

### *Thematic evaluation of the European Commission's support to Partner Countries in the Water and Sanitation Sector*

#### *Abstract*

*The study concludes that EC support to water supply was successful but less so for sanitation. Water service delivery is most effective and efficient when part of a focal sector and involvement long-term and continuous. Sustainability may not be ensured because cost recovery is weak. Impact on poverty and health seem positive, while gender received only low priority. Integrated Water Resources Management principles are incorporated and local donor coordination effective.*

#### **Subject of the evaluation**

The Commission's support to Partner Countries in the Water and Sanitation sector 1995-2004. Resource commitment 1999-2004 was close to 2 billion Euros.

#### **Purpose**

The purpose was to provide the Commission with key findings and lessons from its past and current cooperation in the Water and Sanitation sector and to provide a valuable aid for future programming.

#### **Methodology**

Based on nine evaluation questions, relating to the five DAC evaluation criteria (relevance, effectiveness, efficiency, sustainability and impact), the 3Cs (coordination, complementarity and coherence) and cross-cutting issues, the evaluation was carried out in 3 phases: (i) desk (ii) field and (iii) synthesis. A Commission-internal Reference Group helped to focus the study.

#### **Main conclusions**

- 1) 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. Although those working in development are of the view that it has a positive impact, no tangible links could be established between better W&S service delivery on the one hand, and poverty reduction and improved health on the other.
- 2) Regarding the internationally adopted principles of Integrated Water Resources Management (IWRM), EC's W&S projects and programmes are now largely conceived in line with IWRM principles. There is substantial consistency in the way these principles are being considered by the EC, EU Member States, other donors, development banks, the UN agencies, and most countries.
- 3) 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). In those conditions also the most efficient W&S service delivery is found. Such service delivery appears to be more efficient where sector approaches are applied and possible alternative solutions considered. Programme/project management is often hampered by EC's cumbersome procurement, financial and management procedures.
- 4) Cost recovery is weak in most water supply projects and programmes, which threatens short-/long-term sustainability. Investment for Operation and Maintenance (O+M) is low, and there is a lack of commitment to social service provision: when setting tariffs, the ability of poor people to pay is not always taken fully into account.

- 5) Gender performance of actions in the W&S sector is often found to be ineffectual and appearing too low on the list of priorities.
- 6) Specific data collection instruments for the W&S sector to provide the means for monitoring and evaluating project and programme performance are insufficiently available.
- 7) The transition from disaster management to development (LRRD) in the W&S sector is sub-optimal.

### **Main recommendations**

- 1) Specific W&S sectoral needs of a partner country and the potential contribution of W&S actions to reducing poverty and raising living standards, can best be mainstreamed -into the CSP and NIP- by moving towards more formal partnerships for the W&S sector between the EC and its partners. This move should also be included in the CSP preparation procedures.
- 2) Before a water supply project or programme is contemplated, the need for a sanitation component must be properly assessed, and if appropriate included. Although the IWRM principles (like proper understanding of the water resources management process, and stakeholders well equipped) are being considered, they should be *applied* more rigorously in planning/design/management of water supply schemes.
- 3) Balancing W&S policies with the inability of some in society to pay for water, and the need for sustainability through higher investments in Operation and Maintenance, and ensuring beneficiary empowerment, must be viewed as W&S sectoral priorities.
- 4) 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, special efforts should be made to ensure that Member States' development and sectoral priorities and the ones promoted by EC will be aligned. The EC's financial and management systems, via which it administers W&S sector and budget support programmes, should be closer harmonised with those used by the recipient government.
- 5) Efforts to advance gender awareness in the W&S sector, particularly at decision-making level, should be doubled.
- 6) Performance indicators (3 or 4) should be selected and mainstreamed to enable policy-makers and senior managers to assess impacts of service delivery on health and poverty. These indicators should also enable to demonstrate successes to a wider audience with more confidence.
- 7) To smoothen LRRD transitions and for internal coherence reasons, operational links between Delegation's and ECHO's actions should be strengthened, and a set of mutually beneficial procedures be prepared.

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