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**Improving
Services
for the Poor**

A Program

Strategy

for the 1990s



World Bank
Water and Sanitation
Program

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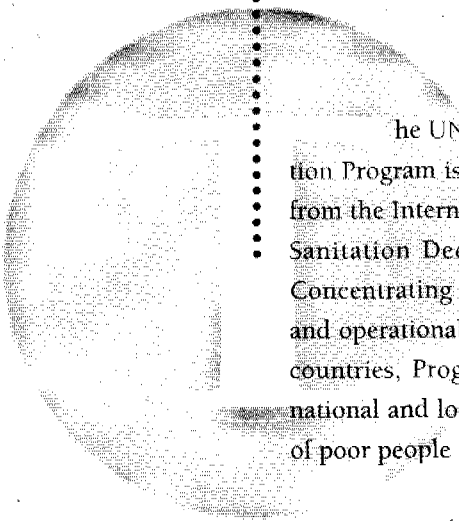
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Foreword



The UNDP-World Bank Water and Sanitation Program is a collaborative initiative emerging from the International Drinking Water Supply and Sanitation Decade (the Decade) of the 1980s. Concentrating work on a dozen focus countries and operational in more than 30 other developing countries, Program activities serve to strengthen national and local efforts for improving the access of poor people to safe water and sanitation.

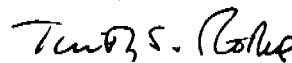
To carry out this work, the Program relies on the expertise of a global network of staff stationed in four Regional Water and Sanitation Groups (RWSGs) and within country-level projects. This field team is backed by a management group in the World Bank's Water and Sanitation Division (INUWS) in Washington, D.C. The Program also has the active support of the INUWS Policy Unit, established in 1990 to identify key issues in the water and sanitation sector — especially organizational and institutional issues in service delivery — and to undertake policy, research, and operational support work to help resolve them. Close integration of the Policy Unit work plan with that of the Program provides additional capacity to meet strategic objectives.

This structure, with its combination of field operations and applied research, allows the Program and its government and donor agency partners to test and evaluate innovative approaches applied in large-scale investment programs in the developing world. The decentralized RWSG structure also allows for flexibility and prompt responses to changing circumstances, while encouraging interaction and collaboration among donors at the country and regional level.

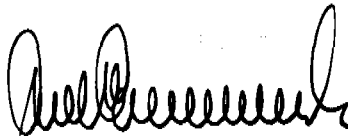
The Program's current annual budget is approximately US\$13 million. This is projected to grow modestly over the coming five years. Program resources are presently provided by the Division for Global and Interregional Programmes (DGIP) and Regional Bureaux of the United Nations Development Programme (UNDP), by nine bilateral donor agencies, and by the World Bank.

Drawing on more than a decade of experience in the developing world, the Program today is playing a catalytic role in improving sector investments and national policies to better serve the poor in the 1990s.

Program efforts currently focus on supporting sustainable investments through systematic learning; building national and local capacities; and disseminating sector lessons and knowledge, as detailed in this Strategy Statement.



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Improving Services for the Poor in the 1990s

Safe drinking water and sanitation are requirements for improved health and quality of life, for economic development, and for a sustainable environment. But well over a billion people — primarily the poor in the slums and villages of the developing world — live without these basic services. The social and environmental costs are enormous.

Millions of people, mainly children, die every year from water-related diseases. The poor suffer in ill health, in time spent collecting water, in lost wages, and often in high prices paid for inferior services. Improperly managed garbage and human wastes are contaminating neighborhoods and water resources in the developing world, inflating the costs of water supplies and again hurting the poor. Burgeoning cities with inadequate water and sanitation services have unhealthy citizens and a polluted environment, undermining their potential for sustainable development.

Since the launching of the Water and Sanitation Decade in 1980, the global community has made unprecedented progress in addressing these challenges. When the Decade drew to a close at the end of 1990, more than one billion people in the developing world had gained access to safe drinking water for the first time in their lives. And 750 million had been provided with improved sanitation facilities.

