

Interim Evaluation 2008

Cooperation Programme “Institutional Development of the Water Sector”, Yemen

Brief Report

gtz

Produced by: AGEG Consultants eG
This report was produced by independent external experts.
It reflects only their opinion and assessment.

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Evaluation Unit

Dag-Hammarskjöld-Weg 1-5
65760 Eschborn
Germany
Internet: <http://www.gtz.de>

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Tabular overview

The evaluation mission

Evaluation period	April 2008 – October 2008
Evaluating institute/ consulting firm	AGEG Consultants eG
Evaluation team	Brigitte Biesinger Dr. Taha M. A. Taher

The project/programme

Title of the project/programme according to the order	Cooperation Programme "Institutional Development of the Water Sector", Yemen
Project/programme number	2005.2185.6
Overall term broken down by phases	Anticipated total period: 07/2006 – 06/2015 Phase 1: 07/2006 – 06/2009
Total costs	Estimated total costs: 40.000.000 EUR (TC ¹ -Contribution) Estimated total costs for current phase: 13.300.000 EUR (TC-Contribution)
Objective of the project/programme	Overall objective: Urban water supply and waste water management as well as water resources management within the programme area are improved. Objectives for phase-related components: K1: The institutional framework within the water sector is improved. K2: The management of human resources development for drinking water and waste water management is improved. K3: The operational efficiency of water supply and waste water companies (WVU) is improved. K4: The organisational structure and planning for water resources management in the water basins of Amran, Sadah and Tuban-Abyan is improved. K5: Water management in at least 3 water-scarce districts of the Governorate of Amran is improved.
Lead executing agency	Ministry for Water and Environment – MWE
Implementing organisations	Ministry for Water and Environment – MWE

¹ Technical Cooperation

	<p>National Water Resources Authority – NWRA</p> <p>Ministry of Local Administration – MoLA</p> <p>National Water and Sanitation Authority – NWSA</p>
Other participating development organisations	KfW, DED, CIM, InWEnt, BGR
Target groups	<p>The programme's target group is the population of Yemen, especially future generations. Poor people will benefit in particular. Women will play a key role. Approx. 1.9 million inhabitants in selected cities will be advantaged. Approx. 1.2 million people in the assisted water basins will benefit from improved water resource management.</p> <p>Intermediaries are (i) Management and technical staff of the MWE, (ii) Management and technical staff of the NWRA at headquarters and the regional offices, (iii) Management and technical staff as well as customer services staff from the water supply and waste water utilities (LC&AUWSSU²) as well as (iv) Representatives of the local administrations (Local Councils) as well as local personalities (religious leaders and tribal chiefs).</p>

The rating

<p>Overall rating</p> <p><i>On a scale from 1 (very good, significantly better than expected) to 6 (the project/program is useless, or the situation has deteriorated on balance)</i></p>	2
Individual rating	Relevance: 2; Effectiveness: 2 ³ ; Impact: 1; Efficiency: 2; Sustainability: 3

² Local Corporations for Water Supply and Sanitation & Autonomous Urban Water Supply and Sanitation Utilities

³ See Annex

This Independent Evaluation was carried out on behalf of AGE G Consultants eG by Mrs Brigitte Biesinger (international consultant) and Dr. Taha M. A. Taher (national consultant) between April 2008 – October 2008. The evaluation was a combined Independent Evaluation (IE) and Project Progress Review (PPR)⁴.

The object of the IE is the Cooperation Programme "Institutional Development of the Water Sector" in Yemen (ongoing first phase 2006-2009). The FC⁵ measures did not form part of this review. The programme consists of **five components**: (1) Reform of the institutional framework in the water sector, (2) Human resources development in the water supply and waste water (WS/WW) sub-sector, (3) Creation and development of independent and commercialised water supply and waste water companies (LC/AUWSSU), (4) Integrated water resources management (IWRM) and (5) Strengthening of local actors in water scarce regions with regard to the sustainable use of water at the village and district level. The political partner and implementing organisation is the Ministry of Water and Environment (MWE). Other implementing organisations are the National Water Resources Authority (NWRA) and the Ministry of Local Administration (MoLA).

The programme's **objective** is to improve urban water supply and sanitation as well as water resource management. To achieve this, the programme operates nationally, regionally and locally. At the national level, it is working intensively with the MWE and the NWRA. The most important partners at the regional level are currently the 16 LC/AUWSSU, which are being supported in developing an efficient organisation, in handling technical and operational issues as well as in the introduction of management information systems. At the local level, Governorate and District Administrations are being supported both technically and methodologically to set up Water Basin Committees (WBC) and Water User Groups (WUG)/ Water User Associations (WUA), to conduct stakeholder discussions, to implement educational campaigns and to develop water management plans.

