

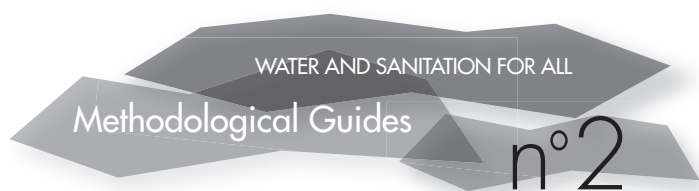


n°2

How to create a regional dynamic to improve local water supply and sanitation services in small towns in Africa

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How to create a regional dynamic to improve  
local water supply and sanitation services  
**in small towns in Africa**

Concerted Municipal Strategies (CMS), a program coordinated  
by the Municipal Development Partnership (MDP) and programme  
Solidarité Eau (pS-Eau)

- Author: Bruno Valfrey-Visser, Hydroconseil

- Contributors:

- . Denis Désille, pS-Eau

- . Christophe Le Jallé, pS-Eau

- . Jérémie Toubkiss, Hydroconseil, France

- . Ouango Athanase Compaoré, SAWES, Burkina Faso

- . Mamadou Diallo, for Hydroconseil, Mali

- . Kwabena Sarpong Manu and Charles Berkoh, MIME Consult, Ghana

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Translation: Nicola Brodrick

Graphic design and page layout: Solange Münzer

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# Introduction

## Why this guide?

Small towns, the size of which can vary from between 3,000 and 30,000 inhabitants, often seek to use community mobilization for the operation of water<sup>1</sup> and sanitation services. However, this community mobilization is often limited in terms of its professionalism and, particularly, in terms of its capacities for developing these services for the benefit of new users. At the same time, small towns are not large enough either to enable contracting authorities and operators to easily access financial and human resources, or to attract the interest of those operators active in urban areas.

In these small towns, local water and sanitation service stakeholders often find themselves in a type of no man's land – they are too far from the large urban centers to benefit from their potential and from their professional operators, but also too far removed from community level. The latter remains the level of reference for rural water supply but is ill-adapted to the needs of small towns where there is high population growth and where the demand of users is becoming increasingly 'urban' in nature.

The 'Concerted Municipal Strategies' program has taken a particular interest in the issue of small towns, which constitute something of a 'grey area' and present several issues for which there are no

sufficiently precise solutions in place for improving water supply and sanitation services.

Through means of an experiment undertaken in three regions<sup>2</sup> in Burkina Faso, in Ghana and in Mali, the CMS program has shown that:

- the region constitutes an appropriate level of intervention for responding to the specific needs of managing and developing water and sanitation services in small towns, notably because it enables the pooling of tools and services that would otherwise probably not be able to survive were each small town considered separately;
- at regional level, stakeholders can develop a level of cooperation and coordination to ensure that water and sanitation services can be provided to small towns in a sustainable manner.

This guide sets out the results and lessons learnt from this experiment.

<sup>1</sup> In the remainder of this guide, unless explicitly stated, the term 'water' always relates to the water supply public service. The IWRM (Integrated Water Resources Management) aspect is not dealt with here (even though, in some cases, there is an obvious link between water and sanitation).

<sup>2</sup> The reports produced for each region are available on: [www.pseau.org/smc](http://www.pseau.org/smc).

### Who is this guide for?

This instructional document is aimed at all those responsible for the organization and management of water and sanitation services in small towns in Africa: elected officials, decentralized technical service staff, associations or private operators, users' representatives and financial operators.

### What does this guide contain?

Based on an analysis of concrete situations, this document presents and discusses the most interesting initiatives observed at regional level; initiatives that also include several tools that can be utilized by local and, in particular, regional stakeholders.

This guide is divided into 4 parts:

- **chapter 1** highlights the main issues and different opportunities associated with the regional level and provides a definition of what this regional level is;
- **chapter 2** details stakeholders' issues and expectations with regard to water and sanitation at regional level;
- **chapter 3** sets out an intervention process that can be used to build a regional strategy for water and sanitation;
- **the final chapter** provides concrete examples of regional strategic orientations that have been selected in the three regions targeted by the CMS program.





## **CHAPTER 1**

The regional level, a level of intervention that is underestimated yet necessary

## Why be interested in regional level?

In most African countries, the institutional landscape of the water and sanitation sector has changed considerably over the last 10 years. Two important trends have emerged out of this wave of reforms:

- the prerogatives of the local authorities, and of communes in particular, have increased considerably and they are now required to act as contracting authority for water and sanitation services;
- at the same time, several governments have developed ambitious national programs aimed at consolidating the sector's efforts around achieving the Millennium Development Goals pertaining to water and sanitation.

Today, therefore, the emphasis of public strategies and policies is placed firmly on the national and the local level. There is no real consideration given to any link between the two or to the advantage of having an intermediate level, potentially the regional level, and the activities that could be developed within it. When analyzing the typical geographic positioning of water and sanitation stakeholders within a given country, the landscape most often resembles that described in Figure 1 on the following page.

State stakeholders first of all position themselves, of course, at national level. In most countries, and particularly those targeted by component 4 of the CMS program, particular effort has been made to develop decentralized technical services. These are regional directorates<sup>3</sup> in charge of water, of

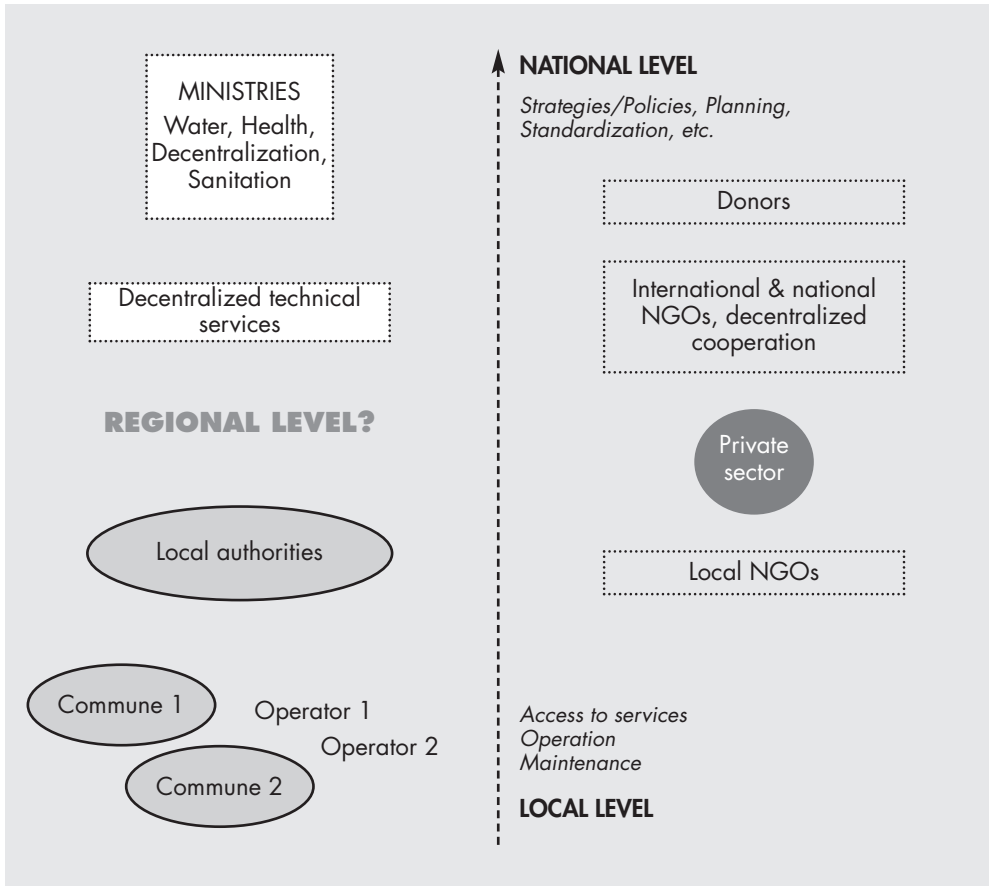
sanitation and of health in Mali or in Burkina Faso, or regional offices<sup>4</sup> in Ghana. In Mali, decentralized technical services (Services Techniques Déconcentrés) are also being developed at sub-regional level, in closer proximity to the local authorities: these are the Sanitation and Pollution and Nuisance Control Service (SACPN: Service de l'Assainissement et du Contrôle des Pollutions et Nuisances) for sanitation and the Local Water Services (SLH: Services Locaux de l'Hydraulique) for water supply. The decentralized technical services in charge of health are generally older, as the health infrastructure has naturally led to a level of decentralization that pre-dates, and is more developed than, that of water and sanitation.

The number of public or private operators (or both) in charge of water and sanitation at regional level varies widely from one country to another. In Burkina Faso, in the Center-East region, the National Office of Water and Sanitation (ONEA: Office National de l'Eau et de l'Assainissement) is responsible for water and sanitation in 6 centers,

<sup>3</sup> Regional Directorates of Water (DRH: Directions régionales de l'Hydraulique), Regional Directorates of Sanitation and Pollution and Nuisance Control (DRACPN: Directions régionales de l'assainissement et du contrôle des pollutions et nuisances), etc. in Mali, Regional Directorates of Agriculture, Water and Fisheries (DRHARH: Directions régionales de l'Agriculture, de l'hydraulique et des ressources halieutiques), Regional Directorates of Health (DRS: Directions régionales de la santé), etc. in Burkina Faso.

<sup>4</sup> The regional offices of the Community Water and Sanitation Agencies (CWSA) in Ghana.

**FIGURE 1.** Typical geographic positioning of water supply and sanitation sector stakeholders

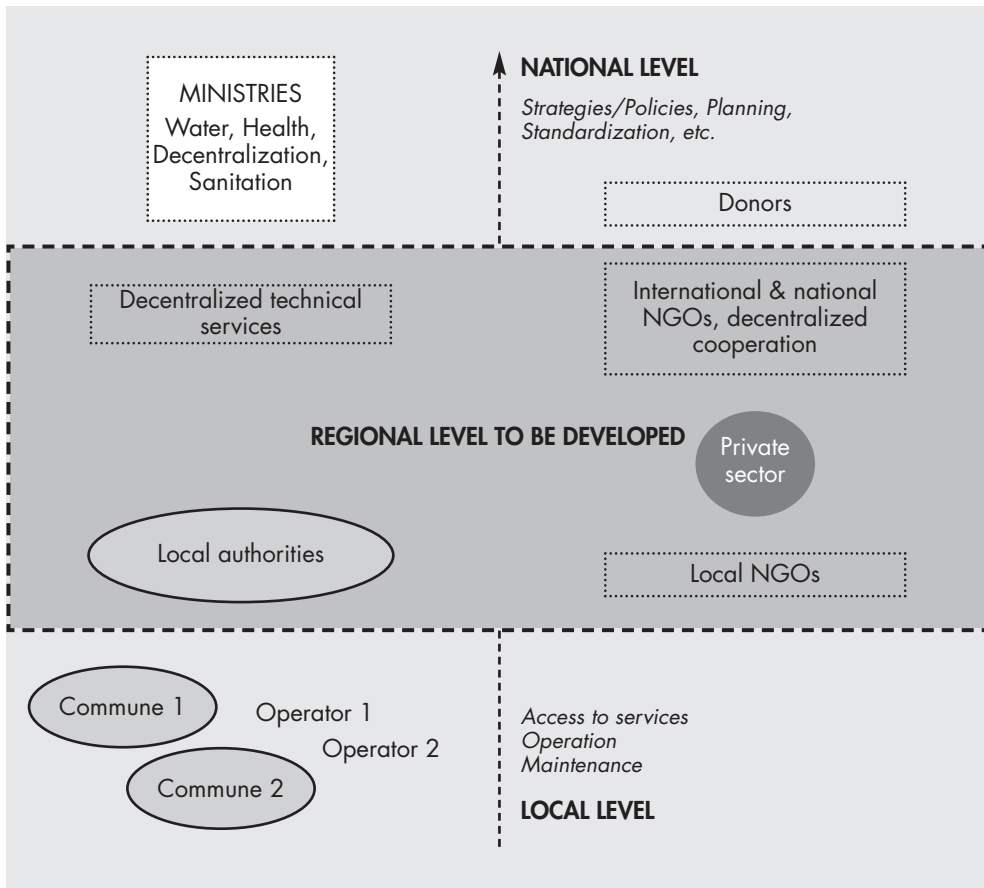


whereas in Mali, in the Mopti region, Energie du Mali (EDM) only operates in one center (the regional capital) and is only responsible for water supply.

Development partners, in their broadest sense (donors, decentralized cooperations<sup>5</sup>, NGOs of all sizes) position themselves at all levels, from national to local. Bilateral and multilateral donors are generally only present at national level – re-

gional level for them only constitutes a level of intervention and is not necessarily a specific target institutionally. The positioning of NGOs also varies, depending on their status and their size; at regional level there is usually a patchwork of national or international NGOs and local NGOs, who are much smaller in size.

<sup>5</sup> Decentralized cooperation is a relatively common phenomenon in Francophone West African countries and relates to the exchange of technical and financial support between local authorities of the North and South.

**FIGURE 2.** Identify the regional level

Local authorities meet at local level (communes in Mali and Burkina Faso, districts in Ghana) – and it is often at this level that they carry out most of the contracting authority functions recently transferred to them by the state. However, they also meet at regional or sub-regional level – as, for example, at cercle<sup>6</sup> or regional meetings in Mali. Some of these local authorities have been given responsibilities for water and sanitation; they are

only just starting to assume these responsibilities, however, and their skills are often limited.

