



Project evaluation: summary report

Tanzania: Water Sector Development Programme in Tanzania

Title according to the commission:	Support to the Development of the Water Sector (SWSD)
Project no.:	12.2242.1-001.00
Country/region:	Tanzania
CRS sector:	14010 (40%), 14015 (15%), 14020 (15%), 14081 (30%)
Overall objective:	Legal, organizational and institutional frame conditions in the Tanzanian water sector for enhancing access to clean drinking water and adapted sanitation facilities as well as to integrated management of the water resources considering effects of climate change for the poor population are improved.
Overall term:	03/2013 – 02/2016
Total costs:	10,000,000 EUR
Commissioning party:	German Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung – BMZ)
Lead executing agency:	Ministry of Water (MoW)
Implementing organisations (in the partner country):	Ministry of Water (MoW), Prime Minister's Office – Regional Administration and Local Government (PMO-RALG), Energy and Water Utilities Regulatory Authority (EWURA), Ministry of Health and Social Welfare (MoHSW), Ministry of Education and Vocational Training (MoEVT), Water Development and Management Institute, (WDMI)
Other participating development organisations:	none
Target groups as per the offer:	Target group of the programme is the whole Tanzanian population. Poor parts of it and especially women and girls particularly benefit from the reduction of water-borne diseases and reduced workload for water supply. As the programme mainly intervenes on the level of national water institutions, they benefit from the programme's results indirectly. Needs and interests of these target groups are taken into account in all areas of intervention of the programme.

Project description

At the start of the module, only around 50% of Tanzania's population had access to clean drinking water. The sanitation and hygiene situation was serious, too. In total only about 10% of the population had access to suitable sanitation solutions (Joint Monitoring Programme (WHO/UNICEF), 2010). The introduction of regulated water resource management, which takes account of the impact of climate change, was at an early stage in 2013.

In order to improve this situation, the Government of Tanzania had adopted the National Water Policy in 2002, which constituted the basis for a comprehensive reform of the sector. Despite new and improved institutional, legal and regulatory frameworks, the implementation of the Water Sector Development Programme (WSDP), financed mainly out of the largest basket in Sub Saharan Africa, as a whole was very slow. The institutional capacities and competences of the sector institutions were inadequate to guarantee sustainable water and sanitation services for the population (core problem).

Consequently, the module objective was as follows: The institutional capacities and competences for sustainable water and sanitation services for the population are improved.

To achieve the module objective the strategy of the GIZ-programme "Support to Development of Water Sector" (SWSD) focussed on five areas of action: (1) Water Policy, (2) Regulation, (3) Capacity Development, (4) Water and Sanitation Supply and (5) Water Resources Management (WRM). The SWSD supported the implementation of the water sector reform, the further development of regulatory instruments for urban Water Supply and Sanitation Authorities (WSSAs), the improvement in the provision of water and sanitation services in poor urban areas and climate-sensitive water resource management (WRM). Combining support to individual competencies, organizational development and strengthening of cooperation between major stakeholders in the water and sanitation sector with improvement of framework conditions, it worked at the national level, with specific measures being implemented in the geographic priority areas of German development cooperation in the sector (Babati, Mtwara) and selected regions and cities (Tanga, Korogwe, Moshi, Lake Rukwa and Lake Nyasa).

The programme's support to the "International Water Stewardship Programme" (IWaSP) was continued. IWaSP, promotes effective multi-stakeholder partnerships between civil society, private sector and governmental actors to improve the adaptability of water users to manage threats to water security. The initiative had been supported also during the previous phase of the programme.

Overall rating according to the OECD-DAC criteria:	Individual rating of the OECD-DAC criteria:
The overall rating for the programme is calculated by the arithmetic mean of the individual assessment of each OECD/DAC criterion.	<i>Relevance:</i> Level 2 – successful (12 of 16 points) <i>Effectiveness:</i> Level 3 – rather successful (10 of 16 points) <i>Impact:</i> Level 3 – rather successful (11 of 16 points) <i>Efficiency:</i> Level 2 – successful (12 of 16 points) <i>Sustainability:</i> Level 2 – successful (12 of 16 points)
The average rating results in Level 3 (' rather successful ').	

