



PHOTO CREDIT: MOSES MTONGA CREATIVE. PARTICIPANTS AT THE PRIVATE SECTOR ENGAGEMENT FORUM

USAID EXPANDING WATER AND SANITATION PROJECT

QUARTERLY PROGRESS REPORT #4 JANUARY 1 – MARCH 31, 2023

VERSION I, SUBMITTED MAY 4, 2023

CONTRACT NUMBER: 72061122C00004
RTII PROJECT NUMBER: 0218447

THIS DOCUMENT WAS PRODUCED FOR REVIEW BY THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT. THE VIEWS EXPRESSED IN THIS PUBLICATION DO NOT NECESSARILY REFLECT THE VIEWS OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OR THE UNITED STATES GOVERNMENT. IF YOU HAVE ANY DIFFICULTIES ACCESSING THIS DOCUMENT, PLEASE CONTACT ACCESSIBILITY@RTI.ORG.

USAID Expanding Water and Sanitation Project

Quarterly Progress Report #4

Contract #: 72061122C00004

Prepared for

[REDACTED]

Contracting Officer Representative

USAID | Zambia

Subdivision 694/Stand 100

Ibex Hill Rd P.O. Box 320373

Lusaka, Zambia

Telephone: [REDACTED]

E-mail: [REDACTED]

Prepared by

[REDACTED]

, Chief of Party

& [REDACTED], Project Manager

RTI International

3040 East Cornwallis Road

PO Box 12194

Research Triangle Park, NC 27709-2194

The authors' views expressed in this report do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

CONTENTS

EXECUTIVE SUMMARY	1
PROGRAM OVERVIEW	2
SUMMARY OF CUMULATIVE PROGRESS AND ACCOMPLISHMENTS	3
DELIVERABLES	4
DESCRIPTION OF PROGRESS AND ACCOMPLISHMENTS	5
OBJECTIVE 1: INSTITUTIONALIZED MARKET-BASED WASH SERVICE DELIVERY, FINANCIALLY SUSTAINABLE AND INCLUSIVE MANAGEMENT MODELS	5
OBJECTIVE 2: INCREASED ACCOUNTABILITY OF WASH SERVICE PROVIDERS, POLICYMAKERS AND CIVIC LEADERS	10
OBJECTIVE 3: INCREASED PRIVATE SECTOR PARTICIPATION (PSP)	13
ACTIVITY MONITORING EVALUATION AND LEARNING	18
MANAGEMENT	20
OPERATIONS	20
STAFFING	20
COMMUNICATION AND REPORTING	21
CROSS-CUTTING ACTIVITIES	22
GENDER AND YOUTH	22
GRANTS UNDER CONTRACT (GUC)	22
LOCALIZATION	22
COLLABORATING, LEARNING, AND ADAPTING	22
ENVIRONMENTAL MANAGEMENT	23
ENVIRONMENTAL COMPLIANCE	23
CLIMATE ADAPTATION	23
SCHEDULES	24
CHALLENGES	25
IMPLEMENTATION STATUS, CHALLENGES, AND RISKS	26
NEXT-QUARTER ACTIVITIES AND MILESTONES	27
ANNEX 1. ORGANIZATIONAL CHART	28
ANNEX 2. INDICATOR TABLE	29
ANNEX 3. IMPACT STORY 1	33
ANNEX 4. IMPACT STORY 2	34
ANNEX 5. IMPACT STORY 3	35

TABLES

Table 1. Reports and Deliverables Completed during the Reporting Period	4
Table 2. Proposed Projects.....	14
Table 3. Project Staff	21
Table 4. Schedules.....	24
Table 5. Challenges and Risks	26
Table 6. Activities and Milestones.....	27

FIGURES

Figure 1 Pipeline to secure capital investment.....	15
Figure 2 Number of boreholes per district	19
Figure 3 Borehole functionality rate by district.....	19

ACRONYMS AND ABBREVIATIONS

ADS	USAID Automated Directives System
AMELP	Annual Monitoring, Evaluation, and Learning Plan
AWP	Annual Work Plan
CBO	community-based organization
CDF	community development fund
CF	construction fund
CFM	Construction Fund Manager
CHWSC	Chambeshi Water and Sanitation Company
CLA	collaborating, learning, and adapting
COP	Chief of Party
COR	Contracting Officer's Representative
CSO	civil society organization
CU	commercial utility
DDCC	District Development Coordinating Committee
DFC	USAID Development Finance Corporation
DMA	delegated management agreement
D-WASHE	district water, sanitation, and hygiene education committee
EMMP	Environmental Mitigation and Monitoring Plan
GRZ	Government of the Republic of Zambia
GUC	grants under contract
GYSI	gender, youth, and social inclusion
HEARTH	Health, Ecosystems, and Agriculture for Resilient, Thriving Societies (USAID public-private partnership program)
IEE	Initial Environmental Examination
IT	information technology
LA	(government) local authority
M&E	monitoring and evaluation
MEL	monitoring, evaluation, and learning
MOF	Ministry of Finance
MWDSEP	Ministry of Water Development, Sanitation, and Environmental Protection
NRW	non-revenue water
NWASCO	National Water and Sanitation Council
NWSSP	National Water Supply and Sanitation Policy
O&M	operations and maintenance
PDCC	Provincial Development Coordinating Committee
PEA	political economy analysis

PLOCA	Participatory Local Organizational Capacity Assessment
PP	Planet Partnerships
PPP	public–private partnership
PSE	private sector engagement
PSP	private sector participation
P-WASHE	provincial water, sanitation, and hygiene education committee
PWD	persons with disabilities
QASP	Quality Assurance and Surveillance Plan
RTI	RTI International (registered trademark and trade name of Research Triangle Institute)
SaniFOAM	framework to analyze behaviors to design effective sanitation programs: focus, opportunity, ability, motivation
SBC	social and behavior change
SNV	SNV Netherlands Development Organization
STTA	short-term technical assistance
SUN-TA	Scaling Up Nutrition Technical Assistance
SWSC	Southern Water and Sanitation Company
TBD	to be determined
USAID	United States Agency for International Development
V-WASHE	village water, sanitation, and hygiene education committee
WARMA	Water Resources Management Authority
WASAZA	Water and Sanitation Association of Zambia
WASH	water, sanitation, and hygiene
WQAP	Water Quality Assurance Plan
WWSC	Western Water and Sanitation Company
ZCSMBA	Zambia Chamber of Small and Medium Business Associations
ZANACO	Zambia National Commercial Bank
ZPPA	Zambia Public Procurement Authority

EXECUTIVE SUMMARY

RTI International (RTII) is pleased to submit Quarterly Progress Report #4 for the United States Agency for International Development (USAID) Expanding Water and Sanitation Project (USAID Expanding WASH). The Quarterly Progress Report discusses progress within the reporting period, as well as cumulative progress in the context of the agreed-upon accomplishments and indicators. It discusses existing and potential problems in implementation and variance from the Annual Work Plan (AWP) and Activity Monitoring, Evaluation and Learning Plan (AMELP).