The national private sector is experiencing rapid growth, whether this be in construction (boreholes, hydraulics, civil engineering), in technical engineering (engineering firms, consultants), in

<sup>6</sup> A cercle is the second level administrative unit in Mali. Mali is divided into 8 regions and one district; the regions are sub-divided into a total of 49 cercles.

social engineering (Information – Education – Communication (IEC) campaign operators) or water supply or sanitation service operators (public toilets, vacuum trucks). This growth can be partly explained by the steady increase in demand from users in small towns, who want modern and, therefore, more technically sophisti-

cated services. However, it is also due to the state’s withdrawal from its contracting authority functions and to the fact that most public or semi-public construction companies have gone bankrupt (the example of borehole companies is particularly striking). More and more private operators have been deployed at regional level

**FIGURE 3.** The three levels and their respective roles

LEVEL	MAIN ROLES AND RESPONSIBILITIES
NATIONAL	<ul style="list-style-type: none"> <li>• Policy and strategy development</li> <li>• Management of programmatic approaches</li> <li>• Definition of standards and the regulatory framework</li> <li>• Harmonization of approaches between the state and its partners</li> <li>• Monitoring and evaluation of progress made</li> </ul>
REGIONAL	<ul style="list-style-type: none"> <li>• Coordination between stakeholders in the field</li> <li>• Detailed consultation on stakeholder programs</li> <li>• Back-up support provided by decentralized technical services</li> <li>• Possibility of pooling certain services and tools</li> <li>• Reinforcing sustainability of the service (e.g.: maintenance supply chain)</li> </ul>
LOCAL	<ul style="list-style-type: none"> <li>• Provision and sustainable management of services</li> <li>• Contracting authority for investment</li> <li>• Link between the contracting authority and the users</li> </ul>

over the last few years as part of a strategy to obtain those contracts awarded by the contracting authority communes.

As illustrated in Figure 2, a ‘regional level’ can clearly be seen to emerge out of this stakeholder landscape; a level where the local authorities, the Decentralized Technical Services, the private sector and the civil society all play a predominant role. This is an intermediate level, between the central level, where the policies and strate-

gies are developed, and the local level, where the main aim is to provide services to users.

Based on this analysis, it is clear that there are currently very few public policies and strategies that cover this regional level. For example, the Decentralized Technical Services generally receive very little technical assistance in comparison to central level. Furthermore, the budgets allocated specifically to institutional support and to capacity-building at regional level are often very low or

even non-existent. In general, the regional level is above all considered to be an operational level; a level where projects are carried out. It is not, however, considered to be an appropriate level

for carrying out transversal activities on subjects such as financing investment, providing back-up support to operators or contracting authorities, or training – which is a mistake.

## Why intervene at regional level?

### It is a 'manageable' size

The regional level that is the focus of this document corresponds to a typical population of between 1 and 2 million inhabitants<sup>7</sup>. The region is therefore both a manageable and somehow 'human' scale.

This has several important practical consequences:

- even with smaller budgets, the strategic decisions taken can have an immediate and noticeable impact due to the fact that they are implemented within a limited number of towns or local authorities;
- the number of stakeholders and projects remains sufficiently manageable to enable a real coordination and consultation framework to be implemented; the distances involved also mean

<sup>7</sup> This, of course, varies from one country to another – the overall population of Nigeria is 10 times greater than that of Mali, for example. In addition, Nigeria is a federal state, which means it has an additional layer of government. However, the analysis is very similar when applied to all African states in which the regional level discussed here can be found and where the population levels correspond to the defined range (1 to 2 million inhabitants). It is also possible to define this range by the number of local authorities, by the number of users or by the number of systems, which would give virtually the same result.

it is relatively easy to bring the stakeholders within this framework together.

### A bridge between the local and the national

The region seems the ideal place for linking the local (and particularly the communal or municipal) and the national. There is currently no correlation between the decisions taken for the water and sanitation sector at national level and the context in which the communes (or districts in Ghana) evolve. The resulting situation is then one of frustration: the central government hesitates over whether to continue its transfer of competencies to the communes; whilst, at the same time, the communes feel that they are not being given the support and resources they require to perform their new roles.

Given this context, the regional level could perform the role of conduit. This is already partially the case in so much as local authorities already recognize the Decentralized Technical Services as their main points of contact for water and sanitation activities. This link could, however, be reinforced were the Decentralized Technical Serv-

ices to have a wider range of services and expertise available to offer local authorities, as well as the means to provide these services and expertise on a permanent basis, outside of just projects and programs. This element was very apparent in the diagnostics conducted in the three countries.

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### **An appropriate scale for coordination between actors**

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At national level, coordination (in the specific sense of aligning the planning of each stakeholder’s activities with the planning of other stakeholders) is often very general and it is difficult to ensure effective collaboration. This is true of collaboration between development partners, yet also of collaboration between governmental and non-governmental stakeholders, as well as between local authorities and central government:

- NGOs (national as well as international) are usually represented at national level by generalist groups<sup>8</sup> who focus more on lobbying than on the effective coordination of activities;
- this same observation applies to communes who are represented at national level by associations that defend the communes’ interests without necessarily having any specific expertise of water and sanitation and even less knowledge of how to conduct effective local authority planning;

**An example of a successful consultation framework in the region of Kayes, Mali**

In the region of Kayes in Mali, the consultation framework put in place at regional level has enabled investment planned by the state (notably for borehole drilling campaigns in this complex hydro-geological area, where isolated drilling is often unsuccessful) to be linked to investment that can be provided by the decentralized cooperations, NGOs or diaspora associations (who are more easily able to finance distribution networks or reservoirs).

- the diagnostics conducted show that the decentralized cooperations (important stakeholders in the water and sanitation sector in Mali and Burkina Faso) are often loathe to get involved in national coordination frameworks. They consider these frameworks to be over generalized, not particularly operational and overly focused on the dialogue between the state and its development partners. In contrast, these decentralized cooperations are able to find coordination frameworks at regional level that are more operational and where they are able to ‘synchronize’ their interventions.

<sup>8</sup> There are national groups of NGOs specializing in water and sanitation in some countries, but their existence is often fragile and dependent on the support of one or several members with a particular vested interest; it is always difficult for such groups to mobilize finance over the long-term.



## An ideal size for achieving economies of scale

It is often difficult to sustain tools and services at local level, regardless of whether these are aimed at supporting the contracting authorities (communes) or the operators (private operators or associations). The scale of intervention at commune level is too small to consider setting up a maintenance supply chain, a finance mechanism, a means of providing technical assistance to operators, etc.; they would probably all founder within a few months were they to remain on a strictly local scale.

In contrast, the regional level makes it possible to achieve economies of scale that are more likely to result in support or monitoring and evaluation mechanisms remaining sustainable. This is typically the case for the maintenance of pumping systems: an operator has an area of intervention that is far too localized for him to conduct this activity full-time; in contrast, an operator based in the regional capital could expand his area of intervention so that it covers enough communes or systems to create a full-time activity in which he is prepared to invest long-term.

## What is the regional level?

As a conclusion to the analysis above, it is possible to put forward a definition of the regional level in the context of water and sanitation services.

The regional level is a scale of intervention that, in general, corresponds to the first level of state decentralization and, typically, to a population of between 1 and 2 million inhabitants. The regional scale of intervention:

- is large enough to make use of economies of scale and guarantee the sustainability of the expertise and mechanisms put in place to provide

support to those stakeholders who operate at local level;

- is small enough to ensure proximity to local stakeholders (contracting authorities and service operators), as well as ensure effective coordination between governmental and non-governmental actors.

## CHAPTER 2

# What are the issues and expectations at regional level for water and sanitation?

First of all, this chapter will deal with some of the issues and problems that were identified as priorities during the process carried out in three regions of West Africa (the Center-East region of Burkina Faso, the region of Mopti in Mali and of Brong Ahafo in Ghana); it will then examine the principle demands of key stakeholders within the sector.

There were several significant common trends that emerged from the three countries and it is likely that some of the lessons drawn from these trends will also apply to other West and Central African countries.

## The main issues identified

The conclusions summarized in this chapter are grouped together into the three issues that formed the basic structure of the experimental approach: 1) access to finance, 2) back-up support and 3) training.

### Access to finance

#### Local authorities who invest very little

Although the responsibility for water and sanitation was transferred to them by the state several years ago, local authorities invest very little into developing or improving the corresponding services in small towns. There are several reasons for this:

- their own fiscal resources are very low – around a few euro per year and per inhabitant, scarcely enough to cover the local authority's operating costs which have already been reduced to the bare minimum;
- the transfer of responsibilities from the state has not been accompanied by a transfer of corresponding resources to the local authorities; the rare financing available from the national budget is still managed at central or regional level;
- in general, local authorities don't have the human resources required to implement investment projects for water and sanitation; they have

to depend on the state's technical services or external partners;

- even when a financing mechanism is in place (for example, the National Agency for Local Authority Investment - Agence Nationale d'Investissement des Collectivités Territoriales, ANICT, in Mali), local authorities are not often able to use it. The co-financing required (of around 5%) prevents them from being able to fund expensive projects such as the construction of a water supply network.

#### Decentralized services with no operating resources

As a general rule, the state's decentralized technical services only have access to very small budgets (in the region of a few thousand euro per year), even where the Decentralized Technical Services have a certain level of budgetary autonomy allocated to them by the central government (as is the case of the CWSA in Ghana). In practical terms, these low resources mean that the Decentralized Technical Services are unable to respond to the demands for support and assistance they receive from the local authorities: how can they respond to such requests when the budget does not even enable them to pay for the fuel required for their vehicles and when the legal framework usually prohibits Decentralized Technical Services from charging for their services?

The Decentralized Technical Services therefore usually have to depend upon projects and programs to cover their operating costs; as a result, Decentralized Technical Service staff only visit and provide support to those communes targeted by these projects and programs. For several years now, the 'programmatic' approach has provided some potential for positive change, as this approach serves to channel more funds into financing the operation of state services, particularly the Decentralized Technical Services.

### **Banks not involved in financing the sector**

The lack of involvement of commercial banks in financing the water and sanitation sector is a phenomenon that has been observed on numerous occasions; it is therefore also the case in small towns. With the exception of very few operators (usually private, or those associations with a strong federal-type organizational structure on a regional scale), local stakeholders are unable to borrow money, not even from those banks with whom they have accounts. The inability of the water and sanitation sector as a whole to promote itself to the banks is one explanation. In the banks' defense, the institutional frailty of the sector and the fact that operators find it very difficult to prove their profitability pose two major hurdles to lending.

### **Lack of financial solidarity on a regional scale**

Very few entities organize financial solidarity on a regional scale, whether this is in the form of 'mutual maintenance funds' to help overcome major operating setbacks, or in the form of 'mutual investment funds' used to lend money at low interest rates to operators and local authorities. Some exceptions to this general rule can be found outside the regions targeted by the CMS program: the Federation of Water Users' Associations of the

Bobo-Dioulasso region in Burkina Faso (FAUEREB: Fédération des Associations d'Usagers de l'Eau de la Région de Bobo-Dioulasso) and the federation of users' associations set up with the support of Caritas in the bassin arachidier (FFSS: Fédération des Forages du Sine Saloum, Senegal). There has to be a strong and legitimate organizational structure in place to set up such solidarity – for instance, both FFSS and FAUEREB have benefited from the continued long-term support of their external partners.

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### **Back-up support**

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### **There is a major requirement to provide support to local operators**

Managing drinking water and sanitation services in a small town in Africa is, ultimately, a relatively new profession; one that emerged in the 1990s as a result of an increase in investment and, notably, in the number of small piped water supply systems. Regardless of whether the operator is private or an association, there is still significant room for improvement in this area. The operator function is becoming more professional, to the great benefit of both local authorities and users. However, operators still require far more back-up support than that currently being offered by existing mechanisms. This requirement consists of three parts:

- the professional development of operators to improve both financial and administrative aspects, as well as the technical aspects involved in managing services;
- the need to ensure a minimum level of regulation at small town level, far removed from the 'formal' regulators in place in urban areas;

- finally, the need to provide the Decentralized Technical Services with a rigorous process for comparing operators' performance by developing proper benchmarking.

The oldest and most developed example in the sub-region to date of such an approach is that of the Technical and Financial Monitoring process (STEFI: Suivi Technique et Financier) developed in Mali and based on the results of a pilot undertaken by the water supply advice unit (CCAEP: Cellule de Conseil des Adductions d'Eau Potable) in the mid 1990s. This approach has been regularly documented in various forms. It has also been replicated in other countries, such as, for example, the advice and control agency (BCC: Bureaux de Conseil et de Contrôle) in Niger or similar approaches used in Chad. Today, this back-up support component is included in most national policies and large programs, but there are wide variations in the relevance and sustainability of the actual approaches used in the field.

### **There is an equally major requirement to support local authorities**

The operators are not alone in requesting back-up support. The local authorities, too, seek support mechanisms that would enable them to carry out their new role as contracting authority more effectively and thus provide the initial level of regulation of water and sanitation services in small towns. How are needs to be defined? How is service development to be planned and financed? How can tariffs be set to ensure a sustainable service? How is the work of an operator to be controlled? These are some of the many fundamental questions that a local authority has to answer. To do this it requires back-up support

that is adapted to both its (huge) needs and to its (very low) capacity to pay.

Although a large part of the demand for back-up support concerns managing water supply networks, local authorities also require advice on hygiene and sanitation issues; advice that is specific to small towns experiencing rapid urban development that thus generates the need for new services. What is the process for launching and monitoring an IEC (Information-Education-Communication) campaign? How can management of a toilet block in a bus station or market be delegated to an operator? How are latrines in a school or healthcare center to be managed?

### **Where are the decentralized services to be positioned?**

Logic would seem to dictate that the decentralized technical services, themselves, should provide back-up support to the local authorities. There is, however, the issue of resources, as mentioned above, particularly as regards financing running costs, which then impacts on the capacity of the Decentralized Technical Services to reach the communes.

In addition, the skill profile of Decentralized Technical Service staff does not take account of the back-up support role. The majority of employees were recruited at a time when the Decentralized Technical Services' role was predominantly operational and technical: there are, therefore, many drivers, hydro-geologists and mechanics, etc. Recruitment levels have been low ever since the 1990s, meaning that the Decentralized Technical Services are not generally in a position to take on staff with the skills required to provide back-up support to local authorities. Furthermore, there are very few tools available to the Decen-

tralized Technical Services that would enable them to fulfill this role.

