

# **Africa-EU Strategic Water Partnership on Water Affairs and Sanitation**

## **Action Plan Water Supply and Sanitation**

(Draft Working Document for the WSS Africa Working Group)

**Note:**

*The present version of the Working Document was prepared with the view to align the structure and content with the EUWI ‘**Outline Strategy and 2004 – 2008 Work Programme**’, which was endorsed by the AMCOW Executive Committee during the Pan-African Water and Implementation Conference in Addis Ababa in December 2003. The document may need further upgrading once a full version of the Work Programme has been prepared integrating the similar Working Documents/ Action Plans for the other components.*

20 April, 2004

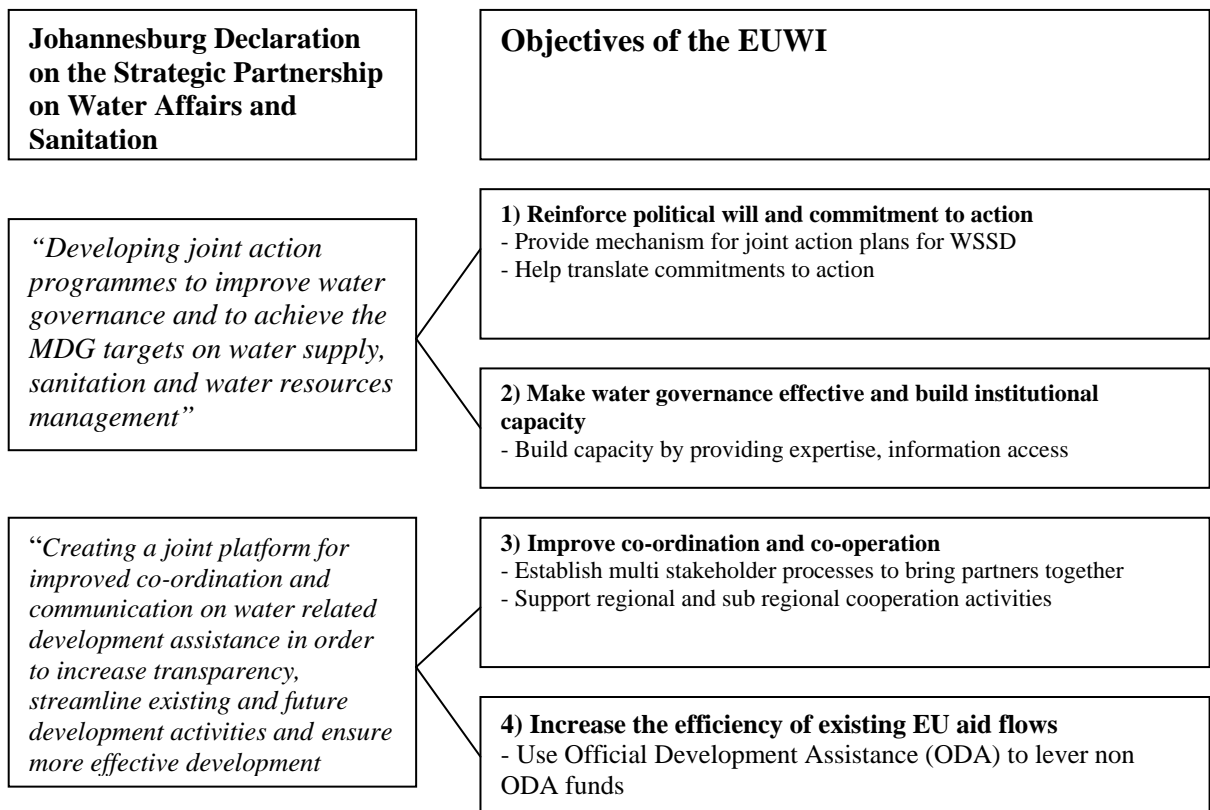
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# 1. Background

## 1.1 The European Union Water Initiative

The European Union Water Initiative (EUWI) was launched at the World Summit on Sustainable Development (WSSD) in Johannesburg, September 2002. The Presidents of South Africa, Nigeria, the European Council, and the European Commission signed a declaration of strategic partnership between Africa and the EU. The purpose of EUWI is to make a more effective joint (Africa - EU) contribution to the Plan of Implementation agreed at the WSSD and the achievement of the water and sanitation related Millennium Development Goals (MDG). An overview of the relationship between the Johannesburg Declaration, September 2002 and the objectives of the EUWI is shown in the diagram below:



## 1.2 Overall Strategy and 2004-2005 Work Programme

The main document ‘Africa – EU Strategic Water Partnership on Water Affairs and Sanitation, Strategy and 2004-2005 Work Programme Outline’ adopted at the AMCOW Pan-African Implementation and Partnership Conference on Water in Addis Ababa December 2003, gives a detailed background of EUWI, including a presentation of stakeholders, components, Working Groups etc. Moreover it provides an outline of the overall EUWI Africa Component Strategy and the 2004-2005 Work Programme with development goals, programmatic objectives and outputs.

