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SUSTAINABLE WATER AND SANITATION IN AFRICA (SUWASA) YEAR 3 PROJECT WORK PLAN



OCTOBER 2011

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ACRONYMS

AfWA	Africa Water Association
BSWB	Bauchi State Water Board
CIDC	Coalition of International Development Companies
COP	Chief of Party
COTR	Contracting Officer Technical Representative
DCA	Development Credit Agreement
DCOP	Deputy Chief of Party
DNA	National Directorate of Water
EGAT	Economic Growth, Agriculture and Trade
FSN	Foreign Service National
HTWSSSE	Hawassa Town Water Supply and Sanitation Services Enterprise
IR	Intermediate Result
JICA	Japan International Co-operation Agency
KIWASCO	Kisumu Water and Sanitation Company
LWSC	Lusaka Water and Sewerage Company
M&E	Monitoring and Evaluation
MCC	Millennium Challenge Corporation
MIS	Management Information System
MOPI	Ministry of Physical Infrastructure
MOU	Memorandum of Understanding
MWRI	Ministry of Water Resources and Irrigation
NAWASSCO	Nakuru Water and Sanitation Services Company
NWASCO	National Water and Sanitation Council
O&M	Operation and Maintenance
ONAS	National Office for Sanitation in Senegal
PIA	Project Implementation Agreement

PPP	Public Private Partnership
SIP	Small Investment Program
SOW	Scope of Work
SSO	State Sector Overview
SSUWC	South Sudan Urban Water Corporation
STTA	Short Term Technical Assistance
SUWASA	Sustainable Water and Sanitation in Africa
TWB	Town Water Board
UN	United Nations
USAID	United States Agency for International Development
UWSR	Urban Water Sector Reforms
UWWG	Urban Water Working Group
WASH	Water, Sanitation and Hygiene
WSP	Water and Sanitation Program

1.0 EXECUTIVE SUMMARY

This Annual Work Plan for the period October 2011 to September 2012 is being prepared at a time when SUWASA is revising its project identification and development approach and expanding its activities across the region. The process of developing this work plan is informed by lessons learned over the first two years of project identification, development and implementation and the need to scale-up water and sanitation interventions in the un-served and under-served urban areas in priority sub-Saharan African countries.

While there may seem to be slowness in realizing real figures in terms of the number of people accessing water, the nature of the SUWASA program is such that initial results are not readily quantifiable. As a result, SUWASA technical assistance focusing primarily on reforms will show significant increases in the numbers of people accessing water in the last one to two years of project implementation. The limited number of people gaining access to safe, affordable and reliable water and sanitation services at this point in project implementation has been due to the extended project identification process and delayed project start-up caused by the unforeseen lengthy staff approval process. These issues will require some paradigm shift in the coming year in order to fast track project implementation and the realization of expected results.

This Annual Work Plan takes into account a new approach in identifying and developing activities on a case-by-case basis as agreed recently with USAID. This new approach is aimed at streamlining and shortening the process of developing activities, and permitting USAID/Washington the opportunity to play a key role in identifying new opportunities in liaison with other USAID missions in Sub-Saharan Africa. This greater direct involvement by USAID will help to ensure that SUWASA activities are in line with the strategies of USAID missions for greater impact.

The 12-month period outlined in this work plan envisions the development of four new activities in addition to the finalization of the design of a sanitation project for Senegal and a regional project on pension fund investments in urban water supply infrastructure. This will bring the total number of activities to 12, including the six activities currently being implemented. This work plan specifies country-level activity schedules and explains how they fit into the wider program strategy of improving access to efficient and cost-effective water services for sub-Saharan Africa's urban poor. The country level work plans range from transforming municipal entities into autonomous and efficient utilities in Ethiopia; to developing institutional frameworks for the provision of urban water services in Nigeria; to demonstrating innovation in financing for water infrastructure as in Uganda; and to improving access to water services through household connections using micro-finance mechanisms in Kenya.

During the coming year we anticipate an increased project portfolio that will require an expanded and energized team to accomplish an ambitious agenda. In view of this, we are proposing to realign our team's responsibilities to respond more effectively and efficiently to the project needs by increasing the technical and administrative capacities of our regional office in Nairobi in a cost effective manner that will not require additional core budget funding. The intended restructuring will include the addition of three new staff positions assigned to the Nairobi regional office: a finance and administration director, a regional project coordinator, and a utility reform specialist.

The revised staffing remains at less than the number of personnel planned initially, but is expected to address adequately the significant increase in technical and administrative support requirements from the identification and hiring of more skilled and experienced staff to fill the new positions.

SUWASA's work plan for the next 12 months will build upon recent achievements in increasing visibility and sharing best practices in water and sanitation sector reforms. Our team will continue to attend, make presentations, and network at regional water sector forums and events, showcasing SUWASA's reform initiatives in the region, and sharing the project's core principles and long-term objectives. Our emphasis for the next year will be the identification, documentation, and promotion of at least four good practices across sub-Saharan Africa. We shall further seek to participate and host seminars in at least two internationally-sponsored water-related forums held in the region, including Africa Water Week and the AfWA Marrakech 2012 Congress.

In close coordination with the USAID Water Team and USAID Missions, we will develop a knowledge management and sharing approach for individual initiatives. We will also continue to expand SUWASA's virtual presence through the regular updating of the project website and the increased, more expansive dissemination of the quarterly e-newsletter, *SUWASA News*, which will continue to be utilized to share progress and best practices from the initiatives implemented by SUWASA and project partners.

The SUWASA team in Nairobi, in liaison with respective country teams, will continue to prepare monthly and quarterly progress reviews to monitor activities, highlight achievements, and address the challenges of project implementation, with the goal to respond swiftly and more efficiently to areas and issues requiring immediately attention. Mid-term reviews of project activities in Kenya and Uganda are expected to be performed during the first quarter of calendar year 2012; to be followed by Ethiopia in the second quarter.

2.0 PROPOSED ACTIVITIES

The proposals presented in this section outline Tetra Tech ARD’s planned activities for SUWASA’s third year of project implementation during the period October 01, 2011 to September 30, 2012. It builds on the tasks outlined in the program Statement of Work (SOW) and the project work plans implemented in Years One and Two.

The plan reflects new approaches to project implementation adopted in SUWASA’s overall program strategy following extensive discussion and concurrence with the SUWASA COTR. Activities are presented in three categories of: 1) new activity development, which includes the process of identifying new ideas, conducting due diligence assessments, and developing concepts and reform work plan proposals; 2) implementation of approved activities; and 3) promotion and dissemination of best practices in water and sanitation reform. Additional planned activities on organization and staffing, communication and reporting and monitoring and evaluation are also presented in section 3.

2.1 NEW PROJECT DEVELOPMENT

2.1.1 Current Status

The SUWASA program SOW requires the provision of support to “at least twelve reform activities in sub-Saharan Africa in at least five countries”; these activities are meant to support “at least twelve utilities, local service providers, or other organizations” at the regional or national level. Areas of reform include management, service delivery, policy reform and innovative financing. Thus far, SUWASA has developed reform activities in six sub-Saharan African countries, including Kenya, Uganda, Nigeria, Ethiopia, South Sudan and Mozambique (see Section 2.2 below). The start-up of a seventh initiative in Senegal approved by USAID in Year Two is in progress.