By the beginning of the 1990s, nearly \$10 billion was being invested each year in the water and sanitation sector, the majority of which, some \$7 billion, was invested by developing countries. The remainder, nearly \$3 billion, was provided by external support agencies. Despite these sizable commitments, the overall rate of service expansion barely kept pace with population growth. In many developing countries there are more unserved people than ever.

The experiences of the Decade have shown that improving the access of the poor to sustainable services is difficult and complex — a process often requiring changes in the behavior of many participants, both in-country and among external support agencies. Experience also demonstrates that no fixed formula works in all places. Within the concerned development community — among governments, donor institutions, and NGOs — there is growing awareness that the results of many sector development activities can be significantly improved. This has led to a broad consensus that change is needed in the sector, and an increasing willingness to explore new institutional, technological, and managerial options.

During the New Delhi “Global Consultation on Safe Water and Sanitation” a consensus was reached on priorities for sector development in the 1990s. Follow-up global forums held in Delft, Dublin, and Brussels have helped to consolidate directions and strategies concerning sector capacity building, water resources and the environment, and management of utilities. The consensus on sector strategies has been further endorsed by the World Bank’s 1992 *World Development Report* on environment and development and by UNDP’s

EXPERIENCE

DEMONSTRATES

THAT NO FIXED

FORMULA WORKS

IN ALL PLACES.

1992 *Human Development Report*. Greater priority for the sector, finally, was an important outcome of the 1992 International Conference on Environment and Development in Rio de Janeiro.

Improving the access of poor people to safe water and sanitation on a sustainable basis will require more effective utilization of limited investment resources in the 1990s. It will require an active search for better approaches to enhance services. This will involve expanding both technological and service delivery options to tailor choices to the demands of people. It will require governments to rethink their roles and the role of the private sector. It means more purposeful investments in human resources and capacity-building initiatives. And it means strengthening informal and formal institutions at the country level, which can ensure the sustainability of improved infrastructure.

Meeting these challenges will require the strategic application of resources for innovation — for rethinking the approaches that have been tried in the past, for testing new operational options, for analyzing systematically what works and what doesn't, and for sharing the lessons of experience broadly. Much has been learned over the past decade about adopting low-cost technologies, developing human resources, and promoting popular participation in projects. But operational experience also shows how much remains to be learned about how to meet people's demands for services in an efficient and sustainable manner.

Following the comprehensive assessment of the Program in 1990-91, an intensive review has been under way to define priorities for Program work in the 1990s, and pursue opportunities for new solutions, maximizing the use of available resources.

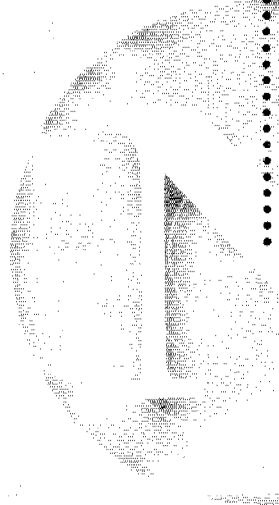




The goal of the Program in the 1990s remains unchanged — to assist developing countries in improving poor people's access to sustainable services. By acting as a catalyst in bringing innovative approaches into the mainstream of sector development, the Program aims to attain this objective on a large scale. This process will require concerted efforts to learn systematically from ongoing activities. At the same time, implementation must be characterized by openness, flexibility, and cooperation.

The costs of national capacity building, institutional reform, and innovation in service delivery are substantial. But the potential returns — sustainable services for the poor, public health improvements, and a better environment — far outweigh the costs. The Program's approach in the 1990s remains founded on the principle that investing in people and the institutions that can serve them is the soundest commitment that can be made for future generations.

Program Strategy for the 1990s



ew economic and developmental realities in the 1990s present challenges and opportunities for the UNDP-World Bank Program. Increasing demands for better environmental management and an intensified search for effective solutions to poverty are combining to place the water and sanitation sector higher on the global development agenda. The growing impetus for change within the sector, moreover, presents an opportunity for the Program to be entrepreneurial and to build on its strengths — its global network, bank of expertise, analytical capabilities, and responsiveness to its collaborating partners. The magnitude of the water and sanitation problems in the developing world, finally, calls for large-scale solutions.

