

ACP–EU Water Facility – Partnerships Initiative

By

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Executive Summary

In 2010 the European Commission earmarked €40 million of the ACP-EU Water Facility to support water partnership projects in African, Caribbean and Pacific (ACP) countries. The aim of this programme – the ACP-EU Water Partnerships initiative – is to contribute to improving water governance and management of water resources and to the sustainable development and maintenance of water infrastructure. It does this by funding not-for-profit partnerships for capacity development between ACP and EU water and sanitation utilities, local authorities and other water sector organisations. This paper evaluates the expected impact of ACP-EU Water Partnerships, and comparatively evaluates the ACP-EU Water Partnerships initiative and other international programmes of not-for-profit partnerships for capacity development in the water and sanitation sector. The rationale for this evaluation is to offer lessons for the international water community on fostering the achievement of a critical mass of capacity as a precondition to achieving sustainable water development.

The ACP-EU Water Partnerships initiative funds capacity development activities on themes which include good water governance, integrated water resources management, and expanding access to the poor among others. Grants awarded by the European Commission's ACP-EU Water Facility range from €250,000 to €1 million, and do not exceed 75% of the total eligible cost of the action. The duration of actions funded by the ACP-EU Water Facility is between 24 and 60 months. The Restricted Call for Proposals provided for the competitive selection of applications. The evaluation criteria requested applicants to: show how they intended to achieve mandatory results that would be maintained as permanent assets of the beneficiary partners; show how their proposal would contribute to implementing national water and sanitation strategies and programmes. Applicants were encouraged to actively involve local Non State Actors as supporting partners. Consideration was given for establishing synergies with other capacity development initiatives and avoiding duplication. Applicants were also expected to generate a multiplier effect as a result of replication and/or scaling-up within the country/region. To guarantee the realisation of expected impact, applicants were requested to accurately describe the procedures for internal/external evaluation during execution of the action.

At the end of 2011, the ACP-EU Water Facility awarded grants totalling €23million to 32 projects, which mobilised €31.9 million. The expected impact of ACP-EU Water Partnerships is significant as it consists in millions of people benefitting from capacity development and improvements in key areas for sustainable water development. Highlights of the expected impact include: 20.5 million people benefitting from expanded access to the poor in water supply; 12 million people benefitting both from improved efficiency in management and system maintenance in sanitation; 105.4 million people benefitting from improved integrated water resources management. The realisation of expected results depends on the alignment of the institutional characteristics of successful applications to the achievement of a critical mass of capacity in the targeted impact areas. This alignment is strong as most projects: offer ample opportunities for capacity absorption as a result of their duration; mobilise over €1 million to sustain their activities; both contribute to the implementation of national water and sanitation programs and strategies, and pursue synergies with other capacity development initiatives; adopt no less than three diverse approaches to ensuring that mandatory results are maintained as permanent assets of beneficiary partners; adopt two or more approaches to obtain replication and scaling-up; and, envisage the adoption of both internal and external monitoring and evaluation procedures.

This report compares the ACP-EU Water Partnerships initiative with the regional platforms for Water Operators' Partnerships (WOPs): WOP-Africa; WOP-LAC (Latin America and the Caribbean); WaterLinks (Asia and Pacific); and, WOP-SEE (South-East Europe). Compared to the regional WOP platforms, ACP-EU Water Partnerships address a higher percentage of themes related to water governance and sustainable development and mobilise a greater amount of financial resources. We find that ACP-EU Water Partnerships aim more systematically at achieving mandatory and permanent results, and at replicating and up-scaling project results. Also, the extent of Non State Actor involvement in ACP-EU Water Partnerships finds no equal in regional WOPs. Conversely, the South-South component of ACP-EU Water Partnerships is inferior to that of regional WOPs.

This comparative analysis informs our SWOT analysis (strength, weaknesses, opportunities, and threats) of the ACP-EU Water Partnerships initiative. The findings of our SWOT analysis are the following. Strengths: the significant financial resources made available for ACP-EU Water Partnerships enable the production of a tangible impact which is not paralleled by other programmes; the selection of ACP-EU Water Partnerships has been informed by a coherent evaluation framework specifically aimed at achieving a critical mass of capacity; Non State Actor involvement in ACP-EU Water Partnerships finds no equal in regional WOP platforms.

Weaknesses: considering the scale of the need in ACP countries, it is unlikely that the timeframe of the ACP-EU Water Partnerships will allow this initiative alone to achieve a critical mass of capacity; the funds allocated to the financing of ACP-EU Water Partnerships are about half the budget approved for the same initiative, preventing the realisation of its full developmental potential; the limited South-South component of ACP-EU Water Partnerships might lead to difficulties in knowledge transfer due to the cultural barriers between ACP and EU partners.

Opportunities: the available not-for-profit capacity in the water and sanitation sector is far greater than what has been mobilised by the ACP-EU Water Partnerships; water and sanitation utilities and other stakeholders are increasingly showing interest in participating in not-for-profit partnerships for capacity development; there is a growing interest among donors in supporting not-for-profit partnerships for capacity development in the water and sanitation sector.

Threats: due to the scale of the need, it is unlikely that the financial resources made available to ACP-EU Water Partnerships will be sufficient to achieve a critical mass of capacity; donors' commitment to fund not-for-profit partnerships could deteriorate, leading to reduced resources and greater obstacles to the achievement of a critical mass of capacity in the water and sanitation sector.

The ACP-EU Water Partnerships initiative is a distinctively innovative attempt to develop capacity in the water and sanitation sector. The innovation of ACP-EU Water Partnerships consists in the alignment of significant financial resources and a coherent evaluation framework aimed at achieving a critical mass of capacity in the water and sanitation sector. Significant financial resources enable the implementation of actions allowing millions to benefit from improved water and sanitation services and improved water resources management. Significant financial resources also allow for a duration of actions which facilitates the absorption of capacity by beneficiary partners. The actions made possible by the allocated financial resources are directed by the eligibility criteria to address a wide range of themes – including good water governance as well as traditional operational and managerial issues – with the active involvement of local Non State Actors. These actions are also directed by the evaluation criteria to generate a sense of ownership among national governments due to the contribution to the implementation of national strategies, to produce tangible and sustained results for beneficiary partners, and to replicate and up-scale local capacity development processes. The evaluation and monitoring procedures envisaged for the funded ACP-EU Water Partnerships are a credible guarantee for the translation of expected results into reality.

In light of our findings, we offer the following policy recommendations. Significant financial resources should be made available to international programmes supporting not-for-profit partnerships for capacity development. These financial resources should be commensurate to the scale of the need across transition and developing countries, and made available for the time required to meet such a challenging goal as attaining a critical mass of capacity. Strategies should be devised for the effective deployment of the financial resources made available through budget lines, so that concrete actions can be undertaken for capacity development. Finally, international programmes supporting not-for-profit partnerships for capacity development should be designed as open and continued opportunities for learning on developing capacity for sustainable water development. Adequately resourced mechanisms should be adopted for sharing lessons on the merits of the institutional features of different programmes, and on the merits of the intervention strategies adopted by different not-for-profit partnerships.

1. Introduction

In 2010 the European Commission earmarked €40 million of the ACP-EU Water Facility to support water partnership projects in African, Caribbean and Pacific (ACP) countries. The aim of this programme – also known as the ACP-EU Water Partnerships initiative – is to “contribute to improving water governance and management of water resources and to the sustainable development and maintenance of water infrastructure”. This is because lack of capacity in the ACP water and sanitation sector has been identified as a barrier to achieving the Millennium Development Goals (MDGs) for drinking water and sanitation: to halve by 2015 the proportion of people without sustainable access to safe drinking water and basic sanitation.¹

The ACP-EU Water Partnerships initiative is a distinctively innovative attempt to mobilise the available not-for-profit capacity in the ACP-EU water and sanitation sector. It does this by funding not-for-profit partnerships for capacity development between ACP and EU water and sanitation utilities, local authorities and other water sector organisations. The ACP-EU Water Partnerships initiative represents an innovation in capacity development due to its institutional features related to the availability of resources, eligibility criteria including the focus of eligible actions, and the rules of the selection procedure. This combination of institutional features deserves the attention of the international water community as it allows for a significant developmental impact in a region where progress towards meeting MDG targets for water and sanitation has been limited to date.

The aim of this paper is twofold. First, it aims to evaluate the expected tangible impact of the approved ACP-EU Water Partnerships. The expected impact is assessed in light of the actions identified by the project proposals and the population that is expected to benefit from these actions. It should be noted that we cannot yet provide an assessment of the results produced by the selected ACP-EU Water Partnerships as these have not become operational. Second, the paper aims to make a comparative evaluation between the ACP-EU Water Partnerships initiative and other international programmes of not-for-profit partnerships for capacity development in the water sector. The rationale for this comparative evaluation is to offer lessons for the international water community on fostering the achievement of a critical mass of capacity as a precondition to achieving sustainable water development.

