



# **WATER AND SANITATION PROGRAM**

## **FY2010: EAST ASIA AND PACIFIC PROJECT SHEETS**

**EA/CAM/58:** Strengthening Domestic Private Sector Participation in Cambodia **Year 4 of 6**  
**Task Manager:** Jan Willem Rosenboom  
**Client:** Government of Cambodia  
**Country:** Cambodia  
**Partners:** World Bank, DFID, national and local government, NGOs

**Desired Project Outcome:** Increased financial and technical inputs from the domestic private sector to improve the scale and rate of progress towards the Water Supply and Sanitation (WSS) MDGs.

**Project Description:** This project aims to develop further the domestic opportunities for WSS in Cambodia by supporting World Bank led initiatives. At present, funding is available through the Bank Netherlands Water Partnership (BNWP) and the Public-Private Infrastructure Advisory Facility (PPIAF) to support the Government of Cambodia for:

- PPIAF-funded activities aimed at enabling clients to (i) conduct studies/assessments to establish the scale and nature of activities carried out by these providers; (ii) develop a database of information on these providers to enable government to plan, manage and monitor the development of the sector.
- BNWP-funded activities aimed at supporting the development of small-scale private (informal and formal) providers through: (i) the study and reform of policy and business environments for small-scale water supply; and (ii) the development of sector programs to improve the conditions under which they operate; activities such as (i) develop a training program for transferring needed technical and management skills and knowledge to Small-scale Private Service Providers (SPSPs), (ii) strengthen the regulatory environment, including upgrading and/ or reforming the licensing regime (to bring it more in line with the contracts that are being issued); and (iii) supporting the process of licensing the SPSPs.

The work proposed will build on this BNWP/PPIAF initiative by providing funds to operationalize key support mechanisms. The exact nature of these supporting mechanisms will be identified by the Bank Task Managers. The Government of Cambodia has requested support to mobilize finance in the sector.

**Assumptions:**

1. Political will to introduce stronger private sector participation in the sector.
2. Sufficient local and district level governments interested in engagement.

**Start Date:** December 2005

**End Date:** June 2012

**Project Milestones:**

1. Interim private supplier licensing arrangements are introduced by the Ministry of Industry, Mines and Energy by mid 2009.
2. At least one commercial bank offers a financial product for private providers within 12 months of completion of the project.
3. In the course of 2010 SPSPs have access to appropriate support services (training, advisory service) following initial capacity building work.

**Indicators of Outcome:**

1. Size of SPSP businesses and their sector investment increases following improved financing channels.
2. Number of SPSPs increases.
3. Agreed priority performance indicators for utilities and SPSPs.

**Project Update:**

**5/06:** Project designated as Mekong Regional Initiative under the SAWAP project.

**3/07:** Project duration extended by one year, until June 2009 to reflect delay in reaching some of the initial steps (publication of PPIAF mapping survey of SPSPs, financing study and benchmarking assessment study). Planned benchmarking activity dropped based on assessment made in Nov. 2006 (SPSPs not ready. Include benchmarking in capacity dev. approach).

**3/08:** An in-depth assessment and program design process (by external contractor) will take place between April and July. Actual capacity development work will then pick up again, based on a detailed plan including training, mentoring and individual support. This work will need to continue for 2-3 years, **which is why the project has been extended until FY2011.**

**4/09** End date corrected to June 2012 (wrong input in FY09).

**Project Activities and Outputs:**

<b>Activities</b>	<b>Outputs</b>
<ul style="list-style-type: none"> <li>Finalize publication and dissemination of a report on small scale private water supply providers in Cambodia, started in FY09 jointly with GRET (an NGO)</li> </ul>	<ul style="list-style-type: none"> <li>Private sector small scale water supplier report published in October 2009</li> <li>Sector roundtable on DPSP regulation and performance organized in November 2009</li> </ul>
<ul style="list-style-type: none"> <li>Continue capacity development program as started in FY09.</li> </ul>	<ul style="list-style-type: none"> <li>Following the start in second half of FY09, first full year of total 30 months of capacity development delivered to 10 selected providers by a team of technical and management/financial trainers, consisting of training workshops, mentoring activities on site and individual advice to owners/operators.</li> </ul>
<ul style="list-style-type: none"> <li>Support to Ministry of Industry, Mines and Energy in promulgating and disseminating regulatory initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Public events and dissemination work organised based on revised licensing regime promulgated via Ministerial Decree by Ministry of Industry, Mines and Energy (MIME).</li> </ul>
<p><b>SAWAP subregional activities related to SPSPs in water:</b></p> <ul style="list-style-type: none"> <li>Respond to requests by Vietnam to participate in private water supplier activities started in FY09</li> </ul>	<ul style="list-style-type: none"> <li>Inputs into conceptual development in Vietnam, participation in planning, exchanges, etc.</li> </ul>

**EA/CAM/60:** **Small and Medium Private Providers Capacity Building** **Year 5 of 7**  
**Sanitation Marketing**  
**Task Manager:** **Jan Willem Rosenboom**  
**Client:** **Ministry of Rural Development (MRD)**  
**Country:** **Cambodia**  
**Partners:** **MRD, DFID, UNICEF, PLAN International, IDE**

**Desired Project Outcome:** Rural sanitation coverage increases following opening up of new marketing channels and availability of appropriate low-cost options.

**Project Description:**

Rural sanitation coverage in Cambodia is extremely low; around 8% at the time this project was first designed, and 17% at the time of the FY09 review. On current trends the Cambodian MDG target coverage rate of 30% will be missed by a wide margin.

The background to this is complicated and includes a number of social and technological factors. While sanitation promotion campaigns are common and widespread, open defecation remains widely practiced. The technological side of the problem includes the promotion of inappropriate and expensive latrine designs (leading to disused and/or dysfunctional facilities) as well as issues such as flooding, high ground water tables, etc. An area of attention which has hitherto been ignored completely is the design of adaptations enabling the use of sanitation facilities by disabled people (approx. 1 in 175 people in Cambodia suffer a disability resulting from accidents with land mines or unexploded ordnance). While UNICEF subsidizes some materials for household latrines, what facilities exist are overwhelmingly privately financed and constructed by households assisted by small-scale domestic private contractors.

The project aims to address the low rate of coverage on a number of fronts:

- Develop a better understanding of available sanitation choices, user preferences, costs and coverage patterns by studying 3-5 selected provinces;
- Expand the menu of appropriate choices by working on lowering costs, designing for the physical environment and including adaptations for disabled users. This work will involve users (including those with disabilities), contractors and others as appropriate, and results will be published in a (pictorial) manual of sanitation choices;
- Increase availability of sanitation options by piloting and developing marketing channels (in terms of developing affordable options, see also project EA/REG/76 (6) );
- Develop the capacity of the domestic private sector by informing and training private contractors, undertaking market research, and incorporating developments in awareness raising campaigns as carried out by the Ministry of Rural Development (MRD), UNICEF and others.
- Assist the Ministry of Rural Development, in cooperation with the 2007 DFID sanitation program, in articulating a separate and improved national sanitation strategy as the basis for national sanitation activities by government and support agencies (see also projects EA/CAM/69 and EA/REG/67).
- Intensify sanitation and hygiene promotion and advocacy taking advantage of the International Year of Sanitation (2008), and the government's decentralization law (passed in 2008).

A major second phase to WSP's sanitation initiative in Cambodia, to be launched in FY07 (subject to funds being available), will involve two components. First, a rural sanitation market study aimed at assessing drivers of and constraints to demand for and supply of rural sanitation services will be carried out. Inter alia, the survey will answer questions relating to availability, accuracy and sources of information on sanitation; availability of household funds, willingness to spend and spending priorities; availability, skills and costs of sanitation suppliers; incentives and disincentives for families to buy sanitation services and for suppliers to supply them. This work was completed in the course of FY08.

Second, a sanitation services marketing pilot in one province of Cambodia based on the findings of the sanitation demand and market studies will be carried out. The pilot project will focus on three issues – identifying an extended range of sustainable sanitation infrastructure options, increasing the availability of competent service providers, and development and implementation of a sanitation promotion campaign. Growing government attention to rural sanitation and associated issues (combined with the declaration of 2008 as the International Year of Sanitation) will be capitalized on by supporting the development of national sanitation strategy.

**Assumptions:**

1. Private contractors are interested in improving quality, and mastering new solutions for sanitation facilities.
2. A demand for private supply of sanitation facilities exists and can be stimulated.
3. It is possible to develop options for Cambodia's physical environment which are affordable to individual families.
4. Strong political will for sanitation improvement exists at all government levels.

**Start Date:** July 2004

**End Date:** June 2011

**Project Milestones:**

1. By end 2006, the sanitation choice materials are being used by at least 5 provincial departments, and at least 4 international organizations active in sanitation promotion.
2. By end FY09 a clear follow up strategy for national private sector marketing promotion exists, expressed in relation to Community-Led Total Sanitation (CLTS) activities as developed by MRD, UNICEF and others.
3. Strategy implementation launched in FY10, based on CLTS pilot experiences, market study and trials in selected provinces.

**Indicators of Outcome:**

1. Increased demand for sanitation in marketing pilot project area by end 2009.
2. Local small builders and contractors offering a range of dry, wet and incremental sanitation solutions by end of 2010.
3. Number of contractors active in sanitation service provision increased in project area by end of project.

**Project Update:**

**4/05:** project extended to FY07 to allow for the production of further materials, as suggested by MRD and sector partners after review of the draft pictorial materials. Private sector study and marketing pilot and scale-up added

**4/06:** Activity dates adjusted in light of ongoing work. New activities added for FY07. Study of potential for sustainable sanitation added to FY07 component of this project.

**3/07:** Project continued until June 2009, in response to Ministry demand to assist in national strategy development, and entry of DFID into the sector with national sanitation trust fund, requesting WSP assistance in implementation.

**3/08:** Project extended until June 2011 for various reasons. Most important is the realization that a one-year sanitation marketing pilot is unrealistic; a 3-year effort is more likely to bear fruit. Administrative delays also took more time than foreseen. Indicators of outcome revised to better reflect long term outcome rather than incremental outputs. Sustainable sanitation study removed from outputs as not feasible.

**4/09:** Continued integration of this project with existing sector management and coordination work (CAM69) as well as new regional project focusing on affordable sanitation in difficult circumstances (REG76 (6))

**Project Activities and Outputs:**

Activities	Outputs
<ul style="list-style-type: none"> <li>• Support regional Economics of Sanitation (ESI) project activities and dissemination of results in Cambodia.</li> </ul>	<ul style="list-style-type: none"> <li>• ESI phase 2 country study successfully completed by early 2010</li> </ul>
<ul style="list-style-type: none"> <li>• Engagement of Vietnam and Lao PDR in sanitation marketing activities, through incorporating prior experience (Vietnam) and guiding related project development in Lao PDR.</li> </ul>	<ul style="list-style-type: none"> <li>• Project staff working on sanitation marketing visits Lao PDR in preparation of fieldwork. Assist Lao staff in preparing marketing project.</li> </ul>
<ul style="list-style-type: none"> <li>• Production of materials:               <ol style="list-style-type: none"> <li>a. Finalize and disseminate simplified sanitation technical manual to support informed choice manual (carried over FY09)</li> <li>b. Develop usage and implementation guidelines for Ministry of Rural Development staff and other sanitation project implementers making use of the informed choice sanitation materials developed in FY08 and FY09 (book, posters, flipcharts, construction manual).</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Technical manual available by October 2009.</li> <li>• Implementation guidelines available by January 2010</li> </ul>
<ul style="list-style-type: none"> <li>• Continue sanitation marketing pilot Phase II.</li> </ul>	<ul style="list-style-type: none"> <li>• Pilot (Phase I) started in October 2008 in Svay Rieng province for 9 months, and now continuing according to original plan.</li> </ul>

<ul style="list-style-type: none"> <li>In cooperation with sector partners, implement a study looking at sanitation financing options—including subsidy models and the use of Conditional Cash Transfers (CCT) in the promotion of sanitation—to support development of implementation guidelines for the national sanitation strategy and the sector financing strategy. Link this to methodology used in global sanitation financing study (TTL Eddy Perez) so that global database increases.</li> </ul>	<ul style="list-style-type: none"> <li>Study completed in November 2009</li> <li>National sanitation financing workshop organized in November 2009</li> </ul>
<ul style="list-style-type: none"> <li>Sanitation advocacy to local governments.</li> </ul>	<ul style="list-style-type: none"> <li>Meetings with provincial, district, and commune level authority to sensitize them to sanitation issues and local action, continuing from FY09.</li> </ul>

**EA/CAM/69:** Country Sector Coordination and Advocacy **Year 4 of 6**  
**Task Manager:** Jan Willem Rosenboom  
**Client:** Ministry of Rural Development (MRD), Ministry of Industry, Mines and Energy (MIME)  
**Country:** Cambodia  
**Partners:** World Bank, UNICEF, WHO, DFID, ADB

**Desired Project Outcome:**

A higher profile for water supply and sanitation in the Cambodia National Development Plan, more effective sector cooperation in water supply and sanitation and a growing emphasis on sector based approaches.

**Project Description:**

There are a number of distinct but related developments in the WSS sector in Cambodia that warrant close attention and follow-up support by WSP to help improve the overall sector performance, such as:

- The publication in January 2006 of a National Strategic Development Plan (NSDP);
- The implementation of a rural water supply and sanitation (RWSS) sector review by DFID;
- The development of a National Environmental Health Action Plan (NEHAP) by the Ministries of Health, Environment and Rural Development with WHO support;
- The establishment (in late 2007) of a Technical Working Group on Rural Water Supply, Sanitation and Hygiene, as a government/donor forum for sector programming, prioritisation and monitoring.

Together with the national MDG targets, the NSDP sets the direction for country development for the next 5 years, and as such is an extremely important document for donors and national institutions alike. Although important, and created in a lengthy participatory process, the NSDP is a deeply flawed document in many ways. Targets, implementation strategies and budgets are largely disconnected from each other. WSS is mentioned as a national priority in the early part of the document, but gets nary a mention (and no budget) in the later sections. In this weakness lies opportunity, since further revisions will need to be made. WSP will continue to push for a stronger focus on water supply and sanitation delivery in the document, in light of MDG targets and very limited sector financing. The Ministry of Planning has recognized that in spite of formal plan adoption by the government, further work is required and recently labeled the NSDP a “living document”, open to ongoing revision.

The DFID review concluded that the RWSS sector in Cambodia is in dire straits, and recommended that WSP take the lead in attempting to improve sector management and coordination. Following the release of the final review in June 2006, DFID has initiated a project to improve the performance of MRD in the sanitation sub-sector. Financing is channeled through MRD and UNICEF, with technical support provided by UNICEF, WSP and ADB. The Assessment report makes a number of practical recommendations for joint sector projects aimed at improving overall performance in areas such as data collection, monitoring, and evaluation. WSP has agreed to support these recommendations, in close cooperation with other sector partners. Mechanisms will also be established to improve communication and coordination among sector partners.

The creation of a TWG specifically focusing on the rural water supply and sanitation sector one year after the completion of the sector assessment reflects a growing awareness in the government that sector performance needs to be improved, and is an opportunity to also increase government-donor cooperation and donor-donor coordination. Valuable experience was gained in 2008 with the provision of joint strategy development TA to the Ministry of Rural Development by ADB, UNICEF and WSP, setting the stage for continued efforts at harmonization and alignment.

**Assumptions:**

1. Other (external) sector partners are interested in taking responsibility for overall WSS sector performance as well.
2. Practical ways can be found for the various partners to jointly support sector ministries (e.g. through shared funding, joint Technical Assistance, etc.).
3. Political realities will not prevent the government from following through on its water supply and sanitation priorities.

**Start Date:** August 2006

**End Date:** June 2012

**Project Milestones:**

1. Rural Water Supply and Sanitation is clearly reflected in targets and implementation strategies of the 2007 revised NSDP – June 2007.
2. Sector development partner coordination mechanisms defined and operationalized (from December 2007).
3. A Cambodian NEHAP is produced by joint working group, clearly reflecting WSS, and supported by a majority of sector partners – January 2007.
4. Sector strategy operationalized from January 2010

**Indicators of Outcome:**

1. Proposed Rural water supply and sanitation strategy and budget for inclusion in NSDP by June 2009.

2. Proposal developed for DFID support to sector coordination.
3. WSS section for NEHAP developed and included (based on strategy work done for sanitation, and DFID review results).
4. Rural water supply, sanitation and hygiene sector strategy formally endorsed by the government in December 2009

**Project Update:**

**3/07:** NEHAP participation scaled back after WHO and MOH loss of interest.

**3/08:** Apparently a NEHAP was developed by WHO consultant, but not shared with sector partners. Status unclear, and no longer so relevant to sector prioritization. NEHAP indicators retained still, but status to be clarified.

**4/09:** Project timeline extended for a further 3 years, as general thrust of the project remains relevant for the country. Project title brought in line with guidelines from WSP Washington first provided in FY09. Project description updated to reflect recent developments, and milestone and indicator related to rural strategy added. Urban sanitation roadmap activities added following in principle agreement among World Bank (EASUR), Ministry of Industry, Mines and Energy and WSP to start focusing on this from FY10.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Advocacy:</b></p> <ul style="list-style-type: none"> <li>• Contributions to World Bank CAS planning, implementation, and monitoring/review; regular liaison with donor and NGO community through, inter alia, monthly donor coordination meetings and regular Technical Working Group meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Reports and other contributions to donor planning and assessment processes on ongoing basis.</li> </ul>
<p><b>Sector Coordination and Program Management:</b></p> <ul style="list-style-type: none"> <li>• Work with MRD, UNICEF, ADB and DFID to effect successful national strategy development and implementation.</li> <li>• Support World Bank EASUR work to establish a roadmap for the development of an urban sanitation strategy, in close cooperation with the Ministry of Industry, Mines and Energy (MIME)</li> <li>• Strategic support to World Bank operations, AAA, WSP GPTs and regional activities</li> </ul>	<ul style="list-style-type: none"> <li>• Input to strategy provided to Technical Working Group secretariat; strategy completed – December 2009</li> <li>• National stakeholder consultation process initiated and supported according to MIME work plan</li> <li>• As requested</li> </ul>
<p><b>Sector support (follow-up action in response to DFID-sponsored RWSS sector assessment):</b></p> <ul style="list-style-type: none"> <li>• Strengthen sector monitoring. Support further sector focused analytical work on existing data (DHS 2005). Work with MRD on formally approving definitions for RWSS coverage and access developed in FY09.</li> <li>• Address data needs for monitoring and planning: follow through on results of FY09 pilot project establishing an online well database, as well as UNICEF project to collect data through mobile phones</li> </ul>	<ul style="list-style-type: none"> <li>• Definitions formally submitted to Minister of Rural Development for promulgation by May 2009</li> <li>• Well Map usage data analyzed by December 2009.</li> <li>• Advice re. integration of UNICEF mobile phone database pilot and WellMap online database available by September 2009, following study of options and issues.</li> </ul>

**EA/IND/28:** Indonesia Country Sector Coordination and Advocacy Year 6 of 7  
**Task Manager:** Ratna I. Josodipoero  
**Client:** Government of Indonesia, World Bank Indonesia, Local Government  
**Country:** Indonesia  
**Partners:** AusAID, World Bank, Government of Netherlands, Sida, Asian Development Bank

**Desired Project Outcome:**

Maximization of impact upon the country's WSS sector through coordination of outcomes, outputs and activities of the WSP business plan in Indonesia, strengthened teamwork and shared accountability for country level outcomes among major country project teams, and strategic interfaces between WSP's work and World Bank Indonesia's operations and analytical and advisory (AAA) work.

**Project Description:**

The Indonesia country sector coordination and advocacy a diverse range of activities in accordance with WSP-EAP's country strategy in Indonesia, which is to develop critical synergies among the business plan projects/activities. This is done through a) developing interfaces between the various projects (such as WASPOLA, ISSDP/SUSEA, TSSM); b) linking WSP support with World Bank projects, e.g. the new Water and Sanitation for Low Income Communities Project 3 (PAMSIMAS), and Early Childhood Education and Development project; c) developing synergies between various activities funded under these projects to scale up and build momentum towards achieving the water and sanitation MDGs in Indonesia; and d) addressing issues of WSS service delivery to the poor through participation in the Bank's AAA work on poverty analysis and decentralization.

This activity also includes staff time allocated to work planning, progress reporting, overseeing compliance to establishing procedures for quality assurance in delivery of the work program to clients, and adjusting the Indonesia Country Team professional skill mix in accordance with client demands for services.

**Assumptions:**

1. The current secure funding horizon for scaling up operationalization of sector policy reforms will continue over the next years.
2. The Government is committed to WSS priorities and the scaling up of various approaches to meet the related MDGs.

**Start Date:** July 2009**End Date:** June 2010**Project Milestones:**

1. Common understanding developed among project partners/clients at national and sub-national levels on overall design for scaling up sector reform in the community-based WSS sector – October 2008.
2. PAMSIMAS program catalyses the completion of analyses of sector financing needs and sector data rationalization needed to set measurable targets and chart progress towards the WSS MDG – September 2008.
3. National event organized to gather stakeholder consensus on a sector analysis and country strategy for achieving sanitation MDGs and scaling up hygiene behavior change, to be presented as Indonesia's country position paper – June 2009.

**Indicators of Outcome:**

1. Synergistic mechanisms and processes developed for sanitation sector development using WASPOLA, ISSDP-SUSEA and TSSM projects – February 2008.
2. PAMSIMAS program develops national and sub-national commitments towards scaling up sector reforms linked to financing and monitoring progress towards the WSS MDGs – December 2008.
3. The Government, NGOs and civil society, private sector agencies and external support agencies engage in dialogues to identify national sanitation and hygiene strategy directions needed to reach WSS MDGs – December 2008.

**Project Update:**

**4/08:** Project sheet EA/IND/54 Improving the Effectiveness of Large Scale RWSS Investments (100% Bank budget-financed cross support) integrated into this project sheet.

**Project Activities and Outputs:**

Activities	Outputs
<b>Country Team Coordination:</b> <ul style="list-style-type: none"> <li>• Coordination, information-sharing and review meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Regular country team meetings (monthly)</li> </ul>

<p><b>Donor and Client Liaison:</b></p> <ul style="list-style-type: none"> <li>• Participation in sector coordination meetings</li> <li>• Regular liaison with donor representatives and Government decision-makers</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in World Bank Water and Sanitation Sector Team, Sector Coordinator meetings</li> <li>• Regular liaison with donor representatives, Government decision-makers (4 times during this FY 2010)</li> </ul>
<p><b>Country Business Plan Preparation and Reporting:</b></p> <ul style="list-style-type: none"> <li>• Preparation and updating of project sheets, country strategy, mid-year review and end-of-year review.</li> </ul>	<ul style="list-style-type: none"> <li>• Mid-year review (December 2009)</li> <li>• Business plan preparation (April 2010)</li> <li>• End-year report (June 2010)</li> </ul>
<p><b>World Bank Project Cross Support:</b></p> <ul style="list-style-type: none"> <li>• Project supervision and preparation support</li> </ul>	<ul style="list-style-type: none"> <li>• Inputs to supervision mission reports, mid-term reviews, implementation completion reports, etc. as required</li> </ul>
<p><b>Developing Linkages and Synergies:</b></p> <ul style="list-style-type: none"> <li>• Integration of community-based sanitation program into water resource management.</li> <li>• Developing integrated community-based monitoring system for national strategy of community-based total sanitation</li> </ul>	<ul style="list-style-type: none"> <li>• Community-led total sanitation (CLTS) approach introduced to water resources authorities in East Java province - integrated with TSSM triggering during FY 2010.</li> <li>• Approaches that support integrated social economic efforts to strengthen community along the river - March 2010.</li> <li>• Stakeholder seminar to introduce community based monitoring system among related sanitation projects - August 2009.</li> <li>• Follow up stakeholder meetings and seminar - June 2010.</li> </ul>

**EA/IND/55:** **Indonesia Sanitation Sector Development Project (ISSDP)** **Year 5 of 5**  
**Activity 1 – Developing an Effective Enabling Framework for Sanitation (WASAP C)**

**Task Manager:** **Isabel Blackett**

**Client:** **National Development Planning Board (BAPPENAS), Sanitation Development Technical Team (SanTT), Ministry of Public Works (MPW), World Bank Indonesia**

**Country:** **Indonesia**

**Partners:** **World Bank, national, provincial, local governments and communities, Netherlands Government**

**Desired Project Outcome:**

A national enabling environment for urban and rural sanitation in Indonesia developed and adopted by the Government through strengthened policy, regulation, institutions, strategies, and action plans provides a predictable and supportive environment for sanitation investment and action by all stakeholders.

**Project Description:**

The Water and Sanitation Program (WASAP) for Indonesia is a Netherlands Embassy parent Trust Fund managed by World Bank Office Jakarta. Indonesia Sanitation Sector Development Project (WASAP C) is one of ten WASAP sub-programs. The development of a sanitation sector in Indonesia requires that key policy-makers and politicians understand the impacts of inadequate sanitation and be willing and able to develop an enabling environment that encourages change and mobilizes resources. This activity of ISSDP will:

- Develop awareness of the need for improved sanitation and the capacity of key policy makers to motivate for change, as well as other national and local stakeholders;
- Develop financing, technical, capacity building, poor-inclusive sanitation strategies, action plans, and guidelines needed to operationalize the sanitation policy; and
- Clarify the institutional framework for sanitation at national, provincial, and local levels.

The WASPOLA-supported community and institutional (draft) policy work to date will be the basis for the sanitation strategy development activity of ISSDP, which will focus on urban sanitation development. This will involve close coordination with the action plans and strategies developed by Ministry of Public Works and other key ministries.

**Assumptions:**

1. Sanitation becomes one of the priority development issues in Indonesia by 2008 and 2009.
2. Government is willing to allocate human resources, reform institutions and budgets to this long neglected area.
3. All involved ministries are willing and able to develop and then implement an agreed urban and rural sanitation policy framework.
4. There are no major economic, natural disasters or political factors to undermine the ability of Government to allocate substantially increased budgets.

**Start Date:** October 2005

**End Date:** December 2009

**Project Milestones:**

1. National Sanitation Summit raises sector profile, Ministerial declaration signed, increased high level interest & involvement by August 2007 - achieved November 2007.
2. Initial or draft national urban sanitation strategy by late 2008.
3. National and provincial budgets for sanitation increasing annually by 2009 - achieved by 2008.

**Indicators of Outcome:**

1. Four high-level public policy statements or specific strategies/directions on sanitation improvements – by December 2007
2. An effective sanitation strategy document demonstrating Government ownership and comprehensiveness is adopted and implemented by all parties in Government – June 2009.
3. Government allocates annually increasing substantial budgets for sanitation improvements in poor communities – from January 2007.

## Project Activities and Outputs:

Activities	Outputs
<p>Support Government to disseminate and approve <b>incremental minimum service standards (SPM)</b>, target-setting and mechanisms:</p> <ul style="list-style-type: none"> <li>• Analysis and recommendations for SPMs to be introduced on an incremental basis.</li> <li>• Support the dissemination of an information strategy on national SPMs.</li> </ul>	<ul style="list-style-type: none"> <li>• SPMs disseminated in the context of Provincial and city and provincial level training.</li> <li>• Strategy for SPM dissemination designed for use by Government before October 2009.</li> </ul>
<p>Support Ministry of Public Works and SanTT to develop an <b>urban sanitation policy/strategy/guidelines</b> informed by the ISSDP process and others programs at city level:</p> <ul style="list-style-type: none"> <li>• TA to Government to develop draft strategy and disseminate for discussion.</li> <li>• Final urban sanitation document.</li> </ul>	<ul style="list-style-type: none"> <li>• Draft strategy/guidelines developed for dissemination and consultation by December 2009.</li> </ul>
<p>Finalise and publish <b>sanitation information for local governments</b>, based on documents drafted in FY09 i.e:</p> <ul style="list-style-type: none"> <li>• Technical options (in Bahasa Indonesia) with typical unit costs.</li> <li>• How to develop a City Sanitation Strategy (CSS)</li> <li>• Funding sources and mechanisms</li> <li>• Government policies and strategies</li> </ul> <p>Disseminate via interactive CDs, website, documents, knowledge events and training, periodicals, AMPL, and other existing and new channels.</p>	<ul style="list-style-type: none"> <li>• Guidelines on Technical Options published by October 2009.</li> <li>• CSS information available nationally by December 2009 (website, CDs etc)</li> </ul>
<p><b>Support Government in improving sanitation monitoring systems:</b></p> <ul style="list-style-type: none"> <li>• Support Government to improve local and national data collection on sanitation utilizing existing SUSENAS, Census and other mechanisms.</li> <li>• Develop M&amp;E system at national level which is fully linked to M&amp;E system at province and city and based on SPMs.</li> </ul>	<ul style="list-style-type: none"> <li>• Documented outline of tested sanitation monitoring systems at national level by December 2009.</li> <li>• Proposals for linked monitoring mechanisms at city, province and national level by June 2009.</li> </ul>
<p><b>Exit/Sustainability Strategy</b></p> <ul style="list-style-type: none"> <li>• Based on FY09 concepts finalize exit strategy and support design of follow up processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Exit /Sustainability strategy completed by August 2009</li> </ul>

**EA/IND/55:** **Indonesia Sanitation Sector Development Project (ISSDP)** **Year 5 of 5**  
**Activity 2 – Developing a Coordinating Mechanism and Investment Framework**

**Task Manager:** **Isabel Blackett**

**Client:** **National Development Planning Board (BAPPENAS), Sanitation Development Technical Team (SanTT), Ministry of Public Works (MPW), World Bank Indonesia**

**Country:** **Indonesia**

**Partners:** **World Bank, national, provincial, local governments and communities, Netherlands Government**

**Desired Project Outcome:**

The Government has developed and is utilizing a strategic sanitation sector investment framework to mobilize resources for sanitation sector development and the framework has been agreed with donors, through an effective coordination and collaboration mechanism with the key sanitation donors and international financing institutions (IFIs).

