

# **PARTNERSHIP FOR WATER**

**An Agreement Between DFID and WaterAid**

**28 June 2002**

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## **Purpose of document**

DFID agrees Partnership Programme Agreements (PPAs) with UK civil society organisations with which it has significant working relationships and who share DFID's goal to eradicate poverty. In the context of DFID's overall work with the organisation, PPAs provide funding and set out clear and specific outcomes we aim to achieve together. The agreements provide a framework for the open sharing of views and for constructive dialogue on major development issues. While the PPAs should strengthen relationships between different parts of DFID and the partner organisation around the agreed specific outcomes, individual DFID departments and country programmes can negotiate separate arrangements for collaboration, including financial support for specific pieces of work.

## **Section 1: Overview of WaterAid**

1.1 WaterAid was founded in 1981 as the British Water Industry's response to the Water Decade and is still supported by volunteer groups in all water companies and authorities in the UK. WaterAid total income in 2000/01 was just under £10 million. WaterAid has offices and full scale programmes in 12 countries throughout Africa and Asia and individual projects in a further 3.

*1.2 WaterAid's vision is "a world in which all people have access to safe water and effective sanitation". WaterAid believes that access and control over drinking water and sanitation facilities, and knowledge of hygiene have a direct impact on poverty by reducing the vulnerability of poor people, especially women and children, to disease, ill health and death; and by releasing time and resources for economic and social development.*

1.3 WaterAid's three strategic goals are:

- To develop best practice model approaches for implementing water supply, sanitation, and hygiene promotion projects which are more cost-effective, more sustainable, and which have greater impact than approaches currently being used by other actors in the sector.
- To understand the policy blockages which prevent poor people currently from accessing safe water, sanitation and hygiene knowledge.
- To use these best practice models and this understanding of policy blockages to influence how water supply, sanitation, and hygiene promotion projects are carried out by other major actors both in the 15 countries WaterAid currently works in and globally.

1.4 Further information on WaterAid can be found in Annex 1.

## **Section 2: Current DFID/WaterAid Relationship**

### **Improving understanding of the water sector**

*2.1 WaterAid's access to field based experience of the impact of policies on poor people's access to water and sanitation services has resulted in a number of productive relationships between Water Aid and DFID. DFID has funded WaterAid to support project work from which good practice lessons are derived in a number of countries including Bangladesh, Mozambique, Nepal, Nigeria, and Tanzania. WaterAid and DFID are collaborating with the World Bank and private sector companies on the Business Partners for Development project and on the DFID Guidance Manual on Water Supply and Sanitation Programmes.*

### **Advocating for change**

2.2 WaterAid has worked with DFID to use this improved understanding to advocate for changes to policy and practice. WaterAid, working with DFID, facilitated Southern civil society participation at major water policy fora including the 2<sup>nd</sup> World Water Forum, the Collaborative Council for Drinking Water and Sanitation meeting and the Inter-governmental meeting on

Freshwater. WaterAid is acting as a general advisory service to DFID on water sector issues in Tanzania and Nigeria.

## **Building a popular base for development in the UK**

*2.3 WaterAid has a history of working in the UK through the water industry, community groups and schools to raise awareness of water and sanitation issues facing the World's poor. WaterAid's current joint 'Water Matters' campaign with Tearfund aims to bring public support to DFID's plans to push for an International Development Target for sanitation at the Johannesburg Summit on Sustainable Development.*

## **Section 3: PPA Objectives**

3.1 The objective of this PPA is to contribute to poverty reduction through influencing how water supply, sanitation, and hygiene promotion services are delivered locally, nationally and globally.

3.2 The PPA will build on the real synergy between DFID and WaterAid both at a country level and internationally. At a country level there is a particular synergy in WaterAid's ability to identify best practice and its flexibility in being able to trial new approaches as a way to provide a reality check on DFID policy positions. WaterAid's connections with practitioners and its proven capacity to mobilise support to challenge and convince national governments compliment DFID's ability to mainstream best practice through its major sector interventions with national governments and international agencies.

