

EVALUATION AQUA FOR ALL (A4A)

FINAL REPORT

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JUNE 2010

SUMMARY OF FINDINGS AND CONCLUSIONS

General

1. Following the successful campaign “Water Overbrugt Wereldwijd”, the Royal Association of Drinking Water Supply in the Netherlands (KVWN) and the Dutch Association for Water Management (NVA) jointly set up the Aqua for All (A4A) Foundation. Created in 2002, the Foundation intends to create a link between third world water, sanitation and hygiene promotion projects, sponsoring and socially responsible entrepreneurship.

2. A4A was founded with the ultimate objective of providing access to safe drinking water and sanitation to the poor. The Foundation has two main subsidiary objectives: (i) Mobilise public opinion in the Netherlands and private sector funding for water supply and sanitation development projects in developing countries and; (ii) assist third parties in the implementation of projects in the water and sanitation sector with the ultimate objective of providing 1 million people access to safe drinking water and 750,000 people to improved sanitation (following JMP/MDG definitions).

Organisation

3. A4A operates through projects and activities. Projects are targeted interventions that provide incentives for and support to private sector implementation of water and sanitation activities in developing countries. Activities focus on awareness building, promoting appropriate technology, networking, technical assistance and stock taking events.

4. Annual A4A expenditures more than doubled in the 2005-2008 period from € 2.6 million in 2005 to roughly € 6 million in 2008. In the initial years, general administration and management costs were relatively high (18 percent) but as the project identification and implementation accelerated, the percentage dropped to 10 percent in 2008. Overhead costs cover the salary cost of A4A Office staff (40 percent) and general working expenses of the office.

5. Out of the total € 16.8 million spent in the 2005-2008 period, roughly € 7.9 million or 47 percent was paid out of private sector contributions and the balance of € 8.9 million (53 percent) out of DGIS/TMF funds. In accordance with general accounting rules, expenditures do not relate to actual disbursements of funds but to financial commitments made under the project funding agreements. The commitments cover the costs of project expenditures and overhead costs of the respective (Dutch) project partners and local executing agencies.

5. Out of the € 7.9 million private sector contribution some € 3.6 million was directly pledged by private sector sponsors to and own revenues of the A4A Foundation. The remaining € 4.3 million was pledged indirectly through project executing partners. To what extent indirect private sector contributions can/should be considered as being “leveraged” by A4A is open for debate. Apart from this, it is hard to determine their origin given the fact that project partners and participants have different sources of funding and the internal allocation process of financial resources is difficult to verify.

6. A4A financial accounts are administered according to normal commercial practice and procedures. While not being able or in a position to audit the A4A accounts, it appears as if funds have been well administered and managed in accordance with A4A fiduciary responsibility.

7. Empirically demonstrating fungibility (or non-fungibility) of the DGIS/TMF support is difficult. On the basis of a limited number of interviews and analysis of project documentation the impression of the evaluation mission is that, at the level of the private sector partners, no major shifts in development expenditures have occurred and the bulk of the A4A public funding has been additional and therefore not fungible.

8. A4A was well managed during the evaluation period. The A4A Bureau successfully navigated through a period of growth that required recruiting professional staff to meet the growing needs of the programme, developing new strategies and enhancing the character of the programme through initiatives such as Walking for Water and collaboration with so many organisations. In general, it is felt that the A4A Bureau has the required qualifications and experience to take on the duties and responsibilities. The lean management structure ensures sufficient capacity, capability and flexibility to effectively and efficiently allocate resources against the opportunities and priorities.

9. The annual TMF progress reports represent a comprehensive means of communication with DGIS. The quantity and quality of the information found in the reports is sufficient to get a global picture of the A4A Programme progress but one would have liked to have more in-depth information on the real progress of the core projects and issues and problems encountered in their implementation

Output and outcome

10. In the 2005-2008 period, the A4A Foundation sanctioned a total of 238 projects with a total contract value of roughly € 12 million. Some 65 percent went to projects in Africa. Kenya and Ghana have been the most important beneficiaries followed by Tanzania, Uganda, Mozambique and Mali. The balance was spent in some 20 countries.

