



STUDY REPORT December 2014

Water sector harmonisation and alignment study

Assessment of sector partnerships in Ghana

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Supporting water sanitation
and hygiene services for life



REPUBLIC OF GHANA

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The report describes results of an assessment of water sector partnerships in Ghana conducted in 2013. Detailed issues investigated include the degree to which actors share a common vision of a changed sector, perceptions of state capacity to provide effective leadership and coordination, and the effectiveness of performance tracking. The report identifies existing hurdles to convergent practice and proposes a number of actions to be implemented within an evolving process of harmonisation.

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Abbreviations

AAA	Accra Agenda for Action
AFD	Agence Française de Développement
AfDB	African Development Bank
ASIP	Accra Sewerage Improvement Project
BMGF	Bill & Melinda Gates Foundation
BRICS	Brazil, Russia, India, China and South Africa
CapManEx	Capital Maintenance Expenditure
CLTS	Community-Led Total Sanitation
CONIWAS	Coalition of [local] NGOs in Water and Sanitation
CRA	Comprehensive Risk Assessment
CSC	Community Scorecard
CWSA	Community Water and Sanitation Agency
DAC	Development Assistance Committee
DDF	District Development Facility
DFID	Department for International Development
DiMES	District Monitoring and Evaluation System
DP	Development Partner
EHSD	Environmental Hygiene and Sanitation Directorate
EIB	European Investment Bank
EU	European Union
Fig	Figure
FWSC	Fair Wages and Salaries Commission
GIFMIS	Ghana Integrated Financial Management Information System
G-JAS	Ghana Joint Assistance Strategy
GLAAS	Global Annual Assessment of Sanitation and Drinking-Water
GDP	Gross Domestic Product
GNP	Gross National Product
GoG	Government of Ghana
GPRS	Growth and Poverty Reduction Strategy
GSGDA	Ghana Shared Growth and Development Agenda
GSS	Ghana Statistical Service
GWCL	Ghana Water Company Limited
GWF	Ghana Water Forum
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
INGO	International Non-Governmental Organisation
KfW	Kreditanstalt für Wiederaufbau
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments and Agencies
MDBS	Multi-Donor Budget Support
MDG	Millennium Development Goal
MLGRD	Ministry of Local Government and Rural Development
MoE	Ministry of Education
MoF	Ministry of Finance
MoH	Ministry of Health
MoT	Ministry of Transport
MTHS	Medium-Term Health Strategy
MWRWH	Ministry of Water Resources, Works and Housing
NDF	National Policy Framework
NDPC	National Development Planning Commission
NESAP	National Environmental Sanitation Action Plan
NESCON	National Environmental Sanitation Conference
NESPOCC	National Environmental Sanitation Policy Co-ordination Council
NGO	Non-Governmental Organisation
NLLAP	National Level Learning Alliance Platform

NTWGS	National Technical Working Group on Sanitation
NWP	National Water Policy
ODA	Official Development Assistance
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OpEx	Operational Expenditure
PAF	Performance Assessment Framework
Para	Paragraph
PPBMED	Policy, Planning, Budgeting, Monitoring and Evaluation Directorate
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PoW	Programme of Work
PPA	Public Procurement Act
PPP	Public-Private Partnership
PSC	Public Service Commission
RCN	Resource Centre Network
RLLAP	Regional Level Learning Alliance Platform
RNE	Royal Netherlands Embassy
RSIM	Research, Statistics and Information Management
SAP	Structural Adjustment Programme
SAWISTRA	Sanitation and Water for Small Towns and Rural Areas
SEC	State Enterprises Commission
SESIP	Strategic Environmental Sanitation Investment Plan
SIS	Sector Information System
SIT	SWAp Implementation Team
SRWSP	Sustainable Rural Water and Sanitation Project
SSDP	Sector Strategic Development Plan (also WSSDP)
SSSS	Single-Spine Salary Structure
SWA	Sanitation and Water for All
SWAp	Sector Wide Approach
SWG	Sector Working Group
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USA	United States of America
USAID	United States Agency for International Development
USD	United States Dollar
WASH	Water, Sanitation and Hygiene
WASHBAT	Water, Sanitation and Hygiene Bottleneck Analysis Tool
WD	Water Directorate
WHO	World Health Organisation
WRC	Water Resources Commission
WSSD	World Summit on Sustainable Development
WSSDP	Water Sector Strategic Development Plan
WSSG	Water and Sanitation Sector Group

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In particular we want to thank IRC for the technical and financial support provided within the framework of the Triple-S project for this study. We would also like to acknowledge the contribution of the Research Team: Vida Duti, Country Director, IRC Ghana; Dr. David Korboe, Development Consultant; Kwabena Gyasi Duku, Water and Sanitation Engineer, MWRWH; and Collins Kabuga, Economic Officer, MoF for conducting the study. We acknowledge the support of Aguaconsult, UK, in setting up the online survey.

We want to express our appreciation to the Government of Ghana study reference group who guided the study process and served as a sounding board in reaching consensus on GoG's position on key policy and operational issues regarding harmonisation and alignment in the sector. The members are:

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Executive Summary

This report on harmonisation and alignment in Ghana's water sector was commissioned by the Ministry of Water Resources, Works and Housing (MWRWH), with technical support from IRC. The study commenced in the first week of October 2013 and presented its provisional findings at the end of that month. Separate debriefing meetings were held with government actors and the Sector Working Group (SWG).

Since the completion of the study a number of steps have been taken in the rural sub-sector to remedy some of the weaknesses identified, most notably the completion and publication of the National Community Water and Sanitation Strategy (NCWSS), the Project Implementation Manual (PIM), the District Operational Manual (DOM), the Framework for Assessing and Monitoring Rural and Small Town Water Supply Services in Ghana and its How-To-Do Guide.

The study was a response to demands for improved coordination in Ghana's water sector. In particular, some key actors within the MWRWH and the GoG/DP Sector Working Group (SWG) have persisted in calling for a shift to a sector wide approach (SWAp) to programming, with sector funds pooled under centralised management (or some other mutually agreed form) in support of sector investment. The study thus sought to appraise the cohesiveness of water sector partnerships in Ghana, with the view to fostering greater consensus around sector management and ultimately improving donor alignment with national systems and procedures.

Findings

Weak sector leadership

Despite identifiable steps to concretise the partnership paradigm in development cooperation, serious weaknesses remain in Ghana's ownership and articulation of its development strategies. Linked to this are significant deficits in sector leadership and the absence of a set of core monitoring indicators by which sector actors can be guided as a collective. Efforts towards better aid coordination and dialogue on the part of the Government of Ghana (GoG) and its Development Partners are further hampered by poor absorptive capacities and the lack of an effective mutual accountability framework. Complementarity between the sub-sectors remains weak and aid continues to be duplicated, with high transaction cost inefficiencies.

Thus far, water supply programmes have also been delivered primarily through infrastructure-focused projects rather than implemented via an approach aiming to achieve and sustain an agreed level of service for all. As a result, functionality has neither been prioritised in practice nor in sector monitoring/reporting. In the absence of effective sector leadership, the sector's Development Partners (DPs) employ the applicable country systems only in limited ways, rendering the task of sector coordination even more challenging. Going forward, the development agenda will require stronger and more urgent leadership by the state to inspire greater confidence among DPs.

Supporting frameworks and agreements

The global and country partnership agreements and frameworks to which Ghana and its DPs have committed make a compelling case for streamlining aid streams and coordinating DP activities for greater effectiveness. These agreements include:

- the conclusions of the string of global high-level aid effectiveness fora (2003-2011);
- the Ghana Joint Assistance Strategy (G-JAS) (2007) with its qualified commitment to a Sector-Wide Approach (SWAp) contingent on a water policy and a shared sector strategy being in place;
- the Ghana Shared Growth and Development Agenda (GSGDA) (2010);
- the Ghana Water Policy (2007);
- the Sanitation and Water for All (SWA) Ghana Compact (2010); and
- the Ghana Aid Policy (draft).

Despite these agreements, the scope for basket funding may be limited in the short term. One-half of sector DPs are not yet ready to commit their resources fully behind a SWAp, partly because their sector-specific funds are already earmarked against pre-agreed outcomes. Some DPs do not yet see the (as yet unratified) Sector Strategic Development Plan (SSDP) as properly targeting their priority thematic (particularly equity) or geographical (mainly rural) areas. The study also observed divergences in DPs' rules and systems, particularly those regarding procurement, disbursement and reporting. Left unresolved, such differences undermine prospects for a SWAp.

Emerging challenges

Ghana's transition to lower-middle-income status has consequences particularly for the rural water sub-sector where financing has been dominated by grants from DPs and International Non-Governmental Organisations (INGOs). With this change in Ghana's classification, prospects for large increases in Official Development Assistance (ODA) flows are unlikely.

There is rising number of new entrants into Ghana's water sector, particularly the urban sub-sector. Among these are participants with an interest in public-private partnerships and turnkey projects, and emerging-economy donors. This shift in the DP landscape has implications for sector harmony as the new (non-OECD) donors are under less obligation to uphold the development aid norms promoted by the OECD in the earlier aid effectiveness fora.

In seeking to improve sector coordination and effectiveness, a coherent collective vision of the desired change state would be inspiring and helpful for keeping the cooperation focused and proactive. While a vision does exist on paper, it is not widely internalised by key stakeholders. The deficit in a collective vision has been a fundamental impediment to genuine harmonisation of sector practice, with predictable outcomes in terms of fragmented initiatives that do not align to national norms or systems.

This said, there are a number of on-going mutually reinforcing activities by various Development Partners and NGOs towards supporting Government to address the prerequisites of improved sector harmonization and alignment. IRC within the framework of the Triple-S project is supporting the Community Water and Sanitation Agency to develop nationally agreed sector operational documents and to strengthen capacity within the agency to coordinate delivery approaches in the rural water sub-sector. The World Bank through the Sustainable Rural Water and Sanitation Project is supporting the development of a sector information system and a study to establish an inventory of all NGOs in the sector to improve sector performance reporting and coordination of NGOs activities.

Complementary to the establishment of the sector information system is the joint support being provided by the Dutch Government, the World Bank, UNICEF and IRC to improve the rural water

sub-sector monitoring system to efficiently track sector performance and reporting on coverage, functionality and service levels. Furthermore, UNICEF through support from the Dutch Government is also implementing the Accelerated SWA initiative, which includes strengthening the enabling policy environment for delivering sustainable water services through actions such as the development and signing of a Sustainability Compact with the Government of Ghana and periodic sustainability checks to foster dialogue, partnerships and accountability for sustainability measures. CIDA in collaboration with other development partners also undertook a comprehensive risk assessment to inform Development Partners and Government of Ghana agreements on a future sector SWAp.

Need for a guiding sector strategy

There is an abiding perception among both state and non-state partners that the sector has generally lacked strong leadership both in terms of guiding and championing sector strategy as well as in securing commitments from other key actors – in particular, the Ministry of Finance (MoF) and the state Cabinet. In the course of the study, this weakness of leadership was the single most cited hurdle that a revitalised sector will need to overcome. The gaps in leadership manifest in an array of shortcomings. These include chronic delays in securing Cabinet endorsement for the Sector Strategic Development Plan (SSDP), the seeming lack of urgency in regularising the status of the Water Directorate, the lack of clarity with respect to the sector's priorities, and the inability to ensure compliance with GoG systems and to make progress on other agreements reached between GoG and sector DPs.

Sector actors (national and external, representing both the rural and urban sub-sectors) are unable to understand how it is that two years after a consultancy to develop the SSDP, the document has still not received Cabinet consent or been published. The largely unfinished state of a range of sector manuals, guidelines and management models is another factor constraining alignment with GoG's preferred delivery approaches. Respondents, especially from the DP cohort, noted that without an approved SSDP and published operational documents, there really is no formal agenda defining the sector's priorities and roles (against which to objectively align their aid budgets) nor clear, unambiguous benchmarks and procedures (by which to steer project implementation).

Concerns over the SSDP extend beyond the delay in completing and publishing the document. First are a set of reservations around GoG's current capacity to manage such a basket effectively. Second, actors (on both sides but especially among the DP core group) drew attention to what they perceive to be major weaknesses in the current SSDP – particularly regarding the lack of prioritisation and strategic sequencing. Third, few national actors (even among the sector executing agencies, but also within civil society) are abreast with the latest version of the draft or have any real awareness of how effectively it captures their priorities and concerns, or what they are having to forgo by way of trade-offs. Nevertheless, most DPs would be willing to run with it, in the spirit of partnership, on the understanding that its rolling plans will evolve as lessons are acquired through using the document.

Despite their concerns, a closer reading of DPs' comments shows that their reservations regarding a SWAp are qualified rather than absolute. Indeed, some DPs assert that it is actually easier to disburse through sector budget support arrangements if well-managed, with an effective financial monitoring and reporting framework.

Roles and responsibilities for coordination

Virtually all stakeholders perceive the Water Directorate (WD) to be the institution best positioned to lead on the coordination of sector activity, both within MWRWH and with cognate actors. This perception is based on the understanding that the WD will be performing this role as a delegated function of MWRWH. However, there are huge deficits in WD's current capacity that will need addressing.

A multiplicity of platforms and arrangements exist for coordinating water, sanitation and hygiene (WASH) services in Ghana. The study finds, alongside the significant potentials that these arrangements entail, that there are also considerable overlaps in some roles and some quite significant capacity challenges in various areas. The GoG/DP Sector Working Group (SWG) is the principal forum for routine policy dialogue around sector priorities, strategies and targets. The SWG also constitutes a potential platform for GoG actors and sector DPs to hold each other to account for commitments made in the form of national and sector compacts and strategies in line with global aid effectiveness principles. Under effective leadership, and with a capable Water Directorate providing back-end support between meetings, the SWG could be an excellent platform for fostering commitment to sector priorities, promoting DP alignment with GoG systems, promoting joint monitoring of sector targets and ensuring that financial commitments on both sides are honoured. However, for now, SWG discussions get entangled too often with fine operational details, losing the bigger plot and the more catalytic issues in the process.

The role of civil society is critical in ensuring sound sector governance. Thus far, however, the Coalition of [local] NGOs in Water and Sanitation (CONIWAS) has not been very effective in holding other sector actors to account, in part because the coalition itself has not been very transparent with its own finances. As of now, the investments of the majority of its 100-odd members remain off-book and completely uncoordinated, contributing to a proliferation in delivery approaches. Neither has CONIWAS been very effective in mobilising or even supporting affected citizen groups to demand accountability from the state.

Recommendations for Government of Ghana institutions

For coordination to be effective, the Ministry will have to demonstrate greater commitment by improving its act to erase the abiding perception among both state and non-state partners that the sector has generally lacked strong leadership both in terms of guiding and championing sector strategy as well as in securing commitments from other key actors (particularly MoF and the Cabinet). In terms of areas where prompt progress can be made on strategic fronts, it will be important to focus on those catalytic variables over which the sector Ministry has direct, or at least significant, control. More specifically, GoG will need to: articulate clearly what it envisions in terms of a harmonised sector¹, obtain sign-off on the SSDP² and secure a formal scheme of service for the Water Directorate³. Other relatively low effort actions with potential to reassure actors and facilitate alignment include: refocusing SWG meetings on strategic issues, improving attendance and punctuality at SWG meetings, completing and publishing the operational

¹ The Government of Ghana has since the study taken steps towards this. The Government of Ghana April, 2014 HLM commitments include a commitment to approve the SSDP and to establish a framework and modalities for sector harmonization and coordination together with its development partners. - http://sanitationandwaterforall.org/report_card/ghana?year_update=2014&creation_year=2014&lang=en

² The Ministry of Water Resources Works and Housing has since the study, submitted a memorandum to cabinet for approval of the SSDP.

³ A scheme of service for the Water Directorate has been submitted by the Ministry of Water Resources Works and Housing to the Head of Civil Service for consideration since the study was completed.

documents to guide sector investment, agreeing a preliminary set of high-level M&E metrics and providing an explicit and realistic timeline for decentralising water service delivery.

In the interim, and considering the deficits in WD's capacity, MWRWH could explore alternative ways of dividing up the functions entailed in coordinating the water sector effectively. Other directorates of the Ministry – such as the Policy, Planning, Budgeting, Monitoring and Evaluation Directorate (PPBMED) and the Research, Statistics and Information management Directorate (RSIMD) – could share in the coordination function through some formula agreed via dialogue, while WD's capacity is proactively strengthened to make it fit for purpose. For example, it may be possible for PPBMED to lead with regard to the management of sector data. The study observed that some dialogue around WD's role vis-à-vis the other directorates has already begun and would benefit from professional facilitation.

In the medium to long term, the study recommends three key areas in which the WD will need significant strengthening, with the proactive support of the ministry's political leadership. The first is in resourcing it with secure staffing and finances with which to deliver its mandate without undue distraction. A scheme of service which enables the Directorate to become a more integral part of the parent Ministry will be a necessary condition. The second key area that needs strengthening is the authority to coordinate the sector's internal and external actors under a leader who is recognised and regarded within the public service sphere, a passionate and skilled champion of the harmonisation agenda, one able to steer meetings skilfully while retaining the focus on strategic priorities. Third is the critical area of the skillset within the Directorate – which will require significant enhancement.

GoG should invest in negotiating a single set of core rules acceptable to key funders to facilitate a more harmonious delivery of water services. This could be pursued through the GoG/DP Sector Working Group which has already demonstrated keen interest in working to achieve a harmonised sector. Collaboration with MoF and the MDDBS Platform would further enhance the effort's traction.

Given the tenacity of the harmonisation challenge, it would make sense for the first-generation SWAp to begin small, with the sub-sector that has demonstrated the most preparedness thus far – i.e. rural – and with those DPs who have expressed the keenest readiness. For now, these would be AFD and Canada, but the list could be extended to include the other DPs who responded to the survey (AfDB, EU, UNICEF and WB) and are partly using GoG systems and who appear relatively more passionate about collaborating with GoG to address the challenges of aligning with GoG systems. Over time, the outcomes and lessons from the initial sub-sector SWAp should provide inspiration and guidance respectively for the fuller SWAp, involving the other WASH sub-sectors and a larger group of partners.

Beyond the rural water sub-sector, it will be helpful to foster agreement on a timeline reflecting the key steps towards a fully integrated WASH SWAp. To strengthen the linkages between the sub-sectors in the spirit of the SSDP, it will be imperative for the dialogue around the SWAp process to continue to accommodate the voices of key sector actors outside the immediate rural (first-generation) cohort.

Recommendations for Development Partners

DPs tend to be risk-averse and are unable to work effectively in the WASH sector in its current form. The Comprehensive Risk Assessment (CRA) conducted under the leadership of Canada (in

partnership with other DPs) should enable DPs and GoG to initiate mitigating steps along with commensurate risks as stakeholders work to increasingly address the risks identified in the CRA.

It will also be important for the DP core group to continue to explore ways of harmonising their rules in the near to medium term. As with the GoG effort to decentralise water service delivery, it is essential that DPs' commitment to aligning with GoG systems is similarly reflected in explicit and realistic transition timelines. Such an effort will entail DPs clarifying their collective and disparate organisations' requirements for participating in a SWAp (or other agreed forms of partnership).

A small ad hoc committee of the SWG could work with (and possibly under the leadership of) the relevant MoF "Pillar Lead" and with the mandate of MWRWH to fashion the modalities of a SWAp. DPs could also support the development/ strengthening of country systems and targeted capacity development of the Water Directorate through joint technical assistance and funding.

Recommendations for civil society

As with other stakeholder categories, civil society actors in the WASH sector need to be better coordinated in order to minimise proliferation in service delivery. Civil society also needs to be more proactive in demonstrating transparency within their own community and to the wider sector in order to better justify their right to demand accountability of the state and other sector actors. Finally, it would be helpful for CONIWAS to assist in supporting affected citizen groups – as primary stakeholders – to assert their rights to sector services and to hold the state to account for its obligations and commitments to its citizens. This will entail, *inter alia*, effective education on the SWA compact, on citizens' rights – with particular emphasis on the implicit social contract which taxation entails – and on citizens' own responsibilities to pay taxes, protect and maintain services.