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## Training

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### **An offer that is not aligned to needs**

The training offer available at regional level is not fully aligned to training needs. This offer is, in fact, not particularly diverse and tends to focus on the more classic topics (for instance, decentralization, community management, the care and maintenance of basic facilities, etc.) without really taking the current needs of either local (local authorities, operators) or regional stakeholders (NGOs, Decentralized Technical Services, support structures) into account. Very little training is provided on topics such as: the technical aspects of managing a network, delegation of management, price setting, the latest developments taking place within the legal and institutional framework, etc.

### **An offer with little regional coordination**

Due to a lack of both a refined needs analysis and effective planning on a regional scale, there is very little coordination between those providers able to offer training to local and regional stakeholders. There is a large training offer on a small range of topics and no offer at all of training on those subjects of current interest to local stakeholders that relate to their role as communal contracting authority (see above). There is not even an informal structure in place in any of the regions targeted by the CMS program undertaking this coordination between training providers. Training is essentially planned as part of individual projects so there is no over-

all vision, not even within the Decentralized Technical Services, who prefer to position themselves as potential beneficiaries of any training rather than as coordinators.

A striking example of this lack of coordination can be seen where there is a national operator in charge of urban water supply active in one or more towns in the region. Their presence is rarely exploited to permit the (small) operators, responsible for the water service in the small towns, to benefit from their expertise and experience. This is a shame, as this urban operator would have the capacity to develop a training offer (subsidized or paid for, if necessary) likely to be a close 'fit' to the needs of the local authorities and service operators.

### **An offer that is poorly distributed over time and space**

A major consequence of the lack of coordination is that the offer and demand for training is poorly aligned at regional level:

- the offer is poorly distributed over time as it is closely linked to each individual project or program schedule. In particular, there is no correlation between project cycles and the local authorities' terms of office (although the elected officials request training at the start of their term so that they can familiarize themselves with a water and sanitation sector they know little about);
- the training offer is poorly distributed in terms of space because projects and investment programs tend to overlook certain communes, meaning there is no training made available to them for several years at a time. In addition, the training aspect is not always the primary focus of those rare actors (often NGOs) who intervene in areas that are remote or difficult to access.

## The expectations of the five main categories of stakeholder

The specific demands of each stakeholder were identified as a result of the diagnostics carried out as part of the CMS process in each of the 3 regions<sup>9</sup>. These demands substantiate the three issues highlighted and presented above (access

to finance, back-up support and training). The analysis of the demands of the different categories of stakeholder identified in Figure 2 is presented below.

<sup>9</sup> All of these participative diagnostic reports can be downloaded from [www.pseau.org/smc](http://www.pseau.org/smc).

**TABLE 1.** Analysis of demands per category of stakeholder

CATEGORY OF STAKEHOLDER	PRINCIPLE DEMAND	SECONDARY DEMANDS
<b>MUNICIPALITIES</b>	To be able to undertake the roles recently transferred to them by the state and for which they generally consider themselves ill-prepared due to lack of human and material resources.	<ul style="list-style-type: none"> <li>• Improved management of the contractual relationship between operators (whether these are private operators or community-based structures).</li> <li>• Access to sources of finance, not only for initial investment, but particularly for expanding the service and renewing equipment.</li> <li>• Access to practical training (public procurement, technical aspects, etc.) specifically adapted to the reality of the water and sanitation sector.</li> <li>• Access to back-up support provided by the decentralized technical services or in addition to that already provided by the decentralized technical services as part of their current functions.</li> </ul>
<b>OPERATORS</b>	To benefit from on-going support to help with all aspects of their operation: technical, but also financial (operating accounts) and administrative.	<ul style="list-style-type: none"> <li>• Access to a financing mechanism that will enable them to spread the risks between several water supply networks and cope with any major setbacks (pump replacement, etc.).</li> <li>• Access to technical training and practical tools to assist with the technical and financial management of a water supply network or sanitation facility.</li> </ul>
<b>DECENTRALIZED TECHNICAL SERVICES</b>	To manage their new roles, particularly that of providing support to local authorities. To translate these new assignments into tools and human resources.	<ul style="list-style-type: none"> <li>• Access to more information on the latest legal and institutional framework developments (water and sanitation, decentralization).</li> <li>• Access to a mechanism for financing the operating costs of back-up support activities that are independent of projects and programs.</li> <li>• Access to practical training and tools for providing decentralized technical service back-up support to local authorities and operators.</li> </ul>
<b>REGIONAL STAKEHOLDERS</b>	To improve the effective coordination of activities conducted at regional level, whether these are investment activities (projects and programs) or transversal aspects.	<ul style="list-style-type: none"> <li>• Better consideration of stakeholder diversity, in a context strongly dominated by the state and its regional divisions.</li> <li>• More information on publicly financed on-going programs and on investment planning at regional level.</li> <li>• The existence of a permanent consultation platform (without this being too formal and thus costly) to structure dialogue between regional stakeholders.</li> </ul>
<b>NON-GOVERNMENTAL STAKEHOLDERS</b>	To obtain better recognition of the linkage required between state interventions and interventions of non-governmental stakeholders.	<ul style="list-style-type: none"> <li>• Advance knowledge of programs financed and implemented under governmental control so they are able to adapt if the need arises.</li> <li>• Mobilize the expertise of the decentralized technical services as part of projects funded by NGOs or decentralized cooperation to support local authority partners;</li> <li>• Obtain reliable and practical information on the current status of the institutional framework, technical standards and processes.</li> </ul>



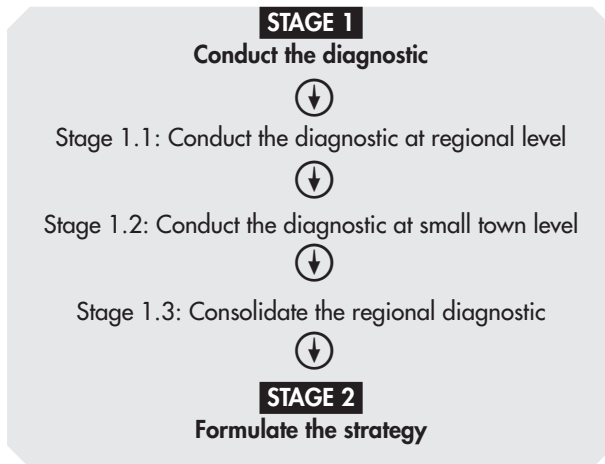




## **CHAPTER 3**

How to develop a regional  
strategy for water and  
sanitation in small towns

## The main stages involved in the approach



### An approach that brings together the stakeholders and that can be adapted to their expectations throughout its implementation

Conducting a diagnostic (stage 1) means leading and facilitating a process, not only producing documents. This predominantly means two things:

- the person conducting the process<sup>10</sup> should take the time to create a real working environment by getting to know the regional stakeholders and by giving them the opportunity (and so the time) to really take ownership of the approach;
- the person conducting the process should not rigidly apply their initial program, but should in-

stead allow the stakeholders to communicate their experiences and influence the work and approach through expression of their own concerns and ideas.

The work should ultimately lead to concrete recommendations for implementation (stage 2). It is not only the quality of the written work produced that will be judged, but also the quality of the process used and of the recommendations that result.

To conduct the approach for developing a regional strategy for water and sanitation in small towns, a process facilitator should be used who has proven skills and expertise, and whose legitimacy stems from national level, placing them above local and regional issues. This prerequisite has been substantiated by the experiences from the test areas.

<sup>10</sup> To conduct the diagnostic, the regional Steering Committee may decide to recruit a consultant (facilitator) or use a regional deconcentrated service of the State or a Committee member. It does not really matter who conducts the diagnostic; most important are the process and the results.

## An approach that revolves around the three issues considered important for the regional level

As part of the work to develop the regional strategy, it is recommended that priority is accorded to three analyses that are linked to the aforementioned issues seen at regional level:

- **analyze the financial capacities** for undertaking construction and water service improvement programs of those entities responsible for ensuring the water service in small towns, and analyze the financial base that exists for accessing the majority of international financing;
- **analyze the human resources** available at local authority level for carrying out the role of contracting authority and for controlling services;

establish whether there is back-up support in place for local authorities and operators managing water supply systems and the conditions under which this back-up support is provided (whether or not it is mandatory, how it is financed, etc.);

- **analyze the local skills available** for ensuring service management and any skill deficits encountered at local and regional level; analyze the training offer in place at regional level for the water and sanitation sector (to what extent is this adapted to the specific needs of small towns?).

## STAGE 1: The diagnostic

The two diagnostics (stage 1.1 – at regional level and 1.2. – at small town level) form part of the same diagnostic, from the general (the region) to the specific (the small towns). Stage 1.1 mainly consists of analyzing the existing offer at regional level, whereas stage 1.2 is primarily concerned with the demand expressed by local stakeholders.

### STAGE 1.1. The diagnostic at regional level

#### The main components of the regional diagnostic

The aim of the regional diagnostic is to clearly define the offer that can be mobilized at regional level to respond to the needs of small towns.

It needs to be able to answer the following questions:

- how are water and sanitation competencies distributed between the different types of authority? (Commune and region, in particular).
- what is the general overall condition of the sector in small towns? This needs to cover both infrastructure and capacities, for water and sanitation.
- what coordination and planning mechanisms have been put in place at national level and at regional level? To what extent do these successfully take account of the needs of small towns?
- which decentralized state services are involved in water and sanitation, what are their

roles and available resources (human, technical, financial)?

- who are the stakeholders with subject matter expertise and what capacity do they have, at regional level, to compensate for the specific difficulties experienced by small towns by offering them access to finance, training and to back-up support?

It is therefore important to emphasize the fact that the diagnostic at regional level is not just another regional diagnostic: it is aimed at a clearly defined target (the small towns) and uses a very precise interpretative framework - that of the CMS approach - with which to compare the needs of small towns with the service offer available at regional level.

The aim of the tools provided below is therefore to propose a very precise method of analyzing the situation on a regional scale, by indicating wherever possible which objective data should be collected (indicators), as well as the step to be followed in the field for implementing this phase of the diagnostic; this is particularly important in the CMS approach.

### Anticipated outputs

The regional diagnostic is only one stage in the process and so is not an end in itself. It should lead to specific outputs that will act as a trigger for the next part of the process:

- an analysis report, the conclusions of which will be shared with and validated by all stakeholders brought together as part of the regional Steering Committee; this report should be divided into two parts:
  - identification of needs, from which are defined the challenges to be overcome;

- identification of the opportunities and resources that exist at regional level.

- a reasoned proposal for selecting those towns that will be the focus of a more in-depth analysis during the subsequent stage; this selection also needs to be validated by the regional Steering Committee.

### How to conduct a regional diagnostic

All work carried out as part of stage 1.1 (diagnostic at regional level) aims to provide a response to the following question: 'What is the situation at regional level as regards providing support to water and sanitation services in small towns and what needs to be improved?'

#### IDENTIFICATION OF REGIONAL STAKEHOLDERS

Initially, the aim is to identify as many stakeholders as possible that are active at regional level, regardless of whether these are truly regional stakeholders or representatives of those stakeholders that exist mainly at national level. A list of stakeholders needs to be compiled based on the five main 'categories': the administration, the local authorities, civil society representatives in their broadest sense (including users' associations), the NGOs, and the private stakeholders. It is necessary to identify the role of each stakeholder and their position in the regional arena: is this a new stakeholder, a well-established stakeholder, a stakeholder who is developing their activity or the reverse, etc.? This identification process should also include those stakeholders who are only temporarily active in the region, but who, as experience has shown, can nevertheless play a very important role: in other words, 'projects' and the agencies who implement these.

**TABLE 2.** Characterizing the small towns at regional level

The area of interest is the part of the table highlighted in white, as it is this that corresponds to the definition of a ‘small town’.

Population (inhabitants) <sup>11</sup>	Under 500	500 to 1,000	1,000 to 2,500	2,500 to 5,000	5,000 to 10,000	10,000 to 20,000	20,000 to 30,000	More than 30,000
Number of towns in this category								
Total population of the towns in this category								
Rate of population growth between the last two censuses								
Existing water supply networks								
Potential water supply networks								
Percentage of the regional population in this category								

<sup>11</sup> The population figures should be obtained from the last available census.

**CHARACTERIZING THE SMALL TOWNS AT REGIONAL LEVEL**

The aim of this stage is to specify the typology of all the small towns that exist in the region. Once this task is completed, the table above can be filled in.

At this stage it is also important to list (at regional level) the towns that fall within the area of intervention of the national company (or companies) in charge of water and/or sanitation, as well as any planned development of this area of intervention.

In the ‘over 30,000’ category (which generally only includes a few towns), it is advisable to indicate the proportion of the population that is directly supplied by the national operator.

**CHARACTERIZING THE WATER AND SANITATION INFRASTRUCTURE AND SERVICE LEVEL IN THE SMALL TOWNS**

The aim here is to characterize, in the most refined way possible, the level of drinking water and sanitation services available within the small towns that were defined above. It is important to ensure that both water and sanitation are documented with the same amount of care and attention.

With regard to drinking water, it is necessary to identify which small towns are equipped with a network and which still receive their water from infrastructure more associated with village water supply (wells, springs, handpumps).

As far as sanitation is concerned, the most suitable household surveys (censuses, population

and health surveys, etc.) should be used to identify how many households are equipped with sanitation facilities and the type of technology used. The regional technical services should also be questioned to determine the number of sanitation facilities in schools, healthcare centers, public places, etc. In addition to the number of facilities, the hygiene situation also needs to be assessed.

The objective is to identify the deficit in terms of infrastructure (the number of small towns in which a water supply network is required, the proportion of households to be equipped with improved sanitation facilities, etc.) and to compare this deficit with those projects currently being designed and/or implemented (as a general rule: with all projects likely to have an impact over the next 5 years). The actual rate at which the infrastructure operates will be taken into account to determine if there is a deficit. One important output will be to show how the number of facilities within the small towns has risen over a period of a number of years, if possible, and to compare this to the anticipated increase.

