

Our water, our waste, our town

Supporting civil society to engage in urban water and sanitation reforms

6

How to take action

This section advises on how to prioritise the issues on which to act. It explains how to undertake research on the issues, how to analyse the situation and how to start lobbying and advocacy work aimed at achieving pro-poor reform. This section concludes with advice on ongoing monitoring.

How to take action

We want you to be passionate about water and sanitation reform. But in order to make a difference to the people coping with difficult water and sanitation situations in your town or city, you have to plan how you're going to take action.

This section will give you ideas of how to put together a framework for action.

Step one: Identify the issues

The first step is to identify the issues you need to tackle. You need to be able to prioritise the issues that concern you. To decide on the key issues you want to focus on, you may need to narrow down a shortlist. To do this, assess how important you think the issue is and how possible you think it will be to influence or achieve change.

To help you do this, it's a good idea to prepare a Strengths, Weaknesses

and Opportunities and Threats (SWOT) chart. This will list the strengths and weaknesses of your town's water supply system as well as the opportunities that exist to help you bring about change and the threats the water system faces. The SWOT chart summarises these issues on one page.

You can use the SWOT chart as a basis for discussions with water utility staff and other stakeholders including local communities, business groups, regulators, politicians and international finance institutions (IFIs).

For example, look at the SWOT chart overleaf, based on a hypothetical, but typical urban water system.



SWOT analysis

What are the strengths, weaknesses, opportunities and threats relating to your town or city's water supply system? Divide into two groups, one can discuss the weaknesses and opportunities and the other the strengths and threats. Spend half an hour doing this and then come together to go through ideas. Each group can then contribute to and comment on the ideas and display these in a SWOT chart.

This is something your civil society organisation (CSO) can go away and work on in more depth.

Exercise 6.1

Figure 6.1
A SWOT chart for a
hypothetical urban
water system

Strengths:	Weaknesses:
<ul style="list-style-type: none"> • Two new wells put in place five years ago increased bulk water supplies by 3% • People have mostly accepted tariffs which were increased two years ago • The community and water network is now mapped out • Some water utility staff are helpful and well-motivated • About 55% of connected households have a working meter • Two new utility offices make it easier to pay bills, report leaks and make complaints 	<ul style="list-style-type: none"> • About 40% of water used by local communities is not paid for through formal revenue systems • Only 35% of households have a piped connection • Revenues to the utility only cover salaries and electricity • 60% of poor people use unprotected water sources • There are only two members of local communities represented on the Utility Board. They are unable to convince the Board to adopt pro-poor policies • The utility has no leak detection equipment • Only 40% of customers pay their bills regularly
Opportunities:	Threats:
<ul style="list-style-type: none"> • Government has publicly committed to meet the water and sanitation Millennium Development Goals (MDGs) and has increased budget allocations to urban water • Two or three donors or IFIs have apparently visited the town and may be interested in granting or lending funds to expand the network and reform the utility • Some wealthy members of the community might invest in the utility or other water service businesses 	<ul style="list-style-type: none"> • Declining ground water levels • More boreholes will have to be drilled. Some farmers are angry and suspect that the community is taking their water • Water catchment areas don't have any trees so rain runs off the ground

Step two: Research

A reasonable understanding of water and sanitation issues in your town will help you make your case for reforms. Only with some research can you create a strong and rational argument. Ideally, you need to gain an understanding about everything from latrines and water resources to tariffs and utility governance.

Your research should be:

- Objective, not biased
- Representative of all communities who will benefit from water and sanitation reforms
- Accurate and reliable
- Methodical
- Clearly presented
- Analysed from the point of view of poor people
- Logical, easy to understand for everyone and with clear conclusions

Points to bear in mind when carrying out research:

i. Use secondary sources

Secondary sources are existing documents and data, often collated for another purpose. They should be used as much as possible because collecting “primary” data yourself presents all sorts of challenges. However, secondary data must be used with caution and verified where possible by either comparing it with other sets of data or by seeking expert assessment.

Be cautious, but professional when carrying out any primary research

(ie research your CSO does itself). It is difficult and expensive to produce good quality primary data on demographics and water use, and usually involves skills such as random sampling and statistical analysis. CSOs are often quite strong, however, in qualitative data gathering and participatory methods of data collection, perhaps more so than other agencies.