The purpose of this contract (72061122C00004) is to professionalize water, sanitation, and hygiene (WASH) services, to promote accountability for reliable and high-quality WASH services, and to enhance the enabling environment for private sector engagement (PSE) in service delivery in Zambia.

This report covers FY23 Q2 (January – March 2023) of implementation of the USAID Expanding WASH project. During the quarter, the project had good management outcomes and made positive progress on the three technical objectives. Key implementation highlights from the quarter are outlined below:

Objective 1: The project team completed research on service delivery models used in defined project geographies, to adapt and develop suitable market-based models for implementation. A series of site selection and validation meetings were held, culminating in identification of potential sites for new construction and rehabilitation work.

Objective 2: Capacity assessments were undertaken for 43 candidate partner civil society organizations (CSOs). The team developed advocacy and social accountability training materials and toolkits for CSO capacity building scheduled to commence next quarter.

Objective 3: The project team completed three capacity-development activities for the three commercial utilities (CUs) in project pipeline development and finalized identification of potential private sector participation project pipelines for the 3 CUs. A total of nine identified potential projects were showcased during the PSE Forum held in February 2023. The team also developed project-specific appraisal reports for six of the nine pipeline projects.

Management: During the quarter, a candidate for the position of Policy and Regulatory Specialist was identified and hired. The candidate is expected to start next quarter.

PROGRAM OVERVIEW

The United States Agency for International Development (USAID) Expanding Water and Sanitation Project (USAID Expanding WASH) is a five-year program to professionalize water, sanitation, and hygiene (WASH) services, promote accountability for reliable and high-quality WASH services, and enhance the enabling environment for private sector engagement (PSE) in service delivery in Zambia. With operating dates from January 27, 2022 through January 26, 2027, implementation of the USAID Expanding WASH Project is led by RTI International.

The USAID Expanding WASH Project uses USAID’s Local Solutions Framework to strengthen social accountability within complex, dynamic local systems. This approach entails a flexible and responsive strategy to link supply-side governance—understood as GRZ’s ability to follow through on its promises for providing WASH services to its citizens—with demand-side governance, defined as robust civil society engagement that keeps governments and private service providers accountable.

The three project objectives are to:

- Institutionalize market-based WASH service delivery through financially sustainable and inclusive management models;
- Increase the accountability of WASH service providers, policymakers, and civic leaders; and
- Increase private sector participation (PSP) with supporting policy and regulatory reform.

These interventions, taken together, will increase access to safe water, improve sanitation, and enhance the capacity of the Zambian government, the private sector, and civil society organizations (CSOs).

The USAID Expanding WASH Project is headquartered in Lusaka, Zambia, and covers four provinces: Northern, Muchinga, Western, and Southern. The project has a target of 12 districts within the provinces: Chinsali, Kalabo, Kalomo, Kaoma, Kazungula, Lunte, Mongu, Mpika, Mungwi, Nakonde, Nalolo, and Sesheke. Throughout implementation, the project team will work with USAID to reaffirm the target areas.

The three targeted CUs are (1) Western Water and Sanitation Company (WWSC); (2) Chambeshi Water and Sanitation Company (CHWSC), which covers both Northern and Muchinga provinces; and (3) Southern Water and Sanitation Company (SWSC).

During preparation of the Initial Work Plan, the project team assumed that work in the districts would be apportioned in the following ways:

- Focus on water: Lunte and Mungwi districts in Northern Province; Kalomo and Kazungula in Southern Province, and Nakonde in Muchinga Province
- Focus on sanitation: Kalabo, Kaoma, Mongu, Nalolo, and Sesheke districts in Western Province, and Chinsali and Mpika in Muchinga Province

Throughout this Quarterly Progress Report, the districts, provinces, and CUs listed above may be referred to as “targeted provinces,” “targeted districts,” or “targeted CUs,” to be as concise as possible.

SUMMARY OF CUMULATIVE PROGRESS AND ACCOMPLISHMENTS

During this quarter, the USAID Expanding WASH project completed key project implementation activities. Highlights from the quarter are listed below:

Operational

- Finalized recruitment of the Policy and Regulatory Specialist and commenced recruitment process for the Construction Fund Manager.
- Conducted staff training in Security and IT systems in March. The training was facilitated by the RTII Home and Regional offices.
- Supported the commemoration of World Water Day in March.
- Continued evaluation of proposals for the Grants RFA released under Objective 2. Process will be finalized in Q3 of FY23.

Technical

- Facilitated co-creation of potential transactions for the private sector participation for Western Water and Sanitation Company (WWSC), Chambeshi Water and Sanitation Company (CHWSC), and Southern Water and Sanitation Company (SWSC). A total of six potential transactions progressed to the business case development stage.
- Hosted the inaugural Private Sector Engagement (PSE) Forum on February 7-8, officiated by the Permanent Secretary at the Ministry of Water Development and Sanitation, and attended by the USAID Zambia Mission Director.
- Facilitated a joint meeting with MWDS and NWASCO on March 28, to discuss and clarify the Government's position on the responsibilities of CUs and Local Authorities (LAs) in rural areas. During the meeting, MWDS committed to supporting mobilization of additional WASH funds in targeted project areas through the Community Development Fund (CDF). MWDS and NWASCO also agreed on dissemination exercises, such as workshops, for CUs and LAs.
- Participated in the national consultative meeting on the draft Statutory Instrument (SI) for onsite Sanitation and Faecal Sludge Management, organized by MWDS on March 9. Participants also reviewed the code of practice and WASH sanitation standards and discussed the need for appropriate sanitation tariff setting.

DELIVERABLES

During the reporting period, USAID Expanding WASH submitted three contractual deliverables as final products in line with Section F of the contract, as highlighted in Table I below.

