

Pumps, pipes and promises

Costs, finances and accountability for sustainable WASH services

Synthesis report

Introduction

More than 120 sector professionals gathered from 27 countries in The Hague to discuss and debate under the banner of the IRC Symposium 2010 – Pumps, Pipes and Promises. Over three days from 16-18 November they presented, heard and discussed almost 40 papers related to the three streams of costs, finances and accountability.

The Symposium reflected a shift in the water, sanitation and hygiene (WASH) sector towards understanding the need for much greater clarity in planning and financing services that reach people with the regularity and quality they demand; the primacy of services over infrastructure. In particular it demonstrated the need for data that can be understood and used by those who make decisions about finance, where accountability and transparency are a prism through which cost data can be revealed, shared and acted on. Some of the key questions that emerged from the Symposium are practical ones: What are the real disaggregated costs of providing services? What are the best models for financing post construction costs, especially maintenance and support costs? Which financing source should pay for what cost element?

A range of questions also emerged about how decentralised WASH services can be financed and made to work. Who does what, at what institutional levels? Who should pay for improved access to information? Where does accountability lie in decentralised service delivery – who monitors who?

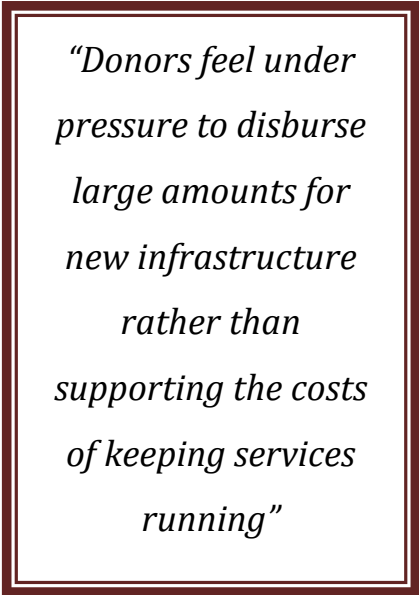
These questions encircle the arena where decision-makers make their calls and back their judgements on how to take the sector forward in the last four years of the Millennium Development Goals, and beyond. The Symposium demonstrated that issues of sustainability – holding on to what you have – are just as challenging as extending services to those who do not yet have them. In a new era of new information technologies, more openness of data alongside integrity in how it is collected, presented and used could be empowering for decision makers and for the billions of people who need effective and safe water, sanitation and hygiene to function and prosper.

The symposium represents a challenge to the sector. However, some key parts of the sector were not sufficiently represented and it will be important to have similar debates on these issues in other fora. In particular donors and governmental decision makers were under-represented, so these

messages have to be carried to them. This indicates the size of the communication challenge. However, the Symposium demonstrated a common purpose across a range of agencies in taking up this challenge.

Setting the scene

The background paper presented to the Symposium¹ puts the challenges in context, pointing out that it can still be hard to identify where WASH money comes from and where it goes over time. Financial requirements often exceed available funds, but available funds are not used cost-effectively and not accounted for properly. Donors feel under pressure to disburse large amounts for new infrastructure rather than supporting the costs of keeping services running, which is harder to sell but may have more impact. New construction is undoubtedly needed, but growing problems of 'slippage' (where service levels decline as systems breakdown or fail) reveal the lack of attention



“Donors feel under pressure to disburse large amounts for new infrastructure rather than supporting the costs of keeping services running”

paid to the issue of sustainable investment, especially in rural WASH services. Christelle Pezon, who introduced the paper at the Symposium, summarised the issues, saying: “Most worrying, I would say is that we have reached such a stage that increasing investment is not translating into proportionate increases in access to services because of inadequate funding of post-construction costs, resulting in service failure.”

The focus on the Millennium Development Goals (MDGs)² has been on systems rather than services and the closer we get to the 2015 deadline, the greater will be the pressure to achieve numbers. These pressures can also impact on accountability and transparency.

In 2008, Transparency International’s Global Corruption Report reported how corruption in the WASH sector can occur at all points along a value chain that stretches from donors and financiers, through national government and sector agencies to local governments and the service frontline. It can be argued that corruption is the symptom of weak institutions, which makes decentralised services with rudimentary structures vulnerable to opportunities for greater misuse of funds .

