

Pumps, Pipes and Promises

Costs, Finances and Accountability for Sustainable WASH services

Introduction

How much does it cost to provide WASH services? How are WASH services financed? And, how can accountability in the provision of WASH services be ensured?

These are questions that concern us all as WASH sector professionals and service users. Better understanding of the link between these questions and their corresponding debates is essential not only for delivering greater sustainability in the sector but also in supporting more effectively the needs of those who require these services most.

In recognising the global need to find answers to these urgent questions, this year's IRC Symposium 2010 will explore these three core themes in the context of the provisioning and use of decentralised WASH services. In addition to examining the key interlinking factors between these themes, the Symposium will also address some of the key issues of governance in the sector specifically with regard to cost effectiveness, finances and financing.

By bringing together professionals from across the international WASH sector, this year's IRC Symposium will address these core themes through a series of sessions and papers which will be presented over three days from 16-18 November, 2010 in The Hague. With each theme supported by three separate sub-themes, it is anticipated that the linkages between the latter will form the basis of the nine sessions comprising the Symposium.

Target Audience and Set Up

The Symposium is open to a broad spectrum of professionals from across the WASH sector from practitioners and policy makers, to funders and researchers. Capacity is limited to 120 participants.

Conducted in English, this three-day symposium will open with selected keynote presentations, followed by parallel case study sessions addressing the points highlighted in the accompanying Background Paper (NB: The Background Paper will be distributed in advance of the event).

A defining feature of the Symposium will be the significant amount of space provided to facilitate discussion among participants and opportunities to build on the outputs from the sessions, papers and issues presented.

Location & Welcome Reception

The event will start on the evening of Monday 15 November, 2010 with an informal cocktail reception and registration at IRC's office in the heart of The Hague in the Netherlands.

The Symposium itself will take place over three days from Tuesday 16 to Thursday 18 November inclusive and will be held at the Concordia Theatre situated in the centre of The Hague.

The venue is equipped with modern conference facilities, is fully accessible for those with disabilities or mobility impairments and both hotel accommodation and transportation are within easy reach.

Call for Abstracts

Individuals and organisations wishing to write and or present a paper at the symposium will be required to submit an abstract to IRC in the first instance to: symposium@irc.nl.

The deadline for submissions is **Wednesday 31 March 2010** and details of the three core themes and sub-themes can be found in the following section entitled 'Core Themes'.

Core Themes

The symposium will focus on three core themes with supporting sub-themes for which we warmly invite you to submit abstracts for papers.

Theme 1: Costs – How much does it cost to provide decentralised WASH services?

1.1 Life cycle costs approach: beyond construction

After decades of work, many of us in the sector still do not know how much our interventions actually cost and will cost in the future. Even more worrying, many stakeholders have little idea of the disaggregated or component costs of interventions (e.g. capital infrastructural costs, recurrent O&M costs, capital maintenance, institutional development and capacity building costs etc). Clearly, there cannot be proper planning and budgeting by local governments, donors and other stakeholders without quantitative data to support – and even drive – these processes. New initiatives, including the WASHcost project (www.washcost.info), have started to shine a light on what it really costs to provide water and sanitation services. This session will provide a forum to discuss the findings of the latest research studies to understand WASH costs.

1.2 Getting the numbers: sector costing methodologies

Methodological improvements have been made over recent years to understand the cost of providing WASH. This session will focus on how to ensure relevant comparisons are made in informing WASH service delivery, drawing upon experiences in developing comparative cost information on both technologies and service levels. The WASHcost project will share elements of its research protocol including key concepts and definitions and multiple methods for costing.

1.3 Towards cost-effectiveness: using cost information in decision making

This session will discuss how cost information is currently used in decision-making and agenda setting, and how that can be improved. It will consider the extent to which current policies and investments are driven by good evidence on costs, and efforts to improve the quality of these processes by monitoring outcomes.

Theme 2: Finances – How to finance the costs of decentralised WASH Services

2.1 Finance: sources and sinks

Over recent years a better picture of how money flows in the WASH sector is emerging. But it can still be hard to identify where WASH money comes from (the balance between taxes, tariffs and transfers) and where it goes over time. In countries where the biggest challenges in meeting the MDGs lie, financial requirements exceed by far the available funds in country, but in many cases existing available funds are also not used cost-effectively. The international policy environment encourages new construction but not in a sustainable way, and problems of slippage are emerging, as well as a lack of development of sustainable support functions at the intermediate level. This session aims to unpack the detail on financing different activities and reflect upon financing mechanisms.