The person conducting the diagnostic will carry out an overall analysis (by keeping to a regional level of detail) of the main constraints linked to infrastructure construction: distance, remoteness and population density, cost, energy (extension of the electricity network), hydro-geological conditions, topography and geographical characteristics.

Where regional data on the price and quality of the service is available, the person conducting the diagnostic should analyze this, but should not carry out a specific study into this area (a study would be too costly in a diagnostic phase).

Overall, the person conducting the diagnostic will draw his analyses and conclusions from second-hand information, as, at this stage of the

study, there is no systematic survey planned for all the towns in the region. The task will therefore primarily involve reviewing documentation, although it will also be important to pay visits to the regional stakeholders (and notably the projects in progress in the area) in order to verify information and gather more recent data.

#### INSTITUTIONAL ASPECTS AND THE EXTENT OF DECENTRALIZATION

Secondly, the following questions need to be answered:

- what does the institutional landscape look like at national level and what are its implications at regional level (technical services present in the region, whether for water, sanitation or hygiene/health)?
- what is the actual degree of autonomy afforded to these regional technical services in relation to the central directorates?
- which are the technical services in closest proximity to the local authorities and users and which technical services are represented at commune level or equivalent?
- what are the different levels of existing authorities at regional level? List their operating procedures, their theoretical and actual competencies in water and sanitation, and their human and financial resources. Highlight any duplication in functions and tasks or any gaps. Does the regional level itself constitute an authority?
- is there any documentation (or, failing this, any minutes from workshops) that specifically deals with the issue of small towns? Is there a strategy or policy that is in the process of being developed?

In this part of the analysis it is possible to examine the legal framework, however it is important

to remain focused on small towns and to precisely list any discrepancies between the 'theoretical' provisions and the reality observed in the field. The aim of the regional diagnostic is not to propose modifications to legal texts.

#### EXISTING MANAGEMENT MODELS

##### AT REGIONAL LEVEL

Which management models can be found in small towns in the region? Here, it is necessary to provide a precise typology of the different management models that, if possible, is also reasoned (in terms of ratios, the number of centers using each management type on a regional scale) so that it can be used to select the towns. Five main categories can be used to define the typology:

- municipal body;
- community-based management;
- management delegated to a local private operator;
- management delegated to a community-based operator (community association);
- management delegated to a national public operator.

The aim is to provide an overview of the management models in use at regional level.

#### COORDINATION AND PLANNING

##### AT REGIONAL LEVEL

Is there an organization in place at regional level that plans the development of water and sanitation services? If yes, analyze its composition, its roles, its level of operation, etc. Is this organization permanent, attached to another body, or a flexible system? If this organization produces, or has recently produced, any documentation then this should be carefully analyzed.

In addition, it is also important to carefully analyze coordination practices: is there a body in

place for this? What is its composition? What is its mandate (water only, water and sanitation, hygiene)? How often are meetings held? Do members attend regularly and what is their motivation? (Are they paid expenses?). It is also necessary to gain an understanding of the body's mandate from its members and to evaluate the actual impact of any coordination on activities. More informal coordination structures between donors or operators should also be listed and analyzed, as should any ad hoc coordination activities (linked to a program, for instance). Where there are several committees in place, an analysis of any connection and interaction between them needs to be carried out.

##### CAPACITIES AT ALL LEVELS

Capacity is a very important concept within the CMS approach. It should be considered in a relatively broad sense:

- human resources (the number of people working for any given body, what are their profiles and skill levels?);
- financial resources (particularly, the capacity for self-financing);
- material resources (with a particular focus on means of transport).

These three categories form one of the entries on the capacity analysis grid at regional level. Wherever possible, capacity should be evaluated using quantified indicators.

As far as the stakeholders are concerned (which constitute the other entry in the capacity analysis grid at regional level), the following breakdown can be used:

- local authorities (particularly the level that is directly involved in managing water and sanitation services in small towns). A distinction needs to be made between elected officials and local



civil servants and it is important to identify whether the local authorities have a technical service (and a water and sanitation service);

- users' associations (whether these are involved in management or not);
- the entities that manage the water supply networks (whether private or community-based);
- other private operators. For these other operators, two types of capacity are assessed:

1. technical: What do they offer in terms of latrine construction, pit emptying? What is the regional offer as regards boreholes, construction, pipe laying, provision of materials and spare parts, maintenance of submersible pumps, generators, etc.?

2. non-technical: the regional offer is evaluated by looking at the NGOs likely to intervene in small towns or engineering firms, etc.

- the state's technical services. A distinction needs to be made between those services in charge of water supply networks and those responsible for health or sanitation, etc. It is also important to clearly distinguish between staff working at regional level and those working in closer proximity to the local authorities.

**Important note:** wherever possible, it is advisable to compare quantitative data from the region studied with that found at national level or, failing this, with data from neighboring regions.

#### LOCAL AUTHORITIES' ACCESS TO FINANCE

At this stage, all accessible mechanisms must be analyzed, regardless of whether or not they are actually utilized.

An important element of the study is the detailed examination of those financing mechanisms that are either directly or indirectly available to local authorities:

- sovereign funding passed down from national level (has the local authorities' level of involvement in the way projects are implemented changed over the last 10 years?);
- sub-sovereign funding (particularly flexible funds made directly available to local authorities, communal development funds, etc.);
- funding from NGO partners or a decentralized cooperation;
- diaspora funding;
- and funding that comes directly out of the commune's budget, where this is the case.

It is necessary to analyze how much knowledge and information is held by the local authorities on each funding mechanism.

At this point, only the mechanisms are of interest, not the amounts (which does not prevent these being analyzed if regional information is easily accessible).

Furthermore, it is also useful to:

- clearly document any examples of local authorities having mobilized finance for improving infrastructure (even where the amount mobilized is very small);
- provide an outline of the local authorities' own financial capacities (budget actually utilized, proportion of local taxes actually collected);
- look at other stakeholders. The same task can be carried out for private managers and operators if they have mobilized funds directly; the same applies to users' associations.

This stage may require short trips to one or two small towns and largely relies on the person conducting the regional diagnostic having a refined knowledge of the sub-regional level: the cases that best represent the situation in the region should simply be documented in brief. Case

studies may also have been carried out by others and can also be used provided the themes and process are appropriate.

**EXISTING BACK-UP SUPPORT AVAILABLE AT REGIONAL LEVEL**

This step involves listing all the back-up support that may be provided to a local authority or operator (private or community-based) managing the water or sanitation service in a small town, including support provided by the informal sector. In this case, back-up support takes the form of building either contracting authority capacities (local authority) or operational capacities (service managers).

This concept of support can also pertain to a formal structure (the monitoring operator is a legal entity, it is recognized by the state technical services with whom it has a contractual relationship) or can cover a myriad of support functions that deal with various aspects that are of interest to the water supply service manager (technical, accounting, etc.).

This support is analyzed in terms of quality and efficiency, without overlooking the fact that back-up support is often provided by the state's technical services (in this case: under which conditions, on which subjects, at what price, etc.).

**EXISTING TRAINING AVAILABLE AT REGIONAL LEVEL**

At this stage, it is important to carefully analyze the training that is provided to the water, hygiene and sanitation sector. Is this a permanent offer (there is a training center in the region) or only temporary (training is undertaken as part of projects or ad hoc capacity-building programs, etc.)?

The training capacity of the national urban op-

erator also needs to be assessed, as does the role that this operator could play in terms of training stakeholders in small towns (or already plays within some specific frameworks).

This training offer can be analyzed by compiling a list of the type of training different stakeholders would be able to access during their 'career': administration officer, local elected official or general secretary of a commune, manager, water users' association member, private operator, NGO employee, etc.

**STAKEHOLDER INVOLVEMENT**

When meeting with stakeholders, it is important to ensure they are able to express their issues, expectations and their suggestions. It is also important to ensure that the CMS process is not superimposed over existing structures (notably the 'Steering Committee' at regional level) but instead draws on them.

To encourage everyone to express themselves

**Required Task Force members**

- 1) Management of the technical services in charge of water;
- 2) Management of the technical services in charge of sanitation and/or hygiene;
- 3) A local authority designated by the regional Steering Committee;
- 4) A representative from the civil society or users' association;
- 5) A representative from the private sector;
- 6) A representative from the technical and financial partners;
- 7) A subject matter expert.

### Hints and tips for involving and motivating stakeholders

- Organize convivial meetings (setting, always provide a group meal).
- Always write up and circulate meeting minutes.
- Prepare clear agendas with a limited number of points for discussion.
- Forecast a small budget for each meeting.

freely, it is recommended that a task force is set up, composed of people who are requested to work on a single defined subject for several months. This is a Task Force in the proper sense of the term and not a Steering Committee.

#### THE TASK FORCE

The Task Force should not be overly formal, however it is advisable to explain to members what is expected of them in a 'letter of engagement'; this is a one page document that sets out the ground rules and the objective to be met over the next 12 months (the average length of time required to develop a regional strategy).

It is important to highlight the link between the Task Force and the more formal steering committee level (the regional Steering Committee or its equivalent). Reporting and validation is carried out at regional Steering Committee level, based on the work conducted by the Task Force. Ideally, the Task Force should be set up as a subgroup of the regional Steering Committee as this will increase its legitimacy.

#### SAMPLE TIMESCALE FOR STAGE 1.1

It should typically take 10 weeks to complete all activities involved in stage 1.1, that is, up to validation of the regional diagnostic by the Steering Committee. Below is the sample timescale for stage 1.1, week by week:

- **week 1:** Information and consultation meetings with the main stakeholders; clear identification of regional stakeholders and projects; start of data collection; planning the kick-off workshop;
- **week 2:** Analysis of existing data (decentralization, water, population, health, etc.), characterization of the small towns and condition of the infrastructure;
- **week 3:** Set up the Task Force and hold the kick-off workshop (regional Steering Committee or its equivalent);
- **week 4&5:** Collection of field data at regional level;
- **week 6:** Collection of field data at regional level;
- **week 7:** Drafting the pre-diagnostic report, formatting information;
- **week 8:** Continue drafting the pre-diagnostic report; distribute this to the Task Force;
- **week 9:** Task Force discusses draft version of the pre-diagnostic report;
- **week 10:** Presentation of findings and validation of the pre-diagnostic and of the 6 towns selected.

#### THE CRITERIA FOR SELECTING SMALL TOWNS FOR STAGE 1.2

An important part of the transition between stage 1.1 and stage 1.2 consists of putting forward the towns selected for further in-depth investigation (stage 1.2) to the Steering Committee for validation. The exact criteria can vary from one country to another. However, the main criteria to be considered are as follows:

- decentralized cooperation: at least one town that is partnered with a local authority in the North;
- diversity of management models: the towns selected reflect the situation within the region;
- hydro-geological or geographical context;
- water supply system complexity / service level: standpipes or household connections, etc.;
- size of the small towns: they should be representative of the sizes identified at regional level;
- water supply system performance level: operational / partially operational / non-operational.

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## STAGE 1.2: The diagnostic at small town level

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The sample should, of course, be representative of the regional situation. Experience gained using the CMS approach has shown that a sample size of 6 towns is usually sufficient to establish a diagnostic that provides enough detail without being overly expensive.

This stage, that complements the preceding stage, serves to provide a more in-depth analysis of the situation of small towns, particularly in terms of assessing needs, by using an approach that involves listening to and consulting with the various local stakeholders.

### The main components of the diagnostic in small towns

In each town within each region, a two-step process will be implemented.

#### AN ASSESSMENT OF THE NEEDS OF THE LOCAL AUTHORITY

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In terms of:

- financing (assessing current resources and the resources necessary for developing the sector);
- contracting authority support (identifying the technical and human resources available and re-

quired to supervise the construction of facilities, monitoring and controlling services);

- training provided to the local authority and local operators (evaluating human resources as regards current skill levels and those skill levels required for developing services).

#### CONSULTATION WITH THE LOCAL AUTHORITY AND THE LOCAL STAKEHOLDERS TO:

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- present the results of the needs assessment;
- identify their specific demands and their priorities with regard to issues linked to accessing water and sanitation;
- gain an understanding of their demands and expectations in terms of receiving back-up support from regional level.

The needs assessment will be carried out by the person conducting the diagnostic; they will also be responsible for facilitating, and drafting up minutes from, the local consultation meetings. A representative of the regional steering committee will be involved in these meetings. This representative will then provide feedback to the steering committee on the local authorities' and stakeholders' issues and expectations.

## Anticipated outputs

Upon completion of stage 1.2., the main documents to be presented are the diagnostics of the needs identified in each of the towns that were selected at the end of stage 1.1. These documents should only be summaries; a maximum of 15 pages should be accorded to each town. The final report of stage 1.2 should also include a transversal analysis of the common elements that arise from the analysis conducted in the towns, so as to create a link between stage 1.1. and stage 1.2.

## Process steps – the reminder

### ATTENTION! NEXT COMES THE ‘CASE-BY-CASE’

#### ANALYSIS

Upon completion of stage 1.1. (regional level), we have identified working assumptions, or topics which seem the most interesting or relevant to work on. The sample of towns was deliberately chosen to offer the greatest possible diversity; the practical impact of this being that the situations observed can vary widely from one town to another. We now move on, therefore, to a case-by-case analysis, all aspects of which it is difficult to anticipate. The person conducting the diagnostic therefore needs to be aware of this. The relevance of the regional action plan will largely depend on the relevance of the analysis carried out at town level. The framework provided below should only, therefore, be used as a guideline.

#### INITIAL CONTACT WITH THE OFFICIALS OF THE COMMUNE<sup>12</sup>

This initial contact is the entry point at each town

<sup>12</sup> Commune here is a generic term. In fact it equates to the local authority closest in size to the town (for example, a District in Ghana).

level. Every attempt should be made to meet with the highest placed commune officials possible (ideally the mayor or one of his deputies, but it should always be an elected official). The aim of this meeting is to introduce the approach and present the findings of the regional diagnostic, highlighting the working assumptions that have been identified (without over-highlighting these, however, so as not to interfere with the commune officials’ own demands). Be sure to present all those attending this initial contact meeting with a document summarizing the work to be carried out within the town(s), accompanied by a timescale. This contact meeting should enable you to compile an initial list of local stakeholders to be met.