TABLE I. REPORTS AND DELIVERABLES COMPLETED DURING THE REPORTING PERIOD		
REPORT/DELIVERABLE	STATUS	SUBMISSION DATE
Construction Implementation Plan	Draft	October 14, 2022
	Final	January 14, 2023
	Approved	Pending Approval
Water Quality Assurance Plan	Draft	November 14, 2022
	Final	February 17, 2023
	Approved	March 15, 2023.
Portfolio Review Presentation	Completed	March 16, 2023
FY22 Annual Progress Report	Draft	January 30, 2023
	Final	March 16, 2023
	Approved	March 28, 2023

DESCRIPTION OF PROGRESS AND ACCOMPLISHMENTS

The following sections outline progress made on each of the objectives, milestones, and performance indicators.

OBJECTIVE I: INSTITUTIONALIZED MARKET-BASED WASH SERVICE DELIVERY, FINANCIALLY SUSTAINABLE AND INCLUSIVE MANAGEMENT MODELS

Objective I: Institutionalized market-based WASH service delivery, financially sustainable and inclusive management models for water and sanitation facilities.					
Key Result 1: Increased access to safe water by 3%–5% at midline & 15% at endline, Key Result 3: Increased access to sanitation 5%–10% at midline & 25% at endline, Key Result 2: Improved functionality rate of water supply facilities by 5%–10% at midline & 25% at endline					
IR.1.1: Improved and institutionalized, professionalized, financially sustainable, adaptive, and inclusive management models					
Indicator	FY 23 Target	Target Life of the project			
		Actual	Target	Actual	% Achievement
No. of people gaining access to basic drinking water services as a result of USG assistance (HL.8.1-1)	21,528	0	430,550	0	0
No. of people gaining access to safely managed drinking water services as a result of USG assistance (HL.8.1-2)	26,910	0	89,700	0	0
No. of institutional settings gaining access to basic drinking water services as a result of USG assistance (HL.8.1-4)	26	0	86	0	0
No. of people receiving improved service quality from existing basic drinking or safely managed water service as a result of USG assistance (HL.8.1-3)	31,695	0	633,900	0	0
Number of communities verified as ODF as a result of USG assistance	168	0	840	0	0

Objective I improves social accountability by securing the minimum quality standards for market-based services and strengthening institutional arrangements to ensure that these services reach customers. The USAID Expanding WASH Project will achieve this objective through comprehensive analysis and deliberate engagement of district, community, and private sector stakeholders, recognizing how co-implementation can enhance governance, policy reform, and sustained investment. The project is working with CUs to identify service-improvement projects for peri-urban areas, rural growth centers, and rural communities, including upgrading existing infrastructure, drilling boreholes, installing water taps and small piped water schemes, and improving on-site sanitation. Where possible, the project is capitalizing on existing management models to increase shared value for rural growth centers and communities, using them as a foundation to scale a structured delegation of authority for market-based services.

Through these interventions, USAID Expanding WASH project seeks to increase access to safe drinking water and sanitation services by granting 430, 550 people new access to basic drinking water, 633,900 people access to improved service quality, 89,700 people access to safely managed water, 86 institutional access to water and support 840 communities to attain open defecation free status over the life of the project. For FY23 the project has planned to provide access to safe water to 21,528 people with access to basic drinking water, 26,910 access to safely managed water, 31,695 access to improved water service quality, support 168 communities attain open defecation free status and provide institutional access to water in 26 health facilities and schools. During the period under review the project did not give any new access to water and sanitation services but implemented activities listed below that have laid the foundation for the achievement of key results and targets.

SUB-OBJECTIVE 1.1: IMPROVE AND INSTITUTIONALIZE MARKET-BASED, PROFESSIONALIZED, FINANCIALLY SUSTAINABLE, ADAPTIVE, AND INCLUSIVE MANAGEMENT MODELS

TASK 1.1.1: Determine entry point for water supply and sanitation services

Following revision of the long list of potential entry point projects, the project undertook site validation meetings between March 6-31, covering five districts in the Northern region and two districts in the Southern region, to refine entry points.

The site-validation process began with training of seven DWASHE committees on standard procedures and criteria for site selection validation and assessments. The DWASHE committee members trained comprised WASH Coordinators, representatives from the Ministry of Health (MOH) and Ministry of Education (MOE) and other district stakeholders.

After the capacity building of DWASHE committees, they completed review and validation of tentative projects and sites during the meetings in the seven districts. Site validation meetings for the Western region are expected to conclude in Q3 of FY23.

After the DWASHE committees' complete assessments of the validated sites, the project will facilitate the formal applications for projects and sites by DWASHE Committees and CUs to the Construction Fund. Before approval, the Project will then scrutinise the sites to determine the viability of each proposed site based on weighted criteria that include factors such as community need, certification of operations and maintenance capacity, land tenure, willingness to pay, potential for private investment, and constructability.

TASK 1.1.2: Establish flexible models for delegation of wash service delivery

The project commenced research on different market-based WASH service delivery models for rural growth centers and rural areas. The research is expected to be finalized next quarter before construction works start, after which the project will develop suitable models by reviewing the performance of existing models and deciding on models that can be adapted or improved upon. The project will conduct technical and business training for the players that will be identified to take up the delegated responsibilities of operating and managing the WASH facilities in the models.

As part of its research, the Service Delivery and Private Sector teams reviewed the Access Water for Zambia model, a social enterprise model used to manage small water schemes and water points in Luapula province. The USAID Expanding WASH Team is undertaking further assessments on the performance and suitability of this model as it presents a strong alternative for the operation and

management of rural water points and piped schemes. Unlike the other existing models, where handpumps are maintained by village committees and Area Pump Menders, the Access Water for Zambia model achieves sustainable O&M of hand pumps and piped schemes through communities paying a monthly insurance fee to Access Water. The insurance fee guarantees a monthly maintenance visit by trained Access Water Technicians as well as repairs and maintenance without any additional costs to the consumers for any replacement parts.

In the Southern region, the Provincial Team visited a water scheme managed by Gundu Water Multi-Purpose Cooperative. The Cooperative operates as a private enterprise and is run by a board of 15 members drawn from the health, agriculture, education, and community sectors. The scheme reticulation supplies water to over 200 customers, including households, churches, a school, and a clinic. Each household is required to pay K1000 to be connected to the scheme. A monthly fee of K110 is then charged to each household for services. The records availed suggested an average collection of over 80%. The Gundu cooperative model doubled the assets and customer base of a piped scheme using internally generated capital.

