

## SECTION THREE: CREATING THE ENABLING ENVIRONMENT

Changing the enabling environment so that investments in sanitation and hygiene promotion are consistently more effective, is a challenging task. In many countries or regions, the sort of high-level changes which are required (in policies, financial instruments, organizational arrangements and so on) may require changes to legal and regulatory instruments. Even if this is not required, for such changes to be translated into reality they have to be widely owned and accepted. For this reason such systematic changes may have to develop slowly. Programmers may have to find pragmatic ways of making progress on the ground in the meantime.

This section discusses the sorts of changes which might be needed in the long run to secure consistent and effective sanitation and hygiene promotion programmes. **Chapter 3** talks about changes in policies which may be needed to facilitate a new role for government and the inclusion of new actors in sanitation and hygiene promotion. **Chapter 4** discusses how to make decisions about allocating resources between regions and between activities. **Chapter 5** discusses what is known, and what you need to know, to design and roll out new financial instruments which can promote effective sanitation and hygiene promotion. **Chapter 6** talks about appropriate arrangements for delivering services in terms of roles and responsibilities for different types of activity. **Chapter 7** discusses the requirements for monitoring and evaluating sanitation and hygiene promotion at the programmatic level.

This section should be read selectively by people who are involved in making long-term changes to the way sanitation and hygiene promotion are carried out. Many readers will of course be considering the subject within the context of wider poverty alleviation strategies, so the ideas and recommendations included here should be read in the context of other changes you may be making to the delivery of social services.

## Chapter 3 Sanitation and Hygiene Policies

### 3.1 The Policy Context

Policies are defined as the set of procedures, rules, and allocation mechanisms that provide the basis for programmes and services. They set priorities and provide the framework within which resources are allocated for their implementation. Policies are implemented through four types of instruments:

- **laws** that provide the overall framework;
- **regulations** in such areas as design standards, tariffs, discharge standards, practices of service providers, building codes, planning regulations and contracts;
- **economic incentives** such as subsidies and fines for poor practices; and
- **assignment of rights and responsibilities** for institutions to develop and implement programs.

More details on the development of economic incentives and assignment of rights and responsibilities can be found in **Chapters 5, 6 and 7**.

In order to work out whether changes are needed to the policy framework, programmers need to provide answers to the following core questions:

- Are existing policies adequate?
- Will they result in the implementation of the vision for sanitation and hygiene promotion?
- How are these policies translated into programmes?
- How effective are these programmes in improving services?

## 3.2 Signaling Public Policy Objectives

The policy framework provides the instruments (guidance, positive incentives and penalties) which turn public priorities into reality. Policy may deal with:

- **Targeting of Resources** (see Chapters 6 and 9): Policies can be used to signal where resources are to be spent (which aspects of sanitation and hygiene promotion are to be funded, to what levels) and which communities should be targeted.
- **Equity:** Policy statements, laws and budgetary allocations can be used to steer resources to specific social groups or geographic areas. They can also support an equitable programming process by enabling the participation of marginalized groups or organisations (it could for example, require that public consultations on hygiene issues are always attended by an umbrella body which represents the interests of indigenous people).
- **Levels of service** (see Chapter 10): Appropriate interventions may range from hygiene promotion alone, through the provision of simple sanitation systems, to improved levels of service including indoor flush toilets. School sanitation and hygiene promotion will be a key element in most programmes. Policy can signal (a) what levels of service are acceptable (ie are there minimum health, safety and environmental standards which need to be maintained?); and (b) what activities will be promoted (through the provision of subsidy perhaps, or support to specific providers). Levels of service decisions are usually reflected in technical norms and standards used by engineers, in building codes, planning regulations and in allocations of funding (see above). Historically, technical standards have tended to prohibit anything but the “highest” levels of service which stifles innovation and prices most households out. This may need urgent review. Adopting standards which focus on outcomes rather than those that specify inputs (ie defining safe separation of faeces from human contact, rather than discussing bricks and mortar) may help to promote innovation and enable flexibility if the situation changes (due to emergencies, influx of refugees, change in school populations etc) See Section 4.7 for examples of where this has happened in practice.
- **Health considerations:** The policy framework needs to provide for the full range of interventions (access to technology, promotion of hygienic behaviours and the enabling environment) which will enable households to improve their health status. Policy statements and even laws may be particularly useful in providing incentives for hygiene promotion to take a more prominent role over “traditional” latrine construction or ahead of curative health care.
- **Environmental considerations:** Sanitation is increasingly seen as a key issue in environmental protection. Improper disposal of human wastes can pollute water bodies, groundwater, and land surfaces and affect the quality of life for those living in the area. In addition, the economic impact of environmental degradation on tourism, fisheries, and other industries sensitive to pollution is a growing problem. Policies may be needed to address environmental protection, but these should be placed in the context of priorities (care is needed to ensure that environmental regulations do not inadvertently preclude incremental progress in household sanitation for example).
- **Financial considerations** (see Chapter 6): Policies may be needed to provide guidance on who will pay for what. This is particularly important where there is a shift away from a traditional ‘subsidised latrine’ approach – but will also be necessary where a particular revenue stream is to be allocated to financing aspects of the programme. Whether or not such allocations need to be enshrined in law depends on the context.
- **Institutional roles and responsibilities** (see Chapter 7): Policies, or at the least, a high level policy discussion may be needed to ensure that roles and responsibilities are clearly defined (a) between public agencies; and (b) between public and private/civil society agencies. A policy forum may also be able to provide effective interagency coordination. Importantly policy change may be needed to enable small scale independent providers, non-governmental organisations and other civil society groups to effectively play a role in promoting and implementing household level and community sanitation and hygiene promotion activities. Some of these organisations may need legal recognition in policy. The development of institutional policy must also consider how organisations charged with given responsibilities will implement them, and how their capacity may need to be strengthened. Again, explicit attention must be paid to how organisations are to be funded.

### 3.3 Locating Policy

Very few countries currently have explicit stand-alone “sanitation and hygiene promotion policies”. Recent research by USAID and EHP found only three examples (Nepal, Republic of South Africa and Uganda) where such a policy could be said to exist. Such a unified policy may not be required in every case. Well known examples of successful programmes often pull in expertise from the health, education, water supply and sanitation, and social development fields, and make use of staff from a range of organisations. Policy dialogue could thus take place in a number of ways through:

- the development of a single unifying policy framework around which all organisations can develop their appropriate approaches and inputs (as for example in South Africa);
- the inclusion of sanitation within a wider poverty-reduction and economic development framework (as for example in Uganda, and at the local level in the city of Johannesburg); or

### 3.4 Building on what exists

The legality of the policy framework is a key determinant of its legitimacy. Policies must therefore be rooted in the conventions of local laws, legislative acts, decrees, regulations, and official guidelines. For this reason information about existing legal conventions is essential to the development of effective policies (see **Reference Box 8**).

Policy development also needs to be based on a good understanding of: the basic situation (population, coverage, investments; health status); institutional contexts (including the performance of service providers); how people are currently accessing services; what works (even on the small scale locally); and what has potential to be scaled up.

Importantly, there is no point in developing policies that are beyond the capacity of the current institutional set up. This returns us to the theme of a cyclical process –

### 3.5 Applying the Principles

Policy development as a process can provide opportunities to analyse and debate what works at the implementation level. When approaches are recognised as part of the long-run solution to the sanitation and hygiene pro-

- through inclusion of aspects of sanitation and hygiene promotion in policy relating to all relevant sectors (including health, education, housing, urban and rural development etc).

While it is not possible to define *for every situation* how policy should be framed, a useful principle might be to minimize policy at every level, to ensure that, wherever possible, responsibility is delegated downwards (to local governments, communities and ultimately households). In some cases, however, the existence of policy at a “higher” level may be a useful incentive to improve performance (examples might include national regulation for protection of the environment, and regulatory oversight of private sector providers provided at a level higher than where the day-to-day contractual relationship with the public sector is managed).

policy is needed to improve *current performance in the short run*, and to create incentives to *strengthen the overall institutional context in the longer run*.

#### Reference Box 8: Sanitation policies

**For:** approaches to assessing current policy

**See:** Elledge, Myles F., Fred Rosensweig and Dennis B. Warner with John Austin and Eduardo A. Perez (2002) *Guidelines for the Assessment of National Sanitation Policies* Environmental Health Project Contract HRN-I-00-99-001 I-00, Washington D.C.

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motion challenge they can be converted into policy. Those leading the policy development process can ensure that the principles of good programming are applied both in the process and in the outcome (see **Table 4**)

**Table 4: Applying the Principles to Policy Development**

Maximising public and private benefits	Achieving Equity	Building on what exists and is in demand	Making use of practical partnerships	Building capacity as part of the process
Use policy to signal <ul style="list-style-type: none"> <li>● Targeting of resources</li> <li>● Levels of service</li> <li>● Health aspects</li> <li>● Environmental priorities</li> <li>● Financial approaches</li> <li>● Institutional roles and responsibilities</li> </ul>	Use policy instruments to steer resources to areas which have been neglected  Provide protection for marginalized groups of individuals within organisations or for marginalized organisations	Root policy on good understanding of the existing legal framework, institutional context and existing practices  Align policy with appropriate financial and institutional instruments	Make efforts to link policy upwards (to gain political support) and downwards (to gain acceptance and implement on the ground)	Consider policies which will build capacity, and use policy development as part of the capacity building effort

### 3.6 Programming Instruments

Policy reform takes time. Strong political support will accelerate the timeframe, but policy change is a long-run objective of programming. Where possible, programmers should maintain support for efforts to make practical progress on the ground in parallel with the policy development process. This can be achieved through:

- creating space and 'waivers' of existing regulations to enable localized innovation and testing of new ideas;
- policy-related evaluations of pilots and investment projects;
- establishing technical working groups to review technical norms and standards, building codes, professional training etc; and
- capacity building for regulators.

### 3.7 Practical Examples from the Field: What policy changes should we make?

The government of Bangladesh has long been committed to improving the sanitation situation in the country. However recent research by WaterAID, showed that while subsidies (the core plank of government sanitation policy) gave people the "opportunity" to construct latrines they did nothing to generate the "capacity" to do so. In contrast the Bangladeshi NGO Village Education and Resource Centre (VERC) has shown that communities acting together can take steps to significantly improve their sanitation situation<sup>1</sup>. Villages where VERC has worked have developed a whole range of new approaches to solving sanitation problems, including the development of more than 20 new models for low-cost latrines. These achievements took place with almost no policy direction at all, almost as if the absence of any policy *constraint*, coupled with the commitment of VERC to find solutions to the problem, unlocked communities'

ability to solve a problem for themselves. Analysis of this story might lead one to think that no policy is sometimes better than some policy. Another interpretation is that the most useful policy changes would relate to a redirection of some public funds from subsidies, to support to participatory planning, and an evaluation of whether technical norms and standards could be reorganized to generate incentives for technicians to add their expertise to local efforts to develop new latrine models.