These could be used for example to produce community profiles of how people cope with their water and sanitation stresses. In view of the fact that data about poor and vulnerable people are often very weak, these topics should usually be a high priority for CSOs to invest their research resources in. Facilities – water point and latrine – mapping is another major contribution CSOs can make to the database for services in poor communities.

ii. Use your contacts

Your CSO may already have data about local communities which the government or municipality is reluctant, or indeed unable, to gather. These may include information about illegal settlements as well as location and functionality of water points or about hours of service per day in different zones.

iii. Be realistic

Information collected through focus groups with communities or local masons are great for identifying issues but they produce local information which can't be used to describe what's happening on a larger scale.

iv. Be professional

If you're going to approach government agencies, development banks, donors and universities for information, tell them what you want it for and reassure them that you will use it responsibly. It helps to know what information you have a right to obtain. Does your government have Right to Information legislation, or do international agencies you're approaching have transparency policies, which require them to divulge key information at their offices or on their website?

v. Map your community

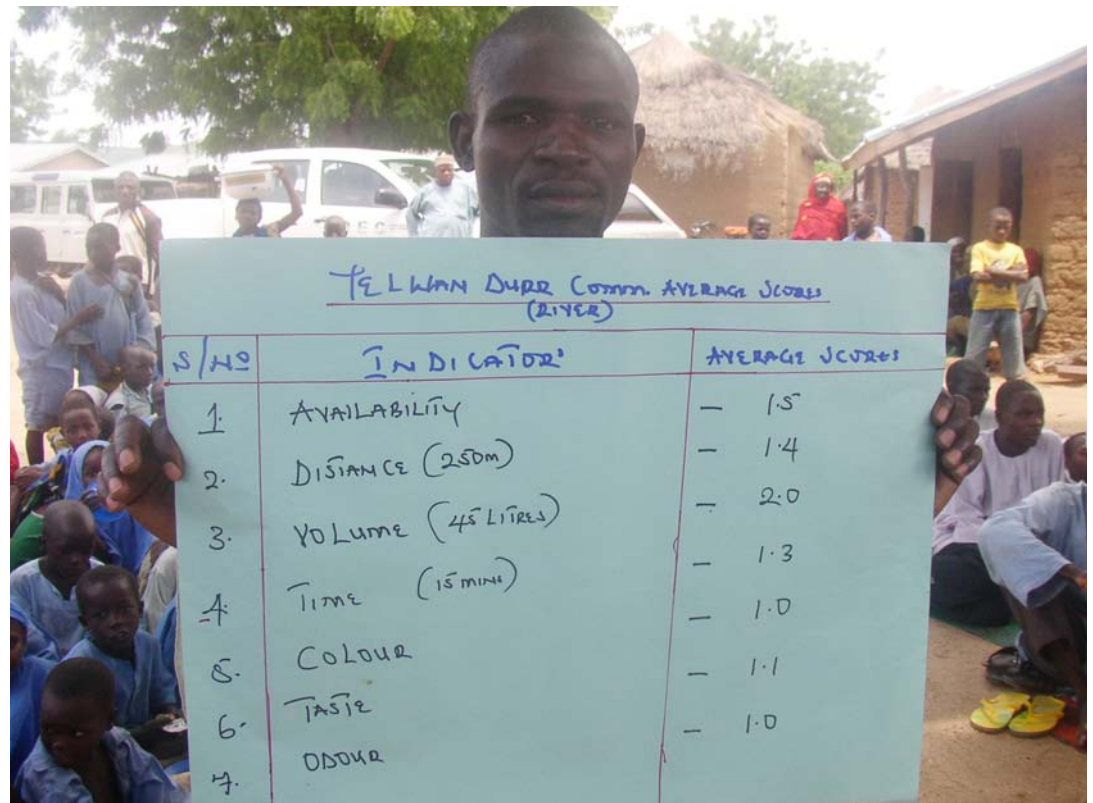
Community mapping can bring communities together in a common purpose, produce an accurate

picture of the community's features, numbers and common assets as well as providing important information for better services¹. These maps can include water outlets and distribution pipes, dwellings, roads and landmarks as well as sanitation facilities and waste disposal sites.

vi. Use Citizens' Report Cards/Community Scorecards

These are surveys in which local communities rate the performance of public utilities, such as water supply. If they already exist, use them in your research. If they don't, consider using them as a research tool².

A community scorecard in Nigeria.



¹ Community Mapping: A tool for community organising, Guidelines for WaterAid Programmes & Partners, WaterAid, 2005 (available at www.wateraid.org).

vii. Be pro-poor from the outset

We assume that CSOs approach research from a position in favour of poor people – those that have low or no incomes, don't own their home, who may be disabled or are socially excluded from decision-making processes that affect their lives. Different groups of the poor, (those connected to the water network and the non-connected, residents of formal and informal settlements) may have different interests.