**THE MAGNITUDE
OF THE WATER
AND SANITATION
PROBLEMS IN THE
DEVELOPING
WORLD CALLS
FOR LARGE-SCALE
SOLUTIONS.**

In the coming years, the Program will focus on improving the process through which large-scale sector development initiatives are formulated and implemented — helping to build a systematic learning process into water and sanitation programs, including those supported by the World Bank and other multilaterals, the bilaterals, and other agencies active in the sector. To achieve this, the Program will concentrate on building concrete working partnerships with governments, donor agencies, NGOs, and other institutions in a group of focus countries. At the same time, it will place special emphasis on helping countries to build the capacity to incorporate effective approaches into new large-scale initiatives.

During the next five years the Program expects to have core funds equivalent to those of the past five years. Activities will need to be focused and targeted on opportunities where the Program's involvement is likely to make a difference. Program experience has shown that activities linked to large-scale operations in countries with supportive enabling environments are more likely to

have a substantial impact. Thus, at least 60% of core Program resources will be devoted to countries that actively seek to undertake sector investments in a learning and capacity-building context. Working in this manner is resource intensive, thus the number of these countries may be only six to ten at any one time.

The Program will also provide limited assistance on a selective basis in other countries requesting assistance. Where there is promise of movement toward developing large-scale investment, for establishing a learning process, or for utilizing lessons learned elsewhere, the Program will provide targeted assistance. In these cases there must also be an external agency partner such as UNDP, a development bank, or a bilateral willing to work with the Program.

This updated strategy statement addresses prime challenges in the sector in the 1990s through three interrelated Program initiatives: supporting sustainable investments, building national capacities, and disseminating lessons and knowledge.

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Supporting Sustainable Investments

The Program is making a concerted effort to introduce, test, monitor, and adapt various institutional, technological, and service delivery options in the design and implementation of large-scale projects. These are primarily funded through external support agencies, and the approach requires close collaboration with the Program's partners. Lessons learned during

BOX 1

Structured Learning: Brazil's PROSANEAR Project

Brazil is one of the most sophisticated developing countries in terms of employing a wide range of technologies and service delivery approaches for periurban sanitation. Despite such extensive experience, Brazilian officials knew they could not simply "scale-up" using a single proven technology or delivery mode. Instead they are using the \$200 million World Bank-financed water supply and waste disposal project, PROSANEAR, as an experimental program to test alternatives systematically. An initial technical assistance component managed by Brazilians and assisted by INUWS has been designed to monitor the effectiveness of, and systematically learn from, a variety of sanitation technologies and service delivery mechanisms, and to develop guidelines for project implementation and feedback.

The diverse range of subprojects carried out by PROSANEAR provides an opportunity for further testing of a range of technologies. A monitoring exercise is documenting types of technology and design criteria, cost estimates, selection basis, and requirements for operation and maintenance. INUWS participation is also facilitating evaluation of alternative service delivery options, including the potential for service contracts with the private sector and for community management and participation. The Brazilian technical assistance unit is carefully documenting the performance of sanitation technologies and institutional arrangements in various locations throughout Brazil. By the conclusion of the technical assistance component of PROSANEAR, Brazil will have:

- Objective documentation of the performance of periurban sanitation experiences, and an assessment of why they were successful or unsuccessful;

- Experience with a range of sanitation technologies and delivery mechanisms;

- The informational basis for planning additional large-scale investments employing a range of technologies and delivery systems molded to local needs and conditions; and

- Increased capacity and experience at various levels -- national government, state water companies, municipalities, NGOs, and communities -- in testing approaches, monitoring their experience, and adapting these to fit their requirements.

INUWS participation will ensure that documented lessons from this project experience will be widely available for others undertaking projects to improve periurban sanitation.

implementation about what works and why will be used to modify the project to select the most effective options and to improve similar projects. The extensive participation of local individuals and groups in adaptive learning and implementation will facilitate capacity building and will help in identifying additional capacity-building requirements. In addition, the opportunity will be used to document the lessons learned for wide dissemination to other countries and donor agencies facing similar challenges.