**Project Description:**

The Water and Sanitation Program (WASAP) for Indonesia is a Netherlands Embassy parent Trust Fund managed by World Bank Office Jakarta. Indonesia Sanitation Sector Development Project (WASAP C) is one of ten WASAP sub-programs.

To bring about a coherent framework in the sanitation sector, this component of ISSDP will develop a process through which donor, IFI and government funding in the sanitation sector can be coordinated. The coordinated framework will support Government urban and rural (or community and institutional based) sanitation policies and subsequently developed sanitation strategies, demand creation and capacity building for urban and rural sanitation.

The process of establishing a coordinating framework will require broad stakeholder consensus among all ministries and levels of government & programs, donors, the private sector and NGOs that are currently active or could be mobilized to play a role in sanitation. Pending Government's decision on the separation or coordination of water and environmental sanitation, this activity will be closely linked to WASPOLA's policy reform and sector investment strategy work and coordinated with the work plan of WASPOLA, involving joint activities and outputs, with ISSDP focusing on environmental sanitation. When the objectives and principles of a coordinating framework are agreed, an investment framework will be developed.

**Assumptions:**

1. Sanitation becomes a priority development issue in Indonesia.
2. Donors and IFIs are able to operationalize their agreement to the sector framework.
3. Government both leads and enforces the coordinating framework requirements for government, IFI and donor funding.

**Start Date:** September 2005

**End Date:** December 2009

**Project Milestones:**

1. Establishment of Sanitation Donor Group (SDG) by mid 2007 - achieved
2. First multi-donor sanitation sector meeting convened by November 2007 – achieved June 2007
3. Collaboration with WASPOLA and other donors for national stakeholder event (Sanitation Summit) in preparation for EASAN by July/August 2007 – achieved November 2007
4. Government agreement with investment framework for sanitation by October 2009.

**Indicators of Outcome:**

1. Donor decision-making led by government counterparts and confidence in sanitation sector investment improved, as indicated by increased investment by Government and donors.
2. Donors work together through harmonized and consistent programs supportive of Government policy and strategy.
3. Sector Investment Plan supported by relevant Government ministries and donors.

**Project Update:**

**4/09** Final 6 months of current funding ending 12/09. Proposal for two further years currently being drafted in consultation with Government, donor and WASAP TF coordinator (World Bank in Jakarta).

**Project Activities and Outputs:**

Activities	Outputs
<ul style="list-style-type: none"> <li>• Sanitation Donor Group (SDG) continues to meet on a bimonthly basis.</li> <li>• Hold 2-3 sanitation 'special interest' meetings for SDG members and others</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing process in which minutes of meeting identify increasing convergence of approaches and willingness to align investment and technical assistance programs with Government policies and approaches.</li> <li>• Materials and 'special interest' sessions readily available to</li> </ul>

Activities	Outputs
	SDG members, Government and a wider audience.
<ul style="list-style-type: none"><li>Finalize existing draft TOR for Sanitation Roadmap and Investment Framework together with Government.</li></ul>	<ul style="list-style-type: none"><li>Review of viability of initiative, government interest, potential resumes and obtain Government inputs to draft TOR by September 2009</li></ul>
<ul style="list-style-type: none"><li>Facilitate national government and donor consensus on investment strategy for urban and rural sanitation.</li></ul>	<ul style="list-style-type: none"><li>Based on national urban and rural strategies for sanitation draft Investment Framework by December 2009.</li></ul>

**EA/IND/55:** **Indonesia Sanitation Sector Development Project (ISSDP) and Sustainable Sanitation for East Asia (SuSEA) Year 5 of 5**  
**Activity 3 – Development of Local Sanitation Capacity and Strategies**  
**And Provincial Awareness Raising**

**Task Manager:** Isabel Blackett

**Client:** National Development Planning Board (BAPPENAS), Sanitation Development Technical Team (SanTT), Ministry of Public Works (MPW), World Bank Indonesia

**Country:** Indonesia

**Partners:** World Bank, national, provincial, local governments and communities, Netherlands Government

**Desired Project Outcome:**

Provincial government's environmental sanitation capacity has been built and enables them to promote sanitation awareness improvements and support scale up the City Sanitation Strategy (CSS) process and monitor sanitation development expand to more cities. The CSS and capacity building will include solid waste management and drainage in an integrated approach with wastewater disposal. The CSS focus will be pro-poor, gender aware and include sustainable environmental sanitation promotion and capacity building for city-wide strategies and action plans in cities

**Project Description:**

The Water and Sanitation Program (WASAP) for Indonesia is a Netherlands Embassy parent Trust Fund managed by World Bank Office Jakarta. Indonesia Sanitation Sector Development Project (WASAP C) is one of ten WASAP sub-programs.

This activity is co-funded by Sustainable Sanitation for East Asia (SuSEA) which supports i) integration of solid waste and drainage aspects of the CSS development and capacity building and ii) promotion and awareness raising inputs. The co-funding assists local governments (as well as non-governmental partners and primary stakeholders) with gender aware and pro-poor capacity building, needs assessment, and citywide strategy development and action planning. It enables them to include drainage, solid waste management (SWM) and grey water disposal into their city sanitation strategies (CSS). Through this process, municipalities will develop a comprehensive approach to solving city sanitation problems and identify priority areas for investment for reduction of flooding in urban poor areas as well as for financially viable SWM operations.

Currently at the local level, capacity to ensure the implementation of a national sanitation strategy is limited. Local governments (and utilities) have had limited experience with sanitation and require support to develop a strategic action framework at the city-level for sanitation policy, planning, budgeting, and management. This activity will focus on

- i) Increasing the capacity of three provincial governments to promote and support scaling up of the CSS process and to monitor its implementation in the cities.
- ii) Assisting six new local governments (as well as non-governmental partners and primary stakeholders) in capacity building, needs assessment, and citywide strategy development (including developing awareness campaigns) and action planning. Additional cities will be welcome to join training sessions at province and city level.

Through this process, municipalities in at least six additional cities will develop an overall approach to solving the city sanitation problems and will identify priority areas for investment, following the process developed during 2006-2007 in the six Phase 1 ISSDP cities.

The technical assistance and capacity building components for Phase 1 cities is being backed up by providing (matching) funds for municipal governments willing and committed to investing in sanitation improvements under activity WASAP D (Sanitation Pilots) based on CSS and action plan.

**Assumptions:**

1. Sanitation becomes one of the priority development issues in Indonesia.
2. Central government ministries support decentralized environmental sanitation planning, budgeting and development.
3. Provincial governments are committed to adopt and scale up the CSS process to other cities.
4. Local level action is demanded by communities and municipalities.

**Start Date:** October 2005

**End Date:** December 2009

**Project Milestones:**

1. City sanitation mapping and assessments complete by Nov 2007 (Phase 1) – achieved, and June 2009 (Phase 2)
2. Consultant contract amendment by January 2007 to include SuSEA funding for SWN and drainage – achieved.
3. City strategies complete by April 2008 (Phase 1) – achieved, and at least 4 more city strategies by November 2009.
4. Provincial Working groups established in 3 Provinces by October 2008 – achieved.
5. Lessons learned incorporated in national level urban sanitation strategy/policy by November 2009

**Indicators of Outcome:**

1. CSS officially adopted/incorporated in local government planning process by April 2008 (Phase 1) and December 2009 (Phase 2).
2. Sanitation mapping and CSS includes grey water, solid waste and drainage aspects and are completed August 2007 (Phase 1) and December 2009 (Phase 2).
3. Cities allocate substantially increased funds to sanitation improvements starting September 2006/2007 (Phase 1) and September 2009 (Phase 2).
4. Provincial governments allocate annually increasing substantial budgets for sanitation improvements in poor communities based on priorities set in CSS from 2009.
5. Monitoring program (based on Minimum Service Standards (SPM) application) in improving cities sanitation services are incorporated in the provincial planning by December 2009
6. Urban Sanitation Policy/Strategy launched incorporating lessons-learned from city activities by November 2009 (linked to Activity Sheet 1).

#### Project Activities and Outputs:

<p><b>Activity Update:</b></p> <p><b>4/08</b> Previous ISSDP Project sheets IND/55/3a and IND/55/4a have been combined into this new IND/55/3a. As the design phase of promotion and awareness materials is now over, local capacity building, awareness raising and promotion is a combined activity at Province and city level.</p> <p><b>4/09</b> This Project Sheet IND/55/3 combines sheets former sheets IND/55/3a and IND/55/3b. In May 2008 Phase 2 of ISSDP-SUSEA was sub-contracted based on one combined TOR contract for WASAP C and SuSEA funding, thus increasing the level of integration and consistency, administrative efficiency and donor harmonization.</p> <p>The current ISSDP funding is expected to be completed in Dec 2009. A new follow on phase to start around March 2010 is currently under discussion but not yet designed or agreed.</p>	
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Activities	Outputs
<p>Assist <b>provincial governments to develop and disseminate CSS process</b> to additional cities, and develop their capacity to take the process to scale:</p> <ul style="list-style-type: none"> <li>• Mainstream Environmental Health Risk Assessment (EHRA), Sanitation Mapping and Situation Assessment (“White Book”), and CSS process</li> <li>• Support development of province-wide sanitation promotion campaigns</li> <li>• Assist cities in accessing funds and support cities to start the implementation of CSS</li> <li>• Support provincial governments to develop monitoring and evaluation systems, linked to city and national systems based on SPMs.</li> </ul>	<ul style="list-style-type: none"> <li>• 2 knowledge events/workshops on urban sanitation, before November 2009.</li> <li>• Expansion of CSS development using Government resources by October 2009.</li> <li>• Development of sanitation monitoring system based on SPM application and operational at provincial level in two provinces by December 2009 (FY10).</li> </ul>
<p>Support <b>city governments</b> on:</p> <ul style="list-style-type: none"> <li>• Sanitation technology options and service delivery.</li> <li>• Holding the Sixth Sanitation Summit in Jambi or East Java City</li> <li>• CSS implementation for Phase 1 cities</li> <li>• Development of local city monitoring system which links to provincial and national system based on SPMs.</li> </ul>	<ul style="list-style-type: none"> <li>• Two new draft guidance notes on wastewater, solid waste and drainage disposal by Dec 2009.</li> <li>• 1 more inter-city summit supported by October 2009.</li> <li>• White book, CSS detailed guidance available in Bahasa Indonesia as web-based information by October 2009.</li> <li>• CSS incorporated in city regular planning cycle and implemented by December 2009.</li> <li>• City monitoring system in use by October 2009.</li> </ul>

<b>EA/IND/77:</b>	<b>Scaling Up Sanitation Coverage through Total Sanitation and Sanitation Marketing (TSSM)</b>	<b>Year 4 of 4</b>
<b>Task Manager:</b>	<b>Ratna I. Josodipoero</b>	
<b>Client:</b>	<b>Ministry of Health, National Development Planning Board (BAPPENAS)</b>	
<b>Country:</b>	<b>Indonesia</b>	
<b>Partners:</b>	<b>National, provincial and district governments of East Java, local NGOs, private sector</b>	

**Desired Project Outcome:**

Poor Rural Households gain sustainable access to improved sanitation based on Joint Monitoring Program (JMP) definition and health through demand generated at large scale, improved supply of sanitation-related products and services to achieve open defecation-free communities, and adoption of improved hygienic practices. Country stakeholders are able to capture evidence-based lessons from the project, mainstream them into nation wide programs and disseminate to other countries within or outside the region.

**Project Description:**

Globally, much is known about how to effectively increase sanitation access and improve health conditions. But more experience and knowledge are needed to scale up these programmatic approaches nation- and world-wide and to ensure that the poorest and most vulnerable families gain access to sanitation. In Indonesia varied definitions of sanitation coverage have led to national socio-economic survey data showing 53% sanitation coverage in rural areas (SUSENAS 2004), while the corresponding JMP estimates are at 38%. Even with high estimates, the expected health benefits are not materializing, raising concerns about the quality of sanitation. The Government of Indonesia's interest in sanitation is growing, and important steps have been identified to scale up rural sanitation, while the search is ongoing for workable and affordable rural solutions. Total Sanitation and Sanitation Marketing (TSSM) are approaches with the potential to have high uptake and impact both within Indonesia and regionally.

This project is part of a global initiative covering India, Indonesia and Tanzania to implement, rigorously evaluate and document these approaches. In Indonesia, the main components of the project involve: (1) support activities to scale up demand creation for sanitation at the household & community level; (2) support activities to improve and increase the supply of sanitation and hygiene related products and services that are appropriate and affordable to the poor; (3) a structured process to develop the practical knowledge and tools to replicate and scale up these programs at a reasonable cost and within the financial/institutional constraints of other countries; and (4) an impact evaluation conducted by a global team to understand the impact of large-scale sustainable sanitation programs to strengthen the global WSS sector knowledge and build support among sector partners to replicate the proven approaches in areas or countries where sanitation lags behind.

The project covers rural areas of all 29 districts in the East Java province, which has a population of 46 million people and rural sanitation coverage estimated at around 45%. Implementation will follow three phases: 10 districts in Phase 1, 11 districts in Phase 2, and the remaining 8 districts in Phase 3. Provincial and district government buy-in into project objectives, targets and approaches will be ensured before field level activities begin.

**Assumptions:**

1. Sufficient political will among the respective ministries, provincial and district governments to collaborate on sanitation and to integrate the M&E framework.
2. Willingness of development partners to come to a consensus and adopt TSSM as a rural sanitation approach.
3. Appropriate allocation and effective use of funding by the Government to support rural sanitation.

**Start Date:** December 2006**End Date:** December 2010**Project Milestones:**

1. First batch of districts agree to joint TSSM program in April 2007.
2. Strategy and plan developed by participating districts by August 2007.
3. Selected villages in each district are in progress to achieve open defecation-free status and conduct self assessment – starting September 2007.
4. District government budget allocation during project period and after project period for further development – starting Government Financial year 2007.
5. Additional sanitation products and services in local markets to meet consumers demand – starting February 2008.

**Indicators of Outcome:**

1. 1.4 million poor rural people gain sustained access to improved sanitation (JMP definition) – November 2010.
2. At least 300 communities are declared open defecation free, and with improved health – November 2009.
3. Lessons from the project and results from the globally conducted impact evaluation are documented and disseminated – December 2009.
4. The Government adopts TSSM-based approaches for the whole country – November 2009.

**Project Update:**

4/08: Project period extended up to November 2010. The original plan was for 2 phases of district implementation, and has been changed to 3 phases (phase1: 10 districts, phase2: 11 districts and phase3: 8 districts).

**Project Activities and Outputs:**

Activities	Outputs
<b>Activity 1 – Project Management:</b>	
<ul style="list-style-type: none"> <li>6 monthly global team meeting on TSSM.</li> </ul>	<ul style="list-style-type: none"> <li>TSSM workshop conducted in India – October 2009.</li> <li>TSSM workshop report produced by October 2009, highlighting agreement among countries to improve program approach based on lesson learned and sharing experiences.</li> </ul>
<ul style="list-style-type: none"> <li>Workshop on structured learning plan agreed with participating 29 districts.</li> </ul>	<ul style="list-style-type: none"> <li>Workshop conducted – November 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Start field implementation in Phase 3 districts.</li> </ul>	<ul style="list-style-type: none"> <li>Extension of resource agencies contracts to cover 8 Phase 3 districts (June – December 2009)</li> </ul>
<ul style="list-style-type: none"> <li>Assist the Government in developing guidelines for the National Strategy on Rural Total Sanitation and Hygiene through Community Development.</li> </ul>	<ul style="list-style-type: none"> <li>Final review and inputs to guidelines by December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Assist district governments in finalizing district commitment to scaling-up a cross each district.</li> </ul>	<ul style="list-style-type: none"> <li>All 3 phases by October 2009</li> </ul>
<ul style="list-style-type: none"> <li>Workshop on disseminating best practices of TSSM implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Workshop conducted – July 2009</li> </ul>
<b>Activity 2 – Creating Demand for Sanitation</b>	
<ul style="list-style-type: none"> <li>Development and application of demand generation activities for sanitation and hygiene behavior change in Phase 3 districts.</li> </ul>	<ul style="list-style-type: none"> <li>TSSM training for community facilitators are conducted in each district by July 2009 for phase 3 districts.</li> <li>At least 30 communities have been triggered in each phase 3 districts.</li> <li>At least 40% of triggered communities achieve Open Defecation Free status.</li> </ul>
<b>Activity 3 – Supply of Sanitation Product and Services</b>	
<ul style="list-style-type: none"> <li>Mason training to ensure the availability of adequately trained masons for sanitation services and products.</li> </ul>	<ul style="list-style-type: none"> <li>Mason training conducted in each district for 60 trainees started by May 2009 – July 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Sanitation campaign through local media including local TV program</li> </ul>	<ul style="list-style-type: none"> <li>Sanitation messages promoted through local media by using locally available resources.</li> </ul>
<ul style="list-style-type: none"> <li>Launch champion through Jawa Post Institute Pro Autonomy (JPIP) award mechanism</li> </ul>	<ul style="list-style-type: none"> <li>JPIP award to be launched by July 2009</li> </ul>
<b>Activity 4 – Scalability and Replication in Other Countries</b>	
<ul style="list-style-type: none"> <li>Indonesia TSSM delegation attends region events to learn and share experiences with other countries.</li> </ul>	<ul style="list-style-type: none"> <li>Indonesia TSSM team shares experiences with other countries such as Lao in developing program and activities</li> </ul>
<ul style="list-style-type: none"> <li>Periodic learning events and ongoing learning activities implemented according to agreed plan.</li> </ul>	<ul style="list-style-type: none"> <li>Activities reports and recommendations for improving the program implementation; June 09 – July 2010.</li> </ul>

<ul style="list-style-type: none"> <li>• story. Documentation and publication of TSSM</li> </ul>	<ul style="list-style-type: none"> <li>• Based on lessons learned, develop and update materials for printing and publishing by July 2009.</li> <li>• Case studies of increasing demand and supply by May 2010.</li> <li>• Lessons learned on the institutional ownership of TSSM approaches into Local Government programs by January 2010</li> </ul>
<b>Activity 5 – Impact of Sanitation Program</b>	
<ul style="list-style-type: none"> <li>• Participation in and support to the global TSSM impact evaluation (economic, health, and social aspects)</li> </ul>	<ul style="list-style-type: none"> <li>• Review and comments on preliminary results and mission reports</li> <li>• Conduct visits, together with the global IE team to the field and District Health Offices, to see how the program is being implemented and what potential issues may arise related to the IE study</li> <li>• Presentation of baseline data results to District Health Officials by June/July 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Participation in and support to the monitoring survey (monitoring data collection ongoing from October 2008 to November 2009)</li> </ul>	<ul style="list-style-type: none"> <li>• Assistance in communicating with District Health Officials about the implementation of the surveys</li> <li>• Support to resolving issues that may affect the results and quality of the IE study.</li> </ul>
<ul style="list-style-type: none"> <li>• Participation in and support to the endline survey. <ul style="list-style-type: none"> <li>○ Note: target for the endline survey data collection: March-April 2010</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Inputs and recommendation to arrange schedule of the endline survey.</li> </ul>

**EA/IND/85:** Multi-Village Pooling Project (MVP Project) Year 3 of 3  
**Task Manager:** Jemima Sy/Deviariandy Setiawan  
**Client:** National Development Planning Board (BAPPENAS), Ministries of Health, Public Works, and Home Affairs  
**Country:** Indonesia  
**Partners:** World Bank Indonesia, Water and Environmental Sanitation (AMPL) Working Group

**Desired Project Outcome:**

New operational policies and mechanisms for rural/peri-urban water supply services that support the expansion and improvement of current community-managed water services, through pooling of resources, risks and opportunities, are developed and tested by end 2010.

**Project Description:**

Of 70,000 villages in Indonesia, 80% are rural and a significant number are reliant on unimproved sources of water. As of 2005, according to the Village Potential Statistics of the national statistics institute (BPS), only 2% of villages are supplied with piped water to homes or to communal taps – most rural villages (52%) rely on shallow wells.

The Government has been making a tremendous effort to increase sustainable access to water supply in the countryside through large scale investment projects that support the construction of village water infrastructure, managed by users' associations. Pursuant to the National Policy on Community-Managed Water and Sanitation, the approach taken typically features community facilitation to establish demand for project intervention; capital cost-sharing by communities; and, organization of community-based groups that participate in project implementation and that are responsible to operate and maintain water supply facilities. Users' associations have been a useful vehicle for village project implementation but their performance in post-project infrastructure management has not been so conclusive. Under the current model, the pace of overall progress will be slow, even as future sustainability of access is uncertain. Potentially, there remains a high level of unmet demand in the areas where community-managed systems have been introduced.

In the context of the Government's intention of further scaling up investments in rural water supply and sanitation, it is important to explore whether and how this model can be enhanced to improve sustainability and potentially, promote post-project expansion or improvements – i.e., address second generation demand for water supply services in the rural areas. This initiative will develop and test the application of enhanced support systems, operational policy or institutional model(s) for rural/peri-urban community-based water supply service provision with the aim of improving the chances of project-supported WS to become sustainable and to fulfill unmet or second generation demand for water supply.

The proposed project will be conducted in three phases – each phase will be pursued only on the basis of a successful conduct of an earlier phase and availability of funds. The activities described in this project sheet only relate to Phase 1:

**Phase 1 – Action Research**

1. Exploration of Demand and Supply Capacity – The activity seeks to make a judgment about the performance of community-managed association in relation to their ability to meet market demand.
2. Capacity-Building Support for Pooling and Support Mechanisms through Intermediaries. This activity seeks to propose steps to develop and enhance the capacity of currently employed or proposed support and pooling vehicles or 'intermediaries'. At the level of the institution, the review will look into the organizational systems, management and financial capability of the intermediaries in relation to their potential viability as an ongoing provider of support services and vehicle for resources pooling for groups of water supply associations. The second level of assessment will be the feasibility of current or proposed products/services lines and the overall business plan.
3. Test implementation – This component seeks to provide technical and financing support to the 5 intermediary institutions for the implementation of key start-up activities identified in their business plans and to generate lessons for the design of a scale up program.

Phases 2 and 3 relate to detailed preparation for the scaling up of the trial through an investment program and support for policy dialogues by national government agencies concerned with rural and peri-urban water supply.

**Assumptions:**

1. Sufficient capacity exists within community-managed associations in rural and peri-urban areas to meet near future demand for water supply by December 2008.
2. An ongoing community-based water supply investment project (e.g. WSLIC-2, Public Works-implemented programs, etc.) will be able to support the trial implementation of new operational policies and mechanism for pooling resources, risks or opportunities for village water supply schemes by December 2009.

**Start Date:** December 2007

**End Date:** December 2009

**Project Milestones:**

1. 4-6 multi-village clusters/intermediaries indicate commitment to participating in the trial by allocating resources and indicating agreement to project partnership principles – completed April 2008.

2. Support agencies such as the Directorate of Water Supply – Ministry of Public Works, the Project Management Office, Ministry of Health, AMPL Working Group, other partner investment projects indicate support to the trials – completed April 2008.
3. Intermediaries, partners to the project, are implementing a relevant and feasible business plan that was developed with their members – October 2009.
4. Water committee members commencing activities to improve or expand their service with support from intermediaries – October 2009.

**Indicators of Outcome:**

1. In 4-6 multi-village clusters/intermediaries develop and commence the implementation of business plans that are aimed at improving the performance of member/client water supply committees. October 2009.
2. National and local policy makers and program planners adopt the trial program policies and mechanisms for application at scale to existing, pipeline or new investment projects April 2010.
3. Services expand, production and consumption of clean water, or efficiency gains resulting in at least 20% increased revenues or reduction of costs achieved by a majority of the participating water committees within the clusters – July 2010.

**Project Update:**

**04/08:** In the project components section, component number 3: design stage-1, and number 4: design stage 2 are being dropped unless new funding can be identified after trust fund closes. This has been reported in last mid-year review.

**04/09:** Target dates for milestones 3 and 4 and remaining outputs adjusted as per Mid-Year Review FY09.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Component 3 - Test Implementation:</b></p> <ul style="list-style-type: none"> <li>• Support to selected activities within business plan by intermediaries and dissemination of learning experience</li> </ul>	<ul style="list-style-type: none"> <li>• Support program for implementation of selected activities within intermediaries' business plan – October 2009.</li> </ul>
<p><b>Completion report</b></p> <ul style="list-style-type: none"> <li>• Project completion and report writing</li> </ul>	<ul style="list-style-type: none"> <li>• Field Note/Completion report – November 2009.               <ol style="list-style-type: none"> <li>a. document the results of the activities undertaken so far under MVP</li> <li>b. discuss the various options tested and assessed during Phase 1</li> <li>c. outline the Phase I and global lessons learned to guide the design of the scale up program and various alternatives considered</li> </ol> </li> <li>• Design document for one or two relevant and potentially feasible options, including documentation of agreements reached with stakeholders (if appropriate) December 2009.</li> </ul>

<b>EA/IND/90</b>	<b>Public Private Partnership for Handwashing with Soap (PPP for HWSS)</b>	<b>Year 3 of 3</b>
<b>Task Manager:</b>	<b>Isabel Blackett/Ida Rafiqah</b>	
<b>Client:</b>	<b>Government of Indonesia</b>	
<b>Country:</b>	<b>Indonesia</b>	
<b>Partners:</b>	<b>Government of Indonesia (Ministry of Health, BAPPENAS, PPP Core Group Members, PPP partners and private sector sponsors)</b>	

**Desired Project Outcome:** Central and local governments establish an enabling environment for significantly increased support and resources from soap and non-soap private sector, media and community development organizations resulting in an effectively scaled up national promotion HWWS to the target audience.

**Project Description:**

Diarrheal diseases are a global problem, with the highest incidence occurring in the first two years of life. In children under the age of 5, an estimated 4 billion acute cases of diarrhoea occur each year, resulting in 2 million deaths globally. In Indonesia, around 162,000 children under the age of five die every year. Most of these deaths are caused by respiratory diseases and diarrhoea, in part because handwashing practices at critical times are very low.

Indonesia has benefited from many years of Handwashing with Soap (HWWS) programs implemented at community level by donors, community organizations and non-government organizations. However, these programs have been limited to smaller scale interventions of limited duration in certain project areas. Ministry of Health (MOH) has been supportive of this work but had limited budgets for HWWS promotion. The challenge is to take the good work undertaken to date and to increase resources for national scaling up.

The planned National HWWS Campaign is designed to support the MOH's new National Strategy on Community-Based Total Sanitation in five areas: 1) reducing the prevalence of open defecation, 2) promoting HWWS, 3) promoting the use of household treatment of water, 4) promoting safe treatment of household waste water, and 5) promoting safe disposal of household solid waste. The planned program seeks to mobilize combined resources from the public sector, soap producers, NGOs and the media in the form of a Public-Private Partnership (PPP) for HWWS. The PPP is a proven effective model of harnessing collective efforts, combining the health objectives of the public sector with the marketing expertise and sales motivations of the private sector to leverage funds and resources for HWWS promotions. The goal is to maximize the collective capabilities of Government, the private sector and other stakeholders in sustaining efforts and attention on preventative health programs at both the national and community levels, while at the same time encouraging private sector to consistently influence consumers' health-related behavior with its marketing communication capabilities. The PPP pools skills and resources in a synergistic way so that it provides a chance for a significant social investment and add value over and above what each party could achieve alone.

**Assumptions:**

1. Sanitation and hygiene issues are and remain high on the agenda of the public sector (national and local).
2. Increased interest from industries, NGOs and media to be involved in corporate social responsibility programs based on company missions and for public relations, specifically in relation to solving sanitation and hygiene issues.
3. MOH and local governments support PPP for HWWS in their policy, planning, and budgeting.

