



PROPOSED 2010 WORK PLAN AND BUDGET

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African Water Facility | Facilité africaine de l'eau

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LIST OF ACRONYMS

ADB	African Development Bank
AFD	Agence Française de Développement (French Development Agency)
AMCOW	African Minister's Council on Water
AWF	African Water Facility
AU	African Union
BOOT	Build, Own, Operate and Transfer
CBO	Community Based Organization
CFP	Call for Proposals
DFID	Department for International Development, UK
EU	European Union
EXCO	Executive Committee of AMCOW
GC	Governing Council
GWP	Global Water Partnership
ICA	Infrastructure Consortium for Africa
IWRM	Integrated Water Resources Management
MDG	Millennium Development Goals
M&E	Monitoring and Evaluation
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
NWRM	National Water Resources Management
OBA	Output Based Aid
OEA	Operations Effectiveness Assessment
OSC	Oversight Steering Committee
OWAS	Water and Sanitation Department of the ADB
PCR	Project Completion Report
RBM	Results Based Management
RBO	River Basin Organizations
REC	Regional Economic Communities
RMC	Regional Member Country
RWSSI	Rural Water Supply and Sanitation Initiative
TA	Technical Assistance
TAC	Technical Advisory Committee of AMCOW
TWRM	Transboundary Water Resource Management
UA	Unit of Account
UK	United Kingdom
WRM	Water Resource Management
WSS	Water Supply and Sanitation
WWC	World Water Council

EXECUTIVE SUMMARY

1. The purpose of this document is to present the proposed 2010 Work Plan and Budget of the African Water Facility (AWF) to the Board of Directors of the African Development Bank for their appreciation and to seek the Board's approval of the 2010 Administrative Expenses Budget contained in this document.

2. The year 2010 will be for obtaining project results and consolidating operations based on lessons learned since the initial setup stages of the facility. Key activities which the AWF will focus on in 2010 include:

- Effectively communicating the role AWF plays in the water sector, and widely disseminating the results of the 16 projects expected to have been completed by the end of 2010;
- Emphasising project quality, relevance and sustainability in building the project portfolio. This will require a more programmatic approach based on regional priorities and continued support to countries with particular needs. The areas of intervention that will be emphasised include "Monitoring & Evaluation" and "Strengthening the Financial base" and as well the Facility will take steps to mainstream climate change adaptation;
- Improving efficiency and effectiveness of operational processes primarily based on recommendations expected to emanate from the ongoing Effectiveness Assessment of the Facility;
- Continued support to AMCOW in implementing regional strategies and initiatives, realigning AWF operations as needed to support the implementation of the AU Heads of State Sharm el Sheikh Commitments in water and sanitation and the recently adopted "framework for reporting actions to the African Union";
- Mobilising adequate resources for the 3 year Operational Programme 2010-2012.

3. The *Operational Work Plan* for 2010 outlines the projects that will be implemented in order for the Facility to achieve its operational objectives of creating an enabling environment for investments. In 2010, the AWF will continue to provide support to the four main areas of intervention noted in its Operational Strategy. The breakdown of planned project interventions and associated indicative financial requirements is shown in Table 1.

Table 1: Indicative Project Financing Requirements for 2010 (million Euros)

Commitments, by area of intervention:	Projects Approved 2009 ¹		Projects to be Approved 2010	
	No.	Amount	No.	Amount
Strengthening Water Governance	5	7.6	5	11.0
Investments to Meet Water Needs	11	16.1	8	19.9
Strengthening the Financial Base	0	0	2	3.0
Improving Water Knowledge	4	7.1	5	8.1
TOTAL Project Commitments	20	30.8	20	42.0

1) Based on actual project commitments to end of October plus estimated amounts for remainder of the year.

4. The *Organisational Work Plan* outlines the many activities that will be undertaken in 2010 which are essential to the effective operation of the Facility. These activities will focus on ensuring efficient implementation of the project portfolio, improving effectiveness of

operational processes, improving knowledge management to learn from and disseminate project results, strengthening visibility through effective communications, assisting AMCOW in promoting its strategic initiatives, and undertaking critical resources mobilisation actions to secure adequate funds for the Operational Programme 2010-2012.

5. To undertake all these activities, an estimate of the *human resources requirements* of the Facility and their sources of funding has been developed (see Table 2). Under current plans the AWF will have 22 full time staff in place by the end of 2010, consisting of 18 professionals, two support staff, and a Coordinator and Director.

Table 2 Staffing Plans, by Source of Funding

	End 2009	2010
Management Staff (ADB funded)	2	2
Professional Staff (totals)	12	18
• ADB funded	5	5
• AWF funded	3	7
• TA funded	4	6
Support Staff (ADB funded)	2	2
TOTAL	16	22

6. The *Administrative Expenses Budget* for 2010 provides the expenditure to be incurred in implementing the Work Plan. The budgetary provisions made are broken down by the three major sources of funding: the AWF Special Fund, ADB support to the Facility and Technical Assistance from donors as shown in Table 3. The total cash and in-kind administrative expenses budget for 2010 is estimated at €4.7 million, which amounts to 4% of the project portfolio.

Table 3 Summary of Administrative Expenses Budget (Euros)

Administrative Expenses	2009	2010
i) Expenses from AWF Trust Fund Budget		
Staffing (paid for directly from AWF account)	120,000	518,930
Administrative Expenses	952,137	1,918,000
Sub-total	1,072,137	2,436,930¹
ii) Expense from ADB Administrative Budget Support		
Staffing (ADB secondments to AWF)	650,000	866,321
Administrative Expenses (missions, consultants)	216,000	172,687
Overhead Allocation (office and other expenses.)	183,000	168,066
Operational Support (from Bank Departments)	410,000	510,000
Sub-total	1,459,000	1,717,074
iii) Donors Technical Assistance		
Technical Assistance		
Sub-total	400,000	506,667
TOTAL STAFFING and ADMIN. COSTS	2,931,137	4,660,671
iv) Administrative budget ratio		
Total Project Portfolio	75,200,000	116,000,000
Ratio of Administrative budget to total Portfolio	3.9%	4.0%

1) Board approval requested to support for 2010 operations

7. The *Financial Resource Requirements* to achieve the planned operational work programme and administrative expenses for 2010 are estimated to be €46.7 million (€42

million for project commitments and €4.7 million for administrative expenses as shown in Table 1 and 3 above). Total resources secured amount to €30.4 million (€28.3 million in cash pledged plus interest, and €2.5 million in ADB and donor in-kind contributions). This leaves a funding gap of €16.2 million or 34%. The funding gap for 2010 operation will be bridged from the pledges made by the ADB of €11 million (UA10 million) from the Bank's surplus account (already approved by the Board) and contribution from the Australian Government in the range of €3 million for which the appraisal process for funding has been completed.

8. The 2010 Work Plan and Budget has been reviewed and cleared by the Governing Council of the AWF at its meeting in Nouakchott, Mauritania on December 1, 2009 for submission to the ADB Board of Directors. The Board of Directors of the ADB is invited to take note of the 2010 Work Plan and approve the 2010 AWF Staffing and Administrative Expenses Budget in the amount of € 2,436,930 and the creation of two AWF staff positions from the resources of the AWF Special Fund required to implement the 2010 work plan.

PART I: INTRODUCTION

1 BACKGROUND

1.1 In line with the Revised Operational Procedures of the African Water Facility (AWF), the budget proposals of the AWF must be submitted to the ADB Board of Directors for approval, after consultation with the Governing Council. In this regard, this indicative Work Plan and Budget for 2010 operations was endorsed by the AWF Governing Council at its meeting on the 1st December 2009, and is presently submitted to the Board of Directors of the African Development Bank for approval of the Administrative Expenses Budget contained in this document.

1.2 The document is divided into five parts. Part I presents the background and achievements in 2009, Part II deals with the Work Plan and Indicative Financing Programme for 2010, Part III presents the associated Administrative Expenses Budget for 2010, Part IV analyses the Financial Resource Requirements, and Part V presents the main Conclusions and Recommendations.

1.3 The 2010 Work Plan and Budget document has been drafted in compliance with two key African Water Facility operational documents: 1) The 'Operational Strategy' which describes in detail the overall strategic direction and operational programme from 2008 to 2025; and 2) The '2008-2010 Indicative Operational Programme'. Both of these documents were approved by the Governing Council at its 31st October 2007 meeting. The three-year Operational Programme is updated on an annual basis. A programme for the period 2010-2012 has been prepared and included in this document (see Annex 3).

2 ACHIEVEMENTS AND PERFORMANCE IN 2009

2.1 The AWF is making good progress as it enters the latter stages of its period of establishment and initial growth in operations. A summary of the main achievements during 2009 are described below.

2.2 **Projects appraisals and approvals:** The AWF is on-track to achieving its planned 20 project approvals in 2009. This rate of project approvals represents a significant increase over the 15 projects approved in 2007 and the 14 approved in 2008. A total of 51 projects have now been approved since inception of operations in 2006, amounting to €56.9 million. Over 32 African countries are now benefitting from AWF support, with a good balance amongst all regions.

2.3 **Ongoing and completed projects:** Four projects have been successfully completed and have achieved the anticipated results. Thirty other projects are ongoing and being supervised by the AWF, of which eight more are nearing completion.

2.4 **Disbursements:** The efforts made in the past 16 months to improve project implementation and increase levels of disbursements are showing good results, with €6.49 million disbursed between January and September 2009 (compared to €3.55 million disbursed during the whole of 2008). In total, €1864 million has been disbursed on the 34 projects which are Grant Effective, which represents 59% of their value.

