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Water Management

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Canada 

WATER MANAGEMENT

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PERFORMANCE REVIEW BRANCH

Building on experience

Learning in Progress

Learning is a progressive and continuous process. As we learn more about what works (and what doesn't), our capacities for working effectively are enhanced and refined.

This series is produced to promote information sharing and encourage discussion. Each issue sets out what we're learning from our experiences about a selected topic or issue.



Water is fundamental to life as we know it. Our survival hinges on access to potable water; basic sanitation is essential to human health; food production is not sustainable without water; and economic development would be impossible. Yet increasingly, the continuing supply of this essential element in our day-to-day lives is being threatened on a global scale. Callous indifference, environmental degradation, poor resource management, bad investments and ignorance all have been culprits in escalating a problem that has the potential to take on catastrophic dimensions in the future.

Jacques Leslie in an article entitled "Running Dry" in Harper's Magazine (July 2000) writes:

"But reality has a way of forcing its way into human consciousness, and sooner or later we must acknowledge that our relationship to water is intimate, complex and primal: if we abuse it we instantly suffer the consequences... Now it is the turn of water, the very foundation of life, to teach us to be good animals."

Fortunately, the global community recognizes this crisis as a priority and is responding in a concerted and coherent manner on a variety of fronts. Going forward, CIDA offers more than four decades of experience in water resource management. From being involved in massive dam and irrigation projects to improving waste water treatment in small communities, development cooperation activities have touched on virtually every Agency priority, including basic human needs, gender equality, infrastructure services, the environment, private-sector development and good governance.

In this issue, we distill what we have learned from the Agency's involvement in water sector development to provide a succinct set of key lessons learned. A focus is brought to how water management programs and projects can be structured to achieve meaningful results.

Canada



CIDA'S LEARNING EXPERIENCE

"The poor are particularly vulnerable when water is unclean or in short supply...

The inequity (in access to sanitation and water) is harsh - the poor have less time to spend on productive work, fall sick more often...

In India, the poor are often confined to 15 liters per capita per day compared with the better off who consume up to 300 liters...Difficulties encountered in accessing water frequently determine the level of poverty."

"Water for All"
Asian Development Bank
Water Policy 2001

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As many as 1.2 billion people in the world lack access to clean drinking water; nearly three billion live without sanitation; millions die each year from easily preventable waterborne diseases: "...in fact most disease in the developing world is water-related"

Jacques Leslie
Running Dry, Harper's
Magazine, July 2000

CIDA spent \$600 million on water-related projects from 1986-1987 to 1999/2000

The evolution of water resource management demonstrates an ever-prevalent focus on the need to improve aid effectiveness and a capacity to implement what has been learned through practical experience. Today, integrated programming recognizes that recipient countries themselves bear the main responsibility for development cooperation, and development agencies are working towards improved donor coordination on a wider scale.

Looking back, the 1980s offered a valuable learning ground, demonstrating that the environment had to be respected as a virtual yet fragile participant. We learned that low-cost technology could be extremely effective in delivering water, and reducing environmental degradation. Yet at the end of the "UN International Drinking Water Supply and Sanitation Decade", which was designed to ensure full access to water supply and sanitation to all inhabitants of developing countries, CIDA's report "Every Drop Counts" noted that in 1990:

"...there were an estimated 1,230 million people in developing countries without access to adequate and safe water supplies, and 1,740 million without access to appropriate sanitation (i.e. 31 percent without water and 43 percent without sanitation)".

A shift of emphasis in the 1990s increased efforts to integrate programming that addressed basic human needs and recognized environmental impacts. The World Water Council (WWC) and Global Water Partnership (GWP) were formed in the 1990s, and the "Ministerial Declaration on Water Security in the 21st Century" was signed at the Second World Water Forum (WWF) in March 2000.

The Agency now focuses on achieving sustainable and equitable water management, by promoting local participation, cost recovery schemes and access to the poorest people. Close consultations with governments and other stakeholders link the Agency's programming with the needs and priorities of developing countries and communities. CIDA values the importance of local ownership and the engagement of civil society as an integral element in the selection, design and implementation of development interventions.

WHAT WE'RE LEARNING

LESSON

WHAT IS WORKING

1 International collaboration on water resource development provides CIDA with useful policy dialogue opportunities...

and an enabling dynamic for demonstrating effective leadership.

Lessons learned reiterate that an integrated approach to water development is mandatory for transcending trans-border and trans-sectoral issues. Rivers and their basins can encompass numerous countries, each with distinct priorities and plans for water use. International treaties may or may not address local, district, national or regional issues and can become a source of conflict.