The present document is closely linked to the main document in the way that all general information about EUWI is left out to avoid duplication and the development objective, the immediate objectives and outputs of the present Action Plan prepared by the Water

Supply and Sanitation Group to the possible extent fit into the development goals, programmatic objectives and outputs of the overall Work Programme.

The main document lists 6 principal activities deriving from the Johannesburg Declaration of which the second is the core activity of the Water Supply and Sanitation Working Group.

- Create a joint platform for improved coordination and communication on water related development assistance in order to increase transparency, streamline existing and future development activities and ensure more effective ODA.
- **Develop joint action programmes to improve water governance and to achieve the stated targets on water supply, sanitation and water resources management.**
- Support the establishment and strengthening of river and lake basin organizations and appropriate legal frameworks.
- Increase the transfer of knowledge and know-how and improve the knowledge base through institutional capacity building and targeted research programmes.
- Encourage the development of innovative financing mechanisms and develop a set of principles on user and private sector finance to maximise public funds, minimise risk and attract private sector investment and involvement.
- Develop financially sustainable strategies that work towards sector wide approaches and budget support mechanisms, and that include the implementation of policies on cost recovery, which are sensitive to the needs of the poor.

### 1.3 The Water Supply and Sanitation Working Group

According to the initial TOR the overall vision of the Water Supply and Sanitation Working Group - expressed as an expected output - is that:

*“A strategic water and sanitation partnership is established between Africa and the EU that leads, in harmony with other efforts, to the achievement of the MDG both through attainment of physical targets and through improvement in the necessary underlying conditions of good governance, coordination and sector capacity.”*

The Working Group responsible for the Africa Water Supply and Sanitation Component initially included the European Commission, the Member States of the European Union, Norway, and representatives of the private sector and the NGO community. In the aim of seeking the closest contact as possible to the African side of EUWI an explicit link was made to the Technical Advisory Committee of the African Ministerial Council on Water (AMCOW – TAC). Thus 5 AMCOW-TAC members are formerly acting as the liaison with the Working Group, each representing one of the 5 sub-regions of Africa.

The Working Group has formally met twice in Europe (November 2002 and August 2003) and at three occasions in Africa (February 2003 in Cairo, October 2003 in Ouagadougou and December 2003 in Addis Ababa). The Working Group is lead by Denmark.

A separate document presenting all Working Group background papers <sup>1</sup> is available upon request.

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<sup>1</sup> The document includes Terms of Reference, Working Group Members and Representatives from AMCOW-TAC, Minutes of Meetings, Presentation of Organisations and Ongoing Initiatives, Country Level Building Blocks and MDG coverage in Africa with maps.

## 2. Action Plan

### 2.1 Action Plan in Logical Framework Terminology

A tentative Action Plan has been developed and discussed within the Water Supply and Sanitation Working Group. First in Cairo with the African Water Task Force and later in Stockholm with the AMCOW-TAC and then again in Copenhagen at the second Working Group meeting - including NGO and private sector representatives. Finally discussions at the Ouagadougou meeting lead to a considerable simplification of the Action Plan.

The Action Plan point of departure is on four of the seven programmatic objectives listed in the overall EUWI Africa Component Strategy and the 2004-2005 Work Programme. The four programmatic objectives are highlighted below and a more detailed presentation is given in chapter 4 and 5.

- **Increasing demand for investment in water supply and sanitation for the poor**
- Initiating a programme to support transboundary water resources management
- Initiating national plans for IWRM
- **Strengthening underlying institutions, building capacity and making better use of existing human and institutional resources**
- **Enhancing funding for the supply, management and development of water resources, and sanitation**
- **Improving coordination between the actors involved in water resources management**
- Improving the use of existing and new scientific knowledge to support the innovations required to achieve water-related MDG

Most activities related to the four programmatic objectives and outputs are already being done in one way or another – often through existing Building Blocks<sup>2</sup>, but also through normal routine processes in the water and sanitation sector. In reality potential interventions are not new but simply represent good practice. Therefore, in line with the original and overall principle of EUWI, there should not be duplication of existing efforts but rather the Action Plan should aim at identifying and supporting where appropriate Building Blocks are already in place and working within the five areas above.