In the Western region, the Provincial Team reviewed 10 piped water schemes that had been constructed under the Transforming Rural Livelihoods project, funded by the African Development Bank. The CU currently owns all 10 water schemes, four of which are directly operated by the CU and six of which are operated by community water committees. The USAID Expanding WASH Team also visited Yuka, Kalumwange and Mangango water schemes in Kaoma district, establishing the status of the schemes and the existing models and approaches used.

In the Northern region, the Provincial Team met the Water and Sanitation Coordinators from five LAs and District Managers from CHWSC for Northern and Muchinga Provinces, to discuss performance and operations of existing small, piped water schemes. Further, the team met with the Lunte district Director of Works and WASH Coordinator to obtain an update on the eight piped schemes planned for construction in Lunte using Constituency Development Funds (CDF). The USAID Expanding WASH Team committed to supporting the establishment of suitable market-based operation and management models for the eight CDF-funded piped schemes.

TASK 1.1.3: Strengthen data systems, technological tools, and information platforms

During this quarter, the team reviewed record books, registers, and other source documents used by CUs and LAs and developed a draft IT training manual. When finalized, the manual will be used to guide implementation of IT capacity-building activities in project regions at the district and subdistrict levels.

SUB-OBJECTIVE 1.2: ENHANCE CONSTRUCTION QUALITY OF SMALL-SCALE WATER SYSTEMS (NEW AND REHABILITATED HAND PUMP BOREHOLES AND SMALL PIPED-WATER SCHEMES)

TASK 1.2.1: ensure construction quality of small-scale water systems (new & rehabilitated hand pump boreholes and small piped-water schemes)

The project revised the Construction Implementation Plan (CIP) in response to comments from USAID. The CIP, when approved, will guide the implementation of procurement and construction to ensure the quality of small-scale water systems.

The USAID Expanding WASH project further developed an Asset Management Manual that will be used to train CUs and LAs on how they can effectively supervise WASH Construction activities to ensure quality and manage long-term O&M.

TASK 1.2.2: Build CU and counterpart capacity for construction management and oversight

The Institutional Development Specialist and Asset Management Expert developed an Asset Management capacity-building manual for the training of CUs and LAs. Modules in the manual include key aspects of construction, such as design and installation of boreholes with hand pumps, piped systems, and network extensions. The manual will be used in conjunction with the CIP, when approved, to train CUs and LAs in construction management and oversight, specifically in planning, design, procurement, contract management, and O&M of new and rehabilitated infrastructure. The capacity building will aim to improve the ability of service providers to design, supervise, construct, and manage long-term O&M.

TASK 1.2.3: Design and operationalize a construction fund (CF) for new, expansion, and/or rehabilitation of water and sanitation infrastructure

USAID Expanding WASH submitted an updated CIP on January 14 and received feedback from the CO on March 14, and then submitted a revised CIP and provided responses to the CO's comments on March 22. The project also developed terms of reference for all key construction positions to be advertised after approval of the CIP.

The process to operationalize the CF will be finalized after final USAID approval of the CIP. The operationalized CF will support the evaluation, approval, funding and actual construction of new and rehabilitated water and sanitation infrastructure.

TASK 1.2.4: Develop asset maintenance management systems and O&M manuals

As a buildup to asset management and O&M assessments of CUs and LAs, Expanding WASH undertook a detailed review of existing water sector O&M manuals and national asset management guidelines. The review aimed to ensure that USAID Expanding WASH project training materials build upon and align with existing guidelines and manuals. The documents reviewed included manuals and guidelines developed by MWDS with support from GIZ, and other manuals currently being used by CUs and LAs.

Following the review of existing manuals and guidelines, the project developed an Asset Management and O&M Training Manual with ten modules that relate to key aspects of operation and maintenance of WASH facilities. The Training Manual will guide the implementation of capacity building for key staff and persons involved in asset management and O&M of water and sanitation facilities in the project's target districts.

SUB-OBJECTIVE 1.3: FACILITATE ACCESS FOR THE POOR TO ADEQUATE SANITATION FACILITIES

TASK 1.3.1: Determine state of sanitation coverage and existing practices

Following the WASH baseline survey and market assessment to establish sanitation access/coverage and market practices in target districts in 2022, the project commenced SaniFOAM formative research on sanitation behavior and existing practices. Outputs from the WASH baseline, market

assessments, and SaniFOAM research will be used to finalize the sanitation behavioral change strategy to address open defecation and improved sanitation access at the household level. The research on sanitation behavior and practices will be completed in the second quarter of 2023.

TASK 1.3.2: Address sanitation priorities through market-based services

The USAID Expanding WASH Team performed a sanitation supply chain mapping and assessment covering project regions. The assessments and mapping will be used to establish improved sanitation supply chains linked to local conditions and to the financial capacities of the communities in target regions.

The project also commenced review of existing toilet designs and development of proposed designs of affordable, durable, and market-aligned toilets that will be promoted during sanitation-improvement activities. Two sanitation options developed for potential use in the Western region were reviewed internally. While most rural toilets in western province have substructures built with only basket materials which easily fail due to water logged and sandy environments, the two options developed include reinforcement of cement mortar or clay in plastic linings around baskets for improved durability. Locally available hard wood, such as *Musumo* wood, is used for additional support around the containments and for the slabs. Training of masons and development of sanitation supply chains will be linked to the finalized toilet designs.

To address needs of the poor in the communities, the project is working to come up with designs of low cost and affordable toilets that can be constructed using locally available materials that the poor can afford. Further, the project will facilitate the implementation of flexible payment terms for the very poor households by masons. These will include initiatives such as spread payments over a long period and payment in kind through crops or livestock that the poor own. In addition, Communities will be encouraged to support the very poorest among them through their leaders. The project will also explore partnerships and linkages with other NGOs that focus of the poorest of the poor.

TASK 1.3.3: Communication and behavior change

The project commenced SaniFOAM formative research on sanitation behavior and existing practices. The research on sanitation behavior and practices will be completed in the second quarter of 2023.

