

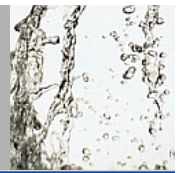
Devolution Trust Fund Zambia



Implementation of Pro-poor policy for WSS in Zambia

**UN Independent Expert's Consultation on Good Practices with State Actors:
19-20 Jan 2011
Geneva**

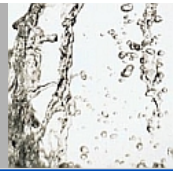
**Sam Gongga
Manager – DTF/ZAMBIA**



Content of Presentation

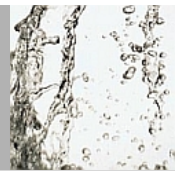
- Water Sector Set up
- Sector Policy & Implementation
- The DTF: Measuring up to the Good Practices Criteria
- Lessons Learnt



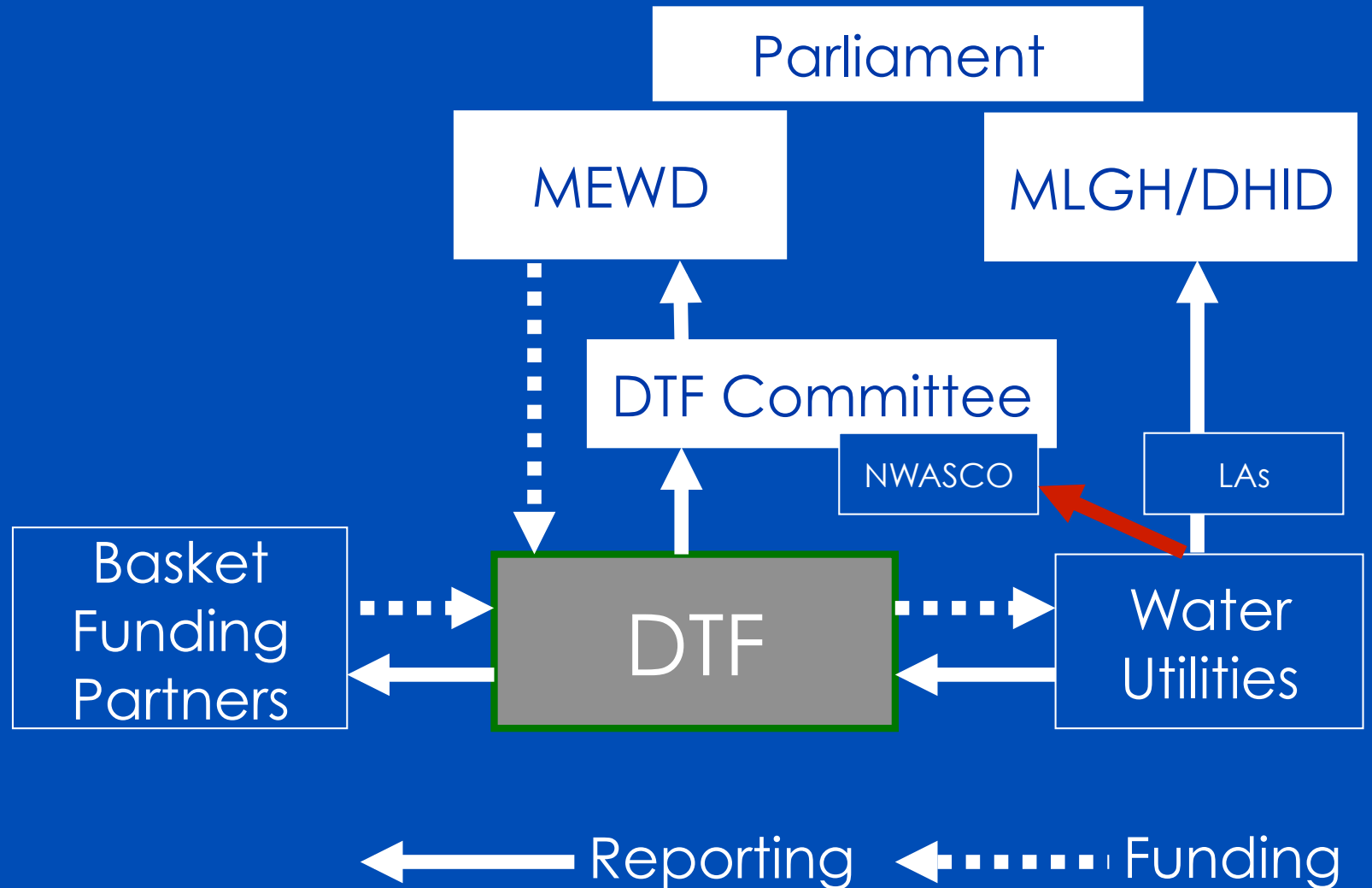


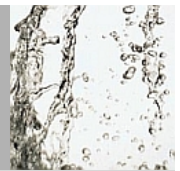
Why DTF

- Ensure & assist utilities improve WSS to peri-urban areas
- Operates as a basket for targeted improvements for peri-urban areas
- Hence minimises exclusion of these areas from better WSS services



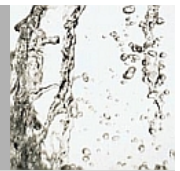
Water Sector Integration





Fund Portfolio

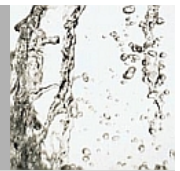
	General Fund	Performance Enhancement Fund
	To assist CUs in extending WWS services to urban poor	To support initiatives by a CU aiming at enhancing its financial viability
Eligible Applicants	All CUs (unless excluded)	<ul style="list-style-type: none"> • CUs with proven efforts to improve WSS situation for urban poor within past 12 month • Previous DTF projects well implemented
Eligible Projects	<ul style="list-style-type: none"> • WSS, capacity building • Peri-urban or low cost area • Legal situation clarified • Volume within spec. thresholds 	Projects improving financial viability of CU; i.e. reducing operational costs and/or increasing revenues