To get the most from this approach, the Program will concentrate its resources in those countries and projects where vital issues can be addressed, and where sustainable service expansion on a large scale has the best chance of being achieved. This will broaden the range of documented successful service delivery approaches that are sustainable (See Box #1). Similarly, field testing of a broad range of promising technologies will guide the choice of technology support activities and suggest additional alternatives.

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Building National and Local Capacities

Capacity building is a complex process involving policies, institutions, and people. At the policy level, capacity building means improving the "rules" governing the sector, as well as the regulations and practices that define the "enabling environment" within which sector development occurs. Investments and other sector development efforts will not be sustained unless the enabling environment is supportive. When it is, institutions and people have room to learn, grow, and

change. Capacity building also means enhancing the performance, variety, and numbers of organizations active in the sector, and strengthening human resources throughout the sector. A cornerstone of capacity building is the involvement of national institutions in the process of learning and adaptation (See Box #2).

The Program undertakes capacity-building activities in many cases to help create a climate for large-scale investment:

- Assisting governments and in-country agencies in policy, strategy, program, and large-scale project design;
- Developing country training networks of governmental, educational, and nongovernmental institutions to promote specialist sectoral expertise and exchange of information;
- Disseminating information about capacity-building experiences.

In focus countries the Program will strengthen training and local institutions by involving them directly in the implementation process. This will help to pinpoint training needs, identify institutions to serve as repositories of sector knowledge, and promote policy reforms essential to support project-level action. Such involvement of national personnel and institutions will result in expanded capacity, in both the substance and the process of building investments.

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• Disseminating
• Lessons and
• Knowledge
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What works in one community may not work in the neighboring one, much less in a community on the other side of the world. Nevertheless, problem-solving approaches are broadly applicable and the number of options for solving any particular problem are usually limited. The implementation process supported by the Program will best benefit the development community if operational experi-

ence and lessons from the field and applied research are well documented and widely disseminated.

The Program has developed several communication vehicles for this dissemination work and plans to devote additional resources to ensure that information products are of the highest quality and reach each of the intended audiences — policy makers, donor agencies, educators, NGOs, sector specialists, and others.

Program dissemination/information exchange will be operational at three levels:

BOX 2

Capacity Building

Building human and organizational capacity at the country level is a prime objective of the Program in the 1990s

Sounder Sector Institutions

Human resource development (HRD) builds local capacity to support institutional reform and effective use of sector investments. Currently, nine microenterprises in 10 countries in Africa, Asia, and Latin America. More than 30 countries work with governments to strengthen HRD through a variety of mechanisms such as training, local research, and dissemination of information on low-cost water and sanitation options. These centers help to build a strong institutional network that will remain active and vital after the Program leaves.

Participatory Development

HRD efforts support the shift to decentralized decisionmaking, promoting the skills and knowledge necessary for large-scale development. The Program develops strategies to empower local communities — especially women — through participatory training and microenterprise development. Building on the achievements of PROWESS (Promotion of the Role of Women in Environmental Sanitation Services), it is extending its network of trainers and sector professionals to work with the private sector, nongovernmental organizations, and volunteer groups. The goal is to develop approaches that work on a large scale, linking with other programs promoting microenterprise, and synthesizing experience.

● Within countries: through national networks of training institutions; country workshops and seminars;

● Among countries at the regional level: through regional exchange among training institutions; Technical Cooperation among Developing Countries (TCDC); Program-sponsored regional workshops on specific topics; the use of national staff on short-term assignments in neighboring countries; and

● At the global level: through publications; Program sponsorship of conferences on topics of special interest; Program participation in organizations such as the Collaborative Council and the Inter-Agency Steering Committee for Water Supply and Sanitation.

Based on direct experiences in field activities, Program staff are contributing to publications in several World Bank and Program series, including sector reports, discussion papers, and technical papers.

In addition to the Program Annual Report and Country Work Program, two new Program newsletter series are being published, one focusing on capacity building and human resource development and another on innovations in water and sanitation technology. The Program has assumed an active co-editorial role in *Source* magazine, which is published and distributed by UNDP New York and reaches tens of thousands of readers worldwide.



