

**AFRICAN DEVELOPMENT BANK**



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**MULTINATIONAL  
SOUTHERN AFRICAN DEVELOPMENT COMMUNITY  
(SADC)**

**SUPPORT TO SADC REGIONAL WATER SUPPLY AND  
SANITATION PROGRAMME**

**Appraisal Report**

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**May 2009**

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## List of Acronyms and Abbreviations

|         |   |
|---------|---|
| ADB     | African Development Bank  |
| AMCOW   | African Ministers' Council on Water   |
| AU      | African Union   |
| AWF     | African Water Facility  |
| DANIDA  | Danish International Development Agency   |
| EU      | European Union  |
| GTZ     | Deutsche Gesellschaft für Technische Zusammenarbeit, Germany                            |
| ICPs    | International Cooperating Partners  |
| IKM     | Information and Knowledge Management  |
| IPCC    | Intergovernmental Panel on Climate Change   |
| JMP     | Joint Monitoring Programme of WHO/UNICEF  |
| KfW     | Kreditanstalt Für Wiederaufbau, Germany   |
| M&E     | Monitoring and Evaluation   |
| MDGs    | Millennium Development Goals  |
| NGO     | Non-Governmental Organisation   |
| O&M     | Operation and Maintenance   |
| PIU     | Project Implementation Unit   |
| PSC     | Project Steering Committee  |
| REC     | Regional Economic Community   |
| RISDP   | Regional Indicative Strategic Development Plan  |
| RSAP    | Regional Strategic Action Plan on Integrated Water Resources Development and Management |
| SADC    | Southern African Development Community  |
| SADC-WD | Southern African Development Community - Water Division                                 |
| SWAp    | Sector Wide Approach  |
| ToR     | Terms of Reference  |
| UA      | Unit of Account of the African Development Bank   |
| UN-ECA  | United Nations Economic Commission for Africa   |
| UNICEF  | United Nations Children's Fund  |
| USAID   | United States Agency for International Development                                      |
| WHO     | World Health Organisation   |
| WSP     | World Bank Water and Sanitation Program   |
| WSS     | Water Supply and Sanitation   |

## Logical Framework

| Hierarchy of Objectives  | Expected Results   | Beneficiary Reach   | Indicator, Source  | Target and Timeline   | Assumptions / Risks and mitigation   |
|--|--|---|--|---|--|
| <p><b>SECTOR GOAL</b></p> <p>Improved access to safe water supply and sanitation (WSS) contributing to socio-economic growth, poverty reduction, and regional integration among SADC Member States</p>   | <p><b>IMPACT</b></p> <ul style="list-style-type: none"> <li>Higher access to WSS among SADC Member States</li> <li>Reduction in water borne diseases the region</li> <li>Greater support for regional integration</li> </ul>   | All population in the SADC States   | <p><u>Indicator</u></p> <p>% Access to WSS in SADC States increasing annually towards MDG targets</p> <p><u>Sources:</u> National and international statistics</p>   | Beginning in 2015   | Political, economic and environmental stability in SADC Member Countries   |
| <p><b>PURPOSE</b></p> <p>To establish an effective regional framework for WSS planning and management that will facilitate the achievement of national WSS targets as well as the MDGs in SADC Member Countries.</p>   | <p><b>OUTCOMES</b></p> <ul style="list-style-type: none"> <li>Effective WSS financing strategies and tools available for target SADC countries.</li> <li>Capacity of national institutions improved to accelerate implementation of WSS in SADC Member States.</li> <li>National strategies and action plans focused on WSS implementation for achieving national and MDGs targets</li> <li>Improved and harmonized monitoring of access to WSS and progress towards MDGs among SADC States</li> <li>Improved knowledge management and learning process for effective planning and management of WSS services</li> </ul> | National WSS authorities in SADC States; WSS Utilities; NGOs; and Communities   | <p><b>Indicator</b></p> <p>Budgetary allocation to WSS as a % of national budget in SADC States</p> <p>Increased implementation rate of WSS projects in SADC countries</p> <p>National sector plans with MDG targets developed and being followed</p> <p>Report on access to WSS annually given by SADC</p> <p>IKM systems in use</p> <p><b>Source</b></p> <p>SADC and national WSS sector reports</p> | <p>% Increase from base year each year beginning 2011.</p> <p>Access increasing towards MDG targets each year from 2012</p> <p>Beginning 2012</p> <p>Beginning 2012</p> | <p><b>Assumptions:</b></p> <p>Political support and prioritization of WSS agenda throughout the SADC Member States</p> <p>Member States apply the principles, instruments and mechanisms developed in their national WSS programmes</p> <p>Continued financial support from international cooperating partners for WSS</p> |
| <p><b>ACTIVITIES</b></p> <p><b>Component 1: Alternative Financing and Funding Sources for WSS</b></p> <ul style="list-style-type: none"> <li>Document and disseminate WSS financing mechanisms, including improved fiduciary management</li> <li>Develop national WSS financial performance indicators and financial monitoring system;</li> <li>Develop WSS sector financing strategies to meet the MDGs;</li> <li>Develop national financial resource planning and allocation tools and models;</li> <li>Document and promote model PPPs (local and international) for leveraging financial resources</li> </ul> | <p><b>OUTPUTS</b></p> <ul style="list-style-type: none"> <li>Financing mechanisms for WSS documented and disseminated in SADC States.</li> <li>National financial performance indicators and monitoring systems developed</li> <li>WSS sector financing requirements and strategy established for each state.</li> <li>Financial resource planning and allocation models developed.</li> <li>Model Public-Public and Public-Private Partnerships developed</li> </ul>  | National WSS authorities in SADC States<br>WSS Utilities<br>NGOs<br>Communities | <ul style="list-style-type: none"> <li>Financing mechanisms developed.</li> <li>Financial Monitoring Systems in selected countries.</li> <li>National WSS financing strategy</li> <li>Financial resource planning and allocation models</li> <li>Model PPPs for select countries, pilot project proposals.</li> </ul>  | <p>End 2010</p> <p>End 2010</p> <p>End 2010</p> <p>End 2010</p>   | <p><b>Risks</b></p> <p>Member states do not adopt and apply timely the frameworks and tools developed through the project</p> <p>Poor cooperation among the Member States in sharing required data and information</p> <p>Capacity of SADC Water Division to implement</p>   |

| Hierarchy of Objectives   | Expected Results   | Beneficiary Reach   | Indicator, Source   | Target and Timeline  | Assumptions / Risks and mitigation   |
|---|--|---|---|--|--|
| into the WSS sector.  |  |   |   | End 2010   | the project.   |
| <b>Component 2: Institutional Arrangement and Strengthening</b> <ul style="list-style-type: none"> <li>Carry out an institutional assessment of the WSS sector and propose sector reforms and action plans for implementation</li> <li>Promote sector wide approach (SWAp) for programming WSS at national level</li> <li>Assess training and capacity building needs and develop a region-wide training programme for all stakeholders in WSS</li> <li>Develop and implement national institutional arrangements for coordinating ICPs for WSS support.</li> <li>Document and disseminate effective WSS models for community participation, especially women and children.</li> </ul>                            | <ul style="list-style-type: none"> <li>Institutional assessment carried out in select countries and reform action plans developed</li> <li>SWAp adopted in national planning and implementation of WSS activities</li> <li>A comprehensive, performance oriented training plan developed</li> <li>ICP coordination arrangements established in target countries</li> <li>Models/methodologies for community participation including increased participation of women and children disseminated to the SADC water sector</li> </ul> | National WSS authorities in the region<br>SADC Water Division | <b>Indicators</b><br>Action plans for sector reforms adopted by target countries<br><br>Action plan for developing SWAp in target countries<br><br>National WSS training plan adopted and training undertaken<br><br>National donor coordination mechanisms put in place<br><br>Enhanced community participation in WSS decision making and implementations<br><br><b>Source</b><br>SADC and National WSS institutions sector reports | End 2010<br><br>Beginning 2011<br><br>Mid 2011<br><br>Beginning 2011<br><br>Mid 2011 | <b>Mitigation</b><br><br>Highly participatory and consultative process in developing the frameworks and tools to ensure great degree of ownership<br><br>Establishment of a Project Steering Committee and national focal points and political strength of SADC facilities cooperation<br><br>Long term technical assistance (TA) to support SADC Water Division in implementation |
| <b>Component 3: Water Supply and Sanitation Infrastructure Development Support</b> <ul style="list-style-type: none"> <li>Promote WSS sector investment planning to achieve MDG targets among SADC States.</li> <li>Document and disseminate guidelines for key planning activities (economic appraisal, social impact analysis, user involvement, tariff setting, gender mainstreaming, etc),</li> <li>Document and disseminate appropriate technologies and approaches promoting improved sustainability of WSS, with particular adaptation to climate change</li> <li>Identify projects and coordinate planning of WSS projects on shared river basins, or national projects with regional impacts.</li> </ul> | <ul style="list-style-type: none"> <li>Action plans for development of MDG plans adopted in target states</li> <li>Guidelines for key planning activities developed and disseminated</li> <li>Technologies promoting sustainability of WSS service developed and widely disseminated</li> <li>Plans for transboundary WSS projects developed</li> </ul>  | National WSS authorities in the region<br>SADC Water Division | <b>Indicators</b><br>Action plan for preparation of MDG plans<br>Planning guidelines disseminated for use in the region<br><br>Types of technologies, and business plan for further development.<br>Two or more cross border projects<br><br><b>Source</b><br>SADC and National WSS institutions sector reports   | End 2010<br><br>Beginning 2011<br><br>Beginning 2011<br><br>Mid 2011                 |  |
| <b>Component 4: Development and Implementation of a WSS Monitoring and Reporting Programme</b> <ul style="list-style-type: none"> <li>Assessment of SADC-wide water sector information systems and proposals for improvements or incorporating M&amp;E.</li> </ul>  | <ul style="list-style-type: none"> <li>SADC-wide Assessment Report published by end of 2011</li> <li>Rapid Assessment of national M&amp;E systems carried out and action plans for</li> </ul>  | National WSS authorities in the region<br>SADC Water Division | <b>Indicators</b><br>Assessment Report<br><br>National M&E Assessment reports approved by SADC  | End 2010<br><br>End 2010   |  |

| Hierarchy of Objectives  | Expected Results   | Beneficiary Reach  | Indicator, Source   | Target and Timeline   | Assumptions / Risks and mitigation |
|--|--|--|---|---|------------------------------------|
| <ul style="list-style-type: none"> <li>• Rapid assessment of national water sector M&amp;E systems and development of action plans for strengthening national systems.</li> <li>• Establish national and region wide baseline information on access to WSS services</li> <li>• Develop a SADC Regional WSS Monitoring and Reporting framework</li> <li>• Develop and launch model Annual Report on state of WSS MDGs in the SADC Region.</li> </ul>  | <p>strengthening national systems developed.</p> <ul style="list-style-type: none"> <li>-- National and regional WSS situation reports prepared.</li> <li>-- SADC WSS Monitoring and Reporting framework developed</li> <li>-- Model Annual Report of WSS MDGs prepared</li> </ul>   |  | <p>Members States.</p> <p>Updated WSS Situation Report adopted by SADC Member States</p> <p>SADC M&amp;E framework approved by SADC States</p> <p>Model Annual WSS Report</p>   | <p>End 2010</p> <p>Mid 2011</p> <p>Mid 2011</p>   |                                    |
| <p><b>Component 5: Knowledge Management , Advocacy and Information Sharing</b></p> <ul style="list-style-type: none"> <li>• Elaborate the WSS Communication Strategy and develop detailed implementation plans.</li> <li>• Develop SADC Information and Knowledge Management (IKM) System complete with information and communication packages on WSS for different target audiences.</li> <li>• Develop model national IKM system and proposals in three countries</li> <li>• Develop and implement peer-to-peer learning programme.</li> </ul> | <ul style="list-style-type: none"> <li>-- WSS Awareness and Communication Strategy and Implementation Plan</li> <li>-- SADC IKM System and Information packages for different target audiences developed.</li> <li>-- Model national IKM System, and proposals for national IKM systems developed.</li> </ul> <p>Peer-to-peer learning programme in place and being followed</p>                                     | <p>National WSS authorities in the region</p> <p>SADC Water Division</p> | <p><b>Indicators</b></p> <p>SADC WSS Awareness and Communication Strategy</p> <p>SADC IKM System</p> <p>Proposals for national IKM systems</p> <p>Peer-to-peer learning programme</p>   | <p>End 2010</p> <p>Beginning 2011</p> <p>Beginning 2011</p> <p>Beginning 2011</p>   |                                    |
| <p><b>Component 6: Project Management</b></p> <ul style="list-style-type: none"> <li>• Procurement of consultant services.</li> <li>• Supervision of consultants</li> <li>• Liaison with SADC Member States and other projects and partners</li> <li>• Management and oversight over the consultative workshops and seminars</li> <li>• Prepare for Round Table or Resource Mobilisation meeting.</li> <li>• Prepare progress reports and financial reports</li> <li>• Support AWF supervision missions</li> </ul>                               | <ul style="list-style-type: none"> <li>-- Consultant services procured</li> <li>-- Supervision of consultants</li> <li>-- Liaison with all partners, through SADC Water Division.</li> <li>-- Oversee organization of workshops</li> <li>-- One Round Table meeting on Resource Mobilization held</li> <li>-- Quarterly progress reporting to AWF submitted</li> <li>-- Support to AWF missions as needed</li> </ul> | <p>SADC Water Division</p> <p>National WSS authorities</p> <p>ICPs</p>   | <p><b>Indicators</b></p> <ul style="list-style-type: none"> <li>- Consultants' services contract.</li> <li>- Studies being executed by consultants</li> <li>- Technical Reports</li> <li>- National and Regional workshops.</li> <li>- Donors' round table</li> <li>- Reports as per schedule</li> <li>- AWF mission reports</li> </ul> <p><b>Source:</b> Project Reports</p> | <ul style="list-style-type: none"> <li>- Seven months from Grant signature</li> <li>- As scheduled in Table 3.1</li> <li>- As scheduled (table 3.1)</li> <li>- End 2011</li> <li>- As scheduled (Sec 3.8.1)</li> <li>- AS scheduled in Sec 3.7.1</li> </ul> |                                    |
| <p><b>Inputs</b></p> <p><b>Project Financing</b></p> <p>AWF           € 1,997,000</p> <p>SADC          €109,000</p> <p><b>Total        € 2,106,000</b></p> <p><b>Duration     27 months</b></p>  |  |  |   |   |                                    |

## Executive Summary

**Background:** The SADC Regional Water Supply and Sanitation Programme (SADC RWSSP) is an integral component of the Regional Strategic Action Plan (RSAP) on Integrated Water Resources Development and Management. SADC RWSSP was developed in 2004 based on national and regional situation analyses of water supply and sanitation (WSS) service provision in SADC Member States. The national assessments identified a number of issues and challenges that constrain provision of WSS and the achievement of water and sanitation MDGs by the respective SADC Member States. These issues vary from one country to another, but they include poor financial performance, inadequate institutional capacities, poor monitoring and reporting systems, lack of effective sector plans, and poor information sharing and sector learning. The MDG Assessment Report 2008 by WHO/UNICEF indicates that only 40% of the SADC countries are on track to meet the MDG target on water supply, and only 13% of the countries are on track to meet the MDG target on sanitation; but one-third of the countries are unlikely to meet the twin water supply and sanitation MDG targets. It is these constraints that the project seeks to address.