These initiatives aim to institute reforms across the sector, including sustainable and innovative financing, policy and regulation and streamlining of utilities. The Senegal initiative will improve sanitation services for the urban poor. The table below summarizes activities currently in progress.

Table 1: Current Project Activities by Country

Country	Activity Title	Categorization
Kenya	Innovative Financing for Water and Sanitation	Innovative financing
Uganda	Facilitating Private Water Operator Financing for Water Infrastructure in Uganda’s Small and Medium Towns	Innovative financing
Nigeria	Water Sector Reform Project for Bauchi State	Water sector reforms (policy and utility)
Ethiopia	Introducing Efficient and Innovative Water and Sanitation Services in the Municipality of Hawassa, Ethiopia	Utility reforms
South Sudan	Reform of the Urban Water Sector in South Sudan	Water sector reforms (policy and utility)

Mozambique	Support for Sustainable Small Scale Operators in Maputo and Matola	Regulatory and private sector participation
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Other countries to be considered for future project activities include Burundi, Mali, Malawi, Rwanda, Senegal and Zambia. Senegal and Zambia have been identified as the two countries with the most immediate potential for new activities.

2.1.2 Planned Activities and Strategy

The recent contract budget ceiling increase, the extension of the SUWASA contract by two years, and problems with slow start-up of country activities have prompted a review of internal management and decision-making processes, particularly in the identification and development stages of project activities. Project management review has concluded that project identification and development required streamlining and greater engagement by USAID/Washington to align SUWASA activities with specific USAID country strategies. Future SUWASA activities will be developed on a case-by-case basis, rather than in groups, and USAID/Washington will be requested to undertake a thorough vetting process with USAID Missions prior to referring a project proposal to SUWASA for development.

The new project cycle is presented in Figure 1 on the next page.

The plan for the coming year is to develop four new additional activities, bringing the total number of activities being implemented to 11. Final project development will conclude in year five, with year six of the SUWASA contract dedicated solely to project implementation, monitoring and evaluation. Priority will be given to identifying new activities in countries where SUWASA is already working. This approach recognizes 1) the difficulty faced to date in start-up of implementation in new countries, 2) the cost effectiveness of utilizing fully the skill, experience and capacity of existing staff and the established institutional and USAID missions relationships, and 3) SUWASA is presently working in more than five countries required by the Scope of Work.

Although we cannot predict the number and characteristics of new opportunities during the coming year, for planning purposes we are projecting the implementation of three large activities at estimated cost of \$3 million each, and one smaller activity at \$1 million. We are hoping the larger activities will have the potential of attracting USAID country mission buy-ins of \$2 million each.

These additional activities will result in SUWASA total projected contract budget expenditure of \$37.5 million for project activities, program management, cross-cutting and core activities.

Figure 1: SUWASA project identification and selection process to be implemented in Year 3

SUWASA Project Life Cycle

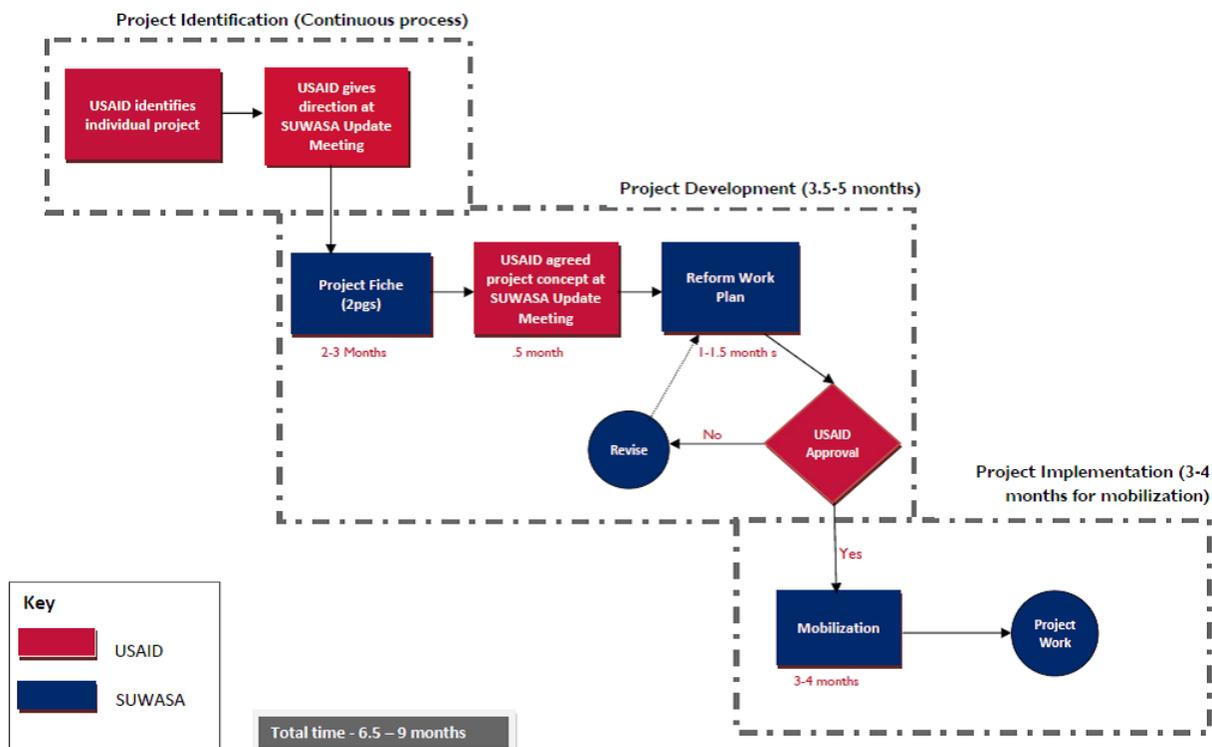


Table 2: Development of New Activities

Activity/Deliverable	Oct 2011-Sep 2012											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Finalization and approval of the Senegal RWP												
Finalization and approval of the regional pension project												
Development of RWP for the Malawi project												
Due diligence and development of RWP for the Zambia project												
Development of RWP for the Mali project												
New project proposals												

2.2 IMPLEMENTATION OF APPROVED ACTIVITIES

2.2.1 Current Status

The six activities currently being implemented are following the established individual timelines. Activities in Kenya and Uganda are the most advanced in implementation, followed by those under way in Ethiopia and Nigeria. South Sudan and Mozambique are currently in the project inception phase. Detailed information on the status of SUWASA activities are contained in the July - September 2011 Quarterly Report.

2.2.2 Planned Activities and Strategy

Each country team has developed a detailed work plan listing projected activities over the life of the project, expected outputs, and deadlines for activities completion. Country team leaders are responsible for ensuring that planned activities are implemented with technical support from the SUWASA Nairobi regional office. The Chief of Party (COP) provides overall oversight and strategic leadership to the activities with support from the Deputy Chief of Party (DCOP) and other technical staff. Specialized expertise is provided by short-term consultants recruited and engaged as needed from SUWASA subcontractors, pool of technical experts, and resource organizations.