The critical nature of technical norms and standards in determining sanitation outcomes is very clear. In India the widespread adoption of the Twin-Pit Pour Flush Latrine (with its associated high cost and high level of subsidy) may have been the single biggest constraint on scaling up access to rural sanitation in the past 15 years. By contrast, in La Paz-El Alto, Bolivia, the efforts of the private oper-

ator of the water and sanitation network, with support from the Swedish International Development Cooperation Agency (SIDA) and the Water and Sanitation Program (WSP) resulted in the development of the condominium approach to sewerage sanitation in the poorest neighbourhoods of the city (The approach was pioneered in Brazil, and this project was an important step in its replication as it was expanded into Bolivia for the first time). This experience enabled sanitation to be provided to indigenous groups who had hitherto been excluded from service provision, and resulted in adoption of the low-cost technology as a standard for the utility for all income groups. The specific provision of funds from SIDA to support WSP in technical training and advocacy of the approach, resulted in a change in the national norms and standards, which have enabled condominium sanitation to be rolled out in other municipalities.

Outside technical norms and standards, housing and planning policy probably ranks highly in terms of influ-

encing sanitation outcomes. Where access to sanitation is bound up with land title (or lack of it) some poor populations are consistently excluded. On the other hand where land title is positively linked to household investment incentives to improve sanitation may result. In Burkina Faso, eligible communities can gain land title if they construct latrines inside their houses while in Montego Bay, Jamaica, USAID had considerable success in generating demand for household sanitation in poor neighbourhoods by providing the incentive of land title.

At the highest level though, a thorough review and overhaul of sanitation and hygiene promotion policy has been rare. Interestingly, in a review of 22 African countries, WSP found that only two (South Africa and Democratic Republic of Congo) included hygienic practices in their definition of access to "improved sanitation", an indicator in its own right that policies are not yet dealing with hygiene improvement as a whole in many cases.

### Case Study Box 2: What Policy Changes should we make?

The analysis of the impacts of India's use of the TPPF latrine is based on **Kolsky, P., E Bauman, R Bhatia, J. Chilton, C. van Wijk (2000)** *Learning from Experience: Evaluation of UNICEF's Water and Environmental Sanitation Programme in India 1966-1998* Swedish International Development Cooperation Agency, Stockholm

South Africa's systematic reforms are described in **Muller, M. (2002)** *The National Water and Sanitation Programme in South Africa: Turning the 'Right to Water' into Reality* Field Note 7 in the Blue-Gold Series, Water and Sanitation Program – Africa Region, Nairobi and Elledge, M.F., Rosensweig, F. and Warner, D.B. with J. Austin

and E.A. Perez (2002) *Guidelines for the Assessment of National Sanitation Policies* Environmental Health Project, Arlington VA p.4

Information on Uganda's Reform Programme can be found in **Robinson, A. (2002)** *Water and Sanitation Sector Reform in Uganda: Government Led Transformation* Field Note 3 in the Blue-Gold Series, Water and Sanitation Program – Africa Region, Nairobi and Elledge, M.F., Rosensweig, F. and Warner, D.B. with J. Austin and E.A. Perez (2002) *Guidelines for the Assessment of National Sanitation Policies* Environmental Health Project, Arlington VA p.5

The El Alto experience is described in **Foster, V. (n.d.)** *Condominial Water and Sewerage Systems – Costs of Implementation of the Model* Water and Sanitation Program, Vice Ministry of Basic Services (Government of Bolivia), Swedish International Development Cooperation Agency

The review of definitions of access can be found in Water and Sanitation Program – Africa (2003) *Water Supply and Sanitation in Africa: How to Measure Progress toward the Millennium Development Goals?* Paper presented to SADC Meeting on Water Supply, Sanitation and Hygiene, Gaborone, Botswana August 4-7 2003

Notes for Chapter 3:

- i One of the core tools of the approach is the use of participatory exercises which explicitly look at how and where people defecate. A public transect walk which sees the whole community walking through the village identifying where each household defecates, the so-called "walk of shame", has become the "most important motivating tool, and in almost every case results in the setting up of the first community meeting to discuss solutions".

## Chapter 4 Allocating Resources Strategically

### 4.1 Focusing on objectives

#### Introduction

In a world of limited resources it is necessary to develop an approach to sanitation and hygiene promotion which yields the maximum possible health benefit. The vision and objectives of the programme need to be matched with financial and human resources. This invariably means setting boundaries and steering resources to specific areas or activities. The following decisions need to be taken:

#### 1. What resources will be made available for sanitation and hygiene promotion?

Allocations of funds and people to sanitation and hygiene promotion are usually made within a wider process of budgeting (for social programmes in general, or from a water supply and sanitation sector budget for example). To secure the needed resources for sanitation and hygiene promotion you will need to:

- work out roughly how much money and how many people are needed to meet the objectives of the programme; and
- be prepared to make, and repeatedly prove, the case for sanitation and hygiene promotion as a significant contribution to the achievement of overall poverty reduction goals.

To strengthen your case it may be useful to be able to explain how resources will be spent when allocated, and also to show what sort of coverage you could achieve with different levels of budgetary allocation.

#### 2. What is the balance of activities to be funded?

Where funds are used to **leverage household investment** (ie where public funds are to support household investments rather than substitute for them) rates of coverage may increase significantly. A smaller proportion of public resources will now be spent on construction of hardware and subsidies for household latrines. Instead public funds may increasingly be used to market sanitation, promote hygienic behaviours and support small-scale independent providers. The disadvantage of this approach, from a political perspective is that the direct link between funds and coverage will become less clear. To ensure that politicians (who control funding de-

isions) remain comfortable with the approach, household investments in sanitation must be closely monitored, and selected investments in trunk infrastructure and facilities in schools and public places should continue to be made. This will enable politicians to demonstrate that their funding decisions are yielding tangible results.

Resource allocations should also keep pace with institutional capacity. Getting more sanitation facilities in schools is critical for example, but in some cases policies and experience in the Department of Education may constrain progress and mean that investments made today may be wasted as facilities fall into disrepair. In such a case some resources must be allocated to the long-term goal of changing the Department's approach to school sanitation while resource allocations for construction of facilities are progressively increased over time. Similarly, if funds are to be diverted towards hygiene promotion, and if the best vehicle for this is the Department of Health, allocations should only be made in line with the human resources available in the department to go out and deliver hygiene promotion activities. A step-by-step approach may be needed so that increased financial resources can be matched with growing human capacity.

#### 3. Will the program target specific regions and if so which?

Where resources are stretched, it may be appropriate to work, at least in the short term, in selected regions or locations. Greater health benefits may accrue from a more geographically focused programme.

**Piloting:** Focused programmes may be justified if new approaches need to be tested and demonstrated ahead of wholesale institutional change. This "pilot" approach may help to "shift gears" and increase the speed of progress in the sector but may well conflict with equity concerns in the short term. Identifying areas where the chances of success are high is hard. Allowing the informal sector and civil society to lead the process may work in some contexts along with the use of formal indicators such as:

- existence of community organisations/ past experience of collective interventions etc;

- presence of well-trained outreach workers who can extend their interventions effectively to include hygiene promotion and sanitation marketing;
- pre-existence of sanitation practices and technologies which can be effectively scaled up;
- existence of small scale independent providers; and
- potential for simple small-scale interventions to achieve benefits (such as selecting areas where on-plot latrines are a potential solution rather than addressing areas which require networked solutions).

**Equity and Targeting:** It is already known that demand for sanitation hardware is low – that is one reason why coverage is so poor. But it is also clear that where demand exists provision may follow rapidly through the efforts of households themselves and the small scale private sector.

For these reasons, while available public subsidy for sanitation could probably be steered towards those areas of highest demand, a much more pressing issue in most countries is probably to work towards *stimulation of demand in areas of greatest need*. This means that both hygiene promotion, sanitation marketing and support for the enabling environment, should be targeted towards those areas.

The real problem then comes in assessing *which* areas fall into this category. A number of approaches can be used including targeting communities/ households with:

- poorest health status as indicated by incidence of epidemic disease such as cholera;
- poorest overall health status as indicated by formal assessments using internationally agreed indicators;
- lowest access as assessed through formal empirical research into numbers and use of latrines, incidence of hygienic behaviours etc;
- highest incidence of poverty (as defined by agreed national norms and assessed nationally or regionally); or
- highest incidence of other proxy indicators of poverty and/or poor access, such as low ownership of capital assets, poor school attendance, or incidence of women- and children-headed households.

Equity may also demand that support is specifically targeted towards those households/communities more affected by a specific health/poverty related situation – such as Acquired Immune Deficiency Syndrome (AIDS). More ideas about assessing needs and demands can be found in **Reference Box 9**.

#### **4. Will the program target specific types of communities and if so which?**

Depending on the institutional and demographic shape of the country, it may sometimes be appropriate to programme specifically for rural, small town or urban situations. Better programming may result from different approaches being used for each type of community. On the other hand, it may be that better coverage could be achieved at lower costs if elements at least of the program (some aspects of hygiene promotion and sanitation marketing for example) were developed for use nationally or across an entire region.

Targeting can also be used to reach communities who are persistently excluded. Good information about coverage in rural, small town and urban areas may indicate a need to focus on one of these for example.

#### **5. Will the program target specific segments of society and if so which?**

Some countries and regions may take a specific policy decision that public funds should be steered exclusively, or substantially, towards a specific segment of society. It is not uncommon for countries to have a policy of targeting the poorest, indigenous groups or specifically of those without access to a minimum level of service. It is sometimes difficult and costly to identify target communities, in which case proxy indicators (such as targeting sub regions where the incidence of poverty is high) may have to be used. Sometimes the rich and powerful are able to subvert such targeting, so if this approach is to be taken, explicit notice must be taken of how targeting is to be monitored and what incentives might be needed to secure funds for the stated objectives.

## 4.2 The need for transparent rules

One of the most important mechanisms for establishing and maintaining trust between partners is to ensure that, where money is being allocated, there is a clear and transparent process and a set of known rules. Whatever programming decisions are taken all partners should be confident that (a) decisions about the rules for resource allocation had a sound basis (even if the individuals disagree with the final decision); (b) resources are being allocated on the basis of these rules; and (c) both the initial decision and the ongoing allocation of resources are carried out within an institutional arrange-

ment which precludes collusion and encourages the optimum use of resources in the public interest.

In many cases political reality may dictate the allocation of resources. This may mean that resources have to be shared equally between competing regions, or that more resources must be steered towards areas of greater poverty. In such cases, where the case for resources allocation is not specifically technical, it is important to be as up-front as possible; most organisations and individuals will accept that political processes are an important part of the institutional landscape.