**Objectives:** The purpose of the SADC WSSP is to establish a collaborative regional framework for effective planning and management of water supply and sanitation to enable the Member States to effectively improve and accelerate the provision of WSS at country level in order to achieve the MDGs as well as the Southern African Water Vision. The framework consists of tools, measures and approaches to overcome the identified constraints to effective sector performance in the SADC States.

**Description:** The project encompasses activities in five thematic areas: (1) Financing -- analysis of financing needs, developing approaches and promoting options to improve financing to achieve WSS MDGs; (2) Institutions - strengthening national WSS institutions with policy and institutional reforms, human resource development, sector coordination and enhanced stakeholder participation; (3) Infrastructure development support -- improving the planning, implementation and management of regional and local infrastructure projects for improving access to WSS; (4) M&E -- formulating and implementing a harmonized monitoring framework to monitor progress towards achieving the MDGs; and (5) Knowledge management -- developing a regional programme for sharing knowledge and information so as to improve decision making in WSS management.

**Cost and Financing:** The total project cost is €2,106,000, and the project duration is 27 months after grant effectiveness. SADC will finance €109,000 (5% of cost) and €1,997,000 (95%) is requested from AWF. The SADC Secretariat is the implementing agency for the project, through the Water Division of the Directorate of Infrastructure and Services.

**Justification:** The project is anchored in the regional policy and strategy for integrated water resources management that has the broad objective of using water for socioeconomic development by fostering regional cooperation. The five thematic areas of the WSSP addresses the Sharm El-Sheik AU Head of States commitments made in July 2008 and will provide the link with AMCOW to achieve its mandate. The project also encompasses the four pillars of AWF strategic focus on water governance, meeting basic needs, strengthening the finances base and building information and knowledge including M&E capacity.

**Recommendation:** It is recommended that an AWF Grant not exceeding €1,997,000 be granted to SADC Secretariat for the purpose of implementing this project.

## **1. BACKGROUND**

### **1.1 Origin of the Project**

1.1.1 The SADC Regional Water Supply and Sanitation Programme (SADC RWSSP) was developed in 2003/2004 by the SADC Water Division. The project evolved from regional and national consultations facilitated by the SADC Water Division. An assessment of water supply and sanitation (WSS) situation among SADC Member Countries (see Annex 1 for Location Map) concluded that the majority of the people, especially those in rural areas lack access to clean water supply and safe sanitation, and that the achievement of the Millennium Development Goals (MDGs) for water supply and sanitation would present a considerable challenge for the region. The national assessments identified a number of issues that constrain provision of water supply and sanitation and the achievement of water and sanitation MDGs by the respective SADC Member States.

1.1.2 Through a participatory and consultative process, culminating in a regional workshop held in Gaborone, Botswana, August 2003 and attended by major WSS stakeholders. Consensus was reached on elements of a regional water and sanitation programme that would address the common sector issues from a regional perspective. The formulation of the SADC RWSSP was finalised in September 2003, confirmed and endorsed by the SADC-wide Water Resources Technical Committee at their meeting in October 2003, and approved by the SADC Integrated Committee of Ministers in June 2004. Efforts to seek funding for implementation of the programme commenced thereafter.

1.1.3 The project was further validated in the consultation workshop with the regional stakeholders held in Dec 2008 in Lusaka, Zambia which culminated in the project being endorsed for implementation support. The focus of the programme on collaborative actions that will be taken at a regional level to accelerate the delivery of water and sanitation services by SADC member states was recognized as an important element for strengthening regional cooperation. The stakeholders recognised that while the provision of water supply and sanitation takes place at national level, indeed at local level, there are important common strategic issues that impact a number of states and therefore are best addressed collectively at regional level.

### **1.2 Sector Priorities**

1.2.1 The SADC region is characterised by scarcity in the available water resources, tremendous temporal and spatial variability in the available water resources, and a large number of river basins shared by two or more countries. The IPCC assessment shows that climate change and variability will have the potential impact on water availability, accessibility and demand in the region. SADC has acknowledged water as an important factor for sustainable socio-economic development and regional cooperation. One of the earliest protocols for regional cooperation in SADC was the Protocol on Shared Watercourses first promulgated in 1995 and further revised in 2000. Subsequently SADC has developed a Regional Water Policy and Regional Water Strategy, and has developed a comprehensive water development programme, the Regional Strategic Action Plan (RSAP) on Integrated Water Resources Development and Management which is currently in its second phase (2005-2010) of implementation.



1.2.2 SADC's strategic development plan, the Regional Indicative Strategic Development Plan (RISDP) adopted in 2003 has prioritised infrastructure development as key to regional integration and poverty alleviation. The RISDP has set two specific priority targets: (i) halve, by 2015, the proportion of people without access to safe drinking water and sanitation services, and (ii) develop, by 2015, water resources infrastructure needed to double land under irrigation. The SADC RWSSP is a key project for meeting the priority targets. The other strategic areas of the RSAP are Regional Water Resources Development Planning and Management; Water Governance, and Capacity Building.

1.2.3 The provision of safe water supply and sanitation remains a priority matter for all SADC Member States. In some countries there is urgency to provide access to a relatively large proportion of the population still unserved, or to overcome historical imbalance in service provision; in some countries that have recently emerged from political conflicts, WSS facilities had broken down irretrievably and services had stagnated, hence there is need for accelerated service provision; some of the SADC countries are improving service coverage in line with their long term development goals encapsulated in their Vision Statements. All SADC States have signed to the MDGs and are making efforts to achieve these goals. However, progress and effectiveness of the national efforts towards achieving the WSS MDGs are constrained by varied sector issues and challenges. It is these challenges that the SADC RWSSP is meant to address.

### 1.3 Problem Definition

1.3.1 The country assessments of access and sector performance commissioned by SADC Water Division during 2001 and 2002 revealed a number of issues and challenges that affect the performance of the water and sanitation sector in most of the Member States. The issues and challenges may be grouped into five categories:

- **Financing:** inadequate funding of WSS, particularly for O&M; low levels of cost recovery; low levels of internal (domestic) funding; inadequate mobilisation of private sector financing; poor coordination of external financing; poor financial planning and resource allocation; and deficiencies in financial management and accounting.
- **Institutional capacity:** weaknesses in sector policy; lack of clear sector leadership; lack of effective regulatory frameworks; weak human resource capacities for planning and management of WSS; and ineffective sector coordination resulting in duplication and overlaps of responsibilities and roles.
- **Infrastructure development:** low access to WSS; inadequate infrastructural development; lack of WSS sector plans; poorly prepared projects; and inadequate use of appropriate technologies to support sustainable O&M.
- **Monitoring and evaluation and reporting:** poor data and information for sound planning; lack of effective monitoring and reporting system.
- **Knowledge management and information sharing:** low public awareness of the importance and value of water for socio-economic development; poor information sharing and sector learning; and poor communication.

1.3.2 It was noted that access to water supply and sanitation is still relatively low in several SADC countries; the WHO/UNICEF Joint Monitoring Programme (JMP) report on MDG Assessment 2008 showed that only 40% of SADC countries are on track to meet the MDG target on water supply, and only 13% of the countries are on track to meet the MDG target on sanitation; but one-third of the

countries are unlikely to meet the twin water supply and sanitation MDG targets. Concerted efforts as well as more innovative approaches are needed to accelerate the provision of WSS throughout most of the SADC Member States.

## **1.4 Objectives of the Project**

1.4.1 Provision of WSS is very much a localised undertaking, and not much of a transboundary issue. Thus at regional level (for a regional economic community like SADC), the approach chosen was to establish an enabling environment for Member States to be able to implement projects effectively and efficiently in their respective countries. A strategic decision was taken to select common key issues that would be beneficially addressed at regional level to improve sector performance at national level, where WSS projects are planned and implemented. The regional project therefore was designed to develop or establish measures that overcome the above challenges.

1.4.2 The **Project Objective** is to establish a regional framework for effective water supply and sanitation planning and management to facilitate SADC Member States achieve the water supply and sanitation MDGs by 2015. The thrust of the project is therefore to develop tools, measures and methodologies to improve the performance of the WSS sector at national level.

## **1.5 Beneficiaries and Stakeholders**

1.5.1 The main beneficiaries are the governments of all SADC Member States. The SADC Secretariat, the Recipient of the grant, would be strengthened in its capacity to coordinate, monitor and facilitate development of water supply and sanitation in SADC Member States.

1.5.2 Stakeholders at national level consist of government ministries responsible for water supply, sanitation, health, environment, local government; others are ministries responsible for finance, national planning, and census or national statistics. These stakeholders would have tools and approaches for more effective planning and implementation of WSS. The direct beneficiaries are communities in rural and urban areas who would have improved and sustainable WSS services. The other stakeholders are NGOs and Civil Societies dealing with implementing water supply and sanitation and health improvement projects; they would have improved tools and enabling environment to execute their projects. Other stakeholders are utility companies and consultants in the WSS sector. At regional level the stakeholders include SADC Water Division and several international cooperating partners (ICP) supporting water programmes in the SADC Member States. They would therefore benefit from an improved enabling environment for WSS service provision.

1.5.3 According to a recent (June 2008) survey carried out by SADC Water Division through GTZ support, there are nine bilateral and six multi-lateral ICPs supporting 56 transboundary water projects in the SADC region. They include AfDB with seven projects including the Shared Watercourse Support Project for the Buzi, Ruvuma and Save River Basins, the World Bank which is supporting the Groundwater and Drought Management Project. Others are GTZ which is implementing the Transboundary Water Management Project in SADC, USAID which is financing the Water and Biodiversity in Shared River Basins, and GTZ/KfW that is supporting the Cunene Transboundary Water Supply Project. All ICP supported projects are in the realm of water resources management except the projects supported by GTZ/KfW and USAID which have water supply and sanitation components.

## **1.6 Justification for AWF Support**

1.6.1 The SADC project which is anchored in the regional policy and strategy framework, addresses issues constraining WSS service delivery in a number of countries in the SADC region. The project includes activities to improve financing mechanisms, leverage domestic and external finances for WSS, plan and allocate financial resources more efficiently, monitor finances to better target basic services for the poor. These measures facilitate increased funding for water sector investment and increased access to WSS and achievement of the Southern African Water Vision as well as the MDGs in the Member Countries in SADC region.

1.6.2 Support to the SADC WSS Programme would enable SADC Water Division coordinate and facilitate provision of water supply and sanitation among SADC Member States. The proposed packages of interventions contribute to a number of objectives in the July 2008 AU Heads of State Sharm El-Sheik commitment including mobilizing domestic and foreign resources, improving water management policies and regulatory frameworks, strengthening RECs, building up capacities for national WSS service delivery and fostering cooperation on the use of transboundary water resources. In particular, the project would enable SADC to prepare annual reports for submission to AMCOW thus implementing one of the key elements of the Heads of States requirement for AMCOW to submit annual progress reports to AUC

1.6.3 The project is consistent with all the four AWF strategic objectives of improving water governance, strengthening the financial base for investments, improving water knowledge (monitoring systems and information dissemination) and investment support for meeting water needs. Hence the project is uniquely important as it addresses issue not covered by the on-going Bank operations.

## **2. PROJECT**

### **2.1 Impacts**

2.1.1 The long term impact of the SADC WSS Programme is to contribute to socio-economic growth, poverty reduction, and regional integration. The provision of better water supply and sanitation services will improve public health, life quality and enhances productivity particularly of women and children thus underpinning economic growth and social wellbeing. Joint development of transboundary resources will foster cooperation and enhance regional integration.

### **2.2 Outcomes**

2.2.1 The project will support the creation of a collaborative framework within which WSS infrastructure development can be implemented by individual Member States in an effective and sustainable manner. The project is expected to bring about the following outcomes:

- (i) Effective WSS financing strategies and tools available for SADC countries.
- (ii) Capacity of national WSS institutions improved to accelerate development and implementation of WSS in SADC Member States to achieve the MDGs and national targets.