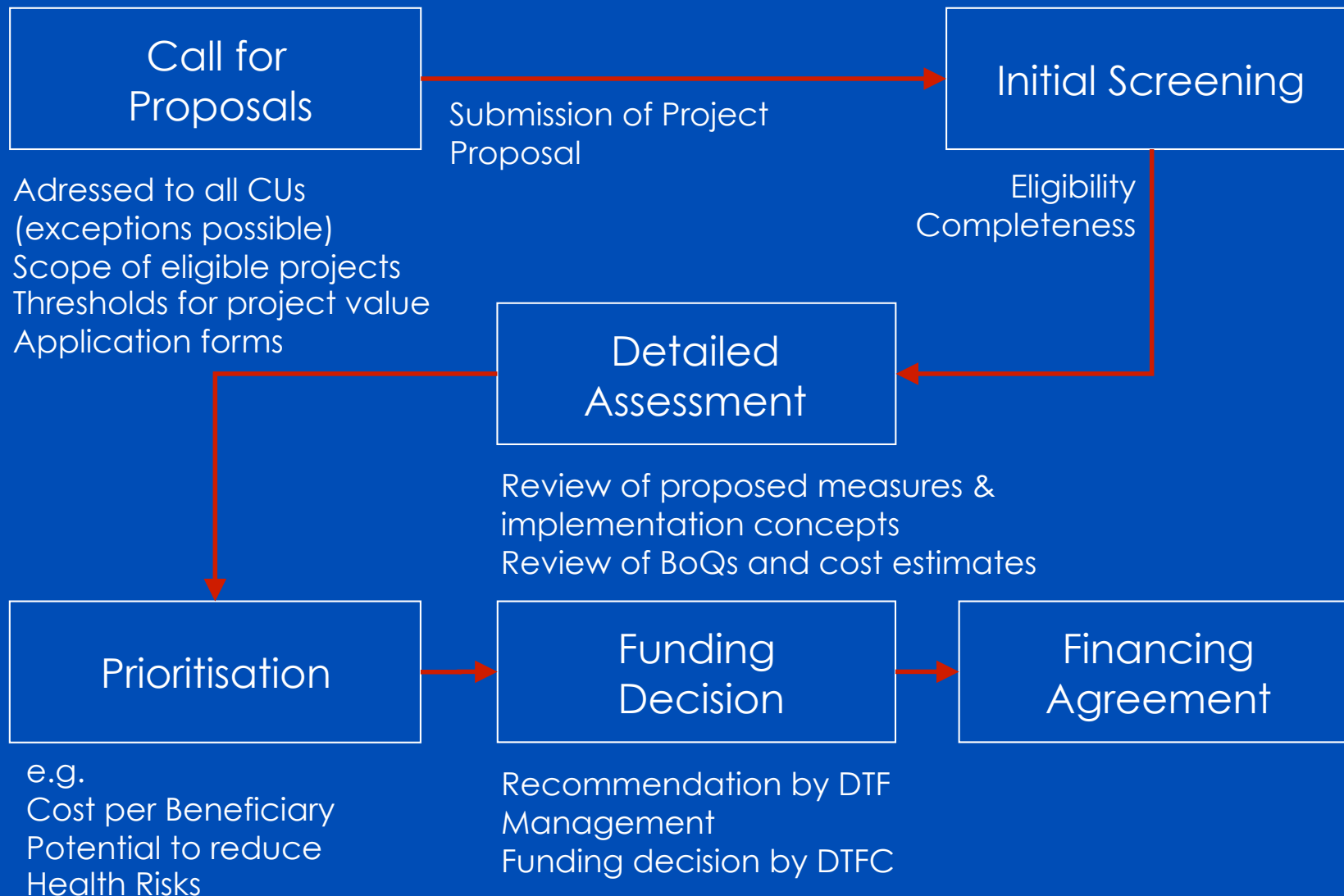
Basketfunding Partner Harmonization