Hopefully, these priority efforts will together assist in making aid work more effectively for WASH-poor communities.

1 Introduction

1.1 Background to the study

The last few years have witnessed a steady demand for improved coordination in Ghana's water sector. In particular, there have been demands from key actors within the Ministry of Water Resources, Works and Housing (MWRWH) for a shift to a sector wide approach (SWAp) to programming, with sector funds pooled under centralised management. These calls are predicated, first, on global demand for better aid⁴ alignment and, second, on a growing body of evidence demonstrating the value of coherent, collective action in tackling adaptive problems. Increasing concern over the failure of much aid to deliver real change is also fuelling demands for improved efficiency in aid utilisation as well as for greater accountability in all aspects of aid processes.⁵ While stakeholders generally agree that better coordination is important for addressing such concerns, it has not been the default choice thus far. Further, the literature on aid and partnership effectiveness cautions that merely streamlining support and procedures does not automatically guarantee greater impact, especially if pursued mechanically, without proper prioritisation and a strong sense of shared stewardship. Equally fundamental is the need for a clear vision shared by key stakeholders.

Despite claims by actors in Ghana's water sector to a shared desire for realigning partnerships away from piecemeal, projectised delivery, the reality is quite different.

Interventions continue to be splintered, neither coordinated effectively nor grounded in a distinct, synchronised and prioritised plan to which the partner community can align their efforts. Investment plans for the three sub-sectors (rural water, urban water and water resource management) lack effective linkages. Databases and information held by the discrete sector actors are difficult to relate to each other. Donors and non-governmental organisations (NGOs) continue to base their project designs and procurement arrangements on different strategy documents (some national, others specific to their funders or home governments), and coupled aid is still common in the sector. In practice, funders interpret national systems differently and diverge on which Government of Ghana (GoG) policies apply in their interventions. Reporting systems remain divergent and time-consuming, undermining national ownership. The sector agencies responsible for executing projects incur high transaction cost trying to keep pace with the diversity of design, implementation and reporting requirements. As the challenges of working with a fragmented sector persist, several of the sector's international development partners (DPs) – DANIDA, DFID, the European Commission and KfW – have either scaled back support or backed out of the sector altogether. Particularly with those projects delivered by NGOs, there are serious concerns about the 'three Ws' of transparency – *who* has given what resources to whom, *what* projects have been funded and for what purpose, and *where* the resources have been employed. In addition, many of the NGO projects remain outside the composite GoG budget, hindering the ability of the Ministry of Finance (MoF) to track sector funding.

⁴ Aid (also known as development aid, development cooperation, development assistance, international aid or overseas aid) can be defined as the international transfer of public resources in the form of loans or grants, either directly – from one government to another (bilateral aid) – or indirectly – through non-governmental organisations or multilateral agencies (multilateral aid) (WHO, 2013).

⁵ While there is robust ex-post evidence singling out the delivery of clean water (along with health and education) as a potentially effective area of aid (e.g. Banerjee and He, 2008), several leading texts on international development simultaneously conclude that the trillions of dollars which have been spent in development assistance over the last five decades have delivered relatively little by way of lasting impacts. Significant among these scholarly analyses are those by Deaton (2013), Dichter, (2003) and Easterly (2006).

There is a lack of coherence on leadership roles in the sector ministry – the Ministry of Water Resources, Works and Housing (MWRWH) – and the absence of a reliable (and mapped) record indicating the geographical location and status of interventions being implemented in the sector. As a result, sector statistics are characterised simultaneously by double-counting and unaccounted services. Further, the linkages between sector plans (at both national and local levels) and the national development framework – articulated in the Ghana Shared Growth and Development Agenda (GSGDA) – remain unclear. Donor missions similarly continue to lack synchrony, dissipating the energies of staff of the sector agencies responsible for delivering safe water to the population. Yet, the insidiousness of these discordant practices is not immediately obvious in the sector.

1.2 Ownership of the study

The study was commissioned by the MWRWH and jointly facilitated by representatives of that ministry and MoF, with technical support from IRC. The specific involvement of MoF was deemed critical in ensuring coherence of the initiative with the broader Multi-Donor Budget Support (MDBS) initiative. In order to retain strong state ownership of the study, a high-level Reference Group composed of senior managers from key state institutions was kept updated on progress and their feedback sought.⁶

The study's key stakeholders were:

- the GoG-DP Sector Working Group;
- MWRWH, Ministry of Local Government and Rural Development (MLGRD), MoF (the first two as frontline ministries in this initiative, and MoF as the overarching ministry in terms of the management of Ghana's development finances);
- NDPC (as the dedicated body responsible for articulating the wider national development agenda);
- Policy, Planning, Budgeting, Monitoring and Evaluation Directorate (PPBMEDs), Water Directorate, Environmental Hygiene and Sanitation Directorate (EHSD) of MLGRD;
- Community Water and Sanitation Agency (CWSA), Ghana Water Company Ltd (GWCL), Water Resources Commission (WRC);
- sector development partners (bi-lateral and multi-lateral);
- sector NGOs (represented by CONIWAS, with a special focus on coordination of their membership) and policy-oriented private sector actors; and
- District Assemblies.

1.3 Purpose of the study

The study sought to assess the cohesiveness of water sector partnerships in Ghana, with the view to fostering greater consensus around sector management and improving donor alignment with national systems and procedures. Detailed issues investigated include the degree to which actors share a common vision of a changed sector and synergise their efforts to that end, perceptions of state capacity to provide effective leadership and coordination, and the effectiveness of performance tracking. The study identifies existing hurdles to convergent practice and proposes a number of actions to be implemented within an evolving process of harmonisation.

⁶ Considering the role of financial decision-making and the imperative of aligning with the State's development priorities, the Ministry of Finance and Economic Planning, and the National Development Planning Commission (NDPC) were both included in the Reference Group. MoF was represented by the heads of its bilateral and multilateral desks.

Initial discussions held in the first week of October 2013 revealed increasing disillusionment over a seeming lack of progress in sector decision-making. As a consequence, sector DPs were losing patience, with several ready to run ahead with their individual strategies and projects. Such action would risk leaving other stakeholders behind, further undermining efforts at fostering a collective agenda. Two main concerns were fuelling this frustration – first, a lack of clarity regarding “*what exactly the GoG leadership wants from the partnership*” with its DPs and, second, a growing sense that “*GoG [was] not demonstrating adequate urgency*” towards moving the sector forward. These concerns were influential in refocusing this initial phase of the research on delivering a set of quick but concrete diagnostic findings to guide stakeholders in restoring a collective spirit and making critical decisions on how to proceed.

This phase of the study, which took place in October 2013, took the form of a rapid assessment to provide GoG (the sector ministry, its agencies, the Water Directorate and cognate state partners) with relevant evidence on the state of sector coordination and the priorities, concerns and recommendations of key stakeholders. The findings were primarily intended to assist GoG actors to clarify their own thinking around the partnership agenda and support them to present a better informed and more coherent position in their dealings with providers of sector aid.

1.4 Research methodology

Following on the immediate purpose of the study, **the analytical framework combined the aid/partnership effectiveness prism (particularly the shared principles in the Busan Partnership) with elements of a collective impact framework.**⁷ The study took inspiration from a series of earlier and on-going attempts by GoG and DPs to document and analyse prospects and challenges for coordinating aid (mainly in the sector, but also in the larger economy). These attempts include a water sector SWAp roadmap, a comprehensive risk assessment (CRA) by the Canadian High Commission, an on-going exercise to map DPs’ water programmes and the systems employed in each of these initiatives, the Ghana aid policy and a recent review of the Multi-Donor Budget Support (MDBS) mechanism. A rapid review of the published literature on aid and partnership effectiveness helped refine the study’s focus.

The study employed a mixed-methods approach. The primary methods were semi-structured face-to-face interviews with key actors from the donor and NGO stakeholder cohorts as well as from the relevant state institutions. Where feasible, interviews were implemented via institution-based focus groups. The semi-structured interviews were augmented with a case study of Ghana’s health SWAp (arguably the most mature of the country’s social sector SWAps) and with a desk review of relevant published and grey literature to elicit relevant lessons and conditions for successful harmonisation of sector practices. To facilitate iteration, responses were analysed in tandem with the interview process and the concerns and interim findings applied in reviewing the content of subsequent interviews. The interviews were complemented with a simple online questionnaire survey with development partners. Unfortunately, only six DPs responded to that component of the study (AFD, AfDB, Canada, EU, UNICEF and World Bank).

The study commenced in the first week of October 2013 and presented its provisional findings at the end of that month. Separate debriefing meetings were held with GoG actors and the Sector Working Group (SWG). While the preliminary findings were indeed ready ahead of the

⁷ See, for example, http://www.ssireview.org/articles/entry/collective_impact, <http://partnership2012.com/download/Collective%20Impact%20II.pdf> and http://www.ssireview.org/blog/entry/rereading_collective_impact_three_lessons?utm_source=Enews&utm_medium=Email&utm_campaign=SSIR_Now&utm_content=Title

forum, the roundtable meeting was unfortunately postponed owing to conflicts in the calendars of the ministers.

In cognisance of the condensed timeframe for the study, the interview guides were shared with participants ahead of the interviews. This made it possible for those who were so minded (e.g. AFD, UNICEF and World Bank) to consult internally (within their organisations) and agree organisational responses ahead of the interviews. Sharing the instruments in advance of the meetings also helped to clarify and allay doubts regarding the relevance and content of the research. These had, quite understandably, been a concern among some members when the idea of a study was first mooted at a meeting of the Sector Working Group.

The findings of the study will form the basis for further reflection within GoG and the GoG-DP Sector Working Group and other multi-partner platforms. It is expected that these reflections will not only deepen motivation for greater alignment with national systems, but also facilitate agreement on how to narrow existing divergences and help to foster shared ownership of the change initiative.

1.5 Research team

A four-person team had direct responsibility for conducting the research, under the supervision of the GoG Reference Group. The strategic involvement of one member from MWRWH's Research, Statistics and Information Management (RSIM) Unit was recommended by the Reference Group to enhance in-house capacity to lead similar research in future and to foster institutional memory. Technical assistance was provided by IRC.

1.6 Key issues

Based on a preliminary scan of the literature and reflections within the study team, the following issues were identified as essential to the study's purpose:

- existence of a shared vision of a future (changed) sector,
- alignment between stakeholders' efforts and the overarching sector strategy,
- alignment of DPs' delivery approaches with national systems and laws,
- state capacity for leading the change process – including coordinating the efforts of participants (through a mutually reinforcing action plan with clear roles), and
- motivation for a common monitoring framework.

Wherever feasible, a simple three-point ordinal scale was used to indicate where the sector is perceived to be with respect to each of the key questions. The results are presented in a series of tables in the main body of the report.

2 Global trends in aid effectiveness

2.1 Aid effectiveness as a global initiative

The aid architecture of today is a far cry from that of the era of Structural Adjustment Programmes (SAPs), when development was driven by donor policies and prescriptions.

Particularly popular with the World Bank and the International Monetary Fund (IMF) during the 1990s, SAPs had been introduced in the 1950s as a condition for accessing new loans or concessions on existing loans. From the 1970s to the mid-1990s, funding for specific projects had followed the traditional aid model, with countries having to comply separately with each donor's disparate requirements and procedures. "Development projects" ran parallel to developing countries' policies, procedures and systems, creating huge transaction costs to the recipient economies and undermining prospects for sustainably enhancing local capacity (Uytewaal, et al, 2013). By the mid-1990s, disaffection over this situation had risen both in recipient economies as well as among constituents of donor countries.

The development community has experienced increasing demands for better accountability in development cooperation since the Monterrey Consensus⁸ and the World Summit on Sustainable Development (WSSD) took place in 2002.

The former was the first high-level meeting to formally acknowledge that a new "aid as a partnership" model was needed to improve aid effectiveness. It urged developed countries to allocate 0.7% of their gross national products (GNPs) as Official Development Assistance (ODA) to developing countries, and the latter to strengthen their policies and institutions, and take the lead in development planning (OECD, 2002; UN, 2002; DANIDA, 2006). Participants at both fora concluded that while an increase in development assistance was desirable, more money alone would not adequately address the deficient impact of aid. Among other things, participants sought a new paradigm of aid as a partnership defined around a shared vision. Coupled with this were demands for refocusing development assistance more explicitly towards achieving the Millennium Development Goals (MDGs)⁹, which had been recently agreed by leaders of the world's sovereign states on the eve of the third millennium. The imperative for a more proactive streamlining of aid at country level (and for genuine respect for local leadership of the development agenda) was subsequently reinforced at the first High-Level Forum on Harmonisation¹⁰ convened by the Organisation for Economic Co-operation and Development (OECD) in Rome in 2003 and, even more acutely, through the Paris Declaration on Aid Effectiveness¹¹ two years later, in 2005.

In particular, the Paris Declaration was seminal in articulating explicit process goals for delivering effective aid. The declaration emphasised five key principles that any sustainability-oriented development package would be expected to simultaneously foster and be guided by:

- country ownership and leadership in defining development priorities and strategies;
- development partners aligning their practices with national administrative systems for delivering development;
- partner coordination and harmonisation of their procedures and priorities in order to minimise direct and indirect transaction costs, lighten administrative burdens and ensure greater coherence in aid delivery;

⁸ This agreement was reached at the United Nations International Conference on Financing for Development and is available at <http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf>

⁹ Available at <http://www.un.org/millenniumgoals/>

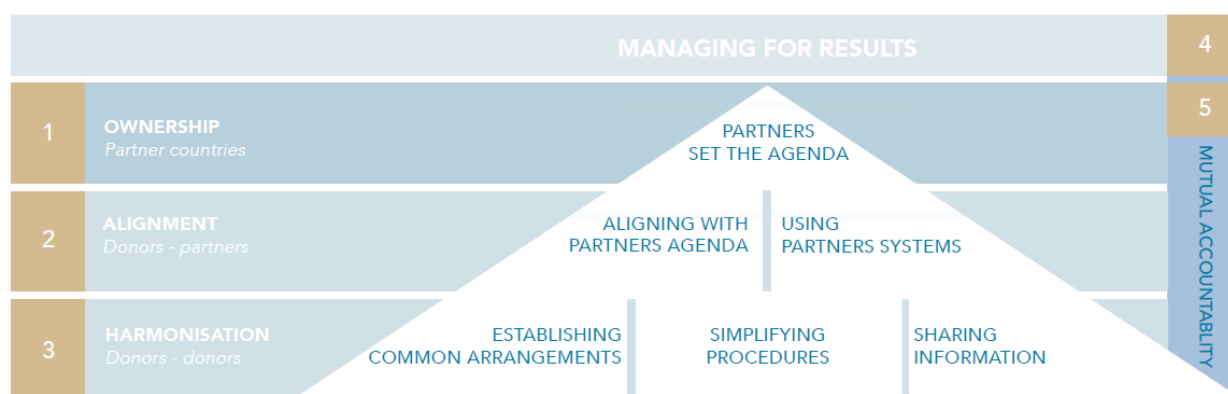
¹⁰ Available at <http://www.oecd.org/development/effectiveness/31451637.pdf>

¹¹ See <http://www.oecd.org/dac/effectiveness/parisdeclarationandaccragendaforaction.htm>

- a keener focus on accounting for development outcomes rather than mere outputs; and
- improving mutual accountability in the governance of development resources (including transparency and predictability in the delivery of agreed resource commitments) as well as for development outcomes.

As illustrated in Fig. 1, below, the principles of harmonisation and alignment were intended to support country ownership as the overarching condition for aid effectiveness. To achieve this desired state, recipient countries were required to set in place relevant policies, strategies, programmes and public financial management systems to receive and manage aid (Uytewaal, et.al, 2013).

Figure 1 Five aid effectiveness principles



Source: https://webgate.ec.europa.eu/fpfis/mwikis/aidco/index.php/File:Principles_of_PD.png

Despite these efforts to concretise the partnership paradigm in development cooperation, serious weaknesses remained in recipient countries' ownership of development strategies and their prioritisation. Recognising this situation, signatories to the third High-Level Forum – which adopted the Accra Agenda for Action (AAA)¹² – committed to stronger national coordination of aid. The forum – which, for the first time, included a direct civil society voice at the negotiating table – further acknowledged that international development agencies were still far from practising the principles enshrined in the Paris Declaration, three full years after signing it. Participants jointly committed to pursue more inclusive partnerships and to focus more closely on measurable development impacts.

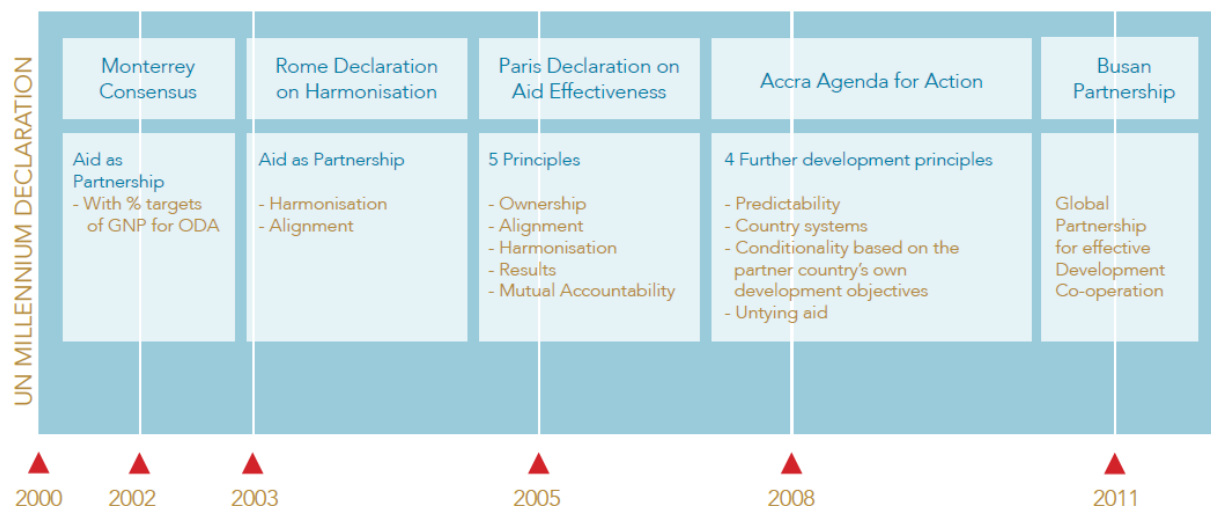
Over time, the early aid effectiveness initiative came under increasing censure from civil society and some developing countries for being too insular (particularly in terms of its domination by the OECD). Its agenda was similarly perceived to be overly technocratic and ambitious. By 2011, the movement for greater inclusiveness at the aid effectiveness table had gained momentum and seemed unstoppable. Coming on the heels of the Arab spring, it is perhaps unsurprising that the fourth High-Level Forum at Busan (in 2011)¹³ has been the most inclusive of the high-level meetings yet, with a much stronger voice not only for aid-recipient countries and civil society, but also for new non-OECD donors (particularly China). In addition to more vociferous calls for transparency, civil society argued for a new paradigm of “development

¹² See <http://www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforaction.htm>

¹³ Busan Partnership for Effective Development Cooperation; available through <http://www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforaction.htm>

effectiveness” to extend the narrower one of aid effectiveness which was felt to side-line the array of policy processes and important actors who have key roles in the collective business of delivering and sustaining lasting change (Hayman, 2012). Busan further re-echoed the need to close the gap in translating commitments into action and demanded a renewed commitment to the Paris principles in the run-up to the MDG target date of 2015. The chronology of events and agreements is summarised in Fig. 2, below.