Outputs from the SaniFOAM research will be used to finalize the sanitation behavioral change strategy to address open defecation and improved sanitation access at household level. This activity is planned to commence next quarter, starting with piloting of the strategy, adjusting where necessary and building capacities for dissemination of messages at the district and subdistrict level. The main communication and behavior change strategies are expected to be implemented immediately after the pilot in the second half of 2023.

OBJECTIVE 2: INCREASED ACCOUNTABILITY OF WASH SERVICE PROVIDERS, POLICYMAKERS AND CIVIC LEADERS

Objective 2: Increased accountability of WASH service providers, policymakers, and civic leaders for improved and sustainable WASH service delivery.					
Key Result 1: Increased access to safe water by 3%–5% at midline & 15% at endline, Key Result 3: Increased access to sanitation 5%–10% at midline & 25% at endline					
IR 2.1: Improved Citizens’ Capacity to Hold WASH Service Providers, Policymakers, and Civic Leaders Accountable for Quality Service Delivery					
Indicator	FY 23	Target Life of the project			
	Target	Actual	Target	Actual	Actual % Achievement
No. of people gaining access to a basic sanitation service as a result of USG assistance (HL.8.2-2)	53,554	0	535,554	0	0
(custom) No. of community-based WASH engagements targeting vulnerable groups (women and youth)	106	0	264	0	0
No. of basic sanitation facilities provided in institutional settings as a result of USG assistance (HL.8.2-4)	182	0	608	0	0

Objective 2 focuses on enhancing social accountability by equipping citizens—as constituents and as customers—with the tools and spaces that enable them to advocate for high-quality services and hold service providers accountable to minimum standards. At the district level, a primary challenge is the competing priorities of civic leaders and LAs. In town and rural councils, political expedience often trumps adherence to national policies and guidelines. This discrepancy translates into a misalignment of incentives, which in turn misdirects resources and investments away from local citizen demands and priorities.

From baseline assessments the project has undertaken, such as PEA and GYSI, there is inadequate understanding of revised mandates and separation of functions by CUs and LAs, culminating in poor services and a delivery system that is not socially inclusive. The project has started to adapt governance tools that will enhance responsiveness to customer needs, and social accountability tools and platforms that will facilitate healthy dialogue between customers, service providers, and policymakers.

It is envisioned that through these interventions and those listed under sub-objective 1.3, the project will give access to basic sanitation to 535,554 people, hold 264 wash engagement meetings targeting women and youth, and provide institutional access to sanitation to 608 health facilities and schools. For FY23 the project has planned to support 53,554 people gain access to basic sanitation, hold 106 WASH engagement meetings targeting women and youths and support the construction of sanitation facilities in 182 health facilities and schools. During the period under review, the project had not yet scored achievements on the actual target figures because it focused on implementing foundational tasks listed under sub-objective 1.3 of objective 1 and the ones listed below that will support the achievement of key results and associated targets.

SUB-OBJECTIVE 2.1: IMPROVE CITIZENS' CAPACITY TO HOLD WASH SERVICE PROVIDERS, POLICYMAKERS, AND CIVIC LEADERS ACCOUNTABLE FOR QUALITY SERVICE DELIVERY

TASK 2.1.1: Empower citizens and build capacity of civil society for advocacy and social accountability

Compilation of the CSO training tool kit is 75 percent complete, and the training program has been drafted. The tool kit includes topics on advocacy, social accountability, leadership, theory of change, and WASH (concept, aspects – community participation and ownership, O & M, community contribution, reporting system). Other topics include gender and social inclusion, planning, and basic financial record keeping. Also included in the tool kit is a summary of WASH-related policies and guidelines, and charters for consumers and service providers.

Utilization of existing platforms for citizen engagement with service providers was undertaken through the participation of customers in radio call-in programs aired during World Water Day (also under 2.1.3). Furthermore, USAID Expanding WASH engaged with Ward Development Committees (WDCs) in the four regions as conduits for citizen advocacy and social accountability.

TASK 2.1.2: Deploy rigorous and user-friendly local governance tools

The CSO training tool kit includes simplified policies, guidelines, and service standards that will help citizens hold service providers accountable for WASH service delivery. For the purposes of training and use at the community level (user-friendly), the following policies and guidelines were simplified: SDG 6 (also as it relates to other SDGs); UN Charter on Water (household water supply and sanitation); Vision 2030; 8th NDP, NRWSS (National Rural Water Supply & Sanitation) Program; NUWSS (National Urban Water Supply & Sanitation) Program; National Water Supply & Sanitation policy 2020; ODF (Open Defecation Free) strategy; and guidelines relating to O&M (Operation & Maintenance) (community and service provider roles and responsibilities)

TASK 2.1.3: Reinforce public platforms to monitor performance and service quality

Public platforms that can be used by citizens to engage service providers and policy makers on improved WASH services have been included in the CSO training tool kit. These public platforms include full council meetings (attended by elected Councilors, MPs or their representatives, traditional leadership, and officials from LAs) and WDC meetings (members of the community nominated to spearhead community-development issues). Other public platforms include radio, television, traditional ceremonies, and national and international commemoration days. The support provided by the project for the commemoration of World Water Day (e.g., radio programs) provided the opportunity to utilize a public platform by which citizens could call in and express their views on the performance of CUs and LAs as service providers. Service provider representatives served as panelists and provided prompt responses and explanations.

The project supported four districts and one provincial office to commemorate World Water Day on March 22, including the Permanent Secretary's office in Western province and Kalomo, Nakonde, Lunte, and Sesheke districts. The project supported dramatic performances and radio programs about the meaning of the day. Key messages included the need to use water responsibly, protect water sources, ensure access to clean and safe water for all, and the role of the community regarding overall sustainable service provision. This year, the theme was accelerating change in solving the water and sanitation crises through partnership and cooperation.

SUB-OBJECTIVE 2.2: IMPROVE INVESTMENTS AT THE NATIONAL LEVEL

TASK 2.2.1: Increase GRZ resource allocation for WASH

As a way of accessing CDF as a source of increased funding for WASH services, the Provincial Advocacy and Social Accountability Coordinators held meetings with WDCs, the primary custodians for community development in the local government system in Northern, Muchinga, Western and Southern provinces. These meetings introduced the project and discussed ways of improving WASH coverage using CDF resources. The Provincial Advocacy and Social Accountability Coordinators met with WDCs in Lunte, Mungwi, Chinsali, Nakonde, Mpika, Mongu, Kaoma, Kalabo, Nalolo, Sesheke, Mongu, Kalomo, and Kazungula.