Decentralisation brings opportunities as well as problems, especially in terms of promoting citizens’ or consumers’ voice to strengthen the demand for accountability and to put pressure on service providers to improve their performance. The central idea is that if people are more cognisant of

their rights, and how to express these rights, then government agencies, water authorities and service providers have to be more responsive.

The aim of sector wide approaches (SWAp) is to increase aid effectiveness and to contribute to poverty reduction by addressing its structural causes. However, relatively few countries have developed a SWAp mechanism but still have multiple channels of financing and a mix of project, programme and planning and budgeting processes. SWAp and harmonization also seem to be a double-edged sword in respect to accountability, offering the potential to build a simpler system with a single plan and common fund. However, where administrations are weak, this can lead to less oversight.

The background paper outlines a number of specific issues that need addressing:

- Costs are not yet a sufficient factor in sector decision making. Planning is not linked to financing flows or to real budgets and service level targets are set in the absence of cost information.
- The number of cost studies available is increasing but there is still not sufficient detail or understanding to guide decision makers. International agencies have also found it difficult to disaggregate their own costs.
- Cost information is mainly focused on capital investment in new services, not on sustaining services through post construction support. Maintenance may be left to users, with little idea of what this involves, contributing to 'slippage'.
- The transfer of funds – a key process for successful decentralisation of WASH services - remains a challenge and the capacities of intermediate and local levels need strengthening.
- The regularity, predictability and equity of funding flows are key issues. In Africa, users contributed almost half the US\$ 4.58 billion capital expenditure in the WASH sector in the five years to 2006.
- In an era of decentralisation, accountability becomes more important but is generally weak. Strengthening institutions and addressing issues of corruption, poor governance and lack of accountability is ever more vital.

These questions were addressed against a background of a shift of focus from infrastructure development to service delivery. This implies greater and clearer information on water resources, sources of funds and 'life-cycle costs' that include all support and long-term maintenance costs. Better financing mechanisms, planning and budgeting mechanisms and regulatory frameworks for

accountability are needed, together with a greater general professionalism of the sector especially through capacity development of support functions.

The Sustainable Services at Scale (Triple S) project is promoting a new paradigm where service delivery is done at the level of entire district – not at the level of a village. Services would be more professional, and would include asset management, information management, fee collection and regulation.

Triple-S director Ton Schouten, told the IRC 2010 symposium that the life-cycle cost approach and a service delivery approach to water and sanitation services should be considered as a paradigm shift as they represent a move from uncoordinated, and unsupported system construction in some communities to coordinated planning and delivery of indefinitely sustainable services for the population of an entire district.

3

Focus on costs

One highlight of the Symposium was the first public reporting from the WASHCost project of the findings from new research on costs in four countries (Burkina Faso, Ghana, Mozambique and India (Andhra Pradesh), using the life-cycle costs approach (LCCA). Seven papers and a keynote address were presented from the project, although the analysis of the results is still at an early stage. Significantly, a number of other papers showed how there is parallel thinking in some key international organisations on these issues, as interest in trying to analyse and categorise the costs of services becomes more widespread.

Catarina Fonseca, Director of the WASHCost Project pointed out how much it costs to provide low quality water and sanitation services⁴. WASHCost research suggests that switching from boreholes with handpumps to small piped services can triple the costs of service delivery, but often leaves people with service levels somewhere between sub-standard and basic. “The cost ranges are huge for providing the same low levels of service – for water between sub-standard and basic. What we are finding is if you want to go from basic to the next stage higher up, you need a much higher investment effort, not in the capital expenditure component – but in all the other components.”

WASHCost has concluded that if costs are to make sense to policy makers, funders and communities, they have to be related to service levels, since the objective is effective and sustainable service delivery, not a database on costs.

WASHCost has proposed service ladders for water and sanitation with five levels: no service, sub-standard, basic, intermediate and high. Service-level criteria mean that it is no longer enough to count the number of water points or toilets. The technology itself is no longer the critical factor – providing safe, reliable services is all-important.

“One suggestion is that increasing expenditure on capital maintenance and direct support can decrease total costs”

Catarina Fonseca told the symposium that a divided responsibility had emerged for different types of cost, with donors only wanting to take responsibility for the capital investment that results in new infrastructure, while government and communities feel that major repairs and rehabilitation are beyond their resources.