Figure 2 Road from the Millennium Declaration to the Busan Partnership



Source: Adapted from Verhoeven, Uytewaal and de la Harpe, 2011, p.13

Among Busan’s most significant outcomes is the prioritisation of partnership, however nebulous, over the sharper but less palatable agenda of harmonisation. While the principle of partnership re-emphasises the importance of country-driven processes, it reflects a shift away from *harmonising* donors’ systems towards *coordinating* their activities, with an attendant acknowledgement of the desirability of diversity. Indeed, this preference for coordination over harmonisation was not entirely surprising, and was already manifesting in the European Union (EU) ahead of Busan (Gephart et al, 2012).

The Busan Partnership has been criticised, however, for watering down the Paris and Accra commitments with what is effectively a framework that is much less obligatory than the earlier ones to which signatories committed at the previous high-level fora (Hayman, 2012). Whatever its shortcomings, the Paris agenda had some clear strengths – especially its resolute focus on improving how official aid was managed and how aid inputs linked with development outcomes. In the process of accommodating more (notably southern) voices, that trenchant emphasis on measurable aid management has been all but lost.

It remains to be seen how the much diluted vision represented by the new paradigm will impact aid processes and accountability. What seems certain, going forward, is that **it will require stronger and more urgent leadership by recipient countries, with unique relationship skills, to drive a truly shared vision at country level.**

2.2 Reality of aid effectiveness

In practice, implementing the aid effectiveness agenda has not been as smooth as expected. In 2008, OECD's Development Assistance Committee (DAC) commissioned a survey to monitor progress on the Paris Declaration in 55 developing partner countries. The survey concluded that some progress was being made, but that it was not fast enough. In the assessment of the survey's authors, the aid effectiveness targets would not be met by 2010 unless developing countries and their external partners accelerated their efforts and deepened commitment to the Paris principles. The report made three high-level policy recommendations to help accelerate progress and transform the aid relationship: systematically step-up efforts to use and strengthen country systems as a way of reinforcing country ownership of aid, strengthen accountability over development resources and ensure cost-effective aid management (OECD, 2008).

Other assessments have confirmed weaknesses in delivering on the aid effectiveness agreements. In the (final) OECD evaluation of the Paris Declaration, Wood et al (2011) found that, overall, recipient countries had made further and speedier progress in changing their behaviours than had donors. On the whole, donors had failed to harmonise and coordinate their practices. For the year 2010, for instance, just one of DAC's 13 aid effectiveness targets was met at the aggregate level (OECD, 2011).

A clear message from this unimpressive record is that, while helpful for focusing attention on better aid delivery, the Paris targets were perhaps overambitious and impractical. In other research with some African officials and politicians, the Overseas Development Institute (ODI) also found that many of their respondents considered the Paris framework as lacking adequate contextualisation in accordance with country circumstances (Wathne and Hedger, 2009).

A further Global Annual Assessment of Sanitation and Drinking-Water (GLAAS) report in 2012 found that only 42% of sanitation and drinking water sectors were informed by reliable information monitoring systems, though coordination was improving, with over half of countries reporting coordination mechanisms among drinking water institutions that were both defined and operational (WHO, 2012). The report also highlighted that despite the nominal improvements, planning and coordination processes were not always supported by adequate information data and significant disparities and major challenges remained. In particular, WASH is still mainly delivered through infrastructure-focused projects rather than implemented through an approach aiming to achieve and sustain an agreed level of service for all.

The situation in Ghana is no different. Despite evidence of efforts towards better aid coordination and dialogue on the part of both GoG and its Development Partners, the Ghana Aid Policy laments a multiplicity of challenges. These include:

- difficulties in operationalising development priorities and aligning aid,
- limited use of country systems in aid delivery,
- weak complementarity between the sub-sectors,
- duplication in the sourcing and management of aid,
- transaction cost inefficiencies,
- inadequate capacity in aid delivery;
- conditionality and unpredictability of aid,
- lack of an effective mutual accountability framework,
- inadequate information on aid flows, and
- insufficient coordination among stakeholders.

Together, these continue to limit the efficiency and effectiveness with which aid is delivered and dampen the results of aid (Ghana Aid Policy, August 2011 draft).

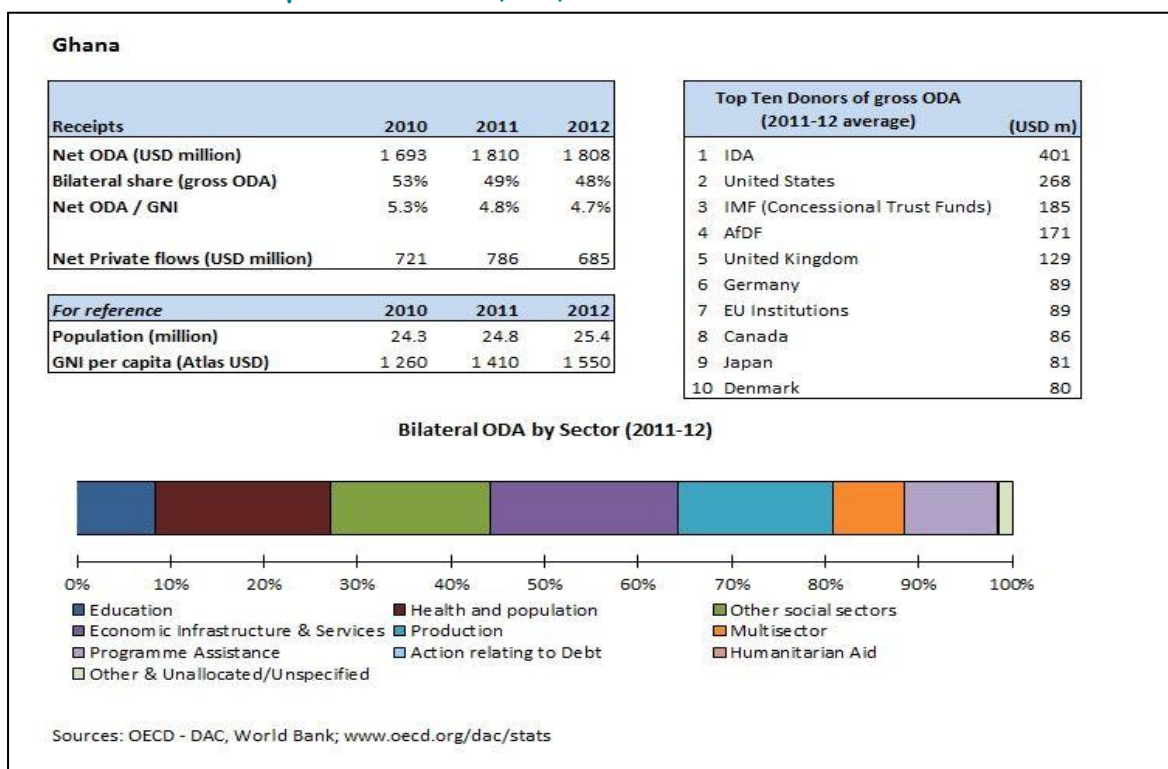
3 Harmonisation and Alignment in the Ghana Water Sector

3.1 Aid in Ghana

Globally, the water sector faces pressing challenges to increase its effectiveness. In many developing countries, the sector remains heavily dependent on donor funds (Uytewaal, et.al, 2013). A total of 768 million people still lack access to safe drinking water and 2.4 billion people will be denied improved sanitation in 2015 (WHO/UNICEF, 2013). While donors have agreed to work on improving the effectiveness of their aid, there is also a growing recognition that national sector capacities in developing countries are crucial in utilising available resources – including not only financial, but also technical, aid.

Over the past three decades, ODA has constituted a vital source of financing of the Government of Ghana’s national budget, providing critical support for programmes, projects and addressing balance of payments challenges, and it is set to continue to play a vital, if declining, role over the medium to long term. According to MoF, aid currently accounts for approximately 20 percent of total annual Government budget resources and 10 percent of Gross Domestic Product (GDP). Between 2000 and 2008, total external aid disbursements to Ghana (excluding Highly Indebted Poor Country (HIPC) and Multilateral Debt Relief Initiative (MDRI) resources) amounted to approximately US\$9.6 billion (MoF, 2010).¹⁴ Table 1, below, shows the ODA assistance to Ghana from 2010–2012, the top 10 contributors and the distribution by sector.

Table 1 Official Development Assistance (ODA) to Ghana



¹⁴ Available at: http://www.mofep.gov.gh/sites/default/files/docs/mdbs/2010/GHANA_AID_POLICY_STRATEGY_FINAL_DRAFT_1.pdf

The Government of Ghana and its Development Partners adopted a shared strategy for the period 2007-2010 in line with the global commitment to accelerate progress against mutually defined harmonisation principles. The Ghana Joint Assistance Strategy (G-JAS) was a milestone in an on-going effort towards moving the aid effectiveness principles forward. G-JAS sought to articulate DPs' joint commitment to work towards the achievement of the goals and priorities of the second Growth and Poverty Reduction Strategy (GPRS II) and built on the following five interlinked elements that contribute to a comprehensive approach on the part of DPs to the aid relationship in Ghana:

- a joint assessment of the country situation (political, economic and social);
- a joint description of the major challenges facing Ghana in its quest to achieve the MDGs and middle income status;
- a statement of principles and commitment on how G-JAS partners would work with each other, with Government of Ghana, and with civil society and private sector stakeholders;
- priorities for a joint DP response at the level of the GPRS II pillars and the sectors; and
- results monitoring and risk mitigation (MoF, 2007).

G-JAS involved the majority of Ghana's development partners representing about 95% of ODA flows. DP signatories to the assistance strategy represented Canada, Denmark, the European Commission (EC), France, Germany, Italy, Japan, the Netherlands, Spain, Switzerland, the United Kingdom (UK), the United States of America (USA) and multilaterals such as African Development Bank (ADB), International Fund for Agricultural Development (IFAD), the United Nations (UN) and the World Bank. The agreement reflected strong DP will to engage in a more harmonised and efficient dialogue with GoG in all aspects of the development cooperation.

Concretely, it was expected that, by the end of the Joint Assistance Strategy period, the development environment would see:

- higher quality dialogue between DPs and the Government,
- improved aid delivery through a better division of labour and a solid process for decision-making on who does what,
- greater harmonisation in the way development assistance is delivered,
- increased reliance on programme-based modalities and coordinated technical assistance to support government priorities,
- improved predictability of resource flows and reduced transaction costs for GoG, and
- better alignment of DPs' country strategies and resource allocations with GPRS II goals and priorities.

The strategy facilitated multi-donor annual programming and budget support, pooled funding, and joint technical assistance. It also provided the framework for a range of macro policy and sector policy dialogue platforms and encouraged GoG and DPs to commit to establishing an independent mechanism for assessing the aid partnership as a critical input to improved accountability for development results. The resulting Multi Donor Budget Support (MDBS) Performance Assessment Framework (PAF) enhances collaboration on Public Financial Management (PFM) issues and provides an analytical basis for DP/Government dialogue.

Other policy frameworks, mutual arrangements and interests favourable to a robust harmonisation process for the water sector include:

- the Ghana Shared Growth and Development Agenda (GSGDA). This medium-term development policy framework outlines the development policies and strategies that guide management of the economy for the period 2010–2013. Water, environmental sanitation and hygiene (WASH) is one of six key focus areas in the GSGDA. The document includes a commitment by GoG to allocate a share of the oil revenue towards investments in basic social services including water and sanitation;
- a country-level Water and Sanitation for All (SWA) compact, affirming Ghana’s commitment to the global Sanitation and Water for All Partnership – an initiative between developing countries, donors, multi-lateral agencies, civil society and other partners working together to achieve universal and sustainable access to basic sanitation and drinking water within the medium to long term. As a step in accelerating progress towards the MDGs for water and sanitation (which is acknowledged in the document as “essential services”), Ghana launched the compact in 2010, with a financial commitment of US\$400 million annually over the five-year period, 2011 to 2015 (Ghana SWA Compact, 2010);
- a Government of Ghana–Development Partner Compact 2012–2022 (elaborated below), in which DPs specifically committed to improve WASH sector harmonisation by supporting the implementation of the SWA compact;¹⁵
- a draft Water Sector Strategic Development Plan (WSSDP) of 2011. The strategic plan sets out a framework for achieving the vision of “sustainable basic water and sanitation service for all by 2025”.

A number of DPs are also supporting sector programmes using government systems for channelling funds to the education, health and agriculture sectors. There is, similarly, a multi-donor financing mechanism to support district-level activities and technical assistance capacity development under GoG’s District Development Facility (DDF). Further, some DPs have adapted their operational modalities with other harmonised forms of aid delivery. Examples are: WB/DFID pooled funding for a financial sector programme, DFID funds for financial and public sector reform managed through a silent partnership arrangement with the World Bank, a DFID/EC silent partnership in the transport sector, sharing of the EC’s infrastructure advisor; EC/Royal Netherlands Embassy (RNE) delegated advisory role to DFID to manage RNE funds to the education sector; and Canada/WB delegated financing arrangement with WB managing Canadian funding support for land administration.

Across the economy, some Sector Working Groups (SWGs) are co-ordinating their policy matrices and mission schedules. SWGs engage in continuous policy dialogue to exchange views, report on the performance of the sector and develop initiatives to improve harmonisation and alignment of DPs’ programmes and procedures with those of GoG. The water sector is no exception, with an active Sector Working Group which has pursued some good examples of delegated and common financing as well as of joint technical assistance. Denmark and the Netherlands used common arrangements to fund a water and sanitation investment through MLGRD, and DFID funding for water has been managed by Denmark and KfW. The formulated Sanitation and Water for Small Towns and Rural Areas (SAWISTRA) project is a jointly-funded investment, with financial management delegated to AFD by the European Investment Bank (EIB), EC, and the Bill & Melinda Gates Foundation.

¹⁵Available at:

<http://amg.um.dk/en/~media/amg/Documents/Policies%20and%20Strategies/Country%20and%20Regional%20Strategies/Priority%20Countries/Ghana/Ghana%20development%20partners%20compact.pdf>

A rebasing of the national accounts in 2010 raised Ghana's GDP by 65% and the GDP per capita to US\$1,286, making Ghana a lower-middle income country.¹⁶ With the attainment of this status, the prospects of large infusions of ODA have become unlikely. A Consultative Group meeting held in September 2010 ended with DPs agreeing to support Ghana's transition to an established middle income economy, reversing geographical disparities and lagging MDGs, and strengthening core Government functions.

In pursuance of this, GoG and DPs entered into an 11-year development cooperation compact in June 2012. In line with the renewed vision, GoG and DPs committed themselves to the following objectives:

- to contribute to accelerated and inclusive economic growth and sustained poverty reduction through a smooth transition of Ghana to establish middle income status with a reduced dependence on ODA and with increased levels and reliance on alternative development funding and domestic resource mobilisation;
- to ensure the predictability of, and minimise the risk of abrupt reduction in, flows of ODA and other forms of development finance and cooperation to Ghana;
- to ensure development assistance to issues/ sectors of significant strategic importance for national development where aid is needed;
- to increase accountability, transparency and effectiveness of development assistance to Ghana so that it delivers results and value for money (MoF, 2012).

The compact is expected to improve the effective and strategic use of ODA and other forms of development finance and cooperation in support of Ghana's medium to long-term development. Partners to the compact reaffirmed their commitment to the aid effectiveness principles outlined in the Paris Declaration (2005), the Accra Agenda for Action (2008) and the Busan Partnership for Effective Development Cooperation (2011). While the document is not legally binding, it contains a synthesis of GoG approved policies and strategies to which DPs have committed to align their programmes and base their future joint programming processes. In that compact, GoG committed to increase budgetary allocations to the WASH sector in acknowledgement that these are "essential services" and DPs, likewise, committed to increasingly align their systems with those of GoG, to deliver aid within the context of a sector-wide approach and to increase existing levels of aid, particularly to sanitation (paragraph 53).

The compact takes into account the changing context in which ODA and other forms of development finance and cooperation are provided in Ghana. Over the past decade, Ghana has been exploring new partnerships, with a reorientation of investment capital flows from the BRICS economies as well as from Turkey and South Korea. This new dynamic of development finance has consequences for the water and sanitation sector. The adoption of a public-private partnership (PPP) policy provides the regulatory framework needed to develop partnerships with the private sector in the provision of public infrastructure services including water. Consistent with this, there is an increasing number of PPPs in the urban water sub-sector in particular. However, the appetite for the principles of aid effectiveness may not be as strong among these new actors (see Section 4.5.3).

¹⁶ The rebasing was done in 2010 using 2006 constant prices.

3.2 Aid and sub-sectors – rural/urban

Ghana’s domestic water sector is divided between “urban” and “rural” sub-sectors, with urban referring to those cities and small towns where water is provided by the national utility, Ghana Water Company Ltd (GWCL). Rural refers to all other areas – mainly sparsely populated rural communities but also more than 400 small and medium-sized towns with populations ranging from 2,000 to about 50,000 – for which the Community Water and Sanitation Agency is responsible. The definitions create some challenges for the mandates of the two key agencies responsible for delivering water to rural and urban settlements respectively. For a start, the rural threshold applied in the water sector differs significantly from that used by the Ghana Statistical Service (GSS) and the Ministry of Local Government and Rural Development – both of which apply a 5,000-person threshold in their definition of rural. The division of responsibility is, perhaps, most unclear with peri-urban settlements.

Wide variations exist in available estimates of the contribution of aid to Ghana’s water sector. This is attributable in part to the lack of a Medium Term Development Framework (MTDF) for the sector, making it difficult to assess with accuracy the amount of resources invested in the sector by all (Government partners, private sector, DPs and NGOs) (MoF 2013). However, the state’s own budget records acknowledge this contribution to be trending upwards and, even with multilateral debt relief designated as GoG contributions,¹⁷ current estimates of the contribution of aid are just under 80% of total sector financing (Table 2). As a proportion of actual disbursements, donor contributions are likely to be even higher than suggested in the table, given routine gaps in GoG meeting its budget commitments to the sector.

Table 2 MWRWH budgets, 2008-2012 (Ghana cedi)¹⁸

Year	Donor Sources ¹⁹	GoG Sources	Budget Total	Donor %	GoG %
2008	110,024,935	72,284,998	182,309,933	60.35	39.65
2009	218,755,543	98,047,152	316,802,695	69.05	30.95
2010	164,751,255	145,360,018	310,111,273	53.13	46.87
2011	529,903,428	152,906,566	682,809,994	77.61	22.39
2012	318,189,396	99,716,092	417,905,488	76.14	23.86

Source: Ghana Sanitation and Water for All (SWA) Assessment Report, 2012

GoG’s contribution to investments in the rural and small towns’ water sub-sector is especially low, with more than 90% of capital investment in that sector coming from donors, primarily in the form of grants. In addition, a large number of NGOs are active in that sub-sector, particularly in the northern savannah, though the overall importance of their efforts is difficult to gauge, owing to major data deficits.

¹⁷ See para 331 at http://www.MOF.gov.gh/sites/default/files/budget/2008_Budget.pdf, p.90.

¹⁸ The figures shown are the *budgeted* amounts, not expenditures. Further, multilateral debt relief is designated as GoG contributions. As a proportion of actual disbursements, donor contributions are likely to be much higher than are indicated in the table. Officially, US\$1 = GHS2.19 at 30 October 2013.

¹⁹ Consistent with traditional practice, bilateral and multilateral credits are captured under donor sources. However, some in the Ghanaian policymaking community argue that loans (as opposed to grants) are effectively a contribution of the borrower – in this case, the state. Admittedly too, the table excludes user contributions – particularly to operational and capital maintenance expenditures (OpEx and CapManEx).