The SUWASA implementation strategy includes a component of small investments and commodities to support small capital investments and procurement of commodities for specific activities required to implement reforms by the various utilities. The budget ceiling for small investments and commodities remains \$3.25 million over the life of SUWASA, subject to review to accommodate the changing operating environment. The maximum funding available for individual small investment activity is limited presently to \$250,000. Implementation of the small investments and commodities will continue to be guided by the procedures outlined in the SUWASA Small Investment Program and Subcontract Manual submitted to USAID in 2010.

SUWASA activities in South Sudan, Nigeria and Kenya are expected to utilize SIP funds for minor infrastructure rehabilitation and the procurement of hardware and software, such as pre-paid meters and accompanying hand held devices approved for the Kenya project.

Detailed work plans, activities and deliverables for each of the four activities in Kenya, Uganda, Nigeria, and Ethiopia are presented in the following sections. Detailed work plans for South Sudan and Mozambique will be developed by the end of the project inception phase, as defined in the project RWPs. All other upcoming activities will require the preparation of individual work plans detailing intended activities, expected outputs, and implementation timelines.

ETHIOPIA WORK PLAN

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012												
		O	N	D	J	F	M	A	M	J	J	A	S	
Objective 1: Encourage autonomous operations of the HTWSSSE														
<i>Activity 1.1: Support implementation of incentive-based performance agreement</i>														
1.1.1	Review and improve performance indicators and performance agreement with the town water board	Improved performance indicators and draft performance agreement												
1.1.2	Conduct workshop for consolidating and adopting performance indicators	Workshop with major stakeholders on reviewing performance indicators conducted												
1.1.3	Adopt performance agreement	Performance agreement adopted			♦*									
1.1.4	Develop system and assist in enforcing monitoring and evaluation of performance indicators	System for M&E of performance indicators established and applied												
<i>Activity 1.2: Review regulatory and institutional framework for water and sewerage services</i>														
1.2.1	Identification of additional resources to support the review of the regulatory and institutional framework	Additional resources identified												
1.2.2	Review of regulatory and institutional framework	Proposal for improving regulatory and institutional framework developed												
1.2.3	Presentation of findings and consensus building	Study findings shared with regulatory entities and other relevant stakeholders and agreed on												
1.2.4	Support implementation of reform proposals	Implementation of at least 3 reform proposals supported												

*: ♦ - Projected month for the submission of the applicable deliverable or completion of the listed task.

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
1.2.5 Monitoring and evaluation of implementation	At least 2 reform activities adhere to the timeline of implementation												
Objective 2: Introduce institutional, operational and financial reforms													
<i>Activity 2.1: Support Organizational Development of HTWSSSE</i>													
2.1.1 Identification of additional resources to support the organizational development of HTWSSSE framework	Additional resources identified												
2.1.2 Develop OD study	Organizational set-up reviewed and improvement proposals developed												
2.1.3 Presentation of findings and consensus building on OD study	Proposals for organizational development adopted												
2.1.4 Design training measures and support implementation	At least 2 training activities undertaken												
2.1.5 Update strategic plan	Strategic plan updated												
<i>Activity 2.2: Support strategies of engaging private sector actors and outsourcing of selected services</i>													
2.2.1 Identify opportunities and develop strategies for private sector participation	Strategies for private sector participation developed												
2.2.2 Prepare tender documents and sample contracts for outsourcing selected services	Tender documents and sample contracts developed												
2.2.3 Assist in tendering selected services	Private sector participants attracted for contracting selected services												
2.2.4 Assist in evaluation of bids, negotiation with and contracting of service providers	Service contracts with at least two private service providers concluded												
2.2.5 Assist in contract enforcement, monitoring, evaluation and up-scaling of commercialization	Contract enforcement supported and commercialization up-scaled												
<i>Activity 2.3: Review and improve financial management systems</i>													

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
2.3.1 Identification of additional resources to support the financial management systems of HTWSSSE	Additional resources identified												
2.3.2 Review financial systems and develop improvement measures	Accounting systems reviewed and improvement proposals developed												
2.3.3 Presentation of findings and consensus building	Proposals on improved accounting systems shared and agreed on												
2.3.4 Design training measures and support implementation	At least 2 training courses undertaken												
2.3.5 Support, monitor and evaluate implementation of recommendations	Implementation proposed measures regularly monitored and evaluated												
<i>Activity 2.4: Support the introduction and application of advanced MIS</i>													
2.4.1 Identification of additional resources to support the introduction and application of advanced MIS in HTWSSSE	Additional resources identified												
2.4.2 Identify needs and develop strategies for introducing advanced MIS	Needs assessment report for introducing advanced MIS developed												
2.4.3 Support introduction and implementation of proposed MIS	Implementation of advanced MIS supported												
<i>Activity 2.5: Support consolidation of sanitary and sewerage services</i>													
2.5.1 Needs assessment for strengthening sanitary and sewerage department under HTWSSSE	Needs assessment report developed												
2.5.2 Develop strategies for consolidating and expanding sanitary and sewerage services	Strategies for expanding sanitary and sewerage services developed												
2.5.3 Design training measures and assist in implementation	Training measures developed and implemented												
<i>Activity 2.6: Promote dissemination of lessons learned</i>													
2.6.1 Compile and disseminate international and local best practices	International and local best practices popularized												

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
2.6.2 Promote platforms for experience sharing	3 platforms for experience sharing conducted												
2.6.3 Adopt additional towns for multiplying lessons learned	At least two additional towns for multiplying lessons learned identified												

Objective 3: Update capital investment and finance plans

Activity 3.1: Update current business plan and develop cost reflective tariffs

3.1.1 Identification of additional resources to support the updating of capital investment and finance plans of HTWSSSE	Additional resources identified												
3.1.2 Study on asset valuation	Asset valuation report compiled												
3.1.3 Study on tariff revision	Proposals for revision of tariff developed												
3.1.4 Updating of business plan	Business plan updated												
3.1.5 Presentation of findings and consensus building	Findings on business plan and cost-reflective tariffs shared and agreed on												
3.1.6 Design training measures and support implementation	Training measures developed and implemented												

Activity 3.2: Review and support implementation of capital investment plans

3.2.1 Review and assist in consolidating ongoing and planned capital investment plans	Technical and financial viability of capital investment plans reviewed												
3.2.2 Support implementation of capital investment plans	Implementation of delayed capital investment plans accelerated												
3.2.3 Design training measures and support implementation	Training measures developed and implemented												

KENYA WORK PLAN

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
Objective 1: To create and manage innovative partnerships between WSPs and MFIs in the country to share experiences and strategies that increase access to water and sanitation.													
<i>Activity 1.1: Explore and link WSP strategic plans with MFI bank lending expertise to low income families to develop a commercially viable concept and business plan to finance water and sanitation improvements in urban poor areas.</i>													
1.1.1 Conduct regular meetings with KIWASCO and NAWASSCO management and field staff to discuss project progress, milestone achievements, challenges, modifications and lessons learned.	Progress reports including targets, milestone achievement, challenges and lessons learned.												
<i>Activity 1.2: Explore opportunities to partner with, complement and/or leverage the work of other development organizations.</i>													
1.2.1 Engage with other organizations working in the sector to share experiences and explore collaborations to leverage the Nexus project partnerships, market assessments and strategies.	Meetings with sector stakeholders conducted.												
Objective 2: To develop and pilot microfinance and meta finance products that meet the water and sanitation needs and affordability of the urban poor, and implement institutional arrangements for financing that link WSPs, MFIs, small businesses and communities.													
<i>Activity 2.1: Integrate qualitative and quantitative market assessment findings.</i>													
2.1.1 Integrate the key market assessment findings into product development and financing arrangements.	Market responsive products and implementation plans												
<i>Activity 2.2: Facilitate and support the feasibility study for Nyamasaria small pipe and household connections financing with partners.</i>													
2.2.1 Work with KIWASCO senior management on the	Feasibility study report.												