2.5 **Mobilization of short term funding:** DFID joined the Facility in March with a contribution of €16.5 million for 2009-2011; Senegal became the second African country to contribute to the AWF with an amount of €175,000; and ADB has indicated its intention to make a 10 million UA (approximately €11 m) cash contribution, pending approval by the Board of Governors. Total cash pledges since inception amount to €110 million, of which €71.6 million has been received on account from eleven donors by September 2009.

2.6 **Strengthening human resources:** The efforts made by AWF and Bank management in the past year to resolve staffing shortfalls are yielding results. Since January, six new professional staff have joined the AWF, along with two support staff. This brings the total staff numbers to 14 professionals (including Coordinator and Director) and two support staff.

2.7 **Outreach and partnership efforts:** The AWF has been involved in numerous activities in support of AMCOW Strategic Initiatives. These include coordinating African input to the 5th World Water Forum and supporting the Pan African Monitoring and Evaluation initiative of AMCOW.

PART II: WORK PLAN AND INDICATIVE FINANCING PROGRAMME

3 2010 OPERATIONAL WORK PLAN AND INDICATIVE FINANCING PROGRAMME

3.0.1 The key operational areas of intervention and associated types of projects, programmes and support activities which will be undertaken by the Facility in 2010 are described in this section. The indicative programme has been guided by the revised Operational Programme 2010-2012 (see Annex 3). Consideration has also been given to the projects in the pipeline for appraisal in 2010 and those under identification at the present time, as well as AWF human resource capacity to appraise and supervise projects (see Section 6).

3.1 STRENGTHENING WATER GOVERNANCE

3.1.1 The AWF provides support for a wide range of water governance interventions which are designed to improve the enabling environment and strengthen water resources management, thereby also contributing to counteract climate variability. To achieve this, the existing focus on National and Transboundary Water Resource Management will continue to be emphasised in 2010.

National Water Resources Management

3.1.2 This focal area of the Facility is aimed at improving or establishing Integrated Water Resource Management (IWRM) principles and practices through assisting RMCs in the development of comprehensive policies and strategies, legislative and regulatory frameworks, institutional arrangements, and effective planning and implementation processes. As a result, RMCs will have increased capacity to sustainably manage their water resources effectively, and to attract appropriate national and international investments in the sector.

3.1.3 Several requests under this component have been screened and one eligible proposal concerning support to local government to implement IWRM in a river basin has been placed in the pipeline for appraisal in 2010. Other NWRM projects are under identification and total expected financing is about €6.0 million in 2010.

Transboundary Water Resources Management

3.1.4 Joint development of shared waters using an IWRM approach will be achieved through facilitating political will, development of legislative frameworks, promotion of cooperation, mobilisation of resources, and planning joint development programmes which attract investments. This will lead to an overall outcome of improved Transboundary Water Resources Management (TWRM), with regional organisations having increased capacity to manage transboundary water resources under a cooperative framework.

3.1.5 Various TWRM projects are under identification and total expected financing is about €5.0 million in 2010.

Improving service delivery

3.1.6 The AWF supports a wide range of activities designed to improve delivery of water supply and sanitation services, such as: effective service management; encouraging service provision by a wide spectrum of providers; improving the performance of service providers; and ensuring that the needs of the poor are met. This is mainly a cross-cutting area of intervention, with many AWF projects having components related to service delivery, and this focus will continue in 2010.

3.2 INVESTMENTS TO MEET WATER NEEDS

3.2.1 The AWF provides targeted and strategic capital grants for water infrastructure projects that are designed to address the African Water Vision and Millennium Development Goals (MDG) targets related to meeting water needs for water supply, sanitation, or productive uses. The focus is on catalysing or attracting substantial additional investments through replication or scaling-up of successful technologies and widespread adoption of improved approaches. In addition, preparation of investment programmes and projects will continue to receive emphasis.

Water Supply and Sanitation

3.2.2 One of the key areas of AWF support concerns the technological development and pilot trials of low cost and appropriate technologies for expanding safe water supply. Equally important is the need to expand access to improved sanitation with enhanced hygiene promotion and education components.

3.2.3 Projects in the pipeline consist of piloting rainwater harvesting systems in rural districts. Other water supply and sanitation projects are under identification and total expected financing is about €5.0 million in 2010.

Water for Productive Uses

3.2.4 Ensuring supply of adequate water for productive and agricultural uses is an important area of intervention for AWF capital investment grants, especially given the ongoing need to

respond to the food crisis in Africa. Multipurpose water development projects will be emphasized.

3.2.5 Various projects are under identification, and about €2.4 million had been allocated for agriculture and multipurpose water use projects in 2010.

Project and Programme Preparation

3.2.6 The AWF supports the preparation of larger water and sanitation development programmes and projects, at national and regional levels, which will lead to the availability of suitable projects with high likelihood to access financing from public and private sector sources. There has been considerable demand for this type of support by the AWF, with the scope of projects becoming larger.

3.2.7 Various projects are under identification, and €11.0 million has been earmarked for project and programme preparation in 2010. This is also a cross-cutting activity with many investment projects having preparation components.

3.3 STRENGTHENING THE FINANCIAL BASE

3.3.1 AWF focus on strengthening the financial base centre around two broad types of support: i) improving the environment for sustainable financing; and ii) increasing availability and access to financing by local governments and sub-sovereign bodies, as well as the private sector.

3.3.2 A special emphasis will be given to this area of intervention during 2010. The AWF has been active in identifying projects that primarily focus on strengthening financing, and as a result one such project has been included in the pipeline, consisting of support to a BOOT for the capacity expansion of a water system. Other projects are under identification and an amount of €3.0 million has been earmarked for 2010. Strengthening the financial base has also been a cross-cutting area of intervention, with over half of all AWF projects having specific activities which focus on improving the financial base, even though these projects are categorised under other areas of intervention.

3.4 IMPROVING WATER KNOWLEDGE

3.4.1 The Facility supports various types of cross-cutting water knowledge activities to increase the availability of reliable water resources information, improve the monitoring of achievements in meeting targets, and generate water related knowledge. As a result of these interventions, there will be increased capacity for informed decision making at all levels and across all stakeholders to guide water sector development planning and implementation.

Information Management

3.4.2 There has been considerable demand from national and regional organisations for assistance to improve the reliability, quality, and quantity of hydrological data and develop better information management systems, and this is expected to continue in 2010. Various projects relating to water resources information management are under identification, and €3.6 million has been allocated in 2010.

Monitoring and Evaluation

3.4.3 The AWF is responding to the challenge of improving monitoring and evaluation within the African water sector through direct project interventions aimed at establishing or strengthening water sector M&E systems and management capabilities at national or regional levels, as well as by supporting AMCOW in implementing its M&E initiative (see 5.3). In this regard, the AWF undertook an important pan African assessment of the status of M&E in 2008, which led to the preparation of a framework and associated implementation plan. Following the endorsement of AMCOW, the AWF and other partners are now using the outcomes of this assessment to guide interventions in sector monitoring and evaluation at national and regional levels.

3.4.4 In line with this, M&E will continue to be emphasised in building the 2010 portfolio. One regional project has been placed in the pipeline for 2010, involving the development of performance indicators for assessment of water management and information system in West Africa. Other M&E projects are under identification and an amount of €4.5 million has been allocated for 2010. M&E is also a cross-cutting activity with many IWRM and programme preparation projects having an M&E component.

Knowledge Generation and Dissemination

3.4.5 The AWF aims at funding projects that facilitate change and innovation in the water sector, in order to promote knowledge generation and dissemination leading to adoption of good practices by others. One project has been identified and placed in the pipeline for 2010, consisting of a study which will generate knowledge leading to the optimisation of the operations of existing dams. A total of €1.5 million has been earmarked for 2010.

3.5 INDICATIVE FINANCING PROGRAMME FOR 2010

3.5.1 Based on the analysis in the previous section, an estimate of indicative financing requirements for the operational programme has been developed for 2010, as shown in Table 3.1. This estimate includes only projects commitments, as any project related organisational activities are included under the administrative budget discussed in Part III. The total cost for the 2010 operational programme is estimated at €420 million. In comparison, the overall cost of the programme in 2009 was €30.8 million, which shows a significant increase due to an expected increase in average project sizes. The percentage allocation by amount to each area of intervention differ slightly from that of the AWF Operational Strategy for 2010 (see last two columns of Table 3.1), with increased emphasis placed on Strengthening the Financial Base and Water Knowledge, and less on water governance.

3.5.2 The expected number of project approvals for each area of intervention is also presented in Table 3.1. As can be seen, the AWF plans to approve 20 projects in 2010, which is the same as the 20 expected to be approved in 2009, reflecting the AWF intention to consolidate existing operations through increased emphasis on ensuring effective implementation of the 60 or more ongoing projects in 2010.