Implementing the Strategy in the 1990s

The Program work plan will concentrate on building a framework for action-oriented learning, strengthening country-level operations, promoting collaboration, and adapting the Program organization to new requirements.

A Framework for Action-Oriented Learning

Sustained progress in the sector is most likely when technological and institutional options are broadened, rather than confined to any specific solution at the outset. The Program continues to play a substantial role in expanding feasible technical options for both water supply and sanitation (See Box #3). As urbanization accelerates, work on low-cost, community-based sewered options becomes increasingly important, as does work on

innovative treatment options. In addition, more needs to be learned about the performance of different institutional structures in different settings. Thus, more systematic exploration is needed in broadening the options for effective and sustainable service delivery.

Learning not only about what works, but why, poses new challenges for where the Program focuses its efforts, how it operates in the field and in headquarters, and the kinds of partnerships it develops with external support agencies and in-country groups and individuals. When the Program works with partners in large-scale programs and projects rather than in stand-alone pilot or demonstration projects, the chances for success improve because of the possibility of building into the design and implementation of such programs a commitment to explore a range of options. Success is most likely when the Program

**MORE NEEDS TO
BE LEARNED
ABOUT THE
PERFORMANCE
OF DIFFERENT
INSTITUTIONAL
STRUCTURES.**

BOX 3

Promoting Affordable Technologies

A range of technology options must be made available for providing water and sanitation services — from handpumps to piped water systems and from the simplest hygienic latrine to conventional sewerage. The Program promotes technologies that are affordable, demanded by consumers, and are locally sustainable. Efforts continue to refine existing technologies, to improve the process of technology selection, and to encourage innovation. Emphasis is being placed on improved sustainability of handpumps, lower-cost options for rural and urban sanitation, and low-cost wastewater treatment and reuse.

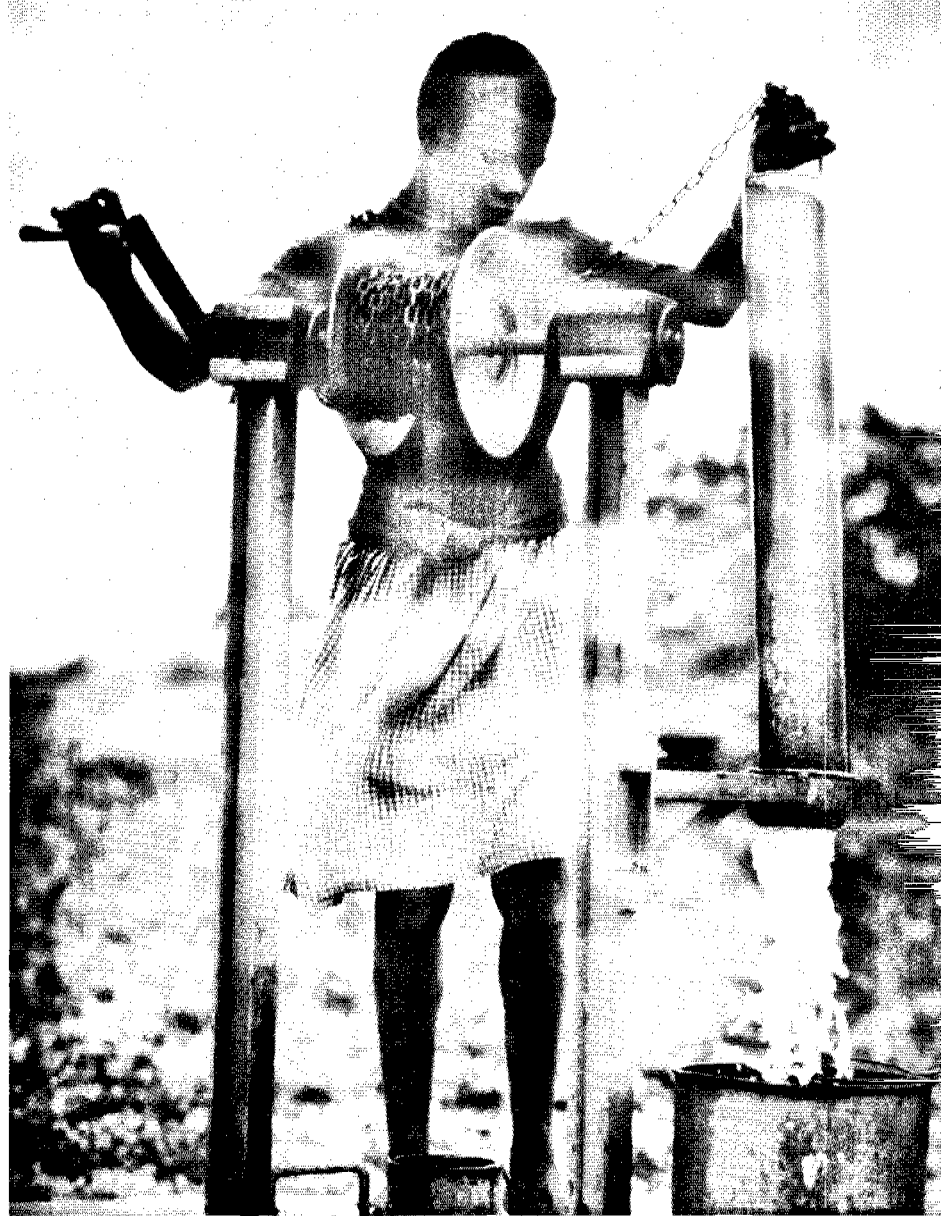
A joint initiative is under way by the Program, UNICEF, and the World Health Organization (WHO) to promote new and affordable technologies. The Technology Promotion Facility (TPF), supported by UNDP-DGIP, provides small grants to facilitate demonstration of new technologies through field application. The first grants have been awarded for development of natural fiber-reinforced laminates for manufacture of water cisterns and latrine components in Central America, testing and demonstration of fiberglass pump rods, and improvements in pour flush latrine pans in Asia.