By signing the Sanitation and Water for All (SWA) compact in April 2010, the Government of Ghana recognised sanitation and water as “essential services” and made a commitment to invest US\$350 million annually from 2011 for sanitation and water improvements to meet the MDG targets. GoG committed to a further US\$150 million annually towards hygienic treatment and disposal of septage and faecal sludge as well as sewage and storm-water management and to provide up to 0.5% of GDP (or the equivalent of US\$50 million annually from 2011) for capacity building for hygiene education, Community-Led Total Sanitation (CLTS) and general enhancement of enabling elements. An assessment of actual releases however shows an attainment rate of 46% and 72% in 2011 and 2012 respectively (Ghana SWA report, 2012).

Development Partner and NGO support to Ghana’s water sector dates back to 1965 when there was a clarion call to increase coverage of water services. A number of Development Partners and NGOs have provided and continue to provide assistance to the delivery of water and sanitation services in the form of grants, loans and technical assistance. Dominant in the rural sub-sector have been AFD, AfDB, Canada, DANIDA, DFID, KFW, UNDP, UNICEF, USAID and WB. The urban sector has been dominated by AFD, the Netherlands and WB. The number of traditional donors supporting the sector has however declined over the years with the exit of DANIDA, DFID and KFW. The national Coalition of NGOs in Water and Sanitation (CONIWAS) has over 100 registered members with about 60 classified as active. This excludes a number of international and local NGOs who operate in the sector but are not registered with the coalition.

According to the Joint Monitoring Programme (JMP), the percentage of households with access to an improved drinking water source rose from 53% in 1990 to 86% in 2011, exceeding the MDG target of 76% (WHO/UNICEF, 2013). However, based on national policy and standards, data from service provides shows coverage in 2011 to be 63% (MoF, 2012). Behind these statistics are a complex set of challenges to ensure that newly provided water infrastructure deliver sustainable services. At any time, a substantial proportion of water supply infrastructure is either non-functioning or functioning sub-optimally. Recent research conducted in Ghana has indicated that about one third of the installed facilities may be non-functional and that service levels are low (Adank et al, 2013). Wide disparities also exist between the rural and urban; rich and poor; as well as different geographical areas. For instance, the richest are 1.5 times more likely to have access to an improved water source than the poorest. People in deprived areas of Accra are known to pay about 10 times the price of water than others because of the limited services to their areas of habitation (WHO/UNICEF, 2013; Ghana Statistical Service, 2011).

Donor support received over the years has provided opportunities for testing new approaches, establishing institutional structures, formulating/revising sector investment plans, developing design standards and upgrading management models, with mixed effectiveness in addressing challenges that confronted the sector in the 1980s and 90s. However, weaknesses in coordination (see Fig. 7) have dampened the potential impact of the support and contributed to a proliferation of delivery approaches and entrenched the practice of silo-based operation in the sector. Currently, approaches to the delivery of water services differ according to which funder’s Project Implementation Manual (PIM) is used.²⁰ A similar situation applies in the sanitation sub-sector, with hugely varying subsidies and contributions to capital costs. Activities in the sector have tended to be implemented through traditional projects, resulting in high transaction costs

²⁰ The Community Water and Sanitation Agency has since May 2014 published a set of sector operational documents including the National Community Water and Sanitation Strategy, the Project implementation Manual and the District Operational Manual to guide delivery approaches in the rural water subsector.
http://www.cwsagh.org/cwsa_subcat_select.cfm?corpnews_catid=6&corpnews_scetid=23

for both GoG and DPs as considerable time is devoted to partnership development issues and their respective systems and requirements in lieu of common systems and procedures.

3.3 Sector dynamics and efforts to improve harmonisation and alignment

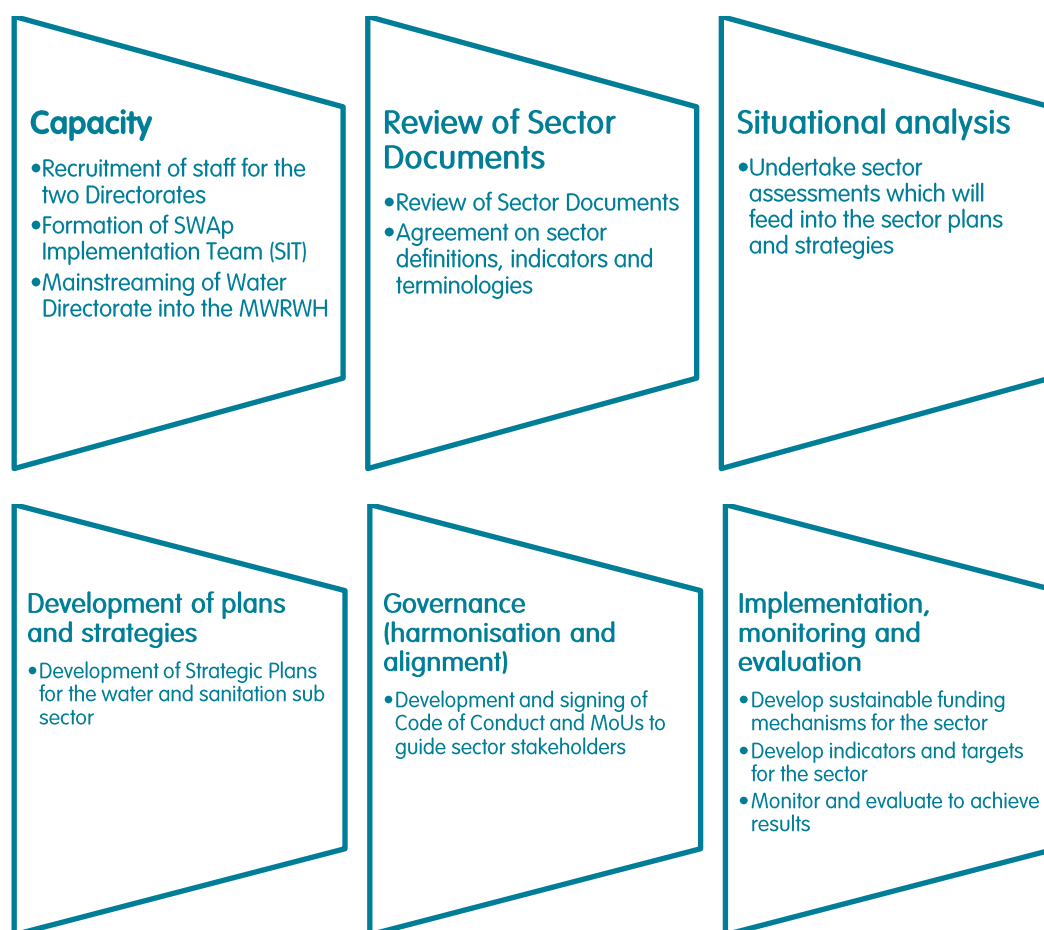
GoG and water sector DPs have, since 2007, initiated a process towards a sector approach, albeit rather slow. A study of harmonisation and alignment in the sector co-funded by AFD and Canada for the Sector Working Group was carried out in 2007. DPs demonstrated willingness to move to a sector approach contingent on the ratification of the National Water Policy and definition of common implementation arrangements. The Water Policy was subsequently ratified later that year.

As shown in Sections 3.1 and 3.2, above, Ghana's water sector has undergone several changes over the years, in pursuit of the harmonisation agenda. A key feature of the change process was the creation in 2004 of the Water Directorate as part of the then Ministry of Works and Housing – now the Ministry of Water Resources, Works and Housing. The Water Directorate had the mandate of coordinating sector activities and programmes, leading policy formulation, planning implementation and ensuring coherence in sector monitoring and evaluation. Despite launching the National Water Policy (NWP) in 2007, the ministry's effort was still hampered by the lack of a clear and overarching strategy or sector-wide coordination framework. As a result, opportunities to synergise and maximise investments continued to be missed.

The Government of Ghana and Development Partners recognised the need to harmonise and coordinate sector programmes and activities. Working towards a sector wide approach in the implementation of sector programmes and activities was seen as an important way of ensuring a well-coordinated sector and reducing the cost of delivering plans and programmes in the sector. A SWAp roadmap was, thus, developed in 2010 to serve as the work plan for rolling out a SWAp.

The roadmap seeks to map out the programmes and activities that will ensure a more holistic, coordinated, harmonised and result-oriented water sector. A SWAp Implementation Team (SIT) with representation from the Water Directorate and each of the sub-sectors – urban, rural and water resource management – was established with the mandate of leading the implementation of the roadmap. The SWAp Roadmap has six main thematic areas (Fig. 3).

Figure 3 Thematic areas of the SWAp roadmap and their corresponding sub tasks



Box 1 Progress on the SWAp roadmap

- Four people have been engaged to beef up the staff strength of the Water Directorate
- MWRWH is finalising the Scheme of Service document for the Water Directorate
- The SWAp Implementation Team has been formed
- The Environmental Health and Sanitation Unit has been elevated to a Directorate and, as such, has developed a scheme of service and has recruited a number of staff
- Some of the sector operational guidelines and documents – such as integrated water resource management (IWRM) basin plans and strategies, CWSA guidelines for small towns and communities – have been reviewed and developed
- A number of sector assessments have been undertaken; others are on-going
- The Water Sector Strategic Development Plan is near finalisation
- The National Environmental and Sanitation Strategic Action Plan (NESSAP) is finalised
- The code of conduct to guide the behaviour of sector players has been developed and signed
- Seven out of eight SWAp workshops have been organised

Figure 4 SWAp Workshops

First action oriented workshop	•ROADMAP and introductory workshop
Second action oriented workshop	•Deepening the understanding of the Ghana Water Sector SWAp
Third action oriented workshop	•ToR for development of a National Water Sector Strategic Development Plan
Fourth action oriented workshop	•Developing Monitoring and Evaluation Framework for the WASH Sector
Fifth action oriented workshop	•SWAp And decentralisation
Sixth action oriented workshop	•WASH Sector Financing
Seventh action oriented workshop	•Understanding the roles and responsibilities of stakeholders for Environmental Health and Sanitation under the Ghana WASH Sector SWAp

The sector's key coordinating mechanisms are described in Table 3, below.

Table 3 National-level coordination mechanisms

Platform	Description/ Mandate	Lead
Water		MWRWH
Water and Sanitation Sector Group (WSSG)	The WSSG is a dialogue forum and brings together MDAs and DPs involved in WASH. The Group exists to: <ol style="list-style-type: none"> 1. Undertake continuous sector policy dialogue 2. Review the performance of the broader WASH sector 3. Improve alignment and harmonisation of Government's and DPs' procedures, projects, programmes and skills to enhance the efficiency in the implementation of GoG's sector strategy 	MWRWH/MLGRD – represented respectively by Water Directorate (WD) and Environmental Health and Sanitation Division (EHSD)
Ghana Water Forum (GWF)	The (annual) GWF is intended as a high-level political platform for: <ol style="list-style-type: none"> 1. Sustaining GoG's focus on key concerns and commitments regarding WASH 2. Reviewing the performance of the sector as well as its implementer agencies 3. Formulating concrete policies, strategies and actions to accelerate water resource development and the provision of WASH services 4. Learning and sharing within the WASH sector 	
Sanitation		MLGRD
National Technical Working Group on Sanitation (NTWGS)	NTWGS comprises key stakeholders and organisations who support the development of relevant documents to guide the delivery of sanitation services in the country	MLGRD (EHSD)
National Environmental Sanitation Policy Co-ordination Council (NESPOCC)	NESPOCC coordinates the implementation of the Environmental Sanitation Policy	MLGRD (EHSD)
National Environmental Sanitation Conference (NESCON)	NESCON is a platform for (annually) reviewing the performance of the sanitation sector. It also: <ol style="list-style-type: none"> 1. Serves, as a high-level political platform, to sustain GoG's focus on key concerns and commitments in the sanitation sector 2. Provides a forum for discussing new challenges facing the various actors in the environmental sanitation sector as well as proffering sustainable solutions for consideration by policy-makers 3. Fosters consensus on upcoming environmental sanitation issues 4. Identifies inputs for inclusion in updates of the NESSAP and SESIP documents 5. Provides a platform for exchange of knowledge and information in the environmental sanitation sector 	MLGRD
Water, Sanitation & Hygiene		
The Sanitation and Water for All (SWA) Compact	The Ghana SWA Compact is an affirmation of the resolve of GoG and its WASH DPs to expand sector investment as well as to improve sanitation and sustain the gains in water delivery. SWA aims to improve the effectiveness of water and sanitation efforts by working to enhance mutual accountability. The compact includes the respective commitments of GoG and its Development Partners in furtherance of the objectives of SWA and outlines a number of the key actions required.	Inter-Ministerial coordination platform on Sanitation and Water and Hygiene

Platform	Description/ Mandate	Lead
Mole Conference	The annual Mole Conference is a multi-stakeholder platform for dialogue, learning and sharing of knowledge and information on themes and issues relevant to WASH.	Coalition of NGOs in Water and Sanitation (CONIWAS)
Learning Alliance Platforms (National & Regional Levels – NLLAP/ RLLAPs)	These platforms are designed to offer learning and sharing opportunities to sector actors and stakeholders.	Resource Centre Network (RCN)/ CWSA

Even though these groups and mechanisms exist, some concerns have been raised regarding their effectiveness. Overall coordination has been a particular challenge, with no single entity properly empowered to provide central leadership. The perceptions and analyses of key stakeholders regarding these coordination mechanisms are discussed separately, in Section 4.5.

4 Drivers and barriers to better harmonisation and alignment

This section focuses on the main findings of the interviews.

4.1 Shared vision

A coherent collective vision of the desired change state can be empowering. When diverse actors come together to cooperate in an effort (as they are doing in the case of the Ghana water sector), a shared vision is helpful for keeping the cooperation focused and proactive. Conversely, without one, the purpose of the cooperation becomes questionable. Participants in the study were asked if they perceived there to be such a shared vision of a future (changed) sector, a vision inspiring proactive collective action among the sector’s key actors. Overall, respondents felt that while there was a sector vision on paper, it was not adequately shared or internalised by key stakeholders (Table 4). In several cases, stakeholders described the presumably shared vision merely in terms of a desire for “a functional sector,” “bringing together the rural and urban sub-sectors,” “a shared database” or something equally nebulous. Several equated their visions with the draft Water Sector Strategic Development Plan (WSSDP – or SSDP, as it is better known), even though, as currently formulated, that document is essentially about scaling up programming and support to WASH.

Table 4 Existence of a collective vision

Stakeholder Cohort	Number of participants per scoring category (1-3 scale)			Mean Score
	Low (1)	Fair (2)	High (3)	
Sector Agencies	0	3	0	2.0
Other GoG*	0	2	1	2.3
Aggregated GoG	0	5	1	2.2
DPs** & CONIWAS	3	4	1	1.8
All Stakeholders	3	9	2	1.9

* Other GoG refers to state actors such as EHSD, MoF, NDPC, PPBMED and the Water Directorate who were interviewed as part of the study

** DPs refers to the core group of international Development Partners involved in the water sector

The single most cited long-term aspiration is for Ghana to attain Target 7C of the Millennium Development Goals (MDGs) – which aims to halve the population without access to safe drinking water (and sanitation). The study also found broad acceptance, if less prominently, for the Sanitation and Water for All (SWA) agenda. MDG Targets 7A and 7B (on protecting natural resources) and the sanitation dimension of 7C received somewhat fewer mentions in participants’ descriptions of their visions of a changed sector.

While MDG Target 7C may be fine as a target for 2015, it falls far short of a long-term vision, considering that the MDGs have just another year to run. Even so, stakeholders acknowledged considerable discord in existing approaches to achieving that target (Table 5). The discord is attributable, in part, to the fact that existing consensus around MDG 7 and the SWA compact has not been distilled into an authoritative, domestic strategy behind which partners can readily coalesce.

Table 5 Existence of a common approach to delivering services

Stakeholder Cohort	Number of participants per scoring category (1-3 scale)			Mean Score
	Low (1)	Fair (2)	High (3)	
Sector Agencies	2	1	0	1.3
Other GoG	2	0	0	1.0
Aggregated GoG	4	1	0	1.2
DPs & CONIWAS	5	3	0	1.4
All Stakeholders	9	4	0	1.3

By contrast, partners in health delivery have both a clearer and longer-term vision of the change they collectively expect to see in their sector – a vision of a healthy population, articulated in a published Medium-Term Health Strategy (MTHS) and operationalised through a functional five-year rolling Programme of Work (PoW). This suggests that it is indeed possible to foster functional consensus around a sector vision if certain fundamentals, particularly strong national leadership, are in place. A summary case study of the health SWAp (Box 2) identifies some of these key conditions.

4.2 Existing barriers to harmonisation

Based on the foregoing, we contend **that the deficit in a collective vision of the changed sector is a fundamental impediment to genuine harmonisation of sector practice.** Closely linked are the lack of effective sector leadership and the absence of a set of core monitoring indicators which sector actors can be guided by, collectively. Section 4.5 discusses in greater depth the range of lagging agendas and lacklustre efforts which give cause for sector actors to be concerned about MWRWH’s commitment to the harmonisation agenda.

Sector actors (national and external, representing both the rural and urban sub-sectors) are unable to understand how it is that two years after a consultancy to develop the SSDP, the draft is still idling without having been presented to the Cabinet for consent and subsequent publication.²¹ Yet the need for a clear sector-specific strategy on which to anchor a SWAp had been identified as far back as the 2007 Ghana Joint Assistance Strategy (G-JAS) (MoF, 2007) and reinforced several years later in a code of conduct that included agreement to work towards a SWAp. Growing frustration over this situation is summed up in the words of one DP respondent: “It is not clear what GoG seeks to achieve with harmonisation ... and even less so when it is described as a SWAp.” The lack of clarity was bemoaned by some GoG actors as well, including two of the three executing agencies.

Respondents, especially from the DP cohort, noted that **without an approved SSDP, there really is no formal common agenda defining the sector’s priorities and roles, against which to objectively align their aid budgets.** As a result, efforts to harmonise sector practices will continue to be thwarted by the disparate agendas of international agencies. While the overwhelming majority of DPs interviewed do make efforts to accommodate the draft SSDP in their planning (Fig. 5), they are nevertheless concerned that a *draft* document, with its unratified commitments, is not a legitimate basis for demanding accountability of GoG under Indicator 12 on mutual accountability of the Paris Declaration or Shared Principle 4 on transparency and accountability to each other of the Busan Partnership. Indeed, when asked which single GoG document most informs their *sector-specific* investments and actions, the most influential was not the SSDP but the Ghana Shared Growth and Development Agenda (GSGDA), mainly because it is formalised while the SSDP is not.²² Some members of the DP core group contend that the Ministry’s seeming indifference towards getting the SSDP approved and published calls into question GoG’s political will and the genuineness of MWRWH’s claim to seeking harmonisation.

Concerns over the SSDP extend beyond the delay in completing and publishing the document. **First are a set of reservations around GoG’s current capacity to manage such a basket effectively.**²³ This perception is fed by GoG’s continuing failure to prioritise the sector in *de facto* spending (despite signing up to the 2010 SWA compact), the fungibility which has characterised the Multi-Donor Budget Support (MDBS) process, and the seeming lack of urgency in addressing recent cases of high-profile malfeasance across the Ghanaian economy.

Second, actors (on both sides but especially among the DP core group) drew attention to what they perceive to be major weaknesses in the current SSDP. Specific concerns include an overemphasis on justifying rather than prioritising and strategically sequencing activities, and arbitrariness in the financial projections. Commenting on the weakness of prioritisation within the document, one DP observed that the activities “resemble a shopping list”. Other concerns include the absence of a baseline – with a credible mapping of existing investments (including those developed by other ministries such as agriculture and education) to facilitate informed

²¹ One view is that there would have been stronger GoG ownership if the Water Directorate had been more intimately involved, rather than the situation in which responsibility for drafting was left largely in the hands of a consultant operating from outside the Ministry.