Relevance

The programme is assessed to be relevant because it addresses a core development problem faced by the target group and is in line with the relevant strategies.

The SWSD objective "The institutional capacities and competencies for sustainable drinking water and sanitation services for the population are improved" and its five indicators addressed important bottlenecks of the water sector. The programme is well aligned with major strategies and policies of the Tanzanian water sector. Its activities are embedded in the Water Sector Development Programme (WSDP) and integrated in the respective budget lines. Key partner policies and strategies promote principles, institutional mechanisms and objectives of sector development supported by the programme like Integrated Water Resources Management (IWRM) or autonomous regulation of water and sanitation services. The programme's activities are also in harmony with basic principles and policies of BMZ regarding measures to promote the IWRM approach, to facilitate the access to water and to increase emphasis on sanitation.

In line with these policies, the development measure and its policy, strategy and technical advisory services to the Water Resources Management Division (WRMD) in the Ministry of Water (MoW) and selected Basin Water Boards (BWB) promoted the implementation of the IWRM approach as the overarching guiding framework for water resources management in Tanzania. It supported the planning and coordination of the WSDP and has been particularly active to improve the performance of more than 100 Water Supply and Sanitation Authorities (WSSAs). The programme's innovative approach for WASH in schools addressed a core issue of hygiene at schools.

Gaps in the programme strategy and implementation existed concerning the access of low-income areas (LIAs) and urban poor to water and sanitation as the BMZ-Checklist on Aid Effectiveness in the Water Sector in Sub-Saharan Africa stipulates a number of criteria to improve the pro-poor orientation of water programmes. This orientation towards low cost access solutions and implementation of decentralized sanitation was not part of the programme's implementation strategy and was not sufficiently promoted by the SWSD.

The Relevance criterion is given the rating '**successful**'.

Effectiveness

Objectives indicator ¹	Target according to the offer	Current status according to the project evaluation
<p>Indicator 1: MoW (PCU) and PMO-RALG implement agreed measures for the WSDP in time. (Baseline (2012): almost no involvement of PMO-RALG in dialog mechanisms of WSDP, limited effectiveness of dialog mechanisms, missing institutionalisation of WSSAs' boards;)</p>	<p>Timeframe (transfer of resources, reporting, coordination) maintained; utility boards mandated; Water Sector Steering Committee, Capacity Development Implementation Monitoring and Regional Water Sector Meetings effective and with high ranking staff.</p>	<p>As the Programme Implementation Manual (PIM) had not yet been signed at the time of the evaluation, the timeframe of the second phase of WSDP (WSDP-II) was not yet conclusively clarified. The transfer of resources and the reporting system depend on the signing of the PIM. However, management of the WSDP-II has already been strengthened since 2014 by joint efforts of MoW and the Prime Minister's Office – Regional Administration and Local Government (PMO-RALG), and Development Partners on the one hand, and particularly due to the assignment of a Director of the Programme Coordination Unit (PCU). Improved implementation processes were registered in the WSDP, including the enhancement of communication systems and management tools. Stakeholders recognised that leadership measures supported by the GIZ-Programme "Support to the Water Sector Development in Tanzania" (SWSD) improved the coordination in the sector.</p> <p>Regarding Utility Boards, a checklist was developed and adopted to facilitate the appointment process within district and small town utilities. Regarding steering of the water sector, more frequent and effective coordination meetings of WSDP have taken place and the cooperation between MoW and PMO-RALG has been intensified. The elaboration of a Capacity Development Plan for the MoW is on-going. A high-ranking Capacity Development (CD) Committee inside the Ministry has been established to promote and to monitor this strategic process. Regional water sector meetings of high-ranking staff have also been institutionalized.</p> <p>In view of the number of change processes to which the SWSD-programme has contributed and the results already attained, the level of achievement of Indicator 1 can be rated at about 50%. As no proper baselines were available, it is difficult to estimate exactly the programme's contribution. As change processes related to the different dimensions of the indicator are making progress, it is likely that the end of the programme by February 2016 will register more achievements and that the dimensions Utility Boards mandated, Water Sector Steering Committee, Capacity Development Implementation Monitoring and Regional Water Sector Meetings of the indicator might be mostly achieved.</p>