- (iii) Improved national planning and implementation of WSS plans for achieving national and MDG targets.
- (iv) Improved and harmonized monitoring and reporting of access to WSS and progress towards MDGs leading to improved decision making in the sector.
- (v) Improved knowledge management and learning process for effective planning and management of WSS services.
- (vi) Capacity of SADC to coordinate and facilitate development of WSS sector strengthened.

2.2.2 By successfully implementing the planned project SADC Member States will be enabled to accelerate delivery of WSS services in the last five years of the MDG period (2011–2015).

## 2.3 Outputs

2.3.1 The key output is a regional framework consisting of tools (models), measures and approaches to facilitate more effective financing, planning, implementation, management and monitoring and evaluation of WSS in SADC Member States. The specific outputs according to each component are summarised below:

Component 1 – Alternative Financing and Funding Sources: Financing strategies and mechanisms for water supply and sanitation services to achieve the MDGs or national targets developed for implementation.

Component 2 – Institutional Arrangement and Strengthening: The capacity of water supply and sanitation sector institutions to plan, implement and manage water supply and sanitation services strengthened.

Component 3 – Water Supply and Sanitation Infrastructure Development Support: MDG planning promoted among national WSS sector professionals, and development of transboundary WSS projects initiated.

Component 4 – Development and Implementation of a Water Supply and Sanitation Monitoring and Reporting System: Harmonized WSS monitoring and reporting systems developed in SADC.

Component 5 -- Knowledge Management, Advocacy and Information Sharing Programme on Basic Water Supply and Sanitation to Meet the MDGs: WSS Knowledge and Information Management systems developed in SADC.

Component 6 – Project Management: Project implementation capacity of SADC Water Division strengthened.

2.3.2 There is wide disparity in WSS sector development between SADC countries; they cover the least and most developed on the continent. Some of the countries are close to achieving the water supply and sanitation MDGs. Hence not all countries will require support to the same extent. The project aims to identify and target the interventions to those countries lagging behind. A rapid situation analysis during the inception phase will provide indications of the level and scope of interventions and target countries.

## 2.4 Activities

2.4.1 The key activities necessary for the realisation of the desired outputs are listed below under each output:

### Component 1 – Alternative Financing and Funding Sources

- (i) Document and disseminate WSS financing mechanisms, including improved fiduciary management.
- (ii) Develop national WSS financial performance indicators and financial monitoring system.
- (iii) Develop WSS sector financing requirements and strategy to meet the MDGs
- (iv) Develop national financial resource planning and allocation tools and models.
- (v) Document and promote model PPPs (local and international) for leveraging financial resources into the WSS sector.

### Component 2 – Institutional Arrangement and Strengthening

- (i) Carry out an institutional assessment of the WSS sector and propose sector reforms and action plans for implementation of the reforms
- (ii) Promote sector wide approach (SWAp) for programming WSS at national level
- (iii) Assess training and capacity building needs and develop a region-wide training programme for all stakeholders in WSS
- (iv) Develop and implement national institutional arrangements for coordinating ICPs for WSS support.
- (v) Document and disseminate effective models for community engagement that ensures effective gender participation at all project stages

### Component 3 – Water Supply and Sanitation Infrastructure Development Support

- (i) Promote WSS sector investment planning to achieve MDG targets in SADC States.
- (ii) Document and disseminate guidelines for key planning activities (economic appraisal, social impact analysis, user involvement, tariff setting, gender mainstreaming),
- (iii) Document and disseminate appropriate technologies and approaches promoting improved sustainability of WSS
- (iv) Identify projects and coordinate planning of WSS projects on shared river basins, or national projects with regional impacts.

### Component 4 – Development and Implementation of a Water Supply and Sanitation Monitoring and Reporting System.

- (i) Undertake assessment of SADC-wide water sector information systems and prepare proposals for improvements and strengthening incorporating M&E needs.
- (ii) Assess the national water sector M&E systems and develop action plans for strengthening national systems.
- (iii) Establish national and region wide baseline information on access to WSS services
- (iv) Develop a SADC Regional WSS Monitoring and Reporting framework
- (v) Develop a model Annual Report on State of WSS MDGs in the SADC Region and assist SADC launch the reporting.

### Component 5 -- Knowledge Management, Advocacy and Information Sharing Programme on Basic Water Supply and Sanitation to Meet the MDGs

- (i) Elaborate the WSS Communication Strategy and develop detailed implementation plans.

- (ii) Develop SADC Information and Knowledge Management System complete with information and communication packages on WSS for different target audiences including women and children.
- (iii) Develop model national IKM system and proposals for national IKM systems in three priority countries
- (iv) Develop and implement peer-to-peer learning programme.

2.4.2 These activities will be executed through consultants working with SADC Water Division and the SADC Member States. The Terms of Reference for the consultancy services are presented in Annex 2.

## **2.5 Risks and Mitigations**

2.5.1 The success and implementation of the project will face three important risks. First, the Member States may not adopt and timely apply the tools, approaches, or measures (for example, financing mechanisms) developed through the project in each of the individual country's operations. Unless the individual countries adopt improved measures for implementing WSS projects, there will be no meaningful progress towards achieving the MDG goals. This aspect is political and very much dependent on the individual circumstances in each country, and they vary considerably. However, the project involves a highly participatory and consultative process in developing tools and approaches for improved funding, planning and implementation of WSS projects. Hence there will be a great degree of ownership and consequential buy-in. In addition, one of the project components (development of knowledge management, information sharing and advocacy) is dedicated to enhancing information sharing and learning, including country-to-country visits. These activities will reinforce buy-in and adoption and application of good examples by individual Member States.

2.5.2 Poor cooperation among the Member States and the project implementing agency in submitting required data and information (e.g., performance indicators, baseline data, and best practices) leads to delays thus obstructing timely implementation. The establishment of a Project Steering Committee provides a framework for addressing such implementation issues. Furthermore, establishing the network of national focal points will facilitate expeditious communication between the implementing agency and the national offices involved with the project. In addition, the project can rely on the political strength of SADC as a dedicated regional grouping to mobilize support through its organs to ensure cooperation. These measures will combine to mitigate this risk of poor cooperation.

2.5.3 The inadequate capacity of SADC Water Division to implement the project is another risk. At present SADC Water Division in particular, and the Secretariat in general is short of staff to implement the increasing number of projects under the RSAP. This project is necessary for SADC and it must be implemented effectively and in a timely manner. The results/outputs must be available at least by end of 2011 so that the much sought improvements in WSS project implementation can be effected in the remaining five years of the MDG target date of 2015. This risk will be addressed by providing long term technical assistance (TA) to support SADC Water Division in the day to day implementation of the project until SADC establishment is completed.

## 2.6 Costs and Financing Plan

2.6.1 The total cost of the Project is 2,106,000 Euros. The cost estimates, based on prevailing unit rates provided by the SADC Water Division are summarized in Table 2.1 and presented in detail in Annex 3. The above costs do not include provisions for taxes and audit. The AWF funds will not be used to pay Government taxes and if incurred will be covered by SADC Secretariat. The SADC Secretariat confirms that no taxes are levied on SADC expenditures. The cost of audit will be covered by AWF as indicated in Para 3.6.2. A provision of 8% of the cost has been considered to cover contingencies (primarily financial contingency, as there is no investment costs involved on the project).

**Table 2.1: Project Cost by Category (Euros)**

| DESCRIPTION  | AWF              | SADC           | TOTAL            |
|--|------------------|----------------|------------------|
| <b>A. Consultancy Services</b>                       |                  |                |                  |
| Professional and technical Staff                     | 932,500          |                | 932,500          |
| Reimbursable (travel, per diem, reports)             | 151,500          |                | 151,500          |
| <b>Total, Consultancy Services</b>                   | <b>1,084,000</b> | <b>-</b>       | <b>1,084,000</b> |
|  |                  |                |                  |
| <b>B. Project Management</b>                         |                  |                |                  |
| PIU Staff  | 243,500          |                | 243,500          |
| Travel   | 30,000           |                | 30,000           |
| Running Costs  | 26,000           | 50,600         | 76,600           |
| Project Steering Committee and National Coordinators | 91,000           |                | 91,000           |
| Regional & National Workshops, and Tours             | 330,000          | 50,000         | 380,000          |
| <b>Total, Project Management</b>                     | <b>720,500</b>   | <b>100,600</b> | <b>821,100</b>   |
|  |                  |                |                  |
| <b>C. Goods</b>                                      |                  |                |                  |
| Transport and Office Equipment                       | 45,000           |                | 45,000           |
|  |                  |                |                  |
| <b>Total (A + B + C)</b>                             | <b>1,849,500</b> | <b>100,600</b> | <b>1,950,100</b> |
| Contingency (8%)                                     | 147,500          | 8,400          | 155,900          |
| <b>TOTAL PROJECT COST</b>                            | <b>1,997,000</b> | <b>109,000</b> | <b>2,106,000</b> |
| <b>%</b>   | <b>95</b>        | <b>5</b>       | <b>100</b>       |

2.6.2 The cost of the project consists mainly of the cost of consultancy services – collecting data and information from Member States, field missions to respective countries, analysis and evaluation of relevant information, conducting seminars and consultative workshops, and preparing reports. The consultancies involve international and national consultants and technical staff. There is also the cost of country and regional workshops, the later involving air travel from all participating countries. The other major cost element is the provision of long term technical assistance to assist SADC Water Division with implementation of the project.

2.6.3 AWF will finance 95% of the project covering the cost of consultancy services, technical assistance to SADC to support project implementation, and regional and national consultative

workshops and seminars and study tours. SADC Secretariat will contribute 5% in form of office accommodation and communications, and resources mobilization round table conference at the end of the project. The proposed financing plan is also shown in Table 2.1.

### **3. IMPLEMENTATION**

#### **3.1 Recipient**

3.1.1 The recipient of the AWF grant is the SADC Secretariat on behalf of the 14 Member States. The Secretariat will assign the SADC Water Division in the Directorate of Infrastructure and Services to administer the funds on behalf of the SADC Secretariat. SADC Water Division has long experience in managing donor funds for a variety of regional projects in the water sector. It is currently executing the Bank financed transboundary water resources management project, Shared Watercourses Support Project for Ruvuma, Buzi and Save River Basins.

#### **3.2 Organisation and Institutional Analysis**

3.2.1 SADC Secretariat will appoint a full time staff of the Water Division as Project Coordinator, with responsibility for overall management of the project. SADC is building up its staff establishment for the Water Division which will include a technical officer responsible for water supply and sanitation. But at present the Water Division is short of personnel and therefore does not have adequate capacity to carry out its increasing project management responsibilities since the roll out of the Regional Strategic Action Plan (RSAP). Therefore, to strengthen the capacity of SADC Water Division to effectively carry out project execution, a Project Implementation Unit (PIU) of long term experts, led by a water supply and sanitation expert, will be established to assist with project execution. The PIU will include a finance and administration officer and support staff. Furthermore, a short term consultant will be engaged soon after Grant approval to assist in expediting preparatory activities essential for start-up of the project. .

3.2.2 A Project Steering Committee (PSC) composed of one representative from each of the SADC Member States (14), the SADC Secretariat (1) , AMCOW Southern African TAC (1) the PIU (1) and other key stakeholders (such as GWP Southern Africa) will be established to guide the project (see ToR in Annex 4). The PSC will be chaired AMCOW TAC Southern Africa to forge closer coordination between AMCOW as sector institution with SADC as regional economic organ. SADC Secretariat through the PIU will provide the secretarial function to the PSC. The PSC will provide overall policy and technical direction.

3.2.3 At country level each SADC Member State will nominate a technically qualified senior official to be the national focal person and coordinator of national inputs into the project. It is expected that national staff will come from the ministry responsible for water supply and sanitation as that would facilitate data and information collection, sharing, analysis and other national inputs into the project. The national coordinator will work closely with the PIU and the consultants to facilitate each country's participation in the project (see Annex 4 for the institutional arrangement).

3.2.4 The Project Management Structure for project implementation is shown in Annex 4. The Project Coordinator, appointed by SADC from among the staff in the SADC Water Division will



have overall responsibility for the execution of the project. The Project Implementation Unit (with the Water and Sanitation Expert broad sector experience as Project Manager), reporting to the Project Coordinator, will have day to day responsibility for project execution. The PIU will supervise a firm of consultants who will carry out the studies and investigations (at national and regional levels) envisaged under the project. The ToR of the Project Manager is presented in Annex 4.

### 3.3 Implementation Plan

3.3.1 The project will be implemented over a period of twenty seven months after grant effectiveness. The mobilization activities will be carried out over a period of seven months after grant effectiveness. The project implementation involves four phases. (i) A four month Inception phase is for rapid situation analysis or scoping study to obtain an overview of WSS situation across the region, and the preparation of detailed implementation plan. (ii) The next phase, of six months duration, will involve studies and investigations in all SADC states, including rapid M&E assessments, assessment of financing requirements, training needs assessment, and compilation of existing best practices. (iii) This will be followed by a further five months period for detailed analysis of data and information. (iv) The final phase of five months duration is concerned with preparation of consolidated reports, best practices and guidelines in each thematic area, followed by consultative workshops to validate the outputs and a donors round table. A summary implementation plan is shown in Figure 3.1 and detailed in Annex 5.