One preliminary suggestion from WASHCost (still under analysis) is that increasing expenditure on capital maintenance and direct support can decrease total costs. For example, in Ghana it would be more cost effective to replace each US\$ 500 handpump every five to ten years, rather than to wait for them to fail and put at risk the loss to service of a US\$ 10,000 borehole.

Some villages show a 30 year history of repeated reinvestment in water infrastructure which fails within a few years and is then discarded. “This is a huge amount of money going every year into CapEx over and over and over again ... and the money that we could save is quite impressive. This is a very important message.”

WASHCost had expected to find that installing more expensive technology (piped services for example) would move people up the service ladder. But this often does not happen. Patrick Moriarty, IRC governance specialist and part of the Ghana research team, said: “We can tell you that it costs three times as much to provide a service that should be higher, but in practice it costs three times as much to provide a very similar level of service. You don’t see any difference really in service levels for all that extra money.”

The key messages for relationship between costs and service levels are:

- More expensive technology (mini-medium piped systems) often provides the same (low) level of service as cheaper technology (boreholes with handpumps).
- It often costs a lot of money to provide a low level of service

- To take services above “limited” or “basic” levels means paying attention to accessibility, reliability, quality, etc.
- More could be done with what we have now
- Changes needed for the MDGs and beyond require more than pumping extra money into capital expenditure

Costs vary between countries and regions – but annualised costs per capita show surprisingly low costs for water and surprisingly high costs for sanitation, when household expenditure is taken into account. For boreholes and handpumps annualised costs are US\$ 2 per capita in Mozambique and US\$ 4 in Ghana, rising to US\$ 12-22 for small town systems. In Andhra Pradesh where new guidelines for water have resulted in major new investments, the annualised costs are as high as US\$ 132 per capita.

- In Ghana, the annual water costs per capita rise threefold when moving from point sources to piped systems
- In Mozambique upgrading water point services to piped systems will cost up to 10 times more per person per year when all costs are taken into account

Most sanitation costs in rural and peri-urban areas are borne by households and when these are taken into account, the per capita costs are actually seen to be higher than those for water. State expenditure on capital maintenance, operation and maintenance, and direct and indirect support costs for sanitation is minimal in all four research countries.

Defining service levels allows for meaningful in-country discussions on the reality of services delivered against country norms and guidelines. Cost data can be used for planning but is context specific. The methodology developed by WASHCost for collecting this data is published online and will be used to develop training packages. It can be contextualised – and partners in countries and other international organisations are beginning to pilot and test the methodology. One of the medium term goals is to have a public cost database developed by organisations in the sector, including WSP and WHO as well as IRC/WASHCost.

Mark Tiele Westra, editor of Akvopedia, said: “This must be some of the most interesting data on WASH costs that I have ever seen. I am pretty sure that this also represents need-to-know information for everyone working in the water sector.” He challenged WASHCost to develop a communication strategy “to ensure that everybody hears about this”.

The high level of support needed to keep community services running in rural areas was underlined by detailed figures from two municipalities in South Africa where the costs for technical support represented between a half and two thirds of the total operational costs for water services – and where repairs to pumps were often beyond the capacity of village based CBOs.

Guy Hutton, senior economist with World Bank Water and Sanitation Program (WSP), said: “I think this is really exciting to have such detailed cost data and also in a new framework of conceptualisation.” However, methods were also needed to move from costing existing (imperfect) services to estimating what would be needed for ‘ideal’ services that sustain high service levels.

The Hon. Vishwarup Pinipe, Minister of Rural Water Supplies and Sanitation in the Indian State of Andhra Pradesh emphasised the need to revise costing methodologies for rural water and sanitation.

During his keynote address, the Minister read out with approval the WASHCost (India) statement – *“In spite of high investments by government, WASH services are unsustainable as the infrastructure fails to meet the expectations due to lack of investments on operation and maintenance, low level of community participation, etc. The WASH sector is under invested and investments are ad-hoc, leading to unsustainable and inequitable WASH services”*.

Mr Pinipe said that he hoped that the new Government of India rural drinking water programme guidelines and research projects such as WASHCost would help the country to address critical concerns about estimating real and total costs of WASH services.

The Government of India provides 22 Rs billion (US\$ 481 million) each year for the rural WASH sector, and 98% of habitations are covered under ‘safe drinking water schemes’, with 3.7 million hand pumps and 137,000 piped water supply schemes.