The following second section introduces the notion of critical mass of capacity as the fundamental objective of capacity development and thus of the ACP-EU Water Partnerships initiative. Section 3 outlines the institutional features of the ACP-EU Water Partnerships initiative, particularly as regards the eligibility criteria and the rules governing the selection procedure. This is followed by an overview of the selected ACP-EU Water Partnerships in section 4. Section 5 looks at the expected impact of the actions to be implemented by the selected partnerships, which is assessed in terms of the population expected to benefit from the actions in different thematic areas. The ensuing section analyses the strategies adopted by the selected partnership projects to produce a tangible impact, achieve mandatory and permanent results, replicate and upscale capacity development processes at national or regional level, and carry out the internal and external monitoring and evaluation of project results. Section 7 sketches the institutional features of other international programmes of not-for-profit partnerships for capacity development in the water and sanitation sector, so as to enable a comparative analysis of the ACP-EU Water Partnerships initiative and these other programmes. Section 8 contains a first comparative analysis of the ACP-EU Water Partnerships initiative and other international programmes of not-for-profit partnerships for capacity development. This evaluation is concerned with the scope and breadth of the activity of the compared international programmes, resource mobilisation by and the institutional characteristics of these international programmes. This comparative analysis supports our SWOT analysis (strength, weaknesses, opportunities, and threats) of the ACP-EU Water Partnerships initiative, which we develop in Section 9 in order to formulate policy recommendations on supporting not-for-profit partnerships for capacity development in the water and sanitation sector. These recommendations are offered in the tenth and final section together with concluding remarks.

2. Sustainable water development and critical mass of capacity

Sustainable development is the goal of Integrated Urban Water Management and good water governance.² It consists of economic development in association with equity within generations and equity between generations, and in consideration of the environmental limits faced by society.³ The objectives of sustainable water development are long-term and vary in function of local developmental priorities. For example, in developing countries particular emphasis is placed on expanding access to the poor.⁴ Achieving these objectives requires capacity, which is defined as the “ability of people, organisations and society as a whole to manage their affairs successfully”.⁵

Capacity operates at two levels, by providing the ability of individuals and organisations to perform tasks and produce outputs, and by providing the ability of stakeholders to collectively define and solve problems and make informed choices⁶. Due to the nature of sustainable water development, capacity is required across countries and sectors – in water and sanitation services and water resources management - in the short and long term. As the process of building and strengthening capacity, capacity development can aim at: improving technical competence; improving performance and results; strengthening accountability; and, improving decision-making.⁷ The capacity of water and sanitation operators to provide services depends on the employment of adequate numbers of skilled staff in the appropriate managerial and operational functions. The institutional capacity to address water-related problems corresponds to the articulated capacity of stakeholders to successfully engage in the decision-making cycle by analysing problems, identifying and implementing solutions, monitoring progress, and evaluating the opportunity for further action.⁸

In 2010, the UN-Water Global Annual Assessment of Sanitation and Drinking-Water carried out a survey on 42 developing countries, most of which from sub-Saharan Africa. It found that the respondents had experienced the following obstacles with regards to numbers, skills and deployment of human resources in the water and sanitation sector: inability to attract and retain staff, including inability to retain trained staff after completion of capacity building projects; lack of training; an ageing workforce, particularly in rural water supply; failure to implement recommendations of institutional and organizational studies.⁹ These findings suggest that in order to achieve sustainable water development capacity development should not only attain adequate levels of capacity, but also ensure that the developed capacity is not subsequently lost. In other words, a precondition for sustainable water development is obtaining a critical mass of capacity. This is a self-sustaining and reproducible level of institutional and human capacity that is adequate to achieve locally-relevant sustainable development objectives. As sustainable water development is a global goal, capacity development should aim at the generation of a critical mass of capacity at both the local and the global level: entrenching capacity in water and sanitation utilities and other stakeholders participating in local governance, and replicating and scaling up capacity generation processes regionally, nationally and internationally.

Not-for-profit partnerships for capacity development are cost-effective ways of transferring knowledge and building local institutional and human capacity in the water and sanitation sector.¹⁰ ACP-EU Water Partnerships are not-for-profit partnerships for capacity development whose aim is to contribute to sustainable water development. This paper therefore evaluates the expected impact of ACP-EU Water Partnerships in light of their contribution to the achievement of a critical mass of capacity in the region’s water and sanitation sector. This is a crucial objective for the international development community. Africa lags behind other regions in attaining the MDG targets on water and sanitation. In fact, it has been estimated that the current pace of expansion of service coverage in urban water supply needs to double in Africa if the MDGs are to be met by 2015, while the pace of expansion in urban sanitation needs to triple.¹¹ Concerns for poor sustainability records in the water and sanitation sector of developing countries suggest that sustaining progress will continue to be an issue even for those countries that were to timely achieve the MDG targets.¹²

3. ACP-EU Water Partnerships: Institutional features

In 2010, the European Commission's ACP-EU Water Facility published a Restricted Call for Proposals on "Partnerships for Capacity Development in the ACP Water & Sanitation Sector" (Reference: EuropeAid/129510/C/ACT/Multi). This Call for Proposals is funding not-for-profit partnerships for capacity development, as profit-making actions are ineligible for support. The funded capacity development activities aim at: "i) developing the *knowledge* and *competence* of individuals and organisations; ii) developing *organisations* and/or *systems of organisations*; iii) changing and strengthening institutional frameworks in the form of formal policies and laws and/or other informal norms which stipulate the limits within which individuals and organisations develop". These can be conducted by both North-South and South-South partnerships and are intended to transfer expertise, knowledge and learning to the ACP partners.¹³

The Call for Proposals is funded by the budget that the European Commission approved in March 2009 for the 10th European Development Fund. No further Call for Proposals is to be expected for ACP-EU Water Partnerships. Of the €200 million allocated to the ACP-EU Water Facility under the 10th European Development Fund, the Water Facility made €40 million available to the ACP-EU Water Partnerships initiative. However, the Water Facility reserved the right not to award all available funds. Grants awarded by the European Commission's ACP-EU Water Facility range from a minimum of €250,000 and a maximum of €1 million, and do not exceed 75% of the total eligible cost of the action to be implemented by the approved ACP-EU Water Partnerships. The duration of actions funded by the ACP-EU Water Facility is minimum 24 months and maximum 60 months.¹⁴

The ACP-EU Water Partnerships Restricted Call for Proposals provided for the competitive selection of applications in two stages. First, applicants were to submit Concept Notes by 6th October 2010. At this stage, only Concept Notes of no more than four pages had to be submitted for evaluation. Applicants whose Concept Notes had been pre-selected were subsequently invited to submit a Full Application Form. Grants would be awarded to the applicants whose proposal successfully past this second stage of the selection process.¹⁵ The published eligibility and evaluation criteria affected the content of the selected applications and are therefore worth of attention.

3.1 Eligibility criteria

Three sets of eligibility criteria can be distinguished: eligibility criteria relating to the partners constituting partnerships; eligibility criteria relating to the actions funded by grants; and, eligibility criteria relating to the costs covered by grants.¹⁶

Partnerships are composed of only one grant applicant - the lead organisation and principal implementing partner within the partnership, responsible for submitting the application and receiving the grant – and one or more beneficiary partners. Beneficiary partners are the ACP organisations receiving capacity development from the implementing partners. Other types of partner that can constitute a partnership are implementing partners and supporting partners. Implementing partners are organisations other than the applicant that provide training and/or capacity development to the beneficiary partner(s). Supporting partners are Non-State Actors (other than water and sanitation utilities) and ACP national governments (specifically Ministries responsible for Water and Sanitation) which can assist in activities such as awareness raising and in the institution-building process. Therefore, while applicants and implementing partners can be nationals of ACP or EU member countries, beneficiary partners can only be nationals of ACP countries. While Non-State Actors of both ACP and EU member countries can be supporting partners, only national governments of ACP countries can be supporting partners.¹⁷

Applicants, other implementing partners and beneficiary partners can be water and sanitation utilities, or local authorities, or other water sector organisations. For the purpose of the ACP-EU Water Partnerships initiative, any legal person providing water and sanitation services is regarded as a water and sanitation utility. Local authorities are defined as any legislative tier of government that is below the national level

and has legal personality distinct from that of the State at national level. This can include district or city municipalities, state or regional governments, and local/regional governmental agencies. As examples of other water sector organisations, the Call for Proposals indicates river basin organisations and training centres. In addition to the partners, associates can be involved in delivering capacity development actions. Associates are not partners but play a real role in the action.¹⁸

The ACP-EU Water Partnerships initiative funds capacity development activities ranging from classical training to intensive highly specialised courses and workshops on specialist subjects. While the Call for Proposals recognises that classical training activities may be a necessary part of the partnership projects, it requires partnerships to involve close cooperation and not to be only a means to provide one-way advice or other types of classical technical assistance. This is because partnership projects should enable beneficiary partners to achieve significant, tangible and sustained progress in water and sanitation governance, management and sustainable development and maintenance of infrastructure.¹⁹

The themes defining eligible actions can be summarised as follows: good water governance; integrated water resources management; system maintenance and improvement; leakage reduction; water quality testing; water resources protection; pollution prevention; studies to assess the state of water resources; studies to assess the necessity and scale of infrastructure developments; improving efficiency in management practices; labour management tools; accessing investment finance; methodologies for expanding access to the poor; participatory governance; awareness raising; institutional support (e.g. reinforcement of the municipalities' management and control capabilities, in-house restructuring). This list of themes is not exhaustive.²⁰