¹The indicators do not always meet the SMART-criteria. This may limit the validity of some evaluation results.

Objectives indicator ¹	Target according to the offer	Current status according to the project evaluation
<p>Indicator 2: EWURA accepted new tariffs aiming at cost recovery of 50% of the licensed small and district utilities. (Baseline (2012): no business plans available according to guide lines for tariff application)</p>	<p>Accepted new tariffs of 50% of the licensed small and district utilities</p>	<p>The SWSD facilitated the appointment of Boards for district and small town utilities and assisted in the development of four new regulations to ensure compliance of WSSAs with regulation, quality of water and sanitation supply and adequate management. It advised the Energy and Water Utilities Regulatory Authority (EWURA) on regulations necessary to achieve cost covering tariffs and on the development and implementation of related tools. 43% of WSSAs drafted cost recovery tariffs, but only ten utilities have submitted tariff applications. EWURA has accepted new tariffs from five utilities.</p> <p>Indicator 2 will probably not completely be achieved by February 2016, because no progress is possible before adoption of the final tariff guidelines. Other challenges are the approval of business planning guidelines, the application of tariffs by utilities and capacity development for the smallest utilities to comply with the regulatory framework and to request cost-covering tariffs.</p>
<p>Indicator 3: 75 % of the utilities having participated in CD measures, including 5 utilities from 7TUUP, reduced their average commercial NRW by 25%. (Baseline (2011/12): average NRW of WSSAs 41%)</p>	<p>Reduction of commercial Non-Revenue-Water by 25% by 75 % of the utilities participating in CD measures.</p>	<p>WSSAs, which participated in CD measures, have improved their management (implementation of standard operating procedures, O&M plans, update of customer data base, collection rate, Metering Ratio). Water balances have been introduced and network plans developed. 30% of the utilities reported a declining Non-Revenue-Water (on average of 5%) and 15 District WSSAs were able to state a reduction of commercial losses.</p> <p>Indicator 3 will probably not be achieved by February 2016. Remaining challenges are the integration of a water balance and network monitoring into management routines, the identification and reduction of commercial losses as well as the establishment of an effective inspection system of EWURA in order to improve reliability of the reported data</p>
<p>Indicator 4: A coordinated (together with MoHSW, MoW, Mo-EVT, PMO-RALG) pro-poor oriented and gender sensitive concept to up-scale sanitation in urban and peri-urban areas has been presented to donors for further (co-) financing. (Baseline: only isolated solutions available, transferable financially sustainable concept not available; target: Proven and with donor agencies agreed on concept exist)</p>	<p>Concept to upscale sanitation in urban and peri-urban areas presented to donors</p>	<p>A component on hygiene and sanitation was incorporated into WSDP-II and a related technical working group was put in place. It is co-chaired by the SWSD. A Memorandum of Understanding on Sanitation as a framework for coordination between involved line ministries was signed on national level and in Moshi. An adapted 'Fit for School' approach was developed and the ministries responsible for school sanitation and hygiene agreed to implement a pilot phase of the approach. UNICEF and the SWSD committed to jointly implement it in different regions. SWSD piloted the approach in 20 schools in Moshi and Dar es Salaam. A concept suitable for up scaling will be available at the end of the test phase. Indicator 4 is unlikely to be achieved by February 2016. Remaining challenges are the development of concepts for up-scaling sanitation, especially in low-income urban areas, the financing of decentralized sanitation, the clarification of roles in the field of decentralized sanitation, as well as the enhancement of discussions on sanitation concepts in the sector.</p>