**Start Date:** May 2007

**End Date:** June 2010

**Project Milestones:**

1. Open Partnership Meeting for all stakeholders in July 2007 – achieved.
2. The launch of the PPP for HWWS and MOH endorsement to the PPP Core Group in November 2007 – achieved.
3. PPP involvement in International Year of Sanitation in Indonesia, starting April 2008 – achieved.
4. Series of basic PPP for HWWS documents were submitted and approved by MOH on February 2009 – achieved.
5. National Strategy on Community-Based Total Sanitation which included promoting HWWS as one of five pillars in the strategy, signed by the Minister of Health, in September 2008 – achieved.
6. 10 sponsors pledge willingness to support HWWS national events by July 2009.

**Indicators of Outcome:**

1. Increased budget and other resources for HWWS promotion by involving private sector in this program, July 2009.
2. Strengthened capacity of at least 3 Provincial Health Offices, other institutions and local NGOs to carry out and sustain large scale handwashing campaigns by December 2009.
3. Improved coordination of HWWS messages and their delivery, among public institutions, private sector, NGOs, media and the donor community.
4. Increased number of public institutions, private sector organisations and NGOs participating in various capacity building programs by December 2009.
5. At least 10 companies promoting the HWWS message in a sustainable way through their own channels by December 2010.
6. Mid term program monitoring and evaluation results available by December 2009.

**Project Update:**

**4/08:** New project sheet for HWWS work, which started in 2007 under ISSDP IND/55 Activity 3. The HWWS work has developed into an independent program working with a range of different stakeholders other than those under ISSDP.

## Project Activities and Outputs:

Activities	Outputs
<p><b>Develop enabling environment to scale-up HWWS promotion:</b></p> <ul style="list-style-type: none"> <li>• Support dissemination and socialization of the National HWWS Guidelines and PPP for HWWS documents to other Government ministries (Ministry of Education and Ministry of Religious Affairs), and to local governments through series of workshops</li> <li>• Support provincial governments to establish PPP-HWWS groups at provincial level</li> </ul>	<ul style="list-style-type: none"> <li>• Final documents available for workshops conducted by MOH national and local government level by September 2009.</li> <li>• Dissemination and socialization to at least 3 Provincial Health Offices and other Government ministries by December 2009.</li> <li>• At least 3 Provincial Governments have been supported to establish PPP-HWWS groups by December 2009.</li> </ul>
<p><b>Increase private sector involvement and that of other partners:</b></p> <ul style="list-style-type: none"> <li>• Actively approach private sector for funding support to mass media and community/personal contact activities nationwide</li> <li>• Secure private sector willingness to disseminate the HWWS messages through their own channels</li> <li>• Secure Unilever sponsorship for developing unbranded HWWS Communications concept based on communications brief developed by a Communications Agency</li> <li>• Secure sponsor(s) of unbranded communications package production and broadcast on TV as a result of the In Safe Hands workshop</li> </ul>	<ul style="list-style-type: none"> <li>• Increased number (by 10) and type of private sector companies involved in promoting HWWS by December 2009.</li> <li>• 5 companies agree to promote HWWS using national logo /materials through their own channels or mechanisms by December 2009.</li> <li>• National HWWS design concept are ready by December 2009.</li> <li>• Sponsor(s) secured for Communications package production and broadcast by June 2010.</li> </ul>
<p><b>Develop well-coordinated PPP Core Group:</b></p> <ul style="list-style-type: none"> <li>• Organize regular Core Group meetings.</li> <li>• Develop Core Group two year Business Plan (BP) and Annual Plan of Action.</li> <li>• Socialize BP and Plan of Action to other Government agencies and relevant programs.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular Core Group meetings conducted and minutes distributed.</li> <li>• Core Group two year Business Plan (BP) and Annual Plan of Action are completed by July 2009.</li> <li>• BP and Plan of Action to other Government agencies and relevant programs socialized by August 2009.</li> </ul>
<p><b>Support National Awareness Campaign Roll Out:</b></p> <ul style="list-style-type: none"> <li>• Support Government in the planning and organizing of National Handwashing Day II on 15 October 2009</li> <li>• Plan and organize HWWS support to National Health Day on 12 November 2009 and other relevant national/ global Days.</li> </ul>	<ul style="list-style-type: none"> <li>• HWWS Promotion Events successfully conducted with active involvement of the Government and private sector partners as per agreed dates.</li> </ul>

Activities	Outputs
<p><b>Develop Monitoring and Evaluation (M&amp;E) mechanisms for HWWS behaviour change:</b></p> <ul style="list-style-type: none"> <li>• Review existing M&amp;E tools available in the PPP Core Group and the Global Handwashing Committee and develop M&amp;E draft with reference to the existing documents (global HWWS, USAID, etc.)</li> <li>• Pre-test the draft M&amp;E system where the private sector has supported MOH with inputs to the HWWS program.</li> <li>• Disseminate and socialize the M&amp;E documents to local governments and provinces and related WSS programs (Pro-Air, PAMSIMAS, etc.)</li> <li>• Develop TOR for M&amp;E for one year implementation.</li> <li>• Implement M&amp;E system in selected areas agreed by MOH and the Core Group to conduct: <ul style="list-style-type: none"> <li>a. Baseline measurement of HWWS logo and messages among selected target areas.</li> <li>b. Mid-term measurement</li> <li>c. Post intervention measurement</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Final document of M&amp;E tools available for pre-test by July 2009.</li> <li>• M&amp;E tools pre tested in selected areas, by August 2009.</li> <li>• M&amp;E tools agreed by the MOH and socialized for implementation by LG and related programs, by September 2009.</li> <li>• M &amp; E implementation conducted for one year, by November 2009.</li> <li>• M&amp;E reports, as feed back to the business plan and plan of actions are completed by December 2010.</li> </ul>

<b>EA/IND/91</b>	<b>Supervision of WASAP D: City Sanitation Pilots for Priority Neighborhood and Municipal Sanitation Actions (Recipient-executed by Ministry of Public Works)</b>	<b>Year 3 of 5</b>
<b>Task Manager:</b>	<b>Isabel Blackett</b>	
<b>Client:</b>	<b>Ministry of Public Works, Sanitation Development Technical Team (SanTT), Local Governments</b>	
<b>Country:</b>	<b>Indonesia</b>	
<b>Partners:</b>	<b>World Bank Indonesia, Netherlands Government, local governments, communities</b>	

**Desired Project Outcome:** Local Government capacity improved through piloting community-based systems, school sanitation and small industries in poor areas with the application of newly developed community sanitation models and implementation processes in communities and with reference to priority municipal actions to improve and/or integrate systems to benefit low-income areas based on City Sanitation Strategies (CSS).

**Project Description:** Cities in Indonesia lack funding and implementation experience in the development of sustainable sanitation improvements. The Water and Sanitation Program (WASAP) for Indonesia is a Netherlands Embassy parent Trust Fund managed by World Bank Office Jakarta. This activity (WASAP D) is one of ten WASAP sub-programs. As a recipient executed program it will support participating cities in implementing their CSS (developed under WASAP C: Indonesia Sanitation Sector Development Project) by providing technical assistance (TA) and matching funding for prioritized community and municipal sanitation works:

- (i) To support municipalities in undertaking work with poor urban communities to develop community-based sanitation systems. The support will not only assist local governments and communities to provide improved sanitation services at the household level, but also enable communities to prioritize sanitation facilities for schools and/or integrate with treatment facilities for local industry in residential areas. It will be achieved through a process of planning and construction/contracting involving local communities and will converge with an active hygiene awareness campaign with women/households, school children/teachers, and with industrial workers/employers.
- (ii) For municipal infrastructure activities prioritized in city strategies/ action plans such as designing and testing primary and/or secondary physical, institutional and financial solutions, needed to serve the poor effectively or to integrate community-based solutions into a citywide sanitation strategy. The precise nature of this will be determined by the priorities identified in each CSS but may include, for instance, expansion of existing networks to serve the poor, connecting local systems to feeder and trunk systems, support to small-scale providers, or improving treatment and/or disposal (such as sludge treatment plants). WSP-EAP will provide TA supervision for the works to be carried out and will provide Bank task management of the recipient-executed funds.

Matching funding from Local Government will be a prerequisite for the grant support and an indicator of commitment. Criteria for the selection of cities receiving these funds were established. This activity includes construction and will be recipient executed with support, supervision, oversight and monitoring provided by WSP.

#### **Assumptions:**

1. Ministry of Public Works is willing and able to execute in a timely timeframe.
2. Recipients at central and local government have the capacity to administer funds according to World Bank procedures.
3. City proposals are prepared based on agreed criteria and matching resources are available for pilot works.
4. Grant agreement signed following the finalization of fund channeling mechanism to local governments as per Ministry of Finance (MOF) regulations, and also subsidiary grant agreements between MOF and each local government are in place before June 2008.

**Start Date:** February 2007

**End Date:** December 2011

**Project Milestones:** *Dates can be confirmed when Grant Agreement is signed – estimated to be May 2009.*

1. Consultants appointed to assist Government prepare proposal, identified criteria etc. in place by March 2008 – achieved.
2. Proposal approved by WASAP Management Committee by November 2007 – achieved.
3. Grant agreement with Government signed by June 2009.
4. Procurement of works in first City successfully achieved by October 2009

**Indicators of Outcome:** Dates can only be confirmed when Grant Agreement is signed

1. Six project implementation teams formed in the cities – July 2008.
2. Six city proposals completed – September 2008.

3. Six local governments allocate matching funds in FY 2009 budget by August 2008
4. x (TBD) number of communities with improved sanitation facilities in-use and maintained.

**Project Update: 4/09**

The signing of the Grant Agreement was expected to happen in the first quarter of calendar year 2008, but has been delayed awaiting the prerequisite of a new government regulation on fund channeling mechanisms - which was issued in November 2008 after a 6 month delay. Ministry of Public Works has used its own funds (since January 2008) to start activities for project preparation. This positive approach will speed up project implementation when the Grant Agreement is in place. Government budgets for this project have been allocated for this FY and probably will be adjusted in June 2009 if needed once the Grant Agreement is in place. There is expected that the sanitation pilots will start to be implemented in 2009 in all six cities.

**Project Activities and Outputs:**

Activities	Outputs*
<p><b>Support for Planning and Project Preparation:</b></p> <ul style="list-style-type: none"> <li>• Support Government and their appointed consultants to develop local government proposals</li> <li>• Develop draft grant agreement for signature.</li> </ul>	<p>Pending development by Ministry of Public Works:</p> <ul style="list-style-type: none"> <li>• Comments on draft criteria and proposals</li> <li>• Inputs to process</li> <li>• Grant Agreement signed by June 2009.</li> </ul>
<p><b>Monitoring of Recipient-Executed Funds:</b></p> <ul style="list-style-type: none"> <li>• Monitor progress of Government execution of project.</li> </ul>	<p>To be confirmed ( will be made based on Project Implementation Plan developed by Public Works)</p>

**EA/IND//92 (1):** WASPOLA Facility **Year 1 of 4**  
**Task Manager:** Gary Swisher  
**Client:** Government of Indonesia (National Development Planning Agency, WSS Working Group)  
**Country:** Indonesia  
**Partners:** AusAID, local governments, World Bank Indonesia

**Desired Project Outcome:** The project aims to improve the access for Indonesians, particularly the poor, to adequate and sustainable water supply and sanitation (WSS) services by strengthening the capacity of the Government to guide development of the WSS sector through the establishment of a flexible Water and sanitation Policy and Action Planning (WASPOLA) Facility that supports policy development, policy implementation, and sector management.

**Project Description:** This Facility is the third phase of AusAID-funded support for WSS sector policy formulation and implementation. During the first phase (WASPOLA 1), a National Policy for Development of Community Managed Water Supply and Environmental Sanitation Facilities and Services was developed and signed by 5 ministries. Implementation of the 2003 policy at sub-national level was then largely carried out during the second phase (WASPOLA 2), with increased emphasis on sanitation. The emphasis on policy implementation and broadening of the policy framework beyond community-managed systems has strong support within the Government.

In Indonesia's decentralized setting, capacity building efforts will need to continue focusing on the local government level where WSS responsibilities lie, to assist them in gearing up institutionally and financially to achieve WSS MDGs at the local level. Phase 3 support is designed based on a facility approach that allows assistance to be utilized in a flexible manner to address emerging needs in a rapidly changing policy environment. The facility will be supported by Policy Development and Advisory Services. Three core focus areas have been identified where facility funding can be applied: (i) policy development, (ii) policy implementation (or operationalization), and (iii) improved sector management. Within each focus area a number of priority outputs were identified during the design phase, but these will need to be specified during the course of implementation, screened against the facility framework and specific selection criteria.

The Facility will start off financing primarily Bank-executed activities in year 1, and will gradually move towards financing recipient-executed proposals over the 4 years of implementation. Hands-on capacity training will be provided for this gradual approach to ensure Government ownership as well as increased responsibility to manage the implementation of funded activities. The Facility will have a primary focus at the national level reflecting its overriding policy development and policy implementation objectives. Within this primary focus it will be directly involved in a broad range of activities in provinces and districts, particularly in relation to the Third Water Supply and Sanitation for Low-Income Communities (PAMSIMAS) Project.

**Assumptions:**

1. Widespread support for and consensus on WSS sector reform by Government and other stakeholders
2. A sufficient number of relevant and appropriate activities are identified and approved for Facility funding
3. Gradual introduction of recipient execution is progressing on a timely basis

**Start Date:** Jul 0

**End Date:** Dec 13

**Project Milestones:**

1. Facility Steering Committee and Facility Policy Advisory Team established and operational – December 2009.
2. Operational assessment guidelines proposed, approved, operationalized – December 2009.
3. Strategic 1<sup>st</sup> Annual Plan proposed, reviewed, endorsed – March 2010.
4. Initial activities proposed, reviewed, approved, funded – June 2010
5. Recipient-execution of activities started– August 2010.

**Indicators of Outcome:**

1. Strengthened and more comprehensive WSS policy framework along with improved systems and procedures for policy implementation
2. Better coordination among sector stakeholders to improve knowledge management, human resource development, and development of improved monitoring and evaluation (M&E) approaches and systems
3. Based on an improved policy framework, coherent institutional arrangements across national, provincial and district governments to support scaling up of improved water use, sanitation and hygiene behaviors in rural and peri-urban communities

**Project Activities and Outputs:**

**Project Update:**

4/09 New project. Trust Fund Proposal approved April 14, 2009. Estimated start-up sometime during FY 2010.

Facility Preparation Activities	Outputs
<p>Policy Development and Advisory Services:</p> <ul style="list-style-type: none"> <li>• Advise and assist the WSS working group establish the Facility Steering Committee with designation of members, organization structure, duties, job descriptions, authority, responsibilities, procedures, and work schedule</li> <li>• Advise and assist WSS working group prepare ToRs, recruit, mobilize Facility policy advisers and technical assistance team, prepare work plan and schedules</li> </ul>	<p>Facility Steering Committee formally established by government decree – Oct 2009</p> <p>Facility policy advisers, consultants recruited, mobilized, and operating - Nov 2009</p>
<p>WASPOLA Facility:</p> <ul style="list-style-type: none"> <li>• Prepare WSS assessment guidelines for proposing, reviewing, selecting, implementing facility funded activities</li> <li>• Develop a phased plan for gradual recipient-execution of Facility funded activities by the central government</li> <li>• Formulate First Year Strategic WSS Facility Plan formulated with active participation of national WSS working group members</li> <li>• Plan initial WSS activities for steering committee approval.</li> </ul>	<p>Guidelines approved, formally established, and operationalized - Dec 2009</p> <p>Phased plan reviewed, approved, formalized, ready for operationalization - March 2010</p> <p>First<sup>1</sup> Annual Strategic Plan endorsed by the Facility Steering Committee - March 2010</p> <p>Initial WSS activities endorsed by Facility Steering Committee, funded, and under implementation - June 2010.</p>
<p>WASPOLA Facility Supervision:</p> <ul style="list-style-type: none"> <li>• Formulate and propose a monitoring and evaluation system for assessing status of Facility funded activities</li> </ul>	<p>M&amp;E system endorsed by the Facility Steering Committee - March 2010</p>

**EA/LAO/93:** Sanitation Policy and Advocacy **Year 6 of 6**  
**Task Manager:** Viengsamay Vongkhamkao  
**Client:** Public Works and Transport Institute (PWTI), Ministry of Public Works and Transport (MPWT), National Centre for Environmental Health and Water Supply (Nam Saat), Lao PDR  
**Country:** Lao PDR  
**Partners:** Ministry of Health (MOH), Ministry of Finance (MOF), Ministry of Information and Culture (MIC), Mass media, External Support Agencies, NGOs

**Desired Project Outcome:**

Senior ministers responsible for sanitation in urban and rural areas are advocating the priority need for improved sanitation services, and there is government budget allocated for incremental improvements to achieve the Millennium Development Goals (MDGs) and National Growth and Poverty Eradication Strategy (NGPES)/NSEDP targets for sanitation.

**Project Description:**

At present, there is no political champion for sanitation in Lao PDR. Nationally, there are no reliable figures for sanitation coverage or access, nor for public expenditures on sanitation and hygiene promotion. The Government states summary figures of 80% urban and 44% rural latrine coverage, while the WHO/UNICEF Joint Monitoring Programme (JMP) figures for 2004 are 67% and 20% respectively. Figures are generally based on coverage rather than access and effective use. Achievement of MDG and NGPES targets –with the latter being 80% latrine coverage nationwide by 2020 – with regard to sanitation is highly unlikely, but raw data to raise advocacy to a higher level are not known.

No urban centers have access to a full, piped sewerage treatment system. Where they exist, sanitation facilities are on-site and the responsibility of the individual household. Small-bore community septic tanks are being trialed in limited areas of Vientiane Capital City. The situation for the supply chains and local private sector involvement in the delivery of sanitation services is not known. The demand from consumers as to the types of sanitation services they want is also unknown.

The Law on Hygiene, Disease Prevention and Health Promotion was promulgated in April 2001. MOH, provincial and municipal health departments, and the district health offices are the agencies in charge of implementing and supervising the law. Although there are few specifics about sanitation, the law is a good starting point for developing advocacy for improved sanitation services.

The Government has requested support from WSP-EAP to address these problems through a nationally-led approach with sector partners to raise the profile of the need for effective sanitation access and use. This is to be done through high level advocacy, improved access to information education and communication (IEC) materials, and national consensus building for improvement of sanitation services particularly from the domestic private sector.

**Assumptions:**

1. The Government will be receptive to learn innovative approaches to scaling up sanitation nationally and supportive of the initiatives.
2. Sufficient numbers of qualified and skilled government officials will be available to actively participate and effectively implement the proposed program activities.

**Start Date:** July 2004

**End Date:** June 2010

**Project Milestones:**

1. Hygiene Awareness, Sanitation and Water Supply WSP publication on lessons learned – June 2010.
2. Economics of Sanitation Initiative (ESI) study being discussed by the National Assembly members and relevant senior government officials in Sept 2009.
3. Publication of the study report on GIS mapping on water supply and sanitation infrastructure in Vientiane Capital, June 2010.

**Indicators of Outcome:**

1. Practical experiences and lessons learned adopted by the Government from the EASAN conference – Dec 07 (ongoing)
2. Mass media (radio, TV, print media) in Lao PDR engaged in reporting the need for improved sanitation - 5 examples throughout FY08 (completed)
3. Institutional capacity of Public Work and Transport Institute, MPWT, and other concerned government institutions further developed to be able to undertake this and future studies to international standard – June 09

**Project Update:**

**4/08:** Revision of milestones. Change of TTL

**4/09:** Revision is made to reflect the implementation progress. Some activities under this project have been postponed such as sanitation financial study to focus on introducing and piloting CLTS in Champasak and Sekong provinces as per the government request. The TOR on GIS school sanitation mapping requires some modifications to broaden the scope of the activity to cover water supply and sanitation infrastructure more broadly such as water supply pipe networks, wastewater treatment and drainage systems.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Review of public financing for sanitation:</b></p> <ul style="list-style-type: none"> <li>Undertake a review of public financing of sanitation and hygiene promotion at district, provincial and national levels</li> </ul>	<ul style="list-style-type: none"> <li>Report, including short summary paper in Lao and English languages, to be completed by June 2010.</li> <li>Sector consultation workshop to learn from study findings – Sept 2010.</li> </ul>
<p><b>Small town WSS mapping:</b></p> <ul style="list-style-type: none"> <li>Development of GIS mapping of water supply pipe networks, wastewater treatment, drainage and school sanitation facilities in one small town of Vientiane Capital City</li> </ul>	<ul style="list-style-type: none"> <li>GIS mapping and benchmarking of a small town water supply and sanitation infrastructure, including school sanitation facilities – May 2010.</li> </ul>
<p><b>Economics of Sanitation Initiative (ESI):</b></p> <ul style="list-style-type: none"> <li>Conduct a workshop for dissemination of the ESI Phase I Impact Study.</li> <li>Support to ESI, Phase II: Options Study, to be completed by GeoSys.</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder Consultation Workshop on study results of ESI phase I, July 2009.</li> <li>Workshop conducted for Members of Parliament and senior government officials – Sept 2009.</li> <li>Dissemination of Final Report phase I, June 2009</li> <li>Informing and coordination with other stakeholders to get their support and cooperation on the ESI study</li> </ul>

**EA/LAO/95:** Country Sector Coordination and Advocacy **Year 1 of 3**  
**Task Manager:** Viengsamay Vongkhamsao  
**Client:** National Assembly, Ministry of Public Works and Transport, Ministry of Health  
**Country:** Lao PDR  
**Partners:** World Bank, ADB, UNICEF, WHO, UN-Habitat, international NGOs

**Desired Project Outcome:**

Water supply and sanitation are raised in profile in the Lao National Growth and Poverty Eradication Strategy 2006-2010 (and its future revisions) and at the National Assembly, and mechanisms for advocating for more effective sector collaboration in water supply and sanitation are institutionalized.

**Project Description:**

There are currently a number of on-going initiatives in the Lao water supply and sanitation sector through which WSP can assist to advocate for improving overall sector performance and coordination:

- The publication in October 2006 of the National Growth and Poverty Eradication Strategy (NGPES);
- The on-going implementation of the Strategy for Rural Water Supply and Sanitation (2004, proposed for review and updating by UNICEF);
- The World Bank's WSS Sector Review for improving sector performance, to which WSP is providing technical support;
- The development of a water supply law for clarifying and defining institutional responsibilities in the sector.

The government has set realistic national targets for water supply and sanitation to 2020. In addition the government recognizes the MDG targets, which are unlikely to be met, particularly for sanitation. The NGPES was prepared through a participatory approach, and emphasizes infrastructure and health as priorities for development, with water supply, school and household sanitation and hygiene promotion being accorded high priority under the health programs. However, whilst there is a substantial funding program for urban water supply and sanitation infrastructure (primarily funded by ADB) through the Ministry of Public Works and Transport, there is little funding for rural water supply and sanitation and its strategy with no principal donor directly supporting the government agencies for rural WSS. There is very limited sector financing from the government for rural WSS, and project activities are carried out through a number of international NGOs who currently lack a formal coordination mechanism.

There has not yet been a sector review of the status of water supply and sanitation across the whole sector in Lao PDR. Although there is some substantive work on regulatory performance benchmarking of the state water supply utilities (supported by ADB) and the mapping of the status of urban water supply facilities (supported by WSP), there is no mapping available on the location of constructed rural WSS facilities or their functioning. There are a number of different statistics presented on the coverage of WSS nationally, with no agreed methodology for how data should be collected or reported. There is also a lack of practical guidance for how joint sector projects could be undertaken, for example for improving overall performance in areas such as data collection, monitoring, mapping and evaluation so that the limited funds available can be targeted and allocated to priority poor areas. The current Bank sector review is expected to provide guidance on ways to improve sector performance. In the meantime, WSP has been requested to support and establish mechanisms for improving communication and coordination, in close cooperation with sector partners.

The Government is developing a water supply law, due for promulgation by 2010 according to the National Assembly's legislation schedule. Support to the development of this law has created additional opportunities for WSP to begin advocating with MPs for support to sector reforms. Presently, there is no sub-committee at the National Assembly for water supply and sanitation to which sector issues can be advocated. The project aims to support coordination and advocacy mechanisms at different levels of government to improve sector performance.

**Assumptions:**

1. The Government allocates resources to coordinate sector programs and to advocate for sector initiatives through a sub-committee of the National Assembly.
2. The Ministry of Public Works and Transport authorizes by April 2010 the Infrastructure Sectoral Working Group to establish and support the sub-sector working group on water supply and sanitation
3. Various partners are able to jointly support mapping activities by sector ministries (e.g. through shared funding, joint Technical Assistance, etc.)
4. The National Assembly supports the reform measures proposed in the draft law on water supply.

**Start Date:** July 2009

**End Date:** June 2012

**Project Milestones:**

1. The Committee Hearing on water supply and sanitation at the National Assembly recognizes in the Minutes the need to establish a sub-committee on water supply and sanitation – Aug 2010.

2. The Sub-Sector Working Group on Water Supply and Sanitation holds its first meeting at the Ministry of Public Works and Transport – May 2010.
3. Sector partners jointly fund and prepare the first rural water supply map, May 2011.

**Indicators of Outcome:**

1. Sub-sector Working Group on Water Supply and Sanitation includes all key international donor organizations and NGOs and jointly cooperates with Government on sector advancement.
2. All villages within one province are successfully mapped to know the status of rural water supply in each village by year two of the project.
3. The Lao PDR's first Law on Water Supply and its implementation decree are promulgated, printed and distributed nationally by year two of the project.

**Project Update: 4/09:** New project sheet for FY10. Some activities previously included in other project sheets have been brought together under this new one.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Advocacy:</b></p> <ul style="list-style-type: none"> <li>• Contributions to the World Bank support for the new National Growth and Poverty Eradication Strategy and CAS (2011-2015) planning and development for incorporation of water supply and sanitation.</li> <li>• Advocacy and sensitization on water supply and sanitation issues at the National Assembly through a committee hearing with MPs.</li> </ul>	<ul style="list-style-type: none"> <li>• Reports and other contributions to NGPES and CAS planning and assessment processes on ongoing basis.</li> <li>• Discussion papers on water supply and sanitation issues organized and presented at a committee hearing. <span style="float: right;">Sept 2009</span></li> </ul>
<p><b>Sector Coordination and Support:</b></p> <ul style="list-style-type: none"> <li>• Coordination, information sharing and review meetings with the Government, donors, and other stakeholders through, inter alia, establishment of a WSS sub-sector working group within the Infrastructure Sectoral Working Group.</li> <li>• Strategic support to World Bank operations, AAA (e.g., WSS Sector Review) and CAS planning, WSP GPTs and regional activities</li> <li>• Strengthening sector monitoring on water supply: <ul style="list-style-type: none"> <li>• Address data needs for monitoring and planning in rural water supply: implement a one-province pilot project for rural water supply mapping and monitoring for planning of investment allocations.</li> <li>• Update urban water supply map.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Secretariat of the WSS sub-sector Working Group established, with WSP included on the Secretariat. <span style="float: right;">June 2010</span></li> <li>• Minutes of Meetings, Quarterly, from July 2010</li> <li>• As requested <span style="float: right;">April 2012</span></li> <li>• Concept note finalized and approved <span style="float: right;">Nov 2009</span></li> <li>• Mapping project implemented form December 2009 <span style="float: right;">April 2011</span></li> <li>• Update map on the status of urban water supply</li> </ul>
<p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>• Assistance in finalization of a draft law on Water Supply Law.</li> <li>• Assistance in drafting Implementation Decree on Water Supply Law.</li> <li>• Support to performance improvement and business planning of urban/small town water supply utilities: undertake a scoping assignment to identify focus areas of interventions.</li> </ul>	<ul style="list-style-type: none"> <li>• Consultancy and discussion reports produced <span style="float: right;">June 10</span></li> <li>• Draft decree developed <span style="float: right;">Dec 09</span></li> <li>• Scoping assignment report; project implemented from January 2010 in line with the results of the scoping assignment. <span style="float: right;">Dec 09</span></li> </ul>

**EA/LAO//96:** Marketing Good Practices in Sanitation and Hygiene to Communities Year 1 of 3  
**Task Manager:** Bounthavong Sourisak  
**Client:** National Center for Environmental Health and Water Supply (Nam Saat Central), Ministry of Health  
**Country:** Lao PDR  
**Partners:** Ministry of Health (MOH), Ministry of Public Works and Transport (MPWT), Ministry of Education (MOE), Lao Women's Union (LWU), National University of Lao PDR, External Support Agencies, Ministry of Information and Culture (MIC), NGOs

**Desired Project Outcome:**

Poor rural households gain sustainable access to improved sanitation via demand creation, adoption of improved hygiene practices through awareness raising, and improved supply of sanitation-related products and services.