3.2 The selection procedure

Applicants could score a maximum of 50 points for Concept Notes and a maximum of 100 points for Full Application Forms. The evaluation criteria for Concept Notes overlap with the evaluation criteria for Full Application Forms. These were of two types, selection criteria (20/100 points) and award criteria (80/100 points). The selection criteria were intended to ensure that the applicant had stable and sufficient sources of finance to maintain their activity throughout the project, and that the applicant and implementing partners had the management capacity, professional competencies and qualifications required to successfully complete the proposed action. Award criteria covered such aspects as the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness. They were intended to ensure the quality of the selected applications in relation to the set objectives and priorities, and the maximisation of the overall effectiveness of the call for proposals.²¹

The emphasis on the quality of Full Application Forms is also illustrated by the fact that evaluation criteria provided for the rejection of applications scoring less than 20/25 points under the heading of Relevance. Applicants could score half of the 20/25 points necessary to avoid rejection by showing how their proposal contributed to developing or implementing national water and sanitation strategies and programmes, and actively involved local Non State Actors. The remaining half could be scored by clearly defining and strategically choosing the mandatory results of the project – i.e. the concrete operational results which should be maintained as a permanent asset to the beneficiary partner(s) even after the end of project implementation - and by clearly defining and appropriately addressing the needs of the beneficiary partner(s). This included consideration for the establishment of synergy with any other capacity development initiatives and avoidance of duplication.²²

The combined effect of the eligibility and evaluation criteria is that applicants were induced to produce a tangible and permanent impact on the operations of the beneficiary partner(s). They were encouraged to do so through the achievement of mandatory results in a number of areas which the call for proposal indicated as themes defining eligible actions. Applicants were not only requested to develop the capacity of the beneficiary partner(s), but also expected to generate a multiplier effect resulting from the action being replicated and/or scaled-up within the country/region. To guarantee the realisation of expected impact,

applicants were requested to demonstrate their capacity to successfully complete the proposed action and to accurately describe the procedures for internal/external evaluation during execution of the action.²³

4. ACP-EU Water Partnerships: Overview of successful applications

At the end of 2011, the ACP-EU Water Facility selected 32 projects among 300 Concept Notes submitted in the first stage of the selection procedure. Grants to be awarded to the successful applicants amounted to €23million, while the projected value of funds mobilised by the 32 partnerships totals €31.9 million. A complete list of all the successful applications is set out in Annex I, Table 1. The 32 projects selected involve beneficiary partners in a total of 21 different ACP countries, including countries covered in multi-country proposals. 19 of the countries are in sub-Saharan Africa, and two in the Caribbean. 11 of the countries covered are classified as low-income by the World Bank; 6 as lower-middle income; and 4 as upper middle income. This suggests that the majority of ACP-EU Water Partnerships benefit countries where the need for capacity development is more acute. In other words, applicants have focused their efforts in response to evaluation criteria concerning the relevance of the proposal to the particular needs and constraints of the water and sanitation sector in the country/region of the beneficiary partner(s).²⁴

The ACP-EU Water Partnerships initiative has increased the number of organisations involved in not-for-profit capacity development projects and built on existing relations. Five out of 22 successful applicants, and at least 33 out of 81 ACP beneficiary partners, had no prior experience of participation in such partnerships (see Annex I, Tables 2-5). This is significant because it shows an interest in participating in capacity development projects beyond those organisations with an established experience in this domain. It is also significant because in a number of cases organisations that benefited from not-for-profit capacity development partnerships as mentees have become mentors in capacity development partnerships in the same country or region.²⁵ The increased number of organisations involved in not-for-profit capacity development projects has therefore the potential to contribute to the multiplier effect as defined by the evaluation criteria: the replication of an action and/or its scaling-up within the country/region.

The selected applications include 18 Non State Actors based in ACP countries out of a total of 31 Non State Actors who participate as partners (see Annex I, Table 6). This is in response to the Call for Proposal encouraging the active involvement of local Non State Actors to support the institution building process. Finally, the ACP-EU Water Partnerships initiative has had some success in mobilising the South-South capacity transfer component of successful applications. For the purpose of this study, the South-South component is defined as the participation of any ACP actor as successful applicant or implementing partner. While no ACP actor is among the successful applicants, ACP actors participated as implementing partners in 5 projects (see Annex I, Table 7). The mobilisation of the South-South component of not-for-profit capacity development partnerships is expected to facilitate knowledge transfer in light of less significant cultural barriers between Southern partners.

5. ACP-EU Water Partnerships: Expected impact of successful applications

For the purpose of this study, the expected impact of ACP-EU Water Partnerships is defined as the impact that the 32 successful applications are expected to produce through the respective project activities. This impact is expressed as the population expected to benefit from the proposed actions under the Partnerships Initiative.²⁶ Annex III contains 32 Project Summaries indicating the population benefitted by the proposed actions and the corresponding themes or impact areas - indicating the eligible actions under the call for proposals - for each successful application. This data is aggregated into 33 tables – contained in Annex II – which show the expected impact of successful applications in each of the identified 16 themes and three sub-sectors: water supply, sanitation, and water resources. Table 1 below collates the results of the 33 tables contained in Annex II and captures the expected impact of ACP-EU Water Partnerships.

Table 1. Expected impact of ACP-EU Water Partnerships

Theme (impact area)	Benefitted population (Water supply)	Benefitted population (Sanitation)	Benefitted population (Water resources)
Good water governance	19,551,000	6,052,000	6,996,000
Integrated water resources management	11,903,000	157,000	105,420,000
System maintenance and improvement	32,695,000	12,086,000	-
Leakage reduction	26,385,000	580,000	-
Water quality testing	18,993,000	877,000	4,227,000
Water resources protection	-	-	18,508,000
Pollution prevention	-	-	15,835,000
Assessing the state of water resources	-	-	83,709,000
Assessing the need for infrastructure development	124,000	85,000	2,120,000
Improving efficiency in management	39,752,000	12,022,000	-
Labour management tools	3,926,000	600,000	-
Accessing investment finance	16,477,000	10,775,000	-
Expanding access to the poor	20,568,000	9,371,000	-
Participatory governance	3,522,000	3,062,000	81,996,000
Awareness raising	30,010,000	11,273,000	15,803,000
Institutional support	29,441,000	11,805,000	100,996,000

Source: Annex II; Annex III.

The expected impact of ACP-EU Water Partnerships is significant as it consists in millions of people benefitting from capacity development and improvements in key areas for sustainable water development. Highlights of the expected impact in water supply include 39.7 million people benefitting from improved efficiency in management, 32.6 million people benefitting from improved system maintenance and operation, and 20.5 million people benefitting from expanded access to the poor. Highlights of the expected impact in sanitation include 12 million people benefitting both from improved efficiency in management and system maintenance, 10.7 million people benefitting from improved access to investment finance, and 9.3 million people benefitting from expanded access to the poor. Highlights of the expected impact in water resources include 105.4 million people benefitting from improved integrated water resources management, 100.9 million people benefitting from improved institutional support, and 83.7 million people benefitting from improved assessment of the state of water resources.

6. ACP-EU Water Partnerships: Fostering the impact of action

The realisation of expected results depends on the alignment of the institutional characteristics of successful applications to the achievement of a critical mass of capacity in the targeted impact areas. The actions proposed by successful applications encompass a combination of classical training activities (e.g. seminars, trainee/internships and technical visits) and more intensive and specialised training courses (e.g. workshops). These actions are designed to promote sustainable water development. More precisely, the

proposed actions aim at producing a long term tangible impact, and at replicating and scaling-up their approach to capacity development. In addition, ACP-EU Water Partnerships are designed to lock-in the expected impact of proposed actions by means of robust monitoring and evaluation procedures. This is what emerges from the analysis of the 32 project summaries contained in Annex III. In order to assess the prominence of institutional characteristics that are expected to contribute to the developmental impact of ACP-EU Water Partnerships, we aggregate data on the approaches adopted by the 32 partnership projects to: a) produce a tangible impact; b) produce mandatory results; c) ensure that mandatory results are maintained as permanent assets of the beneficiary partners; d) produce a multiplier effect; and, e) internally and externally monitor and evaluate project implementation. The tables aggregating this data are contained in Annex IV.

Table 1, Annex IV lists the approaches adopted by the 32 project partnerships – beyond the combination of classical training activities and other capacity development methodologies - to strengthen and amplify the produced tangible impact. All the 32 partnership projects contribute to developing or implementing national water and sanitation strategies and programs to ensure relevance to the particular needs and constraints of the water and sanitation sector in the country of the beneficiary partners. 23 out of 32 projects have potential for creating synergies with other capacity development initiatives, so as to strengthen their tangible impact. 28 out of 32 projects envisage the joint conduction of concrete activities (such as the development of joint studies, manuals or methodologies) by the implementing and beneficiary partners. The joint production of artefacts or systems contributes to strengthening the relevance of project results to the needs of the beneficiary partners. In turn, the relevance of project results contributes to the beneficiary partners' sense of ownership of the acquired knowledge and introduced changes. Other approaches to strengthening relevance and sense of ownership include the transfer of accessible and user-friendly technology, so as to prevent dependence on international consultants for its application. The latter approach is envisaged by six out of 32 projects. To enhance impact, ten out of 32 projects foresee the establishment of knowledge-sharing and/or stakeholder coordination platforms. Finally, it should be noted that 16 out of 32 projects adopt no less than four diverse approaches each to fostering tangible impact.