- Analyse this information
- Identify why this situation exists
- Highlight which of the reasons are significant
- Clarify what seem to be the most important potential pro-poor outcomes to take action on

There is a number of ways of analysing an issue, but each attempts to do the same thing: break the issue down into smaller parts. This helps you understand the issue, its context and how you can bring about change.

Step three: Analysis

By this stage, you should have a better understanding of your town or city's water supply system. You'll know why it has not been possible to provide poor neighbourhoods with an adequate and affordable water supply or why the poor are not getting reasonable access to water. The next stages are to:

For example, consider drawing up an issue chart as shown overleaf. It takes an issue, and lists its sub-issues, consequences, causes and solutions for how to tackle it.

Whatever method you use for analysing an issue, you'll need to get used to continually asking the question 'why?'

Nepal - Research in Kathmandu

In Kathmandu in Nepal, NGOs prepared a research document describing the water and sanitation situation of slum and squatter communities and analysing the barriers they faced to better services.

Subsequently, they also mapped the water network system in all 135 wards, including the location of unconnected poor households. This research was used to identify neighbourhoods that could be connected to nearby pipes at relatively low cost. The maps helped everyone understand the scale of the task to expand connectivity.

The total cost of these two surveys was about US \$50,000.

Case study 6.1

² Find out more about Community Scorecards and Citizens' Report Card in WaterAid's report *Stepping into action* at www.wateraid.org/citizensaction

Figure 6.2
An issue chart

Issue: There is very low access to drinking water in unplanned neighbourhoods of our town			
Sub-issues:	Consequences:	Causes:	Solutions:
The water network does not extend outside planned areas	Public tapstands are located only on the edge of planned areas; residents spend hours collecting water every day because of long distances and queues Residents collect unsafe water from other sources	The utility says it has no resources available for network extension Revenues paid to the utility are too low for it to be able to pay all operating costs Massive outstanding debts by some government departments Only 40% of customers pay their bill regularly	Develop a business plan for 12 water kiosks to be supplied by the water network Develop scenarios for different tariff levels and calculate what is required to recover costs of water kiosk expansion Publicise debts and challenge government departments to pay up Develop a record of all the customers and a revenue collection plan Seek grant/loan from government and IFIs.

On their own, statistics don't have much power. Their significance becomes clearer when compared with another statistic or point in time. For example, saying 20% of poor people have a water connection does not have much impact. We only gain a sense of what this means by comparing it to other towns, to the

connection levels of richer people, to government targets, or what the situation was 10 years ago.

Working out the following ratios and comparisons could help you form a convincing argument for change.

i. Subsidy and tariff by monthly consumption

Calculate the tariff paid, the actual cost and the subsidy for three different types of people in your local community. One should have a high water consumption (20,000 litres a month), the other a medium level (10,000 litres a month) and the third, none at all (zero litres per month).

ii. Monthly payments

Compare monthly water payments for:

- People served by piped water supplies
- People served by other means. For example, from water vendors and unprotected sources

iii. Staffing ratio

For every thousand water connections in your local town or city, how many water utility staff members are there? An efficient utility has around four to eight staff per thousand connections. Compare the utility with similar sized ones by type. For instance, compare those only producing bulk water, those only involved in water distribution or those producing bulk water and distributing across certain sized networks or populations. To help you work this out, use the water utility benchmarking data available at www.IB-NET.org

iv. Water supplies for the poorest

How do the poorest X% of your town or city get their water? What do they pay? How do they cope with

inadequate service? How does the total cost per litre of water paid by poor people and the volumes they consume compare with the situation of the non-poor?

v. Connection charges and monthly tariffs compared with average wages

Work out the ratio of connection charges to the average wage to give an indication of why it may never be possible for the poor to purchase water from, or be connected to, the formal network – even if they want to. Estimate the number of months or years poor households may have to save to be able to get a connection.

vi. Demand versus supply

Work out the ratio of demand for water from local residents to the water supplied from authorised water sources.

vii. Utility efficiency ratios

Such as:

1. **Bill collection efficiency** – revenue collected as a percentage of bills issued
2. **Operating ratio** – operating expenses as a percentage of revenue

viii. Unit costs of production versus tariff blocks

How do marginal and average costs of producing water (per cubic metre) compare to tariff levels per cubic metre?

ix. Expansion of connections

Compare the annual number of new connections or people reached by a new connection with the increase in total population size in the same year.