builds foundations within countries through a field presence and collaboration with both donors and governments.

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**Country-Level
Operations**

Expanding water and sanitation services for the poor makes a significant contribution to infrastructure development and a healthy environment. It requires a supportive enabling environment, well-planned investment projects, and flexible implementation of national programs. Countries seeking to improve their sector operations can call upon the Program's considerable experience in these areas, as can the countries' external support agency partners. The problems at the country level are complex, and to make a difference, the Program will need to be selective in choosing entry points and activities.

Policy and regulatory frameworks define the operational context of the sector, and in many cases improving performance will depend on reorienting the rules that govern sector activity. Working with the operational divisions of the World Bank (sometimes with other multilateral institutions or bilateral agencies), the Program provides support to governments, including preparation of sector strategies and promoting consensus on the shape of national investments. Improved policies will bring few benefits unless institutions have the strength to capitalize on the more supportive enabling environments. Thus, the Program also assists countries in building capacity through institutional and human resource development.



In focus countries, the Program will devote substantial resources to improving implementation and building capacity. Approaches and specialist inputs must be flexible, adaptable, and tailored to fit the local situation. For example, service delivery systems will often need to be reorganized and new roles assigned to support decision making at the lowest appropriate level. Where this is the

case, the Program works with a variety of in-country groups and organizations — governments, NGOs, user groups, and the private sector — in defining roles and responsibilities and increasing accountability to users (See Box #4).

Sub-Saharan Africa, with its fragile institutions, economic stagnation, and growing population, poses a special set of challenges. There, the Program will place special emphasis on laying the foundations — strengthening policies, human resources, and institutions — for sustainable investments. Where the Program works on sector investments, projects are likely to be smaller and to require more intensive support over a longer period.