**Table 3.1: Implementation Plan**

| Activities  | Duration in Months |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
|---|--------------------|---|---|---|---|---|---|-------------------------------|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|---|
|   | 1                  | 2 | 3 | 4 | 5 | 6 | 7 | 8                             | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 |   |
|   | 1                  | 2 | 3 | 4 | 5 | 6 | 7 | 1                             | 2 | 3  | 4  | 1  | 2  | 3  | 4  | 5  | 6  | 1  | 2  | 3  | 4  | 5  | 1  | 2  | 3  | 4  | 5  |   |
|   | Mobilisation       |   |   |   |   |   |   | Project Implementation period |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| <b>1.0 Mobilisation</b>                                 |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 1.1 Grant Effective - Commencement                      | →                  |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 1.2 Recruitment of Project Manager                      |                    | ■ | ■ | ■ | ■ | ■ |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 1.3 Procurement of consultancy services                 |                    | ■ | ■ | ■ | ■ | ■ | ■ |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 1.4 Establishment of Regional Steering Committee        |                    |   |   |   |   |   | → |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| <b>2.0 Inception Phase - Baseline</b>                   |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 2.1 Project Launching Workshop                          |                    |   |   |   |   |   | → |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 2.2 Rapid situation assessment and report               |                    |   |   |   |   |   |   | ■                             | ■ | ■  | ■  |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 2.3 Review and Validation, Regional Workshop            |                    |   |   |   |   |   |   |                               |   |    | ■  | ■  |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| <b>3.0 Studies and Investigation on the Five themes</b> |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 3.1 WSS Baseline Assessment and Report preparation      |                    |   |   |   |   |   |   |                               |   |    |    | ■  | ■  | ■  | ■  | ■  | ■  |    |    |    |    |    |    |    |    |    |    |   |
| 3.2 Review and Validation, Regional Workshop            |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    | ■  | ■  |    |    |    |    |    |    |    |    |    |   |
| <b>4. Analysis, Consolidation and Development</b>       |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 4.1 Analysis and consolidation on the five components   |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    | ■  | ■  | ■  | ■  | ■  |    |    |    |   |
| 4.2 Preparation of thematic reports                     |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    | ■  | ■  |    |    |    |    |   |
| <b>5.0 Reporting and Promotion</b>                      |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |
| 5.1 Preparation of Draft final reports                  |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    | ■  | ■  | ■  | ■  | ■  |   |
| 5.2 Review and Validation, Regional Workshop            |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | ■  | ■  |    |   |
| 5.3 Preparation and submission of final report          |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | ■  | ■ |
| 5.4 Promotion and Dissemination                         |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | ■  | ■ |
| 5.5 Donors round table on resources mobilisation        |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | ■  | ■ |

### **3.4 Procurement Arrangements**

3.4.1 All procurement of goods and acquisition of consultancy services financed by AWF and summarized in Table 3.2, shall be in accordance with the *AWF's Operational Procedures*, the Bank's *Rules and Procedures for Procurement of Goods and Works*, or as appropriate, *Rules and Procedures for the Use of Consultants*, using the relevant Bank Standard Bidding Documents. Experience on recent SADC projects have proven that dual procurement arrangements using SADC guidelines and donor guidelines are time consuming and inefficient; therefore a decision was made with SADC to adopt the Bank procurement system.

#### **Goods**

3.4.2 Contracts for procurement of goods comprising one pool vehicle for the project office in Gaborone valued at Euro 24,300; office equipment in the amount of Euro 24,300 will be by National Shopping. These goods generally constitute low value items that are readily available in the country off the shelf

#### **Consulting Services**

3.4.3 Acquisition of consulting services for the development of financing mechanisms, planning guidelines, preparation of MDG plans, M&E system, knowledge management and communication and information, shall be processed under one single contract awarded, through competition, following International Short-Listing (ISL) procedures and utilizing the quality- and cost-based selection (QCBS) process. This contract is valued at Euro 1,170,020. The Specific Procurement Notice (SPN) shall be advertised in the UNDB online, on the Bank's Website and SADC's Website or an electronic portal with free access. Consulting services shall also be required for technical assistance to SADC Water Division (Project Implementation Unit) to strengthen the capacity for project implementation and for facilitation at workshops. The total value of these services is Euro 190,080. These will be sourced through two separate Short Lists of individual consultants in line with the Bank's *Rules and Procedures for the Use of Consultants*. Advance contracting (Euro 19,440) will be used to recruit a short term consultant to assist SADC Water Division with project preparatory activities (see Section 3.2.1).

#### **Miscellaneous**

3.4.4 Running costs, including operation and maintenance of equipment, stationery and supplies for the project office as well as for the consultative workshops and meetings all valued at Euro 82,620 shall all be procured through Shopping. These goods generally constitute low value items that are readily available in the country off the shelf. The national and regional consultative workshops, seminars and study tours, to an aggregate value of Euro 410,400, will be procured through Shopping in the targeted location as agreed with SADC. Recruitment of administrative support staff, at a cost of Euro 53,460 will be procured through open competition by advertising in the newspapers in Botswana, the project location. Support for the Project Steering Committee and national coordinators, at an aggregate cost of Euro 98,280 as well as travel for the PIU, at a total cost of Euro 32,400 will be procured through Shopping (essentially direct purchase of air tickets and accommodation).

## The Procurement Plan, Prior and Post Review

3.4.5 Contract for goods, of value less than Euro 10,000 will be processed by, and will be under the full responsibility of SADC. Such procurement will be subject to post review by AWF. Contracts for goods of value more than Euro 10,000 will be subject to the Bank's rules for prior review. All consultancy services will be subject to prior review process in accordance with the Bank's Rules.

3.4.6 SADC is responsible for preparing and submitting to the AWF, before Grant effectiveness, a Procurement Plan acceptable to the AWF and setting forth (a) the particular contracts for goods during the life of the project; (b) the proposed modes of procurement; and (c) the related AWF review procedures (prior or post review). SADC shall update the Procurement Plan annually or as needed throughout the duration of the project. Any revisions proposed to the Procurement Plan shall be furnished to the AWF for its prior approval. SADC shall implement the Procurement Plan in the manner in which it has been approved by the AWF.

**Table 3.2: Summary Procurement Arrangements (Euro)**

| Category                             | Shopping                 | Short List                       | Other*                   | Total                            |
|--------------------------------------|--------------------------|----------------------------------|--------------------------|----------------------------------|
| <b>Goods</b>                         |                          |                                  |                          |                                  |
| Motor vehicle                        | 24,300 (24,300)          |                                  |                          | 24,300 (24,300)                  |
| Office equipment                     | 24,300 (24,300)          |                                  |                          | 24,300 (24,300)                  |
|                                      |                          |                                  |                          |                                  |
| <b>Consultancy Services &amp; TA</b> |                          |                                  |                          |                                  |
| Consultancy Contract                 |                          | 1,170,720<br>(1,170,720)         |                          | 1,170,720<br>(1,170,720)         |
| PIU Staff                            |                          | 190,080<br>(190,080)             |                          | 190,080 (190,080)                |
| Short term TA for SADC               |                          | 19,440<br>(19,440)               |                          | 19,440 (19,440)                  |
|                                      |                          |                                  |                          |                                  |
| <b>Miscellaneous</b>                 |                          |                                  |                          |                                  |
| Workshops and Tours                  | 410,400 (356,400)        |                                  |                          | 410,400 (356,400)                |
| PSC & National Coordinators          |                          |                                  | 98,280 (98,280)          | 98,280 (98,280)                  |
| PIU Running Costs                    | 82,620 (27,620)          |                                  |                          | 82,620 (27,620)                  |
| Admin. Support Staff                 |                          |                                  | 53,460 (53,460)          | 53,460 (53,460)                  |
| Travel (PIU)                         | 32,400 (32,400)          |                                  |                          | 32,400 (32,400)                  |
|                                      |                          |                                  |                          |                                  |
| <b>TOTALS</b>                        | <b>574,020 (465,480)</b> | <b>1,380,240<br/>(1,380,240)</b> | <b>151,740 (151,740)</b> | <b>2,106,000<br/>(1,997,000)</b> |

NB: AWF contribution is shown in parenthesis.

\* Other is essentially direct purchase

## 3.5 Disbursement Arrangements and Expenditure Schedule

3.5.1 The SADC Secretariat will open a Special Account denominated in Euro in a bank acceptable to the Bank for transferring the funds from the AWF Grant. In addition, an account in local currency will be opened in the same bank for meeting expenditures in local currency. Both accounts will be managed by SADC Secretariat.

3.5.2 Disbursement of AWF funds will be made on revolving fund method in three tranches. Funds will be deposited periodically in the Special Account which will be replenished based on

reports of previous expenditure and work plan for the following period. The account in local currency will be replenished from the Special Account. Table 3.3 below presents the preliminary disbursement schedule.

**Table 3.3: Disbursement Schedule (Euro)**

| <b>Item</b> | <b>Description</b>  | 1 <sup>st</sup><br>Tranche | 2 <sup>nd</sup><br>Tranche | 3 <sup>rd</sup><br>Tranche | Total            |
|-------------|---|----------------------------|----------------------------|----------------------------|------------------|
| 1           | Mobilization, project set-up, Project Launch Workshop, Consultancy Services | 800,000                    |                            |                            | 8050,000         |
| 2           | Consultancy services, Operations  |                            | 650,000                    |                            | 650,000          |
| 3           | Consultancy Services, Operations  |                            |                            | 547,000                    | 547,000          |
| <b>4</b>    | <b>Total</b>  |                            |                            |                            | <b>1,997,000</b> |

### **3.6 Financial Management Capacity, Reporting and Auditing**

3.6.1 SADC Secretariat has legal personality and proven financial management system. The institution manages funds coming from Member States and a number of cooperating partners such as the EU, AfDB, and GTZ. The Finance Division, responsible to the Deputy Executive Secretary, is responsible for financial management for the entire Secretariat. Currently the Division lacks additional capacity to undertake the increasing work load with the roll out of the RSAP as well as programmes in other sectors. An Accountant will be recruited under the project to maintain the project accounts and provide effective financial management of the project. The Accountant will design a scheme to keep the records accurately according to each expenditure category, prepare each request for replenishment of the Special Account and provide support to audit needs of the project.

3.6.2 AWF will recruit and retain an auditor to conduct a semiannual monitoring of the use of the project funds and perform an annual audit of the project accounts at the end of each financial year. Each year the Accountant will prepare the accounts for the project, and these will be audited by the external auditor engaged by AWF. The audited accounts will be submitted to the Bank within six months of the end of each year. The AWF will bear the costs of such audits and these will not be included in the Grant.

### **3.7 Supervision Plan**

3.7.1 The AWF will undertake implementation supervision through regular correspondence with SADC Water Division, reviewing progress reports submitted to the PSC, procurement documents, and technical reports and outputs of the studies and investigations. Four supervision missions to SADC Secretariat and/or region will be carried out at critical junctures in the implementation period as shown in Table 3.4 below.

**Table 3.4: Project supervision schedule**

| <b>Occasion</b>   | <b>Timing in Months*</b> |
|---|--------------------------|
| Project launching workshop                                  | M+0                      |
| Completion of Inception Phase , Regional Workshop           | M+4                      |
| Completion of studies and investigation phase               | M+10                     |
| Completion of Analysis, Consolidation and Development phase | M+15                     |
| Donors Round Table  | M+20                     |

\* *Project launching workshop takes place on completion of mobilization 7 months after grant effectiveness*

### 3.8 Monitoring, Evaluation and Reporting Arrangement

3.8.1 The basis for overall project monitoring will be the logical framework and key performance indicators agreed with SADC Secretariat. A draft logical framework is presented at the beginning of this report. SADC Water Division will monitor project execution and submit quarterly progress reports on the performance of the project. The key outputs and indicators and their timing are presented in the Performance Plan in Table 3.5 below.

3.8.2 The SADC Water Division will report progress to the Project Steering Committee (PSC) at its semi-annual and annual meetings. The reports will cover technical and financial progress, administrative issues and constraints affecting the project and suggested solutions to enable the PSC take decisions to towards smooth implementation of the project.

**Table 3.5: Performance Plan and Time Frame**

| <b>Output</b>   | <b>Indicators</b>  | <b>Target</b>  |
|---|--|--|
| 1. Financing mechanisms and strategies for WSS services to achieve MDGs and national targets documented and disseminated in Member States | 1.1 Financing mechanisms documented.<br>1.2 National financial performance indicators and monitoring systems developed in select states.<br>1.3 WSS sector financing requirements and financing strategy developed for all SADC Member States<br>1.4 National financial resource planning and allocation models<br>1.5 Model Public-Public and Public-Private Partnerships | <ul style="list-style-type: none"> <li>• Financing mechanisms documented and disseminated to SADC Members States by end of 2010.</li> <li>• National financial performance indicators and monitoring systems developed by end 2010</li> <li>• National sector financing requirements and strategy developed by end 2010</li> <li>• Financial resource planning and resource allocation model developed by end 2010</li> <li>• Model Public-Public and Public-Private Partnerships (local and international) by end 2010</li> </ul> |
| 2. National institutional performance in WSS sector enhanced to the point of ability to achieve the                                       | 2.1 Institutional assessments carried out and action plans for sector reforms developed for select countries ;<br>2.2 Sector-wide Approach (SWAp) training carried out and action plans for SWAp developed<br>2.3 Targeted training and skills development   | <ul style="list-style-type: none"> <li>• Assessments completed and action plans for sector reforms developed by end 2010</li> <li>• SWAp Training carried out and plans for SWAp development by mid 2011</li> </ul>  |

|   |  |   |
|---|--|---|
| MDGs and national targets   | <p>plan adopted</p> <p>2.4 Institutional arrangements for coordinating ICPs for WSS adopted in all SADC Member States out</p> <p>2.5 Guidelines for community participation developed and promoted in all SADC Member States</p>   | <ul style="list-style-type: none"> <li>• Plan adopted mid 2011</li> <li>• ICP coordination mechanisms adopted by 2011.</li> <li>• Guidelines developed by mid 2011</li> </ul>   |
| 3. WSS infrastructure development support for the achievement of MDGs                         | <p>3.1 Action plans for preparation of MDG plans developed in target SADC Member States</p> <p>3.2 Guidelines for project planning WSS</p> <p>3.3 Manual of appropriate WSS Technologies for sustainability, and business plan for further development</p> <p>3.4 Cross-border WSS projects formulated</p>   | <ul style="list-style-type: none"> <li>• End of 2010</li> <li>• Guidelines for project planning WSS developed and disseminated beginning 2011</li> <li>• Manual on WSS Technologies for sustainability documented and promoted in SADC Member States, and Business Development plan adopted by end 2011</li> <li>• Project Identification done by mid 2011</li> </ul> |
| 4. Regional WSS monitoring and reporting system in place and operational                      | <p>4.1 Assessment report on SADC-wide information systems</p> <p>4.2 National M&amp;E assessment report, and Action Plans for system strengthening for target SADC States</p> <p>4.3 Updated WSS Situation Report adopted by SADC States.</p> <p>4.4 SADC M&amp;E and Reporting system approved by SADC States</p> <p>4.5 Model Annual SADC WSS Report developed</p> | <ul style="list-style-type: none"> <li>• End 2010</li> <li>• Rapid M&amp;E assessment completed and action plans developed by end 2010</li> <li>• Harmonized indicators adopted by mid 2010</li> <li>• WSS Situation Report by end of 2010.</li> <li>• Mid 2011</li> <li>• Mid 2011</li> </ul>  |
| 5. Regional system for WSS knowledge management, information sharing and advocacy established | <p>5.1 WSS Awareness and Communication Strategy</p> <p>5.2 SADC Information and Knowledge Management System, and Information and communication materials produced.</p> <p>5.3 Plans for national IKM systems in priority countries.</p> <p>5.4 Peer-to-peer learning programme in place and being implemented.</p>   | <ul style="list-style-type: none"> <li>• End 2010</li> <li>• Beginning 2011.</li> <li>• Beginning 2011</li> <li>• Beginning 2011.</li> </ul>  |
| 6. Donors Round Table   | 6.1 Donors Round Table   | <ul style="list-style-type: none"> <li>• Held at end 2011</li> </ul>  |