Law and policy makers were also engaged in discussions about accessing CDF funding for improved WASH service provision in the target districts. In Western Province, USAID Expanding WASH engaged with all Members of Parliament (MP) offices in the eight constituencies in the target districts. The MP office plays a cardinal role in the approval of CDF project proposals. In Western Province, the Provincial Advocacy and Social Accountability Coordinator engaged Mayors and Council Chairpersons to advocate for increased funding for WASH, from not only CDF but also the local government equalization fund and any other funding source available at the LA. These meetings were the initial contacts with the local government leadership therefore no formal commitments were made.

The project plans to support line ministries (Min. Water Development & Sanitation, Min. Local Government & Rural Development, Min. of Health) with technical assistance on public financial management that may help prioritize budgetary allocation to WASH. A workshop is planned for August. Another workshop to engage law makers and policy makers to better advocate for increased WASH budget has been planned for September.

TASK 2.2.2: Improve WASH sector cost recovery

During FY23 Q2, the project planned to support CUs to improve operating efficiencies to attaining better cost recovery. Activities planned included support for use of appropriate billing and planning tools with socially inclusive customer tracking tools. However, this activity could not be undertaken during the quarter to align it with capacity building activities under Objective I to be undertaken in the next quarter. Training materials have been developed to address billing, asset management and management of NRW.

OBJECTIVE 3: INCREASED PRIVATE SECTOR PARTICIPATION (PSP)

Objective 3: Increase private sector participation.					
Key Result 5: Increased PSP in WASH service delivery by 30%, Increased access to safe water by 3%–5% at midline & 15% at endline, Key Result 3: Increased access to sanitation 5%–10% at midline & 25% at endline					
IR 3.1: Enhanced participation of the private sector in WASH service provision and improved service reliability					
Indicator	FY23 Target	Target Life of the project			
		Actual	Target	Actual	% Achievement
(custom) Percentage of water utility consumers who pay according to consumption	80%	0	80%	0	0
Number of water and sanitation sector institutions strengthened to manage water resources or improve water supply and sanitation services as a result of USG assistance (HL.8.3-3).	30		150	0	0
(custom) No. of WASH-related reforms introduced, adopted, repealed, changed, or implemented	4	0	12	0	0
Value of new funding mobilized to the water and sanitation sectors as a result of USG assistance (HL.8.4-1)		0		0	0
Percent of USG-assisted organizations with improved performance (CBLD-9).	89% (53 out of 59)	0	85%	0	0
Number of private sector enterprises that are engaged with the USG to support U.S. Foreign Assistance objectives (PSE-2)	3	0	10	0	0
Number of private sector enterprises with improved participation in the local economic as a result of USG assistance	3	0	10	0	0

PSP is at the core of the USAID Expanding WASH approach and is key to the sustainability of WASH service delivery. Objective 3 focuses on enhancing the private sector’s ability to fulfill its role in socially accountable services, using partnerships to establish effective pricing policies, cost recovery, and shared value. This objective also drives priorities for policy and regulatory reform, cognizant of the constraints in the current enabling environment. Existing legislation has limited provisions for rural WASH; the NWSSP outlines GRZ’s updated vision of private sector partnerships that can deliver services to these areas. Although the Water Supply and Sanitation Act of 1997 enables PSP directly in the management (and even ownership) of CUs, a more effective approach would create shared value by engaging businesses and private operators in investment partnerships and performance-based O&M and service contracts that complement CU capacities. The project is exploring partnerships to scale WASH services and their impact as the enabling environment improves.

Through these interventions the project seeks to build the capacity of the commercial utilities to make 80% of their customers to pay according to their consumption, mobilize additional [REDACTED] to the WASH sector, strengthen the capacity of 150 institutions that manage water resources, support legislative reforms of identified 12 policies and laws, increase the percentage of institutions engaged with USG assistance with improved performance to 80% and engage 10 private sector enterprises into the WASH sector and help them improve their participation in the local

economy. For the FY23 has planned to mobilize additional [REDACTED] to support the expansion of water and sanitation services in the project areas, engage 3 private sector enterprises and supporting them to improve their participation in the local economy, support the review of 4 identified policies and laws relevant to sustainable provision of water and sanitation services and to continue to support the CUs in ensuring that their customers pay according to their consumption. During the period under review, the project had not yet recorded achievements on the targets but made significant progress on the implementation of tasks and steps listed below that will lead to the achievement of key results and annual targets.

SUB-OBJECTIVE 3.1: ENHANCE THE PARTICIPATION OF THE PRIVATE SECTOR IN WASH SERVICE PROVISION AND IMPROVING SERVICE RELIABILITY

TASK 3.1.1: Prepare a pipeline of WASH investment and management partnerships

In Q2, the team finalized the pipeline for the first tranche of projects. These were presented at the inaugural WASH PSE Forum in February. However, three of the nine potential projects could not proceed to the business case development stage under this tranche, and were relegated to the second tranche, on account of questions around availability of land for construction. The three projects are the proposed Decentralized Wastewater Treatment Systems (DEWATS) in Mawaya, Magrimond with SWSC, and public toilets in Nakonde under CHWSC. The rest of the projects are detailed below.