Finance – who pays for what and where does it come from

All finance comes from taxes, tariffs or transfers (such as overseas development assistance - ODA) but there is little agreement at international or national level about who should pay for what. However, keynote speaker, David Hall, Director of the Public Services International Research Unit, at Greenwich, UK, argued that the main provider of finance is and will continue to be the Governments of developing countries themselves, at least for drinking water.

The latest data from the Joint Monitoring Programme⁶ showed that “not only will the Millennium Development Goals [for drinking water] be achieved, they will be over-achieved.”

David Hall presented a paper (Hall and Lobina 2010⁷) which said that the model of private sector investment in water services was broken. “It is now generally agreed that this experiment has failed to generate significant amounts of provide investment, and that there has been almost universal public resistance to private companies.”

In Africa, two thirds of the US\$ 45 billion a year being spent on infrastructure (for all sectors) is paid for by Africans, while in India more than 90% of the water and sanitation plan for 2007-2012 is being financed by central and state and national financial institutions with only 8% coming from aid and only 1.5% from the private sector.

Two-thirds of the increase in coverage in developing countries is through household connections, which have the biggest positive impact on health. “In the last 20 years in developing countries, 1.2 billion people have been connected to household drinking water supplies, equivalent to the entire populations of north America and Europe and Japan and a bit more.”

The public perception was that overseas aid was critical in expanding water and sanitation services, and that little had been achieved. But this view of an immense spending gap that still had to be filled was dangerously misleading. “What we have got here is a picture of quite extraordinary infrastructure achievement in the water sector in developing countries.”

David Hall acknowledged that Governments tend to focus on urban populations while donors tend to focus on rural populations and this may explain some of the mismatch in perceptions. One

“Two thirds of the increase in coverage in developing countries is through household connections, which have the biggest positive impact on health”

obvious question that arose was whether the Joint Monitoring Programme (JMP) figures represent the true position of unofficial peri-urban populations.

Hall called for a reassessment of the role of the state in developing countries, which for the past 25 years has been seen “as a source of problematic inefficiency, corruption, obstruction of private enterprise etc.” The time had come to change that perception, he said, particularly in view of well-established social democratic governments in India and in South America with a pro-public sector agenda. “We need to acknowledge that the state through the public finance mechanism in particular has a core central role to play here and more of our discussion should focus on that.”

“Donors should stop encouraging countries to try and finance development of sewerage systems through cost recovery from users, and stop encouraging countries to believe that the private sector will make any significant contribution to investment in sanitation. They should instead help countries to build the taxation capacity needed to finance this investment and focus aid on the countries in greatest need of assistance, in particular low income African countries.”

Papers and presentations on finance then addressed significant and interesting areas for discussion.

UNICEF⁸ has been looking at the different approaches in the water sector, compared with health and education, to try to devise some principles for what it is appropriate for user fees to cover, especially given the fact that primary education is often free, and that increasingly the health sector has moved away from charging for elements such as bednets and vaccines. UNICEF distinguishes between private goods – best dealt with through the normal mechanisms of the market – and public goods, where the market may fail and the government may regulate, subsidise or set prices. ‘Merit goods’ are those like education, which are important to society and to Governments, but may be less appreciated by the consumer at the time, and may therefore be subsidised or free. Governments have to choose which merit goods to support and generally prefer to fund high-impact, low cost-interventions, especially those for which it is more difficult to find alternative sources of funding.

One suggestion put forward from this discussion was that, since experiences with subsidies for sanitation had been largely negative, it may be better for governments to boost the incomes of the poor so that they can then afford to pay for services rather than offer the services for free.

These questions about what it is appropriate for users to pay for directly and what should be funded out of taxation or aid reflect the questions about identifying post construction costs and responsibility for meeting them.

One area of specific concern is the failure of community management to provide a mechanism to save money to deal with substantial maintenance. In his closing synthesis report, Patrick Moriarty

from IRC said that communities could not be expected to keep reserves for larger scale repairs and capital maintenance unaided. Alternative mechanisms, such as some form of mutualisation, are needed to spread the risks.

Sophie Tremolet⁹ compared public finance efforts for sanitation in three countries over recent history. Four decades ago Thailand's political leadership chose to allocate relatively little funding to sanitation infrastructure but concentrated available financing on training local health officers, village leaders and volunteers to conduct activities such as demand promotion and monitoring and evaluation. Although policy instruments have varied over the years, the ultimate result was that Thailand achieved dramatic increases in rural sanitation, from very low coverage to universal coverage in about four decades. An interesting aspect of the Thai approach is that they focused on the most capable, comparatively richer villages and households first, expecting them to act as leaders for replication in less advanced villages. This worked initially, but for the final efforts hardware subsidies were allocated to the remaining poorest villages to reach universal coverage.

