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PVO EFFECTIVENESS IN THE WATER SUPPLY AND SANITATION SECTOR



WATER AND SANITATION
FOR HEALTH PROJECT

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and Voluntary Cooperation (FVA/PVC)
WASH Activity No. 129

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under WASH Activity No. 129

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Chapter 1

INTRODUCTION

This report is the result of a congressional inquiry into the effectiveness of private voluntary organizations (PVOs). In August 1985, the House Appropriations Committee (House Report No. 99-252) requested a report on which PVOs would be affected by recent proposals that at least 25 percent of their international funding be obtained from private sources. The committee also requested that USAID update and expand an earlier study on the effectiveness of PVOs.

In October 1985, the USAID Office of Private and Voluntary Cooperation (FVA/PVC), which had responsibility for preparing the response to the congressional inquiry, requested WASH Project assistance in the preparation of a report on PVO effectiveness in the field of water supply and sanitation. This was to be one of several reports on the effectiveness of PVOs in the following sectors: small enterprise, livestock, agro-forestry, women in development, food for peace, water and sanitation, and health and nutrition. Each report was to follow a similar format:

1. The general nature and extent of PVO activity in the sector, including key PVOs involved.
2. A summary of noteworthy PVO project examples in the sector, including an assessment of PVO impact and effectiveness.
3. Conclusions about PVO strengths and weaknesses.

The following chapters constitute the report prepared by WASH Project staff for the Office of Private and Voluntary Cooperation. This document and the other sectoral reports were incorporated into an overall report and submitted by USAID to Congress in January 1986.

Chapter 2

GENERAL NATURE AND EXTENT OF PVO ACTIVITY IN THE WATER SUPPLY AND SANITATION SECTOR

2.1 Types of Projects

PVO activities in the water supply and sanitation (WSS) sector are generally rural-oriented, innovative, complementary to official development programs, and low cost. At the same time, the locations of PVO projects and their methods of operation tend to make their impact less visible to the outside world than that of official development programs. Although PVOs play a significant role in developing the WSS sector in many countries, their generally low visibility and basic desire to work independently of each other often hinder the establishment of coordinated, country-wide WSS programs. The overall effectiveness of PVOs in the WSS sector, therefore, is strongly affected by their unique position outside of official development channels and by the special relationships they usually establish with the host government and the local communities within their areas of activity. Unfortunately, little statistical information exists regarding the types and geographical extent of PVO projects in the WSS sector. Because most PVOs prefer to operate as independently of other organizations as possible, only a general description of overall PVO activities can be given.

PVOs typically carry out water and sanitation activities in the context of broad-based community development, mostly in rural areas. Such activities usually emphasize heavy involvement of the local population, community decision-making regarding siting and project design, and often financial and labor support. The resulting water and sanitation systems often involve simple technologies, such as gravity pipe systems, hand-dug wells with handpumps, spring protection, and simple sanitary latrines. Such systems are usually labor-intensive and are designed more for their overall development impact upon the community than for the narrow purpose of supplying water or providing a sanitary system. Because women and children are the traditional drawers of water in most rural areas, PVO projects in this sector have special impacts upon them.

Although PVOs work in both urban and rural areas, they tend to be found in poorer communities having fewer basic resources or existing infrastructure. PVOs frequently target their efforts to poor areas where government programs either do not exist or are ineffective. PVOs work throughout the world but they are especially active on the Indian subcontinent, sub saharan Africa, and selected countries of Latin America. International PVOs, or those which work in many countries, are commonly found in the poorer developing countries while PVOs having an indigenous base tend to be found in the more highly-developed countries.