Table 2, Annex IV lists the approaches adopted by the 32 project partnerships to ensure that mandatory results are maintained as permanent assets of the beneficiary partners. These approaches focus on both the beneficiary partners' organisation and the surrounding institutional environment. 30 out of 32 projects foresee the production of studies, methodologies or other systems, including the establishment of multi-stakeholder platforms, as concrete outputs that will be maintained as permanent assets of the beneficiary partners. 15 of 32 projects rely on the involvement of beneficiary partners in project design to ensure they take ownership of the introduced changes. 12 of 32 projects will use training of trainers as a way of embedding capacity within the beneficiary partners' organisation, while seven projects will resort to the involvement of a local university or training centre in order to obtain the same effect. Ten out of 32 projects will seek the external support of stakeholders - including national governments, utilities associations, regulators and local Non State Actors - to promote the institutionalisation of the introduced changes. Seven projects expect the strengthening of financial autonomy and commercial viability of operations to ensure that mandatory results are maintained as permanent assets of the beneficiary partners. Five projects will train large numbers of staff within beneficiary partners to prevent loss of organisational capacity as a result of turnover. Five projects emphasise the high relevance of results to the beneficiary partners' own activities and mission as a way of making results permanent, while two projects rely on the transfer of accessible and user-friendly technology to achieve the same purpose. Finally, four projects will support adequate levels of employment by enabling the beneficiary partner to employ additional staff, or by improving employee motivation and job satisfaction to retain a qualified workforce in the long-term.

Table 3, Annex IV lists the provisions adopted by the 32 project partnerships for replication and scaling up of capacity development processes within the country/region. Eight out of the 32 projects have identified replication as project results, and 15 other projects include preparation for replication among their activities. 15 projects will use the dissemination and visibility of results as vehicles to facilitate replication and scaling up. Six projects will use training of trainers to support replication and scaling up, and four will

train large numbers of staff at national scale in order to achieve the same purpose. 11 projects expect the involvement of national governments to lead to replication and scaling up. Nine projects expect the involvement of umbrella organisations, utilities associations, and water and sanitation utilities other than the beneficiary partners to result in replication and scaling up, and four projects rely on the involvement of local universities and training centres to produce a similar effect. Five out of 32 projects will establish knowledge-sharing and/or stakeholder coordination platforms specifically to obtain replication and scaling up.

Table 4, Annex IV lists the procedures adopted by the 32 projects for both internal and external monitoring and evaluation of activities and results. 27 projects envisage the periodic adoption of internal progress reviews, 15 projects will periodically hold internal meetings, seven projects foresee the use of self-evaluation against set milestones, and two projects will engage in participatory monitoring and evaluation. As regards external monitoring and evaluation, 17 projects foresee the production of evaluation reports by external experts, 11 project summaries refer to the submission of period reports to the European Commission, and 7 projects envisage resort to participatory evaluation or the evaluation conducted by independent experts and/or the European Commission with the participation of project partners.

Table 2 below illustrates the degree of alignment of the institutional characteristics of the 32 project partnerships to the achievement of a critical mass of capacity in the targeted impact areas. For each partnership, the table indicates the extent to which a number of institutional characteristics are oriented to the translation of expected results into concrete outcomes. These characteristics are the following: a) the duration of the partnership, as this affects the beneficiary partner's capacity to absorb the transferred knowledge; b) the total value of the project, as it is the total amount of leveraged resources that sustains the results of capacity development activities; c) whether partnerships both contribute to the implementation of national water and sanitation programs and strategies, and pursue synergies with other capacity development initiatives, as an indicator of likely tangible impact due to institutional support and coordination with the broader development community; d) the number of methodologies adopted by each partnership to ensure that mandatory results are maintained as permanent assets of the beneficiary partners, as an indicator of the concerted efforts to achieve sustained results; e) the number of methodologies adopted by each partnership to obtain replication and scaling up within the country/region, as an indicator of the concerted efforts to produce a multiplier effect; f) whether partnerships adopt external monitoring and evaluation procedures, as an indicator of the propensity to lock-in the expected impact of actions.

Table 2 below shows a strong alignment of the institutional characteristics of ACP-EU Water Partnerships to the achievement of a critical mass of capacity. Most projects offer ample opportunities for capacity absorption: 28 out of 32 projects have a duration of no less than 36 months, 9 of which have a duration of 48 months and 5 of which have a duration of 60 months. Most projects leverage significant resources to sustain their activities: 17 out of 32 projects have a total value of more than €1 million and the project leveraging most resources has a total value of €1,679,000. Most projects have a high likelihood of producing a tangible impact: 23 out of 32 projects are designed to both contribute to the implementation of national water and sanitation programs and strategies, and pursue synergies with other capacity development initiatives, while all the remaining nine projects contribute to the implementation of national programs. Most projects represent a concerted effort to producing sustained effects: 20 out of 32 projects adopt no less than three diverse approaches each to ensuring that mandatory results are maintained as permanent assets of the beneficiary partners. Of these, 11 projects adopt four or five methodologies each. Most projects represent a concerted effort to producing a multiplier effect: 28 out of 32 projects adopt two or more approaches each to obtain replication and scaling-up. Of these, 13 projects adopt no less than three methodologies, five projects adopt four methodologies each and one project adopts six methodologies. Finally, most projects have strong provisions for monitoring and evaluation of activities and results: 28 out of 32 projects envisage the adoption of external monitoring and evaluation procedures, together with internal procedures. Of these, 7 projects envisage the adoption of two different external procedures each.

Table 2. Alignment of institutional characteristics of ACP-EU Water Partnerships

Project ID	Duration of project (in months)	Total value of project (in €)	Does the project contribute to national strategies and envisage synergies with other initiatives?	Number of methodologies used to produce permanent assets of beneficiary partners	Number of methodologies used to achieve replication and scaling-up	Is the project externally monitored and evaluated?
1	60	€1,390,000	N	5	3	Y
2	48	€814,000	Y	4	2	Y
3	28	€1,191,000	N	1	2	Y
4	30	€1,447,000	Y	5	2	Y
5	36	€867,000	N	3	1	N
6	36	€504,000	Y	2	1	Y
7	60	€466,000	Y	1	2	Y
8	36	€1,326,000	Y	2	1	Y
9	36	€914,213	Y	3	1	Y
10	24	€711,000	N	2	2	Y
11	36	€1,141,000	Y	4	4	Y
12	48	€1,543,000	Y	3	3	Y
13	48	€1,243,000	Y	4	2	Y
14	42	€1,319,000	Y	3	6	Y
15	48	€1,216,000	Y	3	4	Y
16	48	€1,194,000	Y	2	4	Y
17	48	€1,338,000	Y	2	4	Y
18	48	€1,248,000	N	5	1	Y
19	48	€980,000	Y	2	2	Y
20	36	€335,000	Y	4	2	Y
21	60	€960,000	N	3	1	Y
22	60	€1,377,000	Y	3	4	Y
23	36	€360,162	Y	2	3	Y
24	42	€1,009,000	Y	4	3	Y
25	36	€380,000	N	2	1	N
26	48	€1,211,000	N	2	1	N
27	36	€860,000	Y	4	3	Y
28	40	€517,000	Y	2	3	Y
29	30	€531,000	N	3	2	Y
30	36	€559,000	Y	4	2	Y
31	36	€ 1,275,000	Y	5	2	Y
32	60	€1,679,000	Y	3	3	N

Sources: Annex III; Annex IV.

7. Other international programmes supporting not-for-profit partnerships for capacity development in the water and sanitation sector

For the purpose of this study, we compare the ACP-EU Water Facility – Partnerships Initiative with other international programmes that consistently support not-for-profit partnerships for capacity development in the water and sanitation sector. These programmes have different regional focus and institutional features and these differences should be taken into consideration when evaluating their respective merits. Most of these programmes are regional platforms for Water Operators’ Partnerships (WOPs) initiated under the

auspices of the Global Water Operators' Partnerships Alliance (GWOPA), an initiative of UN-HABITAT inspired by the Hashimoto Action Plan.²⁷ These regional programmes are WOP-Africa, WOP-LAC, WaterLinks, and WOP-SEE and regions they respectively cover are Africa, Latin America and the Caribbean, Asia and Pacific, and South-East Europe. As regional platforms, they all have a strong South-South component. For details of the partnerships funded or facilitated by these regional platforms, see Annex V.

