

CRYSTAL CLEAR

The BPD Water and Sanitation Cluster Newsletter

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In the first issue of *Crystal Clear*, we were keen to bring some information about the overall BPD initiative and the seven focus projects to your attention. We note, however, that many questions remain with regard to the provision of sanitation. How are partnerships improving the provision of sanitation at the local level? We begin to look at this question in the current issue. We also explain how the Water and Sanitation Cluster is governed and how it fits into the larger BPD framework. The KwaZulu-Natal Project in Durban and Pietermaritzburg, South Africa is also highlighted - a unique project in that it was set up as a direct response to the BPD initiative.

The Business of Partnering-Part 2

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In the first edition of our newsletter (August 1999), we suggested that trisector partnerships among private, public and civil society present a viable mechanism for addressing water and sanitation problems in the fast-growing cities of the South. We looked at the changing perspectives of stakeholders and the potential benefits expected from such partnership arrangements whereby:

- the public sector spreads the huge financial and technical burdens of providing water and sanitation while ensuring that operation and maintenance becomes more efficient, relieving over-stretched bureaucracies;

- suitable guarantees could protect private sector investments and ensure revenues; and
- civil society organisations earn a credible and recognised seat at the table, ensuring that the voice of local communities is heard.

We recognise that the first edition was a form of marketing. Eager to promote tripartite partnerships, we perhaps glossed over the difficulties of forming these partnerships. To redress the balance, here are some preliminary observations on the potential difficulties and problems of trisector partnerships.

Partnerships Revisited

Overcoming Suspicions

Tripartite relationships between public, private and civil society groups are a fairly new phenomenon. The mandate to work together often comes from senior management who are looking at the big and long-term picture. Making the partnerships work is then delegated

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to mid-level managers that have never traditionally worked together. Forming such partnerships requires careful planning, incorporating all levels of the management chain. Though perhaps stating the obvious, the partnerships are actually managed by people with very different understandings of the issues, not to mention work styles and objectives.

- The NGO/civil society perspective: As 'corporate responsibility' becomes one of the new buzzwords, NGOs and civil society organisations are increasingly being invited to the table with the private sector. Many international NGOs are considering whether they are better placed to negotiate in a new way of working through dialogue and joint activity, rather than in the more traditional method of campaigning from the outside. Once the decision has been taken to engage with the private sector by NGO senior staff, convincing project staff that this is a new and preferred way of working often proves difficult.
- The Private Sector perspective: Similarly, messages often come from on high that working with the civil society sector is in the interest of the company. Convincing project managers that working with the urban poor is in their interest sometimes proves difficult. Adding in socio-economic factors such as converting the urban poor into

paying customers is, admittedly, a new addition to the private sector engineer's designated daily work.

- The Public Sector perspective: The government sector has perhaps the most difficult task in engaging in such partnerships given the very public nature of everything they do. Expecting regulators to work 'in partnership' with the group they are regulating also adds a different dimension to the equation. Engaging with the private sector makes trade unions nervous about 'downscaling' and communities anxious about levels of service, accountability and their rightful say in the decision-making process. NGOs have traditionally been seen as an 'enemy' of sorts - criticising government and waging campaigns to get the public sector to respond. Rising expectations is a very real and immediate outcome of working with the NGO/civil society sector.

Different perceptions of time

Each of the partners has a different time scale by which they work. The private sector seeks to maximise gains comparatively quickly; that is their business. The public sector has political expedients that tend to guide them in their time frames. NGOs, though also gauging their efforts in a political spectrum, tend to have a longer time frame - with the view that development does not occur overnight.

Publicity

Given all of the stakeholders involved, the project is bound to attract interest from numerous outside observers. Partner perceptions of publicity therefore needs to be addressed. The private sector is often interested in providing a showcase from which to introduce new potential clients to the good work that they are doing. Publicity for the public sector has to be carefully timed and also carefully orchestrated. NGOs want the flexibility to manoeuvre in and out of the public eye as a sometime implementor and sometime independent commentator.

Speaking the same language

Simple terminology might prove an obstacle distorting common understanding, for example, by the terms constituencies, customers, beneficiaries and clients (each suggesting different types and levels of participation in the process). Larger communication difficulties might revolve around concepts related to monitoring and evaluation, proper channels for approvals, and the letter of the contract. Allowing time to understand each other's different approaches to terminology, funding, project design and communications proves essential.

Different ways of making decisions

Perhaps the most important difficulty involved in making partnerships work is the different styles of decision-making and the stereotypes related to them. In general, the private sector is able

to take more risk which allows them to take decisions more quickly. They also have more ready access to larger amounts of funding. The public sector is governed by a wider public scrutiny, national policy, international funding and other considerations which influence their decision-making. Finally, the NGOs/civil society organisations are expected to be more consultative and participatory in their decision-making, which is also very much reliant on available funding.