3.3 Internationally, the PPA will focus the discussions between DFID and WaterAid on the global policy lessons coming out of WaterAid's work on the ground, further strengthening the already existing international advocacy partnership between WaterAid and DFID. WaterAid has the specific capacity to identify and focus on key constraints in achieving the international water and sanitation targets and DFID can facilitate access to national and international major policy making fora. The monitoring framework for the PPA objectives can be found in Annex 2.

### **Goal**

3.4 To contribute to the eradication of poverty by ensuring all people have access to safe water, sanitation and hygiene promotion.

### **Purpose**

3.5 To influence how major actors deliver water supply, sanitation and hygiene promotion services both in the countries in which WaterAid works and globally, concentrating particularly on issues of service sustainability and accountability as demonstrated by:

- Significant policies and practices adopted by the national governments of Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Zambia, Nigeria, Bangladesh, India and Nepal within national poverty reduction strategies and relevant legislation.
- Significant policies and practices adopted by civil society and the private sector in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Zambia, Nigeria, Bangladesh, India and Nepal.
- Significant policies and practices promoted by the Water Supply and Sanitation Collaborative Council and World Water Forum to influence how water supply, sanitation, and hygiene promotion services are delivered by major actors.

## Outcomes

### Improved understanding

#### Outcome

3.6 National governments, civil society, the private sector and academia in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Nigeria, Bangladesh, India and Nepal have a demonstrated understanding of how poor people can gain access to sustainable and cost effective water supply and sanitation and be supported in hygiene behavioural change.

#### Background

3.7 There are three specific areas summarised below under the headings water, sanitation and poverty, innovation and good practice, and sector reform.

- **Water, sanitation and poverty:** This covers the links between the provision of water and sanitation and the elimination of poverty. This includes an understanding of the blockages that currently prevent poor people from accessing safe water, sanitation and hygiene promotion; the direct link between investment in water and sanitation and poverty reduction and how water and sanitation can be included in livelihoods approaches to development; the impact of water and sanitation investments on different gender and social groups; the opportunities presented to the water sector by the allocation of debt relief funds through poverty reduction strategy plans and how these can be used to argue for more funding (and better use of existing funding) for the sector and increased civil society involvement in PRSP production, implementation and monitoring.
- **Innovation and good practice:** Examples of effective innovation and good practice will be identified and disseminated to other sector actors and acted upon by them. Key issues include the rights based approach to community water supply and sanitation; innovative approaches to help poor people in urban areas gain access to safe water and sanitation; scaling up of effective approaches to rural hygiene promotion and sanitation to address the sanitation crisis;

innovative approaches to financing water and sanitation provision at a community level (e.g. micro-credit) and the effectiveness in different environments of existing broadly accepted practices such as the 'Demand Responsive Approach'.

- **Sector reform needs:** Sector understanding of global water and sanitation issues relating to policy blockages which prevent poor people from accessing water and sanitation services will be improved. Key issues include the financing of the water sector, both at a macro level and at a local level; the varied and potential roles of private, public and civil society sectors in water and sanitation provision and the factors which support an effective, functioning sector and attract investment.

3.8 **WaterAid will** increase sector understanding of the above issues by:

- Carrying out sector reviews in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Nigeria, Bangladesh, India and Nepal
- Improving its short and long-term monitoring systems to better measure impact of interventions on poverty,
- Carrying out targeted research into key sector issues. This research will often be multi-country based and will sometimes involve other UK, European and local institutions.
- Identifying best practice in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Nigeria, Bangladesh, India and Nepal.
- Developing project work with local partners which addresses these issues
- Comparing the performance of these projects to others in-country.
- Documentation of best practice lessons
- Disseminating information from the above activities to other key sector audiences.

