Capacity-Building for Sector Reforms

The Rural Program
India Country Team

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50 YEARS OF YOUR MANAGEMENT!
NOW IT'S OUR TURN!!

DFID
Department for International Development
Government of India (GOI) Sector Reform Program

The national and state governments face the challenge of providing the poor with efficient services and substantially increased access to sufficient quantity and quality of water and sanitation services. Despite significant government investment (about 3 per cent of the national budget) in rural water supply in India, a large part of the country's predominantly rural population still does not have access to an adequate supply of safe drinking water (the Government of India claims about 97 per cent of the habitation have access to water, while some private estimates put it at around 50 per cent). The rural sanitation situation is worse, with less than 20 per cent of the population having access to sanitary latrines. Lack of sufficient safe drinking water and sanitation facilities significantly worsens the conditions of the rural poor.

The GOI has introduced a national policy that promotes the financing and management of rural drinking water and sanitation services at a decentralized level through local governments and communities. Key principles of the reform agenda, written into The Cochin Declaration are:

- adopting demand-responsive approaches and the use of participatory processes
- changing the role of the government from provider to facilitator
- establishing financial viability and sustainability of rural water supply services
- promoting integrated water resource management

The GOI has demonstrated its intention of revamping its approach to providing water through centralized state water boards by sanctioning Rs 2,500 crores (US$ 550 million) over three years for piloting water and sanitation reforms in 63 districts in 25 states across India. Twenty per cent of the Accelerated Rural Water Supply Program of the Government of India and the Restructured Centrally Sponsored Scheme for Sanitation is dedicated to fund the reform pilots in 63 districts of the country. Both the programs advocate an increased role of communities in the planning and management of their own facilities. They envisage a shift in the role of government from provider to facilitator, promote participatory management and increased cost recovery from users (at least 10
per cent capital cost and 100 per cent operation and maintenance contribution) as being critical in order to ensure good quality, sustainable services. Under these programs, the fiscal transfer from the national government is directly to a dedicated district unit that in turn acts as a facilitator of these programs with the involvement of local government and community groups.

As institutional change of this magnitude has to be supplemented with adequate capacity, a third of the national funds are earmarked for capacity-building of the local government and communities. This is a unique scheme to pilot a reform process in Rural Water Supply and Sanitation (RWSS). The nature and scale of the reform process is unprecedented (target population of about 50 million) and therefore requires focused intervention to catalyze the capacity fund to make the reforms more effective. This program would increase the access of the poor to safe and sustainable water and sanitation services, which in turn would assist in economic growth and wealth creation.

Role of WSP-SA

A key partnership has emerged between the Government of India and WSP-SA on the basis of common objectives in the Rural Water Supply and Sanitation sector. This is based on a focused approach towards poverty alleviation through sustainable development. In the RWSS sector, the two partners agree on the need to scale-up community-based and demand-responsive approaches into national policies and programs. The India Rural Program of the WSP-SA is funded by DFID. It adopts a twin-pronged strategy of:

- developing the capacity of local governments and community institutions to be a key player to provide efficient and sustainable Water Supply and Sanitation Services (WSS)

- assisting under-performing public sector agencies to become vibrant and responsive organizations. The vital and creative NGO and small-scale private sector must be transformed from a fragmented response to the failures of existing institutions, into a key partner to large-scale public and private agencies, and small-scale local governments and community institutions. The new institutional arrangements must explicitly recognize the poor as valid and important consumers

By virtue of a Strategic Alliance with the Rajiv Gandhi National Drinking Water Mission, the lead national sector institution, WSP-SA has made a contribution to developing a national policy framework that led to the adoption of The Cochin Declaration (adopted in the State Water Ministers Workshop – organized by the Government of India, WSP-SA and The World Bank, 7-8 December 1999). A unique balance

The Restructured Centrally Sponsored Scheme for Sanitation will assist families below the poverty line in constructing toilets.
of operational experience and knowledge management, core competencies of WSP-SA, enables the Program to add value to the reform debate at both national and state levels. The GOI has welcomed the assistance of WSP-SA to coordinate a capacity-building framework to assist the sector reforms program.

WSP-SA seeks to support sector reforms by providing proactive implementation and capacity support as well as knowledge management. As an active participant in implementing and upscaling RWSS sector reforms, WSP-SA is constantly at praxis with the critical issues of institutional reforms, capacity-building and fiscal incentives. Through knowledge management activities, WSP-SA conducts analytical studies, documentation of best practices and sharing of learning among the key sector players. It is this unique position of both an architect and an analyst that makes WSP-SA a strategic partner to national as well as state governments.