Overcoming the Barriers

In the coming issues, we will elaborate on different ways to overcome these barriers. Avenues to explore include:

- Strengthening the internal champions of the partnership approach. *Cultural changes within organisations require careful planning* to ensure their sustainability.
- *Solidly negotiated co-operative agreements*. Such agreements should clearly establish roles and responsibilities for each of the partners. This will require fairly significant negotiation in determining the who, how, what, where and when of project management. Time should also be dedicated to the 'why' questions, thus ensuring that each of the partners understands the other's perspectives and objectives.
- *Financial agreements* should be part and parcel of the co-operative

agreement. These may, however, require flexibility, reflecting possible changes to circumstances by one or more of the partners, for example if external donors bring unexpected funding or communities change their minds about what is wanted.

- *Governance structures* should also be clearly spelled out in the agreements. How will the partners be expected to work together? Will the project be managed by steering groups, project teams, monthly meetings, etc.?



- Measuring not only the impacts of the project, i.e. the improvements in water and sanitation in the target communities, but also *efforts to measure the partnership* itself should be considered. How flexible is the partnership in adapting to changing circumstances? What happens when there is staff turnover? How do obstacles and barriers turn into lessons learned for the partnership-based implementing team?

These issues will be the focus of the Cluster's work over the coming months.

The Challenges of Providing Urban Sanitation

For many people in El Alto, Bolivia, the US\$500-1000 cost of a sanitary installation inside their homes is well beyond their means. Poor Aymara or Quechua peasants or miners who migrated into the city, have family incomes of, on average, only \$100-120 per month. While they may be eager to pay roughly \$155 for a water connection, sanitary installations only become a real priority after water connections increase their relatively low water

consumption by 50% on average. This posed the initial challenge to the consortium that won the concession contract which specified that all new water and sewer connections in the La Paz/El Alto area must be individual connections.

The Orangi Pilot Project in Karachi, Pakistan has found at least four reasons why sanitation provision can be significantly more difficult than that of water supply. There is a *psychological or cultural barrier*, where people think that sanitation is not important, or that they should not do anything because sanitation is primarily the government's job.

When communities in often chaotic urban poor areas lack social cohesion, the *social barrier* emerges - making it more difficult to implement projects. But often, the main problem is the *economic barrier*; sanitation is simply too expensive for the ordinary residents or government agencies of many big cities of developing countries. This gets amplified by *technical barriers* when people do not have the know-how to design and build low-cost but efficient and sustainable sanitary facilities and sewage systems.

Whether in Edendale, South Africa where water is extremely scarce, or in Port-au-Prince, Haiti where shanty towns are perpetually flooded by disease-bearing wastewater - the challenge of sanitation provision has to be met. A growing literature points out that sanitation is one of the first key steps in any serious effort towards poverty eradication.

A key benefit from improved sanitation is the significant reduction of the health burden of being poor. In a healthy environment, families need not forego income, taking time away from productive activities and diminishing their savings, to treat illness. In Khulna, Bangladesh, a study has shown that huge health burdens inevitably lead to increased debts and malnutrition for all family members. Another example is in Peru in 1991, where more than US\$1 billion was lost from reduced agricultural exports and a rapid downturn in tourism following a cholera

epidemic that probably resulted from the contamination of seafood by sewage. Peru's loss was 300% greater than the sums invested in water and sanitation during the 1980s¹. Often not given sufficient importance is the additional benefit to poor women of increased privacy, dignity and safety achieved by improved sanitation.

Meeting the challenge starts with changing mindsets on sanitation. While *Vision 21* (The Collaborative Council's document describing the vision for universal water and sanitation provision in the 21st century) already states that water supply and sanitation are intrinsically linked, sanitation is still sometimes regarded as a second phase of projects. For every person without access to safe drinking water, there are three times as many without access to sanitation. Only a fraction of the funding for the water and sanitation sector actually goes to sanitation projects.

It has to be stressed though that availability of funding is not the panacea to sanitation problems. In the Orangi low-income settlement of Karachi, local residents, with advice from the Orangi Pilot Project, have self-financed and built nearly 6,000 lane sewers and 400 collector sewers, connecting some 88,000 households to mains sewerage in the process. The Greater Karachi Sewerage Plan, however, fails to take into account such local initiatives, despite the fact that similar locally financed infrastructures serve the needs of many. The treatment plants built under the

plan function at only a fraction of their capacity. The Orangi Pilot Project estimates that at least 400 million rupees (US\$7 million) have been wasted as a result.

This experience is among the reasons why steps are now being taken to bring communities, NGOs, governments, contractors and big financial institutions into closer contact with each other. The idea is to encourage more local communities and NGOs to improve their advocacy not only with government but also with the major financial institutions. Governments and financial institutions, on the other hand, are beginning to recognise the key roles that local community organisations and NGOs play.