**Project Description:**

In rural areas, only about 16% (without road access) and 39% (with road access) of total population has access to sanitation. Practicing open defecation is traditionally widespread, with only about 47% of the total rural population using latrines. A number of development agencies have been active in supporting the government's effort to improve the sanitation in rural area through latrine construction and sanitation education. However, many of these approaches and programs were no fully successful and sustainable, as subsidized latrines have been abandoned due to a lack of community ownership and understanding of the consequences of open defecation.

Outbreaks of water-borne diseases, such as the December 2007 cholera outbreak in southern provinces of Laos, add an additional burden and require costly diversion of scarce health and other resources. Disease associated with contaminated water also create a heavy economic load in Lao PDR, both on the public health care system for treatment and on persons affected for transport to clinics, medicines, reduced school attendance and lost productivity. A recent WSP study shows that the country's economic cost of lack of sanitation is equivalent to about 5.5% of GDP.

Government as well as support agencies involved in the rural water supply and sanitation (WSS) sector realize the importance of appropriately communicating with communities through raising awareness about sanitation, hygiene and water and through building capacity to actually demand (communities) and facilitate access (local governments) to improved sanitation services. With growing interest in sustainable health impact and access to better sanitation status, especially for the poor, and in promoting community ownership, the Government is seeking and piloting workable and affordable rural sanitation approaches.

This project consists of two major streams of community-focused work towards improving the sanitation situation in rural areas:

- a) community awareness raising about good sanitation and hygiene practices through various channels, including a pilot community radio program in the northern province in cooperation with UNDP, and promotion of household water treatment options with emphasis on building capacity for health village volunteers; and
- b) Community-Led Total Sanitation (CLTS) that will be piloted to achieve and sustain open defecation free status (ODF) and change sanitation behavior of the rural communities in two southern provinces.

Further, this project, as a means to expansion, adoption and scale-up, will advocate with the central and local authorities to influence policy and direction on rural sanitation promotion with sustainability, as well as disseminate the results with development partners to uptake the approaches for expansion.

**Assumptions:**

1. Sufficient numbers of qualified and skilled government officials can be trained and are available to effectively implement the proposed program activities.
2. NGOs progressively take on responsibility for implementing and funding the activities.
3. There is a strong political will and support for the CLTS approach from the central and local authorities.
4. There is a common agreement among the sector partners for a coordinated approach to the methodology for implementation, particularly on subsidizing latrines.
5. Local leaders voluntarily commit to and enthusiastically lead the communities toward ODF status.

**Start Date:** July 2009

**End Date:** June 2012

**Project Milestones:**

1. Evaluation of previous IEC materials production to influence future approach to communication tools– October 2009
2. Household water treatment materials developed and field tested – March 2010
3. Community radio program delivered – Jan 2010
4. Pilot villages are in progress to achieve open defecation free status and conduct self assessment – March 2010
5. Guideline and toolkits for CLTS facilitators developed – June 2010

**Indicators of Outcome:**

1. Materials and tools produced to raise community awareness on hygiene (household water treatment etc.) are being used by an increasing number of programs and projects in the country – June 2011
2. Expanded use of radio as a means to raise awareness of rural community – June 2011
3. A number of triggered villages are declared ODF by the end of project

4. CLTS approach scaled up in other communities through availability of CLTS guidelines, consultation and capacity to the project stakeholders and clients
5. CLTS is becoming part of the rural sanitation policy and strategy direction of the Government.

**Project Activities and Outputs:**

Activities	Outputs
<b>Component 1: Community Awareness-Raising</b>	
<p><b>Development of IEC materials on household water treatment with community (with Nam Saat):</b></p> <ul style="list-style-type: none"> <li>• Develop Household Water Treatment (HWT) IEC materials, with technical support from WSP Cambodia and in cooperation with technical support from CAWST, UNICEF and WHO</li> <li>• Support training for village volunteers in using the materials</li> <li>• Support government to attend learning events/exchange visits on household water treatment and water quality testing</li> <li>• Disseminate materials to a wider audience/stakeholders</li> <li>• Work at sub-regional level: <ul style="list-style-type: none"> <li>- Support in the preparation of water treatment technology discussion note (led by WSP Cambodia)</li> <li>- Discussion on country research plan on the development of national inventories of treatment technologies and existing technology approval mechanisms.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• IEC materials, including visual production, on HWT available for targeted communities and local governments in 6 provinces – Nov 09</li> <li>• Training of village volunteers/end-users in 6 targeted provinces delivered – Dec 09</li> <li>• Exchange learning visit/study tour involving key Government officials and implementing agencies – Aug 09</li> <li>• Results and products disseminated to wider stakeholders, including central governments and NGOs – Mar 10</li> </ul>
<p><b>Khoun Community Radio Pilot (with Nam Saat):</b></p> <ul style="list-style-type: none"> <li>• Build capacity for radio program organizers in preparing and producing radio programs about sanitation, hygiene and water in local ethnic languages (in cooperation with an ongoing UNDP project)</li> <li>• Develop IEC materials on raising awareness about hygiene and sanitation through the community radio program</li> <li>• Documentation and publication of interesting events</li> <li>• Conduct an evaluation of the pilot community radio project</li> <li>• Disseminate pilot project's results to stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Training needs assessment – Oct 09</li> <li>• Training delivered, needed knowledge and skills of radio program organizers increased – Nov 09</li> <li>• Audio and visual materials developed and disseminated by radio program organizers – starting from Jan 10</li> <li>• Selected events/stories publicized through medias and events – starting from Sep 09</li> <li>• Evaluation conducted, evaluation report available – May 11</li> <li>• Recommendations discussed and included in a scale-up direction of government stakeholders (in collaboration with UNDP) – Jul 11</li> </ul>
<b>Component 2: Community-Led Total Sanitation</b>	
<p><b>Production of CLTS tools and materials:</b></p> <ul style="list-style-type: none"> <li>• Develop guideline for CLTS facilitators (with technical support from WSP Indonesia)</li> <li>• Develop Sanitation Informed Choice Manual for Low-Cost Option Design and wall poster on Low-Cost Latrine Design (in cooperation with WSP Cambodia)</li> <li>• Produce ODF campaign materials</li> </ul>	<ul style="list-style-type: none"> <li>• Guideline for CLTS facilitators: <ul style="list-style-type: none"> <li>- Draft pretested in the field and with development partners – Dec 09</li> <li>- Final product ready for dissemination – Mar10</li> </ul> </li> <li>• Products available for publication and dissemination – Mar 10</li> <li>• ODF campaign broadcasted through available media – Aug 11</li> </ul>

<p><b>Capacity building:</b></p> <ul style="list-style-type: none"> <li>• Annual peer workshop to exchange experiences and plan for possible expansion</li> <li>• Support learning events and activities</li> <li>• Study visit to ODF villages in neighboring countries</li> <li>• Train interested stakeholders and piloted communities in manufacturing low-cost sanitary hardware</li> </ul>	<ul style="list-style-type: none"> <li>• Workshop report – Feb 10: <ul style="list-style-type: none"> <li>- Recommendations for possible expansion</li> <li>- Materials mentioned above introduced to natural leaders/village facilitators and local government partners</li> <li>- ODF criteria established</li> </ul> </li> <li>• Learning events and activities conducted as identified during the project implementation period</li> <li>• Study visit conducted – Mar 10</li> <li>• Training conducted and report on results available – Dec 10</li> </ul>
<p><b>Support to pilot ODF villages and support agencies:</b></p> <ul style="list-style-type: none"> <li>• Periodic monitoring visits to pilot villages to check on latrine usage, behavioral change, and movements on the sanitation ladder</li> <li>• Assistance in self assessment of villages, and verification of ODF status</li> <li>• Periodic learning events and ongoing learning activities for implementing support agencies (NGOs, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring visits carried out periodically before and after ODF declaration</li> <li>• Pilot villages declared ODF status – Dec 11</li> <li>• Learning events - periodically</li> <li>• Activity reports and recommendation for improving program implementation – Jan – Aug 12</li> </ul>
<p><b>Component 3: Support to Adoption and Scale up</b></p>	
<ul style="list-style-type: none"> <li>• Disseminate results of sanitation and hygiene promotion in rural areas to potential organizations active in this field in Lao PDR</li> <li>• Initiate discussions with development partners on sanitation and hygiene awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Field Note published and distributed; Village posters printed and distributed – Dec 09</li> <li>• Discussed with development partners carried out; Jun 09-Apr 10</li> </ul>
<ul style="list-style-type: none"> <li>• Periodic meetings with development partners</li> <li>• Training workshop for stakeholders’ staff</li> <li>• Documentation and publication of CLTS events</li> </ul>	<ul style="list-style-type: none"> <li>• CLTS-related materials disseminated, activities implemented shared, possibility of CLTS approach expansion/adaptation discussed; Jan 10-Aug 11</li> <li>• Training workshops for stakeholders as per their request; May 10-Aug 11</li> <li>• Selected documents are printed and publicized through appropriate media and events – starting from Aug 09</li> </ul>
<ul style="list-style-type: none"> <li>• Develop websites for DHUP and ALACE. The DHUP website will be integrated with MIREP’s monitoring and evaluation system, and the Online Support and Training for Groundwater Sector of Lao PDR; linking to Nam Saat’s Healthy Living website and other relevant websites; and including all Government legislation related to water supply (<i>This is an activity carried over from a closed FY09 project sheet</i>)</li> <li>• Upgrading of Nam Saat’s Healthy Living website (phase 2)</li> </ul>	<ul style="list-style-type: none"> <li>• Websites up and running: <ul style="list-style-type: none"> <li>- ALACE Website – Feb 10</li> <li>- DHUP Website – Aug 10</li> </ul> </li> <li>• Website upgraded – Aug 10</li> </ul>

**EA/PHI/36:** Country Sector Coordination and Advocacy Year 2 of 2  
**Task Manager:** Leila Elvas/Jemima Sy  
**Client:** Department of Health (DOH), Department of Environment and Natural Resources (DENR), Department of the Interior and Local Government (DILG), National Water Resources Board (NWRB), Department of Finance (DOF), National Economic and Development Authority (NEDA)  
**Country:** Philippines  
**Partners:** Government of the Philippines, World Bank, ADB, USAID, GTZ, AusAID, Philippine ECOSAN Network

**Desired Project Outcome:**

With WSP support, the Government and stakeholders continue to coordinate, introduce and institutionalize reforms/lessons learned that will improve overall sector performance.

**Project Description:**

This activity seeks the effective and efficient use of limited WSP-EAP resources to achieve specific project objectives as well as to support the achievement of the overall program and sector goals in the Philippines. One of the key strategies of this is to encourage joint priority setting with other stakeholders and leverage off activities by other agencies through support to the Philippine Development Forum technical group on water and sanitation.

To capitalize on the growing interest by national government agencies to focus on sanitation, this year, discussions will commence on the development of a national framework for sanitation and the establishment of a national sewerage and septage management program and financing framework.

**Assumptions:**

1. Donors are willing to support water and sanitation operational policy support programs in the Philippines.
2. Government allocates sufficient resources to coordinate sector programs and to institutionalize project initiatives.

**Start Date:** July 2008

**End Date :** June 2010

**Project Milestones:**

1. A financing framework to support the National Sewerage and Septage Management program is agreed for implementation by concerned Government agencies – September 2009.
2. DOH, DENR, NEDA and DOF reach agreements on the concept of the fund facility/multi-donor trust fund, identify a management group and take the lead in discussing support mechanisms with donor agencies – December 2009.
3. Donors are indicating support for contribution to the fund facility/multi-donor trust fund and obtain internal clearances – March 2010.

**Indicators of Outcome:**

1. Clients, partners and donors are actively participating in water and sanitation working groups or similar collaborative bodies – September 2008 (achieved).
2. Activities undertaken are in line with programming agreements with government and partners and regarded by clients and funders as relevant and effective – June 2009.
3. Government and donors commence preparations for the establishment of a sanitation grant financing fund for local governments – June 2010.

<b>Project Updates:</b> 4/09: Milestones updated
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**Project Activities and Outputs:**

Activities	Outputs
<b>Sector Coordination:</b> <ul style="list-style-type: none"> <li>• Provide technical inputs to the Water Committee of the Philippines Development Forum</li> <li>• Coordination, information-sharing and review meetings by the technical working group and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical assistance and secretariat support <span style="float: right;">Quarterly</span></li> <li>• Coordination and information-sharing <span style="float: right;">Quarterly, or as required</span></li> </ul>

Activities	Outputs
<p><b>Administrative and Financial Reporting Activities:</b></p> <ul style="list-style-type: none"> <li>• Preparation and updating of project sheets and country strategy</li> <li>• Monitoring budget of projects</li> <li>• Providing guidance to project consultants in project implementation</li> <li>• Day-to-day management of WSP office</li> </ul>	<ul style="list-style-type: none"> <li>• Updated project sheets, country strategy      Mid-year, end of year</li> <li>• Updated budget      Quarterly, mid-year, end of year</li> <li>• Report aligned with Terms of Reference which may be updated as required      As required</li> <li>• WSP administration</li> </ul>

<b>EA/PHI/70:</b>	<b>Program for Sustainable Sanitation in East Asia (SUSEA)</b>	<b>Year 4 of 4</b>
	<b>– Philippines Component</b>	
<b>Task Manager:</b>	<b>Jemima Sy/Edkarl Galing</b>	
<b>Client:</b>	<b>National Center for Disease Prevention and Control (NCDPC) of the Department of Health (DOH), Environmental Management Bureau of the Department of Environment and Natural Resources (DENR-EMB), selected Local Government Units</b>	
<b>Country:</b>	<b>Philippines</b>	
<b>Partners:</b>	<b>Swedish International Development Cooperation Agency (SIDA); (NCDPC) and Bureau of International Health Cooperation (BIHC), DOH; DENR-EMB; Philippines Ecological Sanitation Network; selected Local Government Units</b>	

**Desired Project Outcome:**

At the national level, sustainable sanitation program is initiated in the Philippines to support increased access by poor Filipinos to sanitation services. In participating localities, improvement of environmental health conditions by 2010.<sup>1</sup>

**Project Description:**

The strategy of SUSEA Philippines for increasing access of the poor to sustainable sanitation is by systematically responding to the key causal factors that impede the demand for and supply of sanitation. The operational strategy of SUSEA Philippines is to develop 4-6 models that will be used as a platform for developing specific interventions to address demand-supply weaknesses. The experience and interventions from these models will serve as a stage for learning by other local governments within the Program implementation, as well as basis for the development of national sanitation policy and programs for expansion and scaling-up.

The thematic intervention of SUSEA Philippines are: (1) generate national, local, and household demand for sustainable sanitation; (2) improve local capacity for sanitation planning, programming, management; (3) improve local provider capacity for delivery of low-cost sustainable sanitation; and (4) support development of an enabling environment for sustainable sanitation. The program components are: (1) National, (2) Local – with sub-components in 6 program sites: Bauko Municipality in the Mt. Province, Dagupan City in Pangasinan Province, Guian Municipality in Eastern Samar Province, General Santos City and Polomolok Municipality in South Cotabato, and Alabel Municipality in Sarangani, (3) Program management and coordination, and (4) Independent Activities - projects with academic and research institutions, funding of sanitation innovations, and infrastructure support and investments grants for local government-led projects.

**Assumptions:**

1. Government counterparts are able to mobilize required counterpart staffing and budget.
2. National and local governments will have sufficient commitment, financial and human resources to pursue a sustainable sanitation program.
3. Affordable and suitable solutions are available to meet households demand for sanitation services.

**Start Date:** March 2006**End Date:** June 2010**Project Milestones:**

1. Project management & implementation structures are set-up and function efficiently in meeting Program objectives according to agreed guidelines and principles of cooperation set out in the Program operations manual – completed June 2006.
2. Recommendations arising from the sanitation baseline and market study are considered by program implementers and stakeholders to guide next phases of implementation – completed March 2008.
3. Local sanitation plans and programs are developed by 6 participating local governments and are integrated into province-wide development plans – June 2009.
4. Demand from communities and local government improves as a result of sanitation promotion campaigns that are successfully conducted – July 2009.
5. Sanitation pilots initiated in 4-6 participating local governments are showing viability to continue – January 2010.
6. National development of sustainable sanitation program initiated and mainstreamed by the DOH into its operational policies – January 2010.
7. Sanitation support programs are considered sustainable and economically viable by the local government and community and these stakeholders are demonstrating increasing capacity to continue such programs, such as by appointing capable staff, improving management systems and financial controls, paying for services, etc. – April 2010.

<sup>1</sup> Proposed outcomes for each local program implementation site varies according to the model and agreed by the Program Steering Committee and the local government. The specific environmental health indicators are outlined in the detailed program design/terms of reference.

**Indicators of Outcome:**

1. 6 local sanitation plans are developed – completed June 2009.
2. Compared to the baseline, increase in awareness of households and local governments on sanitation cost and benefits by July 2009.
3. % increase in access to sanitation services in participating local governments – December 2009.
4. Compared to the baseline, incidence of AGE is reduced in participating localities – May 2010.
5. Compared to the baseline, pollution in the Silway River is reduced – May 2010.
6. Government policies and program strategies reflect the lessons from SuSEA Philippines – June 2010.

**Project Update:**

**1//07** Added a co-TTL, expanded the desired outcome as participating sites have agreed to pursue specific local-level outcomes, added indicators of outcome consistent with the former change, sanitation pilots number between 4-6 rather than 6 to accommodate any attrition, adjusted the FY07 budget as per MYR 07 reallocation.

**04/09:** Based on Mid-Year Review 2009, project milestones and outcome indicator dates were updated. Completed activities/outpus under “Implementation and Management Arrangements for Preparation” all completed and have been removed.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Component 1 – National:</b></p> <p>Formulation of national policies, programs regulations &amp; ordinances; development of institutional plans, programs and management systems; data collation and analysis, review &amp; development of monitoring systems on access and performance of service providers; development of financing strategies, subsidy policy &amp; infra program; conduct of workshops and discussion meetings with national agencies and key stakeholders; production of communications strategies and products</p>	<ul style="list-style-type: none"> <li>• National Sanitation Advocacy/Communications Plan Aug-09</li> <li>• Policy Notes and Recommendations Dec-09</li> <li>• Sustainable Sanitation Strategies &amp; Program Development Jan-10</li> </ul>
<p><b>Component 2 – Local:</b></p> <p>Training of local governments; conduct of workshops and discussion meetings with provincial and local government units, technical assistance for sanitation planning and programming</p> <p>Implementation of sanitation studies, training, workshop, learning events and research, facilitation of public-private partnerships on sanitation</p> <p>Technical assistance on the institutionalization of WQMA, development of tools, piloting of sanitation systems/approaches; information, education and communications campaign, dissemination</p>	<ul style="list-style-type: none"> <li>• Local Advocacy and Communications Strategy (6 sites), July 09</li> <li>• Anti-Pollution Program for Polomolok, July-09</li> <li>• STF Marketing &amp; Operations Support (Alabel &amp; GenSan), July-09</li> <li>• Household Water Safety &amp; Hygiene (Bauko), Aug-09</li> <li>• Safe Sanitation Programs (Bauko, Guiuan &amp; Polomolok), July-09</li> <li>• Open Defecation Prevention Programs (Dagupan &amp; Guiuan), July-09</li> <li>• Septage Management Program (Dagupan, GenSan), Nov-09</li> <li>• Health Surveillance Systems (Dagupan &amp; Guiuan), Jan-10</li> <li>• Logistics Study on Septage, Transport, Handling &amp; Mgt (Dagupan &amp; Alabel), Apr-10</li> <li>• WQMA Establishment (Polomolok &amp; GenSan), Jan-10</li> </ul>
<p><b>Component 3 - Program Management and Sector Coordination:</b></p> <p>Provide required technical expertise to deliver outputs and objective outcomes; support oversight, management and implementation at national and local levels; national data collection and analysis, conduct of workshops and discussion meetings, Backstopping to Government program</p>	<ul style="list-style-type: none"> <li>• Quarterly Progress Reports Feb-09</li> <li>• Annual Plans Apr-10</li> </ul>

Activities	Outputs
<p>implementation unit; Administration and management of Program resources, secretariat and administration support to PSC</p> <p>Initiate donor coordination, harmonization of national and local program stakeholders to achieve overall objectives, learning and exchange between the Program and other sanitation activities of sector partners.</p>	<ul style="list-style-type: none"> <li data-bbox="716 258 1411 285">• Annual Report Mar-09</li> <li data-bbox="716 344 1411 371">• Program Completion Report Mar-10</li> <li data-bbox="716 388 1411 415">• Program &amp; Sector Coordination continuous</li> </ul>
<p><b>Component 4 - Independent Activities:</b></p> <p>Development of field notes, ToRs and proposal guidelines; data collection and analysis, conduct of workshops and discussion meetings,</p> <p>A range of interventions mainly outside of TAMS contract, namely: projects with academic and research institutions, funding of sanitation innovations, and infrastructure support and investments grants for local government-led projects.</p>	<ul style="list-style-type: none"> <li data-bbox="716 520 1411 548">• Independent Studies: <ul style="list-style-type: none"> <li data-bbox="748 567 1411 594">• National Sewerage &amp; Septage Management Plan Aug-09</li> <li data-bbox="748 596 1411 623">• Financing Sanitation &amp; Subsidy Aug-09</li> </ul> </li> <li data-bbox="716 653 1411 680">• Developing Sustainable Sanitation Education Programs Apr-10</li> <li data-bbox="716 699 1411 751">• Various outputs funded out of the Sanitation Innovation Fund Jun-10</li> <li data-bbox="716 770 1411 798">• Feasibility and detailed design for pilot projects (6) Oct-09</li> <li data-bbox="716 816 1411 844">• Pilot sanitation programs in 4 LGUs Jun-10</li> </ul>

<b>EA/PHI/88:</b>	<b>Registration of Water Utilities for Regulation</b>	<b>Year 2 of 2</b>
<b>Task Manager:</b>	<b>Jemima Sy/Leila Elvas</b>	
<b>Client:</b>	<b>National Water Resources Board (NWRB), a Provincial Government and its Water Utilities</b>	
<b>Country:</b>	<b>Philippines</b>	
<b>Partners:</b>	<b>Department of Finance (DOF), National Economic and Development Authority (NEDA), NWRB, Local Water Utilities Administration (LWUA), Department of the Interior and Local Government (DILG), Cooperative Development Authority (CDA)</b>	

**Desired Project Outcome:**

NWRB adopts realistic strategies and systems for more effective water utility regulation to support long-term sector rationalization.

**Project Description:**

The water supply market in the Philippines is characterized by large numbers of water utilities covering limited geographical areas. In recent years, the Government has embarked on sector reform through the consolidation of economic regulation under NWRB and rationalization of sector financing. Implemented well, these reforms can pave the way for more efficient sector performance. In the short-term, however, the policy environment maintains the status quo of multiple providers. Recently, the Supreme Court ruled on the non-exclusive nature of water districts franchises, which further widens the opportunity for multiple providers.

This policy environment implies stronger exercise of discretionary powers by NWRB as the franchise issuing authority. NWRB will need to do so rationally and based on merit, with the view to balancing public interest in the short- and long-term. NWRB's challenge is to move the sector from a situation of under-performance and multiple provision to consolidation of services in the hands of the most technically and financially capable entities. An immediate concern is to get the numerous utilities under a common regulatory framework. At present, there are about 300 water utilities registered with NWRB, out of about 2500 piped water service providers operating in the country<sup>2</sup>.

This project aims to develop a strategy to locate and register water utilities province-by-province, starting from a pilot province. The trial will seek to develop practical methods for identifying, registering and regulating small utilities that helps to inform NWRB of the cost and resource implications needed to scale up its economic regulation function. A province will be selected to participate in the trial as a partner to NWRB to explore the workability of delegated regulation or shared oversight between the national agency and a province. The province could play a role in sector planning and monitoring of performance by various utilities through the benchmarking process instituted in NWRB.

Water utilities within the participating province will be identified and registered with NWRB, and as an incentive for small utilities that may be averse to being regulated, will be eligible to participate in a planned incentive-based technical assistance program established within NWRB.

Policy dialogues will be supported during the trial conduct. In particular, the project will provide technical support for the analysis of performance results from the field. The analysis will investigate the following issues:

- a. Market Analysis - What is the urban market structure? What is the expectation in the next 5 and 10 years?
- b. Competition Analysis – How are suppliers performing? What is their projected performance in the next 5 years? Is there sufficient competition in the market to warrant light-handed regulatory processes? What are the barriers, drivers and implications of consolidating services in the longer-term?
- c. Sector Analysis – What are the resources and policy implications of the present sector performance to the relevant province's sector objectives?
- d. Regulation Analysis - What are the implications of the present sector structure to NWRB's regulatory strategies? What are the costs and benefits of the tested approach? What are the policy, institutional and financial implications for full-scale implementation?

For this type of analysis, nationally available data – those from the existing benchmarking database as well as those from LWUA's water district and DILG local government databases – will be needed to complement the analysis. The project will provide some support for translating these different sources of data into NWRB systems.

The project will report to the NWRB Board of Directors, but will work in consultation with a technical working group of partner institutions (DILG, LWUA and CDA).

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<sup>2</sup> This number includes water systems within residential subdivisions.

**Assumptions:**

1. NWRB rationalization plan is approved and it allocates sufficient human and other resources to implement the project and effectively respond to the regulatory implications of increasing its number of registrants.
2. Sector stakeholders such as local governments, national agencies, and water utility managers and owners support NWRB.

**Start Date:** April 2009**End Date:** June 2010**Project Milestones:**

1. NWRB Board and TWG members consider workable methods and strategies to be piloted – June 2009
2. Participating province directs municipalities and utilities about their participation in the trial by July 2009 and supervises their progress throughout the project.
3. LWUA, DILG and NWRB actively participate in national data coordination efforts and discuss results –January 2010.
4. NWRB Board of Directors discuss results of policy analysis and NWRB disseminate results to other stakeholders for consultation –March 2010.
5. NWRB Board of Directors discuss lessons of the pilot and its cost and resource implications for implementation – by June 2010.

**Indicators of Outcome:**

1. Practical strategy for registration in one province is tested –February 2010.
2. NWRB Board of Director endorses an approach for improving the regulatory system based on the results of the project –June 2010

**Project Updates:****4/08:** New project for FY09**4/09:** Dates of project milestones and indicators of outcome were updated due to delayed start of the project.**Project Activities and Outputs:**

Activities	
<b>Component 1 - Conceptualization of System for Registration of Water Utilities</b> <ul style="list-style-type: none"> <li>• Mobilization of consultants</li> <li>• Identification of methods, strategies and requirements</li> <li>• Collecting and transposing existing data from LWUA and other related agencies into the NWRB database</li> <li>• High-level (national) comparative analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Workplan agreed and finalized – Jun-09</li> <li>• Unified data Report –Jul-09</li> </ul>
<b>Component 2 - Testing of Registration System in Pilot Province</b> <ul style="list-style-type: none"> <li>• Identification of pilot province</li> <li>• Orientation workshop for TWG and utilities on project strategy &amp; system</li> <li>• Gathering of performance and price data</li> <li>• Discussion of survey results with utilities</li> <li>• Databook compilation</li> <li>• Drafting of report on estimated cost of implementation and MIS needs</li> </ul>	<ul style="list-style-type: none"> <li>• Pilot province selected –May-09</li> <li>• Training of trainers from NWRB, DILG, CDA and province and discussion of roles and responsibilities – Jul 09</li> <li>• Workshop on Data Capture and Benchmarking – Aug-09</li> <li>• Cleaned data –Jan-10</li> <li>• Workshop on results –Mar-10</li> <li>• Databook for the province utilities –May-10</li> <li>• Report on cost of implementation –Jun-10</li> </ul>

**EA/PHI/89:** Small Water Utilities Improvement and Financing (SWIF) – Phase 2 Year 2 of 3  
**Task Manager:** Leila Elvas/Jemima Sy  
**Client:** National Water Resources Board (NWRB), Department of Finance (DoF), Local Water Utilities Administration (LWUA), Department of the Interior and Local Government (DILG), Cooperative Development Authority (CDA),  
**Country:** Philippines  
**Partners:** National Economic and Development Authority (NEDA), DOF, LWUA, DILG, CDA, NWRB, a Provincial Government and its Water Utilities,

**Desired Project Outcome:**

Water sector oversight agencies (including DoF, NWRB, LWUA and DILG) establish an incentive-based technical assistance program and implement a preferred financial intervention to assist small water utilities improve their performance and increase their access to market-based finance in line with the Government Water Sector Financing Strategy.

**Project Description:**

In the Philippines, over 1,300 water utilities, i.e., 80% of total, are small.<sup>3</sup> They provide piped water to over 5 million people outside the major cities – where piped water, at the margin, meets emerging demand. They have high growth potential, despite catering to households with relatively lower incomes.<sup>4</sup> Small utilities are able to provide a satisfactory level of service and make modest incomes. The major areas of weakness in their performance are linked to capital financing. Small utilities that are financially viable, lack capability in strategic investment planning to identify initiatives, assess them against customer demand, and forecast the ability of projects to generate revenue as well as to understand their effects on tariffs. This inability deters them from seeking credit finance.