#### PRELIMINARY MEETING WITH LOCAL STAKEHOLDER REPRESENTATIVES

The next activity (which can take place on the same day as the initial contact meeting, but only if this does not have a negative impact on the participation and representation of all stakeholder categories) consists of bringing together the representatives of the local stakeholders present in the town (as a minimum: the local authority, the users’ association, the operator, the decentralized technical services, the non-governmental stakeholders active in the area). During the meeting, it is important to ensure that everyone is allowed to speak freely; if this is not the case, it will be advisable to organize several different meetings.

The principal objective of this meeting is to present the approach, emphasizing the fact that there are no direct benefits (this is not to say, however, that the project will not have a beneficial impact in terms of improving the water service within the town); then, to test the relevance of the working assumptions directly with the local stakeholders, who themselves will no doubt suggest further pos-

sibilities or dismiss those assumptions that don't correspond to a real need in the town in question. It is imperative that detailed minutes of this meeting are drawn up and made available to the participants (it is not necessary for them to 'validate' these; the minutes only reflect the understanding of the person conducting the diagnostic, however they do provide the participants with some sort of 'right of reply' in the event that any of the points raised in the meeting were misinterpreted).

**DIAGNOSTIC / IN-DEPTH DISCUSSION WITH THE LOCAL STAKEHOLDERS**

The diagnostic should take a minimum of one working day per town. This therefore needs to be a separate visit to the one made to organize the preliminary meeting (for towns that are very remote or at a distance away, it will be necessary to stay between 2 and 3 days).

This diagnostic phase is a combination of field visits (notably for the infrastructure aspects), meetings of varying formality (but using a structured process: these are focus and discussion groups) and face-to-face (individual) interviews with certain stakeholders (the person conducting the diagnostic needs to be particularly attentive to all those who do not express their opinions during formal meetings, which is often the case of those who belong to marginalized groups). On a practical level, the individual interviews can be conducted when waiting for the focus groups to be set up.

At this stage of the diagnostic, it is vital to visit the infrastructure in order to assess whether this is functional and see how it is operated / maintained. This is not an expert technical visit as such, but the person conducting the diagnostic should put their technical knowledge to good

use to obtain an objective overview of the infrastructure, an overview that could well conflict with the view of the local stakeholders (in technical matters, the sentiment can be different to the reality: for example, a users' association could insist that a generator doesn't work properly, whereas in fact it has been poorly configured or maintained using poor quality spare parts, etc.). It is also important to highlight the past history of the infrastructure (which will enable identification of the different successive 'layers' of investment) and the practices of those stakeholders responsible for its day-to-day operation (and not merely rely on their word).

The aim of this part of the process is to assess the extent of the gap between the needs identified (by the local stakeholders) and the resources /service offers available (that already exist). For this, it is strongly recommended to refer again to the following breakdown:

- **financing:** what are the requirements? The local resources?
- **back-up support:** on which subjects, at what price, how often, etc;
- **training:** who is it for, what are the priority subjects, what are the learning objectives? This part of the work should be interactive: remain particularly attentive to the needs expressed, even when these are expressed as issues (and, in this case, try to work towards finding a solution). The person conducting the diagnostic should not actively seek solutions, but rather assist others in establishing linkages between the technical aspects (identified during the field visits) and the issues expressed.

It is also necessary to arrange direct discussions with the users (and not only with the users' association) in the form of one or more focus groups (as a minimum, adhere to the following break-

down: water/sanitation, connected/non-connected user). These interviews are vital for assessing what needs to be done to improve the service (in the knowledge that the management committee or operator may not necessarily be aware of all the users' issues).

A number of tools have been developed for carrying out this type of diagnostic. For example, it is possible to use the 'tool kit' developed as part of the 'small towns' initiative implemented by the World Bank that exists in three languages. Other specific tools could also be developed for this purpose.

Throughout this activity, we are looking to identify the basics so that the proposal formulated within a town can be generalized at regional level. Thus, we progress by making concrete proposals that aim to compensate for the observed deficit or shortcoming (it is not enough to make simple observations, but to formulate assumptions for making improvements and to test the relevance of these with the interviewees themselves).

As far as formatting a diagnostic in a given town is concerned, over and above writing the actual report (around 4-5 pages), we recommend using a matrix that is common to all towns so that all similarities and differences can be more easily identified. Each row contains a subject heading and these are grouped in accordance with the 3 main categories of the 'interpretative frame-

work'; there are then two columns in which to note down the existing situation (the issues identified) and the proposed solutions.

#### PRESENTATION OF FINDINGS TO EACH TOWN IN THE SAMPLE

Once the diagnostic has been developed and formatted, the person conducting the diagnostic organizes a review and discussion meeting (of at least half a day, to ensure enough time for discussion; at most, one full day so as not to take up too much of the attendees' time). This meeting should lead to validation of the recommendations and proposed courses of action (the opinions may differ to those of the local actors on certain points; if this is the case, it should be highlighted).

#### EXCHANGE / DISCUSSION PHASE – WITH THE TOWNS' REPRESENTATIVES

It is highly recommended that a presentation of findings is organized at regional level with the regional Steering Committee and the towns' representatives, who become members of the Steering Committee until the end of the process. This meeting may give rise to some interesting opinions (operators or management committees are often more ready to be critical of others than themselves) and provide linkages between the local level and the regional, prior to the diagnostic consolidation phase (see below).

### STAGE 1.3. Consolidate the diagnostic and present the findings

It is crucial that the previous stages are followed by a diagnostic consolidation phase that combines the 2 parts of the diagnostic (regional and small towns) to create a unique regional diagnos-

tic. This consolidated diagnostic report needs to be discussed, and then validated, by the regional Steering Committee. It will be used as an aid for the subsequent stage (formulate the strategy).

## STAGE 2. Formulate a regional strategy for the small towns

All work to be carried out during Stage 2 needs to focus on answering the following question: 'knowing the exact nature of the situation at regional level and in the small towns, what can be done to better align the offer with demand and what concrete proposals can be put forward to develop a regional strategy?'

Over the course of the previous stages, great efforts were made to gain a proper understanding of what happens in the field, both at regional level and in the small towns, themselves. This diagnostic forms the basis of the following stages. The transition from the diagnostic to formulating the strategy therefore needs to be handled with care: it is necessary to 'turn words into action' and to move on from the identification and analysis of issues to proposing solutions to overcome these. The objective of stage 2 of this guide is to recommend ways of doing this. The transition between the 2 phases essentially involves identifying the key problems and issues for which solutions will need to be found during the strategy development phase.

### The main elements of the strategy formulation stage

Aware of the issues and areas for improvement identified during the diagnostic phase, it is now necessary to formulate a regional strategy that defines priorities and sets out an action plan. The actions to be undertaken will be subject to a pre-

feasibility study, conducted in consultation with the regional stakeholders concerned.

Without wishing to make assumptions as to the actions to be taken in the regions, the Table 3, below, provides a list of possible options.

### Anticipated outputs

The output at the end of phase 2 is a strategy document which should be prepared and validated by all stakeholders forming part of the regional Steering Committee. This document will notably describe the exact role of the different stakeholders involved in the implementation of the action plan and will identify those partners who have manifested an interest.

### Process steps

#### *What is a 'strategy', as understood by the CMS program?*

The regional strategy should include the following four elements:

- an in-depth analysis of the issues (based on the diagnostic);
- an overview of the actions to be taken at regional level;
- an action plan (= a coherent list of all actions);
- 'action sheets' ready for immediate implementation.

In addition, the strategy must be:

- validated by the majority of local stakeholders (see below);
- realistic: the proposed actions have to be feasible (see below);



**TABLE 3.** Possible options for the implementation of a regional strategy

AREA	POSSIBLE OPTIONS
FINANCING	<ul style="list-style-type: none"> <li>• Develop the local tax system and other cost recovery mechanisms to increase small towns' own financial capacities;</li> <li>• Negotiate with local banks and regional development banks to obtain access to credit for local authorities and operators.</li> </ul>
BACK-UP SUPPORT	<ul style="list-style-type: none"> <li>• Consolidate the demands to provide justification of the feasibility (solvency) of long-term support mechanisms, and prepare a finance plan that is practicable long-term;</li> <li>• Develop back-up support capacity within the decentralized administrations, organize the decentralized administrations and give them a sense of responsibility so that they are able to perform the back-up support role for overall management of the resource (authorizing sampling, control of wastewater discharge, etc.).</li> </ul>
TRAINING	<ul style="list-style-type: none"> <li>• Consolidate the various training requests to support the organization of on-going competence-based training modules or ad hoc multi-stakeholder training workshops;</li> <li>• Develop training sessions that are adapted to the demands of the small towns, the decentralized support administrations, the small operators and the users' associations.</li> </ul>
TRANSVERSAL	<ul style="list-style-type: none"> <li>• Mobilize and support the existing mechanisms, across the three components, to adapt, structure and build on them;</li> <li>• Ensure there is on-going consultation between the local authorities and regional services to review their needs and demands;</li> <li>• Organize a means of circulating information, of conducting visits and of sharing experiences to spread best practice and draw on lessons learned.</li> </ul>

- relevant: the proposed actions should have high added value;
- replicable: it must be possible to use the regional strategy at national level.

#### THE OPINION OF LOCAL STAKEHOLDERS OR THE OPINION OF THE FACILITATOR OF THE PROCESS?

The process has been developed to take the opinions expressed by local stakeholders into account. This point is a very important part of the CMS program. Based on these opinions, the role of the facilitator (consultant), who applies the process, is to assist the local stakeholders to gain the perspec-

tive necessary to enable them to properly identify priorities on a scale that is unfamiliar to them: the regional level. During stage 2, the facilitator should not, therefore, be content merely to reproduce the opinions expressed by the local stakeholders. He should also use his prior knowledge of the sector to go through the proposals and highlight those that he feels are suitable to be carried out at regional level; in addition, he should ensure he is able to make himself understood. The facilitator therefore needs to find a balance, which is not always easy, between respecting the opinions expressed by the local stakeholders and

ensuring the relevance of the action plan (and so the ease with which it can be implemented).

### REDUCE THE NUMBER OF ACTIVITIES FOR INCREASED RELEVANCE

What we call an 'action' is, in fact, a coherent set of activities that respond to a particular issue raised during the diagnostic phase. An action can, therefore, vary in size and even in length (from several months to several years in the case of a permanent measure). Each action is formulated as a mini-program that forms part of the regional action plan (and so part of the logical framework).

Each action is described with enough detail to enable its immediate implementation (this is its 'turnkey' aspect: how much it costs; who can implement the action; which tool(s) the action will use; what risks are associated with its implementation, etc.). The suggested format for presenting each action is therefore a 'project outline', an example of which can be found in the following chapter.

For reasons both of relevance and effectiveness, it is recommended that the number of proposed actions be deliberately reduced by selecting a maximum of 2 actions for each of the 3 main topics (it is also possible to have only one). Another aim of limiting the number of actions in this way is to enable the feasibility of each action to be assessed, which is a prerequisite for the 'operational' phase.

### THE PITFALLS TO BE AVOIDED DURING PHASE 2

As far as possible, avoid combining priority levels and actions that vary widely in terms of feasibility to create a 'wish list' of everything that could be done at regional level. This is the main reason why the number of actions should be reduced.

For each action proposed during the diagnostic phase, the facilitator needs to evaluate its feasibility and proceed with a critical selection. They will not all necessarily be included in the final action plan.

The actions proposed as part of the regional action plan should not only meet the specific needs expressed by the 6 towns that were studied in-depth during the diagnostic (stage 1.2.), but should also meet the needs of all the small towns in the region. Indeed, the action plan pertains only to the regional level.

It is vital that the actions proposed directly contribute to one of the three results.

Also avoid falling into opportunism by preparing actions based on the interests of those financial partners active in the region expressed *ex ante*. Certain actions will be difficult to finance, but this is no reason to omit them, quite the opposite: it will be necessary to build up sound arguments to convince financial partners to contribute.

### SEEK OUT ADDED VALUE ON A REGIONAL SCALE

It is important to always bear in mind that the aim of the regional strategy is to develop an original idea: to place itself at an intermediate level – the region, with a size of around a million people – so it doesn't fall within the limitations of either the local level (which leads to short-sightedness) or the national level (which, conversely, leads to farsightedness). In other words, transferring contracting authority responsibilities to the communes for water and sanitation services does not help resolve certain finance, back-up support or training related issues as the communes are too small in size. It is, therefore, necessary to find a larger scale – the region – without necessarily recentralizing activities. During

the selection process, the priority actions should therefore be those that optimize or reinforce this regional level (because they require a regional economy of scale).

#### THE VALIDATION PROCESS AT LOCAL LEVEL

What is the process to be followed for validating the strategy at regional level? The main body involved in this validation process remains the Regional Steering Committee that was set up at the start of the process (see the process note above). The regional strategy should be prepared over the course of several working meetings with the Regional Steering Committee. We recommend:

- a working meeting with the Regional Steering Committee to make the transition from stage 1 to stage 2, which is based on the validated regional diagnostic report. The aim of this meeting is to precisely identify the key issues that the strategy needs to address;
- a working meeting with the Regional Steering Committee based on the draft version of the re-

gional diagnostic. It is vital that this takes place prior to the workshop held to validate the strategy;

- a workshop for final validation of the regional strategy, to which the Regional Steering Committee will invite other partners (notably development partners); in addition to validating the regional strategy, the aim of this final workshop will also be to identify the resources that need to be mobilized to implement the action plan.

As far as stakeholder availability and resources allow, local stakeholders (and representatives of the small towns studied) should be invited to these meetings to participate in discussions. The facilitator and the Regional Steering Committee should, however, take care to ensure that those towns in which a diagnostic has been conducted are not the only ones concerned by the strategy and that they understand they should only expect the same outcomes as all the other towns in the region.