The Action Plan distinguishes between regional activities and country based activities. The regional activities are those activities where there is much to be gained by acting at a regional or sub regional level. For example there might be common problems or opportunities where a generic approach would be appropriate e.g. development of social and economic justification for increasing the priority given to water supply and sanitation. However, since water and sanitation is location specific, the majority of the actions would be best part of country specific initiatives aimed at supporting ongoing initiatives.

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<sup>2</sup> In the EUWI terminology Building Blocks are broadly defined as those initiatives that are already ongoing or planned. Building Blocks include projects, programmes, partnerships and alliances. They include the bilateral programmes launched between EU Member States and African countries as well as the DAC bilateral programmes as well as multilateral EU and other agency programmes. They also include most importantly the national programmes of water supply and sanitation

The Working Group and the AMCOW-TAC will in the first instance initiate regional actions aimed at identifying and supporting relevant Building Blocks. National water and sanitation authorities together with a lead donor from the EU will initiate country level actions in a few chosen countries aimed at identifying and supporting relevant Building Blocks. At the Stockholm meeting it was confirmed that country dialogues, in at least a few countries should be started as soon as possible. At the Copenhagen meeting a number of tentative potential start-up countries were identified together with potential lead donors. Confirmation however is needed on the final selection (AMCOW-TAC decision).

The Ouagadougou meeting concluded that a multi-strategy should be adopted so that well functioning countries, poorly functioning countries as well as worn torn zones can be assisted. Thus it is recognized that special efforts are needed on the least developed countries, as this is where the added value will be greatest.

The unique aspect of EUWI is the "Continent-to-Continent" cooperation and the opportunity that this affords to bring the whole continent of Africa closer towards the MDG instead of concentrating only where there has been historical cooperation. Without some focus on countries that are on the margin of international cooperation the MDG will not be achieved.

### 3. Objectives

The Africa-EU strategic partnership on water affairs and sanitation has the overall (development) objective of:

*“The EU Water Initiative seeks to make significant progress in poverty eradication and health, in the enhancement of livelihoods, and in sustainable economic development. The initiative also seeks to serve as a catalyst to peace and security.”<sup>3</sup>*

The Action Plan for the Water Supply and Sanitation Group has the following (immediate) objectives:

- **Increasing demand for investment in water supply and sanitation for the poor**
- **Strengthening underlying institutions, building capacity and making better use of existing human and institutional resources**
- **Enhancing funding for the supply, management and development of water resources, and sanitation**
- **Improving coordination between the actors involved in water resources management**

These objectives are identical to 4 of the 7 programmatic objectives of the overall EUWI Africa Component Strategy and the 2004-2005 Work Programme. The 4 objectives represent the goals of the water supply and sanitation that are then divided into 2 sub-components that contribute to the overall goals in each their way:

- The regional actions (see chapter 4)
- The country level actions (see chapter 5)

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<sup>3</sup> EUWI Africa Component Strategy and the 2004-2005 Work Programme, p5

## **4. Regional Actions**

A considerable simplification of the regional actions was achieved at the Ouagadougou meeting where 4 major priorities were singled out:

- Prioritisation of the water and sanitation sector – development of justification and argument for those countries where this prioritisation is not yet adequate and settled internally.
- Funding – clarification of what is available and when / how to use innovative mechanisms
- Development of best practice – ”North-South” and ”South-South” cooperation on spreading best practices within the sector.
- Development of a multi-strategy to assist both lesser and more developed countries - especially for helping the countries in Africa that are not part of the present cooperation with the EU Commission and Member States.

These priorities are closely linked to the 4 programmatic objectives, which are the focus of the Water Supply and Sanitation Group.

### **4.1 Programmatic Objective 1: Increasing demand for investment in water supply and sanitation for the poor**

The achievement of the water supply and sanitation MDG will in many African countries require very significant investments. As far as possible funding for these investments should come from innovative and market based financing modalities rather than relying on domestic or externally provided subsidies. Nevertheless it is clear that continued and even increased sector subsidies – particularly for the poorer areas will be needed in the short to medium term. External and domestic funding allocation will be in response to national priorities. The sector can only expect to receive funding from national and donor sources in relation to the priority attached to the sector in the national budgets and in the poverty reduction strategy plans. Thus the first step in accessing finance for subsidies will be to prioritise the water and sanitation sector. Historically the water and sanitation sector in many countries has been passive, accepting what was allocated rather than presenting compelling arguments and clear-cut justification for greater allocations.