Objectives indicator ¹	Target according to the offer	Current status according to the project evaluation
Indicator 5: At least 2 instruments for climate sensitive WRM plans in 2 water basins applied. (Baseline (2012): studies on 3 water basins (Rukwa, Nyasa, Internal Drainage) available; no implementation concepts available, insufficient budgets for WRM, regulation for water fees missing)	Application of 2 instruments for climate sensitive WRM plans in 2 water basins	Two Integrated Water Resources Management and Development (IWRM+D) plans have been approved with SWSD support. The instruments the programme focused on were climate change dialogues, WRM communication strategies (including implementation plans), climate change checklist for IWRM+D plans, performance assessment framework, and improved data management. Eight climate change dialogue forums have taken place on national level and one on regional level. While two basins established communication strategies and started to implement them, MoW intends to scale up the approach to the remaining basins. The performance assessment framework (PAF) tool was applied once and the results will be fed into the development of the Sector Capacity Development Plan. It was agreed that the PAF should to be conducted before each Joint Supervision Mission of the WSDP to identify weaknesses and necessary CD measures. The established Climate change checklist still needs approval by MoW to be integrated into planning process of IWRM+D. Indicator 5 is likely to be fully achieved by February 2016. Remaining challenges are implementation of instruments in the context of IWRM and their development plans, strengthening the link between PAF and CD-plans and change processes in BWB.

Despite the fact that the SWSD has promoted many change processes with positive effects on different levels of the water sector, a considerable part of the indicators on outcome level will most probably not be achieved by the end of the programme.

However, no unintended negative impact has been reported by the monitoring system of the SWSD or by interview partners. The evaluation mission did not observe any negative results.

In light of what has been achieved and the difficult framework conditions, the Effectiveness criterion is given the rating ***‘rather successful’***.

Overarching development results (impact)

The SWSD has laid the foundation for achieving impacts on a variety of development dimensions important for the water and sanitation sector. This will help to achieve political objectives and overarching development results like sustainable management of increasingly scarce water resources and improved living conditions through good governance, efficient implementation of the WSDP and reliable services provision of WSSAs.

The development measure supported national reforms, which provide an enabling environment for taking further steps to expand access to water supply and sanitation services. Efforts of the SWSD enhanced the capacity of main players in the sector to implement the sector development programme. It supported the establishment of the regulatory framework, contributed to the intensification of cooperation between stakeholders in the sector and promoted the organizational development and increased technical and managerial competences of more than 100 water utilities. The leadership training for the MoW triggered change projects within the Ministry, which have the potential to improve its services, effectiveness and efficiency. These combined efforts and their positive results improved basic conditions for more efficient services provision by WSSAs and improved satisfaction of basic needs of the population. The recently started pilot “Fit for School” activities may have a positive impact on hygiene conditions in schools and help to eliminate a major obstacle to the school attendance of girls. The overall objective of the WSDP and the German development cooperation to serve more people with water and sanitation services has, therefore, been supported.

In the WRM sub sector, positive impacts by the SWSD can be expected on resilience, the natural environment and the protection of increasingly scarce water resources and the natural biodiversity. The SWSD built necessary capacities, developed tools, processes and procedures and established mechanisms for improved communication and cooperation in the sector. The established performance assessment framework, the climate change dialogue forums on national and regional level, improved data management systems and processes, the climate sensitivity checklist for planning exercises and the assistance to the cooperation between different line ministries are major building blocks for an effective and efficient IWRM. This will probably contribute to an improved management of increasingly scarce water resources.