3.9 **DFID will**

- Seek to formalise WaterAid's advisory role to DFID on water and sanitation issues through the incorporation of WaterAid into DFID's water theme group in the UK.
- Seek to formalise WaterAid's advisory role to DFID on water and sanitation issues in Tanzania and Nigeria (country-specific supplementary agreements will be produced)
- Facilitate dialogue with DFID country offices to develop a better understanding of the policy changes and/or improvements in implementation of policies required to ensure access to water.
- Share lessons learnt across DFID and the development sector.
- Investigate further staff secondment opportunities (both DFID to WaterAid and WaterAid to DFID) overseas and in the UK.
- Consult with WaterAid on areas of priority for research.

### **Building capacity to advocate for change**

#### Outcome

3.10 WaterAid and civil society organisations in Ethiopia, Madagascar,

Tanzania, Uganda, Ghana, Malawi, Mozambique, Zambia, Nigeria, Bangladesh, India and Nepal have the demonstrated capacity to advocate for the implementation of effective policies and practices in the sector nationally and globally.

**3.11 WaterAid will:**

- Invest in training and capacity building activities which will raise skill levels of both its own and its partners' staff in research, documentation, dissemination and lobbying.
- Seek opportunities to bring southern voices and experience (from both civil society and government) into international policy debates.
- Increase co-operation internationally between civil society organisations interested in wider water sector policy issues (domestic water, water for food, water for nature etc) through supporting the secretariat of the International Freshwater Action Network.

**3.12 DFID will:**

- Work with WaterAid to influence the national governments in Tanzania and Nigeria for the implementation of effective policies and practices in the sector.
- Build on the existing policy advocacy partnership that exists between the two organisations for international fora such as the World Water Forum events or the recent inter-governmental meeting in Bonn (including continuing to involve WaterAid in official delegations to such events).
- Endeavour to facilitate the presence of southern civil society and local government organisations at a selection of international policy fora.
- Work with WaterAid to consolidate their respective inputs into the Water Supply and Sanitation Collaborative Council.
- Explore opportunities for inputting learning to and applying relevant learning from DFID's knowledge and research programme and for using WaterAid's networks for its wider dissemination.

## **Building a popular base for development**

### Outcome

3.13 Increased understanding of the water and sanitation problems facing the world's poor will be developed amongst the general public in the UK.

3.14 **WaterAid will** work with water industry customers, community groups and schools to raise awareness of the water and sanitation issues facing the World's poor through a number of activities including:

- The operation of WaterAid's network of volunteer speakers across the UK,
- Dissemination of information (e.g. WaterAid literature including its quarterly journal Oasis),
- Support to the Water Industry's own educational programmes,

- The development of web based material to support the UK national curriculum.

### 3.15 DFID will

- Support WaterAid to achieve the above.
- Facilitate dialogue between WaterAid and wider development education community.
- Facilitate WaterAid's contribution to the Enabling Effective Support process and the Global Dimensions Website.

## Section 4: Implementation and monitoring arrangements

*4.1 A Memorandum of Understanding between DFID and WaterAid will set out details of the financial and other administrative arrangements for this Agreement. The PPA will last for a period of five years.*

### Funding the Partnership

4.2 Subject to meeting the requirements set out in the MOU, DFID will provide WaterAid with £750,000 per year for the first 3 financial years covered by the PPA. DFID expects to maintain funding at a broadly constant level for the remaining two financial years, though an annual margin of plus or minus 15% will be applied for these years. The final figures for years 4 and 5 will be set within this margin; and will be decided by the end of 2004 in the light of the mid-term performance review. The contribution will be allocated within DFID's financial years as follows:

2002/03	£750,000
2003/04	£750,000
2004/05	£750,000
2005/06	£ tbc
2006/07	£ tbc

4.3 Any funding of WaterAid through DFID overseas offices and other departments will be determined by the relevant DFID department and will be in addition to the strategic grant.