As a means to rationalize the use of limited public funds, the Government introduced a policy to ‘graduate’ creditworthy water service providers to private finance institutions, giving space to semi- and pre-creditworthy water service providers to access the more concessional sources of funds. The Department of Finance (DoF) leads this agenda, and is keen to see that the reforms result in more effective use of national public resources. WSP Philippines was asked to implement a support program for small utilities. The precursor project, the Small Water Utilities Improvement and Financing (SWIF-1) began to address these issues by developing a performance improvement process that was based on an approach to drive to change within the utility internally with frequent feedback externally to customers and stakeholders.

SWIF-2 will institutionalize and carry forward work undertaken in the first phase. The project will have the following components:

- Component 1. Institutionalizing the Process of Utility Performance Improvement
- Component 2. Standardizing Customer Satisfaction and Willingness to Pay
- Component 3. Support for Increased Access to Market-Based Finance

Component 1 aims to mainstream the strategic improvement and investment planning approach developed in SWIF-1 through an incentives-based technical assistance program for small utilities linked to the benchmarking and regulation of NWRB. A small utility support program, coordinated by NWRB, will be set-up to provide high potential small utilities with access to expert advice and mentoring on technical, finance and management matters, including strategic and investment planning. The program will finance a share of the cost of expert inputs, and will be funded initially with national government and donor support. Participation of small utilities (initially 10-15) into the program will be done on a competitive basis – linked to the regulation and benchmarking activities conducted by NWRB. Expert inputs and mentoring to small utilities will be provided by accredited private consultants. Accreditation will be led by NWRB to ensure that providers are versed in the regulatory requirements, such as those related to tariff approvals and annual reporting.

Component 2 will be a discrete input to simplify and standardize the experimental design and analytical model used in the customer satisfaction and willingness-to-pay surveys conducted in SWIF-1 to facilitate their use with minimal intervention from technical experts. SWIF-1 looked into customer satisfaction and quantitative willingness-to-pay with household survey using choice model analysis. Small utilities found the surveys extremely useful in understanding and aligning investment plans with consumer demand and dialoguing with their owners, financiers and customers. Given the rigor of the survey, the results were also useful for oversight agencies in policy discussions. However, as an instrument in the performance improvement process, the analytical methodology needs to be simplified through the use of pre-designed analytical models.

<sup>3</sup> Small water utilities are those providing piped supply to homes and having less than 5,000 connections.

<sup>4</sup> Average monthly household income in 11 small utility service areas was Php 13,300 (USD283) for current customers and Php 8,055 (USD171) for expansion customers. This translates to < USD 2/person/day at an average household size of 5.2.

Component 3 will build on the recommendations of the report, “Small Utility Access to Market Credit: Lessons and Options” completed under the former project, which proposed interventions that would encourage flow of capital from private financial institutions (PFIs) to small water utilities. The report identified issues that impede loan finance from private financial institutions (PFI) to small water utilities and identified some interventions that could be supported by government to promote increased flows from PFIs to small utilities. Among the proposed initiatives that were of interest to DoF are: establishment of a rediscounting window where extensions of credit to small utilities can be refinanced at a fixed interest rate or an infrastructure (debt) fund that co-finances with commercial banks on a subordinated basis. This component will support dialogues between the Department of Finance and PFIs on the merits of these proposals, and provide technical assistance to DoF to advice on the establishment of a preferred option.

**Assumptions:**

3. Concerned oversight agencies recognize the importance of supporting small utilities and allocate resources and staff to undertake the project by December 2009 as well as to support results continuation post-project.
4. Grant financing is available to enhance small utility access to capacity-building and financing services by July 2009.
5. Private support providers/consultants consider the business of small utilities as being
6. DoF and private financial institutions consider small utility financing a competitive investment and will be commercially interested in developing mechanisms to cater to this segment by July 2010.

**Start Date :** July 2008

**End Date :** March 2011

**Project Milestones:**

1. Project terms of reference and workplan reflect shared interest/commitment for improving performance and financing of small utilities and therefore endorsed by the DoF Oversight Committee, NWRB, DILG and LWUA –May 2009.
2. Pilot incentives-based technical assistance program and rules of procedure; accreditation procedures of support service providers are established by a NWRB Board Resolution by Nov 2009.
3. Accredited providers and first batch recipient utilities are selected by December 2009.
4. First batch recipients are trained in the performance improvement process, have successfully mentored at least 10 small utilities– Feb 2011.
5. Viable utility project design proposals and financing strategies are considered and acted upon by the Board of Directors of the participating utilities –Mar 2011.
6. Partner financial institutions and DoF Oversight Committee consider the results and findings of Component 3 and take the necessary steps to take some of the recommendations forward –March 2011.

**Indicators of Outcome:**

1. Final incentive-based technical assistance program confirmed by NWRB Resolution by March 2011.
2. At least 10 small utilities are mentored through an improvement planning process and produce their performance improvement plans –Dec 2010.
3. Operational policies and policy discussions by DoF Oversight Committee and other concerned agencies reflect the recommendations of the project as reflected in agency resolution, partnership agreements, minutes of Board meetings, etc - March 2011.

**Project Updates:**

**4/08:** New project for FY09; carries over Component 3 of SWIF-1 project (PHI/64).

**4/09:** Delivery dates for project milestones and indicators of outcome and activities/outputs have been updated based on mid-year reporting assessment on the delays to project start-up. Project description has been updated to reflect new strategy discussed with World Bank Manila.

## Project Activities and Outputs:

Activities	Outputs
<p><b>Component 1 – Institutionalizing the Process of Utility Performance Improvement</b></p> <ul style="list-style-type: none"> <li>• Preparation of concept note and TOR</li> <li>• Selection of consultants</li> <li>• Discussions with agencies involved on how to institutionalize the process of utility performance improvement and project proposal preparation</li> <li>• Developing the rules of the technical assistance program</li> <li>• Developing the accreditation procedures for support providers</li> <li>• Selection of utilities</li> <li>• Training of support providers on regulatory requirements and performance improvement process tools</li>   <li>• Technical assistance program and training to utilities for performance improvement planning and implementation.</li>   <li>• Evaluation and report preparation</li> </ul>	<ul style="list-style-type: none"> <li>• Approved concept note, TOR –May-09</li> <li>• Consultants mobilized –Jun-09</li> <li>• Strategy on institutionalizing the processes - Sep-09</li>   <li>• Operating procedures –Nov -09</li> <li>• Accreditation procedures -Dec-09</li>   <li>• Utilities awarded – Dec 09</li> <li>• Training of service providers – Jan 10</li>   <li>• Performance Improvement workshop –Mar-10</li> <li>• PIPs approved by utility’s Board– Feb-11</li>   <li>• Final report – Feb 11</li> </ul>
<p><b>Component 2 – Developing Pre-designed Customer Satisfaction and Willingness to Pay Instruments and Analytical Tools</b></p> <ul style="list-style-type: none"> <li>• Preparation of concept note and TOR</li> <li>• Selection of consultants</li> <li>• Development and testing of analytical model</li> <li>• Training of service providers on use of the model</li> <li>• Development of guidebook</li>   <li>• Conduct of willingness-to-pay and customer satisfaction for participating utilities</li> </ul>	<ul style="list-style-type: none"> <li>• Approved concept note, TOR –May-09</li> <li>• Consultants mobilized –Jul-09</li> <li>• Analytical model –Oct-09</li> <li>• Training–Jan-10</li> <li>• Guidebook – Mar 10</li>   <li>• Survey implementation – Mar 10</li> <li>• Survey report – Jul -10</li> <li>• Workshop on survey results –Aug-10</li> </ul>
<p><b>Component 3 – Support for Development of Financial Product/Window</b></p> <ul style="list-style-type: none"> <li>• Conduct assessment of financing needs and constraints of small utilities</li> <li>• Develop subsidiary accounting system for local government utilities and pilot test</li>   <li>• Discussions and agreements with partner institutions on the Lessons and Options Report</li>   <li>• Mobilize consultants and conduct financial, market and institutional study, if there is agreement on an option</li> </ul>	<ul style="list-style-type: none"> <li>• Report on Feasibility Study on Financing for Small Utilities – completed Dec 08</li> <li>• Subsidiary accounting system – completed Feb-09</li>   <li>• Agreement on preferred option to pursue or decision to stop – Jul 09</li>   <li>• Design of a preferred option – Dec 09</li> <li>• Discussion of results – Jan 10</li> </ul>

**EA/REG/43 (1):** **Regional Knowledge Building and Inter-Country Support Mechanisms** **Year 5 of 5**  
**Activity Sheet 1 – Overview and Program Development**  
**Task Manager:** **Isabel Blackett and Country Team Leaders**  
**Client:** **Governments in WSP-EAP countries**  
**Region:** **East Asia and the Pacific**  
**Partners:** **SIDA (SuSEA, MDTF/SAWAP), core funds, others**

**Desired Project Outcome:**

East Asia countries where WSP is active develop clear strategies for achieving the sanitation and hygiene-related MDGs and accelerate progress towards achieving them.

**Project Description:**

The WSP-EAP focus countries and other poorer nations in the region all have a) low levels of access to adequate sanitation, b) high rates of infant and child mortality from water and sanitation related diseases, c) lack of clear strategies to address these challenges, and d) many poor communities living in challenging environmental conditions in areas which lack known affordable sanitation solutions. Whilst these common challenges must be tackled at national level, a strategic regional program can enhance and support the national efforts and contribute to efficiencies and rapid dissemination of successes in support of achieving the sanitation MDG.

Challenges across the five WSP-EAP and other countries, which currently preclude addressing the above include:

- i) Lack of focus, emphasis and political will to address sanitation and hygiene challenges, leading to a lack of capacity and resources allocated to the sanitation sector in most WSP-EAP countries;
- ii) An economic model of development in most countries which relegates sanitation to “social welfare” and does not recognize the economic benefits and impacts of improved sanitation;
- iii) Limited knowledge, training and capacity building available to increase human resources, knowledge and expertise on sustainable sanitation options; and
- iv) Poor rates of hand-washing with soap in all countries, and to date only donor driven, small or ad hoc initiatives to address the required behavior changes.

The regional program is bringing together resources from two regional initiative –Sustainable Sanitation in East Asia (SuSEA) focusing on Indonesia and the Philippines and SAWAP supporting similar work in the Mekong countries and Southern China –, to forge synergies in the following two areas: a) Inter-Country Support Mechanisms, and b) Regional Rapid Knowledge Building and Learning.

These two broad approaches are being pursued through specific activities including, but not limited to:

- a) **Inter-Country Support Mechanisms:**  
The East Asia Ministerial Conference on Sanitation and Hygiene (EASAN) in December 2007 is seen as a key initiative in starting inter-country support mechanisms. Other initiatives include developing a Regional Handwashing support network and program learning; exchanges of sanitation experience between Philippines and Indonesia cities; and other sustainable sanitation activities which will follow on from EASAN.
- b) **Regional Rapid Knowledge Building and Learning to achieve the MDGs:**  
EASAN provided a high profile regional platform/event for rapid learning on sanitation at the highest levels, including a keynote presentation of the Impact study from the Economics of Sanitation Initiative (see Activity sheet 3), and was an opportunity to initiate partnership work to research sustainable sanitation solutions in challenging environments (follow up to EASAN) which are common across the region. This includes, among others, WSP working with the Stockholm Environment Institute (SEI) to contribute to their Centres of Excellence/capacity development for sustainable sanitation approaches.

EASAN provided an opportunity for the development of intra-regional partnerships and dialogues with the more developed nations of Thailand, Malaysia and Singapore among others. Key partners – UNICEF, WHO, SEI, Asian Institute of Technology, EcoAsia – brought their respective strengths and contributed their own resources. The increased awareness of the impact of poor sanitation from Economics of Sanitation Impact study (see above) presented at EASAN, and EASAN itself has influenced client Government priorities, strategies and investment programs. The work carried out under this Project will contribute to the work of the Sanitation & Hygiene GPT and World Bank Thematic group. Lessons learned and compiled at the EAP regional level will be shared and disseminated through the GPT. In addition, inter-regional studies may be undertaken through cost-sharing arrangements with the Sanitation GPT to gather evidence necessary for high level policy reform advocacy.

**Assumptions:**

1. EASAN initiates a process that successfully activates interest and demand from Governments in the region.
2. SEI establishes Centres of Excellence in timely manner that also enables WSP to provide support.
3. Capacity of the client governments to implement and monitor progress towards MDGs is sufficient.
4. Approaches of the Global Handwashing Initiative can be adapted to suit circumstances and resources available in the region.

**Start Date:** July 2006

**End Date:** July 2010

**Project Milestones:**

1. East Asia Ministerial Conference on Sanitation convened (achieved November 2007)
2. Identification of appropriate role for WSP inputs into Centres of Excellence for sustainable sanitation established by June 2008 (no longer relevant)
3. Three inter-country regional sanitation/hygiene events, studies, or study tours have been completed by mid 2008.

**Indicators of Outcome:**

1. Technical solutions for challenging environments identified or developed and applied in at least 3 WSP-EAP countries.
2. National hand-washing or other hygiene promotion programs in at least 3 countries designed and support to Government implementation started.
3. Increased knowledge and application of sustainable sanitation options across the region.

**Project Update:**

**4/09:** REG/43 (1) will continue to address a) one year activities (e.g. preparation for EASAN 2), b) small regional activities (HWWS Network, inter country peer learning etc) and any developing regional programs. Some previously planned activities have been moved to other project sheets (ESI, Sanitation in Challenging Environments etc) as noted below.

**Project Activities and Outputs:**

Activities	Outputs
<b>A – Inter-Country Support Mechanisms</b>	
<b>Preparation for EASAN 2:</b> <ul style="list-style-type: none"> <li>• Support design and planning activities of EASAN 2 in collaboration with host Government of Philippines and other donor partners.</li> <li>• Support to preparation documents before and after EASAN 2.</li> <li>• Support to country delegations and Government team strategies from each WSP-EAP countries</li> </ul>	<ul style="list-style-type: none"> <li>• Conference documentation available one month before conference.</li> <li>• Government participants present strategic plans the Conference by February 2010</li> <li>• Conference held by March 2010.</li> <li>• Government delegations are motivated anew by follow up plans by June 2010</li> </ul>
<b>Inter-Country Study Tours and Peer Learning:</b> <ul style="list-style-type: none"> <li>• Design study tour of urban sanitation initiatives in Philippines for Indonesian new city participants</li> <li>• Additional study tour for SuSEA City Technical Working Groups to Indonesia or elsewhere in Region</li> </ul>	<ul style="list-style-type: none"> <li>• Study tour developed and carried out with up to 15 participants</li> <li>• Study Tour evaluation demonstrates that participants return with new practical ideas of city initiatives</li> </ul>
<b>Regional Hand-Washing Network:</b> <ul style="list-style-type: none"> <li>• Continue to develop regional hand-washing support with Global Handwashing Initiative (GHWI) and EAP participate in Handwashing University in Mumbai (date TBA)</li> <li>• Design and participate in a HWWS session at EASAN 2</li> <li>• Dissemination of <i>Lesson Learned in Starting up a National HWWS Program in East Asia</i> at EASAN2 and through WSP networks (GHWI and GPTs)</li> <li>• Support linkages of HWWS as part of ‘total sanitation’ strategy as appropriate</li> <li>• Participation/representation from other EAP Country Governments in GHW program learning in Vietnam (or elsewhere) as applicable.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular collaboration with GHWI including East Asia participation with global teleconferences and meetings.</li> <li>• HWWS seminar/session convened held at EASAN 2 by February 2009.</li> <li>• <i>Lessons Learned in HWWS Program ‘Start-up’ in East Asia</i> document widely disseminated by March 2010</li> <li>• Follow up to 2008 Vietnam and Lao PDR study tour to Indonesia on ‘total sanitation’ strategy with focus on government ownership of PPP for Handwashing With Soap (HWWS) by June 2010.</li> <li>• Participation from representatives of Cambodia, Lao PDR or Philippines in HWWS learning events.</li> </ul>

Activities	Outputs
<b>B – Regional Rapid Knowledge Building and Learning to Achieve the MDGs</b>	
<b>Economics of Sanitation Initiative (ESI)</b>	See ESI Activity sheet 3.
<b>Centers of Excellence/SEI support:</b>	Activity cancelled - as reported in MYR FY09
<b>Sanitation in Challenging Environments</b>	Moved to Project sheet REG/76 (6)

<b>EA/REG43(3):</b>	<b>Regional Knowledge Building and Inter-Country Support Mechanisms Economics of Sanitation Initiative (ESI)</b>	<b>Year 4 of 4</b>
<b>Task Manager:</b>	<b>Guy Hutton</b>	
<b>Client:</b>	<b>Governments, donors and other stakeholders in the WSP focus countries in the region (Cambodia, Indonesia, Lao PDR, the Philippines and Vietnam) and Yunnan Provincial Government (China)</b>	
<b>Regional:</b>	<b>East Asia and the Pacific</b>	
<b>Partners:</b>	<b>SIDA, DFID, ADB, USAID (ECO-Asia), WHO</b>	

**Desired Project Outcome:**

More, and more efficiently spent, funds allocated to sanitation and hygiene in East Asia and the Pacific region:

- Increased investment and expenditure on sanitation and hygiene interventions by governments and/or donors
- Improved planning and implementation of effective, efficient, and sustainable sanitation and hygiene interventions by governments and/or donors

**Project Description:**

In East Asia, the numbers of people without access to sanitation are still high, and hence many developmental benefits of improved sanitation – as shown in the initial ESI sanitation ‘impact’ study – remain unrealized. The low priority of sanitation is reflected by the low levels of public investment and this is especially evident in urban areas. However, recently there has been an increasing awareness and attention given by the national governments in the region to sanitation. Although the developing countries of East Asia are at different stages of sub-sector development, all are seeking ways to increase the profile and priority of the sector. The reasons for public underinvestment in sanitation are many but include prevailing national economic development models, which relegate sanitation to “social welfare” and place the responsibility on the private household, subsequently leading to a low political profile of sanitation. The focus countries have limited tax revenue, lack information and understanding of the costs of poor sanitation to the economy and tend to respond to the higher demand for investment in domestic water supply. As well as low public investment in the sector, the opportunities for attracting private sector engagement in the financing and provision of sustainable sanitation services are not sufficiently enabled. To date most sanitation investment has been by household self-provision, and in most cases is inadequate, especially in poor households.

Economic arguments are potentially powerful in advocating for improved sanitation, given the centrality of finances in the priority-setting and program planning processes. This is not only true for government but also for donor agencies, communities and households. Economic evidence can include damage costs of unimproved sanitation, economic benefits of improving sanitation, efficiency of alternative sanitation improvement options, investment and recurrent costs of sanitation improvement options, as well as market information on household demand and financing sources. However, the economics evidence-base in the East Asia region is still weak, as for most other developing regions. Hence, as already experienced after the release of the ESI sanitation ‘impact’ study results, the case currently being made for improved sanitation could be made more strongly if better evidence was available from larger and more comprehensive studies.

Two study phases were initially proposed for the Economics of Sanitation Initiative:

- a) The first phase – the Sanitation Impact Study – was initiated in January 2007, and has already been completed in the five EAP countries. Using secondary data sources, this phase has generated macro-level evidence on the negative impacts of current sanitation and hygiene practices, mainly in relation to poor management of human excreta including poor hygiene practices. The study also tentatively quantified the potential benefits (costs averted) of several components of improved sanitation options. The study results have mobilized the different players inside and outside the sanitation sub-sector to act to change the situation. ESI staff and WSP regional communications program have published 16 ‘foundation’ publications from the five countries, as well as various brochures, pamphlets and newspaper articles.
- b) The second phase – the Sanitation Options Study – is assessing the costs and benefits of selected sanitation interventions to improve knowledge of intervention efficiency in a range of country settings, as well as the real developmental benefits, and sanitation financing implications. A variety of sanitation interventions have been selected that reflect the major potential sanitation options for countries meeting (and surpassing) their MDG targets. As in the ‘impact’ study, the focus is on human excreta management and related hygiene practices, except in Vietnam where other broader components of sanitation are being assessed. Study sites are under selection in China (Yunnan province) that are compatible with the aims of the WSP-led SAWAP program there. The interventions being considered will include ecological sanitation and biogas options, where relevant and where field research opportunities exist (especially China, Philippines and Vietnam).

The technique of cost-benefit analysis is used to estimate the expected financial and economic return on different sanitation investments (return per US\$ 1 invested), as well as the net present value and internal rate of return. As well as quantitative currency-based information, qualitative information and enabling factors will be reported as part of the cost-benefit analysis. Not only technical sanitation options will be evaluated, but also management or systems options which aim to rapidly increase sanitation coverage in low coverage settings. Cost-effectiveness analysis is also being used on health outcomes. Data sources for this study are a mixture of primary sources (field research, pilot projects and routine programs) at field level as well as secondary sources at national level for generalized (e.g. water resources) or macro-impacts (e.g. tourism, business). The emphasis on collecting field data will enhance the quality, acceptability and legitimacy of the results when being used for policy decisions. The presentation of results will emphasize the relevance of sanitation to the different MDG targets, especially the poverty-reduction potential of improved sanitation. Given that ESI is essentially a policy research study, the outputs of ESI must be relevant in order to answer actual information needs of government and other stakeholders for socio-economic information

related to sanitation. Therefore, an integral part of ESI is the communications strategy, to: obtain inputs from stakeholders to the study scope, research design, and implementation; to sensitize, train and motivate decision makers to use the results of ESI; and to deliver a range of products that meets the informational needs of the various target audiences.

#### Assumptions:

1. Firms and consultants are hired who have research and management skills for successful completion of the study and are motivated to take part in policy dialogue to ensure uptake of results.
2. Governments are willing to contribute to the ESI study implementation, and recognize the importance of economic evidence generated by ESI.

**Start Date:** October 2006

**End Date:** June 2010

#### Project Milestones:

1. Sanitation impact study reports published by May 2009 in five countries (complete in 04/09, except for Lao PDR), and dissemination activities conducted (many activities completed, but will continue into FY10).
2. Sanitation options study reports published by June 2010 in six countries, and dissemination activities conducted (continuous activity).

#### Indicators of Outcome:

1. Wide dissemination of ESI products and messages at global, regional and national levels, with (among others):
  - a. At least one technical sector dialogue per country motivated by the ESI results/ recommendations;
  - b. At least five newspaper articles per country and at least one other media coverage or event per country;
  - c. Formulation of ESI results into key messages for at least one major advocacy campaign, per country.
2. Progressive integration of ESI results into sector financing / expenditure, policy development and sector strategy, program plans and project proposals by governments, donors and NGOs.

*(note the study phasing: ESI-1 and ESI-2 products will be disseminated about 12-18 months apart; some of the dissemination achievements will be after FY10 due to the lag between publication and dissemination, and between dissemination and uptake by national and sub-national sector partners and media)*

#### Project Update:

**4/07:** This work started last year under Reg/43 (1) and has been moved to a new Activity sheet 3 linked to EA/ REG/43.

**4/08:** Change of TTL; extension by one year to ensure finalization of studies in countries lagging behind, and to include further behind schedule, and to include further policy dialogue and dissemination activities.

4/08 ADB funds ESI in EAP (USD 25,000 in FY08 and USD 75,000 in FY09) with similar allocation to WSP-SA to start off ESI in South Asia Region.

**4/09:** ECO-Asia has been added to the list of partners as they are funding the research team in Yunnan province (contract value USD 60,000). The end-date has been changed from 12/2009 to 06/2010 to enable study completion, reporting and dissemination events in all countries.

#### Project Activities and Outputs:

Activities	Output(s) and their Deliverable Dates
1. <b>Cambodia</b> options study finalization (data analysis, report drafting, peer review, translation, editing, dissemination activities & events)	Short and long reports, 2-pager (English) – January 2010 Short report (Khmer) – March 2010 Dissemination activities and events – June 2010
2. <b>Indonesia</b> options study finalization (data analysis, report drafting, peer review, translation, editing, dissemination activities & events)	Short and long reports, 2-pager (English) – January 2010 Short report (Bahasa) – March 2010 Dissemination activities and events – June 2010

3. <b>Philippines</b> options study finalization (data analysis, report drafting, peer review, translation, editing, dissemination activities & events)	Short and long reports, 2-pager (English) – January 2010 'Intangibles' and program approach reports (English) – March 2010 Dissemination activities and events – June 2010
4. <b>Vietnam</b> options study finalization (data collection finalized, data analysis, report drafting, peer review, translation, editing, dissemination activities & events)	Short and long reports, 2-pager (English) – January 2010 Short and long reports (Vietnamese) – March 2010 Dissemination activities and events – June 2010
5. <b>Lao PDR</b> options study finalization (data collection finalized, data analysis, report drafting, peer review, translation, editing, dissemination activities & events)	Short and long reports, 2-pager (English) – March 2010 Short report (Lao) – May 2010 Dissemination activities and events – June 2010
6. <b>China (Yunnan)</b> options study finalization (data collection finalized, data analysis, report drafting, peer review, translation, editing, dissemination activities & events)	Short and long reports, 2-pager (English) – January 2010 Short and long reports (Mandarin) – March 2010 Dissemination activities and events – June 2010
7. <b>Regional products</b> (synthesis of 6-country results, reports design layout, peer review, editing, dissemination activities & events, excel-based CBA model)	Short and long reports, 2-pager (English) – March 2010 Tourism report (English) – March 2010 Excel-based CBA model – draft December 2009 Dissemination activities and events – June 2010
8. <b>Inter-regional and global work</b> (contribution to definition and implementation of South Asia and Africa ESI studies)	Publication of web-based WSP "Economic evaluation package for conduct of CBA/CEA" including data collection tools and EAP reports ( <i>note: SA and AFR products under the responsibility of WSP staff in those regions</i> )

**EA/REG/67 (1):** **Review of Water and Sanitation (WSS) Financing in Indonesia** **Year 4 of 4**  
**Task Manager:** **Jemima Sy**  
**Client:** **Ministry of Finance (Directorate for Loans, Grants and Local Capacity Development), National Development Planning Agency (BAPPENAS), Ministry of Public Works (Directorate for Program Development and Directorate for Water Supply) World Bank Indonesia, local governments, other agencies/stakeholders**  
**Country:** **Indonesia**  
**Partners:** **Royal Netherlands Embassy, AusAID**

**Desired Project Outcome:**

Establishment by central government of an incentive program using the intra-governmental fiscal transfer mechanism and adoption by central and local governments of recommendations arising from a diagnosis of key issues related to sector governance at the local level to encourage local governments to invest in good water supply and sanitation (WSS) projects.

**Project Description:**

The project is one of a number of activities funded under the Water and Sanitation Program for Indonesia (WASAP) financed by the Netherlands Government and administered by World Bank Indonesia.

Phase 1 of the project (completed in 2006) sought to provide an overview and analysis of current levels, sources and effectiveness of public WSS financing and fund channels between 2003 and 2005. The overview synthesized available information on public financing from central ministry budgets (Public Works and Health) and 21 local districts in seven provinces. The results of Phase 1 indicated that while local governments are increasingly investing in the sector, spending per capita is very limited, and increased spending does not equate to quality of spending – there is little spending on aspects that support capital investments such as operations/maintenance, hygiene promotion or capacity-building. Also, the study found that local government spending is unrelated to their increased revenues, indicating there is a role for national guidance in influencing local sector investments.

Phase 2 of the project seeks to improve national and local government WSS sector strategies based on appropriate financing that utilizes public and private resources to increase sector performance, help the poor gain access to water and sanitation and meet MDG sector targets. Based on the revised work plan during the mid-year review in 2008, the original components have been revised.

Component 1 will develop and agree with the Government the mechanism and criteria for a fiscal transfer mechanism that will encourage local governments to invest in WSS. Technical advice and facilitation will be provided to work with a technical team in Government, composed of the Ministries of Finance, Public Works and National Development Planning Agency, on the design of a grant program for local governments.

Components 2 and 3 seek to help stakeholders better understand the mismatch between local government resources for water supply and sanitation. Component 2 will develop a program that mobilizes investment in water based on an improved local governance model and Component 3 will develop specific solutions to improve governance in the sanitation sector. This will be undertaken by conducting diagnostic assessments of 6 local governments on the issue of why, with their available local resources local governments are not investing in water and sanitation. A number of hypothesis, including low level of demand, lack of access to finance, or lack of accountability of politicians are being tested through surveys, polls and focus groups as well as data analysis.

**Assumptions:**

1. Indonesia has a appropriate legal and regulatory frameworks for developing a fiscal incentive mechanism for water.
2. Central government will prioritize water supply spending and allocate budget to leverage local government funds.
3. Local governments have significant authority over planning and budgets for the sector and consider it a priority.
4. Local governments have resources to spend but are under-investing in WSS service.