Many of the justifications for prioritising the water and sanitation sector are generic and related to very special role that improved sanitation and water supply has for empowering women, increasing rural and urban productivity, reducing the health burden through reduction of water related diseases which constitute a very high proportion of ill health in Africa, improving the quality of life of the poorest and most marginalized people and enabling economic and industrial growth in urban centres. These arguments have in general been anecdotal in nature and have failed to convince decision makers in practice. To a large extent the research evidence and hard data is available but it is not easy to access and use.

*Output 1.1: Economic and social justification developed for expenditure on water supply and sanitation*

The economic and social justification will result in a better balance of investments and allocation to the water and sanitation sector. A generic tool can be developed with country level examples.

EUWI can potentially assist by the following actions:

**Actions supporting “increased demand for investment”**

1.1.1 Identify existing information that presents convincing linkage between poverty alleviation, economic and social development and the water and sanitation sector

1.1.2 Identify existing ongoing efforts that seek to develop a better understanding of the linkages between water and sanitation, reduction of poverty and economic and social development

1.1.3 Ensure the country level dialogues have the relevant information available.

**4.2 Programmatic objective 4: Strengthening underlying institutions, building capacity and making better use of existing human and institutional resources**

The importance of improving the underlying institutions and building capacity is that it is the institutional performance that is in many cases the bottleneck for increasing funding to the sector (since the institutions are not able to absorb and make use of extra funds). Institutional performance is also a main factor that prevents more efficient use of existing funds (since the institutions are inefficient at preventing waste and ensuring that subsidies reach the target groups and that an environment favourable for attracting innovative financial mechanisms is in place).

Most of the actions that can be taken to improve underlying institutions and build capacity are at the country level. However, it has also been identified, during the discussions between AMCOW-TAC/ AWTF and the EUWI that there is a need to develop a multi strategy approach. The multi strategy approach should allow swift progress in countries where institutions function well enough to be easily improved but should also develop approaches appropriate for countries where this is not the case. If the MDG are to be achieved for Africa as a whole, it is the second group that represents the greatest challenge. Solutions may lie within greater participation of the private and non-government sectors or the use of specialized agencies capable of producing sustainable solutions in conflict and unstable areas (e.g. UN organisations). Solutions may also require a greater degree of risk and the acceptance of a higher rate of rehabilitation. Whatever paths are explored it is evident that at a regional level there is insufficient understanding and appreciation of how poorly performing countries can best be supported in their effort to reach the MDG.

*Output 4.1: Ways of supporting countries where institutions do not function well identified*

EUWI can potentially assist by the following actions:

### **Actions supporting “strengthening institutions and capacity building”**

- 4.1.1 Undertake a comprehensive identification of potential Building Blocks at the regional and sub-regional level especially where these have relevance for lesser developed African countries
- 4.1.2 Undertake a gap analysis of the regional (subregional) Building Blocks including an analysis of where further support is needed. Determine the ongoing efforts that provide sufficiently promising results to be worthy of more support or replication of that type of support in other similar countries
- 4.1.3 Support the gaps in the Building Blocks where appropriate
- 4.1.4 Develop a multi-strategy approach that can guide future cooperation

### **4.3 Programmatic Objective 5: Enhancing funding for the supply, management and development of water resources, and sanitation**

The actions under clarification of funding will need to be developed in close cooperation with the Finance Component. At the present time and based on the Working Group discussions and the overall work programme to date, it appears that 2 outputs could be relevant as listed below.

*Output 5.1: The use of innovative financial instruments in African countries expanded.*

There are numerous options available for funding the provision of water services, but they are often not well understood and may be unknown to possible beneficiaries. The output will aim to explain such mechanisms and spread knowledge about them.

*Output 5.2: The efficiency of EU aid flows and its leverage for other finance improved.*

This output would entail working with African partner countries to improve project preparation facilities, remove barriers to other funding and manage risk.

### **Actions supporting “Enhancement of funding”**

- 5.1.1 Work together with finance group to explain to relevant stakeholders the potential mechanisms for increased funding
- 5.2.1 Improve project preparation facilities
- 5.2.2 Identify and remove barriers for leveraging other funds
- 5.2.3 Manage risk so that funds are more accessible

#### **4.4 Programmatic Objective 6: Improving coordination between the actors involved in water resources management**

There are many regional efforts aimed at achieving the MDG and particularly the necessary improvements in institutional performance and sector governance. Within each country there are also a multitude of efforts. There is scope for improving the coordination and synergy of all of these efforts. At the country level there is in each country attempts to coordinate with varying degrees of achievement so far. Because EUWI is the only regional cooperation that involves all the African nations and the Member States there is an opportunity to make use of this unique platform to improve coordination – initially between EU Member States and Africa but in the longer term also between DAC and Africa. The fruits of improved cooperation in the sector are widely recognized and include a reduction in duplication, an improvement in any potential synergy effects, the identification of important gaps that are not being addressed and the enhancement of national and regional ownership and control. A key tool is the newly published DAC guidelines on Harmonising Donor practices for effective aid delivery<sup>4</sup>.