### Communication

*4.4 DFID will work with WaterAid primarily through its normal management structure. Key contact points in DFID will be the Information and Civil Society Department (for issues relating to the operation of this agreement), the lead Water Advisor (for policy issues), the Information and Civil Society Department (for discussions around civil society roles and for issues concerning the building of a popular base for development). Key contact points in WaterAid for this agreement will be the Head of International Operations (for issues relating to the operation of this agreement) and the Head of Public Policy and Education (for policy discussions and for issues concerning the building of a popular base for development).*

## Monitoring

4.5 There will be a reporting and review process to monitor the progress and performance of the agreement:

- DFID and WaterAid will meet in November 2002 to discuss the appropriateness of the monitoring frameworks and indicators.
- In November 2003, an initial progress report should be produced. This will be followed by a progress review to make an initial assessment of the progress against strategic outcomes and purpose; to review changes in risks; agree changes and agree arrangements for the next review.
- In November 2004, the second progress report should be produced. This will be followed by a mid term performance review to examine the impact and value of the partnership; review its operation; evaluate the monitoring systems; consider how the partnership should be developed and enable DFID to make decisions on future funding levels.
- In November 2005, a third progress report should be produced and where needed followed by another progress review.
- *By November 2006, a fourth progress report should be produced. This will be followed by an independent evaluation. A final review of the PPA will then be undertaken with the time of enabling both sides to agree in principle, by the end of 2006, whether to proceed with a further PPA after the expiry of the current Agreement.*

## Annex 1: KEY INFORMATION ON WATERAID

### Worldwide Presence

REGION	COUNTRY OFFICES
East Africa	Ethiopia, Madagascar, Tanzania, Uganda
South and West Africa	Ghana, Malawi, Mozambique, Nigeria, Zambia
Asia	Bangladesh, India, Nepal.
Total	12 country offices

### Staff Breakdown

REGION	MALE	FEMALE	TOTAL
East Africa	73	27	100
South and West Africa	58	15	73
Asia	30	10	40
UK/Europe	1	6	7
Headquarters	15	38	53
Total	177	96	273

### Income and Expenditure 2000/01

£000

Income 2000/01	9,928
<b>Expenditure 2000</b>	
Direct Charitable Expenditure:	
Project Costs:	7,003
Other Expenditure:	

BPD and advocacy		657
Support Costs		817
Fundraising		1,507
Administration		564
<b>Total Expenditure</b>		<b>10,548</b>

**DFID Funding of WaterAid**

<b>£000</b>	<b>1998/1999</b>	<b>1999/2000</b>	<b>2000/2001</b>	<b>2001/02</b>
<b>CSCF and Joint Funding Scheme</b>	865,406	940,135	742,474	558,200
<b>DFID Other</b>	557,427	793,965	548,342	525,000
<b>Total Funding</b>	<b>1,422,833</b>	<b>1,734,100</b>	<b>1,290,816</b>	<b>1,083,200</b>

## Annex 2: Monitoring Framework

	Indicators	Means of verification	Risks and assumptions
<b>Goal</b>			
To contribute to the eradication of poverty by ensuring all people have access to safe water, sanitation and hygiene promotion.			
<b>Purpose</b> To influence how water supply, sanitation, and hygiene promotion services are delivered by major actors both in the countries WaterAid works in and globally, concentrating particularly on issues of service sustainability and accountability.	<ul style="list-style-type: none"> <li>• Significant policies and practices adopted by the national governments of Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Zambia, Nigeria, Bangladesh, India and Nepal within national poverty reduction strategies and relevant legislation.</li> <li>• Significant policies and practices adopted by civil society and the private sector in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Zambia, Nigeria, Bangladesh, India and Nepal.</li> <li>• Significant policies and practices promoted by Water Supply and Sanitation Collaborative Council and World Water Forum.</li> </ul>		
<b>PPA Outcomes</b>			

National governments, civil society, the private sector and academia in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Nigeria, Bangladesh, India and Nepal have a demonstrated understanding of how poor people can gain access to sustainable and cost effective water supply and sanitation and be supported in hygiene behavioral change.