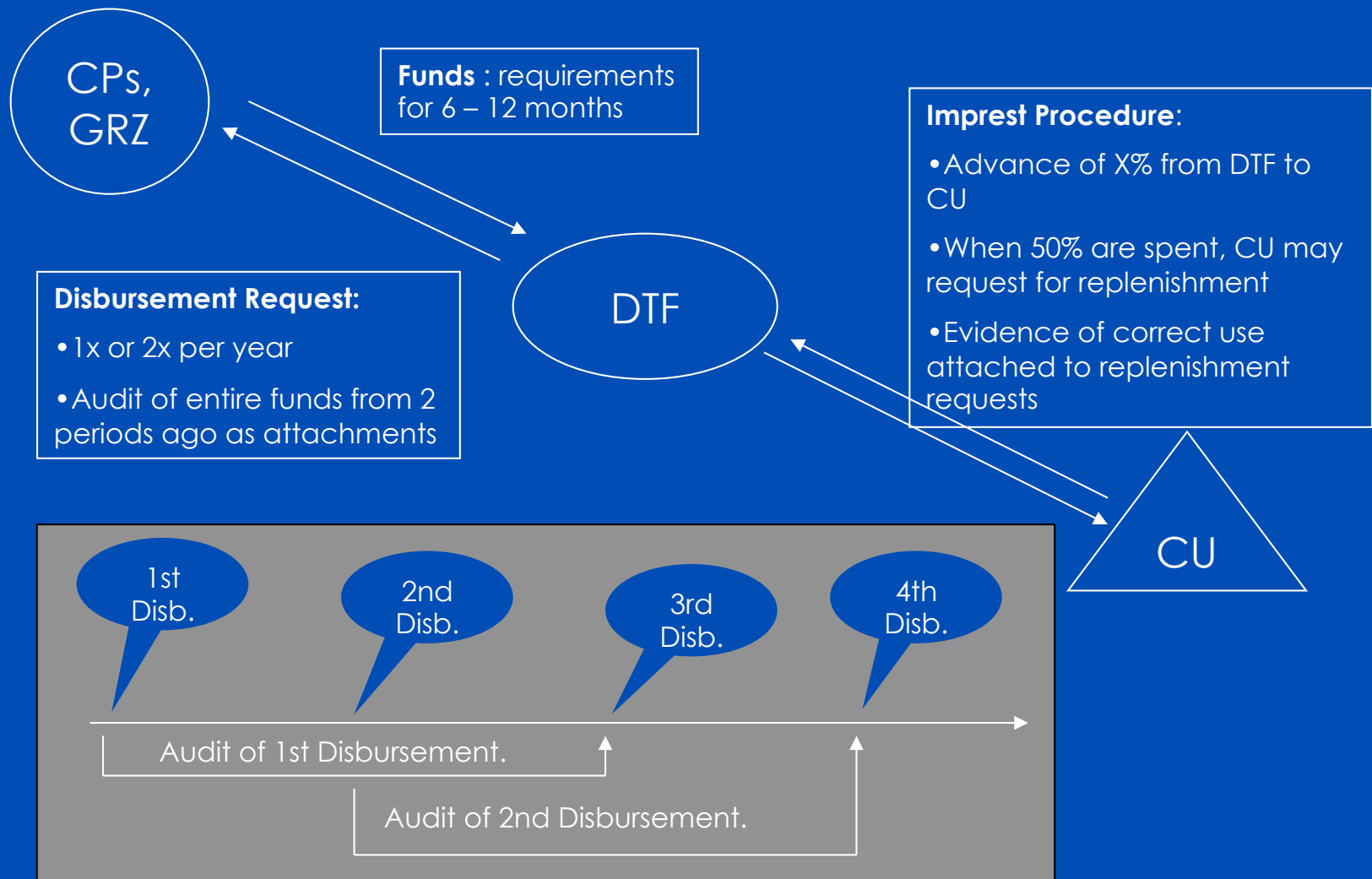
Basket Funding Partner:
GRZ, KfW, DANIDA, EU, (GTZ)