These assumptions will be tested during execution of Components 2 and 3.

**Start Date:** August 2005

**End Date:** September 2009

**Project Milestones:**

1. Best available information on public expenditure in WSS collected from central ministries and 21 local governments – accomplished August 2006.
2. Analysis of WSS financing data is concluded and understood by national and local stakeholders – accomplished December 2006.
3. Consultants start Phase 2 – accomplished June 2008.
4. Incentive program through the intra-governmental transfer mechanism is agreed by stakeholders – April 2009.
5. Delivery of Component 2 final report – August 2009.

**Indicators of Outcome:**

1. Local government investment in WSS increases as a share of total income in the years following the establishment of a program through the intra-governmental fiscal transfer mechanism to incentivize local governments to invest in good water supply projects – December 2010.
2. Participating local governments use tools/recommendations under the project to in the three years following project completion.

**Project Update:****04/09**

Outcome revised to reflect new scope of work based on assessment at mid-year.

Based on the mid-year assessment, the project components were revised to reflect emerging opportunities.

The project timeframe was also shortened by 10 months due to a reduced scope of work resulting from the revised components.

Additional project milestones (items 4 and 5) included to reflect revised scope of work under the project.

**Project Activities and Outputs:**

Activities	Output(s) and their Deliverable Dates
Conduct willingness-to-pay surveys in 6 local governments Hold interviews, focus group discussions and opinion polls in 6 local governments Develop capital and recurrent cost forecasts for investment in WSS Develop financial model and database for 6 local governments on investments in WSS	Report on study findings on local governance in WSS – July 2009.
Hold consultations at local and national level on study results Discuss and agree on a preferred option	Concept Note on preferred option for local governance model on WSS – August 2009.

**EA/REG/67:** WSS Sector Financing Strategy in Cambodia to Achieve the MDGs **Year 4 of 4**  
**Task Manager:** Guy Hutton  
**Client:** National and local government of Cambodia, international finance institutions, donor agencies  
**Region:** East Asia and the Pacific  
**Partners:** Ministries of Finance and WSS line ministries and donor partners in Cambodia, WSP Finance GPT

**Desired Project Outcome:**

Cambodia effectively and efficiently uses adequate public and private resources to increase sector performance, help the poor gain access to water and sanitation, and meet Cambodian Millennium Development Goal (CMDG) sector targets.

**Project Description:**

Meeting the MDGs in Cambodia requires: (i) increased access resulting from new infrastructure and rehabilitation of non-functioning infrastructure; (ii) adequate allowance for operation and maintenance of new and existing infrastructure; and (iii) sector development activities including capacity building in communities, policy formulation and standard setting, and sector monitoring and regulation. Expenditures for these activities will need to be met from different sources. Operation and maintenance (O&M) expenditures generally will need to be met through user charges, while public expenditure through government budgets will focus on sector management and partial grants for capital investments with varying levels of capital cost sharing by consumers and utilities. Total finance requirements will be a function of choices in technology and level of service. Detailed national level costing and financial planning will be required to inform sector financing strategies, and sector expenditure shortfalls will be revealed after comparing requirements to current sector expenditures.

While macro cost estimates of meeting MDGs exist, these estimates are not underpinned by detailed national investigation, nor has national study been made of sector requirements and current sector expenditures. From this flawed information base, development of sound national sector financing strategies has not been possible in Cambodia. The project will assist Cambodia to acquire and use improved information to develop realistic WSS sector financing strategies aimed at achieving the Cambodian MDGs and beyond.

Project partners from Ministries of Finance and other national and local agencies will participate at the working level as team members supporting data gathering and verification. Project partner decision makers will contribute to and vet sector financing strategies. Development of sector financing strategies in East Asia lags other WSP regions, and will benefit from staff expertise and tools developed in those regions. Linkages with the Finance Global Practice Team will ensure inter-regional exchange.

**Assumptions:**

1. National counterparts are interested and willing to share in strategy development and implementation.
2. Availability of national and local government budget and expenditure data to quantify public financing for water and sanitation.
3. Sector financing strategy will remain relevant beyond the 2015 target for Cambodia MDG achievement.

**Start Date:** August 2005

**End Date:** June 2010

**Project Milestones:**

1. Baseline Scenario and Development Scenarios reports of the consultants, which both feed into the WSS Financing Strategy and Implementation Plan, the field note, and end-of-project dissemination workshop by December 2009.
2. Continued policy dialogue in both the rural sector (through Technical Working Group, lead by Ministry of Rural Development) and the urban sector (lead by Ministry of Industry, Mines and Energy), beyond the completion of consultant outputs.

**Indicators of Outcome:**

1. A stakeholder-endorsed rural and urban WSS financing strategy that includes affordability analysis and recommended policy measures to protect the poor by December 2009.
2. An agreed plan to implement the financing strategy through the Government's budgetary decision making process and medium term expenditure framework by June 2010.

**Project Update:**

**4/08:** Task team leader reassigned; milestones and indicators of outcome revised to correspond to current project; planning of work in other countries postponed until successful piloting of financial strategy for Cambodia.

**4/09:** Consultant contract was signed early January 2009, with 12 months time period for firm contract, expected completion on 31 December 2009. Dissemination activities and next steps will be carried on into 2010.

**Project Activities and Outputs:**

Activities	Output(s) and their Deliverable Dates
Phase II – Baseline scenario	Report assessing Cambodia's WSS sector and presenting the baseline scenario and policy measures to address any baseline financial gaps, including Sector Stakeholder Group meeting – July 2009
Phase III – Development scenarios	Policy paper discussing development scenarios and options for meeting sector targets, including Sector Stakeholder Group meeting – June 2009
Phase IV – WSS financing strategy and implementation plan	Report on water supply and sanitation financing strategy and implementation plan, and field note, and including final Sector Stakeholder Group meeting and dissemination workshop – December 2009

**EA/REG/76 (1):** SAWAP –Mobilizing the Domestic Private Sector for WSS Year 3 of 5  
**Task Manager:** Nguyen Diem Hang  
**Client:** Various ministries in Cambodia, Lao PDR, and Vietnam; provincial agencies in Yunnan and Guangxi provinces, China  
**Region:** Mekong Subregion (led by Vietnam)  
**Partners:** Cambodia, Lao PDR, China: national and provincial/local governments and relevant agencies; Vietnam: Ministry of Planning and Investment, Ministry of Finance, Ministry of Natural Resources and Environment, provincial governments, other stakeholders.

**Desired Project Outcome:**

Vietnam, Lao PDR, Cambodia, and the southern provinces of China have gained experience in working together on supporting water and sanitation utility and agency performance through increased participation of the domestic private sector in WSS service delivery.

**Project Description:**

In this project, an evaluation of the WSS sector's legal environment, the current performance of utilities, assessment of the current market share of the domestic private sector in WSS service delivery, and the development of common tools for enhanced service delivery and increased private participation in the 3 focus countries have been done with learning exchange. Vietnam has led by agreement, with Lao PDR and Cambodia providing supplementary inputs. Successful private sector participation models in the water and sanitation sector have been extracted from real practice and will be disseminated widely for both Governmental agencies, water and sanitation utilities and the private sector. At the same time, collaboration with IFC for helping some potential water utilities in designing plans for involving private sector participation in operation can lead to some pilot projects where findings from the PSP study will be applied.

Building the capacity of the domestic private sector, mobilizing it and stimulating an environment where it can play a more significant role is of strong interest to all countries in the Mekong region, with all of them having, to varying extents, helpful learning experiences, many ongoing or about to commence. In Vietnam, this includes the Design-Build-Lease (DBL) work funded through both World Bank and Finnida-financed projects; emerging experience of the potential of rural water supply and sanitation (RWSS) enterprises in the World Bank-financed Red River Delta RWSS Project, which WSP helped the Government design; and new insights into market-based approaches to sanitation. Inputs from Lao PDR and Cambodia will include their experience on and opportunities for the domestic private sector.

The project will also support feedback on the usefulness and need for adaptation of the experiences from the other participating countries. Inter-country collaboration mechanisms to be employed will include electronic and video networking, joint workshops, exchange visits, joint action research and joint publications. The collaboration is planned to lead to the preparation of further projects.

**Assumptions:**

1. Governments confirm their interest in this inter-country initiative and request for WSP-EAP to act as a supporter, and other partners in country accept and support this role.
2. Governments accept their respective lead and supplementary roles and relevant ministries and other stakeholders in all four countries agree to work together collaboratively on the initiative.

**Start Date:** July 2006

**End Date:** June 2011

**Project Milestones:**

1. WB's Urban Development Unit (Urban) is using study results from design-build-operate (DBO) approach for the Vietnam Urban Water Supply Development Project (VUWSDP) – Completed (October 2008)
2. Relevant stakeholders in Vietnam understand the situation of private sector participation and their potential contribution in to the water and sanitation sector - June 2009.
3. Relevant stakeholders in Lao and Cambodia have access to PSP lessons and suggestions from Vietnam – June 2009.
4. Workshop at country and inter-country level to share the experience - June 2009.
5. Plan for providing capacity building/support to private sector in WSS sector in 2 or more SAWAP countries - December 2009.

**Indicators of Outcome:**

1. Government sees the increasing role of the private sector in service delivery and actively takes the lead in improving the legal environment for domestic private sector participation – June 2011.
2. Percentage of the water and sanitation services provided by domestic private sector increased - June 2011.

<p><b>Project Updates:</b></p> <p><b>5/07:</b> Change of TTL</p> <p><b>4/08:</b> Update of milestones.</p> <p><b>4/09:</b> Update of project description and activities and outputs to reflect more on inter-country learning mechanisms.</p>
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**Activities and Outputs:**

Activities	Outputs
<p>Dissemination of best practice and lessons learned:</p> <ul style="list-style-type: none"> <li>• Best practice among PSP models is extracted for a field note or a book on PSP</li> <li>• Publication of field note in SAWAP countries</li> <li>• Activities for disseminating lesson learnt from the PSP study and stimulating the involvement of private sector to the WSS sector: PSP report is circulated and actively introduced through other channels as related workshops, meetings; etc</li> </ul>	<ul style="list-style-type: none"> <li>• Field note or PSP book available– March 2010</li> <li>• Publication available in English (June 2010), Vietnamese (June 2010) and Lao language – (December 2010).</li> <li>• Local authorities and private sector in WSS sector have PSP report for reference in their work/business. Meeting, discussion with private sector on their potential chances in the sector</li> </ul>
<p>Capacity building for private WSS operators based on demand:</p> <ul style="list-style-type: none"> <li>• Training courses on operation and maintenance, expansion of systems, etc</li> </ul>	<ul style="list-style-type: none"> <li>• Training courses for Vietnam and Lao PDR private operators – March 2010</li> </ul>
<p>Preparatory support for potential larger-scale PSP pilot with IFC:</p> <ul style="list-style-type: none"> <li>• Working with IFC on the results from the Benchmarking Study in Vietnam to identify suitable provincial water supply companies for introducing PSP approaches which finally can lead to pilot investment project. Exchange and meeting with professional organization and relevant agencies will also be made for consultation</li> <li>• Coordinating with IFC to organize a workshop for those utilities to introduce suitable PSP approaches and IFC advisory service of designing plans for getting private sector involved</li> <li>• If the response from the workshop is positive, help IFC in working with most potential utilities in designing detail plans for private sector involvement of particular work</li> </ul>	<ul style="list-style-type: none"> <li>• Shortlist of suitable utilities – December 2009</li> <li>• Workshop conducted – March 2010</li> <li>• Meetings/discussions with utilities and provincial agencies – June 2010</li> </ul>
<p>Support for small-scale PSP:</p> <ul style="list-style-type: none"> <li>• Based on analyses of PSP projects for small towns/villages, develop an adapted model which is most appropriate for PSP in small scale water supply system</li> <li>• Identification of potential private investor(s) who are interested in applying this model</li> </ul>	<ul style="list-style-type: none"> <li>• The adapted model is available – January 2010</li> <li>• At least one private investor is interested in the model and prepares for an investment in a small town or a village – June 2010</li> </ul>

**EA/REG 76 (3):**                    **SAWAP - Support to Engagement with Yunnan and Guangxi**                    **Year 3 of 5**  
    **Provinces of China**  
**Task Manager:**                    **Chris Trethewey**  
**Client:**                                **Provincial Governments of Yunnan and Guangxi Provinces, China**  
**Region:**                               **Southern Provinces of China**  
**Partners:**                            **Provincial Bureaus and other stakeholders in each province, SAWAP Steering Committee**  
    **and Core Teams, Sida**

**Desired Project Outcome:**

Both Yunnan and Guangxi Provinces participate in WSP-supported work through SAWAP, actively take part in joint cross-country work, and share and benefit from sub-regional experience and knowledge, thereby contributing to the achievement of the WSS-related MDGs in all the Mekong countries/provinces.

**Project Description:**

For China as a whole, 2000 figures indicated that urban water supply coverage was already 94% with urban sanitation at 68%. Corresponding figures for rural water and sanitation however were only 66% and 24%. As an indicator of the pace of change, by 2002 these had already risen to 90% and 48% respectively, and further rapid progress has continued since. However, overall, poverty levels in China were estimated as 5% in 2002. Therefore, the coverage figures likely mask pockets of poverty and much less adequate sanitation and water supply coverage.

In terms of numbers and access, China has some of the largest challenges in the region in sanitation and water supply. But it also has some of the most promising experiences, including at large scale, particularly in water supply. Very significant investment is being made, recently benefiting urban sanitation. However there is growing concern on whether this investment is sustainable in the long term (particularly large scale sewage pumping and sewage treatment) and on the costs associated with the technical approaches adopted.

Sanitation/water resources links are a particular concern in Yunnan and Guangxi, as is the need to reach ethnic minorities and the poor in remote mountainous regions. In addition, there are particularly promising examples of sustainable sanitation using EcoSan and Biogas approaches. The China version of sustainable sanitation started with a 70-unit pilot supported by Sida and UNICEF in 1997 and there are now a number of examples of positive experiences subsequently being used at scale. By 2003 sustainable sanitation had expanded to 685,000 units in 17 provinces of China, particularly in Guangxi and Yunnan. These experiences include successful use of ecological latrines and of biogas, using combined domestic and animal waste to generate a source of sustainable energy supply at household level. This experience is also transferring from rural to peri-urban areas. However there is little work to date on the economic analysis of EcoSan based approaches in comparison with others, what makes them appropriate or not (and in what circumstances), and to what extent experiences can be transferred or adapted for use elsewhere.

Because of its rapid growth and booming economy, China has the power to leverage and influence change amongst its neighbors. And because of its size and opportunity it presents for scaling up, China is one of the most fertile grounds for an approach based on leverage through demonstration. Yunnan and Guangxi, with their close links with their Mekong Region neighbors to the south, offer particular opportunities for two-way influence under SAWAP.

Priorities for areas of work were identified by the China team at the 2005 Guilin WSP Thematic Conference, and a first stakeholder workshop was organized in May 2007 by the Yunnan Environmental Protection Bureau (YEPB). Following the agreement on SAWAP project selection criteria in early FY09, a similar initial workshop will be conducted in Guangxi province to confirm SAWAP interest and commitment, followed by the identification of SAWAP projects to be led by these two provinces of China.

**Assumptions:**

1. Yunnan and Guangxi Provinces confirm their interest in SAWAP, request WSP-EAP to act as a supporter, and in-Province partners accept and support this role.
2. The two Provinces show interest in the SAWAP inter-country projects put forward by the other countries and projects and also develop distinct activities for the two Provinces to lead that fit within the SAWAP framework and are met with interest by the other SAWAP countries.
3. Relevant Provincial Bureaus and other key stakeholders in Yunnan and Guangxi Provinces agree to work together collaboratively through the SAWAP initiative.

**Start Date:** July 2007**End Date:** June 2012**Project Milestones:**

1. SAWAP participation agreed by key stakeholders in both Provinces (Yunnan Province: May 2007 – *Achieved*, Guangxi Province: to be determined).
2. Economics of Sanitation Initiative (see regional project sheet REG 43(3)) activities started in Yunnan – Oct 2008.
3. Core Country Team established in Yunnan Province with STC support identified and contracted September 2009
4. At least one project identified and led by Yunnan Province approved according to selection criteria – October 2009.
5. Introductory stakeholder workshop held in Guangxi province that leads to the decision to participate in SAWAP – October 2009– including identification of project options and selection of at least one new inter-country project – December 2010.
6. Additional funding secured in support of growing ambition of planned activities – September 2010.

**Indicators of Outcome:**

1. The two Provinces and other SAWAP countries reach agreement to progressively increase breadth and depth of inter-country collaboration in WSS through SAWAP Steering Committee – December 2009.
2. Benefits of participation in SAWAP programs identified by participating stakeholders and applied to progress towards MDG WSS linked targets - June 2012.

**Project Updates:**

**4/08:** General review. Milestone and Activity Update for FY09

**4/09:** Review and update of milestones and indicators following recruitment of new SAWAP Coordinator.

**Project Activities and Outputs:**

Activities	Outputs
<ul style="list-style-type: none"> <li>• Recruit National Resource Persons (coordinators) for Yunnan and Guangxi provinces.</li> </ul>	<ul style="list-style-type: none"> <li>• Yunnan: July 2009</li> <li>• Guangxi: to be determined</li> </ul>
<ul style="list-style-type: none"> <li>• Guangxi SAWAP Introductory Stakeholder Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting held by October 2009</li> </ul>
<ul style="list-style-type: none"> <li>• Agreement on Yunnan and Guangxi's participation in at least one SAWAP inter-country project led by other countries. (Possibilities include ESI and Sanitation in Difficult Circumstances)</li> </ul>	<ul style="list-style-type: none"> <li>• Yunnan: May 2009</li> <li>• Guangxi: December 2009</li> </ul>
<ul style="list-style-type: none"> <li>• Development of one new inter-country Project in each Province, led by the Province.</li> </ul>	<ul style="list-style-type: none"> <li>• Yunnan: March 2010</li> <li>• Guangxi: March 2010.</li> </ul>
<ul style="list-style-type: none"> <li>• Completion of Economics of Sanitation Initiative (ESI) study in Yunnan Province (see also regional sheet REG 43(3)), including publication and dissemination of report.</li> </ul>	<ul style="list-style-type: none"> <li>• Short and long reports (English) – January 2010.</li> <li>• Short and long reports (Mandarin) – March 2010</li> <li>• Dissemination activities and events – June 2010</li> </ul>

**EA/REG/76 (4):** Expanded Water Treatment Technology Verification **Year 4 of 4**  
**Task Manager:** Jan Willem Rosenboom  
**Client:** Ministry of Rural Development (MRD), Ministry of Industry, Mines and Energy (MIME),  
 (Task Group on Drinking Water Quality)  
**Country:** Cambodia  
**Partners:** UNICEF, RDI, USAID

**Desired Project Outcome:**

Increased number of verified domestic water treatment technologies available for selection by Cambodian households.

**Project Description:**

The most popular sources of drinking water in Cambodia are rain water (collected in a container or a pond) and river water. Although most water projects focus on the development of ground water, the discovery of arsenic has led to increased interest in household water treatment technologies. A number of treatment technologies are being offered for use in Cambodia, but not all have been demonstrated to work. Consequently there is a concern that the use of badly designed or used treatment systems will lead to users being exposed to drinking water of low (bacteriological) quality. If users abandon otherwise safe water for sources with preferred taste in the belief that the use of a filter safeguards them from ill effects, the result will be doubly negative (users will get sick from contaminated water, and the reputation of household treatment in general will suffer).

In 2006, one of the most popular filters the Ceramic Water Purifier (CWP) was evaluated at the request of the proponent (IDE) jointly by WSP and UNICEF. A field note based on this project was published in 2007. The lessons learned during this evaluation will now be applied in expanding the verification to other (mainstream) treatment technologies, such as the biosand filter (BSF), and others still to be identified.

Treatment technologies will be assessed on (i) technical performance, based on evaluation of units operating in the field; and (ii) user satisfaction. Results will be widely disseminated in the country, to help consumers make water supply choices. This is important, as consumers are not in a position to themselves verify claims made by treatment proponents. In a regional meeting organized jointly with WHO, recent experiences and developments in household water treatment will be disseminated and discussed.

Parallel to the ongoing verification activities, the Government Task Group on Drinking Water Quality will be involved in discussions on developing a common technology validation and monitoring framework.

Given the growing interest in Household Water Treatment and Safe Storage (HWTS) technologies in the region (e.g. USAID funded work in Indonesia, Cambodia, Laos and Vietnam and other initiatives) this project has evolved to include the development of regional linkages for the purposes of information exchange and learning. In addition, technology verification activities have grown in scope to also include overall quality monitoring starting from FY10.

**Assumptions:**

1. A laboratory can be identified which is capable of performing water quality analysis of the type and quality required for the verification component.
2. Households are willing to participate in the field study of technologies.
3. Technology proponents do not object to "their" technologies being independently assessed.

**Start Date:** August 2006

**End Date:** June 2010

**Project Milestones:**

1. Identification of suitable candidate technologies (off the shelf and in-situ) by end August 2006.
2. First round of two technologies assessed by 15 March 2007, and results published by 1 May 2007.
3. Dissemination activities ongoing by December 2007.
4. Validation and monitoring framework in place by August 2009.

**Indicators of Outcome:**

1. Government Task Group on Drinking Water Quality re-activated by 1 November 2006, as evidenced by decisions steering the verification program.
2. Water filter validation and monitoring program based on findings and recommendations of study underway nationally by December 2009.

**Project Update:**

**3/07:** Project designated as Mekong Regional Initiative. Cambodia to take the lead in developing activities related to improving domestic water quality, while Laos and Vietnam will develop related and complementary activities.

**3/08:** The project duration was extended by two years to allow for (i) the publication of field notes in FY09 (based on the research completed in FY08), and (ii) the development (in FY09) and application (In FY10) of a general framework for Environmental Technology Verification based on the assessment experience with CWP, BSF and iron-oxide amended BSF.

Project number changed from EA/CAM/68 to EA.REG76 (4) to better reflect regional nature

**4/09:** Following discussions with producers of ceramic filters, expanded the ETV concept to include a (voluntary) quality control mechanism for local producers. WSP will be the neutral convener in this process.

#### Project Activities and Outputs:

Activities	Outputs
<ul style="list-style-type: none"> <li>Publication of BSF and iron-oxide amended BSF field notes following peer review started in FY09.</li> </ul>	<ul style="list-style-type: none"> <li>BSF field note disseminated October 2009</li> <li>Arsenic field note disseminated December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Production of validation and monitoring framework based on CWP, BSF and arsenic study process.</li> </ul>	<ul style="list-style-type: none"> <li>ETV concept note published August 2009</li> <li>Filter production quality control framework disseminated September 2009, finalized November 2009</li> <li>Water supply surveillance roundtable discussions initiated in November 2009, contributing to national water supply strategy implementation guidelines (see also project EA/CAM/69)</li> <li>Identify candidate technologies for ETV process and design pilot, February 2010</li> </ul>
<ul style="list-style-type: none"> <li>Participate in WHO Drinking Water Quality Committee as Coordinator on Surveillance and Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Submit proposed revisions of WHO Guidelines for Drinking Water Quality Vol III to committee for review, September 2009</li> <li>Participate in Drinking Water Quality Committee meeting in Geneva, November 9-13</li> </ul>
<p><b>SAWAP sub-regional activities (led by Cambodia):</b></p> <ul style="list-style-type: none"> <li>Develop a water treatment technology discussion note and submit to Vietnam, Lao PDR and Indonesia for input and comments. Organize a round table meeting to finalize, including other HWTS proponents in the region.</li> <li>Discuss and agree with Laos, Vietnam and other interested countries the desirability of commissioning the development of national inventories of treatment technologies and existing technology approval mechanisms. Develop a plan to carry out required country research.</li> </ul>	<ul style="list-style-type: none"> <li>Cambodia concept paper circulated for regional discussion, September 2009.</li> <li>A round-table meeting in each country linked to ETV framework and paper (see also national activity above).</li> <li>Regional research plan agreed by February 2010.</li> </ul>

**EA/REG 76 (5):** SAWAP Sustainable Urban Sanitation Models **Year 3 of 4**  
**Task Manager:** Viengsamay Vongkhamsao  
**Client:** Department of Housing and Urban Planning, MPWT  
**Country:** Lao PDR, and potentially other Mekong countries  
**Partners:** Public Works and Transport Institute, Nam Saat, MOH, Lao Women Union, Lao Front for National Reconstruction, National University of Laos, Ministry of Industry and Commerce, Vientiane Urban Development Administration Authority, donor agencies, NGOs, private sector

**Desired Project Outcome:**

Sustainable management models for urban sanitation and hygiene solutions are progressively scaled up, particularly for the poor.

**Project Description:**

In responding to the lack of appropriate management options on sanitation and hygiene which is quite a problem common to Lao PDR, Cambodia, Vietnam, Guangxi and Yunnan Provinces of China a study or research to find appropriate models is of the interest to these SAWAP member countries. The Lao PDR authorities concerned are extremely interested in examining how to effectively manage public toilets in a small town, recognizing that studies on appropriate technologies, financing mechanisms, operating and maintenance aspects will contribute to sustained improvements in the health status, productivity and quality of life of poor and under-served communities and in turn this will support the efforts of the target countries to achieve the MDGs, as they relate to sanitation, water and health.

The project's main objectives are to explore appropriate management models for urban sanitation that can be applied in a small town. If applicable these management models can be shared with other SAWAP member countries and so contribute to advancing sector knowledge and large scale use of a range of sustainable sanitation solutions.

**Assumptions**

1. Government of Lao PDR will be receptive to learning innovative approaches to scaling up public sanitation models nationally and supportive of the initiatives.
2. Sufficient numbers of qualified and skilled government officials will be available to effectively implement the proposed program activities.
3. There is enough interest from private companies to be involved in the proposed model.

**Start Date:** March 07

**End Date:** June 11

**Project Milestones:**

1. Mobile latrine fair organized – Dec.2008 (completed).
2. Technological options for urban sanitation to small towns, including improvement of public toilet facilities are studied and identified – June 2010.
3. Management models for urban sanitation in small towns, including financing, operating and maintenance options are studied and identified – Jan 2011.

**Indicators of Outcome:**

1. Urban communities adopt new sanitation facilities through mobile latrine fair – Dec 08.
2. Technical and management guidelines on urban sanitation to fit all situations as well as financing, operating and maintenance options identified and developed – Jun 11.
3. Technical guidelines are published and uploaded in the website of DUHP – Jun 11.

**Project Update: 7/06, 7/07, 7/08.**

**4/09:** Activity dates adjusted in light of ongoing preparation for groundwork such as Urban Public Toilet Management models. Administrative and coordination delays took more time than envisaged. The project continues until 2011 in order to complete the two remaining activities.

**Project Activities and Outputs:**

<b>Activities</b>	<b>Output(s) and their Deliverable Dates</b>
Urban Sanitation Marketing Campaign (USAM) – (Completed)	<ul style="list-style-type: none"> <li>• Urban communities are introduced to new sanitation facilities through mobile latrine fairs – Dec 2008 (completed)</li> </ul>
<p>Development of sustainable management models for urban sanitation that can be applied to small towns.</p> <ul style="list-style-type: none"> <li>• Study on technology for urban sanitation to design appropriate options to fit all situations, including improvement of public toilet facilities</li> <li>• Study visit to World Toilet Summit Expo (completed)</li> </ul>	<ul style="list-style-type: none"> <li>• Report, designs, sustainable management models and standards for urban sanitation technologies suitable for Lao PDR – June 11</li> <li>• Workshop report on designs, sustainable management models and standards for urban sanitation technologies suitable for Lao PDR, Cambodia, Vietnam, Yunnan and Guangxi – March 10</li> <li>• Report of study visit with recommendations of possible improvement on technical designs and management models and standards for urban sanitation technologies – June 2010</li> <li>• Design options and technical guidelines/standards uploaded to DHUP website – Nov 2010</li> </ul>
Develop management models including institutional issues, funding mechanisms, operating and maintenance	<ul style="list-style-type: none"> <li>• Report of study on management models addressing institutional, funding sources, operating and maintenance issues – May 10</li> </ul>

**EA/REG/76 (6):** Affordable Sanitation Options in Difficult Circumstances Year 2 of 3  
**Task Manager:** Jan Willem Rosenboom  
**Client:** Governments in WSP-EAP Focus Countries, Yunnan and Guangxi Provinces of China  
**Region:** East Asia and the Pacific  
**Partners:** USAID, UNICEF, and other partner organizations in the region

**Desired Project Outcome:**

Adoption of improved sanitation options by households living in areas in the region where sanitation is affected by difficult physical circumstances (such as high groundwater tables, seasonal flooding, etc.). Adoption of new sanitation technologies at scale by Water Supply and Sanitation (WSS) investment projects in the EAP region.