This approach seemed to be more successful than more traditional approaches in rural Bihar (India) under the Total Sanitation Campaign and in Dar es Salaam (Tanzania).

In Zorgho, Burkina Faso¹⁰, funding for building and developing drinking water supplies has come (in decreasing order of importance) from development aid, state budget, internal funds and users' contributions. A study of this process suggests that the involvement of local government improved the effectiveness of interventions and that financial flows need to be directed to local levels. A development fund at system level proved to be a dynamic tool for increasing financial sustainability, which became one of the few semi-urban schemes in Burkina Faso where water revenue cover operations, maintenance, customer management and amortisation.

Suggestions to improve the delivery of public finance for sanitation included the following:

- (i) Allocating public funding to support the underlying support structure for the sector;
- (ii) Strengthening service providers and invest in rationalising the sector;
- (iii) Targeting funds available for hardware more effectively;
- (iv) Adapting strategy over time in order to reflect changes in the sector and overall environment.

Accountability

The accountability theme attracted a wide range of papers with a variety of approaches, focused on increasing what has become known as TAP - transparency, accountability and participation.

Dr Iftekhar Zaman, Executive Director of Transparency International, Bangladesh, had been due to make the keynote address at the IRC 2010 Symposium *Pumps Pipes and Promises*, in the Hague on 18 November. He was prevented from travelling after breaking his leg. In the paper¹¹ he prepared for the symposium, he pointed out that corruption, defined as abuse of power for private gain, is a key impediment to development and democratic institutionalisation. It weakens the institutions of democracy and the national integrity system. It prevents rule of law, erodes public trust in government, and breeds injustice. By distorting the political and economic structures and weakening the social fabric, the worst forms of corruption can also be a potential source of insecurity of the state. Corruption is increasingly linked to violation of human rights and spread of the culture of impunity.

While corruption affects everyone, the poor are more vulnerable especially because they are easy victims of bribery, extortion and intimidation. Corruption affects the poor directly, through increasing the cost of key public services targeted to them, lowering quality of such services and limiting access to essential services. Indirect implications of corruption on the poor include diverting Government resources away from the social sectors and by limiting growth and development, thus reducing the scope for poverty reduction.

Dr Zaman pays tribute to the success of Bangladesh in two decades of steady economic growth which saw a substantial increase in its Human Development Index rating, poverty levels that have declined by a third and child mortality down by more than a third. But much more should have been possible. "It can hardly be disputed that Bangladesh's performance could have been much better if not for the pervasive corruption and persistent deficit in promoting good governance." Dr Zaman described the water sector as "plagued by corruption and failures of integrity" including bribery, abuse of power, negligence of duty, asset stripping, extortion, fraud and misusing influence.

Kathy Shordt, from the Water Integrity Network (WIN), speaking on behalf of Dr Zaman, paid tribute to the 3,000 volunteers who have been mobilised in Bangladesh to improve transparency, working

*The water sector is
"plagued by
corruption and
failures of integrity"
including bribery,
abuse of power,
negligence of duty,
asset stripping,
extortion, fraud and
misusing influence."*

through 'Concerned Citizens Committees'. Their tools include citizens' report cards, open budgets, face the public sessions and the building of a consensus for an Integrity Pledge or pact.

Shordt contrasted the high level of debate and discussion in Bangladesh with the situation in Western Europe, where corruption is hardly mentioned in public discourse. "The bottom line is that we must all come to detest corruption – that is the key element in combatting it. I think we all know that a demand from the people must be loudly and consistently voiced and sustained."

A.J. James¹² pointed out that people often focus on bribery at the consumer level rather than the systematic corruption that occurs when money is siphoned from development budgets and paid to those within the system. In many cases such "percentage" payments are hardly even regarded as corruption, but more like a service charge. Such endemic forms of corruption are the most difficult to tackle. In India some effective measures have been taken: notably the right to public interest litigation, annual audits of government departments and the Right to Information Act, used by social activists and NGOs to access information on government expenditures. Routing funds directly to Village Water and Sanitation Committees has also been a way of bypassing corruption.