7.1 WOP-Africa

Amid concerns about missing the water and sanitation targets of the MDGs in many African countries, WOP-Africa aims to "support African countries in their efforts to achieve universal coverage for water and sanitation services with the MDGs as a common benchmark".²⁸ The WOP-Africa programme was launched in February 2008, with a budget for the first three years of operations of US\$ 11,935,000 (around €9 million),²⁹ and became operational in October 2009 with the appointment of a programme coordinator. The South African water utility Rand Water is hosting the WOP-Africa Secretariat.³⁰ The program has obtained three grants from UN-HABITAT, the United States Agency for International Development (USAID), and the African Water Facility – respectively of US\$ 135,548, US\$ 3 million, and €490,000 - to fund the running costs of the secretariat (USAID), the implementation of 20 water operators' partnerships and the development of a benchmarking database. The three grants amount to US\$ 3,877,548 and 33% of this (US\$1,279,590, equivalent to € 973,676)³¹ is devoted to funding the 20 water operators' partnerships.³² The implementation of the three year action plan is being extended beyond the initial deadline owing to the delays caused by political unrest in Ivory Coast, where AfWA's headquarters are located.³³

The €490,000 grant is in effect a grant awarded by the African Development Bank (AfDB) to the African Water Association (AfWA) in the framework of the special fund of the African Water Facility, and devoted to WOP-Africa.³⁴ The AfDB/African Water Facility grant is sponsoring ten peer-to-peer learning partnerships and the development of a benchmarking database, building on the experience gained by the Water Utility Partnership since 1996 and aiming to lay the grounds for scaling up the WOP-Africa programme.³⁵ The design of the AfDB/African Water Facility-funded initiative was informed by the Africa Utility Performance Assessment, a study conducted by the Water and Sanitation Program-Africa "to ascertain the strengths and needs (of African utilities) and identify the most promising areas for learning and peer-support under the evolving (WOP-Africa) platform".³⁶

WOP-Africa selected the ten utility-to-utility learning partnerships among 35 proposals received from utilities interested in participating in the scheme, most of which focussed on Non-Revenue-Water and Best Management Practices, and none of which addressed sanitation.³⁷ WOP-Africa assisted the interested utilities in identifying potential mentors in light of their demands for capacity development. The selection took place in light of the performance parameters of mentors and mentees, the improvement potential of the mentee and the capacity "gap" between the mentee and the mentor. The total amount available for the ten water operators' partnerships is €414,000. All partnerships must produce a Performance Improvement Plan with implementation duration of 12 months, envisage at least two visits by mentor and mentee to the other partner, and attend workshops aimed at sharing experience. Partnerships are to produce quarterly and final progress evaluations and their impact is to be evaluated by a local independent consultant and the evaluation will be made publicly available.³⁸ Implementation of the ten selected partnerships is to begin in July 2012. All partnerships have a strong South-South component as all mentors and mentees are African utilities while none involves local Non State Actors other than water and sanitation utilities.³⁹ A list of mentees and mentors involved in the ten peer-to-peer learning partnerships is contained in Annex V, Table 1.

The following indicators refer to the expected impact and mandatory results of the ten learning partnerships.

- Operation cost coverage ratio (i.e. total annual billing excluding subsidies, divided by operation and maintenance costs excluding depreciation and interest): improved at least by 5%.
- Collection ratio (i.e. cash income as percentage of total billing): improved at least by 20%.
- Non-revenue water (i.e. water 'lost' as a percentage of net supply): improved by at least 10%.

In addition, mentees are expected to improve their performance by 10% in relation to parameters separately specified in each Performance Improvement Plan. These additional parameters might include better continuity of service, extension of coverage according to demand, improved infrastructure aiming at pro-poor service expansion and improved return on investment.⁴⁰ At the time of writing, ten other water operators' partnerships were in preparation.⁴¹

A second component of the AfDB/African Water Facility-funded initiative is on the development and management of a benchmarking database, to which a total amount of €76,000 has been allocated. This second component comprises the update of the Africa Utility Performance Assessment and particularly of the Utility Self-Assessment Questionnaire. The integration of results with those of the World Bank's International Benchmarking Network for Water and Sanitation Utilities (IB-NET) is to lead to the development of AfWA's own benchmarking database. This database is to provide assessments of African water and sanitation utility performance and to help monitor their progress and contribution to achieving the water and sanitation targets for the MDGs in Africa. To that aim, it is to be made accessible to the general public in English and French. The results of AfWA's benchmarking database and of the AfDB/African Water Facility-funded partnerships will inform the up-scaling of peer-to-peer learning partnerships to a larger number of utilities based on a wider range of improvement parameters. AfWA will support WOP-Africa in mobilizing funds for scaling-up WOPs in Africa.⁴²

7.2 WOP-LAC

Established in June 2008, WOP-LAC is the regional WOP platform for Latin America and the Caribbean and its objective is to "bring water utilities together to share their respective knowledge in areas such as energy efficiency, commercial management, corporate governance, non revenue water". Its Secretariat, composed by the Inter-American Development Bank (IDB) and UN-HABITAT, is located at the IDB headquarters. The Steering Committee is composed by the IDB, UN-HABITAT, the Inter-American Sanitary and Environmental Engineering Association (AIDIS), the International Water Association (IWA) and eight Latin American operators.⁴³ No end date has been set for WOP-LAC.⁴⁴

Since June 2008, the IDB contributed US\$979,000 (€778,000) to WOP-LAC and additional US\$382,000 (€303,000) have been mobilised from other financial sources.⁴⁵ The total funds mobilised by WOP-LAC to date therefore amount to US\$1,361,000 (€1,081,000).⁴⁶ Initially, mentees were expected to pay the cost of the twinning arrangements although some of the initial partnerships were financed by the IDB-Netherlands Water Partnership Program (INWAP). In 2010 the IDB approved to allocate US\$620,000 for the implementation of the 2011-2013 business plan of WOP-LAC, while US\$100,000 were expected to be contributed by counterparts. Of the budgeted US\$720,000 (€572,000), US\$300,000 (€238,000) were allocated to the financing of 30 twinning arrangements.⁴⁷

Since 2008, 15 WOPs have been implemented, five of which at a cost of less than US\$12,000 each.⁴⁸ The duration of these partnerships varies between 1 month to 24 months and beyond, as some partnerships are still ongoing.⁴⁹ Details of mentees, mentors and the themes of the implemented WOP-LAC partnerships are contained in Annex V, Table 2. Only one of the 15 WOPs is in the Caribbean and precisely in Suriname, which is also the only WOP with a partner based outside the LAC region, in The Netherlands.

7.3 WaterLinks

Established in 2008 by the Asian Development Bank (ADB), IWA and USAID, WaterLinks is a regional network of water operators, practitioners and development partners that supports WOPs in the Asia-Pacific region, with the objective to enhance and expand access to urban water and sanitation services.⁵⁰ Through its network, WaterLinks links mentor and mentees according to their interests, capabilities and needs, and facilitates the implementation of partnership activities. Partnerships have a typical duration of 12-18 months,⁵¹ and address the following 12 themes or focus areas: asset management; climate change adaptation and proofing; climate change mitigation (efficient energy use); continuous delivery of safe water

(24/7); customer relations management; water loss management; services provision to low-income communities; septage management; sewerage services (collection, disposal and treatment); WASH promotion; water quality management; planning and risk management.⁵²

“To date, at least **60** WOPs and several training programs under WaterLinks have led to more than **1 million** urban residents having improved access to water and sanitation services; **100,000** low-income people with first time water supply and sanitation services; **2,500** operator staff trained; and **\$10 million** leveraged by participating service providers in capital and capacity investments”.⁵³ The US\$10 million leveraged by WaterLinks are equivalent to some €7.6 million.⁵⁴ Nonetheless, it should be noted that the WaterLinks database lists 33 implemented partnerships rather than the 60 WOPs associated with the above tangible impact. The profile of WOPs listed in the WaterLinks partnerships database is available in Annex V, Table 3. This table indicates the name of mentors and mentees, the respective countries and the year of completion of the 33 partnerships.

7.4 WOP-SEE

Established in March 2010, WOP-SEE is the regional WOP platform for South East Europe. It aims to “make it easier, and more rewarding, for utilities to learn from one another on a not-for-profit basis”, with the ultimate goal to provide better services for all. The WOP-SEE Secretariat is composed of Athens-based water and sanitation utility EYDAP, the Romanian Water Association-IWA office, and GWOPA.⁵⁵ At present, WOP-SEE is not a legal entity but an informal and voluntary group of partners for which no formal budget has been formally approved. The platform’s activities consist in encouraging and facilitating WOPs in the region and so far are being financed through discretionary contributions from the GWOPA Secretariat. While WOP-SEE does not currently fund any partnerships, WOPs facilitated by the platform have been financed through discretionary contributions from the GWOPA Secretariat, the World Bank, the German development agency GIZ and regional water operators.⁵⁶

The WOP-SEE platform has facilitated WOPs on water loss reduction between Serbian municipal utilities from the South Bačka District and Croatian utilities from across the border.⁵⁷ As a result of these Serbian-Croatian inter-municipal cooperation, water loss audits were carried out in six Serbian cities (Novi Sad, Ub, Raška, Kladovo, Bor, Bačka Palanka) in 2011 with a total budget of some €87,500.⁵⁸ WOPs agreements on accessing investment finance have been signed by the utilities of, respectively, Costanta, Romania and Cahul, Moldova; Costanta, Romania and Ceadar Lungam, Moldova; Chisinau, Moldova and Pitesti, Romania; and two Hungarian and two Romanian cities. A WOP on the implication of EU law for water management is in preparation between the utilities of Razgrad, Bulgaria and Craiova, Romania.⁵⁹ Details of the partnerships facilitated by WOP-SEE as of October 2011 are contained in Annex V, Table 4.