²² Other mentions include the draft SSDP, CWSA’s Project Implementation Manual (PIM) and the Ghana Water Policy.

²³ A couple of stakeholders who are more firmly in favour of a SWAp perceive these claims to be merely a delay tactic. Arguing their case, they contend that the health sector has been able to ‘SWAp’ quite effectively in spite of broadly similar challenges (especially the fiduciary risks). However, our case study of the health SWAp found firm evidence of steps taken by that sector to enhance mutual accountability and inclusivity, measures which are not yet evident in the water sector. Some also argue that the lack of urgency on the part of GoG heightened risks that were previously less evident.

planning. One DP summed up this situation by likening the current SSDP document to “a drama in which the different scenes do not link to each other or combine into a single, coherent plot.”²⁴

Third, few national actors (even among the sector executing agencies, but also within civil society) are familiar with the latest version of the draft or have any real awareness of how effectively it captures their priorities and concerns, or the potential trade-offs it contains. Nevertheless, most DPs would be willing to run with it, in the spirit of partnership, on the understanding that its rolling plans will evolve as lessons are acquired through using the document. However, GoG’s own organisations – particularly the executing agencies – must first familiarise themselves with and own the SSDP’s content.

While the approval gap (and inadequate prioritisation of the SSDP) persists, DPs are relying on their own interpretations of the GSGDA and the sector’s priorities to select thematic and geographical areas for intervention (Section 4.6.1.1). DPs have to justify their relevance and several have gone ahead to develop and roll out medium-term country cooperation strategies – with the consent of GoG – while the SSDP has been on hold. This will make it harder to fully align with the SSDP in the short term.²⁵ Indeed, this observation is neither limited to DPs nor to MWRWH. MLGRD, who are MWRWH’s closest ally in the broader WASH sector, have already developed their Strategic Environmental Sanitation Investment Plan (SESIP) and launched a National Environmental Sanitation Action Plan (NESAP). So, while their Environmental Health and Sanitation Directorate (EHSD) is supportive of the SSDP, the delay in securing its approval means that, in the short term, it would be difficult for EHSD to participate fully in a WASH SWAp.²⁶

The largely unfinished state of a range of sector manuals, guidelines and management models is another factor constraining alignment with GoG’s preferred delivery approaches. As with the SSDP, it is at best problematic and at worst impossible aligning with country systems that are either incomplete or inaccessible.²⁷

The persistent failure of GoG to honour its counterpart funding obligations has been discouraging to the DP core group who, collectively, provide the overwhelming majority of funds for delivering sector services. Considering that the national budget is a *de facto* expression of the government’s development priorities, the scantiness of GoG financing for the sector sends a very negative message to its partners about the level of political will and GoG’s respect for the principle of partnership.

Another weakness has been GoG’s inability to articulate a coherent and unified position during meetings with sector DPs. Again, this creates the impression of the absence of an institutional culture of advance preparation and consultation, and a sense of ambiguity about GoG’s own commitment to the harmonisation and development agenda. Similarly, an annual

²⁴ Some too are sympathetic to a view that the core strategy should be simple, prioritised and reader-friendly, with the bulk of the content compiled as a separate annex.

²⁵ While acknowledging that DPs’ support has risen in a few cases, this has to be seen against the fact that DANIDA, DFID, the European Commission and KfW have all deprioritised the sector in recent years, with the European Commission doing so after financing the preparation of the SSDP. During the course of this study, a US\$5 million SAWISTRA grant for capacity building was also withdrawn, following a lack of progress in forging an agreement (but will be restored if GoG recommits to it).

²⁶ Interview with EHSD

²⁷ The Community Water and Sanitation Agency has since May 2014 published a set of sector operational documents including the National Community Water and Sanitation Strategy, the Project implementation Manual and the District Operational Manual to guide delivery approaches in the rural water subsector.
http://www.cwsagh.org/cwsa_subcat_select.cfm?corpnews_catid=6&corpnews_scetid=23

code of conduct signed in 2010 as a statement of continued commitment to aligning with GoG's WASH sector documents has not been renewed. The interviews revealed that even MWRWH's own executing agencies, on whose behalf the code was signed by the ministry, had not seen the document.

4.3 Consensus for the harmonisation agenda

Despite their concerns, a closer reading of DPs' comments together with the post-Busan development cooperation compact of 2012 (MoF, 2012) shows that DPs' reservations regarding a SWAp are qualified rather than absolute. Indeed, some DPs assert that it is actually easier to disburse through sector budget support arrangements *if* well-managed, with an effective financial monitoring and reporting framework. Para 53 of the above compact indicates quite clearly that DPs as a whole would agree to pool funds in a sector SWAp arrangement if certain simple but critical conditions were met. But, even in the absence of these conditions, virtually all members of the DP core group who took part in the interviews confirmed their preparedness to sync their investments more closely with an approved SSDP.

Other global and country partnership agreements and frameworks to which Ghana and its DPs have committed make a similar case for consolidating aid streams and coordinating activities. These documents include:

- the conclusions of the global high-level aid effectiveness fora (2003-2011);
- the Ghana Joint Assistance Strategy (G-JAS) (2007)²⁸, which made a qualified commitment to a water SWAp, contingent on a water policy and a shared sector strategy being in place;
- the Ghana Shared Growth and Development Agenda (GSGDA) (2010);
- the Ghana Water Policy (2007);
- the Sanitation and Water for All (SWA) Ghana Compact (2010); and
- the Ghana Aid Policy (draft).

Further evidence of a will to harmonise efforts include the range of inter-DP initiatives described in Section 3.1 – for example, the DANIDA-DFID delegated funding arrangement, the DANIDA-RNE pool fund for sanitation and the SAWISTRA delegated funding arrangement involving AFD, EIB, EU and the Bill & Melinda Gates Foundation.

More recently, a SWAp roadmap has been developed (Fig. 3). Key milestones have been agreed between GoG and DPs and the latter have taken some important preparatory initiatives. These include a Comprehensive Risk Assessment (CRA) study and a range of other assessments as well as constituting a task team to lead that side in thinking through their options.

To advance the dialogue, the DP core group – who, incidentally, are expected to finance the bulk of a SWAp – expect to see the following broad conditions as *ex ante* justification for a SWAp:

- a new sense of urgency in acting on GoG/DP agreements (as evidence of GoG's commitment);
- predictability of, and an increase in, *de facto* financial contributions (including counterpart funding) by GoG (as *de facto* evidence of MoF's commitment to the sector);
- efficiency in execution of sector interventions (as evidence of delivery capacity);
- a competent, proactive and well-resourced Water Directorate (as evidence of coordination and leadership capacity);

²⁸ Ref. Section 3.1

- GoG accountability to sector stakeholders as a whole (as evidence of a will for transparency and inclusiveness).

The Ghana aid policy, when approved, will require all significant aid to be channelled through pooled arrangements. It makes sense, therefore, for MWRWH to anticipate this change by guiding the process more proactively and addressing the documented concerns in order to avoid being caught flat-footed when the policy is approved. It also means that the on-going discussion on improving sector harmonisation and alignment is particularly timely.

4.4 Immediate SWAp readiness

As explained in Section 4.2, there are legitimate concerns within the DP community which dampen their appetite for a full WASH SWAp. But there are also prospects (Sections 3.3 and 4.3). An approved SSDP with a set of core sector indicators would help to some degree in fostering coordination and compliance, as will the Ghana Integrated Financial Management Information System (GIFMIS) platform, currently being rolled out by MoF.²⁹

Overall, however, the scope for basket-type support may be limited in the short term by practical considerations. Some one-half of DPs interviewed would not pitch their sector finances fully behind a SWAp, partly because their sector-specific funds are already earmarked against specified outcomes. Also influencing the decision is the fact that not all DPs see the current unratified SSDP as properly targeting the thematic (particularly equity) or geographical (mainly rural) areas which they perceive to be most deserving of their financing. In particular, some DPs remain unconvinced about the SSDP's measures to reduce existing asymmetries in the allocation of sector benefits. Others observed that GoG missed the opportunity to project the SWAp agenda with due urgency while there was greater zeal for the Paris principles some two to three years ago. Still, virtually all DPs asserted that they would align their sector allocations with the SSDP priorities and most would work at scaling up financial support to the sector if the SSDP was properly in place.

Box 2 Ghana's health sector SWAp

The Ghana Health SWAp is an arrangement between the Ministry of Health (MoH) – representing the Government of Ghana – and health sector donors through which funding and other support for the sector is directed towards a single sector policy and Programme of Work (PoW).

The initial motivation for a health SWAp came in the 1980s through growing dissatisfaction over the persistence of fragmentation and duplication in projects funded by donors. A small but visionary core of the ministry's directors became increasingly concerned that the lack of coordination was hindering efficiency across the sector. The idea of a medium-term strategy – to be implemented under the Ministry's leadership – was mooted within the group, as a response to the problem. The expectation of the Ministry was that a common pot approach would enable coordinate sector interventions more effectively towards a vision of a healthy population with unfettered access to healthcare services. Initially, however, not all DPs were convinced that the timing was right for such an arrangement. A recurring concern had to do with the ability of the State to manage a pooled fund effectively and deliver the desired outcomes.

Six DPs signed onto the initial SWAp in 1998, with the others adopting a "wait-and-see" attitude. As MoH demonstrated credible leadership, outcomes and financial management, DPs became increasingly willing to contribute funds to the SWAp and align their technical approaches with those of GoG. Eventually, by 2013,

²⁹ All GoG ministries, departments and agencies (MDAs) are now on the GIFMIS platform, designed around a programme-based budgeting approach. The intention of MoF is that, increasingly, DP funds too will be integrated and managed via this platform. However, some GoG actors who have had the opportunity to test the GIFMIS (in its early stages) perceive it to be inefficient and riddled with red tape. MoF vehemently contests this perception, asserting that the challenges are merely teething problems and that GIFMIS is, by far, a more efficient system than what it is replacing.

there were as many as 16 DPs participating in the health SWAp.

Thus far, the health SWAp has been well regulated, with biannual GoG/DP “health summits” which provide the space to review the public health indicators, outcomes and implementation arrangements, re-strategise and set fresh targets for the next reporting cycle. During the initial stages, an External Aid Coordination Unit was established in the Ministry’s Policy, Planning, Monitoring and Evaluation Division (PPMED) to support donors and ensure that their projects and initiatives were consistent with MoH policies and procedures. Short feedback loops (see next paragraph) have been helpful in facilitating shared learning and iteration, with aide memoires and annual Programmes of Work providing a concrete basis on which MoH can be held to account.

MoH has continued to provide leadership on the annual PoWs developed through consultation with partners and signed off by the Minister of Health as a mark of the Ministry’s commitment to its content. The PoW is effectively a common sector programme responding to common objectives. As a result, partners work to a common set of targets and core indicators, with reports aligned to a national reporting template. Annual and biannual joint (GoG/DP) monitoring visits provide further opportunities to deepen learning. MoH and DPs meet regularly – in monthly meetings, quarterly business sessions, annual PoW reviews and financial/ procurement audits – to account for interim outcomes and reflect on strategic challenges. Together, these are facilitating the coordination of approaches and resources both within the Ministry and between MoH and her external partners (both DP and state partners) in very practical and proactive ways.

Key features of the Ghana health SWAp include:

- government ownership and leadership of the goal-oriented policy dialogue;
- increased use of government systems complemented by proactive risk management;
- a genuine partnership relationship (as opposed to one characterised by a donor-recipient order) rooted in a practical appreciation of the value of collective action and responsibility; and
- joint accountability around sector-wide indicators and targets.

Among the key factors responsible for making the health SWAp possible and sustaining it have been a passionate and competent mover driving the initial process, a larger body of joint champions running with that initial vision, commitment of the larger ministry to the vision, continuous engagement on sector processes, a responsive and inclusive governance arrangement which inspires trust, effective accountability mechanisms which curtail the risk of conflict of interest, prompt publication of key sector agreements, and strong national leadership with a direct and personal involvement of the sector minister. Drawing in a wide range of stakeholders at local and national level has helped ensure that an equally large spread of stakeholders (including District Assemblies and traditional authorities) share in the responsibilities outlined in the annual PoW – e.g. in sharing the costs of providing Community-Based Health Planning and Services (CHPS) compounds.

There have been challenges, however. For example, ever since direct management of the fund was shifted from MoH to the custody of the Ministry of Finance (MoF), there have been complaints of delays in disbursement. The health SWAp has also suffered from some fungibility difficulties. As sector DPs have increased funding to the common pot, so too has GoG tended to cut back on its share of funding. It has also been difficult sustaining the vibrancy of internal championship, owing to attrition in the Ministry.

Sources: Interview with E Owusu-Ansah, PPMED, Ministry of Health and Addai, E and Gaere, L (2001): Capacity-Building and Systems Development for Sector-Wide Approaches (SWAps): The Experience of the Ghana Health Sector. Case Study commissioned by DFID’s Health Systems Resource Centre.

The study observed divergences in DPs’ rules and systems, particularly those regarding procurement, disbursement and reporting (Section 4.6.3). Left unresolved, such differences undermine prospects for a SWAp. It will be important, therefore, for the DP core group to continue to explore ways of harmonising their rules in the near to medium term. It has been proposed, during the course of the interviews and consultation workshops, that a small *ad hoc* committee of the SWG could work with (and possibly under the leadership of) the relevant MoF “Pillar Lead” and with the mandate of MWRWH to fashion out the modalities of a SWAp.

It has also been suggested that further efforts to nurture a SWAp should begin with those DPs who have expressed the keenest readiness – for now, AFD and Canada. Indeed, at the time of

the interviews, these DPs were in the process of establishing a dedicated DP task team to work with GoG and prevent the SWAp process from atrophying.

It would be realistic for the first-generation SWAp to begin small, with the sub-sector that has demonstrated the most preparedness thus far – i.e. rural. The survey component of the study also showed all six respondents to be involved in the rural sub-sector whereas only three (half) have been involved in the urban (Table 9). For now, the majority of stakeholders interviewed perceive that aiming for a full-WASH SWAp would entail significant delays, given the litany of challenges described in Section 4.2. However, a negotiated timeline reflecting the key steps towards a fully integrated WASH SWAp would seem a perfectly reasonable investment. DPs who completed the survey instrument (AFD, AfDB, Canada, EU, UNICEF and WB) are already partly using GoG systems and appear relatively more enthusiastic about collaborating with GoG to address the challenges of aligning with GoG systems. Indeed, the SAWISTRA project (Section 4.3) represents a good starting point for a SWAp.

However, to strengthen the linkages between the sub-sectors in the spirit of the SSDP, it will be imperative for the dialogue around the SWAp process to continue to accommodate the voices of key sector actors outside the immediate rural cohort. Such anticipatory and sustained engagement will enable such stakeholders – e.g. the urban and water resource agencies, EHSD and sector DPs with no rural portfolios – to contribute more effectively to the evolution of the whole-sector SWAp. Some DPs have also suggested, and reasonably so, that it would be wise to start including the new (non-traditional) funders (especially China, but also others involved in the various PPPs and turnkey projects) in the discussions around the SWAp process. Such a step would be consistent with the spirit of the Busan Partnership (Section 2.1).

Over time, the outcomes and lessons from the initial sub-sector SWAp should provide inspiration and guidance respectively for the fuller SWAp, involving the other WASH sub-sectors and a larger group of partners. This paced approach would echo that employed in the health SWAp, which began with just six DPs but now has as many as fifteen participating.

In terms of areas where prompt progress can be made on strategic fronts, the clear message from the study is to focus on those catalytic variables over which the sector ministry has direct, or at least significant, control. More specifically, respondents identified as the two most urgent actions:

- *Obtaining sign-off on the SSDP:*
Virtually all stakeholders on both the GoG and DP sides perceived this to be a low-hanging fruit, which would provide a decisive basis for harmonising priorities, coordinating sector planning and leveraging additional sector financing. An approved SSDP is also perceived as essential for reducing political interference in sector spending, holding key actors to account and cutting the cycle of policy truncation that tends to accompany changes in government and headship of the sector ministry.
- *Securing a formal scheme of service for the Water Directorate:*
This would be seen by DPs as a significant step forward and was the second most prioritised action. A scheme of service is an essential step in formally delegating coordination authority to the WD.

Other relatively low-effort actions with potential to reassure actors and facilitate alignment that were identified by key informants included:

- *Refocusing SWG meetings on strategic issues:*
DPs and GoG partners have both contributed to diverting SWG discussions away from policy-level issues towards day-to-day (operational) ones. However, keeping the agenda focused is primarily the responsibility of the GoG chairpersons. In order for discussions to become focused and productive, it will require that GoG stakeholders begin to prepare effectively for these meetings. By consulting properly ahead of each SWG, GoG would be better equipped to articulate a coherent and informed position in its dialogues with the DP core group.
- *Improving attendance and punctuality at SWG meetings:*
Not only does persistent lateness cost others in valuable time. Tardiness seriously offends the sensibilities of other participants.
- *Providing clarity on what exactly GoG wants in terms of a harmonised sector:*
DPs are not entirely sure what GoG requires them to synchronise and coordinate on. As one DP observed during the interviews, “reaching a common interpretation of SWAp has been a major sticking point” in part because MWRWH itself lacks a coherent position informed by quality consultation with its internal stakeholders. By contrast, the case study of the health SWAp shows that the Ministry of Health (MoH) not only played a more proactive leadership role, but that it also went into the discussions with clear views on what outcomes it sought from the process, making it easier for donors to rally behind the Ministry’s agenda.
- *Completion and publication of a range of sector operational documents³⁰:*
These are typically guidelines, manuals, design standards and facility management models, but also some items of legislation which would form the basis for aligning practice within the sector. While the availability of these documents does not guarantee automatic alignment, neither can there be a credible basis for demanding alignment without an agreed set of operational documents.
- *Agreeing on a preliminary set of high-level M&E metrics:*
This would facilitate harmonised reporting and collective tracking of progress towards the shared vision. Ideally, these indicators would cut across the sector and across the geographical hierarchy, with a focus on the sector’s strategic priorities. Such a set of core indicators would also seek to improve consistency in sector definitions.
- *Providing an explicit and realistic timeline for decentralising service delivery:*
Among the key actions required under this heading would be the alignment of sector funding with the GoG treasury platform (GIFMIS) and a reflection of districts’ WASH plans in national programmes. This would need to include focused technical assistance purposefully designed to incrementally strengthen GoG capacity to facilitate decentralised service delivery. Such an approach would proactively acknowledge the capacity and longevity challenges that have bedevilled intentions to decentralise service delivery thus far.
- *Practical initiatives to address the problem of unaccounted urban water utilisation:*

³⁰ The Community Water and Sanitation Agency has since May 2014 published a set of sector operational documents including the National Community Water and Sanitation Strategy, the Project implementation Manual and the District Operational Manual to guide delivery approaches in the rural water subsector.
http://www.cwsagh.org/cwsa_subcat_select.cfm?corpnews_catid=6&corpnews_scetid=23

With estimates of urban supply losses hovering in the region of 40-50%, this would signal GoG commitment to improving financial management and a resolve to becoming more business-like. Following the oil find and Ghana's reclassification as a lower middle-income economy, there are already signs of a decline in access to traditional forms of ODA and concessional financing. Thus, greater urgency needs to be demonstrated towards sourcing alternative funding as well as to implementing efficiency measures – including those aimed at cutting losses.

4.5 Institutional coordination

As Table 3 (Section 3.3) shows, a multiplicity of platforms and arrangements exist for coordinating WASH services in Ghana. The study finds, alongside the significant potentials that these arrangements entail, that there are also considerable overlaps in some roles and some quite significant capacity challenges in various areas. The ensuing sub-sections elaborate on these observations.