In Andhra Pradesh¹³, WASHCost has some preliminary results that suggest that where relevant transparency, accountability and participation systems are in place there is a higher level of WASH service delivery.

In discussion, barriers to including corruption in WASH discourse and activities were identified as:

- the pervasiveness of corruption in society
- the role of norms and practices in contributing to (or strengthening) corruption, and
- 'corruption' as a sensitive subject that may limit opportunities for partnership building

There was a consensus that corruption needs to be tackled proactively wherever it occurs through measures to improve transparency and accountability and through effective (and transparent) regulation.

The Water Integrity Network (WIN) has developed the annotated water integrity scan (AWIS)¹⁴ for a quick assessment of levels of integrity in the water sector and for taking steps for improvement, building coalitions for integrity based on expert evidence and creating dialogue. This has been tested in a number of countries and despite some concerns about definitions and the constraints of the need for facilitation, seems a promising approach. In Honduras, the main governmental agency that provides support and financing for rural water (FHIS), addresses corruption risks during project planning, discussing how to prevent it through appropriate monitoring etc.

Questions for debate

From the symposium came a number of issues which require a wider debate in the sector:

- There are questions about the appropriate level for different functions as well as how to mainstream or scale up financing. Should financing mechanisms be managed from district, regional or national levels?
- How is it possible to resolve the rural-urban divide, given the differences in funding, outcomes and costs? Should there be similar approaches to such things as benchmarking and asset management?
- How can mainstream actors and programmes be encouraged to be more open about their non-infrastructure costs – particularly support costs? There is evidence that some fear they will be exposed to criticism if they show the extent of these costs. However, particularly in rural areas, communities need such support.
- New technologies are emerging quickly to address operational tasks such as helping in transfer of money (Mpesa mobile phone banking in Kenya), reporting on status of water points (mWater in Senegal) and helping to improve accountability and transparency through waterpoint mapping (WaterAid) and FLOW (Water for People). New technologies can give a direct voice to users and hold promise for revolutionising accountability. Does it aid service delivery and decentralisation? Will it bring greater equity or create a new group of excluded populations?
- Accountability issues have been largely left to the political process to address. How does the WASH sector improve communication to underline these issues as something we all need to address in day to day work, outside as well as inside the sector?
- How can corruption be addressed before and during institutional reforms such as decentralisation and Sector Wide Approaches (SWAps)? Who should cover the costs?

“How can corruption be addressed before and during institutional reforms such as decentralisation and Sector Wide Approaches (SWAps)”

Conclusions

Summing up three days of discussion in his synthesis address, Patrick Moriarty¹⁵ of IRC wondered whether it would not have been more appropriate to call the symposium Pumps, Pipes and *Broken* Promises, since much of the evidence had been about water, sanitation and hygiene services not being delivered, not being sustainable and not being equitable.

Costs

The life-cycle costs approach had been validated, with an increased understanding that costs for services are at least as important as costs for technology.

Data is scattered and difficult to find, with capital maintenance and direct support costs the least understood and most neglected.

For water the total costs per capita are in the range \$4 -\$40 per annum, but this does not guarantee an acceptable service.

Guy Hutton from WSP in summing up some of the discussion on costs stressed the importance of being able to talk to decision makers, which meant moving away from the usual research message “It is very complicated”, to presenting pros and cons in a way that helped people to make choices and take decisions. It was also important to present positive (not only negative) messages. Guidelines and tools are therefore needed to spread good practice on collecting and understanding costs and to make data understandable by non-economists.

16

Financing

On finance, the real challenge is to decide what (from taxes, tariffs and transfers) pays for what.

Public finance is the most important but in the least developed countries aid is still vital.

Maintenance costs cannot be met from communities.

Accountability

Corruption is everywhere a corrosive, expensive and destructive phenomenon that requires proactive and preventative action. Corruption is about systems as much as it is about individual morals. Accountability, transparency, integrity are all essential to effective service delivery, and without them improved access to (cost) information is unlikely to lead to improved outcomes.

Moreover, greater transparency does seem to lead to improved services.

Solutions exist inside the sector, where some of the tools being put into effect have promising results. However, broader solutions go much wider than the sector, embracing issues of democracy, accountability and the rule of law.

The time to strengthen accountability etc. is at the start of institutional reform (e.g. SWAp, decentralisation etc.)