The programme is operating in a difficult political, economic and social **context** which is characterised by regional and internal conflicts, low macroeconomic productivity coupled with deficits in professional training, a rapidly increasing population, a sub-optimal assertiveness and transparency on the part of government institutions as well as an acute water crisis. In addition, there is a high level of poverty (35% of Yemenis live below the national poverty line of approx. USD 7.2 per person per month), and women are insufficiently involved in the development process. Nevertheless, the programme has managed to meet this multitude of

⁴ Members of the PPR mission were Mrs Kirsten Dölle (P&E, GTZ Eschborn), Uwe Winter (independent consultant) and Dr. Adel M. Alhababy (national consultant). The combined mission was partly accompanied by Mrs Ellen Michel (Yemen Country Manager, GTZ Eschborn).

challenges adequately. This is mainly expressed by its conceptual design which focuses strongly on the IWRM approach, conflict management and dialogue, gender equality (with certain restrictions), pro-poor approaches, transparency and *good governance* as well as stakeholder involvement.

Weak sector governing continues to pose a problem. This – coupled with the fact that the partner does not have enough qualified staff for component 1 in particular – leads to the fact that development in the sector is not progressing as expected, the transfer of know-how is sub-optimal and the impact of the programme is partly impaired. On the other hand, the Yemeni government has been following a **reform process** in the water sector since 1997, as part of which the MWE was set up as the central ministry for the sector, and a comprehensive sector strategy (National Water Sector Strategy and Investment Programme 2005-2009/NWSSIP) was approved. Within the area of urban WS and WW, the reform aims primarily at decentralisation (set up independent WS and WW utilities). Countrywide, there exist already 31 WS and WW utilities that are working according to commercial principles and operating in approx. 90% of the urban area.

The fact that the sector reform process is supported through a high degree of commitment from the partner, as well as from the donor community, forms the fundamental working basis for the programme. Thus the programme was able to position itself successfully and capably within the Yemeni water sector in a relatively short period of time, and to cover a wide range of topics by using the extensive experience gained from previous programmes. The programme's development concept (multi-level approach, process-orientation, flexibility) as well as the innovative approaches pursued in collaboration with the KfW (*milestones concept*) and the close collaboration with and division of tasks between the **German development institutions** also contributed to the programme's success and to the fact that it is highly appreciated by the Yemeni partners.

The international **donor community** is well represented and very significant in the sector. Within the scope of its advisory services regarding the update and implementation of the sector policy and strategy, and the development of a sector wide approach (Water Sector Support Programme/WSSP), the programme closely cooperates with the KfW and with major donors (World Bank and the Netherlands). The design of the WSSP was strongly influenced by GTZ and KfW, in particular by introducing the *milestones concept*, the *human resources development* approach and the *capacity development* approach. Insofar, the programme with its advisory services is also spearheading the updating of the sector design and organization.

⁵ Financial Cooperation

Overall, the programme has achieved a high degree of **relevance** both in terms of the partners' priorities and its conceptual embedding in sector, country and cross-sector strategies of the German Development Cooperation. **(Scale value 2; good result, fully in line with expectations)**

The programme has also achieved a high degree of **effectiveness**⁶: 13 out of 22 indicators show a positive trend, and only two indicators are negative. For the remaining seven indicators, either the basis no longer applies, or they turned out not be meaningful; in one case, it is still too early to measure the outcome. In the consultants' view, however, this is more of a methodical than a content-related problem, and should not lead to a negative assessment when evaluating the effectiveness of the programme. All in all, the programme with its five components has made significant steps towards achieving the overall objective. Thus it is assumed that, by the end of the programme (2015), the expected outcome will occur. In terms of the MDGs, a significantly improved access of the population to adequate water supply and waste water services in the supported towns has to be highlighted, which is mainly due to the cooperation with KfW (sector investments). Programme surveys also show that the target group is highly satisfied with the improved water supply and sanitation services. It was not possible to reduce the abstraction of ground water as envisaged by the programme because there is limited legal basis and political will. Nevertheless, the programme has achieved positive outcomes regarding IWRM (e.g. development of water management plans, establishment of WBCs): Overall, effectiveness is rated positive. **(Scale value 2; good result, fully in line with expectations)**

Of particular importance is the structural impact supported by the programme, such as the decentralisation of the WS and WW utilities and the enhancement of the sector strategy (NWSSIP), which due to its broad effectiveness and the achieved paradigm change reaches far beyond the programme objectives. The strengthening of the target group's and stakeholders' problem-solving capacity is also assessed positively, as seen in particular in component 4 (IWRM) (establishment of WBC, participatory formulation of WMP). As a consequence, the programme also contributes substantially to crisis prevention, since the topic of IWRM is particularly prone to conflicts. Other important cross-cutting issues promoted by the programme are transparency and *good governance* in the water sector. Overall, the programme's **overarching development-policy results** are assessed to be **very good. (Scale value 1)**