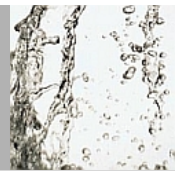


Project Selection

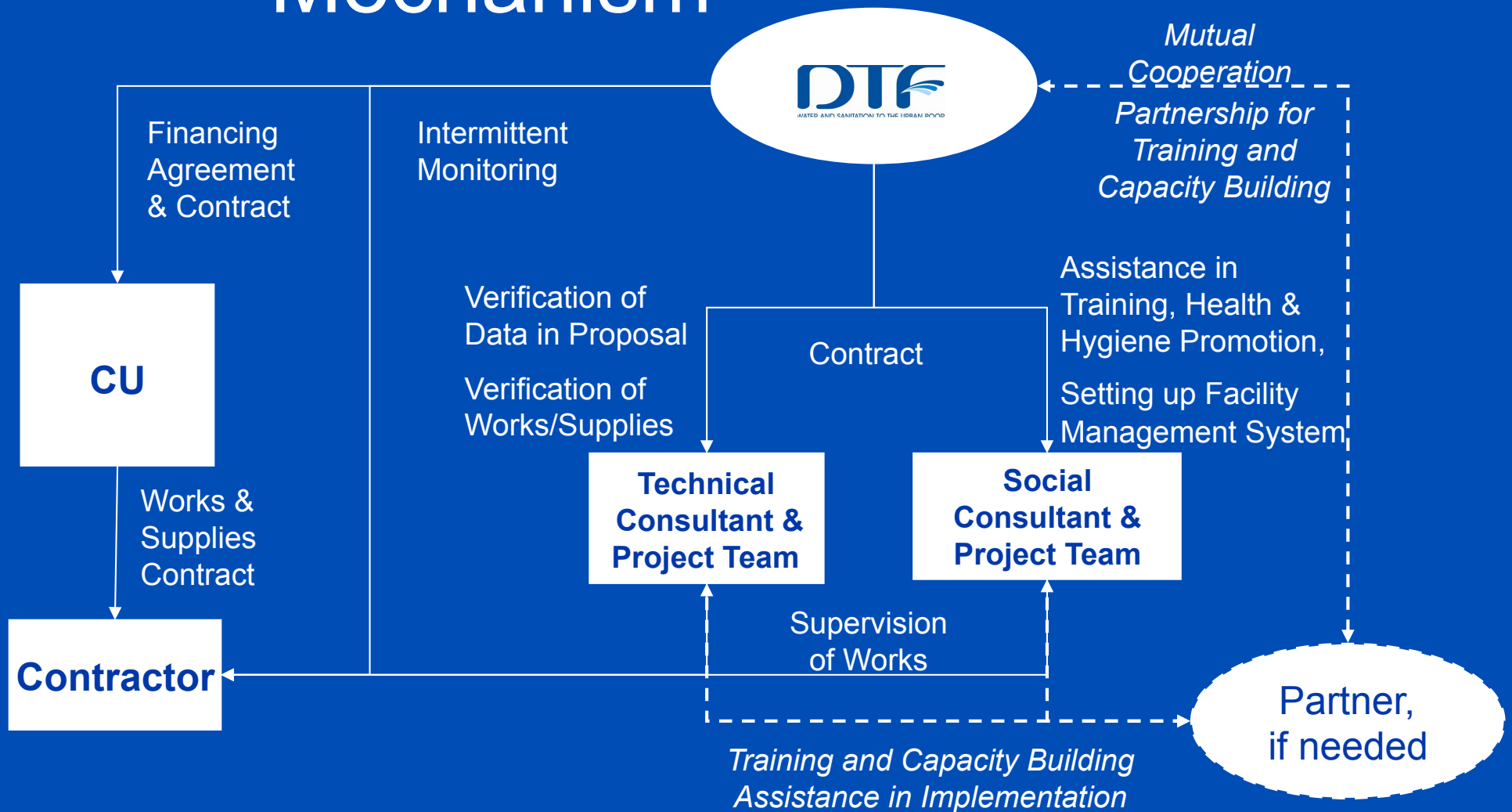


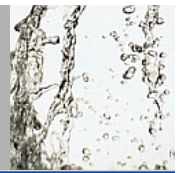
Disbursement of Funds





Financing and Implementation Mechanism





Monitoring and Evaluation

Monitoring:

- Involvement of DTF Social and Technical Consultant
- Reporting Requirements for CUs:
monthly reports, completion report, quarterly reports (after completion for 2 years)
- Inspection visits (announced and spontaneous)

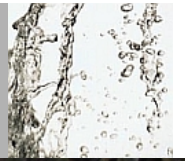
Evaluation:

- Project Visits upon completion (DTF Completion Reports)
- Ex-Post Evaluation/Impact Assessment:
6 months and 24 months after project completion

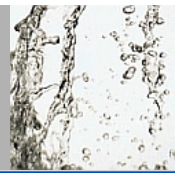




Training Biogas Plant



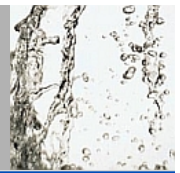
Water supply network, sewerage system



Sector Policy & Implementation

- Policy reforms & the need for universal access to WSS
- Institutional changes needed to bring about better access to all
- Commercialization of service provision from 2000
- Regulator set up in 2000
- DTF established in 2003





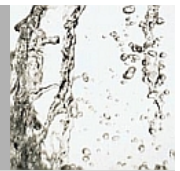
Enabling Environment