Despite the progress achieved by the SWSD, its contribution to improve access to water and sanitation supply for the urban poor is still limited. This is mainly due to missing political and strategic orientations. However, the SWSD could have supported more intensively necessary financing mechanisms and low-cost solutions for the growing number of poor urban people.

The Impact criterion is rated ***‘rather successful’***.

Efficiency

The SWSD is considered to be generally successful concerning efficiency as it coordinated intensively and successfully its activities within German Development Cooperation and with other donors. It integrated its support into the national water sector programme, oriented it towards partner needs and combined it with development efforts of partner institutions to optimise overall development efficiency.

The SWSD is well integrated into existing coordination mechanisms of the water sector and Development Partners (DP). It advises the Programme Coordination Unit of the WSDP, co-chairs Technical Working Groups of the WSDP, hosts the secretariat of the Development Partners Group and takes part in the Annual Joint Sector Review Meetings. DPs appreciate the role the SWSD has been playing with regard to the coordination of DP activities and its access to high-level decision-makers in the sector (e.g. Permanent Secretary). This exposed position contributed to its influence in the sector, which went beyond its direct advisory role towards national partners and created the basis for multiplier effects.

The programme's support to the sector monitoring system "MajIs" and the Management Information System has contributed to an improved efficiency in the management of sector basket WSDP. The efficiency of the licensing process has improved due to the SWSD support, too. While the strengthening of the national regulator EWURA provided important leverage to improve the commercial performance of water utilities, the intensive capacity development support for the water and sanitation utilities improved only to a limited extent their day-to-day management.

Concerning its assistance to IWRM, the SWSD combined efficiently organizational development support at BWB level and facilitation of improved communication, coordination and cooperation between regional stakeholders in the water sector with policy and strategic advisory services at national level. With limited personal resources, good progress was achieved in various fields of support (data management, communication strategy, performance management, climate change dialogue) and ownership for necessary change processes was created.

The Efficiency criterion is given the rating **'successful'**.

Sustainability

Major sustainable changes have taken place with regard to the regulatory framework that has already positively influenced sector development and management and will certainly continue to do so in future. EWURA's position as an autonomous regulator has been fortified. The training of water utility managers and the support to networking between utilities have created a favourable environment for organizational changes on utility level. The intensified inter-sectoral dialogue on sanitation has built up a basis for joint interventions. Water and sewerage utilities were recently renamed in water and sanitation authorities. This indicates a large role to be played by utilities in the sanitation services chain in the future and may trigger further institutional changes.

The SWSD addressed existing conflicts of interests by promoting communication and cooperation on national level between MoW, PMO-RALG, MoHSW and MoEVT. Formal agreements were met and exchange and harmonisation of concepts and implementation were fostered. The cooperation between PMO-RALG and MoW has improved. The leadership programme of the SWSD has enhanced discussions and exchange between the two ministries and facilitates the clarification of roles and responsibilities. Regarding the sanitation subsector, improvements of cooperation have not yet led to a clarification of the role of water and sanitation authorities concerning infrastructure and services for decentralized sanitation. On regional level, the SWSD invested into the optimization of cooperation between the Boards of Water Basins (BWB) and representatives of local government and line ministries. It was engaged in professionalizing communication strategies in the WRM subsector and used the Regional Water Sector Meetings for the improvement of information flow and coordination of activities of the line ministries. First progress was made, but more needs to be done to prevent conflicting approaches.

Another major risk factor for water sector development was the limited capacity for planning and implementation. The SWSD increased capacities of different sector institutions for necessary change processes. In particular, it promoted capacity building and organizational changes for more than 100 water utilities. However, further risks and shortcomings particular on governance level continue to threaten efficient service delivery. Despite the programme's support to the consolidation of key regulatory processes, the regular inspections and the compliance of the utilities with reporting requirements, the regulatory impact is still limited. The inspection and enforcement system of EWURA is still too weak.

The rating for the Sustainability criterion is **'successful'**.

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