2.2 Sector budgeting processes and funding flows

Multiple level planning and budgeting underlie the delivery of decentralised WASH services. With national policy goals and targets in mind, decentralised agencies are asked to plan investments in services. These plans are consolidated at higher levels, leading ultimately to a national plan that government treasuries and donors can support. Key assumptions underlying current reform are that funds will flow through the centre (e.g. a SWAp), and that intermediate levels capacities will be strengthened as required. Despite progress in harmonisation, relatively few countries have a developed SWAp mechanism; in practice, multiple channels of financing and a mix of project, programme and different planning and budgeting processes are found. Even when SWAp processes are partially in place, the transfer of funds to intermediate and local levels remains a challenge, and the ability to use funds at these two levels accordingly to national plans needs to be strengthened.

This session focuses on sharing experiences towards achievement of the objectives of harmonisation of financing mechanisms at the national level, and the transfer of funds to lower levels.

2.3 Financial incentives and efficiency

Considering the limited funds for WASH, the efficiency in using available funds is a crucial question. The costs of the different financing mechanisms are important but also the criteria to access the funds, and the incentives that are generated by the financing regulatory mechanisms in order to optimise the financial needs. Financing mechanisms vary significantly in term of cost. The cost of capital varies, taxes and tariffs collection also hold different costs. On the other hand, the regularity and the predictability of funding flows are key issues when it comes to secure the delivering of sustainable WASH services, while the criteria to access funds are often unclear. The explicit or implicit criteria to access funds and the regulatory mechanisms to check and balance the allocation and use of funds may not provide appropriate incentives to deliver cost-effective WASH services, so which financing regulatory mechanisms encourage efficiency and help to reduce the financial needs?

Theme 3: Accountability – How to ensure accountability in provision of WASH services

3.1 Cost of corruption in the WASH sector

An unrecognised cost of delivering decentralised WASH services is corruption. Recently it has become more widely recognised that the WASH sector has a corruption issue it needs to confront (see Global Corruption Report, Transparency International, 2008). Corruption can occur at all points along a 'value chain' that stretches from donors and financiers, through national government and sector agencies to local governments and the frontline where utilities, communities and contractors are working to keep the taps running and toilets functioning. It has been shown that under some conditions, decentralisation can lead to an increase in corruption in WASH service delivery where local agencies lack capacity and checks and balances are weak or missing.

It has been argued that preventing corruption taking root as resources are transferred to local levels is vital and easier than trying to clean up afterwards.

3.2 Access to WASH information

Access to information on sector performance is vital for financial accountability. Financial accountability in WASH means that people who are entrusted with money from various sources and for various activities are held to account on how that money is used and with what effect. It requires information to be published on all aspects of performance. Sector performance monitoring is improving but there are still questions over whether coverage data are reliable enough or tells us enough about quality of service. Data are also prone to manipulation at the cost of accountability.

Transparent, timely and detailed reporting by service providers and other agencies is necessary – the wider availability of Freedom of Information Laws has provided new opportunities to access information and hold providers accountable, as have new communication technologies.

3.3 Strengthening systems of accountability: state of the art approaches

A current area of much interest in the sector has been promoting citizens or consumer voice type activities to strengthen the demand for accountability, to put pressure on service providers to perform from below. The central idea is that if people better know their rights, and how to express these rights, government agencies (including service providers) will have to be more responsive.

Mechanisms to strengthen the short arm of accountability (between service providers and consumers) include citizens voice processes, community score and report cards, and the use of cost/input monitoring. Weaknesses in existing procurement systems and problems associated with competitive tendering are also a challenge. Innovative practices in procurement include community contracting and integrity pacts which aim to reduce the chances of corrupt practices during procurement through a binding agreement between the agency and bidders for specific contracts. Poorly focused anti-corruption activities may well simply shift or harden malpractice, so strategies generally need to be comprehensive and carefully planned. Corruption risk mapping is an important tool here for designing appropriate strategies.

Register now to secure your place at the symposium

As part of this first announcement, we would like to invite individuals/organisations wishing to submit an abstract and paper for the symposium, as well as those wishing to attend the symposium as participants to register online. We invite you to [complete and submit the registration form here](#).

Registration fee

Registration for the symposium is just €475 for registrations received **before** Saturday 31 July . Those registering after this date will be charged **€525**.