### Reference Box 9: Needs and demands

#### For a discussion of demand in the context of water supply and sanitation projects

**See:** Katz, T. and Sara, J. (1997) *Making Rural Water Supply Sustainable: recommendations from a Global Study* UNDP-World Bank Water and Sanitation Program

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#### For a discussion of the challenges of assessing and responding to needs and demands

**See:** Cairncross, S. and Kinnear, J. (1992) *Elasticity of Demand for Water in Khartoum, Sudan*, *Social Science and Medicine*, 34 (2): pp183-189

Dayal, R., C. van Wijk and N. Mukherjee (2000) *Methodology for Participatory Assessments: Linking Sustainability with Demand, Gender and Poverty* WSP on the web at [www.wsp.org](http://www.wsp.org)

Coates, S., Sansom, K.R., Kayaga, S., Chary, S., Narendaer, A., and Njiru, C. (2003) *Serving all Urban Consumers – a Marketing Approach to Water Services in Low and Middle-income countries. Volume 3 PREPP*, WEDC, Loughborough University, UK. on the web at [www.lboro.ac.uk/wedc](http://www.lboro.ac.uk/wedc)

Whittington, D. (1998) *Administering Contingent Valuation Surveys in Developing Countries* *World Development* 26(1): pp21-30

Whittington, D. (2002) *Improving the Performance of Contingent Valuation Studies in Developing Countries* *Environmental and Resource Economics* 22 (1-2): pp323-367

*Willing to Pay but Unwilling to Charge: Do Willingness to Pay Studies Make a Difference?* WSP Water and Sanitation Program – South Asia Field Note (1999) on the web at [www.wsp.org](http://www.wsp.org)

Wedgewood, A. and K. Samson (2003) *Willingness-to-pay Surveys – A Streamlined Approach: Guidance notes for small town water services* WEDC, Loughborough, UK. on the web at [www.lboro.ac.uk/wedc](http://www.lboro.ac.uk/wedc)

## 4.3 Applying the Principles

Table 5 sums up the principles as they apply to resource allocation.

<b>Maximising public and private benefits</b>	<b>Achieving Equity</b>	<b>Building on what exists and is in demand</b>	<b>Making use of practical partnerships</b>	<b>Building capacity as part of the process</b>
<p>Use public funds to leverage, rather than substitute household investment</p> <p>Leverage expenditures across a range of social sectors</p>	<p>Consider targeting resources towards excluded populations and specific activities that support the excluded within communities</p>	<p>Invest in information gathering</p> <p>Test ideas first when information base is weak</p> <p>Steer resources to areas where there is institutional capacity to spend</p>	<p>Ensure clear and transparent processes for allocation of funds</p> <p>Establish water-tight processes for tracking expenditures</p> <p>Communicate financing decisions unambiguously</p>	<p>Use resource allocation to signal new approaches and build confidence in them</p>

## 4.4 Programming Instruments

Once decisions are made on what balance of resources will be steered towards activities, regions, communities and segments of society, what sort of instruments can the programme use to ensure that the programme aims are achieved? Clearly, this depends to some extent on the way in which programmes are to be financed and how organisations are to be structured but some possible instruments would include:

- Setting up targeted regional programmes or projects – setting aside funds specifically to be spent by local jurisdictions or by national agencies for designated regions;
- setting rules for externally funded interventions which encourage funding to specific regions or in support of agreed programming priorities;
- establishing demand-responsive funds which regions/urban centres or agencies could apply to use, where the rules of the fund reflect specifically the programming allocation priorities;
- creating (financial) incentives for staff of agencies to work in specific regions or communities; and
- setting aside funds to provide financial or other support to non-governmental organisations and the small scale private sector where these organisations seek to build their capacity in agreed programming priority areas

## Chapter 5 Financing

### 5.1 What needs to be financed

Sanitation and hygiene promotion come with a range of costs which can be covered from various sources. The programme has to identify sources of funding for:

- **Enabling Environment** including the costs of programming, monitoring and evaluation, regulation, technical oversight, organizational change, training, coordination with other sectors, and public advocacy (to generate understanding of and support for the sector).
- **Promoting Hygiene Behaviours** based on a solid understanding of what current conditions are, and how they need to change to bring in the anticipated health benefits. Thus financing is required for

assessing the current situation, development of materials, training programmes, staff costs, transport and office overheads along with the ongoing costs of operating in communities and supporting a dynamic change process at local level.

- **Improving Access to Hardware** including **sanitation marketing** (costs include staff, transport, office overheads, preparation of materials, cost of media placement, training, construction of demonstration facilities and other pilot interventions), **capital costs** (of household and shared facilities including materials and labour)<sup>i</sup>, and **operation and maintenance costs** (which will vary widely depending on the technology chosen)<sup>ii</sup>.

### 5.2 Where will the funds come from?

The financing arrangements for the programme need to:

- be self sustaining (ie have internal integrity so that funds are always available for the key elements of the programme, and funding matches the responsibilities and capacities of different institutional partners);
- provide funds for all the agreed elements of the programme; and
- be consistent with the agreed principles.

In fact, the financing structure needs to be more than consistent with the agreed principles – the financing arrangements are likely to be one of the most powerful programming instruments for *driving* the application of those

principles which is why getting financing arrangements right is such an important step in programming.

Costs may be covered from a range of sources including:

- central government;
- regional / local / urban government;
- large scale private sector;
- shared community resources;
- small scale private sector; and
- the household.

Note however, that any private sector investment will ultimately be repaid from one of the other sources (government, community or household).

### 5.3 Assigning Programme Costs

Sanitation and hygiene promotion have public and private costs and benefits. As a useful principle, public funds (government funds, external donor funds and so on) should generally be used to maximise *public* benefits; private funds should be used for essentially private elements of the system (soap, individual latrines etc).

While the focus of financial planners may fall on financing household investments in hardware, it is vitally im-

portant that adequate funding is available for all the other elements of the programme and that household investment is not out of scale with other supporting activities. For example, if investments are urgently needed in sanitation for schools, public latrines in market places, and hygiene promotion programmes, these are areas which, almost by definition, need financial support from public sources or explicit policy support to generate private funding (for privately- constructed and managed public

latrines for example). Only once the financial structure of the whole programme has been established, will it be possible to judge whether financial support to household investments are appropriate or can be provided from available sources.

In particular it is worth considering how grant and concessionary funding (available domestically or through external support mechanisms) can be most effectively harnessed to support the programme within the context of wider poverty-reduction goals. The ultimate scale and nature of the programme should be decided on this basis and not in isolation.

Broadly costs might be allocated as follows:

#### ● Enabling Environment

These costs would normally be covered from national government budgets, except in cases where federated states or autonomous urban areas take full responsibility for programmes and have the financial means (through local taxation) to support these costs.

#### ● Promoting Hygiene Behaviours

Because hygiene promotion has a strong “public good” element, it would normally be part of the supporting role of the programme and be covered from government sources at the appropriate level. This is a good area for targeting soft or grant-funding from external sources since these costs are unlikely to be recovered from users.

#### ● Improving Access to Hardware

- **Sanitation marketing** costs may be covered from government sources or from the private sector<sup>iii</sup>.
- The financing of **capital costs of sanitation hardware** has traditionally been the significant element in many sanitation programmes. What is argued here is that this is counterproductive and in most cases sanitation hardware should be the responsibility of households. However this places a responsibility on programmers to support and promote goods and services which are appropriate. A further discussion of subsidies is included in **Section 6.5**<sup>iv</sup>.
- In most cases households would be expected to cover operation and maintenance costs<sup>v</sup>.

**Table 6** illustrates four financing models, not to suggest that these are the only approaches but rather to show how a range of solutions may be employed in different cases.

**Table 6: Illustrative Financing Models**

Role	Urban, higher levels of subsidy to utility and household	Urban, no household subsidy	Rural, household subsidy	Rural, no household subsidy
<b>Enabling Environment</b>	National government	Urban government	National government	National government
<b>Hygiene Promotion</b>	Urban government	Urban government	Local / regional government	Local / regional government
<b>Sanitation Marketing</b>	Urban government	Utility, repaid by household	Local / regional government	Local / regional government
<b>Capital costs</b>	Utility, repaid by urban government	Utility, repaid by household	Household and local government	Household
<b>Operation and maintenance</b>	Utility with grants for trunk services, Household for household services	Utility with grant for waste water treatment, Household for all other	Household	Household

It is important to note here, that even the “no subsidy” model comes with significant public costs in the shape of administration, regulation, monitoring and evaluation and so on. The public benefits of sanitation and hygiene

promotion (and the corresponding public cost if no action is taken) mean that, whatever financial regime is adopted, government retains significant responsibilities and attendant costs.

## 5.4 Household self-financing – sanitation

Where demand is sufficiently high, households may be willing to meet the full capital and operational costs of sanitation. Formal willingness-to-pay surveys can provide information about this, but they are expensive and difficult to administer. As a first step, informal discussion, and participatory evaluations can be used to confirm whether self-financing is viable. Some proxy-indicators of appropriate levels of willingness-to-pay include:

- ownership of consumer durables of equivalent value;
- high percentage of private house ownership;
- extremely poor sanitary conditions, linked to high levels of dissatisfaction; and

- general awareness of health problems and the links with poor sanitation.

Where households are expected to finance sanitation the message must be clearly articulated and unambiguously applied. Many households may be reluctant to make the needed investments if they believe that (a) former subsidy programmes are still operating; (b) subsidies are likely to be reinstated; (c) alternative agencies may provide subsidies; or (d) subsidies can be made available if pressure is brought to bear through local politicians.

## 5.5 Subsidies for sanitation

Relying on household investments for hardware interventions can be problematic where:

- demand is low (due to conflicting demands on household resources, high levels of poverty or low levels of awareness);
- household action will have limited effect due to congested conditions (often in urban areas this problem is exacerbated because the only viable technical option is piped sewerage of some sort); or
- there is a high percentage of rented accommodation – householders may be unwilling to invest in a house which is not their own, owners may be unwilling to invest where tenants are readily available to rent poor quality housing.

In such cases subsidies may be advocated to jump-start latent demand or in the interests of equity – to encourage increased access for targeted segments of society. Many “sanitation” programmes have provided capital cost subsidies which were either available universally (this is always the case for piped sewerage for example), available through means-testing which linked subsidies to “poverty”, or linked to specific levels of service. These programmes have consistently exhibited a set of problems including:

- lack of financial sustainability; a policy which states that certain, usually poor, people are entitled to free or reduced cost services, is meaningless if there are inadequate public funds to support it;

- the relationship between poverty and access is more complex than programmers imagine - there may be many reasons why people do not access services - cost may not be the most important. In this situation subsidies may not increase access;
- subsidised facilities built during a pilot phase may actually suppress demand as other households wait and see if a subsidy will also come their way;
- subsidies often create expectations that cannot be fulfilled in surrounding areas and among other income groups;
- the use of subsidies for construction of “standard” facilities distorts the market and suppresses innovations that might bring down costs;
- substandard construction of “subsidized” latrines may suppress demand;
- subsidies aimed at helping the poorest sometimes associate a certain technology with poverty and the need for assistance further distorting demand;
- means-testing for subsidies is expensive and extremely difficult; and
- requesting a down payment or contribution to assess demand before a subsidy is released may exclude the poorest households.