**Project Description:**

The WSP-EAP focus countries and other poorer nations in the region all have low levels of access to adequate sanitation. Sanitation coverage in some countries (e.g., Cambodia and Lao PDR) is stubbornly low, while in others (Indonesia and the Philippines) large population groups are without access. While the reasons for this are varied and complex, difficult physical conditions complicate the search for affordable solutions in many cases. Some of the most intractable sanitation issues in this category affect a large number of communities who are living (i) with seasonal flooding, (ii) high groundwater tables, (iii) water-based (floating) communities, and (iv) along riverbanks, lakes, coastal areas and estuaries.

While technical solutions for sanitary facilities in such areas exist, they are neither widely known, nor simple or cheap to construct. As a consequence, sanitation facilities in, e.g., flood prone areas of countries in the region are scarce. In a workshop on the subject of "Sanitation in Difficult Circumstances" during the East Asia Ministerial Conference on Sanitation and Hygiene in December 2007, the conclusion was that few (if any) satisfactory solutions could be identified throughout the region. A regional project has thus been formulated to investigate and address the problem of affordable sanitation in difficult circumstances.

The project will in its initial phase determine the dimensions of the problem (area and population affected) and then proceed to identify existing local solutions and develop additional affordable options for difficult circumstances where necessary. Following this development phase, pilot projects will be developed and implemented in at least three countries in the region.

**Assumptions:**

1. Affordable options to provide improved sanitation in difficult circumstances can actually be developed. Where/If they cannot public health mitigation measures can be recommended.
2. National governments and development partners will include adapted technologies in their sanitation programs and projects.
3. Families will choose to invest in options that are identified through the project, and so improve community sanitation coverage.

**Start Date:** July 2008

**End Date:** June 2011

**Project Milestones:**

1. Dimensions and scale of the problem well documented and disseminated, and parameters for acceptable solutions or risk mitigation identified (February 2009).
2. Pilot projects underway in at least two countries by February 2010.
3. National dissemination plans developed following pilot projects (May 2011).

**Indicators of Outcome:**

1. Situation analysis produced mapping affected areas and population, coverage and socio-economic data, etc.
2. National surveys show increased sanitation coverage in flood prone areas of the 3 countries in the region.

**Project Update:**

**4/08:** New Project for FY09.

**4/09:** Updated description and assumptions to better reflect the regional nature of the project (currently underway in 3 countries).

**Project Activities and Outputs:**

Activities	Outputs
<ul style="list-style-type: none"> <li>Finalization of situation analysis phase I</li> </ul>	<ul style="list-style-type: none"> <li>Indonesia analysis available by August 2009</li> <li>Cambodia and Laos analysis published September 2009</li> <li>Regional dissemination and next steps roundtable September 2009</li> </ul>

<ul style="list-style-type: none"><li>• Launch of phase II – technology development</li></ul>	<ul style="list-style-type: none"><li>• Publish details of affordable technology development competition (in 3 categories) October 2009</li><li>• Rate competition entries and announce winners, February 2010</li><li>• Finalize and publish winning designs, demonstrate prototypes, May 2010</li></ul>
<ul style="list-style-type: none"><li>• Pilot affordable latrine designs for difficult circumstances</li></ul>	<ul style="list-style-type: none"><li>• Design pilot program for Cambodia and Laos participating countries March 2010 (implementation FY11).</li><li>• As required, develop Grant Agreements with NGOs for piloting and/or procurement for piloting supervision in Indonesia, pending final arrangements.</li></ul>

**EA/REG/76:** SAWAP – Program Coordination and Management **Year 3 of 6**  
**Task Manager:** Chris Trethewey  
**Client:** Governments of Cambodia, Lao PDR, Vietnam, and the Provincial Governments of Guangxi and Yunnan Provinces, China  
**Region:** Mekong Sub region  
**Partners:** SAWAP Steering Committee and Core Teams in each country, other stakeholders

**Desired Project Outcome:**

Participating countries and sector stakeholders in-country have gained experience in working together on selected common key water supply and sanitation (WSS) issues and mechanisms to facilitate this have been established, thereby contributing to meeting the MDGs through wider collaboration, increased efficiency, enhanced knowledge, and improved practice and policy setting.

**Project Description:**

Vietnam, Cambodia, Lao PDR and Yunnan and Guangxi provinces of China share common challenges in ensuring adequate sanitation, hygiene and water supply services. These include rural-urban inequality, rapid urbanization, fiscal, institutional and human capacity constraints associated with political and economic transition, as well as the increasing complexity of managing scarce natural resources. At the same time, many examples of innovative approaches to sanitation, hygiene and water service delivery and management exist in these countries and provinces. In order to support accelerated country progress towards the MDGs, it is valuable to understand whether and how these experiences may be applied at scale in other country contexts, through mutual support, learning and exchange.

Mutual interdependence among these countries is inevitable, particularly so since they share borders, trade, major natural resource systems, history and culture. Countries need to capture the potential of this interdependence and put it to work for equitable mutual growth. Generally the potential for modeling and demonstrating the effectiveness of partnerships between stakeholders at all levels within each country is as yet untapped in this sector.

The partnership-based Sanitation and Water Partnership for the Mekong Region (SAWAP) cross-boundary project therefore seeks to develop and support platforms, mechanisms and tools for pooling and sharing knowledge and learning both within and across countries/provinces and for accelerating necessary change. SAWAP will

- Conduct selected cross-boundary activities, either led by a particular country in a first phase and then progressively ‘exported’ to others, or with parallel/synchronized activities in at least 2-3 SAWAP countries, for mutual benefit
- Facilitate country inputs to and benefits from WSP-supported regional work.

In the first year of implementation, six initial areas of joint work were identified by the countries, with each of Cambodia, Lao PDR and Vietnam taking the lead for two of these. Five of these activities continue, with a renewed emphasis on the cross-boundary aspects of the work. Following a review meeting in April 2008, a SAWAP Steering Committee was to be set up, and subsequent activities, also including the provinces of Guangxi and Yunnan in China, were to be selected based on agreed-upon selection criteria. These activities were delayed until the recruitment of the Regional SAWAP Coordinator in February 2009.

SAWAP continues to facilitate linking the above activities to other WSP-EAP region-wide projects such as the Economics of Sanitation Initiative (ESI), Regional Communications and follow-up to EASAN (the East Asia Sanitation Conference).

Under the program coordination and management, SAWAP coordination mechanisms, including the SAWAP Steering Committee, in-country Core Teams, and supporting in-country specialists will be organized and guided in accordance with decisions taken by the Core Teams in each country.

**Assumptions:**

- Governments maintain their interest in the partnership-based and cross-boundary SAWAP initiative, and request WSP-EAP to act as a supporter.
- The designated lead country for each SAWAP cross-boundary project accepts its lead role, other country governments accept their participating roles and relevant ministries and other stakeholders in all three countries and two provinces agree to work together collaboratively through the SAWAP initiative.

**Start Date:** July 2006**End Date:** June 2012**Project Milestones:**

1. SAWAP approach and mechanisms formally agreed by key stakeholders in at least three of the four countries – July 2007 *Achieved - March 2007; Revised – June 2008.*
2. Joint inter-country and multi-stakeholder papers published, based on collaboration and shared experience – June 2009.
3. Specific examples exist of inter-country work, leading to improved practice and policy – June 2012.

**Indicators of Outcome:**

1. Countries reach agreement to progressively increase breadth and depth of inter-country collaboration on WSS – August 2008.
2. Yunnan and Guangxi provinces of China request support from WSP – June 2008. Partly achieved – *May 2007 (for Yunnan - Guangxi to follow)*
- 3.

**Project Updates:**

**4/07:** Title change, Outcomes, Outcome Indicators, Milestones and text adapted to new funding circumstances and agreements arising from FY07 Country Consultation Workshops and SAWAP inter-country Planning Meeting in Phnom Penh.

**4/08:** General update of all sections for FY09. Project renumbered to become overview project sheet for SAWAP.

**4/09:** Update of all sections based on progress to date, and reviewed action plan developed by newly recruited SAWAP Coordinator.

**Project Activities and Outputs FY10:**

Activities	Outputs
<p><b>Program Management:</b> (carried over from FY09)</p> <ul style="list-style-type: none"> <li>• Facilitate establishing Core Teams/Country Steering Committees in each country and provide guidance to them.</li> <li>• Recruit and provide guidance to national Resource Persons in each country to support Core Teams and Steering Committee</li> <li>• Facilitate setting up inter-country Steering Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Core Teams established Cambodia, Lao PDR and Vietnam – June 2009; Yunnan Province – August 2009, Guangxi Province China – November 2009.</li> <li>• National resource persons identified and operational in each country as required: Cambodia, Lao PDR and Vietnam – June 2009; Yunnan Province – July 2009, Guangxi Province China – to be determined.</li> <li>• Steering Committee established – September 2009.</li> </ul>
<p><b>Program Coordination:</b></p> <ul style="list-style-type: none"> <li>• Regularly coordinate among the Mekong countries and monitor progress.</li> <li>• Facilitate Steering Committee and Core Team Meetings to agree on proposals, review progress, and recommend further actions.</li> <li>• Organize yearly SAWAP review meetings on progress and plan for next steps/joint activities.</li> <li>• Arrange cross-visits between the participating SAWAP countries to share relevant experience, particularly on sustainable sanitation.</li> <li>• Coordinate linkages of SAWAP activities with ESI, Regional Communications work, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic virtual or inter-personal meetings and discussions – every quarter.</li> <li>• Monitoring reports from countries with overview – every half-year.</li> <li>• First Steering Committee meeting – October 2009</li> <li>• Second Steering Committee meeting – March 2010.</li> <li>• At least one targeted exchange visit – June 2010.</li> </ul>
<p><b>Program Development:</b></p> <ul style="list-style-type: none"> <li>• Develop draft discussion notes on key topics and initiate round-table meetings in each country to discuss and agree</li> <li>• Develop funding proposals for prospective new donors</li> </ul>	<ul style="list-style-type: none"> <li>• Draft inter-country Discussion Notes – Ongoing as required.</li> <li>• Stakeholder consultations in each country and around the sub-region – May – October 2009.</li> <li>• Funding proposals developed – March 2010.</li> </ul>

**EA/REG/92:** Regional Communications for Water and Sanitation Advocacy **Year 2 of 2**  
**Task Manager:** Yosa Yuliarsa  
**Client:** Governments and Civil Society of WSP-EAP Focus Countries  
**Region:** East Asia and the Pacific  
**Partners:** Communications Global Practice Team (C-GPT), World Bank External Affairs (EXTs), and WSP Regional and Country offices

**Desired Project Outcome:**

Governments and other sector stakeholders use communications effectively to accelerate progress to achieve water and sanitation targets of the Millennium Development Goals (MDGs).

**Project Description:**

Building on the outcomes of completed EA/REG/61 - Regional Communications Strategy - Communications for Reform, the project aims to further support client governments in scaling up operationalization of sector reform for achieving water and sanitation targets of MDGs through the use of strategic communications. Previous project outcomes include governments' improved ability to strategize, plan for and manage effective media usage to achieve program objectives; governments' acquiring necessary institutional capacity in terms of skills, designated human resources and funding; and mass media's commitment and support for WSS campaigns. Having increased their capacity to assess, generate, and disseminate knowledge to support WSS sector reform and advocacy for the achievement of country MDG targets, client governments have asked for further WSP-EAP supports to help produce and disseminate advocacy tools, carry out strategic communications activities, as well as provide national and regional platforms for WSS advocacy.

Another important component planned under this project is a series of activities focusing on WSS MDG monitoring by selected national and regional mass media, which will involve government counterparts and WSP staff as resource persons, and the WSP communications team as facilitator and organizer. The monitoring by mass media is advocacy in itself in that its outputs serve as a wake-up call for governments (and other stakeholders) that are still lagging behind and as an incentive for governments (as well as other stakeholders) that are making progress.

**Assumptions:**

1. Capacity of client governments to implement and monitor progress toward MDGs is sufficient.
2. Selected mass media agencies are interested and willing to carry out WSS MDG monitoring and advocacy.
3. Availability of additional communications specialist in the region.

**Start Date:** July 2008

**End Date:** June 2010

**Project Milestones:**

1. Readership survey completed by November 2008.
2. Needs assessment completed by December 2008.
3. Production and dissemination of WSP advocacy package completed in April 2009.
4. Stakeholder Consultation (Governments, mass media, WSP) and Capacity Building for regional and national mass media on MDG monitoring by March 2010.
5. Annual WSS MDG monitoring & advocacy launched as of April 2010.

**Indicators of Outcome:**

1. Country teams and government clients find readership survey and needs assessment useful as base for improving WSS MDG advocacy tools.
2. Client governments designate human resources for monitoring and advocacy initiative.
3. Selected mass media and government counterparts acquire necessary capacity to carry out monitoring and gain consensus on how to frame media agenda for MDG monitoring.
4. Improved quality (approach and presentation of issues; potential impact on decision makers/ public) and quantity (space and placement/ duration and air time) of mass media coverage of WSS MDG monitoring.

**Project Update:**

## Project Activities and Outputs:

Activities	Output(s) and their Deliverable Dates
Mass media WSS MDG monitoring and advocacy	<p>Selection and capacity building:</p> <ul style="list-style-type: none"> <li>• Launch of media competition in Jan. 2009 completed; followed by year-long media monitoring.</li> <li>• Selection of eligible news entries in Jan.-Feb. 2010.</li> <li>• Media award presentation to selected journalists in Feb. 2010.</li> <li>• Stakeholder consultation and capacity building for governments and regional and national mass media <ul style="list-style-type: none"> <li>- Concept notes and TOR written in December 2009.</li> <li>- Workshop designed in January 2010.</li> <li>- Delivery in March 2010.</li> </ul> </li> </ul> <p>Implementation:</p> <ul style="list-style-type: none"> <li>• Inter-country media field visits conducted in March-April 2010.</li> <li>• WSS MDG monitoring and advocacy launched April 2010.</li> </ul> <p>Evaluation:</p> <ul style="list-style-type: none"> <li>• Viewers' group discussion, feedback forms and recall tests conducted by May 2010.</li> </ul>
Regional support for Communications GPT and country projects	<ul style="list-style-type: none"> <li>• Generate and disseminate country outputs/learning/findings etc to regional and global audience (continuous).</li> <li>• Delivery of timely and good quality regional inputs for scheduled products [ACCESS newsletter, WSP website and global calendar] and special event products [PMT presentation, exhibition etc] (continuous).</li> <li>• Provision of EAP inputs for GPT's post-IYS activities.</li> <li>• Production of post-EASAN media monitoring and related communications materials.</li> <li>• Orientation completed and capacity building ongoing for new communications specialist and consultants in the region.</li> </ul>

<b>EA/VIE 50:</b>	<b>Development of a Unified Sanitation Strategy and Action Plan (U3SAP)</b>	<b>Year 4 of 7</b>
<b>Task Manager:</b>	<b>Vinh Thanh Nguyen</b>	
<b>Client:</b>	<b>Ministry of Construction, Ministry of Planning and Investment, Ministry of Natural Resources and Environment, Ministry of Agriculture and Rural Development, Ministry of Health</b>	
<b>Country:</b>	<b>Vietnam</b>	
<b>Partners:</b>	<b>Other Government ministries, Provincial Governments, Vietnam Women's Union, Sida, DFID, AusAID, the Netherlands, Danida, GTZ, AFD, WB, KFW</b>	

**Desired Project Outcome:**

Development and progressive application of an updated, integrated and appropriate unified sanitation strategy for urban, peri-urban, small town, and rural areas, resulting in accelerated delivery of sustainable sanitation services and contributing directly to meeting the Millennium Development Goals (MDGs)/Vietnam Development Goals (VDGs).

**Project Description:** On current projections, sanitation MDG targets will not be met in Vietnam. Although a strategy for rural water and sanitation was launched in 2000, this is increasingly dated. Urban and small town sanitation guidance is scattered between a number of different decrees. In light of Vietnam's rapid economic and population growth, fast changing demand for sanitation services, rapid urbanization and industrialization, and increasingly intensive agriculture, a unified sanitation strategy is urgently needed. As well as crossing administrative and sectoral boundaries, this will also need to address agricultural, industrial, craft and solid wastes, as well as human excreta.

These factors have led to a strong demand from WSP to help support, coordinate and guide the necessary inputs into a Government-led unified sanitation strategy development process. The strategy will include detailed action and capacity building plans, including action at decentralized levels. Institutional arrangements, (particularly lines of responsibility between institutions and households, decentralization, and the potential roles of the private sector) will receive special focus, as will the economics of sanitation investments. A range of sanitation solutions, technical, management and financing, needs to be catered for, reflecting varying needs and economic capacities, as well as a strategy for promotion of hygiene, particularly hand washing with soap. This "umbrella" initiative has now become known as U3SAP (the Unified Sanitation Sector Strategy and Action Plan for Vietnam).

Past experiences from rapid (but donor-driven and accordingly low-ownership) RWSS strategy development in Vietnam, and with much more well-founded process-based strategy support work in Lao PDR, Cambodia and Indonesia, have shown the importance of process in Strategy development, in order to ensure wide ownership, early adoption and increased likelihood of application. U3SAP activities and outputs will therefore build and model the necessary collaborative and Government-led processes. They will also help build up – and fill where necessary - the knowledge base for the progressive formulation of the strategy. Future activities will include the establishment of pilots, set within or linked to large-scale investments, to model and demonstrate aspects of the Strategy's application, fill knowledge gaps and prepare for future updates.

The momentum from this project was used to encourage high-level Vietnamese input to and preparation for the Ministerial-level East Asia Sanitation Conference (EASAN), held in Japan in late 2007. Interim output was presented at the Conference. U3SAP benefits from the political will generated at the EASAN Conference, and from the International Year of Sanitation in Vietnam. In December 2008, the Government of Vietnam appointed Ministry of Construction (MoC) to lead the development of U3SAP in partnership with other relevant ministries and agencies. In response to that decision, MoC established a steering committee representing of eleven ministries and partner involved in the development of U3SAP in March 2009. In parallel with the establishment of the steering committee for U3SAP, MoC also setup an implementation unit for U3SAP. In April 2009, The World bank Acting Country Director of Vietnam sent an official letter to respond to a request for supports from WSP to the development of U3SAP by MoC.

**Assumptions:**

1. Government maintains its wish for WSP to act as the principal supporter in this initiative and other partners accept and support this role.
2. Government accepts and applies the essential principal of the Government lead role, and urban, rural, health and environment ministries, the Provinces and other essential stakeholders agree to work together collaboratively on strategy development and application.

**Start Date: July 2005****End Date: June 2012****Project Milestones:**

1. Engage consultant for development of proposal to be jointly submitted to the Government by stakeholder ministries and WSP July 2006. (achieved)
2. Proposal submitted to the Government - October 2006. (achieved)

3. Mobilize resources to support strategy development – March 2007. (achieved)
4. Present U3SAP at East Asia Sanitation and Hygiene Conference - May 2007. (achieved in December 2007)
5. Proposal resubmitted to Government by Ministry of Planning and Investment – April 2008. (achieved in December 2008)
6. The Government approves the development of strategy proposal and includes in its agenda – July 2008. (achieved in December 2008)
7. Strategy launched by the Government – March 2011.
8. Pilot project/s commenced for urban, peri-urban, small town and rural sanitation, linked with larger scale investment – July 2012.
9. Major sanitation investment projects, based on strategy, prepared and successfully funded – December 2012.

**Indicators of Outcome:**

1. Strategy is endorsed by at least three Government ministries with responsibilities spanning aspects of urban, small towns, and rural sanitation and by at least three provinces – December 2010.
2. Strategy is a major input for design of an integrated water resources management project for one pilot basin and is reflected in annual plans of three to six Provinces – June 2011.

**Project Update:**

**7/06:** General update, including milestone review. Extended project duration.

**4/07:** General update, including one milestone added. Project duration extended to 5 years.

**4/08:** General update for FY09, including milestone and project duration review. Change of TTL.

**4/09:** General update for FY10. Milestones and Outcomes were reviewed and updated. Project duration is extended to 7 years, and project output(s) and their deliverable dates are also extended due to the delay of the endorsement by the Government to develop the strategy.

**Project Activities and Outputs:**

Activities	Output(s) and their Deliverable Dates
<ul style="list-style-type: none"> <li>• On request of the Government, procure, manage and guide national supporting consulting team and international resource consultants to U3SAP PMU.</li> </ul>	<ul style="list-style-type: none"> <li>• Consultants in place and operational – December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Help Ministry of Construction establish and brief U3SAP Steering Committee and PMU.</li> </ul>	<ul style="list-style-type: none"> <li>• Series of briefing and guidance materials prepared – July 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• On request of the Government, help mobilize resources to further support strategy development, pilots and new large-scale investment.</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting notes, summarizing outcomes of dialogues with main or supplementary donors and private sector investors - at intervals as appropriate - up to December 2010.</li> </ul>
<ul style="list-style-type: none"> <li>• Support to First National Seminar on U3SAP content.</li> </ul>	<ul style="list-style-type: none"> <li>• Guidance on and inputs to First National Seminar – October 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Support to U3SAP Consultation processes and Consultation Workshops.</li> </ul>	<ul style="list-style-type: none"> <li>• Contributions to consultation process design and execution, guidance on and inputs to Consultation Workshops – continuous up to December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Assisting Vietnam in active follow-up from the East Asia Sanitation Conference (EASAN) and International Year of Sanitation (IYS), as they relate to U3SAP.</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting, guidance on appropriate follow up steps – continuous up to December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Increasing engagement on U3SAP with the Rural Water Supply and Sanitation Partnership and Vietnam Urban Forum.</li> </ul>	<ul style="list-style-type: none"> <li>• Guidance material and other evidence of engagement at intervals – June 2010.</li> </ul>
<ul style="list-style-type: none"> <li>• Guiding and commenting on progressive drafts of U3SAP as it emerges.</li> </ul>	<ul style="list-style-type: none"> <li>• Commentaries and guidance – continuous up to October 2010.</li> </ul>
<ul style="list-style-type: none"> <li>• Help prepare Second National Seminar to launch Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>• Guiding contributions – April-June 2011.</li> </ul>

**EA/VIE/51:** Support to Rural Water Supply and Sanitation Strategy Updating **Year 4 of 6**  
**Task Manager:** Vinh Thanh Nguyen  
**Client:** Ministry of Agriculture and Rural Development, RWSS Partnership  
**Country:** Vietnam  
**Partners:** Provincial Governments, Ministry of Planning and Investment, Ministry of Health, Ministry of Finance

**Desired Project Outcome:**

The Government updates the 2000 Rural Water Supply and Sanitation (RWSS) Strategy, benefiting ongoing and new investment in the sector and leading to improved delivery of RWSS services.

**Project Description:**

Vietnam launched a national RWSS Strategy and Action Plan in 2000, with assistance from Danida. Developed in the late 1990s, the strategy is now increasingly becoming somewhat dated. New experiences have emerged, and shifting demands, driven by Vietnam's very rapid economic growth. These experiences and new demands need to be analyzed and then reflected in an update of the Strategy.

Updating of the RWSS Strategy is linked with several of the triggers agreed by the Government if the first phase of the World Bank-financed Red River Delta RWSS Project is to proceed to Phase II. WSP resources will be applied to maximize the impact of loan funds specifically earmarked to help make this happen, in close discussion with Ministry of Agriculture and Rural Development (MARD), RWSS Partnership and World Bank Sustainable Development colleagues who supervise the Project.

The Red River Delta RWSS Project itself offers useful learning. The Project, which WSP was responsible for assisting the Government to design during FY2005 and FY2006, is now in implementation. FY2007 saw the initiation of further action research activities in the context of this key project, and the finalization of PPIAF-funded preparatory work to prepare for the establishment of innovative RWSS Enterprises and community-level "stock holding bodies". These outputs will have major relevance for the potential updating of the RWSS Strategy, as will other ongoing learning emerging from this major Project, with which WSP continues to have close ties.

In addition, the new RWSS National Target Program II (NTPII) jointly supported by AusAID, Danida and the Netherlands, will result in numerous new insights and experiences, as will a WSP-initiated case study focusing on the successful Vietnam Women's Union support to sanitation revolving funds. Finally, and building on the work done in FY06 and FY07, the scaling up potential of the market-based approach to rural sanitation will make contributions too.

All these experiences will need analyzing and consolidating to maximize their value in future adaptation of the Strategy. To help collect all this learning together, FY2010 work will further strengthen WSP inputs into the Government-led MARD/RWSS Partnership.

**Assumptions:**

1. Government and other donors express a willingness to view the RWSS Strategy as dynamic and updateable and support action research findings as a means for gaining much of the information to do so.
2. Government, Provinces, donors, operators, users and other stakeholders actively collaborate together through the RWSS Partnership and other means, in sharing experiences and extracting learning.
3. The Government, donors and the World Bank Sustainable Development Urban Unit agree in the near future to carry out and fund the updating of the RWSS Strategy and the active promotion and use of the revised version.

**Start Date:** July 2005

**End Date:** December 2010

**Project Milestones:**

1. WSP playing a key role in supporting and influencing the RWSS Partnership – July 2007. (achieved and ongoing)
2. Learning/research framework developed via RWSS Partnership – September 2007. (delayed, but partly achieved as output 1 of study submitted by national consulting firm in April 2009)
3. Proposal for a revision of the RWSS strategy via RWSS Partnership facilitated – December 2007. (achieved, in support of SDN Urban Unit)
4. Strategy updating process agreed with the Government and donors and initiated – September 2009. Research and information needs analysis completed and agreed – December 2008. (achieved)
5. National RWSS Workshop held through MARD – December 2009.
6. Learning from the several studies and projects as outlined above built into revised drafts of the Strategy – January 2010.
7. Three regional (North, Center, South) workshops to collect information and comment from regions to update strategy – August 2009.

8. Re-launch Workshop for revised Strategy held via RWSS Partnership – March 2010.

**Indicators of Outcome:**

1. At least three action research initiatives, led by the Government, have been undertaken to meet the needs of Strategy updating, and learning has progressively been made available to all stakeholders via the RWSS Partnership – December 2008.
2. Updated RWSS strategy re-launched by the Government and being used in at least one new and one existing RWSS investment – December 2010.

**Project Update:**

**7/06:** General update of the project sheet, including change of TTL and milestones.

**4/07:** Project duration extended to 5 years to reflect growing demands for long-term support, strong interest in linked action research within major new investment projects, growing inter-country relevance through SAWAP, and significant new funding. Changes made to description to reflect RWSS Partnership developments. Milestones revised to reflect new strategy to reach Outcome, with much more emphasis on collaborative effort in support of and via the RWSS Partnership. Minor changes to Outcome Indicators to match Assumption 3 amended.

**4/08:** General update for FY09. Milestones and Outcomes reviewed. New TTL. SDN linkages strengthened.

**4/09:** General update for FY10. Milestones and Outcomes were reviewed and updated. Project duration is extended to 6 years, and project output(s) and their deliverable dates are also extended due to the delay in the selection of national consultancy for updating the strategy.

**Project Activities and Outputs:**

Activities	Output(s) and their Deliverable Dates
<ul style="list-style-type: none"> <li>• Support inputs to the work of MARD: Knowledge needs assessment in Vietnam and assessment of institutional capacity to sue and adapt knowledge and identify emerging needs.</li> </ul>	<ul style="list-style-type: none"> <li>• Report and recommendations – December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Learning and Research Framework developed via MARD.</li> </ul>	<ul style="list-style-type: none"> <li>• Learning framework, indicating new action research needed and prepare as inputs to RWSSP Workplan – December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Inventory and analysis of selected body of international and Vietnamese research, with recommendations for adaptation/supplementation</li> </ul>	<ul style="list-style-type: none"> <li>• Report and recommendations – December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Overview of research capacity in Vietnam and opportunities for getting research findings into teaching and professional development</li> </ul>	<ul style="list-style-type: none"> <li>• Report and recommendations – December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Investigating further the potential and constraints in scaling up market-based approaches to sanitation.</li> </ul>	<ul style="list-style-type: none"> <li>• Report and recommendations on next steps – December 2009.</li> </ul>
<ul style="list-style-type: none"> <li>• Plan and initiate action research to draw specific lessons from the Red River Delta RWSS Project.</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion Note identifying likely WSP support areas prepared and issued in conjunction with Urban Unit SDN staff – August 2008. (achieved in June 2008 during WSP global manager and regional team leader visit)</li> <li>• Report on further action research under way – December 2009).</li> </ul>
<ul style="list-style-type: none"> <li>• National RWSS Workshop held to identify need for RWSS Strategy revision, determine new areas for action research and piloting and identify strategic technical assistance.</li> </ul>	<ul style="list-style-type: none"> <li>• Contributions to organization and content of Workshop and Report – December 2009.</li> </ul>

<b>EA/VIE/66:</b>	<b>Vietnam Handwashing Initiative</b>	<b>Year 3 of 4</b>
<b>Task Manager:</b>	<b>Nga Kim Nguyen</b>	
<b>Client:</b>	<b>Ministry of Health (MoH)</b>	
<b>Country:</b>	<b>Vietnam</b>	
<b>Partners:</b>	<b>National and provincial governments, mass organizations, private sector partners, and non-governmental organizations</b>	

**Desired Project Outcome:**

Ministry of Health and other stakeholders incorporate handwashing campaigns into their strategies and actively implement them at a national scale to help deliver the full impact of investments in sanitation; and sustained handwashing with soap (HWWS) behavior contributes to meeting the health Millennium Development Goals (MDGs) and health Vietnam Development Goals (VDGs).