TABLE 2. PROPOSED PROJECTS

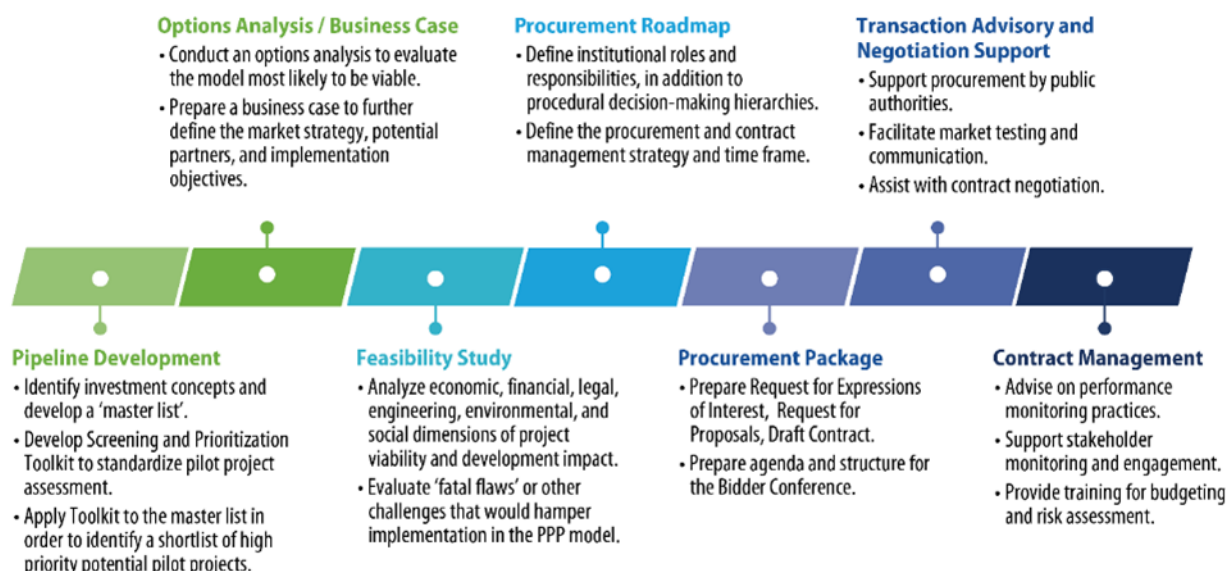
PROJECT NAME	OBJECTIVE AND RATIONALE	LOCATION
Vacuum Sanitation Trucks Service Contract for Mpika, Chinsali, and Nakonde	This project will provide proactive septage pumping and haulage services for pit latrines, public latrine toilets, and septic tanks by utilizing three trucks in a private sector sanitation service contract. This project will be under an exclusive contract for a specified period (10 years, for example).	Mpika, Chinsali and Nakonde Districts in Muchinga Province, Zambia.
Build, Operate and Transfer Contract for Shared Public toilets for Chinsali.	This project will provide communal public latrines through a private sector BOT contract. The project will improve access and quality of sanitation facilities in target provinces and address open defecation and contamination of water bodies (groundwater and surface water) from indiscriminately dumped human waste.	Chinsali
Vacuum Sanitation Trucks Service Contract for Kalomo and Kazungula Districts in Southern Province	This project will provide proactive septage pumping and haulage services for pit latrines, public latrine toilets, and septic tanks through two vacuum trucks in a private sector sanitation service contract. The project will improve sanitation services and standards in the target provinces, as well as address prevailing issues of overflow caused by floods during the rainy season.	Kalomo and Kazungula Districts in Southern Province, Zambia
Build, Operate and Transfer Contract for Public toilets for Nalolo	This project will provide communal latrines through a private sector build, operate and transfer (BOT) contract. The project will improve access and quality of sanitation facilities in target provinces, as well as address open defecation and contamination of water bodies (groundwater and surface water) from indiscriminately dumped human waste.	Nalolo District in Western Province, Zambia.

TABLE 2. PROPOSED PROJECTS

PROJECT NAME	OBJECTIVE AND RATIONALE	LOCATION
Build, Operate and Transfer Contract for Public toilets for Kalabo.	This project will provide communal latrines through a private sector build, operate and transfer (BOT) contract. The project will improve access and quality of sanitation facilities in target provinces, as well as address open defecation and contamination of water bodies (groundwater and surface water) from indiscriminately dumped human waste.	Kalabo District in Western Province, Zambia.
Build, Operate and Transfer Contract for Public toilets for Mongu	This project will provide communal latrines through a private sector build, operate and transfer (BOT) contract. The project will improve access and quality of sanitation facilities in target provinces, as well as address open defecation and contamination of water bodies (groundwater and surface water) from indiscriminately dumped human waste.	Mongu District in Western Province, Zambia.

This represents the second major step in the pipeline to secure private investment (see Figure 1).

FIGURE 1 PIPELINE TO SECURE CAPITAL INVESTMENT



TASK 3.1.2: Facilitate WASH sector dialogue through a PSE Forum

On a parallel track with pipeline development, the inaugural PSE Forum was held on February 7-8. To attract wide participation in the forum, an advertisement was placed in public newspapers and a link provided where participants could sign up. In total, 47 private sector actors registered and confirmed interest via the link, and four others sent their registration directly via email. Activities during the PSE forum included:

Day 1. Private Sector Engagement in the WASH Sector – Opportunities for Partnership. This was an open session for private, civil society, and public sector actors. Southern Water Supply and Sanitation Company, Chambeshi Water Supply and Sanitation Company, and Western Water Supply and Sanitation Company presented on pipeline projects in which the private sector could potentially participate.

Day 2. Interpreting Findings from the PSE Forum. This was a closed roundtable discussion including the Ministry of Water Development and Sanitation, CUs, and District WASH Coordinators, focusing on key findings from CU interactions with private sector players.

As part of continued engagement with the private sector, the Project has planned to facilitate a WASH Entrepreneurship and Partnerships Summit to launch the PSP knowledge-sharing program, to be held in the third quarter. While the PSE Forum held in the first quarter focused specifically on the CUs' pipeline (which was co-created using the Pipeline Development Toolkit Framework in collaboration with the Expanded WASH Team) and enabling matchmaking for specific pilot transactions, the WASH Entrepreneurship and Partnership Summit will be private sector-facing, focusing on the building of capacity for private sector entities in several key areas to prepare for partnering with the CUs. The summit will also discuss other pertinent issues regarding private sector participation in the WASH sector.

Also in development is a Private Sector Directory and Database, categorized by type and interest, which will be updated as Expanding WASH engages with the private sector. The PSE Forum will also feed into market sounding for the finalized project concepts through targeted meetings, drawing from the PSE Forum. Due to the shift in anchoring the PSE Forums within the Ministry of Water Development and Sanitation as originally envisaged, the preceding activities will provide insight as to the best way to conduct subsequent PSE Forums to ensure sustainability.

TASK 3.1.3: Strengthen GRZ and private sector capacity to implement PPPs

In Q2, the project had planned to support review of CU procurement policies to ensure they can be used for engaging the private sector. However, due to delays in the recruitment of a Policy and Regulatory Specialist, this activity has been rescheduled to the next quarter. Capacity-building workshop sessions for specific groups will be held from May to November, and will include:

- i. Targeting GRZ (specifically MWDS and Ministry of Local Government and Rural Development through LAs): Project identification, screening, and prioritization; project appraisal and structuring; and project procurement, contract management, and oversight.
- ii. Targeting CUs: Project identification and pipeline development. Specific capacity assessments have already been undertaken under Objective 1 and will continue in year 2.
- iii. Private sector: PPP risks, benefits, procedural requirements, and standards. These are indicative areas for capacity building of the private sector. However, specifics will be identified through a needs assessment to be conducted prior to the summit where the capacity building will occur.