2.2 Funding of Projects

Detailed statistics of PVO expenditures in the WSS sector are not available. Moreover, available information on the sector is often distorted by the heavy emphasis on urban WSS by the major lending institutions. Overall, most WSS

expenditures in the Third World are directed toward the urban areas. The World Bank in 1984, for example, spent a total of \$630 million on water supply and sanitation, of which only 11 percent, or \$69 million, was devoted to rural areas. Yet, 80 percent of the world's population live in rural areas and about 70 percent of these lack adequate water supplies. Most PVO expenditures in water and sanitation are made in the rural areas. (Ref. 1)

In contrast to the urban areas, where the official multilateral and bilateral agencies dominate, PVOs are the major force in the development of water supplies and sanitation in the rural areas. According to the World Bank, PVOs annually spend about \$180 million on rural water supplies and sanitation, which is about triple the yearly lending program of the World Bank and about triple the expenditures of UNICEF, the most active United Nations agency in the sector. (Ref. 2)

Although individual PVOs do not usually report their expenditures by sector, both CARE and Catholic Relief Services have recently been spending over \$5 million annually on WSS. The most active PVO in the sector, CARE, has budgeted \$10.9 million for 22 WSS projects effecting 1.3 million people in 17 countries in 1986, of which USAID is providing 35 percent of the total. Under special circumstances, high priority programs in individual countries may receive large amounts of funds as, for example, in Ethiopia, where Catholic Relief Services has budgeted \$5 million in 1986 for emergency water projects.

Worldwide expenditures by all PVOs in the WSS sector are roughly equivalent to those of the U.S. government. As indicated above, PVOs annually spend about \$180 million on rural water and sanitation. According to the General Accounting Office, USAID expenditures for all WSS between 1978 and 1982 averaged slightly over \$200 million per year. During that period, USAID spent \$161.2 million in Development Assistance Funds and \$899 million in Economic Support Funds on water and sanitation activities, for a total of \$1,060.2 million. This does not include support for water and sanitation activities which are components of other types of projects, such as primary health care, rural development, and disaster assistance. (Ref. 2)

The proportion of U.S. government funds channeled to PVOs for WSS activities, however, is relatively small. It was estimated in 1981 that USAID funding for PVO water and sanitation projects averaged less than \$20 million annually. (Ref. 3)

In terms of overall administrative support costs, PVOs appear to be comparable with the U.S. government. USAID data for 1983 showed that 167 PVOs registered with USAID reported spending 80 percent of their funds on overseas programs, 7 percent on administration and management, and the remainder on domestic programs and fund raising. (Ref. 1) Similarly, the 1986 USAID budget proposals to Congress show approximately 8 1/2 percent of a total budget of \$5 billion allocated to administration and management.

2.3 Key PVOs in the Sector

Many PVOs provide water and sanitation services in developing countries. If all of the PVO development organizations, professional societies, church groups and cultural societies are included, there are at least 50, and perhaps

as many as 100, PVOs active in this field. A representative sample of the major PVOs is as follows:

U.S. PVOs using USAID funds:

- CARE
- Save the Children Federation
- AFRICARE
- Catholic Relief Services
- Foster Parents Plan
- Lutheran World Federation

U.S. PVOs not using USAID funds:

- OXFAM
- World Vision International
- Numerous small missionary groups

Non-U.S. PVOs using USAID funds:

- Eglise du Christ au Zaire
- Agua del Pueblo

Chapter 3

SUMMARY OF PVO PROJECT ACTIVITIES

3.1 Measurement of PVO Effectiveness

Effectiveness in the WSS sector refers to the degree to which an organization meets its objectives. A high degree of effectiveness is likely when an organization sets clear objectives, establishes a program intended to achieve the objectives, and then directs its efforts to specifically accomplishing those goals. Where objectives are not clearly stated or where programs are not well-defined, effectiveness invariably suffers.

In general, PVOs do not see themselves as technical assistance agencies providing support to host governments, as is usually the case with USAID. PVOs tend to protect their independence and, while some are willing to work through host-government agencies, they normally view the recipient communities as their ultimate clients. Thus, a PVO may be highly effective in carrying out a program from the standpoint of its own objectives but not from the standpoint of official U.S. government policies. The experiences of the Water and Sanitation for Health (WASH) Project is that the following criteria are most important in assessing the effectiveness of PVO activities in the WSS sector:

1. A program must be sustainable and be capable of continuing after the PVO has completed its efforts.
2. The activity must be transferable to similar communities with little additional investment from outside sources.
3. The local community must be involved in the activity from the initial planning of the project through implementation and into long-term operation and maintenance.
4. The activity must be cost-effective and should cost no more than comparable activities implemented through official government channels.