**Project Description:**

In Vietnam, only 21% of rural households had access to hygienic latrines in 2005. However, simply building additional infrastructure does not deliver the total public health benefits that can flow from access to improved sanitation. These benefits can only be gained through improved hygiene behavior, the most critical of which is handwashing with soap at key times. In Vietnam, diarrhea is the second most common illness afflicting children under 5. In 2002, 11 out of 100 children under five had at least 1 episode of diarrhea within the last two weeks (DHS). The most cost-effective way to intercept these vectors is by widespread handwashing with soap among caretakers of the most vulnerable population – children under five – and school-age children.

The Vietnam Handwashing Initiative (HWI) uses mass media, private sector marketing events, and interpersonal communications to promote HWWS with the objective of changing handwashing behavior of 2.3 million poor women ages 15-49 and children 5-9 in by December 2010. Since January 2006, the MoH, in partnership with other stakeholders, has led in the development and implementation of a behavior change communications program to promote HWWS in Vietnam. The program was launched in June 2008 and rolled out to over 300 communes through health workers and the Women's Union members within the first year. The program will continue to be scaled up in another 240 communes via the Women's Union. HWWS messages will also be integrated into other national water and sanitation programs in its efforts to build an enabling environment for sustainability.

The HWI in Vietnam is financially supported by both the Danish Embassy and the Gates Foundation. The project objectives and technical approach are the same. The Danish Embassy funds supported the development of the communications strategy and implementation in 40 communes - completed in November 2008 - while the Gates Foundation funds will support scale up of HWWS activities in additional 500 communes via the Vietnam Women's Union until November 2010. All HWWS activities are included in one project sheet to illustrate how donor funds are supporting complimentary activities within the HWI in Vietnam - Danish Embassy funds have been included.

## Danish Embassy funds supported:

- Development of the communications concepts and strategy;
- Production of pre-tested materials;
- Private sector marketing events;
- Purchase of media air time;
- Training of health workers to carry out interpersonal communications; and
- Program evaluation.

## Gates Foundation funds are supporting:

- Implementation of baseline assessment of practices, institutions, capacity, etc;
- Purchase of mass media air time;
- Training of Women's Union members to carry out interpersonal communications;
- Private sector marketing events;
- Development and implementation of a school HWWS program;
- Structured learning and dissemination process to develop evidence, practical knowledge and tools for effective replication and scaling-up of other HW programs.

The result will be an integrated national communications campaign combining provincial and national mass media as well as targeted interpersonal communications activities across all three geographic regions of Vietnam. Communications materials and products produced under the Danish Embassy Trust Fund will also be used to scale up HWWS in Gates Foundation supported regions of Vietnam. Ongoing monitoring and evaluation (M&E) oversight will improve program quality and a final project evaluation will measure program impact. The key for achieving success in this effort is to use and scale up innovative methods – including commercial marketing to deliver HW messages; broader and inclusive partnerships; a strong focus on sustainability; and a rigorous impact evaluation.

Beyond Vietnam, this program has linked with the HWI in Indonesia to form a regional HW network in East Asia. The Vietnam HWI is also part of a larger global network of HW programs, including in Latin America and Africa. There will be continued efforts to link

the VN HWI with other hygiene promotion activities both in Vietnam and regionally and with World Bank Vietnam's programs in sanitation such as the Coastal Cities Environmental Sanitation project. The Global Handwashing Partnership Secretariat, the Public-Private Partnership for Handwashing (PPPHW) Initiative and lessons from other successful national handwashing programs will continue to serve as major sources of experience and guidance.

**Assumptions:**

1. Government continues to lead the HWI, including integration of the M&E framework, and continues to request for WSP to play a major facilitating role;
2. Partners, particularly the private sector, remain enthusiastic about HWWS and continue to support in the design, implementation and monitoring of activities;
3. Appropriate allocation of funding by the Government to support HWWS.

**Start Date:** September 2006

**End Date:** December 2010

**Project Milestones:**

1. Handwashing Communications Strategy endorsed by MoH – July 2008.
2. MOET endorses HWWS program for children– September 2009.
3. Mass organizations incorporate HWWS into the community communications activities – May 2010.
4. Private companies continue to promote HWWS as part of the marketing campaigns – December 2010.
5. MoH includes HWWS activities in Annual Work Plan – December 2010.
6. Another Asian country adopts the lessons from the project and incorporated them into their HW program – January 2012.

**Indicators of Outcome:**

1. A critical mass of government agencies, private sector, mass organizations, NGOs and donors are each members of a long-term handwashing partnership in Vietnam – August 2008.
2. Fifty percent increase in the number of mothers of children under five who wash their hands with soap after defecation – December 2009 (Danish Embassy TF areas).
3. 2.3 million poor women of child bearing age and children age 5-9 adopt appropriate HWWS behavior at critical times – December 2010 (Gates TF areas).
4. Independent research shows that the Handwashing Campaign has a had positive impact on health outcomes – December 2010.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Program Implementation:</b></p> <ul style="list-style-type: none"> <li>• Air mass media messages.</li> <li>• Scale up implementation of interpersonal communications via Women's Union and advertising firm in an additional 240 communes.</li> <li>• Development of schools HW campaign.</li> <li>• Roll out of school HW activities in 272 communes.</li> </ul>	<ul style="list-style-type: none"> <li>• TV and radio airtime purchased and aired – July 2008 – May 2010.</li> <li>• Public and private sector interpersonal communications activities conducted – July 2008 – May 2010.</li> <li>• Schools strategy, communications materials and training curriculum – August 2009.</li> </ul>
<p><b>Monitoring and Evaluation:</b></p> <ul style="list-style-type: none"> <li>• Baseline impact evaluation and collection of monthly diarrhea data.</li> <li>• Ongoing monitoring of interpersonal communications activities.</li> <li>• Adjustments to communications programs as needed.</li> <li>• Endline impact evaluation and collection of monthly diarrhea data.</li> </ul>	<ul style="list-style-type: none"> <li>• Baseline data collection, including monthly diarrhea data, is completed – September 2009.</li> <li>• Activities carried out with good quality and in accordance with work plan – July 2008 – July 2010.</li> <li>• If required after first year of implementation – May 2009.</li> <li>• Endline data collection, including monthly diarrhea data is completed – December 2010.</li> </ul>

<p><b>Enabling Environment:</b></p> <ul style="list-style-type: none"><li>• Integration of HWWS into other Women’s Union activities</li><li>• Integration of HWWS into National Target Program II’s water/sanitation activities in northern cluster</li></ul>	<ul style="list-style-type: none"><li>• Signed MOU with 7 project provinces detailing integration of HWWS into ongoing VWU activities – January 2010.</li><li>• Commitment from non project provinces to integrate HWWS into VWU activities following workshop in Halong and Nha Trang – January 2010.</li><li>• Successful completion of HWWS training courses for NTPII pilot provinces – January 2010.</li></ul>
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**EA/VIE/75:** Promoting the Integration of Sanitation into Water Resources Management Year 4 of 5  
**Task Manager:** Vinh Thanh Nguyen  
**Client:** Ministry of Natural Resources and Environment, Ministry of Agriculture and Rural Development, Ministry of Construction, selected River Basin Organizations  
**Country:** Vietnam  
**Partners:** Ministries of Planning and Investment, Construction, Health, Provincial governments, Sida, the Netherlands, AFD, KFW.

**Desired Project Outcome:**

Improved awareness and decision making by the Government to ensure integration of all aspects of urban and rural, sanitation, hygiene promotion and water supply into water basin management.

**Project Description:**

The distribution, equitable use and long-term sustainability of water resources have become major issues in Vietnam. In part this is because of the inevitable pressure from a growing population of over 80 million and their rapidly increasing water needs and waste outputs, in part due to the demands of rapid economic growth, industrialization and agricultural development. Global warming and climate change are also expected to make an impact. Part of the concern is the growing effect that wastes, solid and liquid, industrial and domestic, have on water resources, and their economic impact. At the same time, decentralization policy provides negative impact to the sector management (within administration boundaries, and sub-sectors).

Taken together there is therefore an emerging need to promote and demonstrate the important role that unified sanitation strategy and action plan should play in integrated water basin management in Vietnam. This long-term, learning-based project will do this by building awareness of the issues and needs, and increasing WSP's capacity and reputation in providing effective support to help bridge the allied WSS and IWRM sectors. A selected River Basin Organization (RBO) and central government agencies, in conjunction with other key partners, will plan and support a pilot demonstration project to effectively illustrate the key role sanitation must play in the future in basin-level water resources planning. This will lead to publications and other material to influence both policy makers and practitioners, leading to better planned and more integrated investment. There will be close coordination throughout with the Vietnam National Mekong Committee (VNMC) and with the multi-country Mekong River Commission. The work WSP is supporting on the development by Government of a Unified Sanitation Sector Strategy and Action Plan (U3SAP) will be a key lever in bringing stakeholders to the table. Strong linkages between the activities will be promoted. Inter-country linkages with Lao PDR, Cambodia and Yunnan and Guangxi Provinces of China in the context of this work will also be encouraged.

**Assumptions:**

1. Government confirms its interest in this initiative and request for WSP-EAP to act as the principal supporter, and that other partners accept and support this role.
2. Government accepts its lead role, and relevant ministries, an appropriate RBO and other stakeholders agree to work together collaboratively on the initiative.

**Start Date:** July 2006

**End Date:** June 2011

**Project Milestones:**

1. Concept Paper widely distributed in English and Vietnamese – June 2009.
2. Water basin for pilot project selected – December 2009.
3. Selected RBO agrees to pilot project - March 2010.

**Indicators of Outcome:**

1. At least two relevant stakeholders from the Government and the RBOs, as well as MRC/VNMC, endorse the Concept Paper and actively participate in Round Table Stakeholder Meetings – July 2009.
2. Evidence of project output having influenced IWRM Policy and at least one major investment – December 2011.

**Project Update:**

**4/08:** New TTL. Project milestones updated to reflect delays in previous years.

**4/09:** General update for FY10, including milestones and outcomes reviewed and updated, and project duration review. Extended project output(s) and their deliverable dates. SDN linkages strengthened.

**Project Activities and Outputs:**

Activities	Output(s) and their Deliverable Dates
<ul style="list-style-type: none"> <li>Initiate Stakeholder Round Table meeting series to develop ideas and build Government ownership and lead roles.</li> </ul>	<ul style="list-style-type: none"> <li>At least one round table meeting held- July 2009.</li> </ul>
<ul style="list-style-type: none"> <li>3 workshops/training courses on promoting sanitation into water resource management for national and provincial stakeholders, authorities, NGOs, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Workshops held from May to October 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Finalize Concept Paper / Discussion Note.</li> </ul>	<ul style="list-style-type: none"> <li>Concept paper/Discussion note prepared - August 2009.</li> </ul>
<ul style="list-style-type: none"> <li>First RBO stakeholder meeting organized in selected water basin to design pilot scope and activities.</li> </ul>	<ul style="list-style-type: none"> <li>Meeting held –August 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Build linkages with a selected RBO, and with VN Project Stakeholders, including VNMC and MRC.</li> </ul>	<ul style="list-style-type: none"> <li>Discussions held – July 2009.</li> </ul>
<ul style="list-style-type: none"> <li>Prepare project proposal for pilot project.</li> </ul>	<ul style="list-style-type: none"> <li>Proposal prepared - April 2010.</li> </ul>

**EA/VIE/83:** Country Sector Coordination and Advocacy **Year 1 of 3**  
**Task Manager:** Vinh Thanh Nguyen  
**Client:** Government of Vietnam  
**Country:** Vietnam  
**Partners:** Government of Vietnam, World Bank Vietnam, various donor partners

**Desired Project Outcome:**

With WSP support, the Government and stakeholders continue to coordinate, introduce and institutionalize reforms and lessons learned that will improve overall water and sanitation (WSS) sector performance.

**Project Description:**

This activity seeks the effective and efficient use of limited WSP-EAP resources to achieve specific project objectives as well as to support the facilitation and harmonization of the Government, donors and relevant stakeholders' activities in the sector contributing to the achievement of the overall program and sector goals in Vietnam, such as:

- Support to the operation of Rural Water Supply and Sanitation Partnership and Vietnam Urban Forum;
- Support trainings/workshops and new publications, and facilitate/promote exchange visits/study visits and knowledge sharing conducted by the Government and partners at the global and regional level;
- Support to World Bank operations, AAA, WSP GPTs and regional activities.

**Assumptions:**

1. Donors are willing to support water and sanitation operational policy support programs in Vietnam.
2. The Government allocates sufficient resources to coordinate sector programs and to institutionalize project initiatives.

**Start Date:** July 2009

**End Date:** June 2011

**Project Milestones:**

1. Vietnam Country Program review involving key Government clients and donor partners, leading to the development of a new 3-year country strategy approved by Regional and Global WSP - July 2009.
2. Draft program proposals developed with and owned by Government counterpart agencies are proposed to donors for additional funding on request by Regional and Global WSP - .

**Indicators of Outcome:**

1. Program review reflects relevance of country program and way forward, which is agreed by the Government, and approved by regional and global WSP to –August 2009.
2. Donors agree to fund proposals of WSP Vietnam program through regional WSP funding– June 2009.
3. New 3-year country strategy approved by regional and Global WSP – July 2009.

**Project Update:**

**4/08:** Revision of project sheet to bring in line with similar project sheets for other EAP countries. Milestone on country program review added for FY09. New TTL.

**4/09:** Project duration extended to 3 years to reflect growing demands for long-term WSP's support to the country demand in Water and Sanitation sector. Milestones and Outcomes reviewed and revised to reflect new global strategy to reach Outcomes. General update for FY10. SDN linkages strengthened.

**Project Activities and Outputs:**

Activities	Outputs
<p><b>Program Coordination:</b></p> <ul style="list-style-type: none"> <li>• Coordination, information sharing and review meetings with the Government, donors, and other stakeholders.</li> <li>• Programming review discussions, development of next 3-year program.</li> <li>• On request, WSP will support the Ministry of Health to organize an ASEAM Submit in Vietnam on Climate Change Impact on Hygiene and Community health.</li> <li>• A regional workshop on Water and Sanitation Sector responds to climate change impact in Sub Mekong Regional Countries organized in the region.</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting Minutes <span style="float: right;">Ongoing</span></li> <li>• Review document, program proposal <span style="float: right;">July 2009</span></li> <li>• Workshop reports <span style="float: right;">December 2009.</span></li> <li>• Workshop reports, and at least, one Mekong country will agree to join in the implementation of the study. <span style="float: right;">July 2010</span></li> </ul>

Activities	Outputs
<ul style="list-style-type: none"> <li>• Support trainings/workshops and new publications, and facilitate/promote exchange visits/study visits and knowledge sharing conducted by the Government and partners at the global and regional level.</li> <li>• Strategic support to World Bank operations, AAA, WSP GPTs and regional activities.</li> <li>• Support to the operation of rural Water Supply and Sanitation Partnership and Vietnam Urban Forum</li> </ul>	<ul style="list-style-type: none"> <li>• As requested Ongoing</li> <li>• As requested Ongoing</li> <li>• As requested Ongoing</li> </ul>
<p><b>Administration and Reporting:</b></p> <ul style="list-style-type: none"> <li>• Preparation and updating of project sheets, country strategy, mid-year and end-of-year reports.</li> <li>• Monitoring of reporting on activities and budgets.</li> <li>• Office administration and HR management.</li> </ul>	<ul style="list-style-type: none"> <li>• Updated project sheets, country strategy Mid-year, end of year</li> <li>• Monthly Ongoing</li> </ul>

**EA/VIE/84:** **Water Supply and Sanitation Sector Responses to Climate Change Impacts  
Year 1 of 2**  
**Task Manager:** Vinh Thanh Nguyen  
**Client:** Government of Vietnam and Provincial Government of Yunnan, China (Ministries of Environment, Agriculture and Rural Development, Construction, Planning and Investment) Vietnam and Yunnan Province of China  
**Countries:** Vietnam and Yunnan Province of China  
**Partners:** AusAid, Sida, DANIDA, DFID

**Desired Project Outcome:**

Targeted stakeholders, especially poor communities and the utilities that serve them, develop resilient response plans to reduce their vulnerability to climate change in the water supply and sanitation sector (WSS) in Vietnam and Yunnan, China, thereby reducing the threat that climate change will affect their ability to provide WSS services for all, including the poor.

**Project Description:**

With their still largely rural based societies, high levels of poverty, ethnic diversity and history of political instability through the 20th century, the countries of the Mekong region are particularly vulnerable to unforeseen pressures. Vietnam is especially vulnerable to climate change due to its long coastline, dense coastal population, mountainous interior, high dependence on water resources from upstream countries and seasonally varying rainfall patterns. A recent study on climate change has revealed that the most vulnerable province within Vietnam is Lai Chau<sup>5</sup> (bordering Yunnan Province in China), which is exacerbated by the transboundary pressures they face<sup>6</sup>. In the face of these pressures a vulnerability assessment is required to address how these pressures will impact on WSS systems, and what responses should be taken.

Climate change is expected to be a significant driver of pressures on the state of the environment through changing sea levels, meteorological and hydrological patterns. A wide range of potential social impacts could be experienced across the WSS sector including impaired quantity/quality of supply water supply sources, increased need for water treatment, threats to the operation and maintenance of water distribution and wastewater collection/treatment systems, increased water borne disease risks, and changes in demand patterns due to climate change migrations.

Establishing flexible and robust scenario models and monitoring for these causality chains will be crucial to developing WSS-specific investment plans that enable timely, effective and affordable response strategies. Steps proposed are:

- a literature review of potential climate change effects on the state of environment and social impacts in the WSS sector in Vietnam and Yunnan;
- modelling the impacts of best case and worst case scenarios on WSS services such as locations of facilities including water intake points, design of infrastructure, water supply technologies and sanitation effects particularly for mountainous and coastal zone areas;
- stakeholder consultations including an assessment of the existing capacity of service providers to deal with the potential effects in terms of financial, technical and human resources;
- capacity building to address issues arising from impact modelling and existing capacities for the transboundary pilot area: Lai Chau – Yunnan; and
- formulating potential responses that address the impacts.

To date, planning for climate change adaptation has focussed on *no-regrets*, *low-regrets*<sup>7</sup>, and *win-win* strategies to help manage uncertainty and risks and aid in decision-making regarding adaptation measures. Of course, not all possible adaptation measures are no-regrets, low-regrets or win-win options. Some potential actions involve significant costs such as shoring up or building flood retaining walls, overhauling combined-sewer overflow systems and implementing new and more expensive technologies. In these cases, the decision making process is more complicated, and will necessitate taking a risk management approach.

Assessing existing capacity of service providers to deal with the potential effects, from a human resource perspective as well as financial and technological knowledge perspective, will be essential, along with determining adaptation strategies for vulnerable communities. Emphasis needs to be placed on addressing financing, facilitating transfer of technology, and building knowledge and capacity. Priority attention should be given to strengthening the resilience of poor communities to climate risks by developing a range of options for utilities to adapt to new weather patterns, salt intrusion, sea water level rise, flood, etc. through choice of technology, new design procedures, considering relocations of critical infrastructure, and so on. Given the uncertainties involved, links between climate adaptation and disaster risk reduction are critical and should be acknowledged as such. Adapting to climate change in the WSS sector entails particular challenges in structuring financing packages, as transaction costs are high, as are uncertainties with the development of some instruments, effectiveness of engaging clients, and shifting incentives to spur innovation across the sector. Market mechanisms can mobilize significant financing for development with environmental

5 Yusuf A & H Francisco (2009) "Climate Change Vulnerability Mapping for Southeast Asia", Economy and Environment Program for Southeast Asia

6 Jansenn N (2007) "North-West Vietnam Supporting black cardamom value chain development", <http://www.snvworl.org/en/countries/vietnam/ourwork/Documents/Our%20work%20-%20Agriculture%20-%20Cardamom.doc>

7 "regret" is analogous to "consequence of failure" in a risk management framework

benefits, yet there is difficulty in making market mechanisms work in the WSS sector due to regulatory and policy issues, and the political nature of the sector.

### Assumptions

1. *Support from stakeholders at national and provincial/local government level*
2. *Climate change is the predominant vulnerability driver and will occur within the envelope of scenarios envisaged*
3. *It is possible to develop a consistent framework that can be implemented in a meaningful way at subregional, national provincial, district and city levels*
4. *Demonstration projects generate enough relevant results to be replicated in other sites at a later stage*

**Start Date:** July 2009

**End Date:** June 2011

### Project Milestones

1. Analysis report produced - May 2010
2. Monitoring pilot plan produced - November 2010
3. Roundtable meeting held - December 2010
4. Adaptation pilot plan completed and disseminated - May 2011

### Indicators of Outcome

1. Government agencies endorse the project at the Regional Round Table meeting
2. Government agencies and utilities mainstream climate change considerations into WATSAN planning and support the development of climate change adaptation plans
3. Market-based financing mechanisms are developed
4. Development Partner and private sector financing mobilized
5. Deployment of new technologies
6. Climate change research, knowledge, and capacity building implemented

### Project Activities and Outputs:

Project activities and outputs are identified at Sectoral Level, as well as under the three climate change areas: understanding the science, adaptation and mitigation.

Activities	Output(s) and their Deliverable Dates
1. Vulnerability Assessment	
Perform Analysis/literature review on Climate Change Impacts on the Water/Sanitation system including economic impacts.	Analysis produced, May 2010
Develop climate change monitoring pilot plans in the transboundary pilot	Monitoring pilot plan, November 2010
2. Adaptation Approaches	
Regional round table meeting to discuss analysis results and brainstorm adaptation options	Hold round table meeting, December 2010
Based on analysis and with relevant stakeholders develop pilot adaptation plans for the pilot including addressing infrastructure needs and financing/market enabling instruments	Pilot adaptation plan, March 2011
Hold dissemination workshop on impacts and adaptation plans to raise awareness and to identify financing sources	One day workshop, May 2011

**EA/VIE/85:** **Capacity Building and Support to Small Towns Water Supply Operations** Year 1 of 2  
**in Vietnam**  
**Task Manager:** Joseph Gadek  
**Client:** Ministries of Construction and Finance, Provincial People's Committees, Water Companies  
**Country:** Vietnam  
**Partners:** Vietnam Water and Sewerage Association, selected multilateral and bilateral donors

**Desired Project Outcome:**

Small towns water managers are able to provide better and more sustainable water supply services for all economic strata of their communities through the development of a more holistic management structure and through an improved understanding of the technical and financial interrelationships of their water supply .

Targeted small towns water utility managers are able to provide better and more sustainable water supply services for all economic strata of their communities through the development of a more holistic management structure and through an improved understanding of the technical and financial interrelationships of their water supply.

**Project Description:**

It is estimated that 33% of the population of Vietnam is urban based and that by 2020 that percentage will be around 50% of the population. There are 31 cities classified in Vietnam in classes 1 (national – 3 cities), class 2 (regional – 12 cities), and class 3 (provincial – 16 cities). These are cities with populations above 100,000. All of these cities have had significant investments made by the provincial governments in providing piped water supply networks. However, for the 670 class 4 (district – 58 towns) and class 5 (612 townlets) urban centers it was recently estimated that only about 300 of these urban settlements have piped water supply schemes, with many of them facing severe limitations on the quality of service provided due to financial, technical, and human resources limitations.

Related to all urban water supply systems in Vietnam, and as more information and analysis is made available within the WSS sector is becoming available, it is becoming clearer that more consideration and priority has historically been given to building water treatment plants (and often oversized) with far too little attention paid to the importance of a complementary well designed, constructed, and maintained distribution network.

Under this project, WSP will continue the work undertaken in a previous project (VIE 53) with provincial water companies in providing more diagnostics of the water supplies in the areas that are increasingly becoming urban in nature, i.e. the small towns. Much relevant WSS sector information has been collected in recent years but further analysis of the information and specific proposed solutions to the identified problems need more discussions and decisions made to improve the performance of many of the water supply companies. As a result of the recent WSP supported benchmarking studies, one of the highest priorities identified by many of the urban water companies was the need to provide them with assistance on water supply utilities assets management systems. This demonstrates that there is indeed recognition by some of the water supply providers of the importance of all components of the water supply system, including the distribution network. An assets management system (including mapping) will better enable the water companies to strike a balance between supply and distribution. An extensive and well maintained water supply distribution network in the absence of an adequate water source and supply will not be able to provide good water supply service and generate adequate revenues. Similarly, a sufficient supply of water without a properly designed, constructed, and maintained distribution network will not be able to provide adequate water supply services nor generate the revenues required to maintain the systems.

Following a quick recap of the recent studies and analysis of the water supply services relevant to small urban settlements, existing data will be analyzed to propose options for solving the problems identified in these databases. This will be done in close cooperation with the Vietnam Water and Sewerage Association and a few of the donors and lending institutions (ADB, Finida, et al) active in small towns water supply services to elicit their views as well in terms of the conceptualization of the constraints of the sector and perceived solutions. With the small towns water supply updated diagnostic analysis of the problems and possible solutions clearly outlined, this will be shared with a wider audience of stakeholders to see how much commonality there is with the identified solutions matrix. Two to four small towns will then be selected to work with on a pilot basis in order to implement some of the recommended reforms and provide a better basis for advocacy with the Ministry of Finance regarding the tariff ceilings by more meticulously documenting the production costs of water. Ideally this work would be in conjunction with an active Bank credit or other IFI lending instrument. The results of the piloting would then be utilized at a national level to affect more efficient use of sector investments.

Just as with the larger urban utilities, there are two related pressing issues that this work will specifically address. The first is the need for the water companies to know what their assets consist of in order for them to plan in a more systematic manner towards better service which recovers the cost of operations and maintenance. The second related issue is that of advocacy with the Ministry of Finance to be able to set the tariffs such that the costs of production are at least met. This implies that the water utilities should have the capacity as well to accurately assess the cost of production and distribution of the water supply.

**Assumptions:**

1. The Ministry of Finance and Ministry of Planning and Investment are open minded to the argument that the economic (or financial) value of water must be the basis of all tariff structures.
2. The water supply companies are genuinely interested in having a complete assets management tool.

3. The Vietnam Water and Sewerage Association will have the full capacity to undertake this supportive role in the overall design of the project.

**Start Date:** Jul 2009

**End Date:** Jun 2011

**Project Milestones:**

1. MOU negotiated and signed with the Vietnam Water and Sewerage Association - Sep 2009
2. Small towns water supply diagnostics completed - Dec 2009
3. Tariffs issue paper developed - Feb 2010
4. Pilot towns selected- Apr 2010

**Indicators of Outcome:**

1. The cost of the production and distribution of a cubic meter of water is well defined in the pilot towns.
2. Tariffs are adjusted in these same pilot towns to reflect the reality of the unit costs of production and distribution of water.
3. Professional level assets management systems put in place in the pilot towns.
4. The unit costs of production reduced and revenues collected increased.
5. Improved O&M practices implemented resulting in improved and more efficient services.

**Project Update:**

4/09: new project

**Project Activities and Outputs:**

Activities	Output(s) and their Deliverable Dates
<p><b>Small towns water supply diagnostics</b></p> <ul style="list-style-type: none"> <li>• Memorandum of Understanding with VWSA</li> <li>• Recruitment and mobilization of consultants</li> <li>• Identification of methods and strategies</li> <li>• Small towns water supply diagnostics based on existing data, and recommendations for improved asset management systems</li> </ul>	<p>MOU signed - Sep 09</p> <p>Consultants contracted – Sep 09</p> <p>Workplan finalized – Oct 09</p> <p>Diagnostics completed – Dec 09</p>
<p><b>Stakeholder consultations</b></p> <ul style="list-style-type: none"> <li>• Consultations with VWSA regarding the selection of pilot towns</li> <li>• Workshop to reach consensus among stakeholders on diagnostics and recommendations</li> </ul>	<p>Selection of pilot towns – Apr 09</p> <p>Workshop held – June 2010</p>
<p><b>Implementation of recommendations at town level</b></p> <ul style="list-style-type: none"> <li>• Improved asset management systems recommendations implemented</li> </ul>	<p>Asset management systems (with software) put in place in selected pilot towns – starting Jun 2010</p>