8. ACP-EU Water Partnerships and other international programmes of not-for-profit partnerships for capacity development: A comparison of institutional features

Tables 3, 4 and 5 below summarise the main institutional features of the ACP-EU Water Partnerships initiative and the international programmes of not-for-profit partnerships for capacity development developed under the Water Operators’ Partnership initiative. Table 3 below indicates the regional focus of all programmes and the scope and breadth of supported activities. All such programmes are programmes exclusively devoted to supporting not-for-profit partnerships in the water and sanitation sector, as indicated by their objectives. There is an overlap between the regional focus of most programmes, as different WOP platforms separately focus on Africa, the Caribbean and the Pacific regions. The exception is WOP-SEE which is dedicated to South East Europe. The themes addressed by the different programmes provide an indication of the scope and breadth of supported activities. We distinguish between themes addressing traditional Operations and Management (O&M) issues, mainly devoted to the technical aspects of service delivery, and less traditional themes concerned with water service governance and sustainable development.

Table 3 below shows that of the four programmes, the ACP-EU Water Facility – Partnerships Initiative addresses the highest percentage of themes related to water governance and sustainable development, as opposed to traditional O&M themes. Of the 16 themes addressed by the ACP-EU Water Facility – Partnerships Initiative, ten (or 62.5% of all themes) are devoted to water governance and sustainable development: good water governance, integrated water resources management, water resources protection, pollution prevention, assessing the state of water resources, assessing the need for infrastructure development, expanding access to the poor, participatory governance, awareness raising, and institutional support. The other six themes (or 37.5%) are typical O&M themes: system maintenance and improvement, leakage reduction, water quality testing, improving efficiency in management, labour management tools, and accessing investment finance.

Of the seven themes addressed by WOP-Africa, two (or 28.6% of all themes) relate to governance and sustainable development: extension of service coverage according to demand, and improved infrastructure aiming at pro-poor service expansion. The other five themes (or 71.4%) are traditional O&M themes: operation cost coverage, collection ratio, non-revenue-water, continuity of service, and improved return on investment. Of the 25 themes addressed by WOP-LAC,⁶⁰ five (or 20% of all themes) relate to governance and sustainable development: expanding services to low income households, public awareness and promotion of water services, high-consumption control, low-cost eco-sanitation, and water source protection. The other 20 themes (or 80%) are traditional O&M themes: billing and revenue collection, business planning and financial management, customer relations, geo-referencing of water distribution network, energy efficiency, leak-detection and recording system, maintenance management, macro- and micro-metering, management information systems, monitoring projects, Non-Revenue-Water management, operational control, production and distribution of potable water, project management, recruitment system, resource optimization, retention of qualified personnel, sludge treatment, waste water collection and treatment, and water quality management automation. Of the 12 themes addressed by WaterLinks, three (or 25% of all themes) relate to governance and sustainable development: services provision to low-income communities; WASH promotion; climate change adaptation and proofing. The other nine themes (or 75%) are traditional O&M themes: asset management; efficient energy use; continuous delivery of safe water (24/7); customer relations management; water loss management; septage management; sewerage services (collection, disposal and treatment); water quality management; planning and risk management. Of the four themes addressed by WOP-SEE,⁶¹ one (or 25% of all themes) relates to governance: legislation training. The other three themes (or 75%) are traditional O&M themes: benchmarking, water loss reduction, water and wastewater management.

Table 3. Scope and breadth of international programmes of not-for-profit partnerships for capacity development in the water and sanitation sector

Programme	Regional focus	Objective	Themes (WG/SD)	Themes (O&M)
ACP-EU Water Facility – Partnerships Initiative	Africa Caribbean Pacific	Improve water governance and sustainable water development	62.5% (10/16)	37.5% (6/16)
WOP-Africa	Africa	Improve efficiency to achieve the MDGs on water	28.6% (2/7)	71.4% (5/7)
WOP-LAC	Latin America & Caribbean	Share water utilities knowledge	20% (5/25)	80% (20/25)
WaterLinks	Asia and Pacific	Enhance and expand access to urban water and sanitation	25% (3/12)	75% (9/12)
WOP-SEE	South East Europe	Better services for all	25% (1/4)	75% (3/4)

Sources: Annex III; Annex IV; African Water Facility (2009) African Water Association (AfWA): Water Operators Partnership (WOP) Africa Peer-to-peer Learning and Benchmarking. Appraisal Report, October 2009.

Table 4 below illustrates the extent of resource mobilisation by the ACP-EU Water Facility – Partnerships Initiative compared with the four WOP regional platforms. Resource mobilisation indicators are the timeframe of the programmes, the approved budget, the amount of funds allocated to ongoing partnerships, the total amount of funds mobilised from internal and external funding sources, the number of partnerships funded or facilitated by the programme, and the expected or actual duration of the funded partnerships. When comparing the timeframe of all programmes, we considered the time from the launch of the programme, to the end of the last partnerships implemented under the programme. For example, the ACP-EU Water Partnerships initiative was launched in 2010 with the publication of the Call for Proposals and is expected to end in 2017. In fact, ACP-EU Water Partnerships are becoming operative in 2012 and will last for a maximum of 5 years. This is a well defined time horizon, which goes beyond those of WOP-Africa. However, it cannot be compared with that of the other three programmes, for none of which the expiry date has been indicated.

The ACP-EU Water Partnerships initiative has a larger budget and has mobilised a larger amount of funds than the WOP platforms for which we could find data (WOP-Africa, WOP-LAC and WaterLinks). Not all such data is comparable on a like-for-like basis. For example, while the total funds mobilised by ACP-EU Water Partnerships correspond to the total value of partnerships for capacity development, the data for WaterLinks refers to the value “leveraged by participating service providers in capital and capacity investments”. Nonetheless, a like-for-like comparison (i.e. adding capital investments leveraged by ACP-EU Water Partnerships to the total value of partnerships) would still result in ACP-EU Water Partnerships mobilising larger funds than WaterLinks’ WOPs. The number of partnerships funded by ACP-EU Water Partnerships initiative is larger than that of partnerships funded by most WOP platforms, with the exception of WaterLinks (whether WaterLinks’ WOPs funded to date total 33 or 60, according to different sources). The duration of partnerships funded by the ACP-EU Water Facility is greater than that of partnerships for the programmes for which we could find data. While ACP-EU Water Partnerships last from 24 to 60 months, WOP-Africa’s utility-to-utility learning partnerships have a duration of 12 months, WOPs in the LAC region have a typical duration of 1 to 24 months, and WaterLink’s WOPs have a typical duration of 12-18 months.

Table 4. Resource mobilisation by international programmes of not-for-profit partnerships for capacity development in the water and sanitation sector

Programme	Timeframe	Budget approved	Funds allocated	Total funds mobilised	Partnerships funded or facilitated	Duration of partnerships
ACP-EU Water Facility – Partnerships Initiative	2010 to 2017	€40 million	€23 million	€31.9 million	32	24-60 months
WOP-Africa	2008 to 2013	€9 million	€414,000	€973,676	10	12 months
WOP-LAC	2008 to date	€778,000	N/a	€1,081,000	15	1-24 months
WaterLinks	2008 to date	N/a	N/a	€7.6 million	33	12-18 months
WOP-SEE	2010 to date	N/a	N/a	N/a	13	N/a

Sources: Section 3. ACP-EU Water Partnerships: Institutional features; Section 7. Other international programmes supporting not-for-profit partnerships for capacity development in the water and sanitation sector; Annex III; Annex V.

Table 5 below illustrates some of the main institutional characteristics of partnerships funded and facilitated by the ACP-EU Water Facility – Partnerships Initiative and the four regional WOPs platforms. The institutional characteristics of partnerships include: the active involvement as partners of Non State Actors other than water utilities; the South-South component of partnerships, as defined in Section 4. ACP-EU Water Partnerships: Overview of successful applications; provisions for the achievement of the equivalent of mandatory results, permanent results, and multiplier effect; and, provisions for the external evaluation of project results. The table shows that the involvement of Non State Actors in ACP-EU Water Partnerships finds no equal in regional WOPs. Of 32 ACP-EU Water Partnerships, 16 partnerships (or 50%) have one or more NSAs as partner. Of 15 WOP-LAC’s WOPs, only one (or 6.7%) has an NSA as a partner: the Colombian

research institute CINARA involved as mentor in Chile (see Table 2, Annex V). Of 33 WaterLinks's WOPs, only one (or 3%) has NSAs as partners: Chinese university Chia Nan University and the German NGO BORDA involved in the Philippines (see Table 2, Annex V). Furthermore, the South-South component of ACP-EU Water Partnerships is limited compared to the four regional WOP platforms. Of 32 ACP-EU Water Partnerships, five (or 15.6%) have a South-South component as one implementing partner is national of an ACP country (see Table 7, Annex I). All the ten WOP-Africa utility-to-utility learning partnerships, and all the 13 WOP-SEE-facilitated WOPs have a South-South component. Of the 15 WOP-LAC partnerships, 14 (or 93.3%) have a South-South component. Of the 33 WaterLinks WOPs, 26 (or 78.8%) have a South-South component (see Tables 1-3, 5, Annex V).