Within the international community, we are witnessing a broadening of the debate on water issues; a focus on coordinated resource management; and an emphasis on resource development that respects global and regional perspectives. In turn, this has led to the need for greater cooperation amongst multilateral organizations, donor agencies, recipient governments and other key stakeholders intent on advancing effective, efficient and responsible development.

Trans-national organizations and international fora have helped to define a common agenda, and to lay the groundwork for collaborative approaches. The World Bank sees global water policy networks and alliances of like-minded partners in the private sector, civil society and the development community as prerequisites for comprehensive water resource development. The movement towards 'working together' has established a framework that encourages policy dialogue...and generates opportunities for determined and capable participants to demonstrate leadership and promote good management practices.

CIDA has established its credibility in international 'water' circles. It helped create the WWC and GWP, bringing attention to such delicate issues as the monopolies of private sector companies and the integrity of International Financial Institution intentions. CIDA has funded hundreds of millions of dollars of water sector programming and maintains a respected international presence within the wide-ranging collection of key organizations.

The Agency is well-positioned to play a unique and commanding role in advancing programming that addresses poverty reduction, equitable access to potable water and sanitation, environmental sustainability, gender equality and stakeholder participation in the development of programs and projects (especially by women and the poor).



LESSON

WHAT IS WORKING

We are learning that:

- ⦿ Successful interventions start with developing a strategy to exploit an opportunity, understanding the challenges and the issues, defining the goals and expected results, assessing risks, justifying resource requirements, and establishing the criteria for engagement.
- ⦿ Policy dialogue should be strategic (e.g. targeting results, building alliances, engaging stakeholders).
- ⦿ Policy dialogue initiatives should extend to all key levels (e.g. Minister, Ambassador, parliamentarians, key stakeholders, bureaucracy, international/national organizations, media, NGOs, other donors).
- ⦿ Investing in pilot projects helps gain a foothold with decision-makers in the recipient country, builds local expertise and facilitates field-testing of policies, approaches and practices.
- ⦿ Water programs can move to macro-level interventions if there is a favourable policy environment for decentralized governance and community management of social services, a commitment and openness among donors to work towards common policies and investment strategies, and a critical mass of advocates to move sector policies forward.
- ⦿ CIDA staff and contracted specialists should participate in policy debates in international fora to advance the Agency's priorities and goals.
- ⦿ The building of trust hinges on always being open and frank with your partners.

Building Credibility

CIDA's 25-year commitment to the practical implementation of water projects in Northern Ghana has built credibility and leveraged the Agency's influence in its relations with its Ghanaian partners and other donors. CIDA has found that maintaining a strong field presence, demonstrating excellence in poverty-focused projects, and supporting pilot projects in countries where water projects are not already being carried out has strengthened its position in the world debate on water management.

LESSON

2 Public-private partnerships promote cost-effectiveness and long-term sustainability...

...and reliance on private sector investments and expertise is expected to increase significantly in the coming years.

WHAT IS WORKING

While Singapore and Santiago de Chile offer examples of public water supply and sanitation entities that function successfully, public-private partnerships can be vital for achieving cost-effectiveness and long-term sustainability in many cities. Government inefficiency in managing water resources is usually attributed to: inadequate funding, the diversion of 'water' funds to other investments, mismanagement, corruption, political interference, overstaffing, inadequate staff incentives, and/or poor standards of service. Often, financial viability hinges on the continuation of donor financing.

A 1997 World Bank study authored by D. Rivera concluded that: "...private sector participation in the water and waste water sector is likely to result in sharply improved managerial practices and higher operating efficiency...Private firms have shown a remarkable capacity to optimize the operation of existing infrastructure within a short time". The Asian Development Bank's 2001 water policy states: "...private sector initiatives and market-oriented behaviour are expected to improve performance and efficiency particularly in service delivery". Yet, some feel that the jury is still out on the merits of private sector participation claiming that privatization is driven by donors and contractors, not by consumers or governments looking for improved and more sustainable services.

We are learning that:

- ⊙ While private sector involvement can result in efficiency gains, privatization emphasizes financial self-sufficiency, which can detract from providing the poor access to clean water.
- ⊙ Unless users can afford to pay the basic costs of operations and management of water services, privatization may not be desirable.
- ⊙ For low-income economies, the right mix of public-private involvement may improve cost-efficiencies and coverage, but likely will not eliminate the need for external subsidies.

"It is estimated that the annual investment required in the water sector will increase 140 percent to \$180 billion by 2025...of this, the proportion represented by the private sector will increase significantly. Investment by national private firms will rise by 420 percent, by international private investors 1,100 percent and by international donors by 33 percent. By contrast national public sector investment will decline by 37 percent."

"World Water Vision"
Second World Water Forum, March 2000



LESSON

3 Investments in governance can inspire transparent, impartial, effective regulation; promote local 'ownership'; and encourage the participation of civil society in development interventions.