Water and sanitation is of increasing importance on the global development agenda. Water resources management is emerging as a potentially explosive issue as agriculture, industry, and urban areas compete for increasingly scarce supplies. Many countries already face severe water shortages. The urban environment in developing countries is deteriorating as liquid and solid wastes become major sources of pollution. Cities face growing challenges in expanding services to keep pace with growing populations. Rural populations, although not growing as rapidly, face problems requiring special attention. The Program can focus only on expanding access to services for the rural and urban poor, where it has a comparative advantage. Together with other agen-

BOX 4

Building Bolivia's National Sector Strategy

Pilot activities in both rural and urban areas of Bolivia are yielding important lessons about the elements of success in delivering water and sanitation services to the poor. Program activities began in 1982 with the field testing of handpumps in several regions. The first pilot project, launched in 1988, aimed at helping 60 remote communities construct new water and sanitation facilities. Working together with PROWESS, a local NGO, and an EC-funded organization, the project has successfully demonstrated the ability of small, dispersed communities to contribute to and manage new water supply systems. The Program also provided the technical support to facilitate manufacturing of a direct action handpump for the national market.

Based on the pilot experiences, a four-year, \$3.3 million water and sanitation demonstration project has begun in Potosi, a remote area where service coverage is especially low. The project will help develop a sustainable delivery system providing water supplies and sanitation to 15,000 rural people and to develop an approach that can be replicated in other rural areas. In addition, the Program staff began supervising two World Bank-funded pilot projects for water and sanitation in periurban areas in Cochabamba and Santa Cruz. The pilot schemes are providing the basis for new proposals, promoting wider service coverage to Bolivia's fast growing poor urban communities. Together with their Bolivian colleagues, Program staff are currently working to devise comprehensive sector policies and strategies.

cies such as WHO and UNICEF, the Program is developing stronger linkages to primary health care initiatives at the country level. The INUWS Policy Unit, together with others, will work on related water and sanitation issues, including water resources and improving the performance of urban utilities.

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**Collaboration:
Working with
Partners**

A diverse range of sector experience needs to be integrated so that governments and donors learn collectively from the implementation process. Because human and financial resources are scarce, there is a growing urgency to marshal the available resources, to capitalize on the diversity of institutions, and to channel energies into tackling the problems of the poor in the 1990s. The Water and Sanitation Collaborative Council is working to move the sector in appropriate directions, and the Program has its own special role to play in promoting effective partnerships.

UNDP and the World Bank are the Program's managing partners. UNDP has been emphasizing the strengths of the Program's preinvestment focus, and substantially supporting its capacity-building work. UNDP Resident Representatives often assume a central role in harmonizing policy approaches at the country level. The World Bank lends the leverage of its investment resources, which are essential to policy changes and in expanding services. Bilateral agencies contribute widespread project experience in reaching the poor and provide sizable financial resources to the Program. UN agencies, such as UNICEF and WHO, provide the Program with valuable perspectives and experience.

The Program will continue to place emphasis on strengthening partnerships among external support agencies, and between these agencies and governments. These partnerships — especially those built by the RWSGs — have particular importance at the country and regional levels, where they must cultivate ownership by the governments themselves. As part of the continuing capacity-building process, RWSGs will be increasingly staffed with personnel from the region and will work more closely with national sector professionals and local consultants. Stronger links will be developed with national and regional training institutions through the ITN, and national and regional research, professional, and trade organizations. Efforts are also under way to build new partnerships with national and international NGOs recognized for their effective work with poor communities.

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**Organizing
for the Future**

To achieve the objectives of the strategy, the Program needs to remain dynamic, with a suitable structure and organization, a capable staff, and a stable financial base.

Structure. The basic structure and organization put into place in 1988 will continue, with adjustments, to respond to the updated strategy. The RWSGs, and their regional umbrella, have proven to be effective, and will become even more important as the Program focuses on service expansion through structured learning. RWSG staff will be a primary source of expertise for capacity building, improving implementation performance, building working-level partnerships, and intercountry

exchanges of know-how. They will take the lead in working with governments to plan and implement regional and country activities, in collaboration with UNDP, the World Bank, and other agencies. RWSGs are operating in Abidjan, Nairobi, New Delhi, and Jakarta. New RWSGs are being planned. A regional unit is being established in Guatemala for Central America, and Bolivia may become the location for a group serving neighboring countries in South America. In countries undertaking substantial sector development efforts, the Program will have a small country team and, in some instances, a country coordinator.

Program headquarters will continue overall management and planning, including monitoring, financing, donor liaison, and administrative functions. Headquarters also has the responsibility for key interregional functions: keeping the Program at the forefront of the learning process; synthesizing experience from the field; and disseminating knowledge and experience worldwide.