Table 5 below also compares ACP-EU Water Partnerships and the WOP projects supported by the four regional platforms in terms of the number of projects aiming to achieve tangible and mandatory results, permanent results, a multiplier effect, and that envisage the external evaluation of results. All the 32 ACP-EU Water Partnerships (or 100% of ACP-EU Water Partnerships) are aimed at achieving mandatory results (see Table 2, Section 6. ACP-EU Water Partnerships: Fostering the impact of action). The same percentage applies to the ten WOP-Africa utility-to-utility partnerships, all of which are under an obligation to realise mandatory results (see Section 7.1 WOP-Africa). Of the 33 Waterlinks' WOP projects, 15 partnerships (or 45.4%) aim at achieving mandatory results as evidenced by project documentation (i.e. concept notes, memorandums of understanding, work plans – see Table 4, Annex V). We could not find evidence of WOP projects supported by WOP-LAC and WOP-SEE that aim at achieving mandatory results.

All the 32 ACP-EU Water Partnerships (or 100% of ACP-EU Water Partnerships) are aimed at achieving permanent results (see Table 2, Section 6. ACP-EU Water Partnerships: Fostering the impact of action). Of the 33 Waterlinks' WOP projects, 11 partnerships (or 33.3%) aim at achieving permanent results as evidenced by project documentation (i.e. concept notes, memorandums of understanding, work plans – see Table 4, Annex V). We could not find evidence of WOP projects supported by WOP-Africa, WOP-LAC and WOP-SEE that aim at achieving permanent results.

All the 32 ACP-EU Water Partnerships (or 100% of ACP-EU Water Partnerships) are aimed at achieving a multiplier effect in the form of replication and/or scaling up at national or regional level (see Table 2, Section 6. ACP-EU Water Partnerships: Fostering the impact of action). Of the 33 Waterlinks' WOP projects, 11 partnerships (or 33.3%) aim at achieving a multiplier effect as evidenced by project documentation (i.e. concept notes, memorandums of understanding, work plans – see Table 4, Annex V). None of the ten WOP-Africa utility-to-utility partnerships aim at achieving a multiplier effect as the up-scaling of peer-to-peer learning partnerships is only due to occur after completion of the ten WOP-Africa partnerships (see Section 7.1 WOP-Africa). We could not find evidence of WOP projects supported by WOP-LAC and WOP-SEE that aim at producing a multiplier effect.

28 of the 32 ACP-EU Water Partnerships (or 87.5% of ACP-EU Water Partnerships) contemplate the external evaluation of results (see Table 2, Section 6. ACP-EU Water Partnerships: Fostering the impact of action). This contrasts with 100% of the ten WOP-Africa utility-to-utility partnerships, all of which envisage the external evaluation of results (see Section 7.1 WOP-Africa). Of the 33 Waterlinks' WOP projects, 3 partnerships (or 10%) envisage the external evaluation of results as evidenced by project documentation (i.e. concept notes, memorandums of understanding, work plans – see Table 4, Annex V). We could not find evidence of WOP projects supported by WOP-LAC and WOP-SEE that contemplate the external evaluation of results. Whether future WOP projects eventually funded under the WOP-SEE umbrella are going to be externally evaluated depends on size, as the transaction costs of independent evaluation might not be justified for partnerships with a limited budget.⁶²

Table 5. Institutional characteristics of ACP-EU Water Partnerships and Water Operators Partnerships supported by regional platforms

Programme	Active NSA involvement	South-South component	Mandatory results	Permanent results	Multiplier effect	External evaluation
ACP-EU Water Facility – Partnerships Initiative	50% (16/32)	15.6% (5/32)	100% (32/32)	100% (32/32)	100% (32/32)	87.5% (28/32)
WOP-Africa	- (0/10)	100% (10/10)	100% (10/10)	N/a	- (0/10)	100% (10/10)
WOP-LAC	6.7% (1/15)	93.3% (14/15)	N/a	N/a	N/a	N/a
WaterLinks	3% (1/33)	78.8% (26/33)	45.4% (15/33)	33.3% (11/33)	33.3% (11/33)	10% (3/33)
WOP-SEE	- (0/13)	100% (13/13)	N/a	N/a	N/a	N/a

Sources: Table 7, Annex I; Table 2, Section 6. ACP-EU Water Partnerships: Fostering the impact of action; Section 7. Other international programmes supporting not-for-profit partnerships for capacity development in the water and sanitation sector; Annex V.

9. ACP-EU Water Partnerships: a SWOT analysis

Our SWOT analysis evaluates the strengths and weaknesses of the ACP-EU Water Partnerships relative to those of other programmes supporting not-for-profit partnerships in the water and sanitation sector, and in consideration of external opportunities and threats. This analysis aims to identify policy recommendations for the international water community on how to achieve a critical mass of capacity and sustainable water development through not-for-profit partnerships for capacity development. The analysed strengths and weaknesses are the attributes of the ACP-EU Water Partnerships that are respectively helpful and harmful to achieving a critical mass of capacity functional to attaining sustainable water development. The analysed opportunities and threats are the external conditions that could facilitate or undermine the achievement of a critical mass of capacity in the water and sanitation sector. The figure below summarises the findings of our SWOT analysis.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Significant resources • Coherent evaluation framework • Involvement of Non State Actors 	<ul style="list-style-type: none"> • Limited time horizon • Partial disbursement of available resources • Limited South-South component
Opportunities	Threats
<ul style="list-style-type: none"> • Available not-for-profit capacity • Growing demand for not-for-profit partnerships • Growing interest in funding not-for-profit partnerships 	<ul style="list-style-type: none"> • Inadequate resources to match the scale of need • Long term donors' commitment to support not-for-profit partnerships

9.1 Strengths: Significant resources

The financial resources made available by the ACP-EU Water Facility for ACP-EU Water Partnerships represent a significant contribution to capacity for development in the ACP water and sanitation sector. These resources are significant compared to the resources that a number of donors have made available for WOPs in Africa, Latin America and the Caribbean, Asia and Pacific, and South-East Europe. These resources enable ACP-EU Water Partnerships to make a tangible impact which – considering the number of partnerships together with their duration, total mobilised funds, and the breadth of themes addressed by actions – is not paralleled by other programmes.

9.2 Strengths: Coherent evaluation framework

The selection of ACP-EU Water Partnerships has been informed by a coherent evaluation framework, consisting of eligibility and selection criteria applicable to all applicants and specifically aimed at achieving a critical mass of capacity. This evaluation framework addresses crucial factors of sustainable development (e.g. good water governance, Integrated Water Resources Management, participatory governance, institutional support, awareness raising) in a way that other programmes primarily focused on traditional operational and managerial themes do not. The ACP-EU Water Partnerships evaluation framework also harmonises the direction of actions by emphasising the achievement of tangible and sustained results locally, and the production of efforts to replicate and up-scale local capacity development processes. Other programmes do not require partnerships to produce permanent results or a multiplier effect, although their principles might include result-orientation and replication and scaling-up (e.g. WaterLinks),⁶³ or they might plan to adopt separate initiatives towards scaling-up (e.g. WOP-Africa). Finally, the emphasis placed by ACP-EU Water Partnerships on locking-in the impact of action as a result of the evaluation and monitoring of partnerships projects finds no equal in other programmes, with the exception of WOP-Africa.

9.3 Strengths: Involvement of Non State Actors

The involvement of Non State Actors in ACP-EU Water Partnerships finds no equal in other programmes which are either limited to or primarily focused on supporting utility-to-utility partnerships and which do not systematically address good water governance and sustainable water development. The involvement of Non State Actors is important to support institution-building and entrench institutional capacity. Both these aspects are important factors of sustainable water development. The ACP-EU Water Partnerships evaluation framework obtained this level of involvement by explicitly encouraging the involvement of local Non State Actors and by addressing themes such as participatory governance and awareness raising.

9.4 Weaknesses: Limited time horizon

While the ACP-EU Water Partnerships initiative has a well defined time horizon, other programmes' timeframe is undefined (e.g. WOP-LAC, WOP-SEE). Although ACP-EU Water Partnerships rely on more significant financial resources than regional WOP platforms, ACP-EU Water Partnerships will cease in five years' time. Considering the scale of the need for capacity development in ACP countries and particularly in Africa, it is unlikely that its duration and the available resources will allow the ACP-EU Water Partnerships initiative alone to achieve a critical mass of capacity. In the eventuality that other programmes of not-for-profit capacity were to continue their activities beyond 2017, they could in principle exceed the impact of ACP-EU Water Partnerships and offer a more important contribution to achieving a critical mass of capacity.

9.5 Weaknesses: Partial disbursement of available resources

The ACP-EU Water Facility funds allocated to the financing of ACP-EU Water Partnerships by far exceed the total funds allocated to WOPs supported by the regional platform for which we were able to gather evidence (i.e. WOP-Africa). They are also by far superior to the total funds mobilised by any of the regional WOP platforms for which we were able to gather evidence (i.e. WOP-Africa, WOP-LAC, WaterLinks). However, the total funds allocated to the financing of ACP-EU Water Partnerships are about half the budget approved for the ACP-EU Water Facility – Partnerships Initiative. This suggests that the partial disbursement of available resources has prevented the realisation of the full developmental potential of the initiative.

9.6 Weaknesses: Limited South-South component

The South-South component of ACP-EU Water Partnerships is limited to 15.6% of the approved partnership projects. This is a limited percentage compared to the regional WOP platforms. These support partnerships

that are South-South in their entirety (WOP-Africa and WOP-SEE) or, as in the case of WOP-LAC and WaterLinks, in their majority. The limited South-South component of ACP-EU Water Partnerships might lead to difficulties in knowledge transfer due to the cultural barriers between ACP and EU partners.