WHAT IS WORKING

Donors consistently expound the virtues of governance at the highest standards as core to responsible resource management and sustainable development. For its part, the UNDP sees the emerging water crisis as essentially a governance crisis. Poorly managed water supply and sanitation systems impose a significant cost on developing countries, and restrict the benefits that could accrue to populations at large.

Investments in governance, from the municipal to the national level, can have a direct and positive impact on the development and management of water resources and provision of water services. They can be instrumental in: 1) inspiring effective, transparent, impartial regulation that protects the public interest, the environment and the consumer, 2) promoting local ownership through support to strategies and plans developed by recipient countries, governments and people, and 3) encouraging civil society to become involved in the selection, design and implementation of development interventions.

We are learning that:

- ⊙ Water management schemes must be well regulated, with appropriate laws and policies to control water resource use.
- ⊙ Public utilities benefit from: 1) institutional autonomy, 2) explicitly defined, result-based regulatory frameworks, 3) transparency and freedom (without political interference), 4) a form of financial independence, and 5) market-based pricing policies that address cost recovery.
- ⊙ Developing countries themselves must bear the main responsibility for development cooperation. Investments should not be driven by donor priorities.
- ⊙ Municipal administrations often require strengthening. Community water user groups can be useful for encouraging active local participation, addressing accessibility and sustainability, and ensuring demand-responsive management practices.

What is water governance?

Water governance refers to the range of political, social, economic and administrative systems that are in place to regulate the development and management of water resources and provision of water services at different levels of society.

LESSON

4 Accessibility to water services is directly linked to poverty reduction, vulnerability to disease and saving lives.

WHAT IS WORKING

Poverty reduction is at the core of all donor programming, and the crisis in water deprivation for the poor is widely recognized. The Second WWF set a target for water security in the 21st century that "...the economic value of water is recognized and reflected in national policies and strategies by 2005 and mechanisms established by 2015 to facilitate full cost pricing for water services where guarantees for the poor exist." The Round Table on Water and Health on Under-Privileged Urban Areas (February 1994) identified water as a human right.

While tremendous strides have been made in improving access to clean drinking water and adequate sanitation facilities around the world, more than 1.2 billion people still lack access to clean drinking water while 2.4 billion lacked access to adequate sanitation facilities, resulting in an annual death rate of five million persons, largely children, from water borne diseases. With population growth and low investment in water infrastructure, the situation is expected to worsen and impact the poor, women and children most directly.

We are learning that:

- ⊙ Difficulties encountered in accessing water frequently determine the level of poverty.
- ⊙ As water becomes more scarce, the poor are more adversely affected, as they are insufficiently empowered to claim water rights.
- ⊙ Improvements in water services may benefit the privileged rather than the poor, unless project designs include a thorough analysis of the social and market conditions that maintain inequitable income and asset distribution.
- ⊙ Income-based tariff structures and cross-subsidies can help to reduce the cost of water services for the poorest elements of society.
- ⊙ The growing need for governments to make water services universally accessible and affordable brings a political dimension to water management.

"No single measure would do more to reduce disease and save lives in the developing world than bringing safe water and adequate sanitation to all."

UN Secretary-General Kofi Annan
UN Millennium Conference, September 2000



LESSON

5 Advancing women's equal participation as decision-makers at all levels, and increasing women's access to and control over water resources and benefits, should be fundamental to all water projects.

WHAT IS WORKING

Gender equality is internationally recognized as both a basic goal of development and fundamental to sustainable growth. The World Bank's report "Engendering Development" showed that societies discriminating by gender pay a high price in terms of their ability to develop progressively and reduce poverty. The Agency's "Policy on Gender Equality (1999)" requires that gender equality "... must be considered as an integral part of all CIDA policies, programs and projects".

While women generally bear most of the burden of collecting, protecting, maintaining and storing water in most developing countries, they typically are not among the planners, regulators, and delivery specialists of the water supply agencies. The focus on improving women's decision-making power at meso and macro levels has produced mixed results. While women are being successfully trained and brought into the decision-making circles at the local level, their participation at higher regional and state levels often is still lacking.

We are learning that:

- ⊙ Gender issues and concrete planning to achieve results are still not being adequately addressed in the mainstream of the water security debate.
- ⊙ Deliberate gender-focused planning is necessary for benefits to reach women, especially when rigid social conventions limit women's participation in decision-making.
- ⊙ Technical solutions for providing access to clean water should be accompanied by support for programs that promote effective governance, including the inclusion of women in local user and policy level decision-making bodies.

This series is prepared for the sole purpose of promoting learning within the international development community.

The information put forward should, in no way, be viewed as defining or modifying CIDA Policy.

We welcome any suggestions to improve our work.

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