3.2 Relationship to USAID Development Policies

The long-range development strategy of USAID emphasizes four basic programmatic components, sometimes termed the four "pillars" of development. (Ref. 4) PVO activities in the WSS sector can be assessed in terms of the degree to which they contribute to these pillars, as follows:

1. Policy dialogue. In general, because of their grass-roots approach and independent modes of operation, PVOs have little impact upon policy formulation or reform in the WSS sector. The main exceptions to this occur in those countries where PVOs carry out a major portion of sector development and, thus, indirectly influence national policies by allowing host governments to allocate their limited resources on a highly selective basis. This has been the case in Zaire where PVOs are very active in rural WSS.

2. Institutional development and training. PVOs have significant impact upon institutional development at the community level, but very little influence at the national level. Through their WSS work in villages and rural communities, PVOs help establish village development committees, strengthen local decision-making, and build up a cadre of community leaders and technicians.
3. Technology: research, development, transfer. This is the area in which PVO activities in WSS make the greatest contribution to AID development strategy. PVO projects help transfer appropriate levels of technology, raise the technological consciousness of rural communities, and provide a channel for innovative ideas for project development. This work of CARE and CRS in Sierra Leone, for example, has helped to promote simple low-cost water lifting devices.
4. Reliance on the private sector and market forces. PVO water and sanitation projects usually rely more on the private sector for long-term operation and maintenance than do government-sponsored projects. This reliance on the private sector, however, is usually informal and does not involve strong institutional links with the local communities.

3.3 Examples of PVO Impact

A few examples of WSS programs being carried out by PVOs will serve to show the diversity of current activities. Among the impacts frequently seen in such projects are (1) improved levels of water supply and sanitation, (2) a high degree of community involvement, and (3) relatively low unit costs.

- In Cameroon, CARE has been working with AID since 1979 on an integrated program of water supply, health education, and latrine construction. In a country where few organizations have successfully implemented programs involving community participation, CARE has been able to work with the government's Community Development Department to develop integrated projects in over 100 villages. A self-help philosophy promoted by CARE helps the villages develop a strong sense of ownership and concern for the continued operation of their facilities.
- In Nepal, Save the Children Federation (SCF) and AID are cofinancing an integrated development program which includes a village water supply component. Since 1981, SCF has built or repaired 16 water systems (with another 12 currently under construction) serving 4,900 people at a cost of \$20 per person served. The projects benefit from extensive village initiative, labor, and the provision of materials in planning, construction, and maintenance. The key aspects of the SCF program are a high degree of community involvement, simple technology (gravity piped flow to communal standpipes), and specific provisions for community take-over and maintenance of the systems. The CARE approach in Nepal is now used as a model of program management and implementation by Nepali water agencies.

- In Bolivia, CARE recently completed a two-year program of rural supply and small-scale irrigation projects in 126 villages. These projects now reach about 35,000 people and will shortly serve over 41,000 people. AID provided grant funds of \$1,750,000 for the program, or about \$41 per person served. It is notable that CARE provided communal water service to 126 communities in just over two years, while official government agencies in the same regions of Bolivia served only 15 to 20 villages during that same period.
- Not all PVO-implemented projects, however, are fully successful. Where one or more of the key elements of good management, appropriate technology, or community involvement is lacking, project effectiveness often suffers. For example, in Haiti, where some 20 PVOs have been responsible for most of the water supply development in the country, one PVO spends about \$150,000 annually operating water systems in three areas. The villages assisted by this organization draw their water from protected springs and pipe it by gravity to communal standpipes. Although these villages now have convenient access to safe water, the projects have suffered from inadequate engineering expertise and a failure to fully involve the local communities in the planning, implementation, and maintenance of the systems. The approach used by this PVO does not use local human resources extensively and is not well organized to carry out project development or to accept ultimate ownership of the projects. Since the Government of Haiti is unable to take over all completed PVO water projects, the organization in question is required to provide continuing operation and maintenance services to its own systems.

3.4 Conclusions

3.4.1 Strengths of PVOs

The special strengths of PVOs are most evident in their field operations, as follows:

- Many PVOs have developed a long-term presence in various countries. They often are apolitical and, therefore, tend to have greater acceptability to both local communities and the national government. This allows them to sometimes operate in countries in areas where the U.S. government cannot provide direct development assistance itself. For example, in Ethiopia, political problems have prevented AID from working directly in the famine relief camps. More than a dozen U.S.-based PVOs, however, including Catholic Relief Services, CARE, World Vision, Save the Children, and Adventist Development and Relief Association, have been able to develop WSS operations in Ethiopia.
- PVOs have leaner administrative organizations than government agencies, which allows them to mobilize quickly when conditions require.