## 4. PROJECT BENEFITS

### 4.1 Effectiveness and Efficiency

4.1.1 The proposed actions will lead to greater efficiency in the way the WSS operates in many SADC countries. Each of the project components contribute in one form or another to creation of the appropriate framework within which WSS projects will be implemented at national level to increase and improve access to WSS. By improving financing, planning of sector investments, financial resource allocation, information for decision making, human resource capacities for development

and management of service delivery, the SADC countries will be able to increase access to WSS to meet national targets and MDGs. The detailed assessment of alternative financing mechanisms and promotion of the most suitable options and establishing more effective coordination mechanisms for external inputs (avoiding high transaction costs) will enable the Member States increase and diversify funding for water supply and sanitation thus addressing one of the major constraints in WSS provision, inadequate funding of investment and operation and maintenance.

4.1.2 The development of common standards and definitions of access to WSS, the establishment of region-wide baseline information on WSS, measures to showcase best practices, disseminate and share information, and to enhance political support for WSS, improve planning, decision making, O&M, and monitoring, all contribute towards better targeting of investment to the most deserving communities. This will provide a firm basis for yielding more equitable access to water supply and sanitation and achievement of MDGs.

4.1.3 The coverage of water supply and sanitation in the SADC Region is relatively low, as evidenced by the Member States country situation reports that were carried out in 2003, and the latest JMP report. The proposed activities will accord the Region a coordinated inventory of the current backlog and financing requirements for the provision of water supply and sanitation services. This will provide the basis for the development of medium term programme packages and their related costs. Information sharing and sector learning will enable SADC States avoid repeating errors in implementation of projects in their respective countries; and measures for ensuring appropriate technical options enhancing sustainability, will enable Member States to accelerate implementation of sustainable WSS to meet MDGs targets.

4.1.4 The project will involve a number of consultative and participatory activities involving all SADC Member States, for example, developing and promoting guidelines. Stakeholder consultations and participation are essential to ensure buy-in, relevancy, and to incorporate consolidated wisdom from across the region. This process involves significant costs in travel, board and lodging, and facilitation. The project management team will need to pay attention to this to ensure cost-effectiveness. Better planning of consultative meetings, choice of venues, and good facilitation, would go a long way to manage the costs of the consultative and participatory processes.

## **4.2 Sustainability**

4.2.1 The project is designed to assist SADC Secretariat to commence implementation the WSS Programme that was developed in 2004 and validated in 2008. The WSSP is one of the four strategic action plan programmes formulated to operationalise the SADC Regional Water Policy and Regional Water Strategy. The policy, strategy and action plans are developed and validated through consultative processes that involved key stakeholders in the region as well the commitment of member states at the highest political, level. This strong ownership of the programme by the political leadership and other stakeholders underpins long term implementation commitments. Governments are committed to provide quality water supply and sanitation services to achieve the MDG targets and higher objectives of socio-economic development.

4.2.2 The progress towards these goals is constrained, in varying degrees in each country, by the institutional, financial, technical and socio-economic factors. The project is the starting point for the WSSP and lays the foundation for addressing the identified weakness and actualizes results. It provides a strong platform for joint actions and strengthens the long term cooperative framework for

water resources management. The institutional, knowledge and monitoring capacity of the SADC Secretariat will be strengthened to continue implementation of follow-up actions.

4.2.3 Gender is clearly recognized as a developmental issue, and the SADC Regional Water Policy and Strategy as well as the RSAP include it as an important issue of water governance. The project will mainstream gender consideration in the processes of establishing the required framework (such as in planning guidelines, monitoring and reporting systems, training and skills development) for effective development and management of WSS in SADC. The project will recognize the potential inputs that will be made by different stakeholders, and in particular, the underprivileged groups more especially women, and ensure that their requirements are taken into account in a meaningful way. These actions will ensure continued engagement of the key stakeholders in the programme process and follow-up implementation.

4.2.4 The current world wide financial crises and related economic down turn could have serious implications for the availability of finance for investment and operations. On the resources side, climate change scenarios show the potential impact on water availability, accessibility and demand in the region. The two global events will impose considerable consequences on the achievement of the programme and its long term sustainability. The project provides for the formulation appropriate frameworks and tools for assessing and compiling information and knowledge and continued monitoring within the SADC Secretariat as a basis for the development of appropriate response and adaptation strategies and timely actions.

## **5. CONCLUSIONS AND RECOMMENDATIONS**

### **5.1 Conclusions**

5.1.1 SADC places a lot of importance on development of water resources for socio-economic development and poverty alleviation, and provision of water and sanitation has high priority. SADC has made an undertaking to achieve the Millennium Development Goal with respect to water supply and sanitation. Fully aware of the challenges to achieving this goal, SADC has analyzed the issues and proposed measures to facilitate accelerated delivery of water supply and sanitation within the MDG period. These measures involve development of a collaborative framework for effective planning, financing and implementing WSS by the SADC Member States. The proposed SADC WSS Programme addresses this matter fully and effectively.

5.1.2 The proposed SADC project would assist all SADC Member States improve and enhance provision of water supply and sanitation so as to achieve the MDG. The project is consistent with AWF strategies as it addresses issues of improving service delivery, strengthening the financial base, and improving water knowledge through knowledge generation and dissemination, and monitoring and evaluation. The project would also enable SADC, a Regional Economic Community track progress towards MDGs for water supply and sanitation, thus enabling AMCOW monitor progress across the whole continent.



## 5.2 Recommendations

5.2.1 Based on the assessment of the justification for the project, its relevance and effectiveness, it is recommended that an AWF Grant not exceeding Euro 1,997,000 be granted the SADC Secretariat for the purpose of implementing the project as described in this report, subject to the following specific conditions.

### A. Conditions Precedent to Entry into Force of the Grant Protocol of Agreement and First Disbursement

The Grant shall enter into force on its signature. The first disbursement of the grant shall be conditional upon fulfillment of the following conditions:

- (i) Provide evidence of the opening of an interest bearing special bank account (“Special Account”) in EURO at a bank in Gaborone, Botswana into which the AWF grant shall be deposited on the request of the executing agency;
- (ii) The depository bank of the Special Account has issued a confirmation, in a form acceptable to the Bank that funds in the Special Account will be segregated as a special deposit for the specific purpose for which the Grant is made, and shall not be subject to claims of setoff, seizure or attachment by the depository bank;
- (iii) Provide evidence that it has designated the SADC Water Division of the Directorate of Infrastructure and Services as the executing agency and has appointed a Project Coordinator whose qualifications and experience shall be acceptable to the AWF.

### B. Other Conditions

- (iv) The third disbursement shall be released on SADC providing evidence to the satisfaction of AWF of availability of funds for financing the Donors Round Table Meeting.

## ANNEX 1: Location Map of SADC Member Countries



### Disclaimer

These maps have been drawn by the African Development Bank Group exclusively for the use of the readers of this Appraisal Report to which it is attached. The names used and the borders shown do not imply on the part of the Bank and its members any judgment concerning the legal status of a territory nor any approval or acceptable of these borders

## ANNEX 2: Terms of Reference for Consultancy Services

### DRAFT TERMS OF REFERENCE FOR SUPPORT TO SADC REGIONAL WATER SUPPLY AND SANITATION PROGRAMME

#### 1. INTRODUCTION

1.1 The SADC Regional Water Supply and Sanitation Programme (SADC RWSSP) is an integral component of the Regional Strategic Action Plan (RSAP) on Integrated Water Resources Development and Management which is currently in its second phase (2005-2010) of implementation. It is a key project under the focus area of Infrastructure Development Support which consists of projects or interventions aimed at improving the provision of water supply and sanitation so as to promote good public health, socio-economic development, regional integration and poverty alleviation.

1.2 The SADC RWSSP evolved from national and regional situation analyses of water supply and sanitation (WSS) service provision in SADC Member States. The national assessments identified a number of issues and challenges that constrain provision of WSS and the achievement of water and sanitation MDGs by the respective SADC Member States. These issues vary from one country to another, but they may be categorized under the following five categories:

- (i) **Financing of WSS:** Levels of investment in WSS sector are low and inadequate to cope with the population growth; sector financing has relatively low priority in national budgets; domestic financing is low, and the bulk of investment is from international cooperating partners; cost recovery is inadequate; the private sector investment is constrained by unattractive economic and policy environment; and there is inadequate knowledge regarding financing mechanisms.
- (ii) **Institutional Capacity:** Institutional weakness, to varying degrees among member states, include weak WSS policies; poor coordination, and duplication of roles and responsibilities among governmental institutions and other sector players; inadequate human resources capacity for planning and management of WSS activities; poorly resourced sector institutions; lack of effective involvement of users/beneficiaries in decision making; and poor coordination of external support.
- (iii) **Infrastructure Development:** Access to WSS is relatively low. Global MDG assessments of access to WSS indicate that about half the SADC States are not on track to meet the MDG water target, and the majority of the countries are not on track to meet the sanitation target. There is inadequate development of WSS infrastructure; lack of WSS sector plans; poorly prepared projects; inadequate use of appropriate technologies to support sustainable operation and maintenance.
- (iv) **Monitoring and Reporting Systems:** There is lack of harmonized data and common definitions of key performance indicators of WSS; lack of an effective WSS monitoring and reporting system in SADC; and poor M&E systems at national level. In addition, there is poor data and information for effective planning and management of WSS.
- (v) **Knowledge Management and Information Sharing:** Poor access to WSS information; low priority given to WSS in national development; lack of sector learning and information sharing even within a single country.

1.3 The SADC RWSSP was developed to address the common issues constraining performance of the sector so as to facilitate provision of WSS by individual SADC Member States. The overall goal of the project is to improve the performance of the sector, through development of measures for overcoming the multifaceted challenges that constrain sector performance at national level so that individual Member States can accelerate the provision and effective management of WSS services in their respective countries. The project purpose is to establish a regional framework for WSS planning and management to facilitate the SADC Member States to achieve the MDGs. This framework consists of tools, measures, methodologies and approaches for more effective planning, management and financing water supply and sanitation services.

1.4 Consultancy services are now required to assist SADC to undertake studies and investigations to facilitate the development of a collaborative framework for effective planning and implementation of WSS among the SADC Member States.

## **2. OBJECTIVES OF THE CONSULTING SERVICES.**

2.1 The overall objective is to establish a regional framework for water supply and sanitation planning and management to facilitate SADC Member States to achieve the MDGs by 2015. The required framework is built on five thematic components, each addressing the sector challenges – financing, institutional strengthening, infrastructure development, monitoring and reporting, information and knowledge management.

2.2 The specific objectives of the consultancy services are related to each component; they are:

- (i) To develop and document WSS financing mechanisms, national financial resource planning and allocation models, financing strategy, financial monitoring systems, sector financing requirements, and efficient public-private-partnerships for WSS financing.
- (ii) To undertake institutional assessments, develop WSS training programmes, develop mechanisms for donor coordination, and document and promote community participation methodologies so that the countries may effectively deliver and manage water supply and sanitation to achieve the water supply and sanitation MDGs in the SADC States.
- (iii) To promote WSS infrastructure planning and document appropriate technologies for sustainability of water supply and sanitation facilities in SADC States.
- (iv) To develop a water supply and sanitation monitoring and reporting system for SADC so as to facilitate monitoring of progress towards MDGs and national targets.
- (v) To develop information and knowledge management system in SADC and strategies for awareness, advocacy and communication.

## **3. SCOPE OF WORKS**

### **3.1 General Scope**

3.1.1 In general the work will involve desk studies of secondary sources of information (project reports, position papers, policies, statistical reports and official publications) to extract relevant information (models, best practice, etc), but it will also involve field studies and interviews with stakeholders, and consultations, through workshops, in actual application of methodologies or to undertake assessments of certain aspects of the WSS sector.

3.1.2 While the bulk of the work involves development of a framework (i.e., the necessary tools for planning and implementation of WSS), in a few cases, this step will be taken a step forward by actual implementation of the proposed framework.