Step four: Lobbying and advocacy

i. Start from the beginning

If CSOs wait for outsiders to launch water reforms, it could mean condemning millions of people to years without access to adequate water supplies. A good place to start is by describing the problem in your town or city, analysing its causes and making proposals to improve the situation. Use this manual to understand and analyse the water and sanitation situation in your town or city and to take action to improve it.

ii. Work with the media

Your local newspaper and regional radio and television stations are always looking for human-interest stories and ideas for improving the lives of readers, viewers and listeners. Contact journalists to tell them about any startling statistics your research reveals or people's stories about how their lives are affected by a lack of access to water and sanitation. Put together a press release or a media briefing which explains the issues. Then invite journalists on an escorted tour to meet residents of your local community. This will give them the resources to write an accurate and powerful story.

iii. Establish a good working relationship with government

CSOs can offer governments access to information and resources which they may not have. You can document how poor water and sanitation situations affect communities; provide criticism of the current situation and suggest ways to make things better; challenge any lack of transparency; and make it clear you share similar aims to improve the well-being of local communities.

iv. Research ways to fund reform efforts

At some point you may need more funds to pay for your efforts to stimulate, support or monitor reforms. Contact local societies or associations that could be open to supporting your activities if you explain that your aim is to improve the water or sanitation infrastructure for many people in the long term. There may also be international NGOs and embassies that may have a fund to provide small grants to activities which benefit local communities.

v. Obtain key documents

Certain key documents will be prepared during the reform process by the government or municipality and all of them will have implications for the extent to which the water situation of poor communities is reformed. All or some of these should be available to the public.

Box 6.1 - Some key documents during the reform process

- **Requests for Proposals (RFP)**
These outline contractors' tasks as set out by government.
- **Bid documents (tenders)**
The contractors' response to RFP. They are quotes for how much the tasks set out by government will cost.
- **Contract**
A legally binding agreement between the contractor and government that spells out what has to be done, by whom, when, how much it will cost and what results have to be achieved.
- **Project Appraisal Document (PAD)**
A technical assessment of all aspects of a proposed project prepared before a loan or grant is approved by an IFI or donor.
- **Project Information Document (PID)**
A summary of the proposed project which is available to the public from an IFI office or on their website.
- **Terms of Reference (ToR)**
A statement detailing what services a contractor is supposed to perform, the processes and schedule they should follow and outputs to be produced. It's often summarised in the contract and included in full in its annex.

Step five: Publicising and monitoring the reform

The reform process will take years and will involve many meetings, proposals and discussion. CSOs need to monitor reforms as well as their own efforts to influence the reform process.



Checklist 6.1

What CSOs can do to publicise and monitor reform

- ✓ Ensure communities understand what is being proposed by government, the water utility or IFIs, and the costs and benefits
- ✓ Summarise the proposals
- ✓ Develop alternative options for reform – assess the merits of these on key tests such as feasibility, affordability and efficiency
- ✓ Translate these summaries into local languages
- ✓ Hold public information sessions
- ✓ Use the media to help communities organise and feed back their questions and concerns to government
- ✓ Organise forums with everyone from local community to leaders to government representatives
- ✓ Meet with other local community groups to review what they are doing, the results of their activities and what can be done better



Checklist 6.2

Questions CSOs can ask to critically examine the reform proposals

- Q Has the World Bank, or others pushing for reforms, attempted to assess how changes to the current water system could impact on the poor?
- Q Does government policy make it clear that extending service to the poor is a priority?
- Q Has data been collected on the numbers of poor people living in your town or city, their location, current water usage



Checklist 6.2 (continued)

patterns and ability to pay? Are assumptions being made about the concerns or needs of the poor without adequate research?

- Q** Is the delivery of water services pro-poor?
- Q** Are those delivering the water services contracted to serve the poor well by being monitored on their performance, given incentives and reliable sources of funding? For example, do government plans include funds specifically earmarked to finance new connections for the poor?
- Q** Is the operator required to provide special support to poor consumers (through specialised staff or a dedicated poverty unit), provide low-cost connections, expand the network into poor areas, or build and supply standposts?
- Q** Are all key documents publicly available? Have you made use of Right to Information legislation and transparency policies?
- Q** Are any pilot projects planned as part of the reforms? If so, make sure that they are in areas where the poor live
- Q** Have poor people been included in the contract or investment plans?
- Q** Are there plans to serve poor people living in informal settlements as well as formal settlements?
- Q** Is the operator encouraged or forbidden to serve people living in informal settlements?
- Q** If the private sector will be involved in delivering the water system, which operators are on the short list? What is their record of serving the poor elsewhere under similar contracts?
- Q** While long-term reforms take place, are there any arrangements to improve services for the poor more rapidly through approved interim measures which the operator is responsible for?