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
feasibility study for Nyamasaria.													
2.2.2 Discuss/negotiate the loan terms with K-Rep Bank.	Loan terms agreed on.					♦							
2.2.3 Work with the KIWASCO MD and senior management on the presentation of the feasibility study and financing proposal to the KIWASCO Board.	Project presentation to KIWASCO Board done.												
<i>Activity 2.3: Support KIWASCO orientation and training programs in the community.</i>													
2.3.1 Support orientation and training programs to community members to establish households interested in connecting and educate on water usage and payments.	Marketing and educational materials developed. Training to KIWASCO staff and community conducted.												
2.3.2 Advising and training KIWASCO on the development of a loan repayment tracking system.	Recommended loan tracking system and training materials.								♦				
<i>Activity 2.4: Monitor product implementation and outcomes.</i>													
2.4.1 Gather community feedback, case studies and success stories.	Case studies and success stories documented.												
2.4.2 Monitor and document product impact on KIWASCO and clients.	Monthly reports.												
2.4.3 Document activities.	Monthly reports.												
<i>Activity 2.5: Define the pre-paid meter pilot parameters with NAWASSCO.</i>													
2.5.1 Finalize with NAWASSCO the informal settlement areas and locations of the pre-paid meters.	Informal settlement areas and locations for pre-paid meters identified.				♦								

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
2.5.2 Finalize the investment cost with pre-paid meter suppliers and the financing arrangements to purchase with Family Bank and SIP funds.	SIP funding application.			♦									
2.5.3 Analyze and present the cost recovery model and with NAWASSCO, present the income stream assumptions.	Cost recovery model presented.												

Objective 3: To promote sector reform by developing sustainable business models that increase access to water and sanitation services for the urban poor and improve the commercial viability of the WSP.

Activity 3.1: Finalize business plans and financing proposals.

3.1.1 Business plan presented to NAWASSCO.	Business plan					♦							
3.1.2 Financing proposal completed with NAWASSCO.	Completed financing proposal					♦							
3.1.3 Financing proposal completed with KIWASCO.	Completed financing proposal					♦							

Activity 3.2: Close monitoring and evaluation of project implementation and outcomes.

3.2.1 Monitor implementation of small piping and household connections and document progress.	Monthly/Quarterly reports												
3.2.2 Analysis of impact on financial health of KIWASCO and NAWASSCO.	Monthly/Quarterly reports												

NIGERIA WORK PLAN

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012												
		O	N	D	J	F	M	A	M	J	J	A	S	
Objective 1: Facilitate the creation of an enabling environment for WASH improvement in Bauchi State														
<i>Activity 1.1: Urban water supply and sanitation status overview.</i>														
1.1.1 Meeting with FMWR, World Bank and other donor partners for possible investment support to the Bauchi urban water infrastructure.	Advocacy visits done													
<i>Activity 1.2: Support implementation of the water sector policy.</i>														
1.2.1 Organize stakeholders' workshop for policy launch and dissemination.	Better awareness on sector reforms created													
1.2.2 Support quarterly State Working Group (SWG) meetings for policy implementation and coordination.	Policy implementation strategy developed													
1.2.3 Develop SOW for the SWG related to the urban water sector reforms.	SOW for the SWG developed													
1.2.4 Design and implement a public awareness campaign on water sector reforms.	Strategy for publicity and awareness creation developed.													
1.2.5 Develop medium term urban water and sanitation sector investment plan.	Urban water & sanitation sector Investment plan developed.											◆		
1.2.6 Assessment of on-site/off-site sanitation systems and sanitation plan.	Assessment report on urban sanitation prepared.													◆
<i>Activity 1.3: Support implementation of the water sector policy.</i>														
1.3.1 Develop clear institutional framework for water and sanitation service delivery.	Institutional assessment report submitted and framework developed.													◆
1.3.2 Develop action plan for implementing the institutional framework.	Action plan for implementing the institutional framework developed.													◆

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
1.3.3	Implement the institutional framework.												
<i>Activity 1.4: Develop legislative and regulatory framework.</i>													
1.4.1	Undertake study tour on water sector institutional reforms including regulation, PPP and legislation.												
1.4.2	Appoint consultant to review BSWB edict												
1.4.3	Draft new water law based on inputs from various actors												◆
1.4.4	Lobby with the State Government for the enactment of new water law												
1.4.5	Develop tariff policy framework												
Objective 2: Provide technical and institutional support to Bauchi State Water Board (BSWB).													
<i>Activity 2.1: Design a performance improvement plan for Bauchi State Water Board (BSWB).</i>													
2.1.1	Undertake a detailed assessment & training of BSWB staff												
2.1.2	Support holding of water summit and bi-annual stakeholder consultative meetings												◆
<i>Activity 2.2: Improve organizational performance</i>													
2.2.1	Conduct institutional and organizational development assessment												◆
2.2.2	Carry out staff and manpower assessment												
2.2.3	Carry out change management training												
<i>Activity 2.3: Improve commercial performance.</i>													

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
2.5.2	Develop accounting systems that incorporate new billing system												
2.5.3	Provide on-the-job training on new accounting procedures and reporting												
<i>Activity 2.6: Improve customer orientation</i>													
2.6.1	Conduct customer awareness training												
2.6.2	Develop customer care guidelines												
2.6.3	Establish customer care units												
2.6.4	Establish customer/client associations												

UGANDA WORK PLAN

Objectives and Activities	Expected Output	Oct 2011 - Sep 2012											
		O	N	D	J	F	M	A	M	J	J	A	S
Objective 1: Increase private sector financing of water rehabilitation and capital investment activities in Ugandan small and medium towns													
<i>Activity 1.1: Establish a commercial bank loan product for private water operators</i>													
1.1.1	Conduct market assessment			♦									
1.1.2	Structure finance instrument terms					♦							
Objective 2: Improve DWD monitoring and regulatory oversight of performance agreements with local authorities, particularly for towns implementing DBO-OBA management contracts													
<i>Activity 2.1: Strengthen DWD's regulatory framework and oversight procedures for town water systems managed under the DBO-OBA management contracts</i>													
2.1.1	Review and assess DWD guidance and policies					♦							
2.1.2	Prepare up-dated guidance											♦	
2.1.3	Conduct pilot on updated guidance												
Objective 3: Increase the capacity of local water authorities and private water operators to manage DBO-OBA contracts													
<i>Activity 3.1: Implement a capacity and consensus building program for key stakeholders in the DBO-OBA scale-up framework</i>													
3.1.1	Conduct capacity/consensus building program					♦							
3.1.2	Conduct "train the trainers" program												

2.3 PROMOTE BEST PRACTICE REFORMS

2.3.1 Current Status

SUWASA's activities in the last 12 months have sought to increase visibility and share best practices on water and sanitation sector reforms. The program has utilized key water sector forums and events to showcase regional reform initiatives, core principles and long-term objectives. These forums have helped to raise SUWASA's profile and earn the project recognition for it being considered an integral contributor to and participant in regional seminars and international events. The program received several complimentary references in policy speeches given by U.S. Secretary of State, Hillary Clinton during her World Water Day Speech and on two occasions by the USAID Global Water Coordinator Christian Holmes in his addresses to the Center for Environment and National Security, Scripps Institute of Oceanography, and the Center for Strategic and International Studies.