## **ANNEX**

# Examples of courses of action defined as part of regional strategies

Upon completion of the 3 regional processes, some similarities will have soon become apparent between regions, highlighting certain basic points.

In this annex, the main courses of action that have emerged for each of the 3 topics making up the approach are presented within the framework of the process undertaken in the three West African regions (the regions of the Center-East in Burkina Faso, Mopti in Mali and Brong Ahafo in Ghana).

## TOPIC 1. Access to finance

### Key ideas

Three key ideas make up the action sheets associated with Topic 1, 'Access to finance':

- **Idea N°1:** establish a mutual solidarity fund between operators to deal with major setbacks and to take account of the existence of small-sized communities;
- **Idea N°2:** create financial mechanisms available to local authorities that enable them to finance improvements to the service;
- **Idea N°3:** pool and improve the allocation of investment funds at regional level (notably the funds from decentralized cooperation) and ensure no commune is overlooked.

### ACTION SHEET 1. Mutual solidarity fund

Set up a mutual solidarity fund between the operators of water and sanitation systems<sup>13</sup> in small towns in order to grant short-term loans or repayable advances to finance major care and maintenance activities.

#### Rationale in relation to the identified priorities

One of the issues encountered by small towns is the lack of national financing, particularly to support major repairs and the renewal of certain equipment, where the financing of activities from external resources in the form of repeated rehabilitation projects is often poorly coordinated.

<sup>13</sup> Although the main objective of these funds will be to finance operations relating to water supply systems, it is also highly recommended that sanitation services and facilities are also eligible.

NGOs and decentralized cooperations are often solicited for financing rehabilitation projects to the value of several thousand euro, whereas only a few of the best managed water supply systems have any funds in reserve.

This action contributes to increasing the financing available to the sector at regional level and should lead to improvements in continuity of the water and sanitation service by preventing long-term breakdowns. The primary objective is to mobilize the funds generated by operating the service. It involves creating a mutual solidarity fund between the delegated operators of water supply systems so that they are better able to cope with 'setbacks' encountered in care and maintenance. The second objective is to set up a form of solidarity between 'large' and 'small' systems.

## Detailed description

The mutual solidarity fund is used to finance unforeseen maintenance and repair work (the replacement of a chlorination device, repairing major leaks on the network, the replacement of a pump, for example). To do this, the loans or repayable advances are only short-term (between 2 and 3 years) and are capped at an intermediate level that will enable the cost of most unforeseen repairs to a water supply or sanitation system to be met. These loans can be topped up by reserves received from operating the system, if necessary. This cap could be set at around 5,000 euro, depending on the complexity of the system, the type of breakdown and the size of the town.

The conditions for mobilizing these short-term loans (considering applications, interest rates, repayment methods, etc.) are aligned to those used by the financial system of the region. Loans are only granted to those water supply and sanitation system operators whose loan applications meet requirements. They need to prove to the solidarity fund that they are able to provide a deposit of at least 20% of the loan they have requested.

The question of how the fund is managed is very important. Ideally, the fund should be managed by a body that represents the operators (such as FAUEREB in the region of Bobo Dioulasso in Burkina Faso, for example) and that has the legitimacy required to organize this pooling of resources without conflict of interest or the risk of poor financial management. The issue, of course, lies in ensuring funds remain available long-term to cover new applications (the number of water supply systems in small towns is continually on the increase). A temporary solution

could be to entrust management to an NGO type organization whilst a federative-type structure is being put in place. It is not, however, recommended to entrust the management of this fund to a public institution.

The main steps involved in setting up this fund are as follows:

- an analysis by communes of those facilities that could potentially provide a source of finance (profitable and well-managed water supply systems);
- activities to inform and motivate water supply system managers and communes in order to interest them in pooling financial resources;
- an analysis of financial institutions (banks and micro-finance institutions) at regional level to ascertain the best rates of return on any funds invested;
- the organization of the management structure of the fund and mobilization of funds (administrative documents, management models and principles, etc.);
- back-up support should be provided when setting up the fund (see Topic 2 of this document) to optimize the management of facilities.

It is vital that the mutual solidarity fund is monitored by an 'independent' operator whose role will be to conduct a six-monthly or annual audit and put forward recommendations for improving the fund's management.

### Indicators for monitoring the action

The performance indicators for this action are:

- the number of communes / water supply system operators<sup>14</sup> joining the fund;
- the amount of finance mobilized (the total amount available within the fund);
- the rate at which the fund is topped up or at which the loans are repaid;
- the fund's capacity to handle the requirements of the water supply systems (this can be measured by comparing the number of demands met to the number of demands received).

### Roles and responsibilities of the different stakeholders

To implement this action, the stakeholders need to undertake the following roles:

- highly specialized tasks can be entrusted to an NGO or private organization with the skills to carry out all preparatory activities; this body is monitored by a regional steering committee who conducts regular progress reviews;
- a body is assigned to manage the fund; this could initially be a temporary arrangement (see the detailed description above);
- an independent consultant / designated body is assigned to carry out audits and report to external partners, communes and state representatives;

<sup>14</sup> The question of whether it is the local authority or the operator (private or association) that should be a member of the fund depends on the type of contract linking the authority and the operator: whichever of them is responsible for renewing the equipment eligible for the solidarity fund should be the one who joins the fund. In any event, to join the fund the operator needs to be legally recognized and have a bank account.

- it is recommended that the state (central or Decentralized Technical Services) is not given a direct role in managing the fund; however, it is possible to set up a partnership agreement between the regional Decentralized Technical Services and the fund management body that defines any mutual responsibilities.

### Resources to be mobilized (human resources, etc.)

The body assigned to manage the fund makes micro-finance and financial experts available to water and sanitation services in the small towns (they should, for instance, be able to set up an operating account). They are supported by technicians with experience of analyzing the performance and optimizing the management of water supply systems. If it is an association that is responsible for managing the fund, some human resources should be allocated to assisting with the establishment of this association. Lastly, human resources with administration and accounting skills are required for the 'day-to-day' management of the fund.

### Estimated cost of the action

The minimum level of finance required to set up the fund depends on the number of systems involved, their age and the existing levels of reserves available.

### Associated risks and mitigation measures

The risks associated with implementing this action are:

- lack of interest in joining the fund from communes and water supply system managers;
- demand for loans exceeds the fund's financial capacity.

The possible mitigation measures are:



- providing information to stakeholders and raising their awareness so as to implement the action plan;
- setting up a group that is composed of members of the regional action plan steering committee to advocate the fund and mobilize finance.

## **ACTION SHEET 2. Common investment fund**

Set up a common investment fund in order to grant short-term or medium-term loans for financing projects aimed at improving and developing water and sanitation services.

### **Rationale in relation to the identified priorities**

This action helps overcome the main shortcomings observed in relation to financing in the water and sanitation sector in small towns, in particular: lack of access to external financial resources for making required investment and the impossibility for local stakeholders to provide the necessary guarantees to obtain credit as part of water supply and sanitation project implementation.

This action involves setting up a common investment fund that will receive funds from several sources: internal (some of the provisions accrued through the operation of water supply systems for renewing or carrying out major repairs to equipment) and external (donations or contributions from external partners, whether for a specific purpose or not; funds transferred from the State or from the Region, etc.).

This fund can be used as an effective tool to build solidarity between 'small' systems (seemingly unprofitable) and 'large' systems (capable of building up significant reserves). The rules for accessing the fund could, for example, promote

access to finance for 'small' systems by granting them proportionally greater drawing rights.

### **Detailed description**

The investment fund is managed by a body that brings together the local authorities or operators of the region (depending on the type of contract linking the operators to the authorities). Only those communes who produce satisfactory loan applications are eligible for loans from the investment fund. This is because it is the communes who own the water supply systems and so have obligations in terms of planning and investment, either directly or delegated to them by the state as part of decentralization. The investment fund is intended for financing investment for the creation, renewal and expansion of water supply systems. The loans are either short or medium term (3 to 8 years) and are capped (the cap stands at 15,000 euro or 10 million CFA Francs) at a level which is typically enough to cover the cost of renewing a pump (or change the energy source) or to extend the network to benefit a considerable number of users (at least a hundred).

The conditions for mobilizing these short to medium term loans (considering applications, interest rates, repayment methods, etc.) are defined when the fund is created and subsequently

refined based on experience drawn from the projects financed.

Any water supply system project for which the commune acts as contracting authority and which applies for a loan from the investment fund must meet the following conditions: it is able to contribute at least 10% of the total cost of investment and verify the feasibility of the project. The application for finance is analyzed by an independent credit committee which gives its decision within a short timeframe (within a few weeks maximum).

It is worth noting that hygiene and sanitation projects (the construction of a shower-toilet block in a public place such as a bus station or market, for instance) are also eligible for such an investment fund and under the same conditions.

The main steps involved in setting up this fund are as follows:

- preparatory work that aims to carry out 'market research' on the requirement of such a fund at regional level and to identify an appropriate association-type structure;
- the development of a procedures manual listing the practices that need to be respected by all stakeholders for managing the finances within the common fund;
- an analysis of financial institutions (banks and micro-finance institutions) at regional level to ascertain the best rates of return on any funds invested;
- the organization and mobilization of funds (administrative documents, governance, management models and principles, business plan);
- back-up support is provided for the fund aimed at optimizing the management of facilities and ensuring that the applications are financially viable.

This action involves putting in place a fund that needs to remain sustainable for the medium to long term and so is, therefore, not necessarily limited in time, unless used as an ad hoc facility for upgrading infrastructure in a given region. It is very important to conduct a regular audit of the fund, both from a financial perspective (were the sums borrowed correctly utilized and repaid? Has the investment capacity of each commune been correctly assessed?) and from a governance perspective (does the decision-making process enable those communes most in need to benefit from the investment fund?).

### Indicators for monitoring the action

The performance indicators for this type of investment fund are:

- the number of communes / operators that adhere to its principles;
- the amount of financing mobilized (the total financing capacity);
- the amount of borrowing that has been repaid;
- the fund's contribution to meeting the requirements of water supply systems;
- the number of additional users able to access a service as a result of the fund.

### Roles and responsibilities of the different stakeholders

To implement this action, the division of roles and responsibilities is as follows:

- highly specialized tasks can be entrusted to an organization with the skills to carry out all preparatory activities; this organization needs to have competencies in two areas (both finance and the water and sanitation sector);
- of particular importance is the organization in

which the body in charge of governing the fund will be situated; this organization must be recognized by both the communes and operators and should have a minimum level of legitimacy to consider loan applications and rule on the allocation of these loans;

- the state can be given the general task of ensuring that the fund respects its initial specifications and requirements, as these are public service specifications; the technical services should provide technical expertise for applications;
- a national or international consultant is assigned to conduct audits and report to those external partners supporting the action, communes and state representatives, depending on the terms that are defined.

### **Resources to be mobilized (human resources, etc.)**

A considerable number of human resources need to be mobilized to ensure the successful implementation of such a fund. Different types of expertise need to be made available to cover various aspects: fund governance, knowledge of the finance sector and also a thorough understanding of the technical and institutional aspects specific to the sector. An 'advocacy and coordination' element is also required to ensure the main stakeholders join up to the fund; this can take up significant human resources. It is highly recommended to combine national and international or sub-regional expertise.

### **Estimated cost of the action**

The minimum amount of finance required to set up the fund depends, non-exhaustively, on the number of systems concerned, their age, the existing levels of reserves, the population growth rate, pricing levels. During the start-up phase, it would seem logi-

cal for a large part of the fund management organization's operating costs to be met by external partners, with self-financing as the ultimate objective once the organization is up and running.

The amount of initial investment could be relatively modest (several hundred thousand euro). It is important that the fund demonstrates good financial visibility (there is a business plan that lists the assumptions relating to the number of systems, levels of repayment, etc.), as well as a real ability to 'move money around' between those systems eligible for its funding, with or without external partners.

It is worth noting that such an investment fund, if it functions correctly, could attract the interest of an NGO or decentralized cooperation wishing to contribute to the development of water and sanitation services at regional level but that does not necessarily have the capacity to implement geographically targeted projects.

### **Associated risks and mitigation measures**

**There are several risks** associated with setting up such an investment fund:

- lack of an organizational structure that brings together the local authorities or operators; even though the establishment of an investment fund could constitute a means of uniting these stakeholders, the creation of such a structure is, in fact, a project in itself;
- the systems are not profitable (capacity to pay is too low, pricing is ill-adapted and/or set too low, etc.); this means there is a high risk that operators will be unable to repay the loans granted to them by the investment fund;
- problems obtaining accurate financial statements from operators that are based on proper identification of user demand and accurate esti-

mates of the local authority and operator's financial performance;

- difficulties in finding a means of governance for the investment fund that is satisfactory to all parties concerned: state, local authorities, operators, development partners, etc.;
- too few partners prepared to finance the fund, particularly during the start-up phase where the operating costs are high in relation to the sums actually invested into the water supply and sanitation systems;
- no back-up support mechanism to ensure the financial and technical sustainability of the systems and, as a result, to ensure the capacity of

these systems to contribute to the common investment fund and repay the loans taken out.

### **The possible mitigation measures are:**

- the establishment both of an organizational structure that brings together the operators and of a back-up support mechanism are prerequisites to the creation of the fund;
- advocating the investment fund to local authorities, operators and financial partners would enable more finance to be secured;
- making use of appropriate expertise at all the different stages of the action would mitigate most of the other risks highlighted above.

## TOPIC 2. Back-up support

### Key ideas

Three key ideas make up the action sheets associated with Topic 2, 'Back-up support':

- **Idea N°1:** put independent and self-financed back-up support mechanisms in place for operators, drawing inspiration from what is already available in the sub-region;
- **Idea N°2:** bring the decentralized technical services closer to communes, in a sustainable manner, by budgeting for inferred operating costs;
- **Idea N°3:** adapt the profiles of Decentralized Technical Service staff and provide them with tools appropriate to their new role of supporting the local authorities.