- Q Is there a reasonable timeline for expansion plans?
- Q Are there incentives for the operator to think of new ways to offer low-cost service alternatives? Are there any obstacles in the operator's contract to this?
- Q Does the tariff structure complement the type of contract that has been chosen, or does it create disincentives to serve the poor?
- Q Will the operator be encouraged and allowed to work with small scale independent providers (SSIPs)?
- Q Will the operator be encouraged to work with CSOs?
- Q How can CSOs be involved in monitoring and evaluation?
- Q How will the relevant legal authorities, such as local government, work with members of local communities?
- Q Under new institutional arrangements who will have the authority for raising tariffs? How will poor people be included in these decisions?

Exercise 6.2



Publicising reform

Divide into groups of four. Each group should brainstorm ideas of how to get a story about the reform of the town or city's water utility into the media. Depending on where you are in the reform process, this could be about the need for reforms or on proposed reforms. Is there someone in your local area who is affected by poor access to water and sanitation who would be happy to talk to the media? What media outlet would you approach? How would you approach them? Take half an hour to do this and then come back to the group to share your ideas.

By now you should...

- Have identified the issues you want to take action on
- Have researched the issues you want to take action on
- Have analysed this information to identify why the poor water and sanitation situation exists
- Be able to think of ways to lobby for water reforms and have an advocacy plan of action in mind
- Know how to monitor reforms



Recap

In the next chapter you will...

Learn why it's important to work with donors and international financial institutions

Our water, our waste, our town

Supporting civil society to engage in urban water and sanitation reforms

7

Working with financial institutions

This section explains the role international finance institutions (IFIs) play in urban water and sanitation reform. It outlines the challenges of working with IFIs, summarises the World Bank's project cycle and suggests actions CSOs can take at each stage of the cycle.

Working with financial institutions

Part one: Why civil society organisations need to work with financial institutions

Urban water and sanitation reforms work best when civil society organisations (CSOs) liaise with many different partners, particularly citizens and local politicians. The most important partners are often international finance institutions (IFIs). They provide financial support and knowledge for reforms.

Development banks often urge countries to reform their water sectors

as a condition for loans. Governments may have asked the banks to finance investments or reforms or the banks may simply want to let the country know that funds are available for this purpose. The banks may request that steps are taken to ensure the money they invest is used as effectively as possible.

This section will help CSOs to get a thorough understanding of IFIs suggest ways of working with them.

Part two: Conditions of lending from financial institutions

If, for example, a city needs more bulk water, and this can be obtained through an expensive pipeline, an IFI may be prepared to lend the money to pay for that pipeline.

In poor countries, the World Bank lends this money at ‘concessional’ rates (low or no interest and long repayment periods) through the International Development Association (IDA). Before granting the loan, the Bank investigates whether this is an efficient use of funds.

If the water distribution system in the city leaks because of its age or poor

maintenance, the newly produced bulk water will be wasted once it enters the system.

These issues would be revealed by an IFI study. They would suggest that it might not be a good investment. The IFI will usually propose a series of conditions to improve the situation overall which, if implemented, would meet their requirements to be able to offer funds. Conditions could include:

- Passing legislation to make the utility more autonomous
- Making the utility more accountable through the creation of new institutions such as an Asset Holding Company to manage assets and investments,

- an operator to manage the water delivery system and a regulator to help set tariffs
 - Revising tariff levels and structure to bring the utility ‘closer’ to financial independence by ensuring it recovers costs and that all members of society can afford a minimum amount of water
 - Engaging a private company to manage parts of the water distribution system such as billing and revenue collection
 - Restructuring of the public utility – a ‘turn-around’ that improves levels of service, internal culture and customer service ethics
 - Creating performance contracts between public agencies (government and public utility) or customer charters spelling out how the relationship with the operator and its customers will work
 - Putting in place a leak detection and repair system
 - Introducing metering to generate information about how the system is used and encourage careful use of water at critical points in the network and by consumers
-

Part three: Challenges of working with IFIs

i. A difference of opinion

IFIs argue that conditions like those outlined in part two are necessary prerequisites to ensure that investment is used for its agreed purpose and not wasted. CSOs argue that some of these detailed steps limit the powers of the borrowing government and have been used as a way of making it easier for the international private sector to take over water and sanitation reforms. There is a long history of CSOs disagreeing, and coming into conflict with governments and IFIs over such issues.