⁶ See Annex

The programme makes a strong point regarding the efficient allocation of its human and financial resources. This is evidenced by many facts. For example, the programme works with a pool of local experts, deploying them in a well directed way in the new WS and WW utilities (Abyan and Al Sher). This is not only very efficient from an economic point of view (low costs in comparison with international experts, multiplier effect), but also promotes the transfer of sector know-how within the country (positive side-effect). Overall, the **efficiency** of the programme is considered to be **good. (Scale value 2)**

Assessment of the programme's **sustainability** must be seen against the quite long programme horizon (2015). The rating at the time of the IE (end of phase 1) is made up of diverging assessments. On the one hand, the ecological sustainability with regard to the use of water resources is indeed questionable. However, the programme has little influence on this. The financial sustainability is (still) not sufficient either. On the other hand, the consultants are of the opinion that the institutional sustainability of the supported reform process is very positive and ultimately irreversible. Significant steps in important areas (HRD, IWRM) have been taken as well, and the participatory process gives also rise to expectations of social sustainability. Overall, the programme's **sustainability** is **judged to be satisfactory** having in mind the remaining implementation period (up to 2015). **(Scale value 3)**

Gender: The programme promoted the active participation of women, particularly in the scope of component 5. This is also reflected by the fact that this component is based in the "Directorate of Women in Local Development" of MoLA, and that the female experts in the component team also play an important role with regard to awareness raising and participation among the female village inhabitants. Within the scope of component 3, there are also very positive effects with regard to gender equality. The teams of community mobilization workers (CMW), for example, are mainly composed of women who, even under the difficult prevailing circumstances, have managed to gain access to female target groups and built up trust. Moreover, in one town (Bait Al Faqih), the female CMWs have formed an NGO which is now operating very successfully (positive side effect). In the other three components, there is still need for improvement in the promotion of gender equality.

Recommendations:

With regard to the next phase, the programme should address, among others, the following topics:

- Consolidation of decentralisation (utility level) and establishment of the regulator for the WS and WW sub-sector
- Integration of the advisory unit of component 1 (Technical Secretariat) into the structure of the MWE

- Improvement of the financial sustainability of WS investments through an appropriate pricing policy (to cover full costs); development of financial sustainability concepts for the WW sub-sector

The following intervention strategies should also be considered:

- Given that the over-abstraction of ground water resources can be contained only in the very long-term, *worst case* scenarios should be developed by the programme.
- The outsourcing of components 2 and 5 to consultancy firms should be rethought with regard to a possible merger with other components. This applies in particular to component 2. With regard to component 5 it should be investigated to what extent a value added is really obtained, or whether other institutions are better placed to carry out the respective activities.

The following recommendations are made with regard to the cross-cutting issue of gender:

- There should be further mainstreaming of the gender approach in order to better anchor this cross-cutting issue in the capacity development process of all components. This applies in particular to components 2 and 4. The programme should also grant greater importance to continuous internal training regarding the gender topic.

There is also room for improvement with regard to impact monitoring:

- The programme should keep more transparent records regarding impact monitoring. As part of this, objectives and indicators should also be adapted to the changed framework conditions and the experiences gained so far. In addition, the impact chains should be reviewed and designed in a more transparent way. Approaches and procedures to promote gender equality should be included within programme monitoring and reporting.

The ***overarching conclusion*** is that so far the *milestones concept* has been highly successful and has resulted in measurable performance improvements within the respective WS and WW utilities. It is therefore recommended for use in other countries. This equally applies to the model of local know-how transfer (setting up and using a pool of local experts).

Annex: Objectives and Indicators of the Programme (according to the proposal): Target-performance comparison

Overall Objective
 Urban water supply & wastewater (WS&WW) and water resources management (WRM) in the programme area are improved.

Indicator 1:
 The percentage of the population (living in the assisted target towns) that has access to the public water supply systems increased from an average of 56% (2006) to an average of 75% (2015).
Positive: Degree of target achievement 71,7% (12/2007)

Indicator 2:
 Increase of the percentage of the population (living in the assisted target towns) that has access to the public sewerage systems from an average of 29% (2006) to an average of 63% (2015).
Positive: Degree of target achievement 42,6% (12/2007)

Indicator 3:
 At least 75% of the target group (living in the assisted target towns) is satisfied with the water supply and wastewater situation (to be identified by representative customer surveys).
Positive: Degree of target achievement 74% (07/2008)

Indicator 4:
 In at least 7 water basins extraction of water from at least 75% of the water sources is taking place according to licensing procedures determined by NWRA (see annual reports of NWRA).
Indicator not valid anymore

Indicator 5:
 A survey conducted among the population living in the assisted municipalities – with special focus on representatives of local women’s groups- demonstrates that measures in water supply and sewerage has contributed to their overall living conditions.
Baseline Survey implemented: 64% of the interviewees are not content.