The key learning agenda for WSP-SA is to understand how to provide capacity-building support to scale-up demand-responsive delivery mechanisms in India. WSP-SA has initiated a multi-pronged intervention aimed to:

- provide policy support and promote an enabling environment for RWSS policy reforms at the GOI and state level
- help build local government and community capacity to implement sector reforms in states
- help states actually implement the policy reforms pilot, and scale-up the reforms

Institutional development of local government and capacity-building to strengthen the process of institutional reforms are the challenges for the success of the reform process. WSP-SA, in coordination with other donors, is providing a flexible and decentralized capacity support to the reform process.
The capacity support has been designed to respond to changes in the local environment, provide a forum for knowledge management, and assure smooth expansion and scaling-up. Capacity-building for local governments and communities for the decentralized delivery of RWSS would have cross-sectoral benefits.

**Capacity-building would be coordinated through three windows:**

**Networking** – regular exchange of ideas among implementers of reforms through direct personal and electronic interaction in the form of rural think tanks, networking of training centers, electronic discussions and posting of best practices, providing technical assistance and access to expertise, training manuals, etc.

**Supply** – creation of market-based capacity-building consortiums at national, regional and state level would act as a resource base, prepare HRD and IEC materials, provide training at national, state, district and gram panchayat level, liaison and assist state governments on reforms, etc.

**Demand** – set up a fund as well as a network of experts that the reform districts can access to supplement their capacity in implementing reforms.

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**CAPACITY-BUILDING FRAMEWORK**

Government of India

\[ \text{WSP-SA - DFID} \]

\[ \text{Demand} \]

- Fund/Resource
- Government/Market
- Expert Teams

\[ \text{Supply} \]

- Market-Based Capacity-Building Consortium at National and State Levels
- Mobile Missions
- State Teams
- Specialized Teams

States, Panchayat Raj Institutions and Communities Implementing Reforms

Knowledge Management Network Across 63 Districts:
- Jal Manthan, Training Centers, Electronic Network
constantly address second generation issues in RWSS. Some of these include:

- Scale-up of reforms at national and state level
- Assist state governments that wish to restructure their water boards/departments
- Address issues of inter-governmental fiscal reforms to build sustainable mechanisms of RWSS delivery by local governments
- Institutional innovation for multi-village schemes
- Assist local governments with capacity-building to finance, design and manage their own RWSS schemes
- Prioritizing hygiene and sanitation

Knowledge Management – a focus area of WSP-SA is to learn important lessons for the water and sanitation sector through research and participatory activities. ‘Knowledge products’ such as field notes and studies, and learning events such as workshops and conferences disseminate innovative developments in the sector.

Other Challenges

While focusing on capacity support for the 63 pilot districts, WSP-SA would...
capacity-building, technical assistance to implementation and knowledge sharing for scale-up. Over the last year-and-a-half, WSP-SA has provided critical inputs that have strengthened the sector reform process. WSP-SA has emerged as a major player in RWSS sector reforms in India and is recognized as the lead agency to coordinate donor support to the reform process. Some key outcomes of our initiatives have been:

**National Level**
- *The Cochin Declaration* by State Water Ministers endorsing the GOI policy reforms
- Launch of sector reforms with a series of one national and four regional workshops and the formation of a network of key officials in the pilot district
- Observation Study Tours (OSTs) for the key officials of the 63 districts to the Swajal project in Uttaranchal, that is considered a model for sector reforms
- Preparation of a capacity-building framework to support the 63 districts in 25 states

**State Level**
- MOUs with the state governments of Kerala, Andhra Pradesh and Maharashtra to assist them to implement sector reforms
- Played a key role in designing the institutional model to implement sector reforms
- Preparing a management model with district support units, working through districts and state coordinators, building the capacity of state training institutions that would build capacity among all stakeholders, and providing key inputs for reforms
- State/district level workshops to generate political will among all stakeholders
- Donor coordination in the state for assistance to further the reform process

**District Level**
- Assisting district institutions to implement the reform project
- A detailed project implementation plan (PIP) with a scheme cycle has been prepared
- Capacity-building institutions have commenced the preparation of manuals, IEC materials, TOT packages, developing district training capabilities, and along with the district units identifying NGOs to work as support organizations with the local government and communities

**Knowledge Management**
Water and Sanitation Program defines knowledge management as a combination of learning events, field notes, and studies. Some recent publications include:
- *Jalvaani*, a RGNDWM-WSP-SA newsletter on rural water and sanitation
- Learning the Fundamentals of Hygiene Promotion
- Marketing Sanitation in Rural India
- Factors Determining Success for Village Water and Sanitation Committees: Results from Karnataka and Uttar Pradesh, India
- The West Bengal Pilot Project: Responding to Community Demands for Safe Drinking Water in an Arsenic Affected Area
- A Rapid RWSS Sector Assessment Study for Kerala
WSP-SA Rural Team

The rural team from India combines both hardware and software skills and constitutes a young and energetic group. In a relatively short time, the team has acquired strong analytical and field-based skills and is reputed to be a lead source of expertise in rural water and sanitation in the country. This team aspires to significantly influence the building of local government capacity and transforming the under-performing public utilities in order to provide safe and sustainable water and sanitation services to the poor.

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