9.7 Opportunities: Available not-for-profit capacity

The available not-for-profit capacity that could be mobilised by initiatives for capacity development in the water and sanitation sector is far greater than what has been mobilised thus far by various initiatives. This is due to the preponderance of public sector undertakings worldwide, which is acknowledged by the Hashimoto Action Plan⁶⁴ and which also obtains in EU and ACP countries.⁶⁵

9.8 Opportunities: Growing demand for not-for-profit partnerships for capacity development

Water and sanitation utilities and other stakeholders are increasingly showing interest in participating in not-for-profit partnerships for capacity development. This growing demand for not-for-profit partnerships is demonstrated by: a) the 300 Concept Notes submitted to the ACP-EU Water Facility in the first stage of the selection process for ACP-EU Water Partnerships; b) the number of WOPs implemented since 2008 by the four regional WOP platforms, which exceeds 70; c) the 35 proposals received by WOP-Africa for the AfWA/African Water Facility-sponsored utility-to-utility learning partnerships.

9.9 Opportunities: Growing interest in funding not-for-profit partnerships for capacity development

There is a growing interest among donors in supporting not-for-profit partnerships for capacity development. This is demonstrated by the number of international programmes launched in the last few years, which include the ACP-EU Water Partnerships initiative launched in 2010 and the four regional WOP platforms launched since 2008. In addition to these, GWOPA is increasing its activities in support of WOPs in Arab countries.⁶⁶ Finally, the Ministerial Declaration issued at the 6th World Water Forum in Marseille, where 140 ministerial delegations gathered, contains a commitment to develop training solutions for water operators' partnerships, water training centre networking and twinning.⁶⁷

9.10 Threats: Inadequate resources to match the scale of need

It is unlikely that the financial resources made available thus far at global level for all programmes supporting not-for-profit partnerships will be sufficient to achieve a critical mass of capacity in the water and sanitation sector. This is due to the scale of the need, particularly in Africa, but also in those countries that were to timely achieve the MDG targets on water and sanitation. For these countries, the issue will remain sustaining progress.⁶⁸

9.11 Threats: Long-term donors' commitment to support not-for-profit partnerships for capacity development

In case international programmes supporting not-for-profit partnerships failed to demonstrate the achievement of tangible results at scale, the commitment of donors to fund such initiatives might in the long term deteriorate. This would result in the reduction of resources available for not-for-profit partnerships and in greater obstacles to the achievement of a critical mass of capacity in the water and sanitation sector.

10. Conclusions and recommendations

10.1 ACP-EU Water Partnerships: a first assessment

The ACP-EU Water Partnerships initiative appears as a distinctively innovative attempt to develop capacity in the water and sanitation sector. Compared to other ongoing international programmes supporting not-for-profit partnerships for capacity development in the water and sanitation sector, the innovation of ACP-EU Water Partnerships consists in the alignment of significant financial resources and a coherent evaluation framework. In turn, the evaluation framework is composed of eligibility criteria on partners and actions, and of the criteria for the selection of applications. The effect of this alignment is a promising formula to achieve a critical mass of capacity in the water and sanitation sector, itself a precondition for sustainable water development.

Significant financial resources enable the implementation of actions allowing millions to benefit from improved water and sanitation services and improved water resources management. Significant financial resources also allow for a duration of actions which facilitates the absorption of capacity by beneficiary partners. The actions made possible by the allocated financial resources are directed by the eligibility criteria to address a wide range of themes – including good water governance as well as traditional operational and managerial issues – with the active involvement of local Non State Actors. These actions are also directed by the evaluation criteria to generate a sense of ownership among national governments due to the contribution to the implementation of national strategies, to produce tangible and sustained results for beneficiary partners, and to replicate and up-scale local capacity development processes. The evaluation and monitoring procedures envisaged for the funded ACP-EU Water Partnerships are a credible guarantee for the translation of expected results into reality.

The ACP-EU Water Partnerships' contribution to achieving a critical mass of capacity in the water and sanitation sector could be contained by the limited timeframe of the initiative, the partial disbursement of available financial resources and the relatively limited South-South component of the funded partnerships. Drawing on the empirical evidence analysed for this paper, in the following sub-section we offer policy recommendations for the achievement of a critical mass of capacity in the global water and sanitation sector through not-for-profit partnerships for capacity development. These recommendations are aimed at the international water community and refer to the institutional design of any ongoing and future international programmes supporting not-for-profit partnerships for capacity development.

10.2 Policy recommendations: towards a critical mass of capacity

Significant financial resources should be made available to international programmes supporting not-for-profit partnerships for capacity development. These financial resources should be commensurate to the scale of the need across transition and developing countries, and made available for the time required to meet such a challenging goal as attaining a critical mass of capacity. Strategies should be devised for the effective deployment of the financial resources made available through budget lines, so that concrete actions can be undertaken for capacity development.

Appropriate incentives should be provided for not-for-profit partnerships to do the following.

- 1) Address a range of locally relevant themes that are key to achieving sustainable water development beyond operational and managerial issues. These additional themes, which include participatory governance and institutional support, are central to enhancing sustainable water development.
- 2) Actively involve actors with a role to play in addressing the whole range of themes, from operational and managerial matters to broader governance issues. The actors involved in not-for-profit partnerships should go beyond the traditional partnering of water utilities, local authorities and other water agencies, and should include less traditional partners such as Non State Actors and South-South partners.
- 3) Produce tangible and permanent results that develop the capacity of the beneficiary or recipient partners and translate in concrete progress towards sustainable water development in the benefitted

location. Towards that aim, not-for-profit partnerships should go beyond classical training and provide inclusive and sustained opportunities for learning.

4) Produce mechanisms for the replication and up-scaling of local capacity development processes at country and regional level. These mechanisms could include concrete replication and up-scaling actions, but also actions that are in preparation for future replication and up-scaling. They should be mandatory results of funded partnerships and should be complemented and not supplemented by initiative towards replication and up-scaling undertaken by the sponsors of the partnerships or by third parties.

5) Adopt thorough and transparent procedures for the internal and external evaluation and monitoring of partnership projects, so as to ensure the implementation of the proposed actions. These procedures are intended to strengthen the accountability of partners to their funders, but should also be seen as opportunities for strengthening the responsiveness of partnerships to the needs of benefitted communities.

International programmes supporting not-for-profit partnerships for capacity development should be designed as open and continued opportunities for learning on developing capacity for sustainable water development. Adequately resourced mechanisms should be adopted for sharing lessons on the merits of the institutional features of different programmes, and on the merits of the intervention strategies adopted by different not-for-profit partnerships. One expected result of such mechanisms is a stronger developmental impact of programmes and partnerships as good practice is shared and debated. Another is that donors and other funders will be in a position to make informed decisions on financing successful or promising programmes and partnerships. In turn, funders' commitment towards financing programmes supporting not-for-profit partnerships for capacity development is expected to grow as tangible results are systematically documented and strategies for capacity development are systematically strengthened.

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⁵⁵ WOP-SEE, E-Newsletter, Volume 1, Issue 1, January 2011; WOP-SEE, E-Newsletter, Newsletter No. 2, July 2011.

⁵⁶ Email communications with Julie Perkins, GWOPA, UN-HABITAT, 31 May 2012; and with Aleksandar Krstic, Program Coordinator, WOP-SEE, 11 June 2012.

⁵⁷ WOP-SEE, E-Newsletter, Volume 1, Issue 1, January 2011; WOP-SEE, E-Newsletter, Newsletter No. 2, July 2011.

⁵⁸ Email communication with Aleksandar Krstic, Program Coordinator, WOP-SEE, 11 June 2012.

⁵⁹ WOP-SEE, E-Newsletter, Volume 1, Issue 1, January 2011; WOP-SEE, E-Newsletter, Newsletter No. 2, July 2011.

⁶⁰ See Table 2, Annex V.

⁶¹ See Table 4, Annex V.

⁶² Email communication with Julie Perkins, GWOPA, UN-HABITAT, 31 May 2012.

⁶³ Source: <http://www.waterlinks.org/waterlinks-partnerships>. Accessed: 5 July 2012.

⁶⁴ UNSGAB (United Nations Secretary-General's Advisory Board on Water and Sanitation) (2006) Hashimoto Action Plan - Compendium of Actions, March 2006.

⁶⁵ Lobina, E., Hall, D. (2008) The comparative advantage of the public sector in the development of urban water supply, in *Progress in Development Studies*, 8(1), pp. 85-101.

⁶⁶ Source: <http://gwopa.org/what-gwopa-does/supporting-wop-platforms/arab-countries>; <http://gwopa.org/what-gwopa-does/supporting-wop-platforms/101-activities/what-gwopa-does/supporting-wop-platforms?layout=blog>.

⁶⁷ Source: The Ministerial Declaration of the 6th World Water Forum, 13 March 2012 (<http://www.worldwaterforum6.org/en/news/single/article/the-ministerial-declaration-of-the-6th-world-water-forum>).

⁶⁸ World Health Organization (2010) UN-water global annual assessment of sanitation and drinking-water (GLAAS) 2010: targeting resources for better results. Geneva: World Health Organization, pp. 37-51.