Table 3.1 Indicative Project Financing Requirements for 2010 (million Euros)

ACTIVITY	2009 ¹	2010	% of Total 2010	% Planned Operational Strategy 2010
Water Governance				
NWRM	5.657	6.0		
Number of projects	3	3		
TWRM	1.43	5.0		
Number of projects	1	2		
Improving Service Delivery	0.49	0.0		
Number of projects	1	0		
Sub-total	7.577	11.0	26.2%	31.1%
Number of projects	5	5	25.0%	34.1%
Investments to Meet Water Needs				
Water Supply and Sanitation	4.588	5.0		
Number of projects	3	2		
Water for Productive Uses	1.093	2.4		
Number of projects	2	1		
Programme/Project Preparation	10.41	11.0		
Number of projects	6	4		
Sub-total	16.091	18.4	43.8%	43.7%
Number of projects	11	7	35.0%	38.6%
Strengthening the Financial Base				
Sub-total	0	3.0	7.1%	5.8%
Number of projects	0	2	10.0%	6.8%
Water Knowledge				
Information Management	3.391	3.6		
Number of projects	2	2		
Monitoring and Evaluation	3.706	4.5		
Number of projects	2	3		
Knowledge	0	1.5		
Number of projects	0	1		
Sub-total	7.097	9.6	22.9%	19.4%
Number of projects	4	6	30.0%	20.5%
TOTAL OPERATIONAL	30.8	42.0	100.0%	100.0%
Total number of projects	20	20	100.0%	100.0%

1) Amounts for 2009 are based on actual project commitments to end of October plus estimated amounts for remainder of the year.

3.5.3 The *Operational Performance Indicators* with which the AWF development effectiveness impacts will be assessed are contained in Annex 1A. While the performance indicators of the AWF will be reviewed in 2010 (see 4.1.9), in the interim the AWF will continue to use a sub-set of the existing indicators presented in the Operational Strategy. It should also be noted that while projects continue to be classified based on the four main areas of intervention, the increasing cross-cutting nature of many projects necessitate that all projects impacting on a given area of intervention be taken into consideration in reporting against the targets, as shown for the 2009 results.

3.5.4 *Project Commitment and disbursement profile*: With the planned new project commitments amounting to €42.0 million for 20 projects, a cumulative total of €117.3 million

on 88 projects will be achieved by the end of 2010 (see Table 3.2). Disbursements to projects are estimated at €18.75 million, compared to the amount of €23.62 million that has been disbursed in the past three years (see table 3.2). The high level of expected disbursements are deemed to be realistic given 30 or more projects which will realise a first disbursement in 2010 (16 projects currently in the process of fulfilling conditions for grant effectiveness and 15 projects expected to be approved in the last quarter of 2009). Furthermore, the recently recruited Grant Administration Officer will be dedicated to ensuring progress in this regard. The related disbursement ratio is 36% based on the undisbursed amount at the end of 2009.

Table 3.2 Project Commitment and Disbursement Profile

	Commitment and Disbursement Profile (€ million)					
	2009 ¹	Q1-2010	Q2-2010	Q3-2010	Q4-2010	2010 Total
Commitments		11	11	10	10	42
Cumulative Commitments	75.3					117.3
Disbursements		7.61	2.00	5.11	4.03	18.75
Cumulative Disbursements	23.62					42.37

1) Cumulative commitments and disbursements for 2009 based on actual amounts up to 30th September plus estimates for the last quarter.

4 ORGANISATIONAL WORK PLAN

4.0.1 Organisational activities undertaken by the Facility encompass the management and coordination activities in implementing the operational financing programme, supporting AMCOW in promoting strategic activities, reaching out to sector players through partnerships and effective communication, and ensuring the AWF is appropriately staffed. These activities, in addition to resource mobilisation activities noted in Section 8, are paid from the Administrative Expenses Budget.

4.0.2 The Organisational performance indicators with which the AWF will be assessed are contained in Annex 1B. The process indicators detailing the deliverables that the AWF is to produce in 2010 are also noted in Annex 1C.

4.1 PROVIDING OPERATIONAL SUPPORT

4.1.1 To ensure effective project and programme management AWF undertakes regular project cycle activities and continuously look for ways to improve the effectiveness of AWF operational processes. The emphasis of the 2010 activities is discussed in the following sections.

Undertaking Project Cycle Activities

4.1.2 **Identification:** About half of the 20 projects planned to be appraised in 2010 have already been screened and placed in the pipeline. The AWF will continue to promptly screen all applications as they are received in order to identify the remaining projects for the processing in 2010. However, there is a continuing need to balance the portfolio in areas which are not well represented, such as Strengthening the Financial Base or M&E, and to support countries with particular needs, such as fragile states. This will require a more programmatic approach and actions to be taken including: delivery of a clearer message on AWF funding opportunities and procedures to the target audience; communicating that the

AWF is seeking proposals along certain lines; revising and simplifying the AWF application format for proposals; undertaking project identification missions; and seeking greater involvement of Field Offices in project identification.

4.1.3 Preparation and Appraisal: The AWF will prepare and appraise 20 projects in 2010. Stronger emphasis will be made on project quality, relevance and sustainability to ensure the value addition by the AWF is clearly demonstrated in its portfolio. This is expected to require five preparation missions and 15 appraisal missions (some projects will be desk appraised).

4.1.4 Support project start-up: The average time required for an AWF project to proceed from approval to first disbursement is just under nine months. The AWF will continue to take actions to reduce project start-up times and expedite the first disbursement focusing on quicker preparation of Grant Agreements. The AWF is also examining options to put in place more flexible conditions for Grant Effectiveness to enable Recipients to open a Special Account in certain stable local currencies (this has been a source of delays in the past).

4.1.5 Supervision: Most AWF projects involve non-investment activities such as studies and do not require the same level of supervision as typical Bank projects. Furthermore, supervision is often supported by Bank Field Offices. As a result, the AWF plans on undertaking 25 to 30 supervision missions in 2010 for its estimated 50 to 60 active projects, with desk supervision of the remainder.

4.1.6 Providing support to project executing agencies for implementation: Expediting project implementation after Grant Effectiveness centres on provision of adequate support to Recipients to undertake procurement in accordance with Bank rules and procedures. Building on the successes of the four regional workshops held so far to train Recipients in procurement and financial management, another two are planned for 2010 with the involvement of the Bank's financial control department. Project launching missions will continue to be undertaken as needed, however, the Facility is increasingly relying on the support of Bank Field Offices in this regard.

4.1.7 Project Completion: By the end of 2010, 16 projects are expected to be completed (four projects are already completed, eight are nearing completion and another four are scheduled for completion later in 2010). These projects require the preparation of Project Completion Reports (PCR), with about half of them requiring missions by AWF staff to finalise the PCR. Preparation and dissemination of knowledge products and communication of results is a key activity to be undertaken. The AWF is assessing the option of recruiting a Consulting Firm to support this process and prepare knowledge products.

4.1.8 Project Auditing: The AWF has been recruiting Audit Firms on a regional basis to audit projects, paid for under the administrative budget. To date, the AWF has recruited 11 Audit firms for auditing of 30 projects. However, the recruitment is very resource intensive, both in terms of cost and staff time (the cost of audits for 31 projects is approximately €472,000). As a result, the AWF plans on recruiting another 6 Audit Firms in 2010 for the 20 remaining projects already approved. The AWF is assessing the option to have each project recruit auditors under the project budget, which is the normal ADB practice.

Improving Effectiveness of Operational Processes

4.1.9 Undertaking Operational Effectiveness Assessment (OEA): The AWF is in the process of conducting a comprehensive Operational Effectiveness Assessment, to be

completed by May 2010, which will draw lessons from and provide guidance for the future operations of the Facility. Significant staff time will be allocated to supporting the consultant and following up on the expected recommendations, which may significantly impact the following AWF Operational strategies, plans and procedures:

- The *AWF Operational Strategy* shall be revised to reflect the outcomes of the OEA. Depending on the scope of the revisions, this may require stakeholder consultations, as was done for the original Strategy, before being submitted to the GC for review.
- The AWF is in the process of revising its *Operational Procedures* in light of the ongoing reforms taking place within Bank and the various suggestions of the OSC meetings. This will be completed in 2010 to take into account recommendations of the OEA on improvements to the procedures, and submitted to the Board for approval. Following this, the AWF Operations Manual will be completed (revisions are at an advanced stage).
- The *Performance Monitoring Framework* shall be improved to better highlight development effectiveness in a manner which reflects the special nature of the AWF and its many unique achievements being realised, and to better demonstrate the link between project/activity results and achievement of AWF vision and goals. The AWF will revise its performance monitoring framework as part of the revisions to the Operational Strategy and will seek inputs from the Bank's Quality and Results Department in undertaking this activity.

4.1.10 *Strengthening Knowledge Management:* The AWF shall take full advantage of the unprecedented opportunity to position itself as a knowledge body both within the Bank and across Africa in 2010 and an action plan shall be prepared as an initial step. Practical activities to prepare knowledge products will be given emphasis, and may include a synthesis of lessons learned from the initial group of projects as they are completed or near completion, and preparation of knowledge documents.

4.1.11 *Mainstreaming gender and social equity:* In 2010 the incorporation of socio-economic and gender concerns in its projects will be further strengthened in order to enhance the equitable sharing of project benefits to women, men and children, and thereby strengthen the effectiveness and efficiency of planned interventions by the AWF and partners. The focus will be on improving quality at entry, in particular refining the project preparation and appraisal processes to ensure systematic mainstreaming of socio-economic issues, and the monitoring framework to ensure that activities are being implemented as planned. In this regard the Facility will draw upon recent efforts of the Bank in mainstreaming gender in its water and sanitation project cycle.

4.1.12 *Mainstreaming Climate Change:* Climate variability and change will have significant impact on water security in Africa in highly uncertain ways. This will in turn directly affect water availability; food security and livelihood. The Facility will provide support to the development of regional and national strategies and actions for climate adaption and improved water security through the provision of adequate level of infrastructure, institutional development, and monitoring system. The Facility will ensure the inclusion of climate change analysis and adaption in specific projects submitted for support through the mainstreaming procedures adopted by the Bank.