WaterAid and civil society organisations in Ethiopia, Madagascar, Tanzania, Uganda, Ghana, Malawi, Mozambique, Nigeria, Bangladesh, India and Nepal have the demonstrated capacity to advocate for the implementation of effective

- Assessments of blockages that prevent poor people from accessing safe water.
- Understanding of the link between investment and poverty reduction, how to assess the impact of water and sanitation investments and the identification of opportunities for the allocation of debt relief funds to the water sector.
- A right's based approach to community water supply and sanitation further developed and articulated.
- Innovative approaches for poor people in urban areas to gain access to safe water and sanitation piloted.
- Examples of the scaling up of approaches to rural hygiene promotion and sanitation
- Research disseminated on how the water sector is financed, on the roles of the private sector, public sector and civil society and on the factors for an effective, functioning sector.
- Learning products on the above areas disseminated
- WaterAid's advisory role to DFID on water and sanitation issues will have been institutionalised.

Southern civil society and local government voices and experience will be present at major international water sector fora.  
The Freshwater Action Network will be actively involved in the above, supported by Wateraid and DFID.

- WaterAid documentation
- External evaluations.
- Research reports
- WaterAid UK, country office and partner publications.
- Research reports.

- WaterAid reports to DFID.
- Research reports and documentation from a selection of WaterAid's southern partners.
- Records of attendance at major international water sector fora.

- Access to water and sanitation significantly impacts on poverty reduction.
- WaterAid and partners have the capacity to understand sector policy and to carry out research.
- DFID remains interested in learning from WaterAid and partner field and research experience.
- WaterAid is able to continue to fund a broad range of water and sanitation project work to form the testing bed for the development of best practice.
- WaterAid and partners are able to identify collaborative opportunities for scaling up best practice approaches.
- WaterAid and partners have the capacity to engage in policy research
- Opportunities exist to partner with other research institutions in collaborative efforts.

- DFID remains committed to promoting southern voices and experiences
- Southern civil society interested in policy research and advocacy on the water sector

<p>policies and practices in the sector nationally and globally.</p> <p>Increased understanding of the water and sanitation problems facing the world's poor will be developed amongst the general public in the UK.</p>	<ul style="list-style-type: none"> <li>• Water industry customers, community groups and schools with understanding of the global water and sanitation problem forcing the world's poor.</li> <li>• Technical enquiries desk provides advisory service to UK general public</li> </ul>	<ul style="list-style-type: none"> <li>• Volume of requests for WaterAid resources (speakers, resource packs etc).</li> <li>• Technical enquiries activity log.</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboration with Water Industry continues.</li> <li>• Volunteers remain available to staff the technical enquiries service.</li> <li>• Volunteers continue to be available for speakers network.</li> </ul>
<p><b>Strategic approaches</b></p> <p>Best practice will be identified by:</p> <ul style="list-style-type: none"> <li>• research in each country WaterAid works in,</li> <li>• developing project work with local partners</li> <li>• comparing the performance of these projects to others in-country</li> <li>• documenting of best practice by local partners and WaterAid.</li> </ul> <p>Understanding of the links between improved water and sanitation services and poverty reduction will be increased through:</p> <ul style="list-style-type: none"> <li>• sector reviews in countries</li> <li>• improving its monitoring systems and 'looking back' reviews</li> <li>• carrying out of occasional targeted research</li> </ul> <p>Understanding of sector reform issues will be carried out through:</p> <ul style="list-style-type: none"> <li>• multi-country based research</li> </ul> <p>Awareness building with water industry customers, community groups and schools will be achieved through</p> <ul style="list-style-type: none"> <li>• WaterAid's network of volunteer speakers across the UK,</li> <li>• dissemination of WaterAid literature,</li> <li>• support to the Water Industry's own educational programmes</li> <li>• development of web based material to support the UK national curriculum.</li> </ul>			

### **Annex 3: Consultation process**

DFID's Civil Society Department and WaterAid have worked closely together during the preparation of this paper. Views of the existing relationship between the two organisations and potential for its development under the PPA were sought and analysed from across DFID and WaterAid. This was followed by a series of internal DFID and WaterAid meetings between key stakeholders on both sides. A draft paper was produced and then circulated for comment.

The Head of ICSD approved a revised draft on 1st July 2002.