The Water and Sanitation Cluster's seven focus projects are beginning to demonstrate field-based responses to meet the sanitation challenge. In El Alto, Aguas del Illimani's technical solution of building condominial sewage systems is dramatically reducing per capita expenses. Condominial systems connect different households to a main sewer pipe, and use connector pipes laid in shallow trenches under household lots or sidewalks rather than under the streets where heavy vehicles could damage them.

In Edendale options are being developed for the re-use of wastewater or 'grey' water. The project is looking at 'possible models of integration and cascading domestic water flows'. For example, water already used for rinsing clothes can be collected and re-used for

flushing toilets. The management issues are complex and the health risks must be highlighted, but it does make sense in Edendale's particular context of water scarcity.

Some local communities are increasingly taking on more active roles, independent of government or NGOs. In Port-au-Prince, water users pay for water from community-managed standpipes by the bucket. The money collected is used in part to pay for operating and maintenance costs. But because of the urgency of the health and sanitation problems, the community has decided to periodically use portions of the collection to build simple drainage systems and sanitation works and sometimes for garbage collection.

The importance of social infrastructures looms behind these technical, economic and financial innovations. Whether in El Alto, Port-au-Prince or Dhaka, the solutions being tested will come to nothing if community organisations are not ready to take on some of the responsibility. Community organisations are infrastructures that support projects and make them work. Like physical infrastructures, they take time, effort, money and commitment to establish. These social infrastructures are also critical in promoting behavioural change - changing lifestyles and culturally-ingrained hygiene practices.

To conclude, helping half the world's population improve their sanitation is one of the most difficult, and yet one of the most beneficial development activities.

The professionals of the water and sanitation sector as a whole recognise that they must work harder and more creatively in sanitation in the years ahead. The BPD intends to contribute vigorously to that work.

(Article synthesised by Eric Gutierrez)

¹Wright, A. M. (1997) *Toward a Strategic Sanitation Approach: Improving the Sustainability of Urban Sanitation in Developing Countries.* UNDP-World Bank Water and Sanitation Program.

Business Partners for Development KwaZulu-Natal Project

South Africa has a history of deep imbalances in the provision of water and sanitation services. The challenge facing the country today is the extension of services from the urban areas of primarily white towns to the former townships now incorporated into new municipalities. This is putting tremendous strain on the resources of local authorities.



At the same time, South Africa has a strong technical and engineering base, developed educational, legal and political systems and financial markets.

Within KwaZulu-Natal province, the two major cities are Durban and Pietermaritzburg. Durban Metro's population has increased in recent years from around 1 million to nearly 3 million following the amalgamation of more than 30 local authorities and the incorporation of former surrounding townships. Pietermaritzburg has amalgamated with former townships (Edendale) and the new Authority has a total population of 450,000, of whom 238,000 live in the Greater Edendale area.

Vivendi Water-Générale des Eaux and the Mvula Trust, in association with Umgeni Water, have proposed to Durban Metro and to the city of Pietermaritzburg that a BPD programme should be developed in their areas. The pilot projects are designed to improve the access to safe and sustainable water and sanitation for urban and peri-urban poor communities.

Who is involved?

- Public sector:
 - Durban Metro through the Durban Metro Water Services;
 - Pietermaritzburg - Transitional Local Council;

- Umgeni Water, the regional water board and an arm of central government, through the Department of Water Affairs;
- Water Research Commission.

- Private sector:
Vivendi Water-Générale des Eaux.
- Civil society:
Mvula Trust, a leading independent charitable trust.

Six pilot areas have been identified:

- Durban :
 - Amatikwe (approx. 5,000 people);
 - Bhambayi (Inanda) (an informal area of about 7,000 people);
 - Ntuzuma G (approx. 5,000 people).
- Pietermaritzburg :
 - Ashdown (formally developed district of 6,000 inhabitants);
 - Newtown (semi-rural former resettlement of 5,000 low-income inhabitants);
 - Imbali (Edendale) (a formal area with 29,000 inhabitants).

What are the objectives?

- To provide acceptable and affordable water and sanitation services and/or to upgrade services that already exist in specific pilot areas.
- To incorporate community awareness campaigns and education on water conservation, health and hygiene.
- To ensure that the community is involved in service provision decisions.
- To introduce cost recovery as one element in ensuring sustainability.

- To relate drinking water delivery to sanitation issues.
- To address water losses and operation and maintenance issues.
- To adapt customer management.
- To involve community-based enterprises.

The project budget is 2.5 million Euro, coming from the partners and third-party funding. Discussions on the trisector pilot project approach began with Pietermaritzburg in February 1998 and with Durban Metro in July 1998. Signature of the co-operation agreements took place in March 1999. The completion date is to be the end of 2001.