## ACTION SHEET 3. Back-up support to operators

Provide water supply and sanitation service operators with independent, sustainable and high quality back-up support on administrative, technical and financial aspects to complement the support provided by the Decentralized Technical Services and certain NGOs.

### Rationale in relation to the identified priorities

The number of water supply and sanitation systems (and particularly the number of small piped systems) is steadily increasing, exceeding the monitoring capacities of the Decentralized Technical Services. The technical complexity of the systems is also on the increase, as are the financial risks associated with the management of the service in small towns where, in some cases, operators provide services to several hundred clients and have a turnover of several thousand euro per

month. Experience shows, however, that with no regular monitoring of the operators' administrative, technical and financial activities, the service is highly likely to deteriorate and the financial stability upon which the initial management model was based is liable to be lost.

It would seem advisable to respond the operators' demand for back-up support by setting up an independent organizational structure, the specifications for which would be defined by the state, based on the Malian STEFI mode (see box on the following page). The majority of back-up support operators active in the region in fact undertake a dual role: providing back-up support to local authorities and operators and conducting regular technical and financial audits of the water service. It is important that such a back-up support structure has the capacity to be self-financing using a surcharge included on the water bill (as has been in

### **The STEFI approach in Mali**

Over 15 years ago, Mali put in place an innovative technical and financial monitoring system for water supply networks in rural areas and in small towns: this is called the 'STEFI' approach (Technical and Financial Monitoring or 'Suivi Technique et Financier' in French). Although previously the responsibility of a unit attached to the National Water Directorate (DNH), this approach has now been decentralized and is managed by specialized private operators recruited through a national Bid to Tender process. The STEFI operators provide both back-up support and control on behalf of the DNH (and so the communes). This is a predominantly self-financing service, using funding received from a surcharge of 20 CFA Francs per m<sup>3</sup> pumped. This surcharge has remained the same for 15 years and is today insufficient to cover STEFI operators' costs.

the case in Mali since the time of CCAEP). This obviously raises the question of the range of intervention of the monitoring-evaluation operator – he needs to operate in a minimum number of centers within a limited geographical area to ensure his travelling expenses remain acceptable. In addition, the amount of the surcharge on the water bill needs to be at a level that is acceptable to both users and operators.

#### **Detailed description**

This action contributes to the achievement of two important results at regional level: 1) it responds to the demand from local stakeholders for access to permanent and sustainable back-up support and 2) it helps build the capacities of all the re-

gional stakeholders (and particularly the contracting authorities and the association or private operators).

The process involved in putting in place a back-up support mechanism can be long and relatively complex. This action sheet does not claim to be a 'one size fits all' user manual, but rather highlights several of the most important issues.

#### INSTITUTIONAL FRAMEWORK

Use of a back-up support mechanism is made easier when this mechanism is born out of a national water and sanitation policy or strategy for small towns. It is very difficult to base a back-up support mechanism solely on the good will of communes and operators if there is no real incentive from the institutions responsible for the sector or no strong intermediary at administrative supervision level within the regional Decentralized Technical Services – governor or equivalent.

#### CONSULTATION

The fact that the national policy or strategy makes provision for the implementation of a back-up support mechanism is not, of course, enough. It is vital that setting up such a mechanism also involves consultation with the main stakeholders concerned: the local authorities and the operators. This consultation process should make local stakeholders aware of the benefits of a back-up support mechanism (tariff management, service continuity, transparency, increasing reserves for maintenance and renewal, etc.). During this preliminary stage, it is highly recommended that visits are organized to study existing mechanisms (Bureaux de Conseil et de Contrôle (English: Advice and Control Office), BCC, in several regions in Niger, STEFI in several regions in Mali, FFSS in the bassin arachidier in Senegal, FAUEREB in Burkina Faso, etc.).

### PROJECT PHASE

Only convincing the local stakeholders is not enough. Development partners (donors, NGOs, decentralized cooperation) also need to promote the mechanism during the project phase. Work must be undertaken to provide information and raise awareness during the coordination and consultation meetings that take place at regional and also at national level. The aim is to ensure the maximum number of projects take up the idea and integrate it into their approach. The approach would be considerably reinforced if signing up to a monitoring and evaluation mechanism were to become one of the conditions of eligibility for investment.

### SUSTAINABILITY AND FINANCING

The financing of the mechanism is a key factor that needs to be discussed at the very outset. The ideal situation is, of course, for the cost of the back-up support to be entirely covered by the revenue received from the sale of water, which has two advantages: it ensures that the financing remains sustainable (back-up support will be financed for as long as the service remains in place) and it means operators become clients of the service providers (and so have a vested interest in the quality of the service provided). This ideal situation is not usually possible immediately but should constitute an ultimate objective. It is also possible to put a subsidy in place during the start-up phase of the mechanism, provided that the level of this subsidy is reduced over time. Those introducing the mechanism should draw up a business plan that sets out the main operating assumptions.

### MARKET RESEARCH

Prior to launching the mechanism, it is important to precisely identify the operator's 'market' at re-

gional level. This analysis needs to examine the number of systems and their current turnover, as well as the forecast turnover for the next five years. Moreover, project operators and partners should be questioned to determine the number of additional systems likely to be constructed and put into service over the next few years. Market research, therefore, enables the potential turnover of water supply services in the small towns to be identified; it is on this basis that the assumptions for levying a surcharge on the water price can be tested. Regional market research should not overlook the 'offer' element: it is important to identify those operators already actively providing back-up support to operators or communes, even where this back-up support is not directly linked to water and sanitation. These operators could then subsequently be encouraged to respond to any bid to tender.

### OPERATORS AND THE SERVICE OFFER

The status of the operator is a key element. Experience shows that having private status provides several advantages, notably because the constraints imposed on public organizations make it difficult for them to provide such a local service. In addition, a private operator is more willing to position himself as a service provider to service operators, prepared to adapt his offer to the needs of his clients. The service offer needs to be carefully laid out with clear and precise specifications, supported by an agreement with the state, the communes or groups of those communes concerned. It is recommended that this agreement lasts for a period of, for example, 5 years before it is again put out to tender, if necessary, so as to ensure that this commitment remains sustainable.

**Important note:** it is only logical that the back-up support mechanism concentrates on water supply and, particularly, on the management of

water supply systems. Nevertheless, it is also advisable to include sanitation management in the specifications to cover the management of toilet blocks in public places, for example (particularly where this block is managed by an operator with a contract with the local authority).

Whilst it is not easy to provide an indication of how long it should take to put such a mechanism in place, it is difficult to imagine that this would be possible in a period of less than two years.

### Indicators for monitoring the action

The indicators for monitoring the action are as follows:

- the number of water supply systems subscribing to the mechanism;
- the proportion of finance for the mechanism raised from the surcharge added to the water price; the proportion of the water price allocated to financing the back-up support mechanism;
- the impact of the back-up support on the main service performance indicators;
- the quality of the supervision provided by the back-up support operator.

### Roles and responsibilities of the different stakeholders

In order to set up a back-up support mechanism, roles need to be clarified and allocated to three categories of stakeholder:

- those benefiting from the back-up support: these are the operators and/or the contracting authorities of the water service at local level (to be clearly identified in the specifications; the back-up support operator could have two separate targets);

- the operators charged with providing the back-up support; there should be no conflict of interest between them and the local service operators;

- the body charged with overall monitoring and control of the mechanism: it is advisable to allocate this role to the Decentralized Technical Services (with the support of central level where the same mechanism exists in more than one region, if necessary).

### Resources to be mobilized (human resources, etc.)

In order for the back-up support operator to be able to provide the services expected, a local team needs to be mobilized that consists of, as a minimum, a hydraulics engineer or hydrogeologist, a sociologist or socio-economist, an electrical technician or mechanic. In addition, this team will need to have a computer and other office equipment available for their use.

At Decentralized Technical Service level, a member of staff will be required to control the work carried out by the back-up support operator and to monitor the management of the water supply systems. This person will need to have a thorough understanding of the sector and require computer skills (using database software); they should also have a computer and other office equipment available for their use.

During the start-up phase, ad hoc technical assistance will also be advisable. The resource for this could be situated within the regional Directorate in charge of water and/or within a Federation of associations or operators.

### Estimated cost of the action

The cost of implementing the action is highly dependant upon the existing offer (whether there is



already a similar mechanism in place that could be adapted), as well as upon the number of systems involved. Several tens of thousands of euro need to be forecast for the provision of technical assistance during start-up, plus several hundreds of thousands of euro over 2 to 3 years to subsidize the launch of the mechanism within a region.

### Associated risks and mitigation measures

The risks associated with implementing this action are:

- the back-up support operator fails to mobilize all the resources necessary to provide the service (local team, equipment);
- the regional Decentralized Technical Services are unable to carry out their monitoring and eval-

uation tasks in the field (lack of staff, lack of funds for travelling expenses, etc.);

- no willingness from water service operators to adopt the back-up support mechanism or contribute financially to its operation through the water price.

The mitigation measures are:

- raise the awareness of, and provide information to, stakeholders (operators, contracting authorities, back-up support operators) to ensure they take ownership of the action by correctly fulfilling their obligations as set out in the specifications;
- confirm the regional Decentralized Technical Services' leadership role in the monitoring of water supply systems and public sanitation facilities management.

## ACTION SHEET 4. Assisting the Decentralized Technical Services

Assist the Decentralized Technical Services to develop tools and resources aimed at helping them carry out their role in support of local authorities.

### Rationale in relation to the identified priorities

Within the decentralization framework, the back-up support role of the Decentralized Technical Services has generally been accepted by local authorities and, particularly, communes. Nevertheless, these Decentralized Technical Services often find it difficult to carry out this new function.

There are several reasons for this:

- the skill profile of the staff working within the Decentralized Technical Services (usually dominated by technical competencies and geared towards infrastructure construction) is not aligned to the profile required for assuming their new role (socio-economics, local authority regulations, capacity-building, public finance);
- the Decentralized Technical Services find it difficult to justify the allocation of investment and operating costs associated with this role to their management; this lack of funding allocation is even more apparent at sub-regional level;
- there is a lack of specialized on-going training for Decentralized Technical Service staff on back-

up support topics and a lack of appropriate tools that would enable them to monitor other decentralized services under their responsibility.

### Detailed description

#### DIAGNOSTIC AT DECENTRALIZED TECHNICAL SERVICE LEVEL<sup>15</sup>

During the initial phase, this involves conducting a detailed review of the actual capacities of the Decentralized Technical Services for providing back-up support to local authorities. This diagnostic task should be conducted in a participative manner by an independent body with all levels of the Decentralized Technical Services (it is important to involve the management to ensure the legitimacy of the approach, as well as the staff in order to obtain a complete overview of the situation). Individual interviews can be set up with staff to ascertain their profiles and their capacity-building requirements.

It is also necessary to review the organizational chart of all Decentralized Technical Services to assess the extent to which the back-up support element is included. Lastly, the financial aspects will need to be evaluated: what resources are the Decentralized Technical Services actually able to dedicate to providing back-up support?

#### DIAGNOSTIC AT LOCAL AUTHORITY LEVEL

A representative sample of authorities (urban/rural, size, etc.) will be studied to ascertain the current status of their relationship with the Decen-

tralized Technical Services, as well as their expectations regarding the service offer that could be provided. This diagnostic will then be shared with the local authorities and representatives of the Decentralized Technical Services.

#### DEFINITION AND IMPLEMENTATION OF AN ACTION PLAN

Based on this two-part diagnostic, a consultant (or an independent state service capable of carrying out this task) will put forward an action plan that includes the following elements:

- identification of the skill profile required when recruiting new staff to reinforce the Decentralized Technical Services' capacity to provide back-up support to local authorities;
- definition of a training plan to be put in place for current Decentralized Technical Services' staff (mainly on-going training);
- development of a tool to enable the Decentralized Technical Services to calculate their operating expenses based on the geography of the local authorities and on any on-going or planned projects within the region;
- definition of a communications policy for the Decentralized Technical Services to enable them to present their 'catalog' of support offers to the local authorities;
- development of tools to be tested that would enable the Decentralized Technical Services to better identify the needs of the local authorities and to monitor their own back-up support activities.

On a practical level, the diagnostic and implementation of the action plan can be entrusted to an independent body with the required expertise (a consultant specializing in this area, assisted by a training or capacity-building expert, if necessary). This support could lead to the establish-

<sup>15</sup> This diagnostic can be conducted with one single Decentralized Technical Service. It is, however, advisable to carry out this activity with all those Decentralized Technical Services involved in dealing with water supply and sanitation issues, or at least those that deal with water, decentralization, sanitation and health issues.

ment of permanent technical assistance assisted by short-term inputs.

The length of the action depends on the starting point and on the potential within the Decentralized Technical Services for taking on their new role. 24 months appears reasonable. It is also possible to divide the action into three phases: 1) the actual diagnostic and definition of the action plan; 2) implementation of the action plan; 3) monitoring of the Decentralized Technical Services to check whether the new competencies/procedures are sustainable.

### Indicators for monitoring the action

The indicators for monitoring the action are as follows:

- the % of Decentralized Technical Service staff having received specific training;
- the % of communes in the region benefiting from Decentralized Technical Services' monitoring;
- the number of staff recruited based on the newly established skill profile;
- the % of Decentralized Technical Services' investment / operating budgets allocated to this activity and the evolution of this budget year on year.

### Roles and responsibilities of the different stakeholders

Two main types of stakeholders are involved in the implementation of this action:

- the Decentralized Technical Services and their staff. This includes those at sub-regional level, which is often overlooked with regard to capacity-building (including material capacities) de-

spite the fact that it is this level that is 'in contact' with the local authorities;

- the specialist body (information and referral center, consultant, engineering firm) that will be contracted to provide support to the Decentralized Technical Services during the action plan implementation phase.