Roughly 25 percent of the contract value went to project partners in the Dutch water supply sector (mainly the Water for Life Foundation), some 10 percent to UN organisations (mainly UNICEF Netherlands), 30 percent to large NGO's (such as SIMAVI, AMREF, Plan Nederland, World Vision, ZOA and Cordaid) and the balance to a large number of small NGO's and Citizen Based Organisations based in the Netherlands. The bulk of the project funding went to water supply projects in ~~urban~~ rural and peri-urban areas. More research is needed to determine the exact share in total funding but it is guesstimated to be in the order of 70 percent.

11. Considering the overwhelming need for extension of services in the sanitation/hygiene subsector, the amount of resources allocated to this subsector has been low but "acceptable" when benchmarked with traditional WSS programmes that often consider sanitation and hygiene as an afterthought. An extra impetus was paid to sanitation and hygiene in the second half of the Programme as a reaction to the addition of sanitation to the MDGs.

12. In the complex institutional environment in which it operates, A4A has been able to achieve results. The most tangible result is an increase of the coverage/extension of water supply and sanitation to underserved or unserved populations. According to the TMF Final Report 2006-2009, the A4A programme has reached a total of roughly 1.2 million people getting access to improved water supply services and some 200,000 people to improved sanitation. For water supply, the result exceeds the programme target of 1 million; the result for sanitation represents roughly 25 percent of the 750,000 target. The figures are based on estimates of the project implementation partners and are not externally checked or verified.

13. A4A has gone a long way in developing a performance culture focused on results but faced considerable difficulties in implementing that culture. Challenges include the fact that most of its project implementing partners have not yet implemented a management for results system and are not able to provide quantitative data on outcomes and impacts on a consistent basis. Where they do provide outcome and impact results data, this tends to be a costly, time-consuming and often unreliable process.

14. Both the assessment of the number of beneficiaries and the appraisal of sustainability is problematic. The “beneficiary” outcome indicator has no clear operational definition that is independent of the person conducting the measurement and is not framed and defined in clear terms so as not to be open to broad and varied interpretation by sector specialists. In the absence of a clear and comprehensive definition, a reasonable level of objectivity and comparability is not ensured. The same problem impinges on the assessment of sustainability.

15. In most of the A4A projects, the project partners and their executing agencies engaged in building capacity of the public or community-based organizations and individual households to properly operate and maintain project facilities. From project progress reports and brief interviews and own field assessments, it is learned that in the majority of cases partners and agencies developed excellent relationships with the respective communities and raised awareness on the preservation of water resources well as importance of environmental sanitation.

16. Even though capacity building has been a stated priority in almost every project intervention, activities often lack standard quality assurance processes at design stage, and they are not routinely tracked, monitored and evaluated. Despite all efforts, the challenges to achieving the expected quality and coverage of water and sanitation delivery services are still enormous. Especially in the case of community managed systems which do not have systematic back-up support after systems are constructed.

Efficiency

17. Cost effectiveness is the variable that most directly represents the core concern of project efficiency. In the case of A4A, direct measurement of this ratio is impossible because output/results cannot be monetised in a way that would permit direct comparison with inputs. On the basis of the assessment of Programme outputs and field assessments it is concluded that A4A makes relatively efficient use of resources in achieving results. Also project partners see a positive relationship between the programme’s benefits and its costs. More in-depth research of project expenditure statements is needed, however, to gain further insight into the project partners’ overhead costs.

Added value

18. A4A funds have been used in a wide variety of situations with a wide variety of partners supported by a wide variety of other funds/resources, developed from a wide variety of proponents. The evaluation mission presumes, with admittedly limited understanding as outsiders, that this is how A4A works and that therefore the programme has a multiplicity of benefits to the sector beyond the overview of direct outputs.

19. A4A brings together diverse organisations and supports activities and initiatives that promote the exchange of knowledge and the stimulation of innovation. Support of innovative technologies is appreciated by the evaluation mission. However, a host of development

organisations has pioneered or is involved in similar rainwater catchment and conservation, improved and ecological sanitation, social marketing and pro-poor entrepreneurship initiatives and networking. In terms of impact and effectiveness, the “innovation and networking” effort of A4A, must therefore be put in perspective.

