Technical Assistance is delivered should be revisited to provide governments with the means of securing consistent, and long-term professional advice**. To ensure technical quality and sustainability, the traditional whereby international firms build capacity in national firms by mentoring partnerships must be maintained, and wherever possible strengthened.

- **Implications and execution**

Some governments are experiencing difficulties in understanding how sector and budget support funded W&S investments are being planned, and managed. In particular instances there is also financial and management incompatibility, which needs to be addressed. To respond to this concern and introduce more clarity, the **SPSP procedures should be revisited , and perhaps additional guidance provided to address current concerns.** Without prejudicing the overall aim of building national technical capacity (public and private sector), safeguards should be introduced to ensure that technical services in connection with EC funded sectoral and budget support investments are maintained at a consistently high level. The **SPSP procedures should be revisited , and the manner in which Technical Services are delivered should be redefined to allow sustainable international and national partnerships.** Advice should be provided to planners, and managers to ensure that Technical Assistance deployed under sector and budget support programmes is equitable, of a consistent high quality, and matches the needs of the recipient government. The **Strategic guidelines should be revised, and advice included on the planning, design, and management of W&S actions implemented under sector and budget support procedures, perhaps as an annex or in a specific chapter.**

6.5.4 Technology choices and levels of service

- **Recommendation**

The selection and application of technology varies widely, and there are numerous examples where levels are too low, and others where they are too high. Future EC funded W&S projects and programmes **should ensure that the choices of technology are scrutinised more carefully, and that the options selected match the technical requirements with much greater efficacy**. The choice of technology cannot be proscriptive, and should be made in collaboration with the beneficiaries, and all other stakeholders at national and local level.

Levels of service are often out of balance (either too high or too low) and beneficiaries are not given a choice that matches their need, and ability to pay. This has a major impact on efficient service delivery, especially as regards sustainability, which is always inherently weak. In consultation with the beneficiaries, **levels of service should be assessed more diligently, and more creative use made of the opportunities provided by PPPs.** This might be either through specific project or programme actions, using CBOs, or through links with parallel NGO or UN funded initiatives (i.e. WASH programme).

- **Implications and execution**

To improve the links between W&S sectoral research, development and education a **mechanism should be identified, designed, and tested to ensure that technological solutions defined by international best practice are mainstreamed into projects, and programmes.** Nothing should be ruled in or out, and each application should be viewed on its merits, tailored to the W&S sector, and address the EC's water related and development policies. Consideration should be given to marrying up EC research and education activities with the application of high (i.e. solar energy) and appropriate technology solutions (i.e. wind power). In this way stakeholders will be allowed to make informed choices as to which technology they wish to pursue.

More information and improved practical guidance should be given to project and programme planners, designers, and managers, on the opportunities offered by multi level service provision. The **Strategic guidelines should be updated to reflect current best practice in the choice of service levels and in the use of PPPs, of varying complexities, to support and strengthen efficient W&S service delivery**. Amongst other international actors, the EUWI should be used to promote and develop links between EC funded W&S initiatives and those of other stakeholders, above all the Member States.

6.5.5 Linking relief, rehabilitation and development

- **Recommendation**

Links between Delegations and ECHO offices should be strengthened. While ECHO budget lines are included in the CSP's and reflect a clear need they are not always consulted in their preparation, even in countries that are disaster prone. **Stronger links are required between the Delegations and ECHO's operations, and a set of mutually beneficial procedures needs to be prepared to address LRRD.** The urgency of identifying and promoting a range of workable LRRD synergies, should be acknowledged by all stakeholders if the smooth transition from disaster management to development is to be achieved

- **Implications and execution**

Existing experiences concerning LRRD should be evaluated, and the results integrated into a set of best practices. Where **responsibility should reside (AIDCO or ECHO) needs to be decided, and an interdepartmental workshop should be convened to raise the profile of LRRD**. In countries where disasters are prevalent, a convenient and technically proficient means should be found for including the application of the LRRD principles into the CSPs. This might include contingency planning, the development of rehabilitation models to link causes and effects (flood alleviation measures), and

formalising the relationship between the Delegations, the ECHO offices and front line operations.

The model LRRD guidelines recently produced by ECHO are designed to improve "horizontal coherence between the various EC instruments", and assist the mainstreaming of W&S initiatives into the post disaster situation. A new set of EC-implementation guidelines should translate these proposals into concrete terms, and the **Strategic guidelines would be a convenient place to locate the W&S related technical requirements**. Other "softer" gender, environmental and socio economic cross cutting issues could either be addressed in current existing AIDCO and ECHO management procedures as applicable.

6.6 Consistency, internal coherence, co-ordination and complementarity

6.6.1 Project and programme overlap and duplication

- **Recommendation**

Although most W&S sectoral and development policies are generally consistent, coherent, and complementary, particularly between Member States, there is evidence of project and programme overlap, competition for projects, indifferent communications, and often varying goals. Some UN agencies have a tendency to operate in isolation but where this occurs steps are being taken to address this constraint. **Measures should be introduced to reduce the impact of actors operating unilaterally, and a greater measure of sectoral harmony introduced**. Coordination between the EC, donors, Member States, and other actors active in the sector is generally good but could be improved and the dialogue platform strengthened.

For countries undergoing the transition towards the adoption of W&S sector and budget support development approaches, care will have to be exercised to ensure the transfer does not become disjointed, and projects and programmes do not loose momentum. An ongoing dialogue must be maintained between governments, stakeholders, and the Delegations to facilitate this process and ensure continuity, and coordinated service delivery.

- **Implications and execution**

To reduce the incidence and impacts on EC funded W&S investments caused by overlapping projects and programmes funded by other entities active in the sector, and where the EC is the key sectoral donor, **the CSPs and NIP should be expanded to include, not simply a statement of donor involvement, but actively pursue measures whereby all actors can be drawn into the planning process**. If these synergies can be identified at the CSP stage, the likelihood of parallel and uncomplimentary activities occurring, will be much more unlikely to occur. The practice of Delegations negotiating and signing formal partnerships with governments describing their respective project and programmes obligations, and responsibilities should be strengthened.

6.6.2 Linking projects and programmes to other sectoral activities

- **Recommendation**

Efforts should be intensified to develop better and more manageable links between W&S projects and programmes listed in the CSP's, with other relevant (internal) parallel donor funded (external) activities. In the interests of achieving greater complementarity, **workable synergies should be identified and pursed, and the benefits from these relationships used to greater effect in the project and programme planning, design and implementation process.** In order to achieve greater coherence, and improve coordination between EC funded W&S projects and programmes (internally and externally), existing links between the EC, Member States and other prominent elements of the international donor community should be formalised and strengthened. This can either be through ad hoc working groups or formal partnerships.

- **Implications and execution**

Recommendations concerning the use of CSPs and the NIP to promote continuity and reduce the likelihood of W&S sectoral duplication or internal overlap, also apply to external activities concerning the Member States, donors, UN family, etc. **The CSP and NIP guidelines should be revisited, and where necessary greater emphasis placed on the need for a holistic approach that meshes W&S project and programmes with allied, and parallel initiatives**. At the conceptual end of the development scale these might include education, research and development, and at the implementation end, health and gender specific actions, the promotion of good governance through capacity building, and the employment of NGO's and CBOs to address civil society issues.

The CSPs and the NIP are the logical starting point for ensuring sectoral coherence, project and programme co-ordination, and complementarity, whatever development instruments are being employed. Better use could, and should be made of established international forums, including the EUWI, and links with prominent members of the international water forum strengthened (i.e. Global Water Partnership).