### Resources to be mobilized (human resources, etc.)

The resources to be mobilized could be the focus of a partnership arrangement between a donor organization (who could cover most of the costs associated with the intervention of the specialist body, mentioned above) and the state or the region, who agrees to authorize the necessary recruitment and make available the investment and operating funds required to ensure the back-up support function remains sustainable.

### Estimated cost of the action

The estimated cost of the action must be calculated based on the exact situation of the Decentralized Technical Service concerned, the conclusions of the diagnostic and the contents of the action plan.

### Associated risks and mitigation measures

The risks associated with implementing this action are as follows:

- lack of willingness from the state to make the necessary funds available from the national budget for the provision of sustainable back-up support to local authorities – and particularly for the recruitment of new staff;
- reticence on the part of Decentralized Technical Services staff to change their working practices;

## EXAMPLES OF COURSES OF ACTION

- the positions offered to new staff are not financially attractive;
- lack of interest on the part of the communes for the service offered by the Decentralized Technical Services.

### **The mitigation measures are:**

- strong leadership from the Decentralized Technical Service that promotes a willingness both for change and for the introduction of new skills aimed at providing back-up support to local authorities;
- a high level of commitment from the state or the region, with roles and costs being clearly shared between the state and its financial partners.

## TOPIC 3. Training

### Key ideas

Three key ideas make up the action sheets associated with Topic 3, 'Training':

- **Idea N°1:** invest in the existing supervisory frameworks to focus the training offer towards those communes currently being overlooked;
- **Idea N°2:** harmonize the training modules and define coordinated training paths for elected officials, operators and Decentralized Technical Services;
- **Idea N°3:** pool resources and improve the planning of training at regional level (strengthen the coordination role of the Decentralized Technical Services).

## ACTION SHEET 5. Municipal capacity-building

Provide elected officials and commune staff with the training and tools required to enable them to carry out their roles and assume their responsibilities in the management of water and sanitation public services at local level.

### **Rationale in relation to the identified priorities**

In many African countries, the last two decades have been characterized by both the move towards decentralization and the withdrawal of the state from the majority of its public service operational functions. This double change has been legally and institutionally translated into the devolution of certain responsibilities to the local authorities – usually those responsibilities linked to the essential public services, such as water and sanitation.

As contracting authorities, the communes have been required to perform an important role in the development of water and sanitation services in small towns, where users expect an increasingly modern and high quality service. The communal development plans often don't give enough consideration to the water and sanitation sector, however. This situation is mainly due to the fact that the elected officials lack the required knowledge, commune employees receive inadequate training, and the commune is only able to allocate low levels of financial resources to water and sanitation.

Reinforcement of contracting authority capacities would therefore seem to be an irreversible process; however there is still a long way to go. The only way to totally reinforce the communes' contracting authority capacities is through the ca-

capacity-building of local stakeholders, notably elected officials and commune staff. This capacity-building focuses on areas that are relatively new (for instance: how to plan facilities; how to set up a system to monitor a delegation contract, etc.) and that relate to demands for which there is not always an appropriate training offer available.

### Detailed description

This action involves building the capacities of elected officials and commune staff to enable them to carry out their roles and responsibilities within the water and sanitation sector. Those targeted by this action, and so benefiting from the training, are the mayors, their deputies and the general secretaries of the communes.

The first activity consists of defining a training program, with the technical assistance of a specialist body or consultant, which is adapted to the needs of the elected officials and commune staff in charge of water and sanitation. Each training session should be made up of several modules including: understanding of the legal and institutional framework; the planning and mobilization of financial resources; the monitoring and control of the operation of water and sanitation facilities; etc. The content of each of the modules should be reviewed in line with both the lessons learned and an analysis of the demand from those participants attending the initial training sessions (see below).

The second activity is the implementation of the training defined in the previous activity. All rural and urban communes of the region are involved in the training. Within each commune, the training is aimed at the mayor, the deputy mayor in charge of water and sanitation, the general sec-

retary and the manager of the municipal technical services, if there is one. Around twenty participants will attend each training session. The systematization of the training should lead to the development of a tool kit that includes several different types of support materials (booklets, slides, role plays, videos, etc.).

In order to ensure all communes are able to participate, the action should include at least one training cycle per year, at the end of which a competency review of all participants is conducted. The development and financing of the modules can be coordinated between the actors concerned (see the mechanism proposed in the last training action sheet).

### Indicators for monitoring the action

The monitoring indicators are as follows:

- the number of training sessions financed and conducted;
- the satisfaction rate of the participants, based on their training evaluations;
- the % of communes concerned at regional level;
- the number of local authority representatives trained.

### Roles and responsibilities of the different stakeholders

The two activities of defining and implementing the training program are entrusted to a provider (NGO or specialist private operator) recruited in line with the public procurement procedures set out in the local authorities' code. The Decentralized Technical Services should undertake to control the quality of the training provided and ensure that the content of the modules is aligned to actual demand from the local authorities.

### Resources to be mobilized (human resources, etc.)

The provider charged with defining the program and implementing the training should have a team of at least two experts (an engineer and a socio-economist) with proven experience of developing water and sanitation services and who also have good knowledge of policy-making and decentralization and experience of promoting the private sector.

The Decentralized Technical Services concerned should be fully involved in the approach and identify a key resource from among their staff that is responsible for monitoring the overall process so that this can be replicated and adapted for subsequent training cycles.

### Estimated cost of the action

The cost of the action is closely linked to the way in which it is budgeted. The advantage of working at regional level is that it makes it possible to achieve economies of scale: the modules developed can be used for all local authorities. National expertise is paramount<sup>16</sup> to ensure that the costs of the intervention remain acceptable. It is important to establish whether the participants' costs for attending the training are defrayed and

if so, how (travelling expenses, training allowance, fixed sum or based on receipts, etc.).

### Associated risks and mitigation measures

The risks associated with this action are:

- difficulties encountered in mobilizing the funds required for the action (particularly for ensuring that all communes can be reached);
- problems in recruiting service providers capable of delivering such high volumes of training on a regional scale;
- reticence on the part of those involved (and notably those non-governmental actors) to harmonize the training modules aimed at communes;
- reticence on the part of the Decentralized Technical Services to mobilize sufficient human resources to monitor the process and guarantee equal access to the training at regional level.

The main mitigation measure involves setting up an advocacy group to help mobilize funds that is comprised of members of the regional action plan steering committee or any other regionally active and legitimate coordination body.

<sup>16</sup> It is possible to arrange for the ad hoc international expertise of a training specialist or engineering professor to support the national part of the development phase and even the 'pilot' phase of the training modules.

## ACTION SHEET 6. Training the operators

Train the operators of water supply systems or public toilets to manage facilities and services from a technical, administrative and financial perspective.

### Rationale in relation to the identified priorities

Water supply systems are usually managed by management committees, users' associations or private operators<sup>17</sup> contracted to a local contracting authority (the commune). In general, these operators (regardless of their status) will have received very basic training at the time work was carried out as part of certain projects. In some rare cases, they will have received more in-depth training on technical aspects or financial management. However, over time, the volunteers or employees change and the skill level steadily deteriorates, which results in a lower quality service being provided to users.

As far as sanitation facilities are concerned, the staff running the toilets in public places, or the managers, need to be aware of how to use drinking water and chemical products utilized for maintenance and cleaning properly so as not to negatively impact on the hygiene and financial profitability of the facilities.

This action aims to contribute to improving this situation by initiating the design and delivery of training sessions that can be conducted in a sustainable manner by local stakeholders at regional level.

<sup>17</sup> In many cases, the lines between 'community-based' and 'private' operators can be blurred. In Senegal, for example, the most effective ASUFOR are managed as small businesses, sometimes with several employees and where those volunteers directly involved in managing the association almost always receive some kind of financial compensation.

### Detailed description

This action consists of the following two main activities: (i) the design of three training modules whose objectives are to improve the financial, administrative and technical management skills of community-based water service operators, private water service operators and the operators of public toilets; (ii) the implementation of the training activities within a selection of the towns.

The first activity is carried out by an engineering firm or consultant specialized in the domain, in association with a provider (engineering firm or NGO) based at regional level. The second activity is conducted by NGOs or regional consultants. It is vital that the operator in charge of implementing the training has a regional presence in order to ensure the approach remains sustainable. The pilot program is evaluated and analyzed after one year to ascertain the results achieved and the extent to which it can be easily replicated.

This action is to be carried out in response to the actual issues observed and reported by the operators themselves. It should be conducted based on working processes that are adapted to the context and local capacities and that are accessible to the operators concerned. It is therefore essential that both the diagnostic and the process for providing 'feedback' to the participants are as robust as possible.

In order to ensure all operators are able to participate, the action should include at least one training cycle per year, at the end of which a competency review is conducted of all operators who have participated in the training. The development and financing of the modules can be



coordinated between the regional actors concerned.

### Indicators for monitoring the action

The indicators for monitoring the action are as follows:

- how relevant the regional stakeholders (Decentralized Technical Services, NGOs) and the national directorates in charge of the sector consider the training modules to be;
- the number of training sessions financed and conducted per operator category (and the % of operators trained compared to the total number of operators identified in the region during the last inventory);
- the number of people trained in all operator categories;
- the number of experts briefed and involved in the operator training process able to intervene at regional level.

### Roles and responsibilities of the different stakeholders

The training providers, of course, perform a fundamental role. The training can be developed by a specialist body, as long as it has a permanent presence at regional level; consultants or engineering firms can also be used provided they have the necessary know-how and experience.

The decentralized technical services of the water and sanitation sector will ensure the training is relevant and aligned to the strategic direction of the sector and to the contents of the national policy and strategy.

It can be useful to involve the national operator in charge of water and sanitation in urban areas,

who is usually present in the regional capital and various other secondary centers. This operator has technical experience and knowledge of managing facilities that can be of great use to service operators in small towns.

### Resources to be mobilized (human resources, etc.)

Within the specialist engineering firm in charge of development, there will be a socio-economist, assisted by an engineer; both need to have experience of managing water points and of managing water supply systems, in particular.

As far as the main NGO is concerned, technicians and facilitators with experience of providing assistance to the population as part of water and sanitation projects will be mobilized to implement the training activities. These resources may, themselves, receive some prior training with the support of pS-Eau.

The decentralized technical services and several members of the steering committee should regularly send technicians out in the field to assess how well the training is being assimilated.

### Estimated cost of the action

The cost of the action is closely linked to the way in which it is budgeted. The advantage of working at regional level is that it makes it possible to achieve economies of scale: the modules developed can be used for all local authorities. National expertise is paramount<sup>18</sup> to ensure that the costs of the intervention remain acceptable. It is important to establish whether the participants' costs for attending the training are defrayed and

<sup>18</sup> It is possible to arrange for the ad hoc international expertise of a training specialist or engineering teacher to support the national part of the development phase and even the 'pilot' phase of the training modules.

if so, how (travelling expenses, training allowance, fixed sum or based on receipts, etc.).

### **Associated risks and mitigation measures**

**The risks** associated with implementing this action are as follows:

- difficulties experienced in mobilizing the funds required for the action (particularly for ensuring that all operators can be reached);
- problems in recruiting service providers capable of delivering such high volumes of training on a regional scale;

- reticence on the part of the urban operator to transmit his knowledge to other operators as he may consider these to be his direct competitors;

- reticence on the part of the Decentralized Technical Services to mobilize sufficient human resources to monitor the process and guarantee equal access to the training at regional level.

**The mitigation measure** involves setting up an advocacy group to help mobilize funds that is comprised of members of the regional action plan steering committee.

## CMS Methodological Guides on water and sanitation

.....  
**NUMBER 1**

How to develop a concerted municipal strategy for water and sanitation in large towns in Africa

.....  
**NUMBER 2**

How to create a regional dynamic to improve local water supply and sanitation services in small towns in Africa

.....  
**NUMBER 3**

How to analyze the demand of current and future users for water and sanitation services in towns and cities in Africa

.....  
**NUMBER 4**

How to select appropriate technical solutions for sanitation

.....  
**NUMBER 5**

How to manage public toilets and showers

The aim of the CMS Methodological Guide series is to provide aids and tools that correspond to water and sanitation service-related issues to best meet the needs of sector stakeholders. These guides are designed to evolve over time and be regularly updated. To assist with this process, please send any feedback or suggestions for improving this publication to the following address: [le-jalle@pseau.org](mailto:le-jalle@pseau.org)



How to create a regional dynamic to improve local water supply and sanitation services

## in small towns in Africa

### Methodological Guide n°2

In many developing countries, particularly in Africa, access to water supply and sanitation comes under the remit of local authorities. To assist the local contracting authorities in developing this service, programme Solidarité Eau (pS-Eau) and the Municipal Development Partnership (MDP) have initiated and coordinated the Concerted Municipal Strategies program (CMS – water and sanitation for all). This program has enabled pilot municipal strategies for water and sanitation to be developed in twelve large towns in West, Central and East Africa and has led to greater consideration being given to the concept of pooling resources on a regional scale so as to improve services in small towns in three countries of West Africa.

The five CMS guides are intended for local authorities, local water and sanitation service stakeholders and their development partners (NGOs, consultancy firms, etc.). Methodological tools are provided to assist these local authorities and stakeholders at each stage of the process when developing and implementing a water and sanitation services development strategy.

Small towns, the size of which can vary from between 3,000 and 30,000 inhabitants, have specific characteristics as they tend to be situated midway between rural and urban. Too small to benefit from those opportunities available to large urban centers, particularly in terms of competencies for developing and managing services, they are also too large to be able to accommodate those community-based approaches prevalent in rural areas.

This guide defines the specific issues and challenges facing small towns. A methodology for developing a regional strategy for water and sanitation is provided, as well as the courses of action to be followed to facilitate access to finance and mobilize the expertise required to provide back-up support and training to local authorities and service operators.

Concerted Municipal Strategies (CMS), a program coordinated by the Municipal Development Partnership (MDP): [pdm@pdm-net.org](mailto:pdm@pdm-net.org) and programme Solidarité Eau (pS-Eau): [le-jalle@pseau.org](mailto:le-jalle@pseau.org)

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