Key lessons to date

The primary lesson to date is that the formation of solid partnerships takes time. A governance structure that clearly defines the roles and responsibilities of each partner proves crucial. Co-operative agreements have been signed among the different partners clearly laying out the roles, responsibilities, and financial commitments of each partner. The project established a steering group for each city, which meets twice a year, consisting of senior representatives from the organisations involved, councillors from the defined districts and observers from the labour unions. A task team was also established which meets monthly to plan and co-ordinate the implementation of the projects.

The community liaison and education and awareness activities are critical to the success of the project and the task team appointed the Mvula Trust to manage them. In an effort to improve health and hygiene in the project areas, a series of field-based PHAST (participatory health and sanitation transformation) workshops are being held with local residents. Health and hygiene programmes are also carried out in primary and secondary schools.

For the technical component of the project, the most significant benefit was the involvement, accountability and acceptance of responsibility the community structures took on, and the desire to promote the development and empowerment of emerging contractors. The integrated plant and labour hire contract system is a practical alternative to conventional contracts which fits well with the BPD approach.

The contract was structured such that the bulk of work centred around the labour component. The contractor is also obliged to employ local residents in both skilled and basic labour positions before using any 'outside' personnel. For example, a total of 199 men and women from Ashdown were trained and employed for the completion of upgrading water and sanitation services; 50% of the total contract value was paid to local labour, community liaison officers and artisans. Site activities are managed on a day-to-day basis allowing immediate response to

problems or changes that occur on a site of this nature. In Amatikwe, a local contractor was employed to install water pipelines and 89 people were employed for the duration of the project. This approach will be applied to the other construction phases in Bhambayi and Ntuzuma.

(Article contributed by the project partners)

The Bigger BPD Picture

The Water and Sanitation Cluster is one of four sectoral clusters within the larger BPD framework. BPD is a project-based initiative designed to study, support and promote the involvement of businesses as partners alongside governments and civil society for the development of communities around the world. As an informal network of partners it aims to demonstrate that these trisector partnerships can be used throughout the world to meet national and regional needs and can provide mutual gains for all. In all four clusters, BPD works with a number of 'focus' projects, each representative of various partnership challenges.

- **Water and Sanitation Cluster** - aims to improve access to safe water and effective sanitation for the rising number of urban poor in developing countries. The W&SC is governed by a Steering Group which meets

twice a year and is comprised of representatives from each of the sectors involved. The Secretariat is hosted by WaterAid in London, UK. The Secretariat seeks to support the partnership aspect of the projects and share the lessons learned.

to help build the capacities of local institutions and to enhance the ability of professionals and communities to pro-actively tackle road safety problems. The Secretariat is hosted by the International Federation of Red Cross and Red Crescent Societies in Geneva, Switzerland.



- **Natural Resources Cluster** - aims to produce practical examples of how partnerships involving oil, gas and mining companies can work together to ensure that investment activities are mutually beneficial and economically, socially and environmentally sustainable. The Secretariat is hosted by CARE International UK in London, UK.

- **Global Partnership for Youth Development** - the partners work together to strengthen and scale-up best practices in global youth development, including education, vocational training, information technology, health and nutrition. The Secretariat is hosted by the International Youth Foundation in Baltimore, Maryland, USA.

- **Global Road Safety Partnership** - aims, through partnerships,

A fifth cluster, the Knowledge Resource Group, aims to collect, analyse, link and disseminate lessons learned about partnership building and trisector partnerships involving business, government and civil society. The Secretariat is hosted by Civicus in Washington DC, USA and is co-convened by the Prince of Wales Business Leaders Forum and the World Bank Group.

The BPD clusters are financed by direct financial and in-kind support from private sector partners, foundations and donor agencies (such as the Department for International Development in the UK) as well as the World Bank Group. The operational costs of the focus projects are covered by the project sponsors and partners.

Upcoming events

10th Congress of the Union of African Water Suppliers

Partnership and Sustainable Development for Water and Sanitation

19-25 February 2000, Durban, South Africa

The congress will highlight the importance and increasing awareness of the need for partnership and sustainable

2nd World Water Forum and Ministerial Conference

17-22 March 2000, The Hague, The Netherlands

The event will mark the conclusion to a long series of worldwide consultation sessions. The World Water Vision will be unveiled and a plan of action will be announced - the Framework for Action. The World Water Fair, an interactive exhibition for companies, international organisations and NGOs will also take place.

1st World Congress of the International Water Association

3-7 July 2000, Paris, France

The congress will cover research-oriented (science and technology themes) and applications-oriented (operation and management themes) topics. Over 1,000 delegates are expected to attend to focus on water resources management, drinking water production and distribution, and wastewater collection and treatment. An exhibition of technologies, equipment and services will take place.

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development in the provision of water services. It will consist of technical sessions, round table discussions, technical visits and an international exhibition of equipment and water-related infrastructure.

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