4.5.1 National leadership

There is an abiding perception among both state and non-state partners that **the sector has generally lacked strong leadership** both in terms of guiding and championing sector strategy as well as in securing commitments from other key actors (particularly MoF and the Cabinet). The gaps in leadership are manifest in continuing delays in securing Cabinet endorsement for the SSDP, the seeming lack of urgency in regularising the status of the Water Directorate, the lack of clarity with respect to what the sector's priorities are and the inability to ensure compliance with GoG systems. For coordination to be effective, the ministry will have to demonstrate greater commitment.

While the respective roles of the sector's executing agencies (CWSA, GWCL and WRC) are relatively clear, further clarity and proactiveness will be required with regard to:

- the relationship between CWSA and the District Assemblies (DAs) in delivering sector services, in particular districts' WASH plans, should be integrated into CWSA/national programmes;
- the relationship between MWRWH's directorate for Policy, Planning, Budgeting, Monitoring and Evaluation (PPBMED) and those for water (WD) and research (RSIMD); in particular, responsibilities for coordinating and monitoring water-specific policy has been a sticking point;
- the precise leadership roles of the sector minister and chief director in, for example, accomplishing the urgent actions identified in Section 4.3;
- responsibility for delivering services to (often poor) peri-urban areas: the delineation between CWSA and GWCL is often unclear in such areas and the linkages between the thematic areas of urban, rural and water resource management needs better clarification and more routine interfacing;
- a clearer articulation by MWRWH of the sector governance structure;
- the role of CONIWAS in educating its member organisations on sector strategy and better coordinating the NGO sub-sector, ensuring greater transparency on their investments (especially off-book finances, locations, status of projects, etc.)³¹ and facilitating affected citizen groups to hold the sector to account for commitments made in the form of budgets, agreements, plans and performance targets;

³¹ Currently, the secretariat is only able to track funds for about 10% of its membership.

- a clearer articulation of the vital role of the private sector in financing and implementation – especially through private-public partnerships (PPPs);
- coordination of water, sanitation and hygiene interventions; and
- the role of MoF – as the repository of GoG and aid budget portfolios – in keeping abreast with sector discourse and priorities and in verifying the consistency of intervention strategies with GoG development policy.

4.5.1.1 Leadership capacity of the Water Directorate

Virtually all stakeholders perceive the Water Directorate (WD) to be the institution best positioned to lead on the coordination of sector activity, both within MWRWH and with cognate actors (Table 6). This perception is based on the understanding that WD will be performing this role as a delegated function of MWRWH.

Table 6 Institution best placed to lead harmonisation effort

Stakeholder cohort	Number of votes per cohort	
	Water Directorate	EHSD
Sector agencies	3	0
Other GoG	2	0
Aggregated GoG	5	0
DPs & CONIWAS	6	1
All stakeholders	11	1

To date, however, the Water Directorate has been unable to fulfil this role effectively for a variety of technical, logistical and political reasons. Most significantly, perhaps, the WD will remain unable to deliver on its mandate if MWRWH does not take practical steps to mainstream, strengthen and delegate relevant authority to it. Until then, WD will continue to be stifled by the hierarchical culture of the Ghanaian public service. A fuller assessment of the Water Directorate, based on stakeholders' experiences in interacting with it, is provided in Box 3 below.

For now, the Water Directorate does not appear to be sufficiently engaged with the on-going consultant-led process of formulating a sector information system (SIS),³² which will include a set of core indicators to facilitate sector-level monitoring. While it is certainly not improper to actively involve a specialist consultant in this task, developing a set of prioritised sector indicators requires a higher level of GoG ownership than the current arrangement promotes and is arguably too strategic to leave in the hands of a consultant, no matter how skilled. A more proactive involvement of the Water Directorate would better ensure that the system being developed will be country-owned and that the directorate is better prepared (especially in terms of time planning and an adequate appreciation of what human and logistical resources it will require) to roll out and manage the system effectively out once it is completed. However, PPBMED may be a more logical repository for managing the SIS (Section 4.5.5).

³² The sector information system is intended to facilitate monitoring and evaluation of water supply and sanitation services and their sustainability. It is being supported by the World Bank under the Sustainable Rural Water and Sanitation Project (SRWSP).

Tables 7 a & b Capacity of Water Directorate

* Scores: 1 = Low; 2 = Fair; 3 = High

Stakeholder Cohort	Mean Score*					
	Neutrality	Championing H&A agenda	Strategic guidance	Convening power	Facilitating dialogue	Coordinating action plans
Sector agencies	2.5	1.0	1.0	2.0	1.7	1.3
Other GoG	1.0	1.7	1.3	2.7	1.5	1.3
Aggregated GoG	2.0	1.3	1.2	2.3	1.6	1.3
DPs & CONIWAS	2.2	1.5	1.3	2.5	1.7	1.0
All stakeholders	2.1	1.4	1.2	2.4	1.6	1.2

* Scores: 1 = Low; 2 = Fair; 3 = High

Stakeholder cohort	Mean Score				
	Sustaining Communication	Data Management	Logistical Support	Clout	Zeal
Sector Agencies	1.0	1.3	1.0	1.0	3.0
Other GoG	1.3	1.0	1.0	1.0	-
Aggregated GoG	1.2	1.2	1.0	1.0	3.0
DPs & CONIWAS	1.0	1.3	1.0	1.0	3.0
All Stakeholders	1.1	1.2	1.0	1.0	3.0

Box 3 The Water Directorate will need considerable strengthening

The Water Directorate is not funded directly by the Ministry. With the exception of the Director of Water who is fully on the public service pay roll, its main source of funding in the form of staff salaries, are paid through a secondment arrangement with GWCL – the sub-sector agency responsible for delivering urban water services. The Water Directorate also receives occasional operational support from some DPs. This dependency (and the fact that the directorate’s creation was at the insistence of DPs) has left an impression among sector stakeholders of an institution with divided allegiance. With eight personnel (of which six are technical officials), staff numbers are inadequate for such a busy sector. Ultimately, the directorate’s poor state of resourcing is a serious constraint on its ability to perform the wide range of tasks entailed in coordinating the sector effectively. This is reflected in the very low scores on a wide range of criteria in Tables 4a and 4b.

The protracted absence of a scheme of service for the directorate undermines its basis of authority and makes it difficult for the directorate to attract additional staff. Even within MWRWH, the Water Directorate has low recognition. While the function of coordinating the sector agencies has been informally delegated to it, this has not been accompanied by an effective delegation of power. Unfortunately, the hierarchical disposition of Ghana’s public sector makes it difficult for all but the highest-level officials to exercise discretion and initiative without explicit authority. Against this backdrop, the fact that the Water Directorate is a much younger and significantly less endowed unit than the executing agencies it seeks to coordinate has been unhelpful for the directorate’s influence. A high turnover in the leadership contributes further to this deficit and has made it difficult for the directorate to build productive relationships with the technical agencies and with other sector partners.

Despite scoring maximum points in respect of the zeal, which its youthful staff exhibit, the Water Directorate lacks the kind of diverse skillset required for leading the coordination function effectively. As currently constituted, the directorate does not appear to have a skilled and passionate champion to promote the harmonisation agenda. Similar gaps exist in the area of communication processes. Not uncommonly, the WD relies on emails from the desks of relatively junior officers to invite sector partners to management-level dialogues. While this has worked reasonably well with DPs, this approach has not been very effective with state actors owing to the hierarchical disposition of the Ghanaian public service.

Equally missing is expertise in strategic planning and in coordinating the plans of the sector's diverse actors. Respondents frequently observed that the Directorate has lacked the ability to keep important discussions alive between formal meetings, or to prompt stakeholders on actions required of them and follow up on the conclusions of sector coordination meetings. Further deficits in the WD's ability to prioritise are evident in the Directorate's saddling its scant human resource base with non-strategic tasks (such as coordinating project implementation). This diverts the attention of staff away from the Directorate's more essential functions. Similarly, the Directorate, as co-chair of the Sector Working Group, has been unable to provide the kind of leadership required to keep SWG meetings focused on strategic issues (Section 4.4). Added to this is the extensive state of sector fragmentation, which has the tendency to swamp the Directorate's limited staff.

Tables 7a and b, and Box 3 suggest three key areas in which the WD will need significant strengthening, with the proactive support of the Ministry's political leadership. The first is in ensuring sufficient resources, with secure staffing and finances, for it to deliver its mandate. A scheme of service that enables the directorate to become a more integral part of the parent ministry will be a necessary, though not sufficient, condition in this regard. Without such resourcing, the WD will continue to depend on other actors for its most basic needs, undermining its perceived neutrality and diverting its energies towards peripheral demands.

The second key area that needs strengthening is the authority to coordinate the sector's internal and external actors. While a proper mainstreaming of the WD into the Ministry structure would be helpful in securing *de jure* authority for intra-ministerial coordination, that step will not be enough to endow the directorate with the *de facto* power to effectively coordinate external actors or even the sector's own executing agencies whose staff are professionally senior to those of the WD. Securing the desired traction will require a leader who is: recognised/respected within the public service, a passionate and skilled champion of the harmonisation agenda, and able to steer meetings skilfully, retaining the focus on strategic priorities.

Third is the critical area of the skillset within the Directorate. In particular, planning-specific competencies will need beefing up, as Table 7a illustrates. Quite clearly, it will require some significant re-engineering and purposeful capacity building, with commitment from the highest levels, to make the Directorate truly fit for purpose. On their part, the majority of DPs have indicated a willingness to support such capacity development based on a comprehensive assessment of existing capacities.

Given the huge deficits in the WD's current capacity, it seems unrealistic to expect it to excel at the entire range of required abilities and qualities, all at once. In appraising the prospects for re-engineering the WD, it is important to acknowledge the constraints which the spiralling wage bill will impose on potential options. Already, MoF has been implementing a partial policy of attrition – i.e. not replacing employees who retire.³³ The reality of the unsustainable wage bill makes it unlikely that a significant enlargement of the WD at this time would be accepted by MoF. This reality will require the Directorate (and indeed other

³³ See, for example, <http://www.imf.org/external/np/loi/2009/gha/062609.pdf>

public sector services and institutions) to become increasingly more efficient – facilitated by investments in enhancing existing skills.

In the interim, MWRWH could explore alternative ways of dividing up the functions entailed in coordinating an effective water sector. Other directorates of MWRWH such as PPBMED and RSIMD could share in the task through some formula agreed through dialogue, within a broader timeline for equipping the WD more fully for the role. For example, it may be possible for PPBMED to lead with regard to the management of sector data. Some dialogue around the WD's role vis-à-vis the other directorates has already begun and would benefit from professional facilitation.

4.5.2 Intra-governmental coordination

The 2011 Performance Assessment Framework (PAF) report identifies coordination as a challenge afflicting most sectors of the Ghanaian economy. Even between the water sector's public implementer agencies, definitions vary widely (with basic concepts such as access/coverage and the distinction between rural and urban). There are no shared databases and inter-agency synergies have been tenuous thus far. The weakness of intra-agency coordination ends up depriving some of the poorest segments of the population of quality services.

While some *ad hoc* meetings do take place between the sector agencies (mainly to address emergencies), these are not institutionalised. In the absence of a more formal coordination arrangement, the sector's service delivery agencies identified the Sector Working Group (SWG) as the principal platform for coordinating their plans; and yet, the SWG too was assessed to be not so effective at the present moment (Section 4.5.3). At the level of the (district) assemblies also, the water sector is not credibly represented, except for some five basin boards of the Water Resources Commission which operate at the zonal (supra-district) level.

Beyond the Ministry's own agencies and units, inter-sectorial coordination has been similarly suboptimal. The current situation is characterised by a lack of proactive mechanisms for ensuring regular policy-level engagement between MWRWH and the relevant desks at the cognate ministries of agriculture, education, environment, health and transport or with the Ghana Statistical Service (GSS) and National Development Planning Commission (NDPC). According to the Water Directorate, coordination with all partners outside the Ministry typically works through the SWG platform. Yet, the majority of the cognate ministries, departments and agencies (MDAs) listed above are missing from the SWG. Indeed, it is only with the local government ministry that reasonably strong links exist – and this is with the Environmental Health and Sanitation Division (EHSD) over the basic sanitation agenda and does not include coordination of districts' WASH plans.³⁴ While the finance ministry is represented on the SWG, its participation has not been consistent and it tends to be represented by relatively junior officers who lack the authority to make firm commitments in the ministry's name. Invariably, when organisations' voices are required to facilitate a quick conclusion on strategic issues, such junior officers have little choice but to refer back to managers higher up their organisational ladder. Predictably, the disparate ministries have little appreciation of each other's WASH policies, strategies and outputs, with a resultant loss of opportunities for synergising and rationalising efforts in pursuit of the higher sector vision.

³⁴ Arrangements are also underway for CWSA to support EHSD with data through the District Monitoring and Evaluation System (DiMES) platform and the SMARTerWASH initiative.

Going forward, it will be important, when planning strategic actions, to undertake a more systematic mapping of key stakeholders in order to foster greater inclusiveness and support for sector strategies. For example, Ghana Statistical Service, MoF and NDPC have not been active in sector dialogues thus far. However, each of these has a vital role to play in the effective rollout and utilisation of the sector monitoring system currently under development. That makes it critically important to ensure a genuine co-ownership of the framework by involving them more proactively in its design. Actively involving these institutions will better ensure, first, that the eventual set of prioritised indicators is defined in a uniform way. It will also facilitate the embedding of the sector-level indicators in the high-level GoG review system (particularly of the Ghana Shared Growth and Development Agenda (GSGDA)/Ghana Partnership Strategy – with its accountability arrangements³⁵ and related funding triggers), thereby enhancing their traction and ensuring that they are reported on more consistently in national surveys. Such an approach increases the likelihood of these indicators being utilised routinely in forward planning agendas, with positive implications for development outcomes.

Not only do the individual sub-sector guides need to be completed, they also need to be screened carefully for consistency regarding definitions and approaches.

4.5.3 Coordination with stakeholders external to MWRWH

The study finds a rising number of new entrants into Ghana's water sector, particularly the urban sub-sector. There are actors with a willingness to invest private capital – typically through public-private partnerships and turnkey projects – as well as emerging-economy donors such as China and South Korea. This development has implications for sector harmony as these new entrants may feel less obliged to uphold the development aid norms championed by the OECD and agreed in the previous international treaties.

The GoG/DP Sector Working Group is the principal forum for routine policy dialogue around sector priorities, strategies and targets. The SWG also constitutes a potential platform for GoG actors and sector DPs to hold each other to account for commitments made in the form of national and sector compacts and strategies in line with global aid effectiveness principles. Applicable GoG/DP agreements and strategies would include the SWA Compact (2010), the GoG/DP compact in support of Ghana's development framework (2012) and the incomplete SSDP – which is expected to concretise the Ghana Water Policy (2007).

Under effective leadership, and with an effective Water Directorate providing back-end support between meetings, the SWG could be an excellent platform for fostering commitment to sector priorities, promoting DP alignment with GoG systems, promoting joint monitoring of sector targets and ensuring that financial commitments on both sides are honoured. Currently, however, this is not happening to the expected degree (Table 8) largely because of a range of weaknesses within the Water Directorate (see Box 3) and in the functioning of the SWG, described below. Further, contrary to the spirit of the Busan Partnership (Section 2.1), the cohort of non-traditional, private sector funders mentioned above lacks representation on the SWG.

The majority of stakeholders interviewed felt that, too often, SWG discussions get entangled in fine operational details, losing the bigger plot and the more catalytic issues in the process. In addition, action points previously agreed at earlier meetings are not properly accounted for. This has been due mainly to weaknesses in the chairing of meetings. The quality of participation in SWG meetings has been largely suboptimal – in terms of regularity, punctuality and evidence of advance preparation (see Section 4.4). While the DP core group routinely takes time to

³⁵ E.g. the Performance Assessment Framework (PAF)

prepare in advance (both as individual agencies and as a group), this is less evident on the GoG side, particularly with the collective. As a result, the GoG side has often been unable to speak with one voice. Such deficits tend to undermine the smooth conduct of meetings, erode respect and sour relationships within the group, making it difficult to reach binding agreements on key issues. A couple of GoG stakeholders attributed the unsatisfactory attendance to “lengthy meetings” and the associated tedium and resulting lack of fulfilment that characterises SWG meetings. The effectiveness of meetings is further weakened when organisations send junior officers unable to dialogue knowledgeably or commit their organisations on strategic issues.

Table 8 Effectiveness of Sector Working Group (SWG)

Stakeholder cohort	Number of respondents in each scoring category			Mean Score
	Low (1)	Fair (2)	High (3)	
Sector agencies	1	0	0	1.0
Other GoG	2	0	0	1.0
Aggregated GoG	3	3	0	1.5
DPs & CONIWAS	2	5	0	1.7
All stakeholders	5	5	0	1.5

Deficits in information (in terms of data quality and relevance of information for planning) simultaneously contribute to and are influenced by weaknesses in stakeholder coordination.

Harmonisation of cross-sector practices would also stand a significantly greater chance of success if there were one common and empowered Steering Committee responsible for guiding all significant sector investment projects. Such a committee would comprise at least the key ministries/ institutions who would be involved in a full WASH SWAp. These include MWRWH, MLGRD, MoF and NDPC. The model of the steering committee in terms of its executive powers and relationships with other coordinating bodies and platforms such as the WD and SWG should be defined as part of the broader mechanism for sector harmonisation and alignment. For now, a small and purposive GoG/DP task force with about three members from each side working on the bottlenecks – especially between meetings – may be helpful in keeping the momentum and preventing the process from repeatedly stalling. Among its tasks would be to clarify what exactly GoG wants from the harmonisation process.

4.5.4 Sector governance and accountability

The absence of a ratified SSDP (and a set of high-level sector monitoring indicators) has had real implications for sector accountability. As indicated in Section 4.2, above, the SSDP is the principal document by which sector actors expect to be able to hold each other to account for budget commitments, agreed delivery targets and other critical actions. It could also provide a basis for sector performance monitoring. A series of lesser agreements exist between GoG and DPs – such as the SWA compact of 2010 and the broader national development compact of 2012. However, Ghana has not met its commitments entailed in that compact. According to the SWA assessment report (2012), GoG was able to meet only 1.9% of its annual commitment of US\$ 350 million for 2011 (MLGRD, 2012).

Several actors, especially on the GoG side but also including a small minority of DPs, opine that the procurement system is itself a contributor to the problem. With authorisation thresholds remaining stagnant for years (in spite of Ghana’s inflationary economy), tender

processes are easily bogged down by overly low thresholds. Again, mandatory wait times and tedious referral arrangements impact adversely on time-sensitive activities. The deadweight losses associated with such non-predictability can be particularly high when a project depends on credit financing. Such inefficiencies combine to create incentives for the executing agencies to breach the procedures laid-down. MoF believes, however, that many of these issues will be largely addressed by the introduction of Ghana Integrated Financial Management Information System (GIFMIS). While this sounds quite logical, the actual evidence remains to be seen.

The urban water sub-sector has come under increasingly severe criticism for its inability to account for over 40% of treated supplies. This concern has gained momentum among service users and social commentators following a recent nominal increase (of over 50%) in the pricing of treated water. By reducing revenue losses (and, thus, increasing sector efficiency), GoG would be better enabled to redeploy the savings into increasing its allocations to the sector in line with the international SWA compact of 2010 and the country-specific GSGDA-based compact of 2012 (MoF, 2012). This concern is particularly relevant for the reason that counterpart funding has been an area in which GoG has consistently failed to honour its obligations. Reversing this trend would inspire DPs to match GoG's commitment by way of increased funding.

In terms of governance arrangements, the Ghana Water Forum constitutes a potentially valuable annual platform for sector performance accounting. However, most stakeholders feel that this opportunity has not been adequately exploited thus far. For the GWF to serve the desired accountability function, some restructuring will be required to ensure that reporting becomes more outcome-oriented. It has also been suggested that it should include an accounting for key performance contracts and an accounting for remedies taken by the ministry and its executing agencies on the previous year's monitoring findings. For the forum to be effective, it will further require improved advance planning and coordination of the calendars of the key sector ministries (MWRWH, MLGRD and MoF) whose participation is crucial to the success of the event.