This level of recognition is critical for SUWASA's outreach program, which is expected to intensify over the next year as reform initiatives start showing tangible results. This is an ideal opportunity to further educate the African WSS community on lessons learned in implementing regional reform initiatives, and to encourage the wider adoption of similar reforms.

SUWASA has also expanded its online profile to include a resource center and a French-language component to serve francophone West Africa. Visits to the website are numbering 6,000 per quarter, with e-newsletter subscriptions increasing to 1,500.

2.3.2 Planned Activities and Strategy

Central to program outreach in the coming year is the identification, documentation, and promotion of at least four good practices across sub-Saharan Africa. In close coordination with the USAID Water Team and USAID Missions, we will develop a knowledge-based management and sharing approach for individual activities.

SUWASA will showcase its results and share information in a number of ways, including the following:

- **Participate in national, regional and international events**

Regional and international forums continue to present some of the best opportunities to showcase best practices and promote SUWASA project activities. National water sector events are also opportune forums for individual initiatives to promote reform and build local networks of professionals committed to water sector reform, which in turn increases opportunities for replication and expansion of SUWASA activities.

SUWASA has already committed to participating in Africa Water Week and AfWA Marrakech 2012 Congress in the coming year and will consider attending other forums presenting opportunities for pertinent information gathering, dissemination, and sharing of best practices. During these events, SUWASA will participate directly

in seminars and other events, and serve on panels addressing relevant issues. Networking remains an integral part of the SUWASA strategy and every opportunity will be taken to host exhibitions and share project knowledge when available.

- **Participate in policymaking and planning forums with SUWASA partners**

SUWASA was a vital contributor to the planning and decision-making forums hosted by the Water Operators Partnership (WOP) and UN Habitat. At initiatives from the national level, SUWASA Nigeria and South Sudan projects played leading roles in the Bauchi State Technical Working Group and the South Sudan Urban Water Working Group (UWWG), respectively. SUWASA will continue to participate in similar strategies to promote comprehensive reform in the sector.

Senior SUWASA personnel working in partnership with USAID will continue to collaborate with other organizations to promote sustained, comprehensive and effective reform within the water and sanitation sector. It is likely that SUWASA will continue to be invited to engage in high-level strategy discussions with regional WSS organizations, governmental bodies, and private sector associations.

- **Collaborate with the media to promote SUWASA activities and disseminate lessons learned**

The strategy to increase SUWASA's media profile will focus on engagements with high-profile media within the countries of project implementation to disseminate activities and share information about reforms within the sector. Reports, interviews, and project materials will be provided to the country media in an effort to expand further local awareness and critical discussion of the water and sanitation sector reforms.

- **Maintain and expand SUWASA's online presence**

The SUWASA website has evolved into an important mechanism for sharing relevant information, lessons learned, and key messages with the water and sanitation reform community worldwide. The website is updated regularly with relevant, detailed, and comprehensive project information. As project activities continue, achievements and successes realized will be highlighted online.

The quarterly e-newsletter *SUWASA News* will be an integral component of the outreach strategy, sharing progress with partners and other interested parties. The technical team will continue to use *SUWASA News* as a forum for the open exchange of views and opinions to contribute to ongoing debates in the water and sanitation sector in the region and beyond. Readership comment indicates the last five issues of *SUWASA News* have been well received.

The Resource Center completed in the past year is another critical tool to share information on sector-wide reforms. It is valuable a means for systematically compiling documents and material from other organizations that complement the work being produced by SUWASA.

The Resource Center is organized into thematic categories:

- Organizational and Utility Reforms (Organizational Reforms);
- Financing Water and Sanitation Services (Financing Services);
- Regulation of Water and Sanitation Services (Regulation of Services or Regulation);
- Water and Sanitation Services to the Urban Poor (Services to the Poor or Pro-Poor Services);
- Country Profiles, Sector Analyses and Benchmarking (Country Profiles);
- Toolkits and Training Materials (Toolkits & Training);
- Discussion Papers and Case Studies

More details on the key activities expected timelines are provided in table 3 below.

Table 3: Planned Activities to Promote Best Practice Reforms

Activity	Oct 2011 - Sep 2012											
	O	N	D	J	F	M	A	M	J	J	A	S
Participate in national, regional and international events					♦			♦			♦	
Participate in policy making and planning forums with SUWASA partners												
Collaborate with the media to promote SUWASA activities												
Maintain and develop SUWASA's online presence												

3.0 MANAGEMENT PLAN

SUWASA's priorities have shifted from the initial development and start-up focus as the program enters its third year. With six activities being implemented presently in six countries and the preparation of activity underway in the seventh country of Senegal, SUWASA is now at a level of maturity where adjustments to our management plan and staffing structure are needed to provide more direct resources to project implementation, ensuring that our country project teams are receiving the timely technical and administrative support required from the core staff to meet respective RWP commitments and to achieve country targets.

An additional impetus to the timely management of project activities will be USAID/Washington working more closely with USAID Missions in the early identification and assessment of new project opportunities that include Mission buy-ins. To respond to the increased demands that will be the responsibilities of the SUWASA COP and DCOP, including increased travel to consult directly with the country projects, SUWASA is proposing a personnel restructuring to strengthen further the technical and administrative capacity of the Nairobi regional office.

3.1 ORGANIZATION AND STAFFING

Organizational and staffing restructuring plans are shown in Figure 2 – the existing structure – and Figure 3 – the proposed new structure. The new structure will realign staffing and management responsibilities to respond more directly to clearly delineated technical and administrative duties and tasks. Technical support to SUWASA activities and development of new project concepts will be carried out by a team of technical experts led by the DCOP, while administrative capacities will be strengthened by the hiring of a new Director of Administration and Finance. With the significant increase in contract budget and expanded SUWASA activities, administrative demands can no longer be addressed by the SUWASA Office Manager alone. In consideration of the above, proposed staffing changes are as follows:

1. Creation of a new position of Director Administration, Finance assigned to the Nairobi regional office, to manage administrative and financial operations. Responsibilities will include the management, coordination and supervision of administrative and financial procedures in the Nairobi office and in the project field offices. The director will contribute to the development of detailed budgets in line with RWPs for SUWASA activities, specific activity budgets and cash flow projections and supervise and mentor field office finance administrators. The planning, budgeting and contracting of short-term technical assistance (STTA) will also be a responsibility of the new finance and administration director. The position of contracts specialist is no longer relevant as the functions will be undertaken by the director of administration and finance. The responsibilities of this new position require a manager who is highly experienced with USAID financial and administrative requirements and procedures in multiple countries. For this reason, this position should be filled by a U.S. expatriate or a third-country national with relevant experience.
2. The planned regional project coordinator staff position is being reclassified for the hiring of a third-country national. The job responsibilities will remain the same as those envision for local national staff, including direct liaison with country team leaders to ensure they have

the necessary technical support to meet their RWP responsibilities. The staff will report to the DCOP and will regularly confer with the COP and DCOP on the status of all activities, issues that arise, and development of strategies to resolve problems. The role will require frequent travel to project countries to provide short-term technical assistance and to assist SUWASA Team Leaders in addressing specific needs. Since this position requires an individual highly experienced in management of technical activities in a variety of African countries, the position will be filled with a third-country national from a country of SUWASA project implementation.