## **3.2 Component 1: Developing Financing Strategies and Tools**

3.2.1 Component 1 is aimed at developing tools for improving financial efficiency of the WSS sector in the SADC Member States – documenting innovative financing mechanisms; assessment of resource requirements for accelerated service delivery; developing financing strategies; developing models for efficient financial resource; leveraging additional resources; sharing information and lessons. A number of national and regional studies will be conducted to draw out useful information and experiences on which to base the development and/or selection of such tools.

3.2.2 **Document and analyse financing mechanisms for WSS** for various categories of target consumer groups (rural, peri-urban and urban). Through literature search, telephone or internet and actual inquiries among the SADC Member States choose the options for critical analysis. In the case of examples from SADC region, a field visit may be necessary to obtain first hand information from the operators. Recommend the best options clearly justifying the selection, and stating the contextual environment or conditions necessary for successful application.

**3.2.3 Development of Financial Monitoring Systems:** Select three countries, on basis of the status of their financial monitoring systems (low, medium and high), and carry out an assessment of the financial monitoring system(s) used by the finance ministry for tracking WSS expenditure and outputs by the sector, and use that as basis for development of a financial monitoring system. To this end analyze the flow of funds (by major sources of funding (public, donor, NGOs, and internally generated) and for different channels); assess institutional arrangements and responsibilities; types of indicators, and procedures; and linkages with planning, budget and policy processes. Formulate a financial monitoring system that SADC Member States may customize and adopt for use in their respective countries.

**3.2.4 Assessment of Financing Requirements and Strategy to Meet the MDGs:** Estimate the financing requirements needed for each country to achieve the water and sanitation MDGs. For the countries that already have this information, it will be updated and used in compiling the regional picture. Key activities will involve:

- (i) Estimate present coverage of WSS and projected coverage according to targets (MDG targets or other national targets, if applicable).
- (ii) Estimate levels of service and unit costs for applicable service. Costs will consist of capital costs for new investments, replacement, and rehabilitation, O&M, and sector management.
- (iii) Estimate total funding requirements for the sector.
- (iv) Assess available financing from government, donors (present on-going support), NGOs and user contributions (tariffs and capital contributions).
- (v) Assess the financing gap to achieve the MDGs.
- (vi) Propose a financing strategy, and highlight information needs for more accurate assessments in each category (urban, peri-urban and rural).

**3.2.5 Develop National Financial Resource Planning and Allocation Models:** Review the methodologies used in allocating national financial resources to the sector and within the sector and propose models/approaches for more efficient allocation and targeting of financial resources for countries in SADC. While the national level resource allocation (by ministry of finance and/or planning) sets the “likely resource envelope” for the sector, the allocation within the sector (water resources, urban water supply and sanitation including peri-urban water supply and sanitation, and rural water supply and sanitation) should closely reflect the sector objectives and targets.

**3.2.6 Document and promote Model Public-Public and Public-Private Partnerships (local and international) for leveraging financial resources into the sector:** PPPs constitute a viable source of financing WSS. Innovative examples that may apply in some the SADC countries need to be documented and promoted. The consultant will carry out searches in SADC and elsewhere and understand fully how the PPPs have operated. The best practices will be matched with the countries (within the national policy, legislative and institutional arrangements) and recommendations made on which PPPs should be developed further

towards fruition. On basis of these results, the consultants shall prepare proposals to pilot the PPP in two countries in SADC that are deemed to have the best possibility for successful outcome. The results of this analysis will be shared with all SADC countries at a consultative workshop.

**3.2.7 Outputs:** The outputs are related to the main activities/studies and shall consist of the following:

- (1) **Financing Mechanisms:** Present the recommended suite of mechanisms or approaches for financing WSS in a stand alone document that consists of the following: the selected mechanism, description of the essential features; description of policy and institutional environment where it is most effective; strengths and weaknesses; brief description of example where it has been applied.
- (2) **National WSS Financing Requirements and Financing Strategy to achieve MDG targets:** Summarize the results per country; comment on prospects for meeting the financing requirements. Present the strategy.
- (3) **National Financial Resource Planning and Allocation Model(s):** description of the model(s), underlying assumptions, key input data, applicability or context, strengths and weaknesses.
- (4) **Financial Performance Indicators and Monitoring System:** define the indicators, describe how they are determined, and describe the proposed monitoring system and the institutional, financial and technical requirements to operationalise such a system.
- (5) **Public-Public and Public-Private Partnerships:** describe specific features, underlying conditions or context, and recommended countries for successful application of the PPP in the SADC region. Recommend any sector reforms necessary for successful application of the selected approaches. Proposal for implementation of the PPPs in select countries

### **3.3 Component 2 – Institutional Rationalization and Strengthening**

**3.3.1 Promote WSS Institutional Reforms:** Undertake the following activities to facilitate the promotion of WSS institutional reforms:

- (i) Based on desk study of documents already collected in the inception phase complemented by any additional searches, prepare an overview of WSS institutional arrangements in each SADC country and comment on progress towards the MDGs.
- (ii) In close coordination with SADC Water Division, select one Member State for detailed assessment of institutional, policy and financing arrangements and sector sustainability requirements to meet the MDG targets. Facilitate in-country dialogue with stakeholders including government, and establish a road map for institutional reforms. The assessment will follow the framework developed by WSP-AF under the auspices of AMCOW in carrying out the MDG Country Situation Overview (CSO).

**3.3.2 Promote Sector Wide Approach (SWAp) in national planning.** A number of countries in SADC have adopted SWAp for the WSS and have been implementing sector programmes for some years, with some significant improvements in sector performance and progress towards MDG targets. The consultants will case study two examples, one from the SADC region and the other from the rest of Africa, and draw out lessons for application in other SADC countries. The consultants will use the results for a regional seminar to demonstrate and promote the SWAp process. Prepare action plan for development of SWAp in priority countries.

**3.3.3 Develop WSS capacity development plan.** The consultants will conduct a rapid training needs assessment for WSS in SADC Member States, prioritise the training requirements for a wide range of stakeholders, and then develop a training plan for the sector aimed at revitalizing efforts towards achievement of WSS MDGs. The assessment shall build upon on-going or past capacity building projects in the region such as the SADC projects recently implemented by the South African Department of Water Affairs and Forestry, (DWAF) – (1) Best Practices in Water and Sanitation Sector in SADC Region, (2) Capacity Building of Technicians, Technologists and Professionals in SADC Region, and (3) Capacity Building of Water Sector Non-Governmental Organisations in the SADC Region.

**3.3.4 Develop mechanisms for coordinating external inputs:** Coordination of all stakeholders including donors supporting WSS sector at national level is very much the responsibility of government. The project would support this endeavour by establishing donor coordination framework in three countries in the region. Coordination will be established on basis of OECD Development Assistance Committee best practice guidelines on donor coordination. For the donors supporting WSS, the consultants will review financing agreements and the donors' internal systems and procedures, assess the donor-government, donor-donor relationships and national aid policy, and propose a framework for effective donor coordination. The consultants will, in consultation with the government establish an action plan towards the implementation of the donor coordination mechanism by each respective country.

**3.3.5 Document and disseminate effective approaches for community participation:** Effective participation of beneficiary communities in the planning, implementation and operation and maintenance of WSS facilities is the foundation of sustainable services, particularly in rural and peri-urban areas. Effective models have been tried and tested in the region and lessons have also been learnt in other developing countries. The consultants will carry out a survey/review of community WSS projects/programmes, using project documents publicly available, international sources (such as WSP-Africa, the International Reference Centre (IRC) in The Netherlands, and the World Bank), or obtained from national as well as private sources (NGOs, consultants) to identify projects with relatively successful community WSS components. The successful models will be assessed for their applicability in the context of most SADC countries, and recommendations made regarding best practices. The results will be subjected to regional consultative workshop to provide further inputs by a wide range of stakeholders, and also as a means of disseminating the results.

**3.3.6 Outputs:** The key outputs comprise the following:

- (1) **Institutional Assessment Report:** For the specific country assessed. The report will include an action plan or road map towards sector reform.
- (2) **Study Module on SWAp:** Brief description of SWAp, characteristics, the process; examples of SWAp in the region, essential features of each programme; lessons learnt, what to do differently in preparing a new programme. Workshop programme, including simulation exercises.
- (3) **Training Needs Report and Training Plan** specifying the priority training requirements, types of training, training institutions, location, duration and costs.
- (4) **Donor Coordination Mechanisms:** Draft MoU reflecting the key provisions for effective coordination; action plan for negotiating the development of donor coordination system.
- (5) **Models for Community Participation:** List of models, scope, description of the methodology, policy and legal context, human and financial resources needed for successful application.

### **3.4 Component 3 – Water Supply and Sanitation Infrastructure Development Support**

**3.4.1 Promote the development of MDG planning:** While many water supply and sanitation projects are being implemented, with national and external financing in most of the SADC countries, in a number of countries there is no comprehensive sector investment plan with national or MDG targets. The consultants will prepare and facilitate a regional workshop to demonstrate sector investment planning. The consultants will show case the MDG planning process through three case studies, two drawn from the SADC region and one case study from another region in Africa. To the extent possible, the case studies should comprise urban water supply and sanitation, rural water supply and sanitation, and the whole WSS sector. The case studies will highlight lessons learnt, challenges faced, and necessary refinement of the planning approach. Prepare action plans for development of MDG plans in select countries.

**3.4.2 Document and disseminate planning guidelines:** One of the identified weaknesses in WSS service provision is the poor planning and preparation of projects. Consequently, even where financial resources are

available, there is often lack of “bankable projects”. The consultants will survey project planning approaches in the region and globally to identify innovative approaches and practices. Field visits may be made to a select number of countries to review the planning tools with the practitioners, to understand the context, and to learn lessons. The guidelines shall be assembled in an easily readable format and disseminated throughout the SADC region. The following guidelines will be developed, but others revealed by the surveys may be included: community planning in urban WSS and rural WSS; district planning within the framework of decentralised governance; economic appraisal; social impact analysis; and environmental analysis.

#### **3.4.3 Document and disseminate appropriate technologies for sustainability of WSS facilities:**

Sustainability of WSS facilities depends to a large extent on types of technology. The objective of this activity is to document and promote guidelines for appropriate technologies promoting sustainability of WSS. Well tried and tested technologies that are effective in the region will be documented and disseminated to the stakeholders in the region. Through literature searches, and if necessary field visits, the consultants will assess available technologies for WSS and recommend innovative options. The results will be summarised in a manual clearly describing the selections, with specific statements on conditions for applicability. In addition, a business strategy for implementing the selected technologies shall be formulated. Following this assessment a regional workshop shall be organised to share the information and validate the results.

**3.4.4 Identify and promote projects with regional impact:** While most WSS projects are nationally based, there are opportunities for developing cross-border projects or national projects that have regional impacts such as types of technologies or approaches in use, or to enhance regional cooperation, or optimize infrastructure development costs (such as intakes, treatment plants). The consultants will undertake project identification activities for transboundary WSS projects, or national projects with potential regional impact. It is proposed to identify at least two such projects. A project identification report will be prepared describing the main elements of project, beneficiaries, institutional arrangements, cost estimates, environmental aspects, and steps for further project preparation.

**3.4.5 Outputs:** The key outputs comprise the following:

- (1) **MDG Planning Report:** A step by step MDG planning process with specific comments to enhance each step. The report will also annex each case study and lessons drawn from the study.
- (2) **Planning Guidelines:** Compiled as one document but with distinct sections for each guideline.
- (3) **Manual on Appropriate Technology:** Compiled as one document but with separate parts for each technology selected. This will cover description of the technology, target user, applicable conditions, human and financial resources needed for successful application. The annex to the report will present a business strategy for the development of the technology in SADC
- (4) **Project Identification Reports:** One report but with separate sections for each project.

### **3.5 Component 4 – Development and Implementation of a Water Supply and Sanitation Monitoring and Reporting Programme**

**3.5.1 Assessment of Regional Water Sector Information Systems:** The consultants will consult with SADC Secretariat to identify any existing or planned water sector, and other related sectors, information systems, then carry out a desk study of these systems to understand the scope of such systems, the way they work, the institutional arrangements, issues of access, and sustainability. It will be assessed to what extent these information systems may serve the purposes of monitoring the WSS sector. Presently there are a number of sector information systems in operation in SADC in agriculture, meteorology, and water resources management. The findings will be submitted as stand alone report containing specific recommendations including adequacy, applicability, cost, and institutional roles.



**3.5.2 Rapid Assessment of National Water Sector M&E Systems:** The consultants will carry out rapid assessment of national water sector M&E systems in five selected countries based on the M&E Assessment framework developed by AWF under AMCOW's direction. Based on the assessment the consultants shall prepare an action plan for strengthening national water sector M&E systems in the respective countries. These results will be subject to national and regional consultative workshops to validate the results, to provide opportunity for broader stakeholder participation in the development process, and enhance buy-in and internalisation. The national and regional consultative workshops will also review and reach consensus on harmonized regional definitions, indicators and standards for access to WSS.

**3.5.3 Country Baseline Studies:** The consultants will undertake baseline studies or country WSS situation analysis in each of the SADC countries, to yield an updated SADC WSS Situation Report including access to WSS in urban, peri-urban and rural areas, national targets, policies, institutional arrangements, sector financing and a mapping of donor activities in each country. Country situation reports will be reviewed at national consultative workshops in each country. The consultants will consolidate this into a single report that will serve as basis for future monitoring. Access to WSS will be estimated on basis of agreed harmonised indicators and standards.

**3.5.4 Develop a SADC Regional Monitoring and Reporting Framework:** Based on the information gathered through national M&E assessments, assessment of regional water sector information systems in SADC, and the latest status of WSS services (revealed by baseline studies), the consultants will propose a regional WSS M&E system for SADC that would facilitate SADC monitor progress in achievement of MDGs by SADC Member States, as well as coordinate planning, implementation and management of WSS at country level.