The vast majority of relevant actions to improve coordination can best be taken at the country level. At the regional level, however, there is an opportunity, as concluded at the Ouagadougou meeting to promote best practice around sector coordination and to further mechanisms for North-South and more importantly South-South exchange of best practice and experience.

*Output 6.2: Harmonization of EU ODA with regard to water resources development improved.*

EUWI can potentially assist by the following actions:

##### **Actions supporting "Improved coordination"**

- 6.2.1 Examine the potential for harmonizing the EU and non-EU assistance
- 6.2.2 Put forward a detailed strategy for assisting the country level actions to achieve greater harmonisation

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<sup>4</sup> OECD, 2003 Harmonising Donor Practices for Effective Aid Delivery – ISBN 92-64-19982-9, pp124

**Table 4.1: Regional Action LFA**

Programmatic Objectives	Outputs	<h1>Actions</h1>	Indicators/(means of verification)	Responsibility	When
1. Increase demand for investment in water supply and sanitation for the poor	1.1 Economic and social justification developed for expenditure on water supply and sanitation	<p>1.1.1 Identify existing information that presents convincing linkage between poverty alleviation, economic and social development and the water and sanitation sector</p> <p>1.1.2 Identify existing ongoing efforts that seek to develop a better understanding of the linkages between water and sanitation, reduction of poverty and economic and social development.</p> <p>1.1.3 Ensure the country level dialogues have the relevant information available.</p>	<ul style="list-style-type: none"> <li>• Budget percentage allocated in the 2<sup>nd</sup> PRSPs compared to the first PRSPs</li> <li>• Inspection of PRSPs</li> </ul>	<ul style="list-style-type: none"> <li>• AMCOW-TAC and/or outsourced to consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Will take 4 month</li> </ul>
4. Strengthening underlying institutions, building capacity and making better use of existing human and institutional resources	4.1 Ways of supporting countries where institutions do not function well identified	<p>4.1.1 Undertake a comprehensive identification of potential Building Blocks at the regional and sub-regional level especially where these have relevance for lesser development African countries</p> <p>4.1.2 Undertake a gap analysis of the Building Blocks including an analysis of where further support is needed. Determine the ongoing efforts that provide sufficiently promising results to be worthy of more support or replication of that type of support in other similar countries.</p> <p>4.1.3 Support the gaps in the Building Blocks where appropriate</p> <p>4.1.4 Develop a multi-strategy approach that can guide future cooperation</p>	<ul style="list-style-type: none"> <li>• Absorption capacity of external funds increased, greater percentage of available funds used well</li> <li>• Inspection of financial records</li> <li>• Improvement of MDG in the 10 poorest covered countries</li> </ul>	<ul style="list-style-type: none"> <li>• AMCOW-TAC and/or outsourced to consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Will take 6 month for strategy and several years for implementation</li> </ul>
5. Enhancing funding for supply, management and development of water resources and sanitation	<p>5.1: The use of innovative financial instruments in African countries expanded.</p> <p>5.2: The efficiency of EU</p>	<p>5.2.1 Work together with finance group to explain to relevant stakeholders the potential mechanisms for increased funding</p> <p>5.2.1 Improve project preparation facilities</p> <p>5.2.2 Identify and remove barriers for leveraging other funds</p>	<ul style="list-style-type: none"> <li>• Statement issued by EU</li> <li>• Turnover of loan and grant projects from the AWF, 20 million dollars in year 1(2003) rising to AWF specified target by 2005</li> </ul>	<ul style="list-style-type: none"> <li>• Responsibility to be determined by Finance Group</li> </ul>	<ul style="list-style-type: none"> <li>• Timing to be determined by Finance Group</li> </ul>

Programmatic Objectives	Outputs	<b>Actions</b>	Indicators/(means of verification)	Responsibility	When
	aid flows and its leverage for other finance improved.	5.2.3 Manage risk so that funds are more accessible	<ul style="list-style-type: none"> <li>• Absolute sector spending</li> <li>• Coverage increase</li> <li>• DAC records</li> <li>• National records</li> <li>• Private sector spending estimates</li> <li>• National household surveys</li> </ul>		
6. Improving coordination between the actors involved in water resources management	6.2: Harmonization of EU ODA with regard to water resources development improved.	6.2.1 Examine the potential for harmonizing the EU and non-EU assistance  6.2.2 Put forward a detailed strategy for assisting the country level actions to achieve greater harmonisation	<ul style="list-style-type: none"> <li>• DAC harmonisation indicators realised e.g. common summary report on assistance to water sector</li> <li>• Physical presence of the common report</li> </ul>	<ul style="list-style-type: none"> <li>• AMCOW-TAC and/or could be outsourced to consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Will take 6 month</li> </ul>