Some supportive capacity building on how to employ credible decision support tools would assist sector actors to utilise sector data more objectively and proactively for planning. The WASH Bottleneck Analysis Tool (WASHBAT), being piloted with UNICEF support, is an example of such a management decision-making tool.

The role of civil society is another critical one in ensuring sound sector governance. For now, CONIWAS has not been very effective in holding other sector actors to account, in part because the coalition itself has not been very transparent with its finances. As of now, the investments of the majority of its 100-odd members remain off-book and completely uncoordinated, contributing to a proliferation in delivery approaches. Neither has CONIWAS been very effective in mobilising or even supporting affected citizen groups to demand accountability from the state.

It has been suggested that future project designs should include an explicit role for service users (who are indeed the sector's primary stakeholders) in proactively monitoring services, with measures to educate and equip citizens to demand accountability of their duty bearers. Dissemination of the findings of high-level reviews in a simplified form appropriate for users would facilitate such citizen engagement. The community scorecard (CSC) methodology is increasingly gaining popularity in Ghana as a powerful and integrated tool for citizen-led monitoring, and is recommended for adoption in the water sector as well.

4.6 Mechanics and instruments of harmonisation and alignment

In addition to the coordination mechanisms (or lack thereof) discussed in Section 4.5, above, there are a range of other areas that impact significantly on the quality of sector harmonisation and alignment. These include the existence and state of key legislation, policy documents and operational guidelines defining GoG's preferred approach to delivering sector services, financial flows and procurement systems. The discussion below builds on responses from an online survey designed to gather information on DPs' practices with respect to the following four areas and the potential for alignment and synchronisation:

- alignment with GoG priorities and programmes,
- project management structures and procedures,
- procurement and financial management, and
- performance monitoring and reporting.

Six DPs – AFD, AfDB, Canada, UNICEF, EU and the World Bank – responded to the online survey. The analysis of their responses is augmented with information from the face-to-face interviews with key GoG representatives and on the latter's perspectives on DPs' adherence and alignment with GoG procedures.

4.6.1 Alignment with GoG priorities and programmes

4.6.1.1 Alignment with national programmes and sector operational manuals

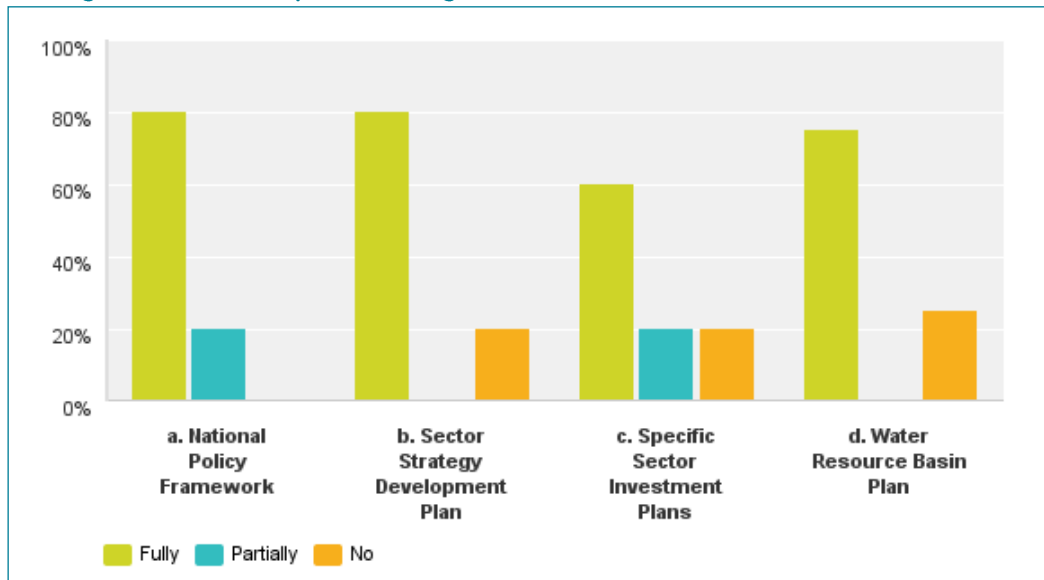
Overall, DPs that responded to the online survey consider that they align their projects and programmes with national systems (Fig. 5), with two-thirds reporting full alignment with relevant GoG plans/ strategies. AfDB's full alignment refers to the rural water and sanitation sub-sector as there is no PIM for the on-going Accra Sewerage Improvement Project (ASIP); AFD implements its programmes on the basis of CWSA's Project Implementation Manual (PIM); and UNICEF's alignment is predicated on the joint GoG-UNICEF Programme. No specific manuals or documents were referenced by the other DPs who participated in the survey.

The responses require some nuancing. On the one hand, GoG stakeholders confirmed that DPs do align their activities with the National Policy Framework (NPF), namely the Ghana Shared Growth and Development Agenda (GSGDA). However, interpretations are more mixed when it comes to the finer operations. In particular, while DPs report aligning fully with the sector's Project Implementation Manuals as well as the norms and standards for project implementation, the sector agencies were much less likely to perceive DPs' behaviours as constituting *full* alignment. From the perspective of the latter, DPs have tended to pick and choose which documents to apply and to what degree, depending on the specific project. While CWSA's Project Implementation Manual is consulted widely, resulting in some reduction in the level of disharmony, DPs tend to seek exemptions from, or modifications to, particular clauses for their respective projects. This undermines effective sector management. The sector needs one agreed set of operational documents to which all actors align³⁶.

³⁶ The Community Water and Sanitation Agency has since May 2014 published a set of sector operational documents including the National Community Water and Sanitation Strategy, the Project implementation Manual and the District Operational Manual to guide delivery approaches in the rural water subsector.
http://www.cwsagh.org/cwsa_subcat_select.cfm?corpnews_catid=6&corpnews_scetid=23

The graph in figure 5 below shows the degree to which DPs apply the Government of Ghana National policy framework and plans in the formulation of their sector support programmes. Responses provided by DPs as depicted in the graph below show the majority of DP (5 out of 6 respondents) programmes are fully aligned with the sector policy and programming priorities set out in the Ghana Shared Growth and Development Agenda and the Water Sector Strategic Development plan.

Figure 5 Alignment with GoG plans/ strategies



4.6.2 Project management structures and procedures

4.6.2.1 Implementation management

The choice of GoG implementing institution depends on the geographical focus and the specific service being delivered under the particular initiative – urban, rural, water resource management, water or sanitation. GWCL is responsible for urban water, CWSA for rural and water-related sanitation, WRC for water resource management and the Environmental Health and Sanitation Directorate of the Ministry of Local Government and Rural Development for sanitation.

Fig. 6 shows the distribution in terms of DPs' use of GoG institutions and Table 9 shows the duration of association. Figure 6 and table 9 show that all six DP respondents have implemented their rural water programmes through CWSA; three have used both CWSA and GWCL and two have used both CWSA and WRC.

Figure 6 Utilisation of GoG institutions for project delivery

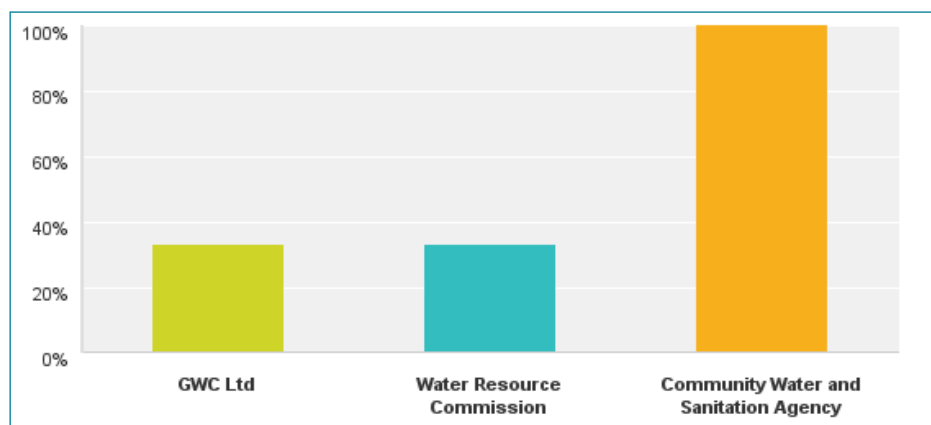


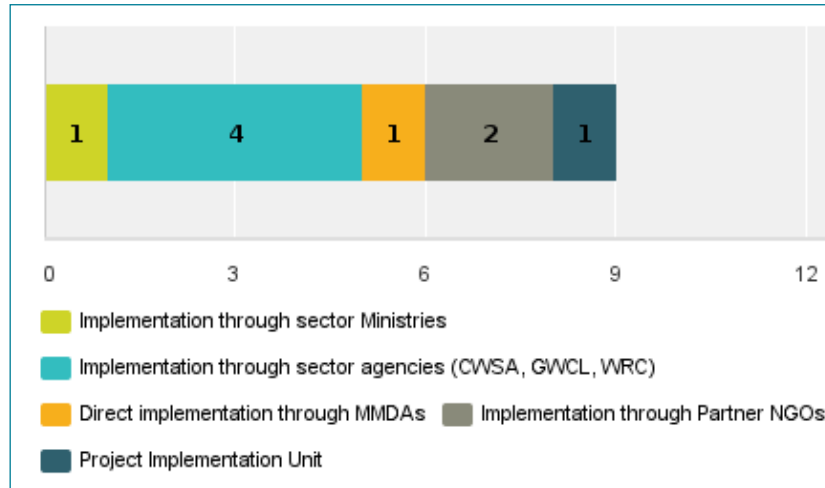
Table 9 Duration of partnership with GoG implementing agency

Organisation	Implementation channel(s)	Duration
Canada	CWSA	10+ years
African Development Bank	CWSA; GWCL	6-9 years
Agence Française de Développement	CWSA; GWCL	10+ years
UNICEF	CWSA; WRC	3-5 years
European Union	CWSA; WRC	10+ years
World Bank	CWSA, GWCL	10+ years

As indicated in Figure 6 and Table 9, above, CWSA is the sector agency through which DPs are most likely to implement their projects, reflecting the strong rural inclination of the majority of donors. The survey also sought to identify which GoG institutions different DPs use as *direct* implementers of their projects. Four of the six respondents – AFD, AfDB, AFD, UNICEF and World Bank – implement projects through the sector agencies (CWSA, GWCL and WRC). Of these four DPs, AfDB and UNICEF also use additional delivery channels such as Project Implementation Units (PIUs), Partner NGOs and sector ministries (Fig. 7). Canada’s projects are managed directly through MMDAs, with technical support provided jointly by a Canadian advisory agency and GoG partners, while EU implements through Partner NGOs and a delegation agreement with other agencies. These delivery channels are agreed as part of the project appraisal process.

Figure 7 on page 52 shows the diversity in the channels for project implementation. Presently, the majority of DPs use the Government sector agencies as the preferred channel for programme delivery.

Figure 7 Number of DPs using each channel for implementation management



DPs raised some reservations regarding the use of GoG institutions for delivering their projects. On the one hand, CWSA was perceived to lack relevant authority to effectively manage projects at the district level. On the other hand, DAs lack the capacity to effectively deliver water services, with many districts only able to field a single official for the task. Thus, while DPs clearly do work through GoG institutions, there is no common delivery pathway. This has the tendency to reinforce fragmentation and undermines GoG efforts to foster a harmonised sector.

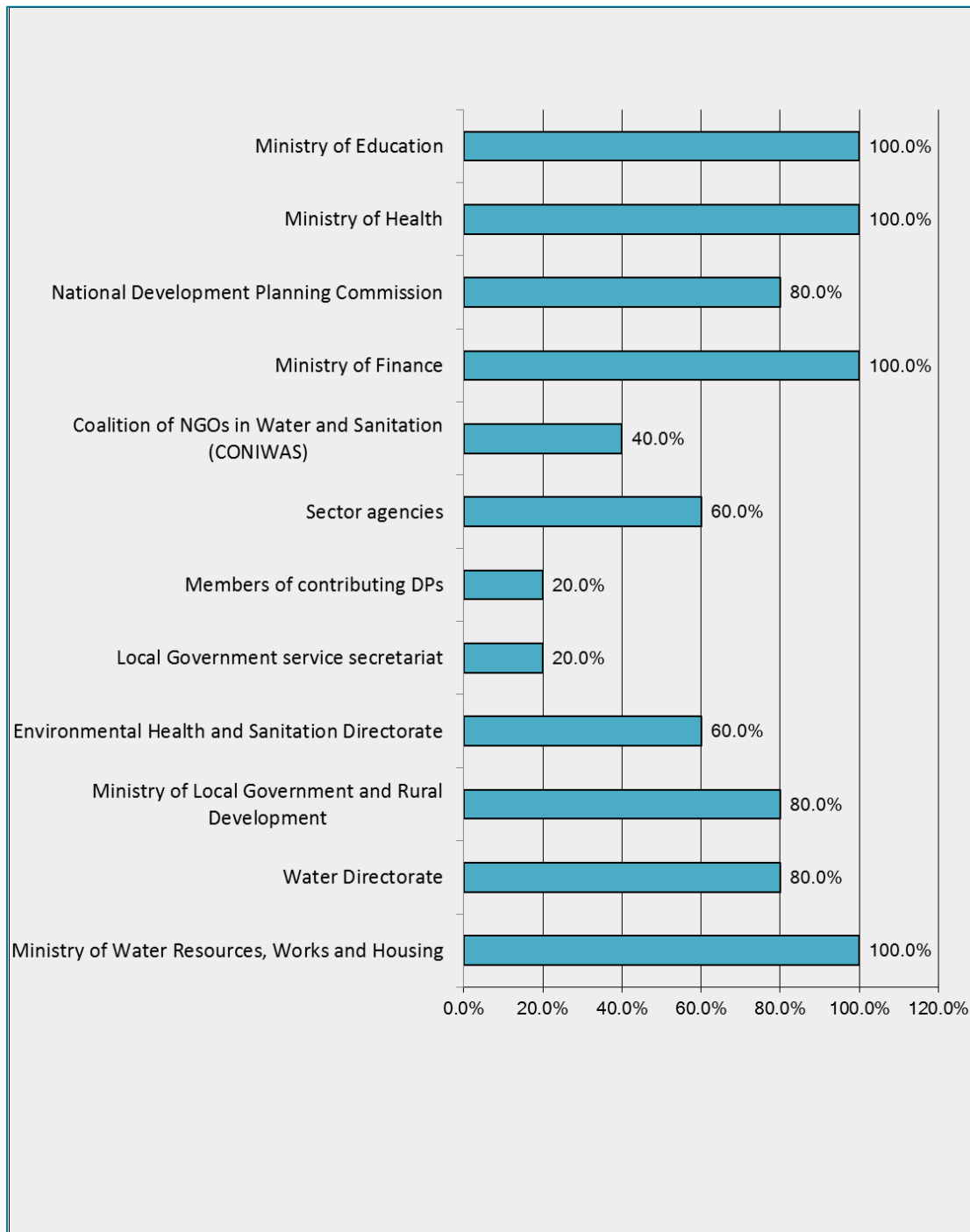
4.6.2.2 Project Management (PM) Steering Committee

DP projects are generally implemented through a project steering committee, with a membership typically comprising representatives from the government ministries, departments and agencies involved in delivering the project. The disparate steering committees often have the same institutions and even individuals serving on them. It is thus unsurprisingly that two-thirds of DP respondents reckon that it is possible to improve alignment through a common project steering committee.³⁷ DPs' suggestions for the composition of such a steering committee are presented in Fig. 8. However, willingness to collaborate, time and resources were identified as challenges to achieving such a steering committee (Fig. 9).

Fig 8 below shows that all the respondents' (100%) preferred key Ministries for a sector steering committee: the Ministry of Water Resources Works and Housing, the Ministry of Finance, the Ministry of Education, and the Ministry Health. This is followed by the Water Directorate and the Ministry of Local Government and Rural Development and the National Development Planning Commission. This is an indication of interest and desire to use such joint platforms to strengthen inter-ministerial coordination for effective water service delivery.

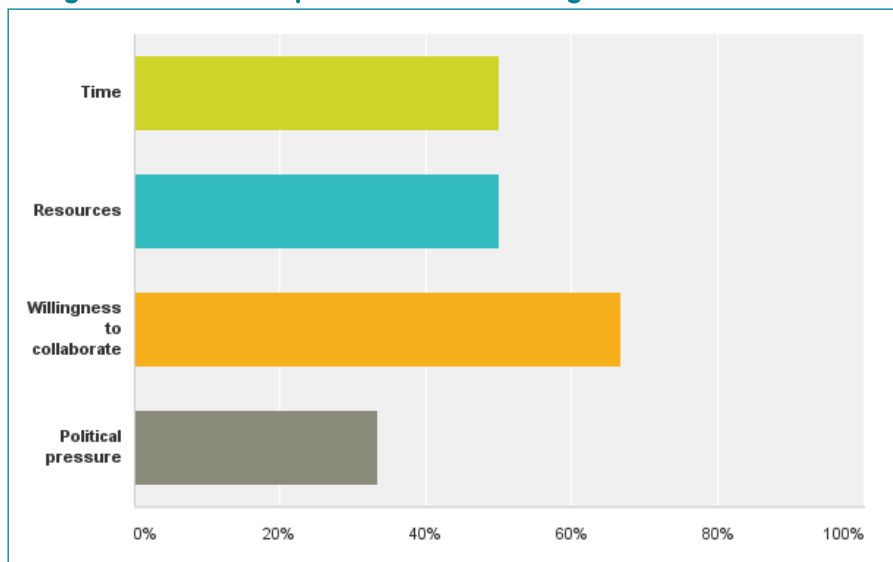
³⁷ The other third of DP participants responded "maybe".

Figure 8 DP preferences for composition of Steering Committee



As indicated in Figure 9 below, for most DPs (65%), willingness to collaborate is the most important challenge to establishing a sector steering committee, followed by time and resources (50%) and political pressure (35%).

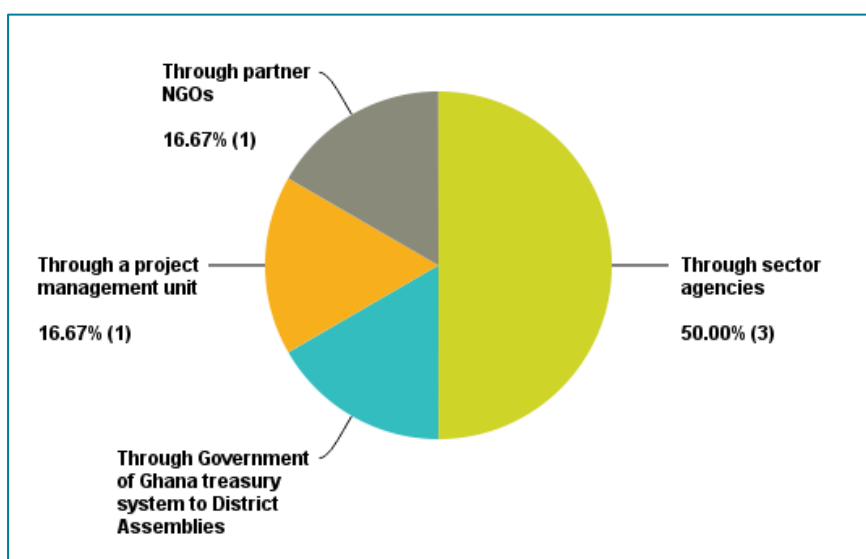
Figure 9 Challenges to successful implementation of Steering Committee



4.6.3 Procurement and financial management

Of the financial management systems used by DPs, three of the six respondent DPs use project-specific writing formats (AFD, EU and World Bank), whereas two DPs use the GoG reporting formats (AfDB and Canada). Four DPs (AFD, Canada, UNICEF and World Bank) require that the GoG Procurement Law is used in procuring goods and services in projects which they fund. EU uses project-prescribed procurement requirements and AfDB uses local procedures for all National Competitive Bidding procurements.