- PVOs often have highly motivated people working on their international staffs. PVO personnel, many of whom are former Peace Corps volunteers, frequently accept assignments in areas with only minimal facilities for housing and support.
- PVOs tend to use indigenous staff very effectively and to give them proportionately greater responsibilities than do international development agencies.
- Because of their organizational flexibility and knowledge of local conditions, PVOs are especially well-suited for providing certain types of disaster-related assistance such as WSS, food distribution, and medical care. This has recently been borne out throughout the Sahelian zone of Africa, where PVOs have been used by AID as the primary channels for emergency drought-relief assistance.
- PVOs are particularly effective in countries where the governmental infrastructure is weak or even non-existent. In Zaire and Haiti, for example, PVOs provide the bulk of WSS services in the rural areas.
- By emphasizing WSS projects in rural areas, PVOs have direct impact upon the welfare of women and children.
- PVOs generally have low overhead and administrative costs and usually can implement WSS projects at lower unit costs than government agencies.
- And finally, because PVOs have long-term presence and good acceptability by local governments, they are an ideal vehicle for piloting innovative ideas and development methods.

3.4.2 Weaknesses of PVOs

PVO weaknesses tend to be found in their management and administrative structures, as follows:

- PVOs sometimes lack sufficient technical expertise to carry out the more complex WSS programs. There often is a shortage of engineers and hydrogeologists, which is partially a reflection of the low salaries paid by most PVOs. This shortage of technical personnel affects PVO operations primarily at the field level.
- PVOs occasionally have weak administrative support and frequently are unable to provide sufficient backup resources if a major problem arises.
- Because of limited staff resources, PVOs rarely monitor their field operations closely and, as a result, are usually unable to carry out detailed evaluations of completed projects.
- In many cases, PVO water and sanitation projects are found in remote rural areas which hinders communication with home offices

as well as complicates coordination with other organizations, including both other PVOs and host government agencies.

- Too often, PVOs prefer to operate their programs in isolation rather than pooling their insights and resources in a common cause with other PVOs.
- PVOs tend to overlook the long-term maintenance needs of WSS systems. They often fail to develop or strengthen an institutional capacity to care for major maintenance problems.
- Finally, PVOs are not well organized and staffed to respond effectively to U.S. government proposal and program reporting requirements. For this reason, many smaller PVOs avoid working with the U.S. government because of the attendant complications such involvement entails. As a result, only the larger PVOs have sufficient staff to regularly prepare project proposals for AID and to subsequently carry out the necessary paperwork involved in project implementation.

3.5 Potential for Future PVO Involvement in the WSS Sector

U.S. government support for PVOs is particularly relevant in the following situations:

1. Where PVOs are well-established and have a strong field presence, they offer a ready-made channel for development assistance. Such a presence is especially useful in areas where the U.S. government, for various reasons, may not be able to work directly. Established field presence and administrative flexibility are further features which make PVOs particularly useful in disaster relief operations, such as have been occurring during the current drought in Sahelian Africa.
2. PVOs provide a useful complement to established government programs and to programs involving United Nations activities. In such a role, the PVOs are particularly effective at the grass roots level where highly motivated field personnel are required.
3. One of the most useful role PVOs can play is to pilot innovative approaches in technologies and projects, such as integrated water, sanitation, and health activities, village cost recovery systems, and community maintenance systems. Because of their administrative flexibility, PVOs can rapidly undertake such ideas and more easily experiment with them in the field in search of workable procedures and methods.

Of course, the U.S. government could provide greater support to all of the above approaches by setting aside more funds for PVO programs. Beyond increased funding, the U.S. government could improve PVO effectiveness by simplifying contracting and reporting procedures, by encouraging greater cooperation among PVOs on USAID financed programs, and by providing technical advice. By far the most important of these inputs is technical advice,

especially short-term expertise dealing with project design, implementation, and maintenance.

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