**3.5.5 Model Annual Report on State of WSS MDGs in the SADC Region:** The consultants will design the report structure and system (time table, responsibilities) of collecting information from national authorities to SADC for the preparation of the Annual Report on "State of WSS MDGs in SADC Region". The annual report will be based on monitoring indicators already adopted as regional standard. In the final year of the project the consultants will assist SADC Water Division prepares the annual report. This will test the monitoring system and the institutional arrangements put in place; and also allow the consultants to fine tune the reporting system.

**3.5.6 Outputs:** The expected outputs shall consist of the following:

- (1) **Regional Water Sector Information Systems in the SADC:** Report shall summarize the key findings including brief description of the features of the system, access/usage, institutional set-up, whether the system can/does incorporate WSS information adequately; conclusions and/or recommendation.
- (2) **Country Rapid M&E Assessment:** The elements of the report are described in the template; but particularly important to present key findings, recommendations and action plans for strengthening the country M&E systems. The Regional Report will summarize the findings and highlight the common features and required actions to strengthen the national M&E systems.
- (3) **Country WSS Situation Report:** Description of **existing situation** in the water and sanitation sector in terms of sector goals and objectives, strategies, policies, legal and institutional arrangements, current status of sector activities and development, key players in the sector and their areas of support, financing of sector activities, coordination, and summary of major issues and constraints in the sector
- (4) **M&E Reporting Framework:** This will specify and define the indicators; the information systems recommended; structure of the framework; clear description of institutional roles; human resource capacities and financial requirements for implementing the programme; and linkages with national M&E systems, as well as global systems (JMP).

- (5) **The annual “State of WSS MDGs in the SADC Region”:** Summary of access to WSS, as regionally defined, in all the SADC Member States; comments on trends in each country and projections of coverage by end of the MDG period. The report will also summarize issues that may need to be resolved to facilitate progress.

### **3.6 Component 5 – Knowledge Management, Advocacy and Information Sharing**

**3.6.1 Elaborate the WSS Communication Strategy and implementation plans:** The consultants will review the Regional Awareness and Communication Strategy for the SADC Water Sector to gain a full understanding of its objectives, the structure, the content and the means proposed for its operationalisation. On that basis the consultants will elaborate the WSS component of the SADC communication strategy and draw out an implementation plan, with realistic cost estimates and likely time frame. The plan should elaborate the engagement of the media in a programme of information dissemination, and the use of champions or goodwill ambassadors in information dissemination and advocacy. The plan should distinguish actions and roles and responsibilities that are pertinent at regional, national and community levels. Consultative workshop at regional level may be necessary to obtain consensus and to validate the proposed strategy and implementation plans.

**3.6.2 Develop Information and Knowledge Management (IKM) Systems:** The WSS sector in SADC generates a number of successful experiences, innovative developments, guidelines, standards, best practices, and lessons. Improved knowledge management, information sharing and sector learning will facilitate good decision making. The consultants will analyze how this information and knowledge is managed at country level and between countries and propose a knowledge management and information system for SADC. Existence of other information systems (see Activity 3.6.1) and knowledge resource centers shall be taken into account. The IKM system shall be complemented by information packages. To this end, the consultants shall prepare or commission the development of information packages targeting different stakeholders, from policy and decision makers to technocrats in government departments or ministries to end-users or beneficiaries of water and sanitation schemes.

**3.6.3 Development of model National IKM System:** WSS information and knowledge is generated at national level since most WSS schemes are local level affairs. The consultant will design a model national IKM system that may be used to develop national systems throughout the region. In addition, in consultation with SADC and collaboration with three SADC countries formulate national IKM projects.

**3.6.4 Develop and implement peer-to-peer learning programme among SADC Member States:** The consultants will plan and oversee the implementation of peer-to-peer visits among SADC Member States. The purpose of such visits is to share information, knowledge and experiences – by group of stakeholders from one SADC country to their peers in another country. The objectives of any visit should be very clear – such as to enhance sector reform, learn planning approaches, acquaint with new technologies, or M&E. Hence there is need for adequate planning and proper implementation so that worthwhile objectives may be achieved. It is expected that five visits will be conducted over the project period, and will consist of a party of no more than six persons visiting any one particular country for a period of five working days.

**3.6.5 Outputs:** The main outputs shall consist of the following:

- (1) **Awareness and Communication Strategy for Water Supply, Sanitation and Hygiene Education in the SADC Region:** This is a more sector specific and elaborate rendition of the main water sector strategy. An implementation plan shall be added presenting activities, time schedule, responsibilities, and resources needed.
- (2) **SADC Information and Knowledge Management System:** A practical framework ensuring identification, location and measures for accessing information and knowledge on WSS. An annex of relevant information packages for awareness and advocacy for use in the implementation of the IKM system.

- (3) **Model National IKM System and IKM Project Proposals for three priority countries:** Set out the methods, the information and knowledge packages, and terms and conditions; and costs.
- (4) **Programme of peer-to-peer visits:** For each visit state the objectives to be achieved, programme, the role of the visitors and that of the host country, and cost estimates.

## **4. IMPLEMENTATION OF THE ASSIGNMENT**

### **4.1 Approach**

4.1.1 This assignment will be implemented in four phases consisting of (i) Inception, (ii) Studies and Investigations, (iii) Analysis, Consolidation and Development, and (iv) Reporting and Promotion. The thrust of work during the respective periods is described below:

- (i) **Inception:** With assistance of SADC Water Division, assemble all the relevant data and information from national, regional or ICP sources; do a desk study reviewing the information, and carry out a mapping exercise to identify on-going and potential activities in WSS sector at national and regional levels, and outline baseline conditions in the sector. The consultants will then prepare an Inception Report and a detailed work plan showing how they intend to execute the assignment, staff schedule, timing and cost estimates. The Inception Report will be presented and discussed in a regional workshop. The Inception Phase is expected to last no more than four months.
- (ii) **Studies and Investigations:** The consultants will carry out most of the field visits, collecting data and information, interviews with national and regional level stakeholders, and carry out the required assessments. Combining the field visits should reduce the burden on time of national and regional staff attending the missions; it also reduces the cost of field visits as fewer, albeit longer, visits will be carried out. This phase is expected to last seven months.
- (iii) **Analysis, Consolidation and Development:** The consultants will undertake detailed analysis of information collected; synthesize national data to obtain consolidated regional reports or outputs. This is the time also for development, or design of new products or systems as needed. This phase is expected to last six months.
- (iv) **Reporting and Promotion:** Production of draft reports under each theme, reviews, validation regional workshops, and finalization of reports. This is followed by dissemination to all SADC Member States. The phase will last six months; the last three months being for finalization of reports, dissemination and closing up the project.

4.1.2 Stakeholder participation is vitally important in the development of the outputs or products envisaged in these activities. Inclusive participation facilitates inputs from wide range of WSS stakeholders; it engenders confidence building, ownership and acceptance of the results, and ultimately makes for utilization of the developed products. Hence national and regional consultative workshops will be held at strategic times when there are specific outputs to review, validate and adopt. The workshops also serve as channels for dissemination and promotion of the products. In order to reduce costs of workshops, the number of workshops will be limited by grouping together the some of the outputs and discuss them under a single workshop.

### **4.2 Duration of the Assignment**

4.2.1 The total duration of the assignment is estimated at 22 months. This includes mobilization, parallel studies in a number of countries, review of country studies culminating in national consultative workshops, and regional synthesis of results of national studies, regional workshops and finalization of the draft report. Within this period, the professional time input is estimated at 58 man-months for international consultants and 100 man-months for national consultants.

### 4.3 Consultants' Profile

4.3.1 The consultants' team will have key competencies in water supply and sanitation engineering, public finance, financial modeling, institutional analysis, monitoring and evaluation, information and communication. It is envisaged that the consulting team would consist of the following:

1. Water Supply and Sanitation Expert (Team Leader)
2. Institutional Development Specialist
3. Financial Expert
4. Monitoring and Evaluation Expert
5. Human Resource Development Specialist
6. Information and Communication (Knowledge Management) Specialist
7. Economist
8. Communication expert
9. Sanitation and Hygiene Expert
10. Socio-Economist

4.3.2 There will also be national consultants in related fields, and technical staff (technicians) for carrying out surveys at national level.

## 5. DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT

**5.1 Data:** The consultants will be responsible for assembling all the required documents, reports or studies from the relevant sources within the region. The Client will provide the necessary introductions to the national authorities or others to facilitate access to the required information. All data collected during the course of the assignment shall be listed, clearly marked and categorized according to source, and shall become property of the Client.

**5.2 Services:** The Client will be responsible for all communication with the SADC Member States on all issues relating to the project. For this purpose the Client will:

- Provide introductory letters for the consultants to enable them gain access to relevant authorities, whether at national or regional level, including international cooperating partners. However the consultants will be responsible for planning and for all logistics.
- Process invitations and necessary contacts for the consultative workshops at national and SADC level. The consultants are however responsible for the technical planning and organization of the workshops. The consultants shall liaise closely with the Client to ensure timely notification and invitation of all participants.
- Meet all costs related to the workshops, including transportation, board and lodging of national participants, venue, production of reports, and incidentals.
- Reimburse the consultants for all costs related to acquisition of data, subject to documentary evidence of such expenditures (payment receipts).
- Production and dissemination of reports (national or regional) to all SADC Members States.

**5.3 Facilities:** It is expected that the consultants will set up office in Gaborone, Botswana to be near the SADC Water Division and facilitate efficient implementation of the project. The costs of office accommodation, office equipment, utilities and services are legitimate expenses that will be reimbursed by the Client upon satisfactory presentation of documentary evidence.

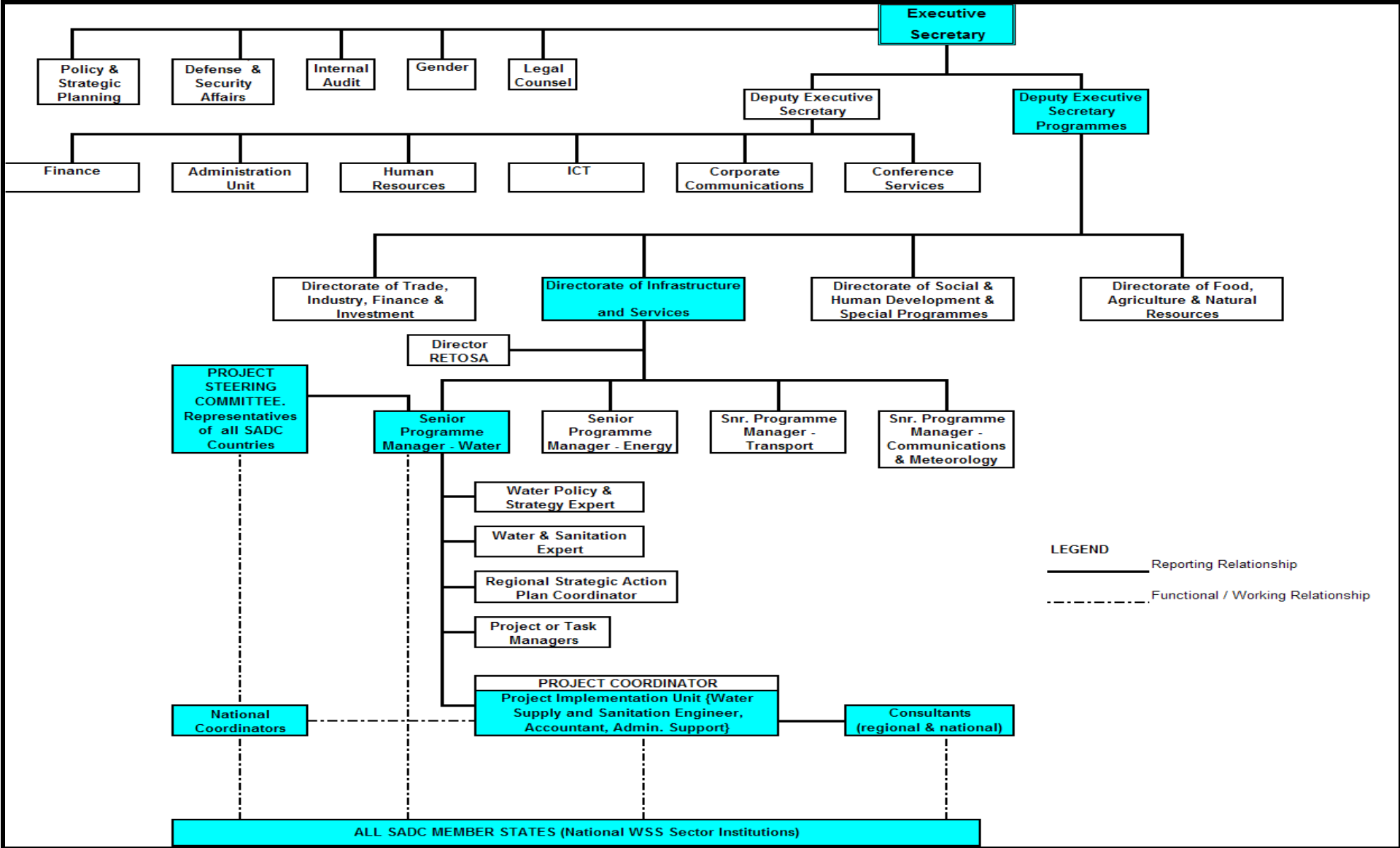
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### ANNEX 3: Cost Estimates