A call to action

Moriarty concluded that knowing the costs of different service levels and matching them with different financing streams is the first step to achieving sustainability, but costs data are not sufficient on their own. Progress also requires good (enough) governance and good (enough) management.

Cost effectiveness in the WASH sector may be best measured in terms of service delivered and it is also vital to gain a greater understanding of the relative importance – and relationships between – corruption, poor management, poor governance, and lack of access to information etc.

Monitoring services provided and holding providers responsible is more important than simply monitoring hardware. This requires more freedom of information.

The unresolved questions are essentially practical ones. What are the models for financing post construction costs? How do we finance CapManEx and Direct Support Costs? What is the magnitude of the (normative) post-construction elements of cost needed for a sustainable good quality service?

There are unresolved questions about which financing source should pay for what cost element and who should pay for improved access to information.

- In broader terms how can decentralised WASH services be financed and made to work?
- Who does (and spends) what – at what institutional levels – fulfilling what functions?
- Where does accountability lie in decentralised service delivery – who monitors whom?

This amounts to a call to action since these questions must be asked and answered in each country.

There is also a need to communicate on costs and services inside and outside the sector and to develop and document approaches and tools for life-cycle costing, monitoring costs and service delivery, and accountability.

Report by Peter McIntyre

-
- ¹ Pezon, C., Fonseca, F., & Butterworth, J., 2010. *Background Paper: Costs, Finances and Accountability for Sustainable WASH services in IRC Pumps, Pipes and Promises* collected papers. Accessible at http://www.irc.nl/02_background_paper_zw2
- ² Transparency International *Global Corruption Report 2008: Corruption in the Water Sector*. Accessible at http://www.transparency.org/publications/gcr/gcr_2008
- ³ *Paradigm shift or business as usual?* by Ton Schouten, accessible at <http://www.irc.nl/page/57942>
- ⁴ See Keynote presentation at <http://www.irc.nl/page/57942> and a fuller report at <http://www.irc.nl/page/57776>. General information about WASHCost and the methodology can be found at <http://www.washcost.info>. Individual papers from the WASHCost project can be found at <http://www.irc.nl/page/51749>
- ⁵ See report on the Minister's speech at <http://www.irc.nl/page/57896>
- ⁶ The Joint Monitoring Programme of UNICEF and the World Health Organization is responsible for monitoring the water and sanitation targets in the Millennium Development Goals. <http://www.wssinfo.org/>
- ⁷ David Hall, D. & Lobina, E. 2010. *The past, present and future of finance for investment in water systems*. Paper presented at IRC Conference 2010. Accessible at <http://www.irc.nl/page/5794>
- ⁸ Paul Edwards' paper, *Reducing financial barrier to accessing WASH services*, and the accompanying PowerPoint presentation are available online at the IRC symposium site at <http://www.irc.nl/page/55870>
- ⁹ Sophie Trémolet, *Effective public finance for household sanitation: a study for WaterAid*, Abstract and presentation accessible at <http://www.irc.nl/page/55947>
- ¹⁰ *The financial sustainability of drinking water services: the case of Zorgho, Burkina Faso* by Denis Zoungrana is accessible at <http://www.irc.nl/page/55893>
- ¹¹ Dr Iftekhar Zaman's paper – *Integrity Pledge: Fight corruption through social accountability*, is accessible through the IRC Symposium site <http://www.irc.nl/page/51716>
- ¹² *Challenging the 'Percentage System'- Tackling systematic corruption through improved transparency and accountability in India* by AJ. James is accessible at <http://www.irc.nl/page/55943>
- ¹³ *Can WASH services be improved by TAPping? Insights from WASHCost (India) Project* by M V Ramachandrudu, and M Snehalatha. Accessible at <http://www.irc.nl/page/55937>
- ¹⁴ *Exploring the integrity challenge in the water sector* by Jan Teun Visscher, Tuen Bastemeijer and John Butterworth. Accessible at <http://www.irc.nl/page/55946>
- ¹⁵ See *Pumps, pipes and broken promises: preliminary synthesis* by Patrick Moriarty is accessible at <http://www.irc.nl/page/57942>
- ¹⁶ *Costs for decision making: some thought provokers* by Guy Hutton accessible at <http://www.irc.nl/page/57942>

Annex 1

Symposium evaluation

Alana Potter, one of the conference organisers who also facilitated the main sessions, was excited by the process and the outcomes. “We are starting to see the synthesis of three critical ideas in terms of costs, accountability and financing, which are often seen as particular disciplines in themselves. We are starting to see more interdisciplinary sharing and the synergies starting to emerge between those three content areas.