Figure 10 GoG/sector funding flow channels applied by DPs



The diversity in funding channels employed by DPs is illustrated in Fig. 10, above. Three of the six DP respondents (AFD, UNICEF and World Bank) channel their funds through the State WASH sector agencies. AFD does not follow the Ghanaian system fully (particularly in the areas of auditing and funding paths), though their funds are transferred to districts' special accounts through CWSA. EU channels funds through partner NGOs, AfDB support to the sector is channelled through Project Implementation Units (PIUs), while Canada channels resources for delivery of its WASH project using the GoG single treasury account system. DPs explained that they sometimes apply a mix of funding channels depending on the type of project and details of the agreements in the Contribution Arrangement with GoG.

DPs attributed their limited utilisation of GoG procedures and systems, particularly in procuring goods and services, to a number of hurdles. First is the tediousness of the bid evaluation process. Typically, it takes no less than three months to procure the services of a consultant, and even longer in the case of civil works. Some sections of the Public Procurement Act (PPA) also leave undue scope for discretion, making it too easy for DPs to opt for their country procurement systems in preference to GoG's. Some DPs also expressed concern about weak capacity to manage procurement properly (particularly at the district level) and lingering perceptions of corruption, fuelled by recurrent adverse findings in the Auditor General's annual reports.

Sector agencies confirmed, in respect to projects funded by DPs, that they are required to use GoG's procedures as well as any other reporting requirements imposed by the applicable DP. In general, the latter (DP requirements) take precedence where there are conflicts and where additional conditions are specified by the DP (e.g. clauses on sourcing of hardware or expertise are common in turnkey packages). Typically, this occurs because the sector agencies are disadvantaged financially and are relatively powerless when negotiating with DPs and private investors. Sector agencies also explained that the length of time it takes to go through the procurement process impacts adversely on time-sensitive activities and project outcomes. Considering that tender boards only meet once a month, the existing thresholds are perceived by GoG stakeholders to be too low, with a tendency to bog down the system. Business that is not completed during a tender board meeting has to wait till the next month, creating blockages in the procurement process. Together, these hurdles and the exemption clauses in the Public Procurement Act create incentives for DPs to devise ways of circumventing GoG procurement systems for high-value procurements.

4.6.4 Performance monitoring and reporting

4.6.4.1 Monitoring and reporting systems

Just two out of the six DP respondents use CWSA monitoring systems. None of the survey respondents uses the monitoring systems of GWCL and WRC. Others tend to use project or organisation-specific M&E systems. In addition, each DP has their own separate set of internal procedures and reporting requirements. The DP respondents contended that aligning with GoG monitoring and reporting systems in their current fragmented and incomplete state makes it difficult to fulfil their internal monitoring requirements.

Out of four DP respondents who addressed the question of aligning with the national indicator framework for reporting, two affirmed that they apply the GoG framework fully, aligning with the national system where possible, while one does not use the national framework. Reasons for partial or non-use of the GoG reporting system include the absence of a Sector Information

System (SIS) and the dated and indistinct nature of current indicators.³⁸ In the case of the rural WASH sub-sector, the patchy operation of the District Monitoring and Evaluation System (DiMES) constitutes a further practical constraint³⁹. Despite the challenges, AFD, AfDB and Canada indicated a willingness to accept a joint framework for monitoring and reporting on projects funded by their organisations. The survey shows that potential alignment with national and sector monitoring systems would most depend on the following:

- Government's demonstrated leadership;
- agreed upon and robust national M&E framework;
- identification of capable sector entity responsible for M&E;
- donor inputs to system development;
- sector stakeholders' involvement in system development; and
- alignment of the national M&E plan with the overall national/sector development plan.

Regarding GoG's desire to establish an effective SWAp, DPs identified several significant factors and attitudes that will need changing on the part of GoG. These include GoG's commitment to action, the availability of competent institutions, GoG's demonstration of leadership and accountability, and commitment to shared financing. On the part of DPs, streamlining procurement was perceived to be the sole significant barrier.

³⁸ The World Bank is supporting the establishment of Sector Information System through the Sustainable Rural Water and Sanitation Project. The Consulting Firm for the assignment had submitted a report for the implementation of the SIS at the time of publication of this report. http://sanitationandwaterforall.org/report_card/ghana

³⁹ There has been progress towards improving the efficiency of the rural water monitoring system since completion of the study. CWSA has published a national framework of indicators for monitoring rural water and small town services in Ghana in May 2014 with support from the IRC Triple-S project; updated the indicators in the DiMES to include functionality and service levels, developing ICT tools for data collection and trained over 900 national government and district officials to collect data on existing water facilities in 131 of the 216 districts in Ghana with funding from the Dutch Government, the World Bank, UNICEF, IRC, SNV and Akvo FLOW Netherlands.. http://www.cwsagh.org/cwsa_subcat_linkdetails.cfm?corpnews_scatid=22&corpnews_catid=6&corpnews_scatlinkid=41

5 Conclusions and recommendations

5.1 Conclusions from the study

Despite identifiable steps to concretise the partnership paradigm in development cooperation, serious weaknesses remain in Ghana's ownership and articulation of its development strategies. Linked to this observation are the lack of effective sector leadership and the absence of a set of core monitoring indicators by which sector actors can be guided as a collective. As a result, the sector's DPs employ the applicable country systems in limited ways, rendering the task of sector coordination even more challenging. Going forward, the development agenda will require stronger and more urgent leadership by the state to inspire greater confidence among DPs.

Efforts towards better aid coordination and dialogue on the part of GoG and her Development Partners are also hampered by poor absorptive capacities and the lack of an effective mutual accountability framework. Complementarity between the sub-sectors remains weak and aid continues to be duplicated, with high transaction cost inefficiencies. Thus far, water supply programmes have also been delivered primarily through infrastructure-focused projects rather than implemented via an approach aiming to achieve and sustain an agreed level of service for all. As a result, functionality has neither been prioritised in practice nor in sector monitoring/reporting⁴⁰.

The global and country partnership agreements and frameworks to which Ghana and its DPs have committed make a compelling case for aligning aid streams and coordinating DP activities for greater effectiveness. These agreements include:

- the conclusions of the string of global high-level aid effectiveness fora (2003-2011),
- the Ghana Joint Assistance Strategy (G-JAS) (2007) with its qualified commitment to a SWAp contingent on a water policy and a shared sector strategy being in place,
- the Ghana Shared Growth and Development Agenda (2010),
- the Ghana Water Policy (2007),
- the SWA Ghana Compact (2010), and
- the Ghana Aid Policy (draft).

Despite these agreements, the scope for basket funding may be limited in the short term by pragmatic reasons. One-half of sector DPs are not yet ready to commit their resources fully behind a SWAp, partly because their sector-specific funds are already earmarked against pre-agreed outcomes. Some DPs do not yet see the (as yet unratified) SSDP as properly targeting their priority thematic (particularly equity) or geographical (mainly rural) areas. The study also observed divergences in DPs' rules and systems, particularly those regarding procurement, disbursement and reporting. Left unresolved, such differences undermine prospects for a SWAp.

⁴⁰ There has been progress towards improving the efficiency of the rural water monitoring system for tracking functionality and monitoring service level since completion of the study. CWSA has published a national framework of indicators for monitoring rural water and small town services in Ghana in May 2014 with support from the IRC Triple-S project; updated the indicators in the DIMES to include functionality and service levels, developing ICT tools for data collection and trained over 900 national government and district officials to collect data on existing water facilities in 131 of the 216 districts in Ghana with funding from the Dutch Government, the World Bank, UNICEF, IRC, SNV and Akvo FLOW Netherlands.
http://www.cwsagh.org/cwsa_subcat_linkdetails.cfm?corpnews_scatid=22&corpnews_catid=6&corpnews_scatlinkid=41

Ghana's transition to lower-middle-income status has consequences particularly for the rural water sub-sector where financing has been dominated by grants from DPs and International Non-Governmental Organisations (INGOs). With this change in Ghana's classification, prospects for large increases in ODA flows are increasingly unlikely.

There is rising number of new entrants into Ghana's water sector, particularly the urban sub-sector. Among these are participants with an interest in public-private partnerships and turnkey projects, and emerging-economy donors. This shift in the DP landscape has implications for sector harmony as the new (non-OECD) donors are under less obligation to uphold the development aid norms promoted by the OECD in the earlier aid effectiveness fora.

In seeking to improve sector coordination and effectiveness, a coherent collective vision of the desired change state would be inspiring and helpful for keeping the cooperation focused and proactive. While a vision does exist on paper, it is not widely internalised by key stakeholders. The deficit in a collective vision has been a fundamental impediment to genuine harmonisation of sector practice, with predictable outcomes in terms of fragmented initiatives that do not align to national norms or systems.

There is an abiding perception among both state and non-state partners that the sector has generally lacked strong leadership both in terms of guiding and championing sector strategy as well as in securing commitments from other key actors – in particular, MoF and the state Cabinet. In the course of the study, this weakness of leadership was the single most cited hurdle which a revitalised sector will need to overcome. The gaps in leadership manifest in an array of shortcomings. These include chronic delays in securing Cabinet endorsement for the SSDP, the seeming lack of urgency in regularising the status of the Water Directorate, the lack of clarity with respect to what the sector's priorities are and the inability to ensure compliance with GoG systems and to make progress on other agreements reached between GoG and sector DPs.

Sector actors (national and external, representing both the rural and urban sub-sectors) are unable to understand how it is that two years after a consultancy to develop the SSDP, the document has still not received Cabinet consent or been published. The largely unfinished state of a range of sector manuals, guidelines and management models is another factor constraining alignment with GoG's preferred delivery approaches. Respondents, especially from the DP cohort, noted that without an approved SSDP and published operational documents, there really is no formal agenda defining the sector's priorities and roles (against which to objectively align their aid budgets) nor clear, unambiguous benchmarks and procedures (by which to steer project implementation).

Concerns over the SSDP extend beyond the delay in completing and publishing the document. First are a set of reservations around GoG's current capacity to manage such a basket effectively. Second, actors (on both sides but especially among the DP core group) drew attention to what they perceive to be major weaknesses in the current SSDP – particularly regarding the lack of prioritisation and strategic sequencing. Third, few national actors (even among the sector executing agencies, but also within civil society) are up-to-date with the latest version of the draft or have any real awareness of how effectively it captures their priorities and concerns, or what potential trade-offs it contains. Nevertheless, most DPs would be willing to run with it, in the spirit of partnership, on the understanding that its rolling plans will evolve as lessons are acquired through using the document.

Despite their concerns, a closer reading of DPs' comments shows that their reservations regarding a SWAp are qualified rather than absolute. Indeed, some DPs assert that it is actually easier to disburse through sector budget support arrangements if well-managed, with an effective financial monitoring and reporting framework.

Virtually all stakeholders perceive the Water Directorate to be the institution best positioned to lead on the coordination of sector activity, both within MWRWH and with cognate actors. This perception is based on the understanding that WD will be performing this role as a delegated function of MWRWH. However, there are huge deficits in WD's current capacity which will need addressing.

A multiplicity of platforms and arrangements exist for coordinating WASH services in Ghana. The study finds, alongside the significant potentials that these arrangements entail, that there are also considerable overlaps in some roles and some quite significant capacity challenges in various areas. The GoG/ DP Sector Working Group is the principal forum for routine policy dialogue around sector priorities, strategies and targets. The SWG also constitutes a potential platform for GoG actors and sector DPs to hold each other to account on commitments made in the form of national and sector compacts and strategies in line with global aid effectiveness principles. Under effective leadership, and with a capable Water Directorate providing back-end support between meetings, the SWG could be an excellent platform for fostering commitment to sector priorities, promoting DP alignment with GoG systems, promoting joint monitoring of sector targets and ensuring that financial commitments on both sides are honoured. However, for now, SWG discussions get entangled too often with fine operational details, losing the bigger plot and the more catalytic issues in the process.

The role of civil society is critical in ensuring sound sector governance. Thus far, however, CONIWAS has not been very effective in holding other sector actors to account, in part because the coalition itself has not been very transparent with its own finances. As of now, the investments of the majority of its 100-odd members remain off-book and completely uncoordinated, contributing to a proliferation in delivery approaches. Neither has CONIWAS been very effective in mobilising or even supporting affected citizen groups to demand accountability from the state.

5.2 Recommendations

For Government of Ghana institutions

For coordination to be effective, the Ministry will have to work harder to erase the abiding perception among both state and non-state partners that the sector has generally lacked strong leadership both in terms of guiding and championing sector strategy as well as in securing commitments from other key actors (particularly MoF and the Cabinet). In terms of areas where prompt progress can be made on strategic fronts, it will be important to focus on those catalytic variables over which the sector Ministry has direct, or at least significant, control. More specifically, GoG will need to: articulate clearly what it envisions in terms of a harmonised sector, obtain sign-off on the SSDP and secure a formal scheme of service for the Water Directorate. Other relatively low effort actions with potential to reassure actors and facilitate alignment include: refocusing SWG meetings on strategic issues, improving attendance and punctuality at SWG meetings, completing and publishing the operational documents to guide

sector investment, agreeing a preliminary set of high-level M&E metrics⁴¹ and providing an explicit and realistic timeline for decentralising water service delivery.

In the interim, and considering the deficits in WD's capacity, MWRWH could explore alternative ways of dividing up the functions entailed in coordinating the water sector effectively. Other directorates of the ministry – such as PPBMED and RSIMD – could share in the coordination function through some formula agreed via dialogue, while the WD's capacity is proactively strengthened to make it fit for purpose. For example, it may be possible for PPBMED to lead with regard to the management of sector data. The study observed that some dialogue around the WD's role vis-à-vis the other directorates has already begun and would benefit from professional facilitation.

In the medium to long term, the study recommends three key areas in which the WD will need significant strengthening, with the proactive support of the ministry's political leadership. The first is in ensuring adequate resources, with secure staffing and finances, to deliver its mandate without undue distraction. A scheme of service which enables the directorate to become a more integral part of the parent ministry will be a necessary condition. The second key area that needs strengthening is the authority to coordinate the sector's internal and external actors under a leader who is: recognised and respected within the public service, a passionate and skilled champion of the harmonisation agenda, and able to steer meetings skilfully while retaining the focus on strategic priorities. Third is the critical area of the skillset within the Directorate – which will require significant enhancement.

GoG should invest in negotiating a single set of core rules acceptable to key funders to facilitate a more harmonious delivery of water services. This could be pursued through the GoG/DP Sector Working Group which has already demonstrated keen interest in working to achieve a harmonised sector. Collaboration with MoF and the MDDBS Platform would further enhance the effort's traction.

Given the deep-seated challenges of harmonisation, it would make sense for the first-generation SWAp to begin small, with the sub-sector that has demonstrated the most preparedness thus far – i.e. rural – and with those DPs who have expressed the keenest readiness. For now, these would be AFD and Canada, but the list could be extended to include the other DPs who responded to the survey (AfDB, EU, UNICEF and WB) and are partly using GoG systems and who appear relatively more enthusiastic about collaborating with GoG to address the challenges of aligning with GoG systems. Over time, the outcomes and lessons from the initial sub-sector SWAp should provide inspiration and guidance respectively for the fuller SWAp, involving the other WASH sub-sectors and a larger group of partners.

Beyond the rural water sub-sector, it will be helpful to foster agreement on a timeline reflecting the key steps towards a fully integrated WASH SWAp. To strengthen the linkages between the sub-sectors in the spirit of the SSDP, it will be imperative for the dialogue around the SWAp process to continue to accommodate the voices of key sector actors outside the immediate rural (first-generation) cohort

⁴¹ The Community Water and Sanitation Agency has since May 2014 published a set of sector operational documents including the National Community Water and Sanitation Strategy, the Project implementation Manual and the District Operational Manual to guide delivery approaches in the rural water subsector.
http://www.cwsagh.org/cwsa_subcat_select.cfm?corpnews_catid=6&corpnews_scetid=23

For Development Partners

DPs tend to be risk-averse and are unable to work effectively in the WASH sector in its current form. The Comprehensive Risk Assessment conducted under the leadership of Canada (in partnership with other DPs) should enable DPs and GoG to initiate mitigating steps along with commensurate risks as stakeholder work to increasingly address the risks identified in the CRA.

It will also be important for the DP core group to continue to explore ways of harmonising their rules in the near to medium term. As with the GoG effort to decentralise water service delivery, it is essential that DPs' commitment to aligning with GoG systems is similarly reflected in explicit and realistic transition timelines. Such an effort will entail DPs clarifying their collective and disparate organisations' requirements for participating in a SWAp (or other agreed forms of partnership).

A small ad hoc committee of the SWG could work with (and possibly under the leadership of) the relevant MoF "Pillar Lead" and with the mandate of MWRWH to fashion the modalities of a SWAp. DPs could also support the development and/or strengthening of country systems and targeted capacity development of the Water Directorate through joint technical assistance and funding.

For civil society

As with other stakeholder categories, civil society actors in the WASH sector need to be better coordinated in order to minimise overlap in service delivery. Civil society also needs to be more proactive in demonstrating transparency within their own community and to the wider sector in order to better justify their right to demand accountability of the State and other sector actors. Finally, it would be helpful for CONIWAS to assist in supporting affected citizen groups – as primary stakeholders – to assert their rights to sector services and to hold the State to account for its obligations and commitments to its citizens. This will entail, *inter alia*, effective education on the SWA compact, on citizens' rights – with particular emphasis on the implicit social contract which taxation entails – and on citizens' own responsibilities to pay taxes, protect and maintain services.

Hopefully, these priority efforts will together assist in making aid work more effectively for WASH-poor communities.

Annex 1. List of organisations and persons interviewed

No.	Organisations	Persons Interviewed
Government of Ghana		
1.	Community Water and Sanitation Agency	Clement Bugase, Chief Executive Officer
2.	Ghana Water Company Ltd	Senyo T Amengor, Ag Deputy Managing Director
3.	Ministry of Finance	Augustine Takyi, Chief Economic Officer; Collins Kabuga, Economic Officer
4.	Ministry of Health	Emmanuel Owusu Ansah, Deputy Director – PPMED
5.	Ministry of Local Government and Rural Development	Naa Lenason Demedeme, EHSD; Director; Kweku Quansah, Programme Officer EHSD
6.	MWRWH – PPBME	Frank Kofi Dei, Director
7.	MWRWH – Water Directorate	Frederic Addae, Director; Harold Clotey, Deputy Director; Kwabena Gyasi-Duku WASH Engineer, Suzzy Abaidoo WASH Programme Officer; Patricia Buah, WASH Specialist
8.	National Development Planning Commission	Jonathan Azasoo, Deputy Director, Plan Coordination
9.	Water Resources Commission	Ben Ampomah, Ag Executive Secretary
Development Partners		
10.	AFD	Sophie Oddo, Programme Officer
11.	African Development Bank	Rees Mwasambili, Water and Sanitation Specialist
12.	Canada	Anik Desmeules-Raggio, First Secretary (Development)
13.	European Union	Herve Delsol, Programme Officer
14.	Netherlands Embassy	Fred Smiet; Elsie Appau, Programme Officer
15.	The World Bank	Emmanuel Nkrumah, Senior Water and Sanitation Specialist
16.	UNICEF	David Duncan, Chief of WASH; Samuel Amoako-Mensah, WASH Specialist
NGOs		
17.	CONIWAS	Benjamin Arthur, Executive Secretary
18.	IRC	Veronica Ayi-Bonte, National Learning Facilitator

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