|          | Description  | Unit      | # Units     | Unit Rate<br>Euros | Total Cost<br>Euros |
|----------|--|-----------|-------------|--------------------|---------------------|
| <b>1</b> | <b>Project Management</b>                                    |           |             |                    |                     |
|          | Project Manager  | m-m       | 22          | 5,500              | 121,000             |
|          | Accountant   | m-m       | 22          | 2,500              | 55,000              |
|          | Short Term TA  | LS        | 1           | 18,000             | 18,000              |
|          | Secretary  | m-m       | 22          | 1,500              | 33,000              |
|          | Office Orderly/driver  | m-m       | 22          | 750                | 16,500              |
|          | Project Steering Committee                                   | LS        | 5           | 15,000             | 75,000              |
|          | <b>Total Project Management</b>                              |           |             |                    | <b>318,500</b>      |
| <b>2</b> | <b>International Consultants</b>                             |           |             |                    |                     |
|          | WSS Engineer (Team Leader)                                   | m-m       | 14          | 10,000             | 140,000             |
|          | Financial specialist   | m-m       | 8           | 10,000             | 80,000              |
|          | Economist  | m-m       | 4           | 10,000             | 40,000              |
|          | M&E Specialist   | m-m       | 8           | 10,000             | 80,000              |
|          | Institutional Development Specialist                         | m-m       | 6           | 10,000             | 60,000              |
|          | Information and Knowledge systems expert                     | m-m       | 8           | 10,000             | 80,000              |
|          | HRD Expert   | m-m       | 3           | 10,000             | 30,000              |
|          | Communications Expert  | m-m       | 3           | 10,000             | 30,000              |
|          | Sanitation and Hygiene Expert                                | m-m       | 2           | 10,000             | 20,000              |
|          | Socio-economist  | m-m       | 2           | 10,000             | 20,000              |
|          | <b>Total International Consultants</b>                       | <b>mm</b> | <b>58.0</b> |                    | <b>580,000</b>      |
| <b>3</b> | <b>National Consultants (assumed for 10 countries)</b>       |           |             |                    |                     |
|          | Financial specialist   | m-m       | 15          | 3,000              | 45,000              |
|          | WSS Engineer   | m-m       | 20          | 3,000              | 60,000              |
|          | M&E Specialist   | m-m       | 15          | 3,000              | 45,000              |
|          | Economist  | m-m       | 5           | 3,000              | 15,000              |
|          | Institutional Development Specialist                         | m-m       | 10          | 3,000              | 30,000              |
|          | HRD Expert   | m-m       | 10          | 3,000              | 30,000              |
|          | Information and Knowledge systems expert                     | m-m       | 15          | 3,000              | 45,000              |
|          | Communications Expert  | m-m       | 10          | 3,000              | 30,000              |
|          | <b>Total National Consultants</b>                            |           | <b>100</b>  |                    | <b>300,000</b>      |
| <b>4</b> | <b>Workshops and Seminars</b>                                |           |             |                    |                     |
|          | Project Launch Workshop                                      | LS        | 1           | 45,000             | 45,000              |
|          | Studies and investigation consultation & validation workshop | LS        | 1           | 45,000             | 45,000              |
|          | Consolidation consultation and review workshop               | LS        | 1           | 45,000             | 45,000              |
|          | Regional training seminars and study tours                   | LS        | 1           | 75,000             | 75,000              |
|          | Resources mobilisation round table                           | LS        | 1           | 50,000             | 50,000              |
|          | National training and consultation seminars                  | Countries | 10          | 12,000             | 120,000             |
|          | <b>Total Workshop and seminars</b>                           |           |             |                    | <b>380,000</b>      |
| <b>5</b> | <b>Travel</b>  |           |             |                    |                     |
|          | Consultants - International                                  | trip      | 20          | 1,800              | 36,000              |
|          | Consultants - Regional                                       | trip      | 30          | 600                | 18,000              |
|          | Consultants - local (country)                                | LS        | 1           | 5,000              | 5,000               |
|          | Project Management (regional and local transport)            | LS        | 1           | 30,000             | 30,000              |
|          | <b>Total Travel</b>  |           |             |                    | <b>89,000</b>       |
| <b>6</b> | <b>Perdiem and allowance</b>                                 |           |             |                    |                     |
|          | Perdiem for international consultants                        | days      | 400         | 150                | 60,000              |
|          | Perdiem for national consultants                             | days      | 300         | 100                | 30,000              |
|          | Allowance for national technical support                     | m-m       | 70          | 750                | 52,500              |
|          | Allowance for national coordination                          | m-m       | 40          | 400                | 16,000              |
|          | <b>Total Perdiem and allowances</b>                          |           |             |                    | <b>158,500</b>      |

|          |   |       |    |        |                  |
|----------|---|-------|----|--------|------------------|
|          |   |       |    |        |                  |
| <b>7</b> | <b>Office equipment and services</b>      |       |    |        |                  |
|          | Goods and services                        |       |    |        |                  |
|          | compilation of data, information and maps | LS    | 1  | 2,500  | 2,500            |
|          | Report and manuals production             | LS    | 1  | 4,000  | 4,000            |
|          |   |       |    |        |                  |
|          | Transport and office equipment            |       |    |        |                  |
|          | 4-WD Station Wagon Vehicle                | LS    | 1  | 22,500 | 22,500           |
|          | Computer + Printer                        | LS    | 4  | 2,250  | 9,000            |
|          | Laptop computer                           | LS    | 2  | 3,000  | 6,000            |
|          | Scanner                                   | LS    | 1  | 500    | 500              |
|          | Fax machine                               | LS    | 1  | 500    | 500              |
|          | Communication equipment                   | LS    | 1  | 2,000  | 2,000            |
|          | Office Furniture                          | LS    | 1  | 4,500  | 4,500            |
|          | <b>Total Equipment and services</b>       |       |    |        | <b>51,500</b>    |
| <b>8</b> | <b>Running Costs</b>                      |       |    |        |                  |
|          | Motor vehicle                             | month | 22 | 500    | 11,000           |
|          | Telephone/fax/internet/postage            | month | 22 | 800    | 17,600           |
|          | Office rentals                            | Month | 22 | 1,500  | 33,000           |
|          | Office supplies                           | month | 22 | 300    | 6,600            |
|          | O&M office equipment                      | month | 22 | 200    | 4,400            |
|          | <b>Total Running costs</b>                |       |    |        | <b>72,600</b>    |
|          |   |       |    |        |                  |
|          | <b>Total</b>                              |       |    |        | <b>1,950,100</b> |
|          | <b>Contingency (8%)</b>                   |       |    |        | <b>155,900</b>   |
|          | <b>Grand total</b>                        |       |    |        | <b>2,106,000</b> |
|          |   |       |    |        |                  |
|          | SADC Contribution                         |       |    |        |                  |
|          | Telephone/fax/internet/postage            | month | 22 | 800    | 17,600           |
|          | Office rentals                            | Month | 22 | 1,500  | 33,000           |
|          | Resources mobilisation round table        | LS    | 1  | 50,000 | 50,000           |
|          | <b>Total</b>                              |       |    |        | <b>100,600</b>   |
|          | Contingency (8%)                          |       |    |        | 8,400            |
|          | Total SADC                                |       |    |        | 109,000          |
|          |   |       |    |        |                  |
|          | <b>AWF Grant</b>                          |       |    |        | <b>1,997,000</b> |
|          | <b>% AWF Grant</b>                        |       |    |        | <b>95%</b>       |
|          | <b>% SADC Contribution</b>                |       |    |        | <b>5%</b>        |
|          |   |       |    |        |                  |

**ANNEX 4: Project Management Structure**



## **DRAFT TERMS OF REFERENCE FOR THE PROJECT STEERING COMMITTEE**

### **Purpose and Functions**

The Project Steering Committee represents the SADC Member States in the project. The purpose of the PSC is to provide policy and technical guidance in the implementation of the project. The key functions of the PSC

1. Review and approve annual work plans and budget within the framework of the financing agreement and Project Appraisal Report.
2. Review and approve progress reports
3. Review and approve project outputs (manuals, guidelines, tools, plans) and provide feedback to the consultants and/or the Project Implementation Unit.
4. Facilitate contacts with national institutions and/or individuals for access to data, information and to carry out field investigations or studies.
5. Ensure participation of national institutions and individuals in project activities.
6. Serve as platform for disseminating and sharing information.
7. Resolve conflicts or impediments through expeditious consultations with national institutions and authorities.

### **Membership**

- One senior representative from each member states WSS lead sector ministry.
- SADC Secretariat
- AMCOW-Southern Africa Secretariat in South Africa (chair)
- Other key stakeholders such GWP southern Africa.
- Project Implementation Unit (Secretary)

### **Meetings**

The PSC will meet twice annually; but the Chairperson may call an extraordinary meeting to consider any legitimate matters brought to its attention.



## **DRAFT TERMS OF REFERENCE FOR THE PROJECT MANAGER (PIU)**

### **Functions**

The Project Manager has overall responsibility for the day to day implementation of the project. The Project Manager's functions are as follows:

1. Overall technical management of the project.
2. Prepare, implement and manage the work plan as approved by the Project Steering Committee.
3. Procurement of consultants for the Project.
4. Management and oversight of the consultants engaged under the project.
5. Liaison with the SADC Member States and other related projects and organizations.
6. In consultation with the consultants and SADC Water Division, organize the consultative workshops at national and regional levels to discuss various Project outputs.
7. Dissemination of Project outputs as approved by the SADC Water Division and the PSC.
8. Prepare and conduct donors' round table on resource mobilization.
9. Prepare and submit progress and financial reports to SADC Water Division and the PSC as agreed in the work plan.
10. Support AWF project supervision missions.

### **Qualifications**

- Water Supply and Sanitation Engineer; MSc or equivalent qualification in engineering;
- Minimum 10 years post qualification experience in water and sanitation planning, design and implementation;
- Experience in project development and management, policy and institutional development;
- Regional or African experience in the water sector; experience in the SADC region would be an advantage;
- Ability to write and communicate effectively in English;
- Competency in the use of standard computer software.

## ANNEX 5: Project Implementation Schedule

| Activities   | Duration in Months |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
|--|--------------------|---|---|---|---|---|---|-------------------------------|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|---|--|--|--|--|--|--|
|  | 1                  | 2 | 3 | 4 | 5 | 6 | 7 | 8                             | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 |   |  |  |  |  |  |  |
|  | 1                  | 2 | 3 | 4 | 5 | 6 | 7 | 1                             | 2 | 3  | 4  | 1  | 2  | 3  | 4  | 5  | 6  | 1  | 2  | 3  | 4  | 5  | 1  | 2  | 3  | 4  | 5  |   |  |  |  |  |  |  |
|  | Mobilisation       |   |   |   |   |   |   | Project Implementation period |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 1.1. Grant Effective - Commencement                              | →                  |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 1.2 Recruitment of Project Manager                               | █                  |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 1.3 Procurement of consultancy services                          | █                  |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 1.4 Establishment of Regional Steering Committee                 |                    |   |   |   |   |   | → |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| <b>2.0 Inception Phase - Baseline</b>                            |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 2.1 Project Launching Workshop                                   |                    |   |   |   |   |   | → |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 2.2 Rapid situation assessment and report                        |                    |   |   |   |   |   |   | █                             | █ | █  | █  |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 2.3 Review and Validation, Regional Workshop                     |                    |   |   |   |   |   |   |                               |   |    | █  | █  |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| <b>3.0 Studies and Investigation on the Five themes</b>          |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 3.1 Assess MDG investment needs and Financing Strategies         |                    |   |   |   |   |   |   |                               |   |    |    | █  | █  | █  | █  | █  | █  |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 3.2 Institutional Assessment and Training Needs                  |                    |   |   |   |   |   |   |                               |   |    |    | █  | █  | █  | █  | █  | █  |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 3.3 Rapid assessment of M&E systems and capacities               |                    |   |   |   |   |   |   |                               |   |    |    | █  | █  | █  | █  | █  | █  |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 3.4 Compilation of existing best practices, guidelines and tools |                    |   |   |   |   |   |   |                               |   | █  | █  | █  | █  | █  | █  | █  | █  |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 3.5 WSS Baseline Assessment and Report preparation               |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    | █  | █  |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 3.6 Review and Validation, Regional Workshop                     |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    | █  |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| <b>4. Analysis, Consolidation and Development</b>                |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 4.1 Development of Financing Strategies and tools                |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    | █  | █  | █  | █  | █  | █  |    |    |    |   |  |  |  |  |  |  |
| 4.2 Institutional Models and Training Plans                      |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    | █  | █  | █  | █  | █  | █  |    |    |    |   |  |  |  |  |  |  |
| 4.3 Infrastructure Development Support                           |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    | █  | █  | █  | █  | █  | █  |    |    |    |   |  |  |  |  |  |  |
| 4.4 SADC and National Monitoring and Reporting Programme         |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    | █  | █  | █  | █  | █  | █  |    |    |    |   |  |  |  |  |  |  |
| 4.5 SADC and National IKM Systems and WSS Strategy               |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    | █  | █  | █  | █  | █  | █  |    |    |    |   |  |  |  |  |  |  |
| 4.6. Prepaeration of thematic reports                            |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    | █  | █  |    |    |    |    |    |   |  |  |  |  |  |  |
| <b>5.0 Reporting and Promotion</b>                               |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |   |  |  |  |  |  |  |
| 5.1 Preparation of Draft final reports                           |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    | █  | █  | █  | █  | █  |   |  |  |  |  |  |  |
| 5.2 Review and Validation, Regional Workshop                     |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | █  | █  |    |   |  |  |  |  |  |  |
| 5.3 Preparation and submission of final report                   |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | █  | █  |   |  |  |  |  |  |  |
| 5.4 Promotion and Dissemination                                  |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | █  | █  | █ |  |  |  |  |  |  |
| 5.5 Donors round table on resources mobilisation                 |                    |   |   |   |   |   |   |                               |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | █  | █ |  |  |  |  |  |  |