If subsidies are to be used, programmers need to think carefully and select a subsidy mechanism which is likely to (a) achieve the intended policy outcome; (b) reach the intended target group; (c) be financially sustainable; and (d) be implemented in a clear and transparent manner.

The following general principles should always be applied:

- in the public interest use subsidies to maximise health benefits and increase access specifically to groups who are persistently excluded;
- subsidise the lowest possible level of service to maximise spread and avoid distortions to the market. Leave room for households to make incremental improvements over time;

- base subsidies on solid and rigorous information about what types of service people want and are willing-to-pay for, what is the affordability for the target group, and what can be scaled up in the long term.

The range of sanitation subsidy instruments are summarized in **Table 7** and discussed further in the notes section<sup>6</sup>.

**Table 7: Subsidy Mechanisms**

Mechanism	Strengths	Weaknesses
<b>Subsidies for latrine construction</b>	Direct link between input and output-Targets those households without access	Expensive and complex Overdesign and high costs Inadequate funds to complete latrines Stifles innovation and the local market Prone to corruption Limited reach
<b>Social subsidies</b>	Lower per-latrine costs. May support latent local suppliers	Targeting may be poor Requires national social policy framework
<b>Consumption subsidies through the tariff (Urban networks)</b>	Uses existing tariff collection and payment system	Poor targeting (does not reach the unconnected) May not overcome access barriers Does not support in-house costs
<b>Access subsidies through the tariff (urban networks)</b>	Addresses access problem directly and may be better targeted	Usually links water and sanitation - may not reach some households who require sanitation alone.

## 5.6 Supporting self-financing through micro-finance

The alternative to subsidies is the provision of appropriate financing services – commonly credit, but also extending to savings, insurance and so on. Many micro-finance programmes have failed in the past. This is often because financial services were provided by organisations which lacked the appropriate financial skills and failed to offer an appropriate mix of services, or failed to establish their own financial integrity. In addition, provision of financial services can be very difficult in situations where:

- inflation has been or still is very high;
- interest rates are high;
- it is uncommon to borrow money for capital goods;
- legal/ regulatory controls limit the activities of small

scale specialist credit agencies or prohibit lending for “non-productive assets”; or

- many ad hoc financial obligations make planned household expenditures very difficult for low-income households.

If micro-finance is likely to be an important element of the programme then it is important to consider the following possible programming interventions:

- policy / legal / regulatory changes to encourage small scale financial service providers;
- capacity building for financial service providers to assist with a move into infrastructure service provision

- capacity building for non-governmental organisations working in infrastructure to assist with a move into micro-finance;
- provision of seed funds, partial or full guarantees or other financial instruments to encourage on-lending to small scale borrowers;
- pro-active use of concessionary development funds from External Support Agencies to finance or guarantee micro-finance services.

## 5.7 Generating revenue for sanitation and hygiene promotion

Moving away from the household as the focus of financing, it may still be possible to use cross-subsidy or other mechanisms to generate some revenue which can be used to support hygiene promotion and sanitation investments. Examples of possible tools include:

- levying a surcharge on water bills to finance new connections to sanitation networks, or hygiene promotion activities;

- cross subsidizing from richer households paying for sewer connections, to provide funds for on-site and lower costs public services; and
- building costs of extension of sanitation and hygiene promotion services into general utility tariff structures.

## 5.8 Financial instruments to promote reform

Financial instruments can also be used to promote reforms which are needed to improve the enabling environment. This can be done, for example, by making funds available in a way that creates incentives for local jurisdictions to change policies and innovate. Examples of these types of instruments include:

- conditional grants (either tied to specific sectors and activities, or granted on a discretionary basis) from higher to lower-tiers of government or departments;
- conditional grants linked to demonstrated improvements in performance;
- social investment funds/ special projects, independently managed and able to provide grants to communities in response to demand;
- community development funds, focused on creating social capital in the poorest communities with operational costs covered through fund income;
- institutional-reform-linked challenge funds<sup>viii</sup>, to meet the transactions costs of institutional reform;
- sector-wide frameworks within which poverty reduction is linked to overall sector finance strategies – including: the sector-wide approach (SWAp) and Medium Term Expenditure Framework (MTEF) which are linked to debt relief; investment lending (from development Banks) for sector investment and maintenance (SIM) and adaptable program lending (APL); and adjustment lending through sector adjustment loans (SECAL) or poverty-reduction support credit (PRSC).

### Reference Box 10: Financial instruments

#### For more details on some of the available financial instruments

**See:** Mehta, M., (2003) *Meeting the Financing Challenge for Water Supply and Sanitation: Incentives to Promote Reforms, Leveraging Resources and Improve Targeting* World Bank, WSP Water and Sanitation Program

*New Designs for Water and Sanitation Transactions: Making Private Sector Participation work for the Poor* WSP Water and Sanitation Program, PPIAF (2002)

Varley, R.C.G. (1995) *Financial Services and Environmental Health: Household Credit for Water and Sanitation* EHP Applied Study No.2, Arlington VA.

*Credit Connections: Meeting the Infrastructure Needs of the Informal Sector through microfinance in urban India.* Issues Paper and Field Notes, WSP Water and Sanitation Program South Asia

**Get these references on the web from:**  
[www.wsp.org](http://www.wsp.org) or [www.whelpdesk.org](http://www.whelpdesk.org)

## 5.9 Applying the Principles

Table 8 shows how the principles can be applied when designing financial instruments.

**Table 8: Applying the Principles to Financing**

Maximising public and private benefits	Achieving Equity	Building on what exists and is in demand	Making use of practical partnerships	Building capacity as part of the process
Use public funds to maximise public benefits; private (household) finance should generally be reserved for private elements of the system (soap, latrines)	<p>Ensure the financial regime is stable and sustainable</p> <p>Use subsidies only where they increase access for the excluded</p> <p>Distribute adequate funds to ensure software support reaches remote and poor regions</p>	Understand what people want and are willing to pay for and promote appropriate goods and services	Involve potential funding partners in programming decisions	<p>Use specialized financial skills in programme design</p> <p>Allocate specific resources to capacity building</p>

## 5.10 Programming Instruments

Whatever financing mechanisms are chosen, they will need to be established through the programming process. This might require a number of interventions including:

- the development of specific policies backed up with regulations and possibly a regulatory structure for monitoring (this might be the case for subsidies for example);
- the establishment of a specific fund mechanism for handling either programmatic or household financing;
- the strengthening of an existing subsidy or fund mechanism (for example social funds) to enable them to handle the new arrangements for financing of sanitation and hygiene promotion; and
- capacity building.

## 5.11 Practical Examples from the Field: How will we pay for the programme?

In Lesotho a quiet revolution has been underway for the past twenty years. In that time, the government has successfully increased national sanitation coverage from 20% to approximately 53%. The goal of reducing morbidity and mortality attributable to diseases associated with poor sanitation through health and hygiene promotion and the promotion of VIP latrines appears to be being achieved. During this time the policies of the government of Lesotho have specifically shifted away from subsidizing latrines; much more money is now channeled towards promotion and training.

Key financial aspects of this story include; consistent significant allocation of the regular government budget to sanitation; and earmarking of these funds for promotion, training local artisans, and monitoring. In rural areas, government funds are also used "to supply basic latrine components 'at cost' to households" to keep prices as low as possible. The government also provides a subsidy through its operation of the "loss-making pit-emptying service". No direct subsidies are provided to households. The main challenge of the arrangement appears to

be that the sanitation budget is mainstreamed at district level in the health budget – which means sanitation competes with curative care for allocation of funds and many decision makers view the latter as a priority. The sanitation budget has therefore experienced a decline over recent years. In addition the government separately provides a 50% subsidy to the school sanitation programme. The total investments made by households is estimated to be in the range of 3 to 6 times the government contribution.

In Mozambique the success of the National Sanitation Programme has been attributable in part to the ability and willingness of external support agencies to provide funds for the subsidized provision of the domed latrine slab. A 1999 review of the program estimated that donor funds accounted for a little over 50% of the costs of the programme with users contributing a little less than 40% and the government less than 10%. Nonetheless, the ability of the programme to deliver the direct subsidy in a transparent manner and without massive overhead costs, appear to have resulted in a fairly cost-effective transfer of resources to households. Furthermore, the subsidies appear to have been effective because they were specifically linked to the delivery of the component of hygiene improvement whose cost was the major barrier to many households accessing latrines at all. This understanding, developed through thorough research at the outset of the programme resulted in a well-designed and targeted subsidy, and consequently an effective programme delivered at scale.

By contrast, the high cost of twin-pit pour flush latrines, adopted as a standard technology in India, resulted in the need for a massive subsidy programme. This resulted in “fundamental difficulties of sustainability, bureaucracy and suppression of any real demand for sanitation”.

Micro finance (both credit, savings and insurance) can play a part in supporting household investment in sanitation where there is demand. Micro finance providers in India have conventionally been excluded from providing credit for infrastructure which is not deemed to be a productive asset. Recent efforts by micro finance providers and the government with support from the World Bank have resulted in a realignment of policies and incentives so that provision of services can become more effective. In the isolated cases where investments in household sanitation have been documented, the productive value of the increased safety and convenience afforded by a

household latrine are reported to be significant, particularly for those employed in the informal economy.

In South Africa the long-term reform process has been supported by a consistent allocation of government funds for capital works (mostly, it must be said, expended on water supply). This ability of the government to support investments in parallel with a programming process has had a significant positive effect on the level of support for reform. Investment funds can be used to support reform in other ways too; in India the government is establishing a city challenge fund which will be available to support the activities of cities undertaking difficult local reforms and reorganizing service delivery arrangements. Where public funds are scarce, internal cross subsidies are sometimes used to support sanitation; Burkina Faso applies an internal cross subsidy in the form of a sanitation surcharge on the water bill of all connected water consumers, the resultant resources are earmarked to provide sanitation to excluded populations.

### Case Study Box 3: How will we pay for the programme?

The description of the financing arrangements in Lesotho comes from Pearson, I. (2002) *The National Sanitation Programme in Lesotho: How Political Leadership Achieved Long-Term Results* Field Note 5 in the Blue-Gold Series, Water and Sanitation Program – Africa Region, Nairobi

The National Sanitation Programme in Mozambique is described in: Colin, J. (2002) *The National Sanitation Programme in Mozambique: Pioneering Peri-Urban Sanitation* Field Note 9 in the Blue-Gold Series, Water and Sanitation Program – Africa Region, Nairobi and in Saywell, D. (1999) *Sanitation Programmes Revisited* WELL Study Task No: 161 WELL – Water and Environmental Sanitation – London and Loughborough, London.