“People have contributed their expertise from distinct areas of research and practical experience. It gives us the opportunity to look at the cross cutting issues within the context of sector wide approaches, decentralisation and general institutional reforms in various countries across the world.

“I think a lot of findings coming out of WASHCost with respect to the kinds of investments households are making in water and sanitation improvement but also in hygiene, show that these are orders of magnitude higher in terms of capita payments than the public sector investment in hygiene improvement. Finding out how many people in poor countries across the world are investing huge amounts of money, effort and time in improving their lives is I think interesting for people outside the sector to know.”

There was an active process of monitoring how participants were benefiting (or not) from the Symposium, that involved phone based, web based and paper based surveys. A summary by Kristof Bostoen¹⁷ concludes that overall participants were very pleased with the symposium and agreed that the quality of the content was high and relevant to the sector.

There were calls for some of the main presentations to be made available on the web as videos (this is being done). One respondent said “some of the contributions are brilliant and some are less good.”

Not everybody considered the information always directly applicable and this may be related to the high representation from NGOs. Indeed, a recurring remark by participants was that a lot of sector actors who should hear the messages were under-represented. Governmental (particular from low

“Finding out how many people in poor countries across the world are investing huge amounts of money, effort and time in improving their lives is I think interesting for people outside the sector to know.”

income countries), policy and financial organisations together only represented a quarter of the participants. There was also a comment that the private sector was under-represented.

One participant stated although s/he had embraced the concepts of life-cycle costs and the total cost of ownership, these concepts were new to his/her organisation and would require some “re-engineering” to be assimilated. There was however another response that there were “little new ideas” within the symposium.

“This was the most worthwhile ‘learning’ event I have participated in since joining the WASH sector almost 10 years ago.”

Opportunities for engaging in discussion, sharing information and networking were mainly considered to be good, although a few found the potential for networking to be very poor.

The time for discussion on presentations was limited and sometimes felt to be not enough. One participant noted that when the discussions are interesting the time for discussion is never enough! Another participant noted that the discussions were principally among likeminded friends which “is great” but reduced the level of criticism that might have ignited the discussion.

One third of the participants took part in the symposium because they were asked to (by IRC or their own organisation); the other two thirds had opted to attend themselves. The data showed no significant differences in the experiences of each group, except that some people who wanted to participate were dis-satisfied with the registration process.

In general the communication about and during the Symposium was well received. Two thirds of respondents said they would definitely recommend an IRC symposium to others based on the experience of this one, and another quarter said they would probably do so. Only three out of 36 respondents were less enthusiastic than this.

General remarks included “really nice symposium” and “glad I attended”. Others said “Congratulation on a job well done” and “Overall interesting and enjoyable”. One participant emailed afterwards to say: “I wanted to thank you and your colleagues for such a worthwhile three days. For myself, this was the most worthwhile ‘learning’ event I have participated in since joining the WASH sector almost 10 years ago.”

There was particular praise for the quality of the facilitation “really, really good” with one remark: “Facilitation is fantastic in particular the way the facilitators know their audiences and their field so

they can engage with the speakers and the audience. These skills are also used to get other perspectives from the audience which makes the whole perspective very engaging.”

However, there was also one comment from someone who felt a disconnect between the speakers and the discussion and in particular a lack of focus on how to move forward.

For the actual functioning of the Symposium, there was praise including the remarks “great time keeping”, “fab venue” and “loved the interactivity & encouragement to engage”. If there was a criticism, it was the lunch which one considered “too Dutch” and another felt should never include pork meat which is unacceptable to some.

Amongst particular suggestions for next time were pictures of participants up on the wall, to help to know who is who, and larger name tabs.

There was a comment by more than one participant that the next Symposium should not be held in The Hague, but in a developing country.

One respondent took issue with the way some of the questions were asked, but their comment could be taken as a summary message from the Symposium to the sector and to policy makers and donors and regulators. It would apply equally to costs, financing and to issues of accountability. The comment was simply: “Don’t know is not a valid answer.”

¹⁷ Brief analysis of the survey regarding the 2010 IRC Symposium survey, Kristof Bostoen