ii. Assumptions made by IFIs

During the 1990s, and early parts

of this century, some IFIs assumed that only private operators can improve water and sanitation performance. However, some spectacular failures have set back reforms and investments by years. This has relaxed IFIs’ position on using the international private sector. Meanwhile, the multinationals’ interest in the sector has dwindled. In recent years more attention has been paid to assessing how public utility reforms can be achieved and what are logical roles for the private sector.

iii. Favouring multinationals

When multinational private operators work in developing countries they can benefit from profits, huge contract fees and generous bonuses. This means there are fewer opportunities

to develop local expertise. Loans and revenues that could have been reinvested in the local economy become part of the international private sector's profit and are sent overseas.

iv. Lack of support

IFIs have, in the past, given inadequate attention and support to documenting and promoting how well-performing public utilities have improved their operations.

What CSOs can do to improve IFIs' conditions

- ✓ Assess the extent to which conditions remove responsibility from the government – which has ultimate responsibility for economic and social development, including water sector policy and strategy – and transfer or open it to the IFI's influence above citizens' concerns
- ✓ Demand a public debate and discussion over the volume, terms and conditions attached to IFI financing
- ✓ Assess the reform options being proposed. Are they designed to ensure water delivery to and affordability for the poorest of the poor?



Checklist 7.1



Challenges of working with IFIs

Can you think of any other challenges to working with IFIs which aren't mentioned above? Brainstorm ideas for 10 minutes.

Exercise 7.1

Part four: The eight steps in the World Bank Project Cycle

The World Bank is the oldest and largest IFI.

When the World Bank works with a country with the aim of reforming a

sector and investing in it, it follows a series of eight steps. Each of these provides an opportunity for CSOs to have their say.

We have outlined these steps here because they are often a model for other IFIs, including the African and Asian Development Banks.