3. A Utility Reform Specialist position will be filled to strengthen further SUWASA's technical capacity in utility reform and to provide reliable backstopping assistance to team leaders. As activities are becoming larger and more involved than originally anticipated, demands for timely and high-quality technical backstopping support have significantly increased. Kenya's significant experience in water sector reform has produced a number of qualified specialists, of whom recruitment could begin immediately to fill this position.
4. As the SUWASA project volume is expected to double over the coming year, recruitment will begin in the first quarter for a junior-level project accountant to assist in processing financial transactions and provide day-to-day assistance to the Finance Manager. A third driver will also be hired to provide additional transport to regional office staff within Nairobi.

Timelines for projected recruitment and mobilization of additional staff at the regional office are provided in table 4 below. Additional information on in-country staffing and unfilled positions is contained in table 5.

The proposed personnel changes can be implemented within the current approved budget for the SUWASA project, with no additional funding or budget revision required. The projected budget for core activities (administration and management) remains within the \$14.1 million allotted in the currently approved budget. Several factors account for this, including the later than projected recruitment and mobilization of core staff in the Nairobi office during the project's first year, and several planned full-time Nairobi positions budgeted remaining vacant the need for these inputs did not materialize as projected.

Project full-time staff will remain lower in number than proposed initially due to a reduction in the number of junior support staff positions in favor of more experienced personnel capable of performing principal and ancillary duties and tasks. Additional administrative support for labor intensive activities and short-term technical expertise will be contracted as needed to fast track specific components of project implementation.

Table 4: Timelines for Recruitment and Mobilization of Additional Staff

Activity/Deliverable	Oct 2011 - Sep 2012)											
	O	N	D	J	F	M	A	M	J	J	A	S
Recruit and mobilize project staff												
Regional Project Coordinator			♦									
Finance/Admin Director				♦								
Utility Technical Specialist				♦								
Accountant						♦						
Driver					♦							

Table 5: In-country Staffing

Country	Existing Staff	Unfilled Positions
Ethiopia	<ul style="list-style-type: none"> • Team Leader • Utility Finance Specialist • Finance and Office Administrator • Driver 	<ul style="list-style-type: none"> • Utility Technical Specialist
Kenya	<ul style="list-style-type: none"> • Team Leader • Microfinance operations specialist • Finance Manager • Senior Accountant/Office Manager 	-
Mozambique	<ul style="list-style-type: none"> • Team Leader • Finance and Office Administrator 	-
Nigeria	<ul style="list-style-type: none"> • Team Leader • Utility Technical Specialist • Institutional Development Specialist 	<ul style="list-style-type: none"> • Utility Finance Specialist • Finance and Office Administrator • Office Assistant • Driver
South Sudan	<ul style="list-style-type: none"> • Team Leader • Finance and Office Administrator 	<ul style="list-style-type: none"> • Institutional Development Specialist • Utility Reform Specialist • Water Utility and Operations Specialist • Drivers (2)
Uganda	Project Administrator	TBD