4.1.13 *Reporting and Oversight:* The AWF GC will hold its annual ordinary meeting in October 2010. The Oversight Committee (OSC) of the Bank, comprising senior Bank

management staff and which is mandated to review the operations of the Facility and the role of the Bank in discharging its trusteeship responsibilities for the Special Fund, will meet in August and February 2010. To meet AWF reporting requirements and support these meetings the following reports will be produced:

- 2009 Annual Report for GC endorsement and Bank approval
- 2010 Mid year progress report, to GC and other key stakeholders (for information)
- 2010 Resource Mobilisation report for presentation to the GC
- 2011 Work Plan and Budget for GC endorsement and Bank approval
- 2 OSC reports (progress, policy and compliance)

4.2 ASSISTING AMCOW IN PROMOTING STRATEGIC INITIATIVES

4.2.1 As one of the flagship initiatives of AMCOW, the AWF instigates and promotes strategic initiatives in support of the AMCOW agenda. The initiatives below will be supported during 2010, in close liaison with AMCOW Secretariat, TAC and EXCO.

- ***Delivering on Water Security and Sanitation Commitments:*** Following AWF's role in the preparation of an African regional paper on 'Bridging Divides in Africa's Water Security: An Agenda to Implement Existing Political Commitments' presented at the 5th World Water Forum, the Facility supported the preparation of a follow-on document entitled 'Delivering on Water Security and Sanitation Commitments: Action Plan and Framework for Reporting to the African Union' which was endorsed by AMCOW at its 7th Ordinary Session held in Johannesburg on 13th November 2009. In 2010, the AWF will continue to support this initiative by providing inputs to the implementation of the Framework for Reporting, and by jointly preparing with ADB a strategy to implement the Action Plan for meeting water security and sanitation commitments.
- ***Water for Growth:*** Over the next few years, the AWF will collaborate closely with the WWC, GWP Global and ADB in the preparation of a substantive report on the water sector's contribution to economic growth and development in Africa. A synopsis will be prepared and presented at the meeting of Ministers of Finance and Water affairs scheduled for March 2010. The detailed analysis is planned to be presented at the 6th World Water Forum in March 2012. The report will serve as a basis for justifying actions and augmented investments in the sector.
- ***Strengthening the Financial Base:*** The demand for project support under this core area of intervention has been weak, despite financing being considered the main challenge of the sector. To support AMCOW's target for all countries to have water sector investment plans and financing strategies, a facilitated approach shall be undertaken by AWF to raise awareness amongst RMCs about how alternative financial mechanisms may be applied to make better use of existing funding and attracting additional funds to the sector. During 2010, sub-regional meetings will be held to share experiences, focusing on the practical aspects of implementing more targeted mechanisms. Furthermore the initiative will investigate how the water sector could access to a greater extent the large number of investment funds that exist globally and regionally.
- ***Groundwater Initiative:*** The AWF will continue to support the groundwater initiative launched under the leadership of by AMCOW through support to the study, mapping and institutional development for transboundary aquifer management. At the

national level, support will be provided to the understanding, development and monitoring ground water use in meeting various water need. The AWF support will also focus in the streamlining and integration of groundwater management in the activities of River Basin Organisation to cover this key part of the hydrological cycle.

4.3 STRENGTHENING PARTNERSHIPS AND COMMUNICATIONS

4.3.1 ***Outreach and Partnership Building:*** The AWF works closely with a wide range of organisations at global, regional and country levels to build consensus on effective policies and practices, coordinate activities, leverage resources, share knowledge, build capacity and enhance advocacy. These types of outreach activities are important in order to strengthen AWF regional and international presence, consequently these activities will continue at current levels in 2010. The AWF plans on participating in six or more international/regional conferences including Water Weeks hosted by the World Bank and Stockholm; ten or more meetings and workshops including those with AU, AMCOW, NEPAD, ICA, and WWC; and at least five collaboration meetings for aid coordination with AMCOW, World Bank, UN Water-Africa, EC and AFD. In addition, the AWF organises joint training activities, such as the Joint Africa Institute week long seminars on IRWM. These types of activities are expected to continue in 2010 at existing levels.

4.3.2 ***Ensuring Effective Communications:*** The effective implementation of the AWF programme requires efficient and systematic communications in order to improve visibility and increase awareness of the role AWF plays in the water sector, With the support of the recently recruited Communications Officer, the AWF will be able to progress in implementing its Communications Strategy in 2010, by: improving and updating its website; regularly disseminating information (especially the results of completed projects); coordinating communication activities with those of the ADB; and effectively engaging with the media.

5 HUMAN RESOURCES MANAGEMENT

5.1 An assessment of human resource requirements for 2010 has been prepared as part of the revision to the Staffing Needs Analysis presented in the update to the Operational Programme 2010-2012 (Annex 3). Based on this assessment, the AWF plans to have 17 full time professional staff, two support staff, a Coordinator and Director in place by the end of 2010. The current staffing situation and plans are summarized in Table 2 of Annex 3.

5.2 To meet these objectives, the AWF will complete the recruitment and replacement of the five professionals already approved. Two of the staff positions are funded from the AWF trust fund while the other three are donor supported Technical Assistant positions (of which two are replacements for departed Technical Assistants). The staff positions are provided as follows.

- i. ***Procurement Officer*** (AWF Fund): To support AWF Task Managers as well as Recipients to undertake procurement in conformity with AWF/Banks rules. This position was previously filled by a long term consultant. Given the high volume of work involving support to about 60 ongoing projects, recruitment of a full-time procurement officer will be given high priority.

- ii. **Water Resources Information Officer** (AWF Fund): To support the growing portfolio of information and knowledge projects and lead the preparation of knowledge products based on AWF experiences for exchange and dissemination.
 - iii. **Water Resource Management Specialist** (to replace departed TA from Norway): Contract negotiations are currently underway and the candidate should start work in the first quarter 2010.
 - iv. **Environmentalist** (TA Supported): To support IWRM/TWRM and pilot investment project (requiring environmental impact analysis and preparation of environmental management plans), and projects focusing on environmental management and climate change. Recruitment is pending since a donor country has not yet been identified. Should this situation continue the AWF will fund this position from its own resources.
 - v. **Monitoring and Evaluation Specialist** (to replace TA from France). The current TA will complete his four year term in the first quarter of 2010. Negotiations are ongoing with France to continue to fund this position. However, given the critical need for this type of expertise in 2010 and beyond, the AWF is prepared to fund this position from its own resources should there be delays in concluding negotiations.
- 5.3 In addition to above recruitment, two new positions are proposed for approval under the 2010 budget from the AWF trust fund. These are:

- i. **Water/Irrigation Engineer:** To support the development of projects related to investments to meet water for productive uses.
- ii. **Resource Mobilisation Officer** : To strengthen the Facilities capacity to mobilise funds for its own programme, and at the same time assist with aid coordination and partnership building.

5.4 Replacements for the departed Director and recently transferred Coordinator have been initiated by the ADB, and may still be ongoing in 2010.

5.5 **Consultancy Services:** Given that five of these six professional positions are expected to be filled only in the 3rd or 4th quarter of 2010, up to five long term consultants will be relied upon to provide operational support to the AWF in the interim. In addition, short and long term Consultants (individuals and firms) will be recruited as required to support various operational and organisational activities.

PART III: ADMINISTRATIVE EXPENSES BUDGET

6 ADMINISTRATIVE EXPENSES BUDGET

6.0.1 The Administrative Expenses Budget comprise various costs incurred by the Facility in implementing the planned programmes and activities. The costs are paid for under three budgetary provisions, namely the AWF Special Fund, the ADB in-kind support to the Facility, and contributions from donors in the form of technical assistance.

6.1 AWF FUND SUPPORTED EXPENSES

6.1.1 In line with the AWF Operational Strategy approved by the Governing Council at its meeting of 31 Oct. 2007, a portion of the AWF Special Fund will be used to pay for the cost of implementing the operational and administrative functions of the Facility. To achieve this, the AWF Fund maintains an administrative budget which categorises expenses according to certain predefined budget lines. The AWF plans to spend €1,918,000 on various administrative expenses in 2010. The amounts planned are detailed in Table 6.1.

Table 6.1 AWF Fund Supported Administrative Budget for 2010 (in Euro)

Cost Component	Budget Amounts from AWF Special Fund		
	2009 Allocated	2009 Utilised ¹	Proposed 2010
Staff Missions	150,000	50,000	150,000
Consultancy Services - Individuals	460,000	630,000	804,000
Consultancy Services – Firms	500,000	120,000 ²	480,000
Workshops and Seminars	280,000	72,576 ³	190,000
Governing Council Meetings (including TAC)	60,000	60,000	100,000
Resources Mobilisation Activities	50,000	6,266 ⁴	150,000
Communications	40,000	10,000 ⁴	40,000
Audit of the Facility	4,000	3,295	4,000
Total	€1,544,000	€952,137	€ 1,918,000
AWF Project Staff	€382,000	€120,000⁵	€518,930

- 1) Utilised amounts based on actual amounts up to 30th September, and estimates for Oct., Nov and Dec.
- 2) Due to delays in procurements for OEA and project audits, funds committed but not expensed as planned in 2009 amount to approximately €220,000
- 3) Two workshops jointly organised by AWF and JAI were paid for by JAI
- 4) Low capacity in 2009 due to lacking human resources, now being addressed
- 5) Delays in recruitment process resulted in lower payments than planned

6.1.2 This 2010 administrative budget has been based on the 2009 performance and the expected growth and changes in operational and organisational activities for 2010. In particular AWF expects to have a greater absorption capacity in 2010 with increased headcount and more streamlined procedures. Budget amounts have been estimated as follows:

- i. **AWF Staff Missions:** Staff will undertake field missions to support the preparation, appraisal and implementation of projects. AWF staff will undertake about 38 project related missions from the AWF budget at an average cost of €4,000 per mission, which gives a total of about €50,000. Additional missions will be covered under the ADB Administrative Budget.
- ii. **Consultancy Services:** Individual consultants are expected to carry out seven long term and 10 short term assignments amounting to €804,000. The services of consultancy firms have been budgeted for (€480,000) to support the implementation of recommendations from the Operational Effectiveness Assessment, the development of knowledge products, and undertaking project audits. This gives a total consultant cost of about €1,284,000.
- iii. **Workshops:** Various workshops will be organised and attended in 2010, including international and regional events, and support to project executing agencies. An amount of €190,000 has been earmarked.
- iv. **Governing Council Meetings:** It is estimated that one ordinary Governing Council meeting and one extraordinary meeting will be organised during the course of 2010 at the cost of about €100,000.