The analysis of the impacts of India's use of the TPPF latrine is based on Kolsky, P., E Bauman, R Bhatia, J. Chilton, C. van Wijk (2000) *Learning from Experience: Evaluation of UNICEF's Water and Environmental Sanitation Programme in India 1966-1998* Swedish International Development Cooperation Agency, Stockholm

More information on microfinance for infrastructure can be found in World Bank (forthcoming) *Sustainable Private Financing of Community Infrastructure in India Report to the Government of India*, World Bank, DFID. Examples from India are in WSP-South Asia (2000) *Credit Connections: Meeting the Infrastructure Needs of the Informal Sector through microfinance in urban India*. Issues Paper and Field Notes, WSP Water and Sanitation Program South Asia

Reference is made to the city challenge fund in Mehta, M., (2003) *Meeting the Financing Challenge for Water Supply and Sanitation: Incentives to Promote Reforms, Leveraging Resources and Improve Targeting* World Bank, WSP Water and Sanitation Program

For more information on South Africa's Reforms see Muller, M. (2002) *The National Water and Sanitation Programme in South Africa: Turning the 'Right to Water' into Reality* Field Note 7 in the Blue-Gold Series, Water and Sanitation Program – Africa Region, Nairobi and Elledge, M.F., Rosensweig, F. and Warner, D.B. with J. Austin and E.A. Perez (2002) *Guidelines for the Assessment of National Sanitation Policies* Environmental Health Project, Arlington VA p.4

The sanitation surcharge in Burkina Faso is described in Ouedraougo, A.J., and Kolsky, P. (2002) *Partnership and Innovation for on-site sanitation in Ouagadougou, Burkina Faso* Waterlines, Vol21, No2, pp9-11, October 2002

## Notes on Chapter 5:

- i Capital costs for construction may be limited in rural areas to household level facilities (although some investment in shared facilities, and for the treatment and disposal of wastewater may be required). In urban areas, in addition to household investments there may be substantial costs associated with connecting to a sewerage network or in formal collection and management of pit and septic tank waste. Labour and materials may be more expensive and attract greater overheads if contractors are involved in construction. Where waste water treatment and disposal is included costs will rise significantly.
- ii For simple rural schemes operation and maintenance costs may be relatively low but they will rise in urban areas and where shared facilities are constructed. In extreme cases with pumped sewerage, costs are likely to be prohibitively high.
- iii In urban areas where there is an autonomous utility the costs of marketing sanitation to all consumers are likely to be covered from the utility budget (public or private). In those rural areas where the potential for local small scale provision is high, these costs may also ultimately be covered by small scales businesses which stand to recoup them through the sale of sanitary goods. In the short term some supporting funding or credit may be needed from government to help private sector providers launch sanitation marketing efforts. Where there is no private sector with the requisite skills and where non-private sector solutions are to be used, then these costs will probably be part of government support to the programme.
- iv Note that in urban areas, there is almost always an element of subsidy, particularly where networked solutions are used. Even in Western Europe no cities fully recover the costs of wastewater treatment from consumers.
- v In rural areas or urban areas with on-site solutions this is easy to organize through direct payment for pit emptying if it is required. In urban areas the situation may become more complicated with some elements of the costs being recovered directly (for example where households pay a fee for emptying of septic tanks or pits), some through the tariff (where households have water connections as well as sanitary services they may pay a surcharge on the water bill for sanitation) and some being subsidized (for example by grant payments from government to a utility which is operating a sewerage system.)

vi **Types of Sanitation Subsidy****Subsidies for latrine construction**

Direct Subsidies for latrine construction have been provided for many years in many countries. In this approach, public funds are usually made available to households to cover all or part of the cost of construction of a “standard” latrine. The funds may be delivered to the household in advance, in installments during construction, or in arrears. Alternatively, the household can apply for a latrine which is then built under the direct supervision of government engineers with no money handled by the householder at all. These subsidy arrangements are characterized by a number of problems. They tend to be: expensive and complex to administer (usually a government engineer needs to certify each latrine, often more than once); prone to cost related problems – standard designs may be over-designed and over-priced, or under-priced because standard rates used in the estimate may be outdated; and unresponsive to the bulk of demand, because costs are too high, or because there is insufficient capacity to respond.

Nonetheless they have proved popular because they deliver a quantifiable product and, particularly in rural areas, are one of the only ways in which many technical departments of government have been able to respond to the sanitation challenge.

**Social subsidies**

In a very few cases, social subsidies based on overall poverty indicators are available to the poorest households. These can then be spent on whatever services are most needed by the household. These systems (of which Chile has the best known example) have lower per capita costs than dedicated sanitation subsidy schemes and do not distort the market for sanitation goods and services in the same way, as households are free to purchase whatever they require on the open market.

However, such a system is only feasible if there is a national policy framework in place across all the social sectors.

**Subsidised Consumption in Urban Areas**

In areas with piped water and sewerage, government subsidies are commonly delivered via the tariff. In these cases the subsidy on the use of sanitation is usually achieved by proxy through subsidised consumption of water. The most common form of this is a cross-subsidy linked to overall water consumption (by means of an increasing block tariff). This type of approach only benefits those people already connected to the network – which usually excludes the poor. It also contains a number of inherent biases against poor households who may use less water and thus benefit from a lower proportion of the subsidy, and against poor households who share connections and who may therefore end up paying at the higher rate. It also does little or nothing to help households with the costs of in-house facilities (taps and toilets) which are needed if private health benefits are to be realized.

**Subsidised access to piped networks**

More interesting approaches have been developed in some cases, to support new customers connecting to the water and sewerage network in urban areas. Historically, the real costs of connecting to urban water and sewerage networks were not borne by consumers. In contrast much or all of the technical costs of connecting may now be transferred to new consumers. This is unfair and contains a strong bias against the poor who are usually the ones who are not yet connected to the network. In view of this, some utilities are attempting to structure subsidies by increasing the general tariff and removing or reducing the one-off connection fees associated with joining the network. This is an important step forward, recognizing as it does, that poverty and lack of access often go hand in hand.

- vii A challenge fund, usually provided by central government, provides financial support to local administrations who show a willingness to reform themselves in line with certain agreed general principles. The funds would usually be used to finance the actual process of institutional reform – including working out what needs to be done, and making the necessary policy, financial and organizational changes.

## Chapter 6 Roles and Responsibilities – Restructuring Organisations

### 6.1 Who is going to deliver your Programme?

With the right skills and well organized arrangements the vision of an effective sanitation and hygiene promotion programme can become a reality on the ground. Working out which organisations should be involved, what they should do, and what support is needed to develop human resources is a critical and exciting part of programming for change.

New organizational arrangements need to be:

- consistent with your chosen vision and principles;
- designed to make best use of government, NGOs, the private sector, and grassroots organisations;
- organised in a way which supports rather than subverts community-level institutions and promotes household decision making;
- staffed and funded adequately to deliver the agreed programme; and
- consistent with the political organisation of the country, particularly the level of decentralization.

Building the right institutional arrangements is one of the most critical steps in programme development but it is usually the most difficult. Costly and difficult institutional reorganizations should only be undertaken as a last resort. Much of what you need probably already exists. Programmers need to ask themselves:

- are there front-line units who can deliver elements of the programme?; and
- are there agencies/organisations who can support these units and provide the needed enabling environment within which they can function?

The human resources you need may be found in a wide variety of places including:

- **government agencies:** including water and sanitation agencies, health departments, education departments, environmental agencies, rural development teams, urban planning departments, local government. Human resources may be available at *all levels of government from the national down to the local level*;
- **civil society:** households themselves, NGOs (working in water supply, sanitation, social development, health, education etc), community based groups, self-help groups, local/community government, micro-finance organisations etc; and
- **private sector** - small scale private providers, soap companies, building contractors, advertising agencies, media etc.

### 6.2 What will define successful organisations in your Programme?

However, much of what exists may not be geared up to reflect the principles of good sanitation and hygiene promotion. Key aspects of many organisations may need to change; the challenge is to find effective ways to make this happen. Some of the characteristics of the new breed of organisations include:

#### A focus on equity

Organisations working locally, require specific skills and personnel to be able to focus on household needs and reach all segments of society (women and men, youth

and the elderly, different ethnic groups, those with access to services and those without). One of the key and pressing needs in many organisations is to realign responsibilities and build capacity so that the currently excluded segments can become the focus of interventions.

This lack of local level skill, is mirrored *within* organisations, where ironically it is often staff with precisely the profile to address these concerns, who are marginalized because of their professional profile, or on the grounds of gender or age. It is crucial that the gendered nature of sanitation and hygiene promotion is acknowledged

and action is taken to change the orientation of traditional organisations, so that they can effectively work with the groups who most need their support.

### A focus on working in partnership

It takes more than a single organisation to support sanitation and hygiene promotion. A huge number of people need to start to act in a different way, which requires a massive realignment of the incentives which drive them. This discussion is about more than “inter agency coordination”, it is about creating an interlinked web of people

all of whom are acting in response to the needs and demands of households.

### Accountability and Performance

For this partnership to work the vision should be for institutions which have:

- clear and distinct organizational responsibilities;
- adequate accountability (checks and balances) to safeguard resources and ensure effectiveness; and
- incentives to perform.

## 6.3 Allocation of Responsibilities

Examples of novel arrangements that emphasize a role for a range of partners do exist although few have extended to national level. There is no “blue-print” solution but the following broad allocations of responsibility are currently a popular approach:

- **National government:** facilitation of programming, policy development, creation of facilitative laws and regulations, publication of verified national data on coverage and progress, financing for technical assistance to small scale providers, community groups etc;
- **Regional / local government:** management of hygiene promotion and community development activities (which may be carried out by in-house staff or outsourced), monitoring of technical issues, licensing of small scale providers, certification of community support organisations, coordination of local monitoring and collation of data for planning purposes, etc;
- **Urban government:** provision and management of trunk services and facilities in some cases (either di-

rectly or through a utility), management of wastes, licensing of small scale providers, oversight of credit providers, technical assistance to communities etc

- **NGOs:** technical support to communities, delivery of hygiene promotion and community development support, provision of credit services, oversight of progress through participatory monitoring and evaluation etc;
- **Small Scale Private Providers:** sale and delivery of sanitation goods and services, contribution to planning and programming activities, may also provide credit directly or through dedicated credit providers etc;
- **Communities;** participatory planning, identification of appropriate local institutions for management of resources and facilities, assessment and negotiation of local demands, management of internal cross subsidies if needed etc;
- **Households;** key investment decision making, financing and management of facilities, hygiene behaviours and outcomes.

## 6.4 Capacity Building Approaches

It has already been stated that capacity should be built in the process of organisational change. While some capacity building occurs because of structural changes to organisations themselves, specific support can be provided through two broad approaches. The first is training to build individual skills, and the second could be termed organizational capacity building and would include such interventions as strategic planning, management development, strengthening of systems and pro-

cedures (e.g. information and financial systems), development of technical approaches and methodologies, restructuring, and staff development!

Capacity building can be particularly challenging when responsibilities are decentralized. You may need to allocate a large percentage of resources and effort to strengthen the performance of front-line teams if you want the new vision of sanitation and hygiene promotion to become a reality.

## 6.5 Managing the Change Process

Organisational change can be costly, time consuming and, if handled badly, deeply dispiriting for staff and the general public alike. While managers in the private sector can take unilateral decisions and act rapidly, this is rarely possible in the public sector. Change may have to occur within the context of complex public- service rules and regulations. Organisational changes may only be possible once wider policy/ legal changes have been made.