The **constitution** of Zambia stipulates a state obligation “... **to provide clean and safe water**”

Constitution of Zambia, 1996, Part IX, Article 112(d)

- Implementation of Sector Reforms
- Service license defines service area including low-income areas
- Formal Service Provider (SP) responsible for other players
- SP has to offer adequate outlets kiosks
- Extensions into low-income areas part of business plan of SP

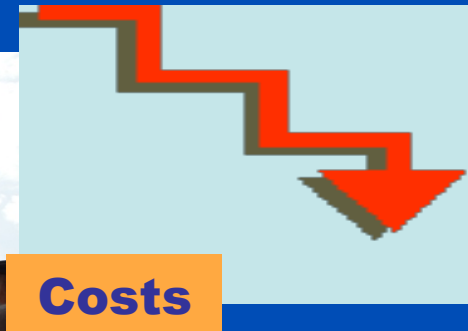
Regulatory Policy



Facilitating Principles in DTF interventions

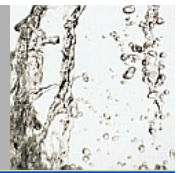
1. Economy of scale/all consumers connected to the utility

benefits for all consumer groups



2. Access to provider's services for all consumer groups within the service area





Facilitating Principles; Con'td

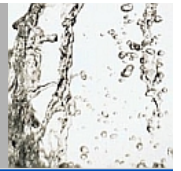
3. Right technology of infrastructure



4. Participation of consumer groups and local authorities

5. Promotion of solidality – cross subsidies





Good Practices Criteria: *Their Realisation in DTF*

- No agreed standard definition of coverage
- Statistics bureau and water sector figures not harmonised
- Hence started with definition of coverage;