- v. **Resource Mobilisation:** Missions will be undertaken by AMCOW, AWF and high-level persons to potential donors, and a donor conference will be organised. The total cost of fundraising activities is estimated at €150,000.
- vi. **Communications Activities:** Cost provisions are made for the preparation of brochures, leaflets, and other print products, as well as for media engagement. The total cost of these activities is estimated at €40000.
- vii. **Fees for auditing** the AWF Special Fund, estimated at €4,000.

6.1.3 With regard to **staffing**, it is planned that in addition to the three staff members already paid from the Special Fund, an additional three staff (expected to assume duty during the second half of 2010) shall be paid from the AWF Special Fund (see Section 6). The total staff cost for the six project staff amounts to €59,000 including salary and benefits.

6.2 ADB SUPPORT TO THE AWF

6.2.1 The African Development Bank has been providing significant support to the operations of the AWF. It is estimated that the cost of the ADB **personnel** assigned to the facility during 2010 will be €866,321 for salary and benefits (home leave, pension, education and medical grants; as well as dependent and installation allowances). The 2010 ADB headcount remains the same, but the budget is higher than the actual spending for 2009, as some positions were vacant during part of 2009. Linked to this headcount is an overhead allocation assigned to all the Bank's operational units for central costs and such as office space and services, IT support, public relations, and senior management time. The overhead allocation estimated for the Facility is €168,066.

6.2.2 The ADB also provides an **administrative budget** for activities associated with the implementation of AWF operational programme and administrative activities. An amount of €172,687 has been budgeted in 2010, as presented in Table 6.2 according to the administrative expense categories used by the ADB. This represents a reduction in budget compared to 2009 and is constrained by the ADB budgeting process. However, at the time of writing this document, the ADB Administrative Budget for 2010 has not yet been approved and the provisions are therefore tentative.

6.2.3 Finally, several of the Bank's departments are involved in the daily running of the Facility, in particular, in the processing of projects. This includes the Legal Department that supports the grant agreements, the Disbursement Unit that processes project payments, the Accounting and Treasury functions, the Partnership Unit that supports resources mobilisation activities, Field Offices involved in project supervision, and several others. The cost of the **operational support** provided to the Facility through these departments is not easily identifiable; however it is estimated at €510,000 for 2010, which is equivalent to the cost of five professional staff.

6.2.4 In summary, the total ADB budget for 2010 in support of the AWF is estimated at €1.7 million. This is an increase from the estimated 2009 contribution of €1.5 million, and demonstrates the Banks continued strong support to the Facility.

Table 6.2 ADB Administrative Expenses Contribution to the AWF (in Euro)

Cost Component	Budget for 2009 Allocated ¹	2009 Utilised ²	Budget for 2010
Missions	120,955	120,000	108,200
Consultant Services	93,612	93,000	59,510
Hospitality, Entertainment	5,060	3,000	4,977
Total	219,627	216,000	172,687

1) Budget figures are those assigned in the ADB budget system. This differs from the 2009 Workplan and Budget document where a total of Euro 301,000 was assigned.

2) Utilised amounts based on actual amounts up to 30th September and estimates for Oct., Nov. and Dec.

6.3 DONOR TECHNICAL ASSISTANCE CONTRIBUTIONS

6.3.1 In addition to financial commitments to the AWF Special Fund, donor organisations make in-kind contributions in the form of Technical Assistance (TA). Technical Assistance personnel seconded to the AWF by Austria, Norway, France Denmark and the United Kingdom, are expected to continue in 2010, at an estimated value of €507,000. This amount also includes the expectation that an additional TA (environmentalist) shall be brought on board during the second half of 2010.

6.4 SUMMARY OF STAFFING AND ADMINISTRATIVE EXPENSES BUDGET

6.4.1 A summary of all financial inputs to meet AWF administrative expense requirements is shown in Table 6.3. The total administrative expenses budget for 2010 is estimated at €4.7 million. Although this is a significant increase over the 2009 expenditure of €2.9 million it is in line with the increase in the size of the portfolio, with the total budget as a percentage of portfolio size remaining consistent at about 4%.

Table 6.3 Summary of Administrative Expenses Budget (Euros)

Administrative Expenses	2009	2010
i) Expenses from AWF Trust Fund Budget		
Staffing (paid for directly from AWF account)	120,000	518,930
Administrative Expenses	952,137	1,918,000
Sub-total	1,072,137	2,436,930
ii) Expense from ADB Administrative Budget Support		
Staffing (ADB secondments to AWF)	650,000	866,321
Administrative Expenses (missions, consultants)	216,000	172,687
Overhead Allocation (office and other expenses.)	183,000	168,066
Operational Support (from Bank Departments)	410,000	510,000
Sub-total	1,459,000	1,717,074
iii) Donors Technical Assistance		
Technical Assistance	400,000	506,667
Sub-total	400,000	506,667
TOTAL STAFFING and ADMIN. COSTS	2,931,137	4,660,671
iv) Administrative budget ratio		
Total Project Portfolio	75,200,000	116,000,000
Ratio of Administrative budget to total Portfolio	3.9%	4.0%

PART IV: RESOURCE MOBILISATION

7 RESOURCE REQUIREMENTS

7.1 Availability of sufficient financial resources is crucial for the AWF to make appropriate project commitments in fulfilment of its mandate. This section presents an analysis of resource requirements of the AWF for 2010.

7.2 The projected resource requirements for the AWF 2010 operational program amount to €46.7 million (€42 million for project commitments and €4.7 million administrative budget). This requirement is expected to be funded in the following way: €2.5 million represents in-kind contributions, consisting of €19 million from the ADB as part of its hosting arrangement of the Facility, and six donor-funded Technical Assistants estimated at €0.6 million. The remaining requirement of €44.2 million is to be funded from the AWF Special Fund, which is resourced from cash contributions.

7.3 For its operations, AWF maintains a Special Fund into which cash contributions are paid, and from which project operations and administrative expenses are financed. Since inception, pledges to the AWF Special Fund have been made by eleven donors, amounting to €110 million as of the end of September (excluding in-kind contributions). Out of this amount €28.3 million is available for the 2010 program. In addition, in-kind commitments of €2.1 have been made for 2010, giving a total commitment of €30.4 million. Further details are provided in Table 4 of Annex 3.

7.4 In summary, of the €46.7 million required, only €30.4 million, or 66% is presently available leaving a funding gap of €16.2 million for the 2010 operations. Based on developments in 2009, AWF expects commitment from two confirmed pledges in 2010 to bridge the funding gap: A financial contribution by the ADB of €11 million from the Bank's surplus account approved by the Board, and a contribution from the Australian government in the range of €3 million.

8 RESOURCE MOBILISATION ACTIVITIES

8.1 Securing funds for 2010 and beyond remains one of the most critical issues facing the Facility. In addition to the €16.2 million funding gap for 2010, the gap for the entire 2010-2012 operational program amounts to €120 million, which represents 75% of the total €160 million required to implement the programme.

8.2 In order to meet immediate and mid-term resource requirements, extensive efforts are still required in a more challenging financial climate worldwide. Although AMCOW has the lead responsibility to mobilise funds for the AWF, it is experiencing delays in putting in place the structures and human resources needed for its own administration, which in turn impacts resources mobilisation efforts for the Facility. As a result, the AWF has assumed most of the responsibility for resource mobilisation and considerable support will be provided by the Facility in 2010 for the associated activities described below. The AWF plans on recruiting a full time professional dedicated to resource mobilisation expert in order to enable the Facility to give the necessary priority to these critical tasks. In the interim, the AWF will recruit a consultant to provide assistance.

8.3 Resource mobilisation activities planned for 2010 include:

- **Engagement of high level personalities** to help secure increased amounts of funding. AMCOW and AWF shall to the extent possible make use of the AMCOW Goodwill Ambassador and President of Liberia, the AMCOW President, the Chairman of the AWF GC and other AWF Council members.
- **More proactive and sustained dialogue** with current and potential new donors, and other key organizations that can lobby on behalf of the Facility. Focus shall be on implementing the resource mobilisation action plan developed in 2009 by AWF and AMCOW, and undertaking joint Resource Mobilisation missions with the AMCOW Secretariat.
- **Donors Roundtable:** The AWF organised a high-level Resource Mobilisation roundtable which was held in conjunction with the Africa Water Week in March 2008, in order to secure funds for the 2008 to 2010 period in support of the 3 year Operational Programme. A similar AWF donors conference is planned for 2010 in collaboration with AMCOW, the GC and ADB.
- **Emphasizing effectiveness as a financing instrument:** An important key to securing additional funding is to widely disseminate the message that the AWF is a well managed and specialized financing instrument which has demonstrated capabilities to effectively achieve development impacts in the water sector. To achieve this, the AWF will give increased focus to raising visibility through various outreach and communication activities, as discussed in Section 5.2.