Figure 2: Original SUWASA Structure

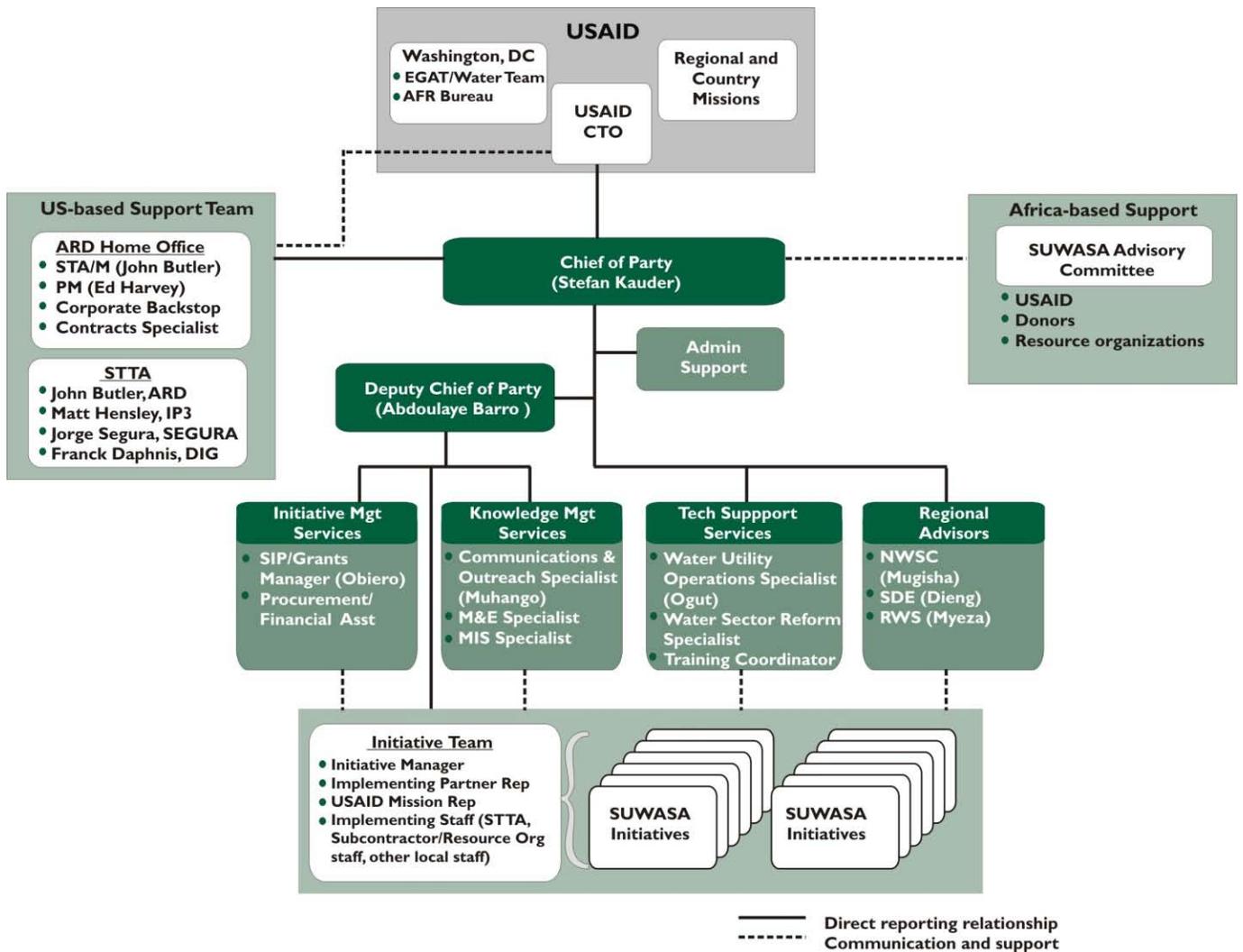
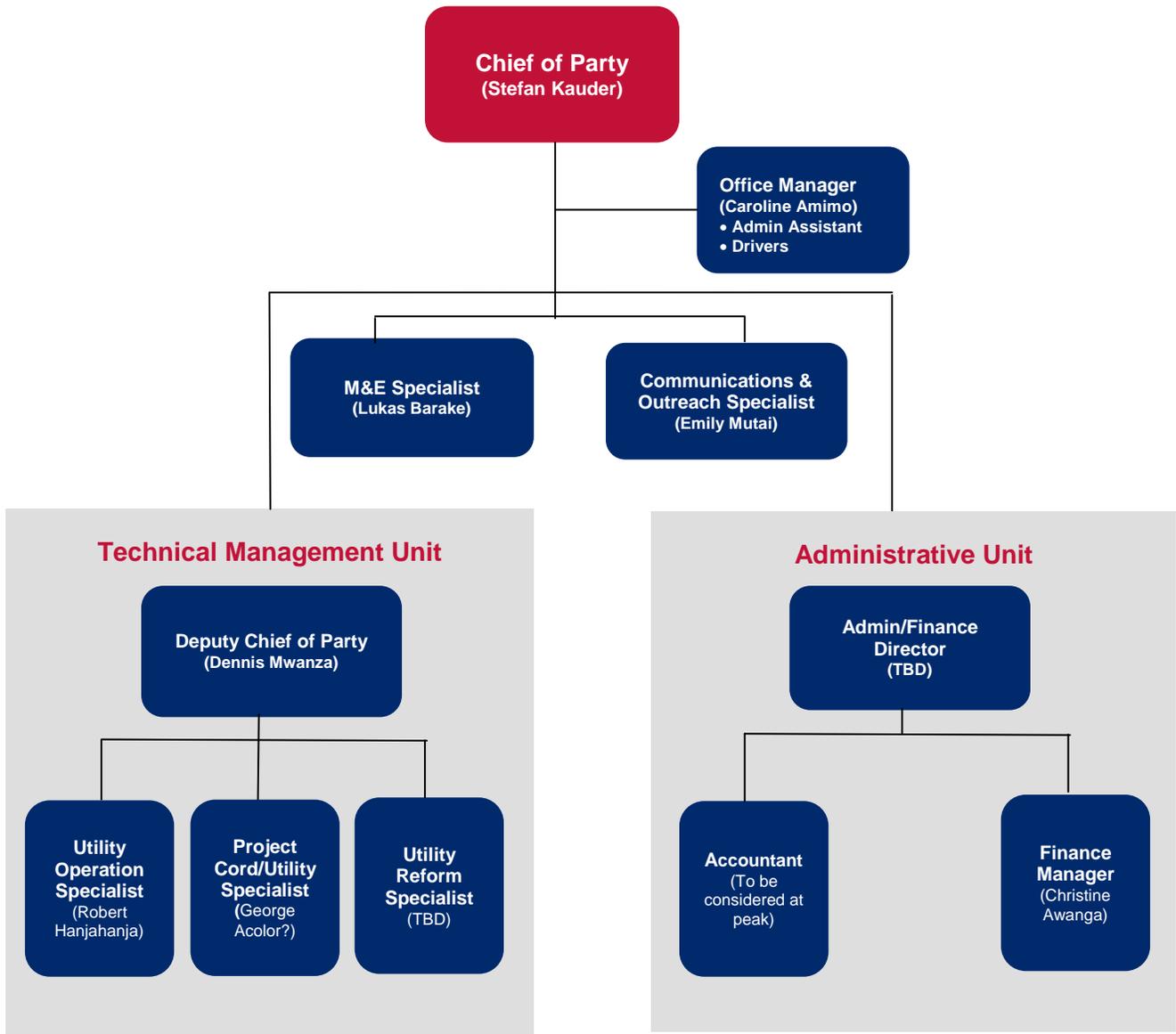


Figure 3: Proposed New SUWASA Regional Office Structure



3.2 COMMUNICATION AND REPORTING

In accordance with contractual stipulations, the SOW, and specific instructions by the COTR, SUWASA intermittent reports will include the following:

- Weekly e-mail summaries of activities conducted during the week. Currently these are only sent to the COTR.
- Bi-weekly or at least monthly meetings or conference calls with the SUWASA COTR and/or other members of USAID/Washington staff; the COP and/or other members of the Nairobi project staff; the STA/M and other Tetra Tech ARD home office staff are usually in attendance at these meetings
- Quarterly Technical and Financial Reports.

Table 6: Communications and Reporting

Activity/Deliverable	Oct 2011 - Sep 2012)											
	O	N	D	J	F	M	A	M	J	J	A	S
Weekly email summaries to the SUWASA COTR												
Bi-weekly or monthly meetings/conference calls	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Quarterly technical and financial progress reports to USAID	◆			◆			◆			◆		

3.3 MONITORING AND EVALUATION

Regular project reviews will be carried out to track the progress of country-level activities to identify challenges that impede timely implementation of activities, and provide for the identification of corrective measures required to ensure that the expected results are realized. This will be achieved through monthly and quarterly internal project review meetings and quarterly project visits. Mid-term project reviews/evaluations will also be used to assess the progress in attaining results and to document successes.

SUWASA considers the Performance Monitoring Plan (PMP) to be an essential tool for documenting, evaluating, and managing contract performance. The PMP aims to outline clearly key organizational goals and to delineate the incremental results necessary to achieve the goals, and the means by which subsequent results will be tracked and measured. The PMP has been revised to incorporate seven performance indicators and submitted to the COTR for approval.