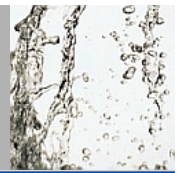
Parameters include:

- ✓ Distance, water quality, price, Functionality
- ✓ Walking distance, waiting time, pressure
- ✓ Sustainability, design of installations



Good Practices Criteria: Cont'd

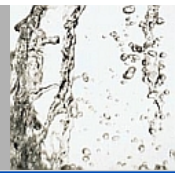
- **Availability of supply ensured by:**
 - systems financed by DTF connected to the utility and thus ensures availability of water as in other areas
 - A basic level of service (40ltr/c/day) is guaranteed even for the lowest income group
 - Service hours monitored by Regulator



Good Practices Criteria: Cont'd

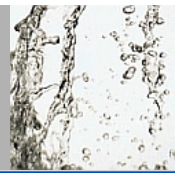


- Support infrastructure also financed to ensure reliability and adequate quantities of water is available to a particular community
- Each water kiosk is available to a limited number of households to avoid congestion and long waiting times



Good Practices Criteria: Cont'd

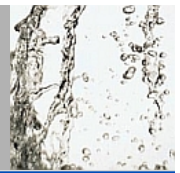
- **Accessibility**
 - Facilities installed within 200m/300m radius
 - Household level sanitation facilities for safety of women and children



Affordability

- Limited flexibility in poor household budgets to absorb a large increases in water charges
- 100% subsidy for infrastructure – No capital recovery through tariff
- Kiosks provide for a regulated tariff
- Life-line subsidised tariff applied at kiosks

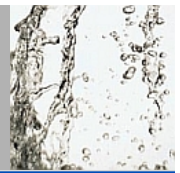




Quality/Safety

- *Sanitation*
 - ✓ still a challenge
 - ✓ Sustainable approaches for peri-urban areas being developed
- *Water*
 - ✓ Utility responsible for quality of water at kiosks
 - ✓ Quality ensured as kiosks mostly connected to utility network

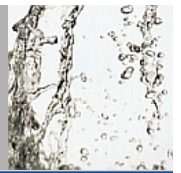




Acceptability

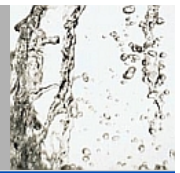
- Process is consultative with community
- Technology choice is demand driven





Non-Discrimination

- DTF is pro-poor focused
- At least 80% of the funds goes towards peri-urban areas/ the 'voiceless'
- Peri-urban areas not abandoned to 2nd class service providers
- Encourages women participation in the projects



Participation

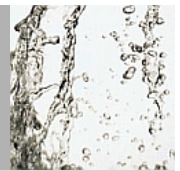
- Community involvement integral part of DTF guidelines on implementation of projects
- Day to day operations of facilities done by community members/vendors





Accountability

- Two (2) audits on DTF per year
- Projects evaluations conducted annually by independent consultants
- Different stakeholders including community interviewed in evaluations
- Annual basket fund partners meeting



Impact

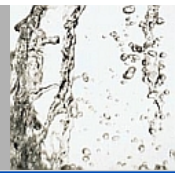


- Water Supply projects financed since 2004



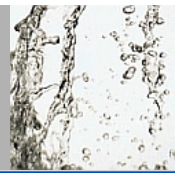
No. of Water Kiosks	Total Costs (€)	Population served
350	6,000,000	610,000

Financing: Govt, KfW, DANIDA, EU



Sustainability

- Basket fund threatened by low contributions from Govt – mostly externally funded
- No free water! Everyone pays – albeit at subsidised cost for kiosks
- O & M costs for Kiosks low – mostly covered through the wider utility revenue
- Utilities to gradually takeover investment in peri-urban areas



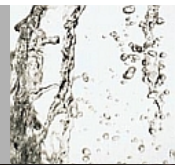
Lessons learnt

- Rights based approach is NOT yet explicitly mentioned in national planning documents (SNDP, NUWSSP) while the right to water is embedded in national constitution
- Steady increase of funding to the sector by Govt, but still not enough

Implementation Level:

- Steadily improving access to WSS services while sanitation is still neglected, concepts for pro-poor water supply available, further up-scaling needed, funds?
- Water quality is assured by formal water provision
 - Right to WSS – who pays the cost?





Thank you!

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