## **5. Country Level Actions**

### **5.1 Phasing of the country level actions**

Following the outcome of the Working Group meeting in Ouagadougou in October 2003 it was agreed to consider 2 phases for the country actions; an initial phase (dialogue) and a follow up action phase.

The expected outcome of the initial phase of the country dialogue is:

- Briefing of relevant parties (both local institutions and other donors) of the EUWI, including distribution of relevant documents and verbal briefings
- Mini workshop to brainstorm the relevancy of the EUWI to the particular country and its efforts to achieve the MDG as well as identification of country level building blocks (i.e ongoing project and programmes)
- Setting up of participatory approach to develop an outline of country level actions that could be taken to further the aims of the Johannesburg Declaration.
- Report and communication to the Working Groups on the outcome of the dialogue at country level.
- Report at a regional and sub regional conference on the outcome of the dialogue in order to broaden and replicate the process.

In a later phase it is expected that the country dialogue could lead to notable changes in the way donors and recipient countries are cooperating. Such changes may imply:

- Higher reliance on the recipient countries own planning and priorities as expressed in national sector frameworks and in Poverty Reduction Strategies.
- Countries assisted to establish the socio-economic justification for increased spending on water sector development with donors responding positively to such prioritisation by giving access to additional funding i.e. from the Monterrey commitments.
- Introduction of new modalities for cooperation - shift from traditional project assistance via sector programme support, to 'basket funding', and eventually to budget support.
- Harmonization of donor procedures for planning, monitoring, and financial control – in line with the newly agreed DAC/OECD principles.
- Implementation through national institutions supported by joint donor programmes for capacity building and institutional development.
- Joint donor interventions in countries with weak institutions based on shared willingness to take the necessary risks.
- Development and piloting of innovative financing mechanisms with a view to leverage the efficiency of available donor funding

### **5.2 Selection of countries**

At the meeting with AMCOW Working Group members on 29 October 2003 and the later meetings at Addis Ababa in December 2003 the following issues concerning eligibility were discussed.

- Select 2 countries from each of the 5 sub regions as the initial round of countries
- At least a few countries to be selected from less developed countries

- Some from the countries already tentatively selected from the EU
- Countries where there is an EU presence (not necessarily in the water sector)
- It can be considered if countries linked to IWRM basins are relevant
- A second round of countries can be started once experience has been gained with the first round.
- Sub regional workshop should be held once experience is gained with the first round of country dialogues in order to inform, improve and speed up the process in the second and third rounds.
- Although tentative selection was made during the Working Group meeting on 26<sup>th</sup> August 2003 based on the perceptions of the EU member states and the EU commission the final selection would be made by the AMCOW-TAC.

The countries selected and the lead partner from the EU commission/member states are presented below:

**Table 5.1 Countries selected for first round of country actions:**

<b>Region:</b>	<b>Country:</b>	<b>EU partner:</b>	
		<b>Preliminary:</b>	<b>Final:<sup>5</sup></b>
<b>West Africa</b>	<b>Ghana</b>	Denmark Commission	<b>Denmark</b>
	Cap Verde	Commission	Commission
<b>East Africa</b>	Kenya	Sweden Germany	
	Uganda	Sweden Germany	
<b>South Africa</b>	Mozambique	The Netherlands	The Netherlands
	<b>Zambia</b>	Germany	<b>Germany</b>
<b>North Africa</b>	?	?	?
	?	?	?
<b>Central Africa</b>	Congo Brazzaville	France Belgium Commission	Commission
	Central African Republic	France Belgium Commission	?

### 5.3 Logical Framework guide

The country action plans and dialogues should be open processes that are based on the particular circumstances of the country in question. The actual processes undertaken and actions carried out will very much dependent on the “building blocks” in place and the gaps identified with the expected outcomes being defined in section 5.1.

<sup>5</sup> Based on commitments given at the MS meeting in Brussels on 15 March 2004 or earlier (Germany and Denmark)

However, as a guide the following LFA has been made which may assist, at least initially the dialogue partners in carrying out the dialogue. The LFA (table 5.2) is based on the overall seven programmatic objectives defined in the overall work programme.