Most commentators agree that the best approach to organizational change involves eight broad steps: establishing a sense of urgency, forming a guiding coalition, creating a vision, empowering others to act on the vision, planning and creating short-term successes, consolidating improvements; and institutionalizing new approaches. This list echoes the programming process discussed in

**Section Two** and suggests that reshaping organisations should be seen as an integral part of the new sanitation and hygiene promotion programme.

Different countries and contexts will demand different approaches, but you may consider some of the following tools:

- formal working groups at the highest level which maintain transparency, ensure people feel represented and to lend legitimacy to the process;
- specialized sub-committees to represent specific interest groups (organized around services or interest groups); and
- wide consultation.

## 6.6 Applying the Principles

The principles of good programming can be used to guide both the process and the outcome of organizational restructuring as shown in **Table 9**.

**Table 9: Applying the Principles to Organisational Restructuring**

Maximising public and private benefits	Achieving Equity	Building on what exists and is in demand	Making use of practical partnerships	Building capacity as part of the process
<p>Reflect the central importance of household decision making</p> <p>Invest in capacity building at local levels.</p> <p>Build capacity of regulators and others setting public policy</p>	<p>Build capacity within organisations to engage with all segments of society</p> <p>Change the orientation of traditional organisations to reflect the gendered nature of sanitation and hygiene promotion</p>	<p>Understand the existing institutional landscape</p> <p>Look at non-traditional actors (small scale independent providers, voluntary organisations etc) while analyzing organisations</p>	<p>Establish organisations which have: clear responsibilities; adequate accountability; and incentives to perform.</p>	<p>Invest in capacity building and managing the change process.</p> <p>Allocate resources for this up front</p>

## 6.7 Programming Instruments

Organisational restructuring will rarely take place for sanitation and hygiene promotion alone. Ideally it should occur within a wider review of how social sector support in general is delivered. It may be appropriate to wait for a wider social development catalyst (such as the preparation of a Poverty Reduction Strategy Paper for example). Once it is clear that organizational restructuring is re-

quired a number of long term programming instruments could be brought to bear including:

- Restructuring of organizational profiles of public agencies, through proactive hiring and redundancies, to gradually shift the balance of skills;
- Realignment of resources and priorities in training or-

- ganisations (schools and higher education) to change the balance of skills entering the workforce;
- Provision of incentives (usually financial) to encourage staff of public agencies to move into specific regions, or into the private sector, in response to programmatic priorities;
  - Provision of incentives to encourage innovation and local level coordination between agencies;
  - Hiring of specific management skills to support a shift in the approach to service provision;
  - Financial and other technical support to build the capacity of potential programme partners (public sector, small scale private sector, NGOs etc);
  - Explicit provision of funds (usually from central government) to support the above restructuring interventions;
  - Capacity building of existing organisations specifically to increase their effectiveness in sanitation and hygiene promotion (for example, training water supply regulators to work more effectively in sanitation, twinning utilities in different regions of the country so that lessons learned in one region can be effectively passed on); and
  - Linking as many staff as possible to participatory programming activities so that capacity can be built in a shared environment of learning and change.

### Reference Box 11: Organizational roles and responsibilities

#### For ideas on a range of approaches to organizing the sector and managing organizational change

**See:** Blokland M., Lilian Saade and Meine Pieter van Dijk (2003) *Institutional Arrangements for Municipal Wastewater and Sanitation - case studies from Argentina, India, Mexico, Philippines, South Africa, Switzerland and Zambia*, Institutional and Management Options Working Group, Water Supply and Sanitation Collaborative Council

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**Get these references on the web from:**

[www.wsp.org](http://www.wsp.org) or [www.whelpdesk.org](http://www.whelpdesk.org) and good technical libraries

**For more details on how to manage organizational change effectively**

**See:** Cockman P., Evans B. and Reynolds P. (1999), *Consulting for real people – a client-centred approach for change agents and leaders*, McGraw Hill, UK

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good technical libraries and on the web at [www.lboro.ac.uk](http://www.lboro.ac.uk) and [www.dfid.gov.uk](http://www.dfid.gov.uk)

## 6.8 Practical Examples from the Field: Who's going to deliver our programme?

Examples of root-and-branch restructuring are rare, largely because such changes are politically difficult, technically challenging and can also be expensive in the short term. Many governments would hesitate before instituting a complete overhaul of service delivery arrangements. However, such reforms can yield impressive results, and there have been successful examples. In Chile for example, the government carried out a complete overhaul of water supply and sanitation service delivery

arrangements for urban areas which paved the way for privatization which occurred about ten years after the restructuring. In Nicaragua, reforms have also been made in the way both water supply and sanitation are overseen. There is a consensus that while Nicaragua did a very good job of addressing planning and regulatory functions, service delivery remains a problem.

For many countries, such complete reforms may seem too daunting. In many cases it seems unlikely that real progress can be made without some sort of reorganization, but some countries have managed to develop innovative organizational arrangements within the framework of existing formal structures.

In 1995 and 1996 USAID carried out an evaluation of an organisation which it had been supporting in Cambodia. The Program officer for USAID in Cambodia concluded that the organisation, whose name is “Partners for Development” “take their name...very seriously in working with villagers, NGOs and the government of Cambodia”. The review noted that PFD had been instrumental in “revitalizing and stabilising some of the most remote and under-served areas of Cambodia...using a demand responsive approach to rural community development.” The role of PFD has been to introduce and promote technologies appropriate to the village communities. But PFD has gone beyond this, constantly working to improve the technologies and approaches and evolving their approach to fit with communities needs. Here it is possible to see that a flexible but highly professional non-governmental organisation has been able to influence the approach to rural community development within a government programme.

In the Swajal Project in Uttar Pradesh in India, the government of Uttar Pradesh developed a highly formalised approach to selecting, training and contracting with support organisations who then worked with communities to build their capacity to plan and implement rural water supply and sanitation projects. The approach developed in Swajal is now widely applied across India – almost any organisation is eligible to apply to become a support organisation – in Swajal the majority were NGOs but private sector and governmental organisations also participated. The arrangement was challenging; many NGOs were uncomfortable with the contractual relationship, while government was often uneasy with the outspoken views of the support organisations. Inherent in this experience is the challenge of finding ways to work together which safeguard public funds and agreed policies, while enabling the creativity and flexibility of non-governmental partners full play to influence the approach.

In Kerala, where the Dutch government supported the establishment of decentralized support organisations, known as Socio Economic Units as part of a long-term project, the SEUs were able to evolve into a permanent

and effective support organisation for rural development in the State. Here the SEUs themselves were instrumental in devising approaches which then became part of a state wide programme.

Non-governmental organisations may also seek engage formal or government agencies in programmes they have developed but here too the experience is mixed. Perhaps the best known urban sanitation programme, the Orangi Pilot Project in Pakistan, has persistently struggled to get the utility in Karachi to recognize the investments already made by households in the Orangi neighbourhood in sanitation, and this experience has been replicated in many places across the country.

On the other hand, in West Bengal the experience of the Rama Krishna Mission, with support from UNICEF, has had a fundamental influence on State and ultimately national policy. The original project, which was launched in the early 1990s and continues to this day, shifted institutional responsibilities to the local level—successfully forging an action coalition between local NGOs, community-based organisations, and Panchayats (the lowest form of local government, usually covering three villages). Existing local youth groups and their cluster organisations, working together with local panchayats, were galvanized by an effective intermediary NGO, the Ramakrishna Mission Lokashiksha Parishad (RMLP). The youth clubs conducted much of the implementation in coordination with the panchayat, and a subcommittee called the “WATSAN committee” was responsible for community-level implementation. Cluster organisations of the youth clubs, at block level, backstopped with logistics and coordinated hardware inputs. They were, in turn, supported by RMLP. The role of the central and state governments and district officials was to provide financial and technical support and to help adjust appropriate supportive policies. UNICEF provided technical and financial assistance for the overall effort.

Formal partnerships for specific hygiene activities, which involve both government, non-governmental and private bodies, are gaining prominence. In Central America, USAID, UNICEF and the World Bank supported an innovative partnership between private soap manufacturers and the public sector to promote handwashing with soap. A 2001 evaluation of the partnership concluded that the public and private benefits had been high compared with costs. The evaluation also listed the following critical factors in the success of the partnership; pres-

ence of an experienced and neutral catalyst; a good cause; a clear road map; solid market research; public health backing; clear allocation of roles, responsibilities and expectations; joint decision making; sequencing which enabled timely progress to be made.

Working with private sector providers of goods and services is challenging however. The main problems seem to revolve around finding mechanisms to support private providers (for example, masons, pit emptying contractors, vendors of soap and other hardware) which do not stifle the private sector market. A 2000 evaluation of UNICEF's water supply and sanitation programmes in India noted that support to the Rural Sanitary Marts (a "one-stop" retail outlet which sells sanitation construction materials and hygiene products) was "an intuitively attractive idea" as it linked service provision to a revenue stream and would seem to reduce the need for public subsidy. However, progress in setting up RSMs was slow (between 1994 and 1999 UNICEF established only 558 RSMs in various states). Many of these subsequently went out of business or barely managed to break-even. The problem seems to have been that early successes with the approach were not analysed in sufficient detail to determine the critical features of success. UNICEF's experience with RSMs globally is extremely important for coun-

tries seeking ways to work with and support small scale entrepreneurs in the hygiene improvement business.

In Honduras the government decided to reorganize the public utility to develop a flexible and responsive approach to supporting rural water supply and sanitation at community level. The "TOM" program established mobile "Technician in Operation and Maintenance" positions, based in regional offices of the national utility. These regional offices have substantial authority to make decisions. Based on the "circuit rider" model of the USA, the mobile technicians have been able to provide consistent support to communities seeking to manage their own systems and the arrangement has been operating successfully since 1995. The arrangement was first piloted for two years in one department, and this is a useful lesson in how to test and then roll out innovative organizational arrangements.

Most of these experiences show us that in any programme which relies on multiple organisations to deliver a coordinated array of goods and services, the quality of the partnerships between them may be at least as important as their individual performance in determining the outcome.

**Case Study Box 4: Who's Going to Deliver our Program?**

The reforms in Chile are described in detail in Bitrán, G.A. and Valenzuela E.P. (2003) *Water Services in Chile: Comparing Public and Private Performance* World Bank Private Sector and Infrastructure Network, Public Policy for the Private Sector Note No. 255

The reforms in Nicaragua are described in Walker, I. and Velásquez, M. (1999) *Regional Analysis of Decentralisation of Water Supply and Sanitation Services in Central America and the Dominican Republic* Environmental Health Project Activity Report No. 65, Washington D.C.

More information on Partners for Development can be found in Environmental Health Project (2002) *North-east Cambodia Community Water and Health Educational Program, USAID Grant No. 442-G-97-00008-0, Final Evaluation*.