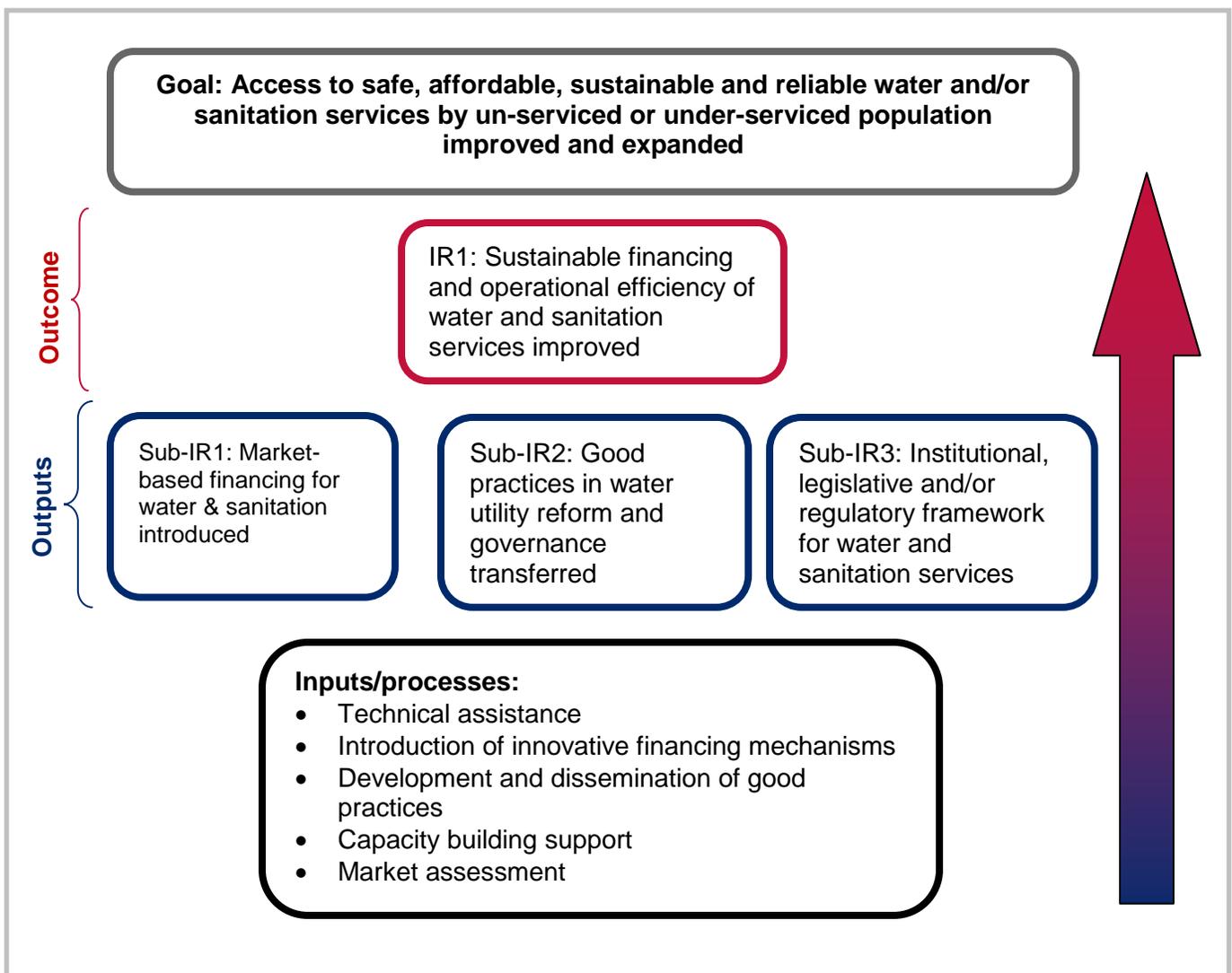
The PMP provides the overall framework for the monitoring and evaluation of SUWASA activities. Four of the six activities – in Ethiopia, Kenya, Nigeria and Uganda – have individual M&E plans that are in line with the overall SUWASA M&E strategy. M&E plans for activities in South Sudan and Mozambique will be developed during the coming year. The activity-specific M&E plans

contain a set of indicators derived from the program level PMP for measuring performance and accompanying baseline data and country targets.

The new results framework illustrates the causal chain of inputs/processes, outputs and outcomes that ultimately lead to the achievement of the overall goal of SUWASA: improved and expanded access to safe, affordable, sustainable and reliable water and/or sanitation services by un-served or under-served populations.

Inputs and processes are the resources or methods employed to bring about change while outputs are the direct result of expenditure of SUWASA resources. Outcomes are contributions to the overall objectives of SUWASA, usually reflecting a permanent change in systems and institutions, behaviors, and practices accomplished by partners. The results framework is outlined in the diagram on the next page.

3.3.1 SUWASA Program Level Results Framework



The indicators will be used to measure achievement of the results at each level of the results framework.

These indicators provide a clear basis for assessing SUWASA performance, reporting progress and achievements, and informing management when performance does not reach expected levels. Included among the indicators are several relevant standardized US Department of State FACTS, or F indicators that will allow SUWASA to indicate its contribution to overall US foreign assistance in water supply and sanitation programming.

Table 7: Performance Indicators by Results Level²

Result Level	Performance Indicator
Goal	
Access to safe, affordable, sustainable and reliable water and/or sanitation services by un- or under-serviced populations improved and expanded.	<ol style="list-style-type: none"> 1. Number of people gaining access to an improved drinking water source (USAID F-indicator). 2. Number of people gaining access to an improved sanitation facility (USAID F-indicator). 3. Number of people receiving improved service quality from existing improved drinking water sources (USAID F-indicator).
Outcome	
IR 1. Sustainable financing and operational efficiency of water and sanitation services improved.	<ol style="list-style-type: none"> 4. Percentage of operations and maintenance costs for water supply or sanitation services covered through customers charges.
Outputs	
Sub-IR 1. Market-based financing for water and sanitation introduced.	<ol style="list-style-type: none"> 5. Amount of new financing accessed by water and sanitation service providers.
Sub-IR 2. Good practices in water utility reform and governance transferred.	<ol style="list-style-type: none"> 6. Number of good practices identified, promoted and adopted.
Sub-IR 3. Institutional, legislative and/or regulatory framework for water and sanitation services developed.	<ol style="list-style-type: none"> 7. Number of new policies, laws, agreements, regulations or investment agreements (public or private) implemented that promote access to improved water supply and sanitation (USAID F-indicator).

Specific studies and surveys will be conducted as part of the overall M&E strategy to measure and document results. These studies and surveys will focus on obtaining accurate and reliable baseline data and providing in-depth analysis of the outcome of SUWASA interventions. This analysis will be presented in the form of case studies and success stories for public dissemination.

² All people-level indicators should be disaggregated, where practicable, by gender.

Table 8: Monitoring and Evaluation Activity Timelines

Activity/Deliverable	Oct 2011 - Sep 2012)											
	O	N	D	J	F	M	A	M	J	J	A	S
Undertake mid-term review of the Kenya, Uganda and Ethiopia activities												
Conduct internal monthly and quarterly project review meetings												
Quarterly M&E project visits												
Develop and update project level M&E Plans												
Undertake special studies and surveys												

Performance indicator targets for the coming year and up to the end of the project are provided in the table below. The targets indicated below are shared across all the existing activities. Each activity M&E plan outlines the contribution of each country to the overall SUWASA targets.

Table 9: Performance Indicator Targets

Performance Indicator	Level	Baseline Value 2010	Target					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1. Number of people gaining access to an improved drinking water source (USAID F-indicator).	Goal	0	0	0	75,000	75,000	100,000	120,000
2. Number of people gaining access to an improved sanitation facility (USAID F-indicator).	Goal	0	0	0	10,000	20,000	30,000	40,000
3. Number of people receiving improved service quality from existing improved drinking water sources (USAID F-indicator).	Goal	0	0	0	75,000	75,000	100,000	120,000
4. Percentage of operations and maintenance costs for water supply or sanitation services covered through customers charges.	Outcome	TBD for each service provider assisted.	No change	No change	5% Increase over baseline	10% Increase over baseline	15% Increase over baseline	20% Increase over baseline
5. Amount of new financing accessed by water and sanitation service providers.	Output	0	0	0	\$50,000	\$100,000	\$120,000	\$150,000
6. Number of good practices identified, promoted and adopted.	Output	0	0	2	8	8	12	15
7. Number of new policies, laws, agreements, regulations or investment agreements (public or private) implemented that promote access to improved water supply and sanitation (USAID F-indicator).	Output	0	0	0	2	3	4	5



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