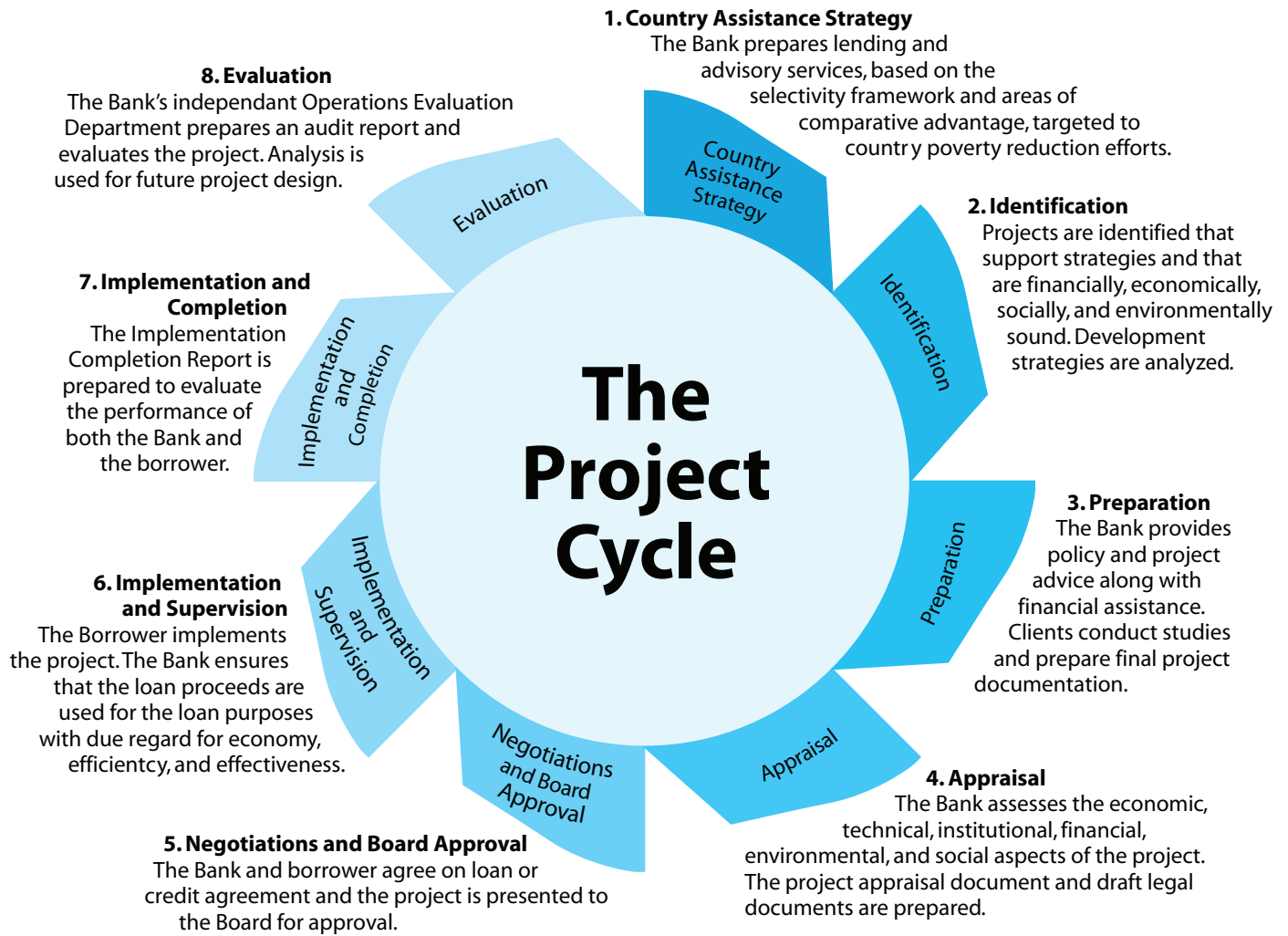


Figure 7.1
The World Bank project cycle
Source: <http://web.worldbank.org>

Phase one: Steps 1 – 3

1. The Country Assistance Strategy (CAS)

The CAS sets out the World Bank’s plans for working with a country based on an assessment of its development priorities. It is prepared every three to five years. The World Bank explains where it is willing to invest money. This may or may not include water services. If it does, the Bank will examine options for reform with government. This is more likely to happen if water and sanitation feature in the country’s Poverty

Reduction Strategy Paper (PRSP). Countries that have indicated a willingness to adopt a public-private partnership approach to investment decisions in their PRSP are more likely to receive such investments.

2. Identification

The World Bank identifies the best way to go about reforming the particular sector they may fund. For water services, this could mean considering private sector participation. The Bank may commission studies to determine the strengths and weaknesses of

the current system.

3. Preparation

The World Bank provides policy and project advice and presents loan options, based on any

studies that have been conducted or research undertaken. At this point, the World Bank has made no commitment to finance a project.

What CSOs can do to help in the early steps of the World Bank project cycle



Checklist 7.2

- ✓ A CAS is prepared through a consultative process. But often these consultations are not as open as CSOs would hope. Prepare as much as possible for these consultations and work with other CSOs to monitor the process and influence the content and direction of the final document
- ✓ Find out if World Bank studies are taking place in your country. Use suitable opportunities, such as sector meetings, public consultations and meetings with government or utility officials, to find out about and try to influence them
- ✓ Ensure World Bank studies are pro-poor; that they examine the impact of proposed reforms on the poor, options for serving the poor, and plans for consumer representation
- ✓ Press for transparency and consultation

- In Ghana and Ukraine, CSOs were critical of the procedures involved in the awards of contracts to international water companies.
- In Delhi, CSOs criticised the process of selecting of an international consultancy firm to oversee the water reform process.

Case studies
of CSOs
criticising
reform

Phase two: Steps 4 - 5

At this stage, the World Bank has agreed a course of action with the government and starts the process of preparing a project to be financed by a loan. Engineers, lawyers, legislative experts and economists employed by the World Bank visit the country concerned. They offer opinions to government on what investment is needed, what changes need to be made to legislation, what new institutions should be established, and which existing ones should be changed. This team will sometimes, but not always, include someone responsible for designing services for the poor.

4. **Appraisal**

All of the above research will culminate with the drafting of an appraisal document. At the World Bank, this is called a Project Appraisal Document (PAD). This 50 to 100 page document will be used to present the project to senior management of the IFI. It's a long and technical document with many annexes.

The appraisal usually contains a section outlining a Social Assessment of the proposed project. This section, and sometimes an accompanying annex, should include options for serving the poor. The IFI team should also describe their consultation and how poor people have been involved in the project. The quality of this section will vary according to the knowledge, resources and commitment of the team.

5. **Approval**

Once the PAD is complete it is reviewed by World Bank staff, and sent to the World Bank Board for Approval. Only after the project has been approved is the PAD made public. PADs for about 2,000 projects are available on the World Bank website, under Projects and Operations. After the PAD has been approved, detailed loan negotiations then take place between the World Bank and the government.