Phase-related programme objectives



Programme objective, component 1
 The institutional framework conditions of the water sector are improved.

Indicator 1:
 The number of Local Corporations/LC (autonomous water and wastewater utilities in the capitals of the governorates) increased from 9 (2006) to 14 (2009).
Positive: Degree of target achievement 15 (07/2008)

Indicator 2:
 The number of Public Utilities/PU (autonomous urban water and wastewater utilities) increased from 11 (2006) to 15 (2009).
Positive: Degree of target achievement 16 (07/2008)

Indicator 3:
 The number of LC and/or PU which present annual reports to their boards and to the MWE increased from 19 (2006) to 25 (2009).
Positive: Degree of target achievement 31 (07/2008)

Indicator 4:
 The MWE has approved a strategy - based on the NWSSIP - aiming at the continuation of the sector reforms (publication of the strategy paper).
Positive: NWSSIP is being enhanced, draft of SWAp is available.

Programme objective, component 2

The management of human resources development in WS&WW is improved.

Indicator 1:

MWE has approved a conceptual framework for human resources development in water supply and wastewater.

Positive: 10 principles were approved, draft of conceptual framework is available.

Indicator 2:

At least 12 LC/PU pay for at least 75% of the cost for short term training of their staff from their own budget (2006: 20%).

Negative: Degree of target achievement 44% (08/2007)

Indicator 3:

At least 3 LC/PU send key staff of all their departments to training courses; this is based on staff assessment and staff development plans (2006: 0).

Medium: Staff development plans are available in 2 LC/PU, methods of staff assessment are being developed.

Programme objective, component 3

The operational efficiency of the LC/PU is improved.

Indicator 1:

The number of LC/PU which achieve 90% cost coverage (defined as operating cost including depreciation of electro-mechanical equipment) increased from 7 (2006) to 14 (2009).

Medium: Degree of target achievement 11 (08/2008). Besides: Level of aspiration too low with regard to sustainability.

Indicator 2:

In at least 14 LC/PU customer complaints and failure reports decreased from an average of 1,400/year (2006) to an average of 800/year (2009).

Negative: Degree of target achievement 6 LC/PU (08/2008). But: Indicator not significant.

Indicator 3:

In at least 14 LC/PU collection efficiency (net values?) increased from 80% (2006) to 95% (2009).

Negative: Degree of target achievement 8 LC/PU (08/2008)

Indicator 4:

In Hodeidah, Taiz, Ibb and Sana'a UfW (technical and administrative water losses) decreased from an average of 36% (2006) to 24% (2009).

Indicator not reasonable in relation to activities.

Programme objective, component 4

In the water basins of Amran, Sadah and Tuban-Abyan the organizational structure and planning for water resources management are improved.

Indicator 1:

In at least 3 of the newly established water basin committees rules of procedures are in place.

Positive: 2 water basin committees exist and dispose of the according rules of procedures, the third (Amran) is being established.

Indicator 2:

For at least 2 water basins, MWE has issued a decree that establishes a comprehensive organizational structure that goes down to the water basin committees level.

Indicator not significant anymore.

Indicator 3:

At least 2 water basins have presented to MWE water management plans for approval which have been elaborated jointly by NWRA, the respective municipal councils and the local stakeholders.

Positive: 3 water management plans are available (2 of them as drafts).

Indicator 4:

In at least 7 districts of 3 governorates water use is licensed and controlled on the basis of a continuous monitoring programme (2006: 0 districts).

Indicator not valid anymore (water use is not controlled in Yemen).

Programme objective, component 5

In the Governorate of Amran, water management is improved in at least 3 water scarce districts.

Indicator 1:

In at least 3 water scarce districts with a high percentage of poor inhabitants, a development plan is in place. This plan focuses on water supply and water management and has been harmonized between municipal council, representatives of the local population (women's NGO, round tables of tribal chiefs, religious communities), MWE and local authorities.

Medium: Development plans are under way (Implementation of the component not before 09/2007).

Indicator 2:

A survey conducted among the population – with special focus on representatives of local women's groups - demonstrates that at least in 10 municipalities of 3 water scarce districts water related measures defined in the respective development plans have been realized. These measures improve the access of households and small scale farmers to water supply (drinking water and water for agricultural use).

Baseline Survey implemented (see overall objective - indicator 5). Indicator needs to be adjusted, since the promotion of small scale farming is not an objective anymore.

Summary of evaluation results:

Medium to positive target achievement:	13
Negative development:	02
<u>Indicators not valid (anymore):</u>	<u>07</u>
Total of Indicators:	22