PART V: CONCLUSIONS AND RECOMMENDATIONS

Conclusions

9.1 In preparing this Work Plan, the AWF has benefited from the four years of operational experience and lessons learned since start of operations in 2006. As such, the Operational Work Plan 2010 reflects the capacity of the AWF to deliver 20 projects per year, and to manage a large portfolio of over 60 projects through various stages of implementation.

9.2 It also reflects the experience and capacity of the AWF to deliver on the many Organisational activities that will be undertaken in 2010, including providing operational support, improving effectiveness of operational processes, strengthening partnerships, working with AMCOW, and strengthening visibility through effective communications. These activities consume a very significant amount of staff time but are essential to ensure that the AWF is able to achieve its broad mandate.

9.3 The AWF will continue to take strong actions to recruit adequate staff to meet the targeted operational and organisational activities outlined. Recruitment and replacement staff approved staff positions will be completed in 2010. This includes the recruitment of a procurement Officer and Water Information officer under the AWF trust fund and filling 3 donor funded TA positions. In addition, the AWF need to hire two professional staff in 2010 with funding from the Facility. These are *Water/Irrigation Engineer* and *Resource Mobilisation Officer*, two key positions necessary for the Facility to undertake sustained resources mobilisation activities and completed the gap for the increasing demand for project preparation tasks for productive use of water .

9.4 To undertake planned activities the AWF will require financial resources both for projects as well as for administration. It is estimated that the Facility will require a total amount of about €46.7 million in 2010 to achieve the plans outlined in this document (€42.0 million for operational commitments and €4.7 million for staffing and administrative expenses). Based on the planned financial requirements and the expected contributions, a funding gap of €16.2 million remains to meet operational and administrative requirements for 2010. The funding gap for 2010 operation will be bridged from the pledges made by the ADB of €11 million (UA 10 million) from the Bank's surplus account (already approved by the Board) and contribution from the Australian Government in the range of €3 million for which the appraisal process for funding has been completed. A financial summary of the 2010 work plan and budget is provided in Annex 2.

9.5 The 3 year Operational Programme has also been updated as part of this document. The short term strategic objective of the AWF is to achieve a period of consolidation and stability from 2011 onwards, with 25 projects per year, annual funding requirements of about €50 million, and staff complement of 20 professionals.

Recommendation

9.6 The 2010 Work Plan and Budget has been reviewed and cleared by the Governing Council of the AWF at its meeting in Nouakchott, Mauritania, on December 1, 2009 for submission to the ADB Board of Directors. The Board of Directors of the ADB is invited to take note of the 2010 Work Plan and approve the 2010 AWF Staffing and Administrative Expenses Budget in the amount of **€2,436,930** and the creation of two AWF staff positions from the resources of the AWF Special Fund required to implement the 2010 work plan.

ANNEX 1: PERFORMANCE INDICATORS AND DELIVERABLES FOR 2010**A. OPERATIONAL PERFORMANCE INDICATORS (DEVELOPMENT EFFECTIVENESS)**

Components/Outputs	Performance Indicators	2008 Actual	2009 Actual	2010 Targets (Cumulative unless noted)
Overall Developmental Effectiveness				
<u>Development Objectives</u> Based on project evaluation by Recipients and AWF as noted in the Project Completion Reports	Percent projects rated as satisfactory or higher in achieving Development Objectives		100%	90% (for projects completed in 2010)
Improved Water Governance				
<u>NWRM</u> Progressive adoption of IWRM policies and institutional frameworks, and preparation of strategies and implementation plans in RMCs	Progress in supporting RMCs to strengthen or develop effective IWRM policies, strategies and institutions.	6 projects ongoing	One NWRM project completed, 11 projects ongoing, 9 other projects with relevant activities.	AWF supporting national IWRM in 15 RMCs
<u>TWRM</u> Mechanisms in place to guide the development of transboundary water resources based on coherent strategic goals and joint planning processes, and regional organisations better able to manage water resources in a cooperative manner.	Progress in development of shared water agreements, regional programmes and master plans, and in strengthening RBOs through cooperative arrangements and capacity building.	1 project completed, 3 projects ongoing.	1 TWRM project completed, 6 projects ongoing, 5 other projects with relevant activities.	AWF supporting TWRM in 7 river basins
Investments to Meet Water Needs				
<u>Water Supply and Sanitation:</u> Increase in meeting basic needs for safe water and sanitation through direct investments	Number of people with sustainable access to an improved water source or sanitation from AWF investments.	Water Supply: 5 projects ongoing, 48,000 people. Sanitation: 3 projects ongoing, 35,000 people	Water: Ongoing 245,000 Completed 3,300 Sanitation: Ongoing 100,000, Completed 3,3000	Water: 300,000 Sanitation: 150,000
<u>Water for Productive Uses:</u> Increased quantity and productivity of water for agriculture and food security.	Progress in supporting RMCs to improve agricultural water productivity and increase size of irrigated area	3 projects ongoing, 27,000 ha	5 projects, 37,000 Ha	7 projects 50,000 Ha
<u>Programme/Project Preparation</u> Increased number of quality water sector proposals prepared and submitted for funding	Amount of funds provided to projects/programmes as a result of AWF preparation	€41.5 m from 1 ongoing projects	€227 million from 4 ongoing and 1 completed project	€500 million
Strengthening the Financial Base				
<u>Increased Access to Financing</u> Improved availability and access to funds by private sector, government and other sub-sovereigns bodies.	Overall amounts of water sector investments in RMCs and RECs arising from AWF facilitation activities.	€41.5 m from 1 preparation project	€232 m from 5 preparation and 2 other projects	€550 million
<u>Improved Environment for Sustainable Financing</u> Policies, strategies and financing plans prepared to mobilise resources from customer base and investments from service providers.	RMCs with effective water financing plans and equitable pricing policies put in place through AWF support	Some specific activities included in 7 ongoing projects	Some relevant activities included in 23 ongoing projects	2 projects primarily focused on sustainable financing
Improving Water Knowledge				
<u>Information Management</u> Standards and mechanisms established, and information management systems operational in RMCs, RBOs and RECs.	Progress in establishing or strengthening national/regional information systems	7 projects ongoing in 2 RMCs and 5 regional organisations	9 IM projects ongoing in 3 RMCs and 6 regional organisations. 8 other projects have relevant activities.	11 IM projects
<u>Monitoring and Evaluation</u> M&E systems and reporting mechanisms established and in operation at national and regional level.	Progress in establishing or strengthening national/regional M&E system	No projects	2 M&E projects ongoing in 1 RMC and 1 regional org. 6 other projects have relevant activities.	4 M&E projects
<u>Knowledge Generation and Dissemination</u> Research and learning activities generating water wisdom.	Progress in establishing or strengthening regional or national knowledge-based organisations, programmes or research institutions	1 RMC project approved	1 knowledge projects ongoing, 6 other projects have relevant activities.	2 knowledge projects

B. ORGANISATIONAL PERFORMANCE INDICATORS (INSTITUTIONAL EFFECTIVENESS)

Components/Outputs	Performance Indicators	2008 Actual	2009 Actual (end of year estimate unless noted)	2010 Targets (end of year)
Organisational Activities				
<u>Portfolio Management</u>				
<i>Processing:</i> Projects efficiently prepared and appraised by AWF	Progress in achieving intended number of project approvals	14 projects approved	20 projects	20 projects
<i>Start-up:</i> Projects quickly achieving Grant Effectiveness	Lapse of time from approval to 1 st disbursement	8.5 months	8.9 months	8.0 months
<i>Implementation:</i> Projects effectively supervised, monitored and evaluated by AWF	Project supervision ratio (number of supervision/launching missions vs. ongoing projects)	0.8	0.4 (14 / 35)	0.5
	Number of ongoing projects per task manager	7.0 (35 projects and 5 TM)	5.4 (59 projects and 10 TM)	5.4 (75 projects and 14 TM)
Projects efficiently and effectively implemented by Recipients	Disbursement ratio (disbursements to projects - excluding disbursements associated with operations signed in year vs. undisbursed balance at beginning of year)	0.29	0.56 (11.47/20.38)	0.50
	Potential Problematic Projects (Not declared effective in 18 months or 50% not disbursed in 2 years from Grant Effectiveness)	3% (1 of 35 projects at risk)	3% (2 of 59 projects at risk)	3%
<i>Completion:</i> Project completion reports (PCR) promptly prepared by AWF	Percentage of AWF PCR reports available upon completion	n/a (As expected, no projects were completed in 2008)	67% (2 of 3 projects completed in 2009)	100%
<u>External Affairs</u>				
Outreach: Staff routinely participating in conferences and workshops, or supporting ADB participation	Number of conferences/workshops which each staff member participates in, on average.	2.4 (29 staff involved in 12 events)	2.2 (65 staff involved in 30 events)	2.3
AWF supporting AMCOW Strategic Initiatives	% of staff time spent on supporting strategic initiatives or responding to special requests from AMCOW	Approx. 6%	Approx. 5%	5%
<u>Human Resources</u>				
Adequate human resources in place	Number of staff vs. total planned at end of year	53% (10 staff of 19 planned)	80% (16 staff of 20 planned)	100%
Staff turnover low to ensure institutional memory and continuity in operations	Number departures/transfers vs. total staff at beginning of year	64% (2 management, 4 professional, 1 support vs. 11 staff)	20% (2 management vs. 10 staff)	15%
<u>Financial Management</u>				
Sustainable financing committed over the upcoming 3 years	Amount of funds committed vs. planned needs over the upcoming 3 years	50% (for 2009-2011 Programme)	25% for 2010-2012 (as of Nov. 09)	50% for 2011-2012 Programme
Administrative budget utilized as planned	Percentage utilized vs. planned	53%	67%	90%
Staffing and administrative costs in-line with the number of ongoing projects	Percent staff and administrative costs vs. total value of project portfolio	6.2%	3.8%	4.0%