20. More time and effort is required to assess A4A’s broker function and quality of advisory services in detail. The general impression is that, over the four year period under review, the Foundation’s partnerships with selected NGOs and other organizations in the sector have been quite effective and efficient. With regard to the advisory services, the same, generally positive, picture emerges.

21. The evaluation mission appreciates efforts of the A4A Bureau to check project quality at entry. In the eyes of some partners, the project appraisal procedures may seem too long and too complicated. But, as deficiencies in design are difficult to correct during implementation, the evaluation mission supports the current project appraisal practice which is a prime determinant of successful development outcomes.

22. The relevance and utility of the annual reviews, as a programme management instrument, seems limited. Apart from not being representative there is the additional problem of poorly defined performance indicators mentioned earlier.

Recommendations

Recommendation 1 – The current A4A organisation and management structure and Bureau staff composition is recommended to be maintained. Increasing the average project size and geographical concentration of the project portfolio should allow the Bureau to work more effectively and efficiently and keep general overhead costs down to a maximum of 10 percent of the portfolio value.

Recommendation 2 - In order to derive full benefit from the great diversity of activities and interventions, there is a need to regularly monitor and verify project performance as reported by the project partners. The annual project assessment/verification exercise should cover a minimum of 10 projects completed or closed in the preceding year and contracted out to a consultants team. The success of the assessment team depends on the competence and personal abilities of the team members. This applies in particular to the team leader who should be the one concerned with the overall perspective, able to organise and co-ordinate the work of the team members, assess the quality and relevance of their contributions and act as a spokesperson for the team.

Recommendation 3 - The annual assessment/verification report should consist of two levels of information. First, the main report should be relatively short and written as a self-contained paper that provides the bare essentials for decision-makers on back-ground, major conclusions and lessons learned.

The second level is the project annexes. These should basically consist of the project assessment sheets. They should cover the five OECD/DAC basic evaluation criteria, relevance, efficiency, effectiveness, impact and sustainability. The assessment sheets should further include the assessment teams’ working programme, list of persons met, and list of documents used.

Recommendation 4 - The A4A Bureau should continue to assess Quality at Entry with respect to three basic questions: (i) are the project objectives worthwhile and the risks commensurate

with potential rewards; (ii) is the project likely to achieve its objectives; and (iii) is the underlying logic clearly articulated. Larger proposals should be accompanied by complete engineering designs (Drawings, BOQs, specifications, etc) and certified or endorsed by the responsible national and/or local sector authorities.

Recommendation 5 - There is a growing, if not predominant view, that especially community-managed water and sanitation systems require some form of external support over the longer-term. Project proposals should clarify the institutional arrangements for post-project support in accordance with local circumstances.

Recommendation 6 - Substantial effort is needed to ensure that performance indicators for each of the five evaluation criteria are framed in ways that make them specific, measurable, attainable, relevant and time bound – also known as SMART indicators. Because of the resources/effort that is involved, there is a need to reduce the number of indicators to the most essential.

Recommendation 7 - To increase the effectiveness and efficiency of the programme, the number of intervention countries should be reduced to a maximum of 10 and the “small projects” funding ceiling is recommended to be raised to a maximum of € 40,000.

Recommendation 8 – The A4A Bureau is invited to continue critically review the proposed project budgets with special attention for project partner overhead charges, institutional support and other non-output related project expenditures.

Recommendation 9 - To keep A4A motivated, a more ambitious private sector co-funding target of minimum 30 percent should be set for DGIS/TMF support

Recommendation 10 - For the sake of transparency and to avoid possible misuse of public funds, project co-funding of partners already receiving thematic DGIS TMF/MFS or other public funding support should be phased-out.

Recommendation 11 - To avoid further fragmentation, it is recommended to scale down not-output oriented activities to a maximum of 10 percent of total revenue.

ⁱ **Erratum by Aqua for All:** the evaluation did wrongly state that Aqua for All has a focus on urban and peri-urban areas, whereas it should have been rural and peri-urban. Where it was stated, the word urban was erased (~~urban~~) and the word rural was added. There are other points of disagreement, but these are the author’s responsibility