The Swajal Pilot Project is described in various publications. A useful starting point is WSP-SA (2001) *Community Contracting in Rural Water Supply and Sanitation: The Swajal Project*, India Water and Sanitation Program. Further information on the government of India's rural water supply and sanitation programme is available with the Rajiv Gandhi National Drinking Water Mission on the web at [www.rural.nic.in/rgndw.htm](http://www.rural.nic.in/rgndw.htm). The SEUs in Kerala are described in Van Wijk-Sijbesma, C. (2003) *Scaling Up Community-managed water supply and sanitation projects in India* presentation to the IDPAD Water Seminar, IHE, Delft, The Netherlands, May 12-13, 2003

The Midnapore experience has been written up in many places, but an interesting perspective from the mid 1990s can be found in UNICEF (1994) *Sanitation, the Medinipur Story*, Intensive Sanitation Project, UNICEF-Calcutta, India, and Ramasubban, K.S., and B.B. Samanta (1994) *Integrated Sanitation Project, Medinipur*, UNICEF, India.

The handwashing partnership in Central America is described in detail in Saadé, C., Masee Bateman, Diane B. Bendahmane (2001) *The Story of a Successful Public-Private Partnership in Central America: Handwashing for Diarrheal Disease Prevention* USAID, BASICS II, EHP, UNICEF, The World Bank Group

The experience of RSMs in India is described in Kolsky, P., E Bauman, R Bhatia, J. Chilton, C. van Wijk (2000) *Learning from Experience: Evaluation of UNICEF's Water and Environmental Sanitation Programme in India 1966-1998* Swedish International Development Cooperation Agency, Stockholm

The institutional arrangements in Honduras are described in Fragano, F., C. Linares, H. Lockwood, D. Rivera, A. Trevett, G. Yepes (2001) *Case Studies on Decentralisation of Water Supply and Sanitation Services in Latin America* Environmental Health Project Strategic Paper No. 1, Washington D.C.

## Notes for Chapter 6

## i Training approaches might include:

- Formation and strengthening of training networks – these might involve numerous disciplines and attract participation from public, private and civil society organisations, or alternatively they may be more focused, providing a “safe space” for colleagues to work together to build internal capacity;
- Twinning and/or secondment of staff – to facilitate practical sharing of experience and build up mutual understanding of how different partners work; and
- Formal in-service and continuing education – one of the real constraints in many public sector agencies and in NGOs is that staff are so focused on working at field level that they are not able to keep up with new ideas and find time to think about how they might undertake their jobs more effectively. Creating a culture of inquiry is challenging, particularly where organisations have a tradition of top-down command and control, but the capacity to question how things are done can be built. It may be best to launch efforts at a formal level – responding to the prevailing culture of the organisation, if successful, the process can move on to become more acquisitive over time.

## Chapter 7 Monitoring and Evaluation

### 7.1 Thinking about Monitoring and Evaluation

Monitoring and evaluation enable programmers to see whether things are happening on the ground as planned and whether activities are resulting in the expected outcomes. Results from both monitoring and evaluation are needed as inputs to the ongoing programming process.

While evaluations can be handled on a periodic basis, monitoring systems are needed to generate regular reliable datasets which can provide a picture of what is happening in real time and over time. As a general rule the monitoring system should be:

- **simple** – providing just enough information for decisions to be taken;

- **decentralised** - operating at the lowest appropriate level and providing information where it is needed to make necessary decisions;
- **responsive** – providing information where it is needed in real time;
- **transparent** – providing access to information both upwards and downwards; and
- **relevant** – based on the vision and objectives of the programme.

There is some truth in the saying that “what gets monitored, gets done” – the design of the monitoring system could have a profound effect on how well the programme is actually implemented. For this reason key outcomes and activities must be monitored.

### 7.2 What is Monitoring and Evaluation?

**Monitoring systems** provide a rapid and continuous assessment of what is happening. Monitoring is primarily needed at the implementation (project) level to show whether:

- inputs (investments, activities, decisions) are being made as planned;
- inputs are leading to expected outputs (latrines built, behaviours changed); and
- inputs are being made within the agreed vision and rules.

**Evaluation** provides a more systematic assessment of whether visions and objectives are being achieved in the long run in the most effective manner possible. “Formative” evaluation aims to diagnose problems, and is best done internally for maximum learning and capacity building. “Summative” evaluation is aimed at deciding which outcomes have been achieved (it measures, for example,

whether resources have been spent as intended) and is an important tool in generating confidence in the programme. It is usually best done externally, to increase credibility.

Neither monitoring nor evaluation are designed to establish causal links between interventions and outcomes (proving for example a link between handwashing and reduced incidence of diarrhoea). This type of causal connection is the subject of research which should be used as the basis for programme design. Where there are gaps in the empirical evidence base for sanitation and hygiene promotion, specific research may have to be commissioned to prove such relationships.

**Table 10** sums up the main uses of monitoring and evaluation within both programmes and at the project (implementation) level.

## 7.3 What to Monitor and Evaluate?

At the programmatic level it is essential to monitor key results (ideally improved health) to ensure that public investments are resulting in public benefits. However, monitoring long term health trends is difficult and can

probably only be the subject of periodic evaluation. Instead, it is often more practical to measure service coverage, use of facilities and hygiene behaviors.

**Table 10: Uses of Monitoring and Evaluation**

	Monitoring	Evaluation
<b>Programme planning, development and design</b>	Measure crude inputs and outputs (use a programme performance monitoring plan with agreed indicators) Track processes and instruments (use the monitoring system, and information management systems with periodic reporting)	Assess needs, problems and assets (through situation analysis) Establish a baseline reference point (use baseline quantitative data collection) Explore programming options and identify solutions (carry out formative, qualitative studies)
<b>Project level implementation</b>	Assess whether programme is on track, delivering services, conforming to standards and targeting the right people (establish a routine monitoring system) Motivate communities to solve problems (use participatory community monitoring) Quality assurance (through supervision)	Check whether implementation is resulting in the delivery of the programme vision and objectives (mid-term evaluations or periodic reviews can be used to correct approaches) Assess whether projects resulted in the desired impact and outcomes (final evaluations, covering quantitative and qualitative assessments) Solve technical or programmatic problems (through operations research).

Based on available research and experience, most sector experts agree that if certain key behaviours occur at the household level then it is reasonable to assume that health benefits will follow. The Environmental Health Project suggest that the following four essential household practices are key to the reduction in diarrhoeal disease:

1. wash hands properly with soap (or local alternative) at critical times (includes the availability of a place for handwashing and soap);
2. dispose of all faeces safely – especially those of young children who cannot easily use a toilet;
3. practice safe drinking water management in the household (includes the use of an improved water source, safe water storage, and possibly water treatment at the point-of-use; and
4. practice safe food management in the household.

A sanitation and hygiene promotion programme will clearly influence the first two of these behaviours, and, if well designed, should also impact on water and food hygiene.

Monitoring and evaluation can thus focus on these key behaviours, and on a selection of easy-to-measure inputs to generate a picture of what is happening on the ground and what are the primary results. While the exact approach may vary with your programme **Table 11** suggests a generalized framework for monitoring which would provide simple and robust information at the programmatic and at the implementation level. While most of these indicators can be monitored using regular monitoring tools (see **Table 12**) those marked in bold may require verification through periodic evaluations. Note that at the implementation level you may need more detailed information about changed behaviours at the household level. These should be the subject of detailed *project* monitoring systems. For more information on the design and use of indicators see **Reference Box 12**.

**Table 11: Indicative Programme Performance Monitoring Plan for Sanitation and Hygiene Promotion**

	<b>Objective</b>	<b>Suggested indicator (inputs)</b>	<b>Suggested indicator (outputs)</b>
<b>Programme Results</b>			
<b>Improved Health</b>	<ul style="list-style-type: none"> <li>i) Reduced incidence or prevalence of diarrhoeal disease</li> <li>ii) Reduced incidence or prevalence of other key disease groups</li> </ul>		<ul style="list-style-type: none"> <li>i) % of children under 36 months with diarrhoea in the last 2 weeks</li> <li>ii) Incidence (number of new cases) of trachoma, guinea worm, etc.</li> </ul>
<b>Essential Household Practice</b>	<ul style="list-style-type: none"> <li>i) Incidence of handwashing</li> <li>ii) Proper disposal of adult faeces</li> <li>iii) Proper disposal of children's faeces</li> </ul>		<ul style="list-style-type: none"> <li>i) % householders washing hands at appropriate times</li> <li>ii) % of adults whose faeces are disposed of safely</li> <li>iii) % of children under 36 months whose faeces are disposed of safely</li> </ul>
<b>Creation of Enabling Environment</b>			
<b>Programming and Policy</b>	<ul style="list-style-type: none"> <li>i) Development of real partnerships for optimum policy development</li> <li>ii) improved equity of access</li> </ul>	<ul style="list-style-type: none"> <li>i) total public investment in strengthening regulatory/oversight role</li> <li>ii) New policies dealing explicitly with securing access for poor and vulnerable households</li> </ul>	<ul style="list-style-type: none"> <li>i) number of positive changes made in policy, legal and regulatory instruments</li> <li>ii) distribution (on geographic, social, gender and communal grounds) of                             <ul style="list-style-type: none"> <li>- improved sanitation coverage</li> <li>- range of technologies available and affordable by poor households</li> <li>- primary schools with safe water and improved sanitation</li> </ul> </li> </ul>
<b>Financial Instruments</b>	<ul style="list-style-type: none"> <li>i) Improved efficiency</li> <li>ii) Financial sustainability (100% of operation costs for providing improved sanitation and hygiene promotion funded on a continuous basis)</li> </ul>	<ul style="list-style-type: none"> <li>i) - total cost of programme-funding provided by source (government, private, household)</li> <li>- number of agencies involved</li> </ul>	<ul style="list-style-type: none"> <li>i) sanitation coverage - poor households</li> <li>ii) percent of operating costs recovered from users/households</li> </ul>
<b>Organisational Restructuring</b>	<ul style="list-style-type: none"> <li>i) Alignment of organisations to support household decision making</li> </ul>	<ul style="list-style-type: none"> <li>i) front-line staff with skills to work effectively with households and communities in all necessary organisations.</li> </ul>	<ul style="list-style-type: none"> <li>i) % of household heads knowing:                             <ul style="list-style-type: none"> <li>- who to contact to access sanitation goods and service</li> <li>- who to contact if sanitation facility breaks down</li> </ul> </li> </ul>
<b>Implementation Outcomes</b>			
<b>Access to Sanitation technology</b>	<ul style="list-style-type: none"> <li>i) Acces to improved sanitation facilities</li> </ul>	<ul style="list-style-type: none"> <li>i) - total household and public expenditure on sanitation facilities</li> <li>- communities covered by sanitation marketing</li> </ul>	<ul style="list-style-type: none"> <li>i) % of households with access to an improved sanitation facility</li> </ul>
<b>Hygiene Promotion</b>	<ul style="list-style-type: none"> <li>i) All households show a substantial improvement in essential household practices</li> <li>ii) All primary schools comply with basic water supply, sanitation and hygiene standards</li> </ul>	<ul style="list-style-type: none"> <li>i) total public expenditure on hygiene promotion</li> <li>ii) communities with active hygiene promotion through community-based promoters</li> </ul>	<ul style="list-style-type: none"> <li>i) % of adults in households who know critical times for handwashing</li> <li>ii) % of households who use improved sanitation facilities</li> <li>iii) % of schools with                             <ul style="list-style-type: none"> <li>- sanitation facilities</li> <li>- separate sanitation facilities for boys and girls</li> <li>- handwashing facility</li> <li>- sanitation and hygiene teaching</li> </ul> </li> </ul>

## 7.4 How to do the Monitoring and Evaluation?

There are a wide range of tools available which can be used to generate information for monitoring and evaluation purposes. It is important to locate the responsibility for these tasks in an appropriate institutional home. Where possible monitoring should be carried out by agencies who can make immediate use of the information. As mentioned above, some evaluation is best car-

ried out externally. Furthermore it is important to have in place a process for disseminating the results of monitoring and evaluation exercises, to increase accountability and to ensure that data is used as widely and effectively as possible. **Table 12** provides examples of the broad range of tools available. **Reference Box 12** points to sources of more information on this important topic.