### **5.3.1 Actions to start up and disseminate the action plan to other countries**

The country action plan will need to be participatively planned based on these guidelines. Thus it is proposed that an inception period is held during which the actions are reviewed and an updated and mutually owned plan is arrived at. Once the actions have been completed or are well underway a regional or sub-regional conference will be held where other countries not involved in the first round of country action plans will be invited. The objective of the conference will be to disseminate the plan and encourage other countries to join the next round of country level action plans.

The relevant outputs are:

*Output: an inception report detailing a new updated action plan specific to the particular country*

*Output: a regional or sub regional conference that disseminates the findings and outcome of the country plan to neighbouring or regional countries.*

EUWI can potentially assist by the following actions:

#### **Actions that will support the inception and dissemination of the country plan**

Undertake and complete an inception period within 3 weeks of starting up the country action plan

Undertake a 2 day conference at end of first phase of the country action plan

### **5.3.2 Programmatic Objective 1 1. Increasing demand for investment in water supply and sanitation (WSS) for the poor**

The relevant outputs for the country actions are:

*Output 1.1: Economic and social justification for poverty-related expenditure on WSS developed.*

*Output 1.3: Project planning supported*

EUWI can potentially assist by the following actions:

**Country level actions that support “Increased demand for WSS”**

1.1.1 Apply the generic tool for economic and social justification that has been developed by the regional action plan

1.3.1 Identify fundable projects and to assist in the preparation of sound projects. If the proposed EU-ACP Water Facility is established, it may serve this purpose.

### **5.3.2 Programmatic objective 5: Enhancing funding for supply, management and development of water resources and sanitation**

The relevant outputs for the country actions are:

*Output 5.1: The use of innovative financial instruments in African countries expanded.*

*Output 5.2: The efficiency of EU aid flows and its leverage for other finance improved.*

EUWI can potentially assist by the following actions:

#### **Country level actions supporting “Enhanced funding for WSS”**

5.1.1 Report on the country specific opportunities for use of financial instruments

5.2.1 Improve project preparation facilities,

5.2.2 Remove barriers to other funding

5.2.3 Manage risk.

### **5.3.3 Programmatic objective 6: Improving coordination between the actors involved in water resources management**

The relevant outputs for the country actions are:

*Output 6.1: Inventory of building blocks/actions completed*

*Output 6.2: Harmonization of EU ODA.*

EUWI can potentially assist by the following actions:

**Table 5.2 Guide for LFA for country actions**

Programmatic Objective	Output	Actions	Indicator/ (means of verification)	Responsibility	When (months) – phase 1					
					1	2	3	4	5	6



( communication and dissemination to start up and replicate the action plan in other countries)	Inception report and detailed plan  Regional/sub regional conference	Inception period within 3 weeks  2 day conference at end of first phase	<ul style="list-style-type: none"> <li>• Report (physical inspection)</li> <li>• Proceedings</li> <li>• At least 2 other countries in region start dialogues within 1 year</li> </ul>	Cooperating parties						
1. Increasing demand for investment in water supply and sanitation (WSS) for the poor	1.1: Economic and social justification for poverty-related expenditure on WSS developed.	1.1.1 Apply the generic tool that has been developed by the regional action plan	<ul style="list-style-type: none"> <li>• A report is available outlining the options and strategy (physical inspection)</li> <li>• The budget allocation to water for the poor has been increased after 1 year (comparison of budget allocations)</li> </ul>	To be determined by the cooperating partners – could be outsourced to consultants						
	1.3: Project planning supported	1.3.1 Identify fundable projects and to assist in the preparation of sound projects. If the proposed EU-ACP Water Facility is established, it may serve this purpose.	<ul style="list-style-type: none"> <li>• Good projects are identified that equal or exceed the funding available as documented in output</li> </ul>	To be determined by the cooperating partners – needs close link to African Development Bank and the EU-ACP						