Checklist 7.3

What CSOs can do when interacting with IFIs

- ✓ Offer assistance to the World Bank or IFI team to address issues of serving the poor. Team members may lack the time, funds or expertise to adequately determine the needs of the poor or develop options for serving them. They may welcome your assistance. You'll be able to influence the project and the PAD – the document that serves as the 'negotiated contract' for the project between the government and the IFI.

Clarify at the outset:

1. That you expect to be a partner, be consulted and actively participate in key decision-making processes
 2. That you do or do not necessarily agree with the strategy adopted but you will seek to influence the design of the reform and to try and improve any features which are not pro-poor
 3. That you wish to understand the process better and that your unfamiliarity with it cannot be used as an excuse to exclude you
 4. That your organisation or NGO alliance has constraints (you may not be able to meet tight deadlines because you're working on many other things and you will not be bound by confidentiality - you have a duty to consult and report to the groups of people you represent)
- ✓ Remember that IFI teams are more used to working with companies and consultants who do not need to consult members of the public
 - ✓ Be clear that as a CSO, you cannot be treated as a contractor, and be honest about your constraints. Ask to have the process and timelines explained to you
 - ✓ Use Right to Information legislation to get information from government on World Bank projects
 - ✓ Approach the World Bank to find out about any projects your country/town/city might be involved in. Their transparency and access to information rules often provide for more openness than the host country
 - ✓ Visit the World Bank's Public Information Centre in your country
 - ✓ Go to the World Bank website. It contains information on all projects that are being considered or are active

- ✓ **Meet with World Bank teams or country directors. An alliance of CSOs always has a better chance of obtaining a meeting, and an invitation to talk about and explain the project is more welcome than a summons to defend it**
-

Case studies of CSOs working with the World Bank

- In Nigeria, the World Bank is working with CSOs to reform water services in Lagos. CSOs are working on a customer feedback scheme and are contracted under a component of the World Bank loan.
- In India, a retired civil servant, working with an umbrella NGO alliance called Delhi Right to Water Group, used the Right to Information Act to obtain more information about a project funded by the World Bank.

An international accounting company was chosen to be consultants to Delhi Water Board in the process leading up to reform of the service and the possible privatisation of part of it. The World Bank was alleged to have influenced the selection of the accounting company. The NGO alliance pushed for a court case which ordered this disclosure. Opposition to the proposals grew and they were withdrawn under threat of public protests such as payment strikes.

Phase three: Steps 6 – 8

6. **Implementation and supervision**

The project gets underway. The World Bank monitors the project using its national and international staff and provides ongoing support to government.

7. **Implementation and completion**

The Bank prepares an implementation completion report to evaluate the performance of itself and the borrower.

8. **Evaluation**

The Bank's Independent Evaluation Group (IEG) within the World Bank, prepares an audit report and evaluates the project.

Analysis is used for future project design. But the evaluation of a project's impact on poverty reduction, particularly for water and sanitation investments, is mostly overlooked.

What CSOs can do to ensure the implementation and monitoring of IFIs' projects are pro-poor



Checklist 7.4

- ✓ Work with the IFI. Once the project is designed it is implemented by government and not the IFI, which may be reluctant to respond to issues of concern raised by CSOs. But IFIs do continue to monitor and direct project implementation. When this happens – usually every six months – CSOs may meet with IFI representatives, or even try to become part of the evaluation team, usually led by the project's task team leader
- ✓ Become familiar with the appraisal document. This will allow you to monitor whether the project is being implemented as planned
- ✓ Become familiar with performance agreements and contracts that are part of the conditions of the loan. This will help CSOs to see whether their terms are being met
- ✓ Get involved in the eight stage process early. It is important to get involved before step four, preferably at step two or even one. Components of the project may well be re-considered and re-designed, so even if service to the poor or consumer representation were poorly conceived at the outset, there are still opportunities to bring about changes. But being pro-poor from the outset is much better
- ✓ Get involved in the evaluation of Bank-supported projects. It is much more useful when locally-based individuals or groups evaluate the impact of a project than an external evaluator who is unfamiliar with the local environment. Focus should be on the impact the project has on the poor

Exercise 7.2



World Bank Project Cycle

Divide the workshop group into three. Each group should take one of the three stages of the eight-step World Bank Project Cycle. Think about ways your CSO could get involved in the processes in that stage. When the time is up, come back to the main group and share your ideas by nominating spokespeople to write them on a flipchart.



Recap

By now you should...

- Understand why it is important to work with financial institutions
- Be aware of the conditions and challenges of working with financial institutions
- Have an understanding of the eight steps in the World Bank Project Cycle