**Table 12: Some Tools for Monitoring and Evaluation**

	Monitoring	Evaluation
<b>Tools</b>	<ul style="list-style-type: none"> <li>• Sanitation surveillance questionnaires</li> <li>• Network/ system operation and maintenance checklists</li> <li>• Supervision checklists</li> <li>• Financial summary/ audits</li> <li>• Participatory monitoring tools</li> </ul>	<ul style="list-style-type: none"> <li>• Situation analyses, technical, social and institutional reviews</li> <li>• Participatory impact assessments/ Participatory rapid appraisals</li> <li>• Sanitation and hygiene model questionnaires</li> <li>• Qualitative studies, mid-term and final evaluations</li> </ul>
<b>Responsibility</b>	<ul style="list-style-type: none"> <li>• Ministry of health/ water and sanitation/ rural development/ urban development etc</li> <li>• Utility</li> <li>• Local government/ Communities</li> </ul>	<ul style="list-style-type: none"> <li>• As for monitoring but use should be made of independent public or private sector organisations with skills in evaluation techniques</li> <li>• Non-governmental organisations/ Umbrella/ apex professional bodies</li> <li>• Universities</li> <li>• National statistics or census bureaus</li> </ul>
<b>Dissemination of results</b>	<ul style="list-style-type: none"> <li>• Public score cards and report cards</li> <li>• Publish in newspapers/ radio/ TV spots</li> <li>• Provide fliers or other information in community locations in rural and urban communities</li> <li>• Annual/ regular institutional reporting</li> <li>• Internet</li> </ul>	<ul style="list-style-type: none"> <li>• As for monitoring plus</li> <li>• Journal articles/ conference papers etc</li> <li>• TV/ Radio profiles</li> </ul>

### Reference Box 12: Monitoring and evaluation

#### For information on the global monitoring system

See: Joint Monitoring Program of UNICEF and WHO and the Global Assessment (2000) Report

Get this reference on the web at: [www.wssinfo.org](http://www.wssinfo.org)

#### For ideas on setting up monitoring and evaluation systems including the selection and design of indicators

See: Kleinau, E., D.Pyle, L. Nichols, F. Rosensweig, L. Cogswell and A Tomasek (2003) *Guidelines for Assessing Hygiene Improvement At Household and Community Level* Environmental Health Project Strategic Report No. 8 on the web at: [www.ehp.org](http://www.ehp.org)



➔ **Reference Box 12: Monitoring and evaluation**

WELL (1998) *DFID Guidance Manual on Water Supply and Sanitation Programmes* WEDC Loughborough University, UK **on the web at: [www.lboro.ac.uk/wedc](http://www.lboro.ac.uk/wedc)**

Kathleen Shordt (2000) *Monitoring for Action* IRC, Delft, Netherlands

**For other ideas about monitoring and evaluation tools**

**See:** Naryan, D. n.d. *Participatory Evaluation: Tools for Managing Change in Water* Technical Paper No. 207, World Bank

Roark, P. (1990) *Evaluation Guidelines for Community-Based Water and Sanitation Projects* WASH Technical Report No. 64, Arlington VA.

Hutton, Guy (undated, c.2002) *Considerations in evaluating the cost effectiveness of environmental health interventions* cited in Appleton, Brian and Dr Christine van Wijk (2003) *Hygiene Promotion: Thematic Overview Paper* IRC International Water and Sanitation Centre

**Get this reference on the web at: [www.irc.nl](http://www.irc.nl)**

Dayal, R., C. van Wijk and N. Mukherjee (2000) *Methodology for Participatory Assessments: Linking Sustainability with Demand, Gender and Poverty* WSP

**Get this reference on the web at: [www.wsp.org/english/activities/pla.html](http://www.wsp.org/english/activities/pla.html)**

## 7.5 Applying the Principles

Principles of good programming can equally be applied to the monitoring and evaluation systems, both in the design of the approach and in the aspects of the pro-

gramme which are the focus of monitoring and evaluation efforts (see **Table 13**).

**Table 13: Applying the Principles to Monitoring and Evaluation**

Maximising public and private benefits	Achieving Equity	Building on what exists and is in demand	Making use of practical partnerships	Building capacity as part of the process
<p>Design a system which is</p> <ul style="list-style-type: none"> <li>• Simple</li> <li>• Decentralised</li> <li>• Responsive</li> <li>• Transparent</li> <li>• Consistent with the programme vision and objectives</li> </ul> <p>Measure public and private benefits</p>	<p>Ensure information is available upwards and downwards to empower participants as much as possible</p> <p>Ensure coverage data take into account distribution of access between different groups</p>	<p>Use existing monitoring and evaluation mechanisms and processes. Base on existing evidence of causal relationships</p> <p>Link upwards to international monitoring systems (ie JMP)</p>	<p>Make use of all available institutional capacity for monitoring and evaluation</p>	<p>Link monitoring information to capacity building; make information available and use it to analyse performance</p>

## 7.6 Programming Instruments

The most important programming decisions relating to monitoring and evaluation are probably allocating adequate resources, elevating status to an M&E system, and credible technical competencies. Programmers need to decide early on in the programming process:

- Who will be responsible for M&E;
- What will be monitored and at what scale;
- How will M&E be funded; and

- How and when will the information be used in the programming process.

Key to the success of monitoring and evaluation are systematic planning and implementation. This means that these activities such the development of a performance monitoring plan, a baseline and impact data collection, and the development of a monitoring system are included in the program strategy and work plans including the necessary human and financial resources.

## 7.7 Practical Examples from the Field: How will we know whether our programme is working?

Monitoring systems are only as good as the information they contain. Because of this, simple and relevant indicators must be identified and adapted for each situation, drawing as much as possible on existing indicators. This increases the ability to compare findings within a country and over time. A recent evaluation of definitions of “access” to “improved sanitation” in sub-saharan Africa found that there was little consistency between definitions used in different countries or with the definitions contained in the Joint Monitoring Program (JMP). On reflection this is not surprising, as national definitions will fall in line with national approaches to investment and with local cultural and social norms. So for example, while the JMP does not include “traditional latrines” in its definition of improved sanitation, some African countries feel that this is a good first step on the sanitation ladder, and count households with access to a traditional latrine as covered.

Data collected can be used in many ways for making program decisions. Two environmental health assessments conducted by Save the Children and EHP in 2001 and 2002 in the West Bank of Palestine found serious contamination of drinking water with thermotolerant fecal coliform bacteria. The quality was much worse for water delivered by tanker than for other sources. These findings led to program interventions that focus on the chemical treatment of tanker water and cisterns used by households to store water.

Formative research and household surveys in the DR Congo suggested that soap was widely available to households in rural and urban areas, but that handwash-

ing behaviors were largely inadequate. Sanitation facilities were present, but mostly unusable. The SANRU program decided to start hygiene promotion by integrating behavior change for handwashing into an existing Primary Health Care program and to address sanitation at a later point until the resources to improve sanitation facilities were available.

While definitions of access and coverage must be worked out in each case, these must be translated into simple formats to enable information to be collected consistently and reliably. In Honduras for example, the *M&E system for water supply* defines four categories of system:

- A – in full working order
- B – possibly not working but actions of the Mobile Maintenance Technician could easily bring it up to “A”
- C – possibly not working and requires investments which are within the economic capacity of the community
- D – not working-substantial investment required probably beyond the economic capacity of the community.

This simple typology enables the mobile technicians who visit them periodically to easily keep account of the status of all the systems under their remit thus rapidly building up a national picture of who is covered with functional systems. The beauty of this approach is that it is simple; allows for continuous real-time monitoring, takes into account the condition of the system, not just whether it was originally constructed; and makes use of the existing op-

eration and maintenance arrangement to collect data rather than setting up a separate M&E function. Getting hold of information on sanitation coverage and hygienic practices is likely to be much more challenging than getting information on water supply. A study in three countries in East Asia used participatory techniques

to uncover a range of inherent biases hidden beneath generalized coverage statistics. Nonetheless, with careful design, a few key indicators can almost certainly be devised in most cases to generate manageable information for monitoring programmatic outcomes.

### Case Study Box 5: How will we know whether our programme is working?

The Joint Monitoring Programme of UNICEF and WHO provides some guidance on what is to be monitored, and also gives access to global information on progress towards the Millennium Development Goals. It can be found on the web at [www.wssinfo.org](http://www.wssinfo.org).

Definitions of Access are discussed in Evans, B. and J. Davis (2003) *Water Supply and Sanitation in Africa: Defining Access Paper* presented at the SADC conference, Reaching the Millennium Development Goals

Experiences from the West Bank and DR Congo are summarised in the following two documents which also provide links to other resources: Camp Dresser McKee (2003) *West Bank Village Water and Sanitation Program: Findings from Environmental Health Assessments* Environmental Health Project Brief No. 17, July 2003 and Camp Dresser McKee (2003) *Improving Urban Environmental Health in Democratic Republic of Congo* Environmental Health Project Brief No. 16, June 2003.

The institutional arrangements in Honduras are described in Fragano, F., C. Linares, H. Lockwood, D. Rivera, A. Trevett, G. Yepes (2001) *Case Studies on Decentralisation of Water Supply and Sanitation Services in Latin America* Environmental Health Project Strategic Paper No. 1, Washington D.C.

Sanitation experiences in East Asia are described in Mukherjee, N. (2001) *Achieving Sustained Sanitation for the Poor: Policy and Strategy Lessons from Participatory Assessments in Cambodia, Indonesia and Vietnam* Water and Sanitation Program for East Asia and the Pacific

#### Notes for Chapter 7:

- i Additional monitoring indicators dealing with access to water and other sanitary facilities can be added, to provide a more comprehensive picture of progress towards wider hygiene improvement goals (see Kleinau et al. (2003) for detailed ideas on how to establish a full scale monitoring system at both project and programme level).