C. PROCESS INDICATORS (DELIVERABLES)

Components	Deliverable for 2010
Identification	5 project identification missions
	Revised application format for proposals and concept papers
	Use of AWF website for proposal requests
Screening	12 screening meetings with 2 to 3 proposals reviewed per meeting
Preparation	5 preparation missions
Appraisal	20 projects appraised
	15 appraisal missions
Launching	10 launching missions
Supervision	25 supervision missions
Disbursement	€18.8 millior
Audits of projects	6 audit firms recruited
	Revised procedures for project auditing
Completion	16 Project Completion Reports prepared
	8 project completion missions
Operational support	Revised Operational Procedures and Operations Manual
	2 procurement workshops for Recipients
	Revised Operational Strategy including revised Performance Monitoring Framework
	8 Bank Field Offices supporting AWF projects
External Assessments	Management response to Operational Effectiveness Assessment
Knowledge Management	Knowledge Action Plan
	2 knowledge products
Gender and Social Equity	Guidelines to mainstream gender and social equity concerns in all AWF projects
Reporting	2 reports for Board approval (Annual report, Work Plan and Budget)
	4 reports for information (mid-year progress, two for OSC, resource mobilisation)
GC and OSC meetings	2 Governing Council meetings (1 ordinary, 1 extraordinary)
	2 Oversight Committee meetings
Outreach and Partnerships	Participation in 6 international/regional conferences, 15 workshops/meetings
	Support to 5 outreach activities
Communications	Comprehensive update of AWF website
	24 entries in ADB Bank in Action website; 12 press releases;
	AWF brochure published
AMCOW Strategic Initiatives	4 meetings with AMCOW TAC/EXCO
	2 high level papers for AMCOW
Human Resources Management	6 full-time professional staff recruited
	17 individual consultants recruited
Resource Mobilisation	Donors roundtable
	5 resource mobilisation meetings with non-regional countries, 5 with RMCs
	"Ambassador" engaged

ANNEX 2: FINANCIAL SUMMARY 2010

ACTIVITY	2009 Plan	2009 Actual ¹	2010 Plan
1. OPERATIONAL FINANCING PROGRAM (Ref. 3.5.2)			
Water Governance			
NWRM	4.3	5.7	6.0
TWRM	4.7	1.4	5.0
Improving Service Delivery	3.0	0.5	0.0
Sub-total	12.0	7.6	11.0
Investments to Meet Water Needs			
Water Supply and Sanitation	3.0	4.6	5.0
Water for Productive Uses	3.2	1.1	2.4
Programme/Project Preparation	4.8	10.4	12.5
Sub-total	11.0	16.1	19.9
Strengthening the Financial Base			
Sub-total	2.0	0	3.0
Water Knowledge			
Information Management	4.5	3.4	3.6
Monitoring and Evaluation	3.5	3.7	3.0
Knowledge	0	0	1.5
Sub-total	8.0	7.1	8.1
TOTAL OPERATIONAL	33.0	30.8	42.0
Number of projects	20	20	20

2. ADMINISTRATIVE EXPENSES			
AWF (Ref. 6.1)			
Staffing (paid for directly from AWF account)	0.4	0.1	0.5
Administrative Expenses	1.5	1.0	1.9
Sub-total	1.9	1.1	2.4
ADB (Ref. 6.2)			
Staffing (ADB secondments to AWF)	0.9	0.7	0.9
Administrative	0.3	0.2	0.2
Overhead Allocation	0.2	0.2	0.2
Operational Support (from Bank Departments)	0.4	0.4	0.5
Sub-total	1.8	1.5	1.7
Donors (Ref. 6.3)			
Technical Assistance	Sub-total	0.6	0.4
TOTAL ADMIN. EXPENSES	4.3	2.9	4.7

3. RESOURCE REQUIREMENT (Ref. 7)			
Resource requirement (Operational financing program + Administrative expenses)	37.3	33.7	46.7
Resources committed (Cash and In-kind commitments) December 2009	30.8	30.8	30.4
Funding deficit	-6.5	-2.9	-16.2

4. DISBURSEMENTS (Ref 3.5.4)			
Disbursements to project accounts	19.8	11.7	18.8

1) Amounts for 2009 are based on actual project commitments to end of October plus estimated amounts for remainder of the year.

ANNEX 3: OPERATIONAL PROGRAMME 2010-2012

1. INTRODUCTION

1.1 The '2008-2010 Indicative Operational Programme' was approved by the AWF Governing Council at its October 2007 meeting. At the request of the GC, the AWF prepares an annual update to the three year programme which reflects any proposed changes in focus and the ability of the Facility to achieve its intended results, for review and approval by the GC. This Annex therefore presents the revision of the three-year rolling Operational Programme for the period 2010-2012. The programme has been developed based on the experience the Facility has gained to date, and sets out a realistic plan of what may be achieved in the short to medium term.

1.2 The overall objective and short term focus remains unchanged from the AWF Operational Strategy. Support will continue to be provided in the following areas:

- **Strengthening water governance:** Improve the enabling environment and strengthen water resources management at community, national and regional level through IWRM and TWRM.
- **Investments to meet water needs:** Provide strategic capital grants for small-scale, innovative technologies or approaches for water infrastructure projects designed to address the AWV and MDG targets related to meeting water needs for water supply and sanitation; water for productive uses and food security; or multi-purposes uses. In addition, provide support for the preparation of projects and programmes for funding.
- **Strengthening the financial base:** Improve the environment for sustainable financing and increase availability and access to financing by local governments and sub-sovereign bodies, as well as the private sector.
- **Improving water knowledge:** Enhance the availability of vital data and information for planning, design and management of sustainable water sector programmes, and to meet the monitoring and evaluation requirement.

1.3 In addition the AWF devotes significant time to its Organisational activities to ensure the effective operations of the Facility. These activities, requiring considerable financial and human resources, include providing operational management and support, strengthening partnerships and assisting AMCOW in promoting strategic initiatives.

2. OPERATIONAL PROGRAMME FOR 2010-2012

2.1 The planned operational activities and associated financial requirement over the period 2010-2012 are summarized in Table 1. This programme has been developed based on the following methodology and assumptions:

- The programme for 2010 is mainly based on projects in the pipeline or under identification. Since the AWF does not have any projects in the pipeline for 2011 and 2012 given the short term demand driven nature of its operations, projections have been made based on distribution trends to date for each area of intervention, and the planned allocation as noted in the AWF Operational Strategy. If needed in order to balance the portfolio across areas of intervention, the AWF intends to pursue a thematic approach to soliciting projects, including issuing calls for proposals.

Table 1: 2010-2012 Operational Programme and Funding Requirements

ACTIVITY	2010	2011	2012	2010 - 2012	% (over 3 yr period)	% planned Operational Strategy
Water Governance						
NWRM	6.0	6.0	6.0	18.0		
Number of projects	3	3	3	9		
TWRM	5.0	5.0	5.0	15.0		
Number of projects	2	2	2	6		
Improving Service Delivery	0.0	1.5	1.5	3.0		
Number of projects	0	1	1	2		
Sub-total	11.0	12.5	12.5	36.0	24.8%	26.3%
Number of projects	5	6	6	17	24.3%	31.0%
Investments to Meet Water Needs						
Water Supply and Sanitation	5.0	5.0	5.0	15.0		
Number of projects	2	2	2	6		
Water for Productive Uses	2.4	5.0	5.0	12.4		
Number of projects	1	2	2	5		
Programme/Project Preparation	12.5	15.0	15.0	42.5		
Number of projects	5	6	6	17		
Sub-total	19.9	25.0	25.0	69.9	48.1%	51.3%
Number of projects	8	10	10	28	40.0%	42.3%
Strengthening the Financial Base						
Sub-total	3.0	4.5	4.5	12.0	8.3%	7.8%
Number of projects	2	3	3	8.0	11.4%	9.0%
Water Knowledge						
Information Management	3.6	3.6	3.6	10.80		
Number of projects	2	2	2	6		
Monitoring and Evaluation	3.0	4.5	4.5	12.00		
Number of projects	2	3	3	8		
Knowledge	1.5	1.5	1.5	4.50		
Number of projects	1	1	1	3		
Sub-total	8.1	9.6	9.6	27.3	18.8%	14.6%
Number of projects	5	6	6	17	24.3%	17.6%
TOTAL OPERATIONAL	42.0	51.6	51.6	145.2	100.0%	100.0%
Total number of projects	20	25	25	70	100.0%	100.0%
Organisational						
Staffing and Administrative Expenses	4.7	5	5.1	14.8		
Sub-total	4.7	5	5.1	14.8	10.2%	5.6%
GRAND TOTAL	46.7	56.6	56.7	160.0		

- Project sizes under certain area of intervention are expected to increase. These include TWRM and programme/project preparation (the AWF is increasingly supporting larger transboundary projects and programme preparations), and investment projects. The average project sizes for other areas of intervention remain unchanged.
- The numbers of new projects are also linked to the planned increase in staffing and capacity to deliver, as discussed in Section 3, and expectations of amounts of funding which can realistically be mobilised over the next 3 years.