With partnerships a central theme of the strategy, broadening the sense of ownership of the Program will be a key to success. At the regional level, councils of policy makers from countries with sizable Program involvement will advise the RWSGs, while reviewing plans and progress. The regional councils will ensure that the Program remains anchored to country and regional concerns. At the global level, an advisory panel of the Program's donors has been created in response to a recommendation of the Program assessment team. The panel provides guidance, reviews progress, and constitutes a forum where the Program's donors can review financing and staffing needs and respond collectively.

Staffing. The Program's success in expanding services depends largely on its ability to recruit and retain highly motivated and qualified staff. The emphasis on capacity building and flexible implementation requires staff who have a broad outlook and are themselves flexible, adaptable, and sensitive to local needs and conditions. It also requires a range of skills, some of which must come from staff, while others should be cultivated over time through a cadre of national and international consultants who can assist in implementing the Program's strategy.

RWSGs will normally have a staff of six to eight sector professionals, with a mix of skills balanced to respond to regional needs and Program priorities. There will be less emphasis on engineering and finance, and more on institutional, human resource, and participatory development. Where possible, staff will be recruited from the region in which they work to develop a cadre of local professionals in each region and help to ensure a continuity of trained expertise.

The Program will regularly call upon partner agencies to contribute essential skills, for example, on WHO for hygiene education and other health-related inputs. Interchanges of staff between the Program and UNDP, multilateral banks such as the World Bank, and bilateral agencies have been effective and will continue to be encouraged.

Financing. During the course of the Water and Sanitation Decade, the Program managed funds totaling \$65 million. About two thirds of this total came from UNDP, while bilateral agencies contributed most of the balance. Most of these

resources were project funds: time-limited and tied to specific activities, staff, or countries, leaving the Program little flexibility to respond to changing demands. The assessment team recommended that Program finances be placed on a more stable basis.

As a first step toward a secure financial base, the Program's major partners at UNDP have made commitments to five-year (1992-96) funding. These commitments, from the Division for Global and Interregional Programmes and the Regional Bureaux for Africa and Asia and the Pacific, total more than \$4.0 million a year. Inputs from the World Bank are expected to exceed \$1.0 million a year, and bilateral agencies will augment headquarters staff and provide about half of the funds for the RWSGs. These commitments will provide the stable core needed for the headquarters team and the RWSGs.

At the country level, the Program's funding needs will vary according to its involvement. When a country launches a major investment project or national program, funds must be planned for technical assistance, and investment and operational support requirements. UNDP is a primary source of technical assistance for capacity building and for preinvestment support. Bilateral agencies will join in funding technical assistance as well as a share of the investment needs. Support from the World Bank and other development banks will be needed for sector work, project preparation, policy adoption, and for financing part of the investments required to meet the service needs of the poor. Where the Program is involved, some of these funds should be earmarked for Program support, for a country team, for example, and planned as part of the longer-term country strategy.



These measures will help to put the Program on a sounder financial footing. The mechanisms available to donors to support the Program include financial contributions through UNDP or the World Bank, secondment of staff, and parallel financing.

Five Years Ahead

Finding ways of improving poor people's access to safe water and sanitation services is a pressing challenge in the 1990s. The experiences of the Water and Sanitation Decade show that neither the Program nor the larger development community can allow themselves to become complacent with any set of preconceived solutions. Instead, the task requires the strategic application of limited development resources to promote innovation and systematic learning. The major elements of the way forward are clear, and the UNDP-World Bank Water and Sanitation Program is charting a course to make a substantial contribution.

After a decade of building experience, creating a global network, and establishing effective partnerships, the Program is well positioned to play a catalytic role in assisting countries in developing sustainable large-scale investments, in enhancing national and local capacities, and in accumulating and disseminating lessons and sector knowledge.

By focusing resources where they can achieve the most, Program activities can improve the access of low-income people to better water and sanitation services, and advance the state of the art in sector development in the 1990s. Conscientiously applied over the next five years, this strategic approach to sector development can set in motion other beneficial processes and activities, and provide a vital stepping stone toward sustainable human development.