Programmatic Objective	Output	Actions	Indicator/ (means of verification)	Responsibility	When (months) – phase 1					
					1	2	3	4	5	6
			1.1 above after 1-2 years (report)	facility if established						
5. Enhancing funding for supply, management and development of water resources and sanitation	5.1: The use of innovative financial instruments in African countries expanded.	5.1.1 Report on the country specific opportunities for use of financial instruments	<ul style="list-style-type: none"> <li>Report on the options (report)</li> <li>Increase in funding to the sector from after 1 year over 5 years (examine sector expenditure)</li> </ul>	To be determined by the cooperating partners – could be outsourced to consultants						
	5.2: The efficiency of EU aid flows and its leverage for other finance improved.	5.2.1 Improve project preparation facilities, remove barriers to other funding and manage risk.	<ul style="list-style-type: none"> <li>Sector allocations increased (budget comparison indicating that leverage – only measurable in 1-2 years)</li> <li>Cost per person served reduced after 3 years (sector statistics)</li> </ul>	To be determined by the cooperating partners – could be outsourced to consultants						
6. Improving coordination between the actors involved in water resources management	6.1: Inventory of building blocks/actions completed	6.1.1 Identify potential blocks as a basis for a gap analysis to develop the country dialogue action plan in phase 2	<ul style="list-style-type: none"> <li>Report</li> </ul>	To be determined by the cooperating partners – could be outsourced to consultants						
	6.2: Harmonization	6.2.1 Examine the potential for harmonizing the EU and non	<ul style="list-style-type: none"> <li>Report</li> <li>SWAPs developed</li> </ul>	To be determined by the cooperating						

Programmatic Objective	Output	Actions	Indicator/ (means of verification)	Responsibility	When (months) – phase 1					
					1	2	3	4	5	6
	of EU ODA.	assistance		partners – could be outsourced to consultants						

## 6. Monitoring and Communication

To measure progress of regional and country based actions (monitoring) and to assure the highest possible level of communication on ongoing activities regional and subregional conferences will take place once a year. The regional and sub regional conferences are also meant as to help combining the two levels of intervention where relevant (regional and country level).

Regional and subregional conferences will be held once experience is gained with the first round of country dialogues and outcome of regional actions will be available (multi strategy approach etc.). Countries selected for the first round are expected to present an overview of ongoing activities and preliminary results.

The initiative and responsibility of conferences are to be discussed further, but AMCOW-TAC regional secretariats and EU representations in the regions and subregions are expected to play a central role. Reporting on progress will be to AMCOW-TAC and the EU Working Group on Water Supply and Sanitation (initial phase and first years of follow up action phase).

At a later stage ideally the regional and sub regional conferences will act as a forum for selection of new countries and they will be authorized to allocate financial resources.

### 6.1 Monitoring

The monitoring system as such will be based on both objective and output indicators and on Milestones. The objective and output indicators will be to a large extent developed by the overall EUWI Africa Component Strategy and the 2004-2005 Work Programme. However a series of indicators specific to the regional and country action plan has been developed (see table 4.1 and table 5.2).

Table 6.1 below outlines the most important characteristics of the monitoring system which will need to be developed in partnership with the overall EUWI Africa Component Strategy and the 2004-2005 Work Programme.

Attributes	Description
Alignment to overall indicator systems	Of highest importance is the degree to which the monitoring system can be aligned to overall EUWI and AMCOW – country level monitoring procedures and systems. The more indicators are identical to national indicators that are already part of a working monitoring system the better as this will avoid the need for parallel monitoring.
Allocation of Responsibilities	The explicit allocation of responsibilities and resources is essential if the monitoring system is going to function in reality. The main principle is that the country level actions monitoring will be the responsibility of the two countries (EU and African) involved. The monitoring of the regional actions will tentatively be the responsibility of the AMCOW-TAC WSS Working Group (5 members) and the EU WSS Working Group until a longer term institutional solution is put in place.

Allocation of resources	At country level the resources will come from the two cooperating countries (the African country and the EU lead partner country) At regional action plan level, the allocation of resources is still unclear and needs to await the longer term institutional solution referred to above.
Use of monitoring reporting	The monitoring will be used to assess the progress, report to the EU commission and the AMCOW-TAC in order that they can take corrective action if needed and allocated resources accordingly.
Feedback loops	The feedback of monitoring results to the levels that provided the data is also important as it will tend to increase the quality and relevance of monitoring
Incentives for maintenance of the monitoring system	Finally the incentive environment for those involved in the monitoring needs to be understood in order to adjust the system if it works against rather than for the interests of those involved.

**Table 6-1: Characteristics of the monitoring system**

## 6.2 Communication

A more comprehensive EUWI communication strategy is to be developed. Austria has communicated that they will take up the responsibility of preparing and updating an internet based communication tool (homepage etc.). To assure a steadily high profile of EUWI activities including ongoing exchanges of experiences a water and sanitation ambassador may be introduced.

Some very preliminary steps have been taken by Wateraid to formulate a communication strategy for the Water Supply and Sanitation Working Group. The purpose of the communication strategy is to:

- Identify future audience(s)
- Inform participants (actual and potential) in Africa and Europe on the objectives and activities of the WSS Component
- Identify how participants will be kept informed and up to date on progress of the WSS Component
- Identify how participants can help shape the direction of the WSS Component