2.2 The resource requirements for the delivery of the 2010-2012 Operational Programme amount to €160.0 million, consisting of €145.2 million for 70 projects, and €14.8 million for Organisational activities. Totals will increase from €46.7 million in 2010, to just under €57 million in 2011 and 2012, reflecting the modest growth of the Facility in 2010 and 2011, and the stability planned thereafter. The percentage of the total programme represented by each area of intervention is similar to that planned in the AWF Operational Strategy over this same time period, except for the slightly increased focus on M&E to monitor progress and improve planning.

3. STAFFING REQUIREMENTS

3.1 An assessment of human resource requirements for 2010-12 has been prepared, which updates the Staffing Needs Analysis which was presented in the Operational Programme 2008-2010. This update is based on four years of operational experience by the Facility, and results in realising planned deliverables, which now permits a much more accurate assessment of staffing needs based on actual time spent by AWF staff to undertake project tasks and associated organisational activities.

3.2 The main assumptions and experience upon which the staffing needs assessment has been developed include:

- Time required for project processing from preparation to grant signature, estimated as 25 to 35 person days (spread over a longer period), depending on the complexity of the project and need for preparation and dialogue with the Recipient.
- Time required for project start-up (from signature to grant effectiveness), and for supervision, estimated as 20 to 25 person days per year per project, depending on project needs and experience of the Recipient Executing Agencies.
- Amount of time each task manager spends on project cycle activities, estimated as 70% on average. The other time is spent on the many organisational activities undertaken by AWF staff.
- Ongoing support from various Bank Departments such as legal and finance, which is already reflected in the time requirements noted above.
- Planned areas of intervention and the associated sectoral expertise and skills required to successfully run the operational programme outlined in Section 2.

3.3 The AWF will undergo a significant expansion of six professionals in 2010, to accommodate outstanding recruitment for 2009 and additional staff for 2010. This will be followed by another three professional staff in 2011. Plans are to stabilise at the level of 20 professionals, resulting in no new staff for 2012. Details on the desired staffing by the end of 2010, 2011 and 2012, presented by sector and function (job title), are shown in Table 2

below. Overall skills mix at the end of 2011 is very similar to that of 2010 in the Operational Programme 2008-2010, reflecting the unchanged focus of the Facility and the delays experienced to date in recruitment.

Table 2 AWF Staffing Plan for 2010-2012

Theme	Job Title	Funding	2009 ¹	2010	2011	2012
Management	Director	ADB	1 ²	1	1	1
	Coordinator	ADB	1 ²	1	1	1
Sub-Total Management			2	2	2	2
Water Resources Management	Water Resources Operations Officer	ADB	1	1	1	1
	WRM Specialist	ADB	1	1	1	1
		AWF	1	1	1	1
		TA	0	1	1	1
	Water/Irrigation Engineer	AWF	0	1	1	1
Water Resources Economist	AWF	0	0	1	1	
Water Supply and Sanitation	Water Policy Officer	ADB	1	1	1	1
	Water Supply & Sanitation Expert	ADB	1	1	1	1
		ADB	1	1	1	1
		TA	1	1	1	1
Water Utilities Expert	AWF	0	0	1	1	
Finance & Resource Mobilisation	Financial Management Expert	TA	1	1	1	1
	Resource Mobilisation Officer	AWF	0	1	1	1
Water Knowledge	M&E Specialist	TA ³	1	1	1	1
	Water Resources Information Officer	AWF	0	1	1	1
Environment and Social Aspects	Environmentalist	TA ³	0	1	1	1
	Socio-Economist and Gender Specialist	TA	1	1	1	1
Project Support Services	Grant Administration Officer	AWF	1	1	1	1
	Procurement Officer	AWF	0	1	1	1
	Communications Officer	AWF	1	1	1	1
Sub-Total Professional Staff			12	18	20	20
Administration	Operations/Administrative Assistant	ADB	1	1	1	1
Secretarial	Secretary	ADB	1	1	1	1
Sub-Total Support Staff			2	2	2	2
Grand TOTAL			16	22	24	24

1) Based on expected status at the end of 2009.

2) Recruitment or appointment of the recently departed AWF Coordinator and Director is assumed to be completed by end of 2009.

3) AWF may fund these positions should donors not be located. The M&E TA position is up for renewal in 2010.

3.4 The new staff will be funded by the AWF, the ADB and donors. A summary of sources of funding by year is shown in Table 3.

Table 3 Staffing Needs, by Source of Funding

	2009	2010	2011	2012
Management Staff (ADB funded)	2	2	2	2
Professional Staff	12	18	20	20
• ADB funded	5	5	5	5
• AWF funded	3	7	9	9
• Technical Assistance funded	4	6	6	6
Support Staff (ADB funded)	2	2	2	2

4. FUNDING THE AWF OPERATIONAL PROGRAMME

4.1 Of the € 160 million required for the 2010-2012 operational programme, €40 million has been pledged. The pledges may be broken down by in-kind and cash contributions:

- Pledges for In-Kind Support: €6.3 million, broken down as follows:
 - ADB hosting arrangement: €5.7 million pledged for the three-year period. This is based on the 2010 support valued at €1.86 million. The figure caters for increased support resulting from increased AWF operations, and the secondment of additional staff. However, the Bank's budget for 2010 has not yet been approved so this figure remains indicative.
 - Donor funded Technical Assistants (TAs): €0.6 million committed. The AWF currently has four technical assistant positions committed, compared to the planned six for 2010. The commitment declines across the three years according to the expiry of the current agreements.
- Pledges for Cash Contributions: €33.8 million, explained as follows:
 - Expected extensions into 2010 of outstanding balances of the European Commission and the French support amount to €14.1 and €1.4 respectively.
 - Austria, Norway, Spain and Sweden and the UK remain with commitments amounting to €18.3, of which only the UK commitment extends into 2011.

Funding Gap

4.2 With €40 million, or 25% of the €160 million requirement secured, a gap of €120 million remains to be bridged. The financial situation of the Operational Programme is summarized in Table 4. A significant increase in resource mobilisation efforts by all AWF stakeholders will be required to bridge this gap.

Table 4: Funding the AWF Operational Program 2010-2012 (Euro million)
Status as at 30 November 2009

RESOURCE REQUIREMENTS				
	2010	2011	2012	Total 2010-2012
ADB in-kind contribution	1.9	1.9	1.9	5.7
Technical Assistance	0.6	0.5	0.5	1.6
In-Kind Requirement	2.5	2.4	2.4	7.3
Cash Requirements	44.2	54.2	54.3	152.7
TOTAL REQUIREMENTS	46.7	56.6	56.7	160.0

FUNDING COMMITTED				
	2010	2011	2012	Total 2010-2012
ADB in-kind contribution	1.7	1.7	1.7	5.1
Technical Assistance	0.4	0.2	0.0	0.6
In-Kind Commitments	2.1	1.9	1.7	5.7

Cash commitments:

Donor	Pledges		Received	Expected payments	Expected payments	Expected payments	Expected payments	Expected payments
	2005 - Sep 2009 *	% of Total Pledges	2005 - Sep 2009	Oct-Dec 2009	2010	2011	2012	Total 2010-2012
European Commission	25.0	22.7%	9.1	1.8	14.1			14.1
Canada	12.9	11.7%	12.9					-
France	12.0	10.9%	9.6	1.0	1.4			1.4
Denmark	5.4	4.9%	4.3	1.1				-
Sweden	12.3	11.2%	9.9	1.0	1.5			1.5
Norway	10.6	9.6%	8.2		2.4			2.4
Austria	0.4	0.4%	0.3		0.1			0.1
Spain	12.0	10.9%	9.0		3.0			3.0
Algeria	0.1	0.1%	0.1					-
UK	16.5	15.0%	5.5		5.5	5.5		11.0
Senegal	0.2	0.2%	0.2					-
Interest Earned	2.5	2.3%	2.5	0.2	0.4			0.4
Total Cash	109.9	1.0	71.6	5.1	28.3	5.5	0.0	33.8
Balances brought forward from 2009					-			0.0
Total Cash Available					28.3	5.5	-	33.8

* Exchange rates to Euro as at 30/09/2009 for outstanding balances

TOTAL FUNDING COMMITTED (CASH + IN KIND)	30.4	7.4	1.7	39.5
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FUNDING GAP				
Remaining Gap for 2009-2011	-16.2	-49.2	-55.0	-120.4

Funding Situation 2010 - 2012: Requirements vs. Pledged contributions

	2010	2011	2012
	Planned	Planned	Planned
REQUIREMENTS			
Project Commitments	-42.0	-51.8	-51.8
Staffing and Administration Commitments	-4.7	-4.8	-4.9
Program Requirements - annual	-46.7	-56.6	-56.7
Cumulative Requirements 2010-2012	-46.7	-103.3	-160.0
CONTRIBUTIONS			
Payments into AWF Fund	28.3	5.5	0.0
AfDB Support	1.7	1.7	1.9
Other Donor TA Support	0.4	0.2	0.0
Freeing up of unused cumulative admin budget	0.0	0.0	0.0
Contributions - annual	30.4	7.4	1.9
Cumulative Contributions 2010 - 2012	30.4	37.8	39.7
BALANCE			
Annual balance	-16.3	-49.2	-54.8
Cumulative balance (surplus/deficit)	-16.3	-65.5	-120.3