SUB-OBJECTIVE 3.2: STRENGTHEN THE POLICY AND REGULATORY FRAMEWORKS TO REMOVE BARRIERS TO PRIVATE SECTOR INVESTMENTS AND PARTICIPATION IN THE WASH SECTOR

TASK 3.2.1: Design and strengthen regulatory instrument for rural water supply

Activities will resume now that recruitment of the Policy and Regulatory Specialist has been completed. As a buildup to reviewing CU private sector engagement policies, the project will identify and review of CU strategic plans and policies on rural WASH.

Task 3.2.2 Develop appropriate enabling environment activities for the private sector

Between January and June, the team planned to review tariff guidelines and identify barriers to PSP as well as document tariff setting best practices with recommendations for NWASCO which will kickstart advocacy on tariffs that promote PSP. It also includes facilitation of the development of a National PSE strategy in WASH by MWDS through targeted technical inputs and drafting. This activity has commenced now that the recruitment of the Policy and Regulatory Specialist has been finalized.

SUB-OBJECTIVE 3.3: LEGISLATIVE IMPROVEMENTS TO COMMODIFY WASH SERVICES

TASK 3.3.1: Advance necessary legislative improvement for commodification of WASH services

Between January and June, in line with Objective 2.1.3, the team planned to engage private operators and local stakeholders via D-WASHEs to advance policy for rural WASH, identify gaps, and create a road map to guide regulatory and legislative changes. The team will use service monitoring social accountability platforms such as full council meetings and WDC meetings as avenues to engage the private sector at the district level and gaining insight on how the existing regulations and legislation promotes or inhibits participation in WASH service delivery. With the recruitment of the Policy and Regulatory Specialist now concluded, this activity will commence.

ACTIVITY MONITORING EVALUATION AND LEARNING

OVERALL PERFORMANCE RESULTS

During the period under review, the project continued to implement activities to lay the foundation for the achievement of key results and targets. The project developed and submitted for approval its construction implementation plan. This document is critical to ensuring the quality of water and sanitation facilities that will increase access to sustainable water and sanitation services by project beneficiaries. Even though the project did not achieve any targets during the period under review, it has made significant progress on tasks that will ensure the achievement of annual targets.

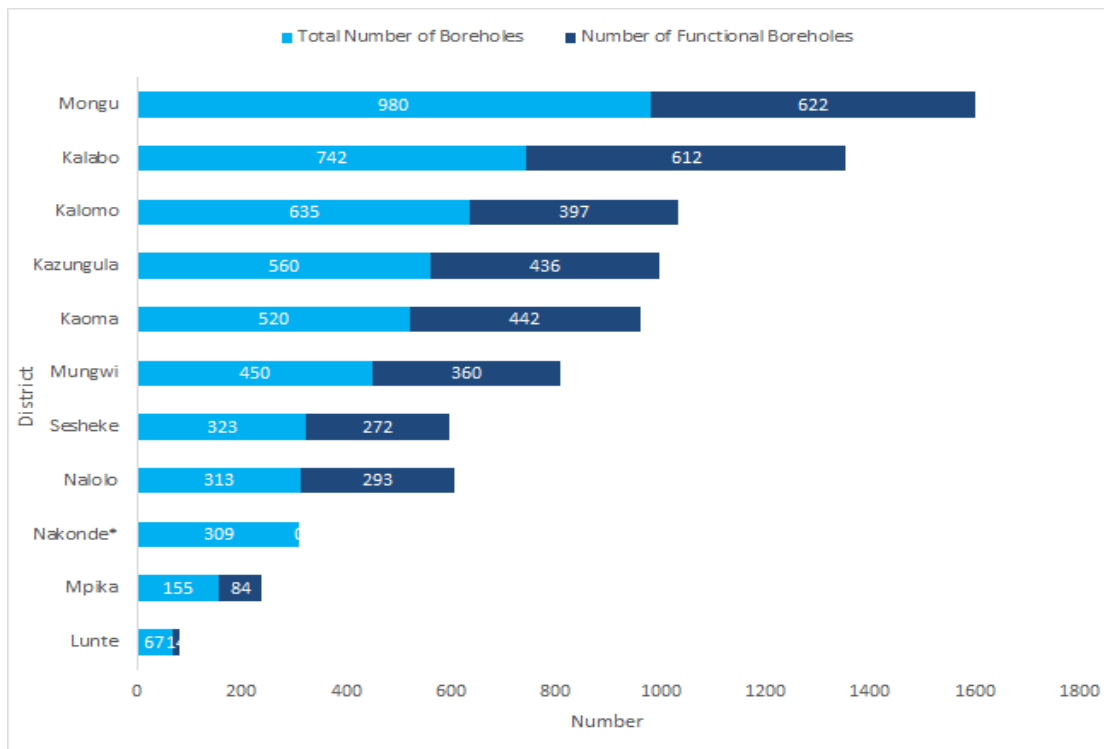
PILOTING OF DATA COLLECTION TOOLS

USAID Expanding WASH is working with existing community structures in all 12 districts to create the demand for sanitation. The project is implementing its activities through Sanitation Action Groups, Community Champions, and Environmental Health Technicians, and developed a data-collection application based on this demand creation structure. The objective of the pilot was to see whether the application will sufficiently support data collection and reporting and identify aspects of the application that would require tweaking before the application is used at full scale. USAID Expanding WASH piloted the application in health facility catchment areas in Mungwi, Lunte, Nalolo, and Sesheke districts. The project learned that the application is user friendly and can be used even in areas where there is weak internet connectivity; however, weaknesses were identified in specific areas that do not have existing community structures to support demand creation and reporting. The project also learned that collecting and reporting data at the health facility catchment area level is not very useful, because aggregated data entered into the system only shows the total number of people gaining access, and a third party looking at the data would not know the necessary details. The primary data collected through the Sanitation Action Group shows the household size and therefore the number of people with or without access to sanitation or basic water. This information is kept in the source document at village level.

BOREHOLE FUNCTIONALITY ASSESSMENT

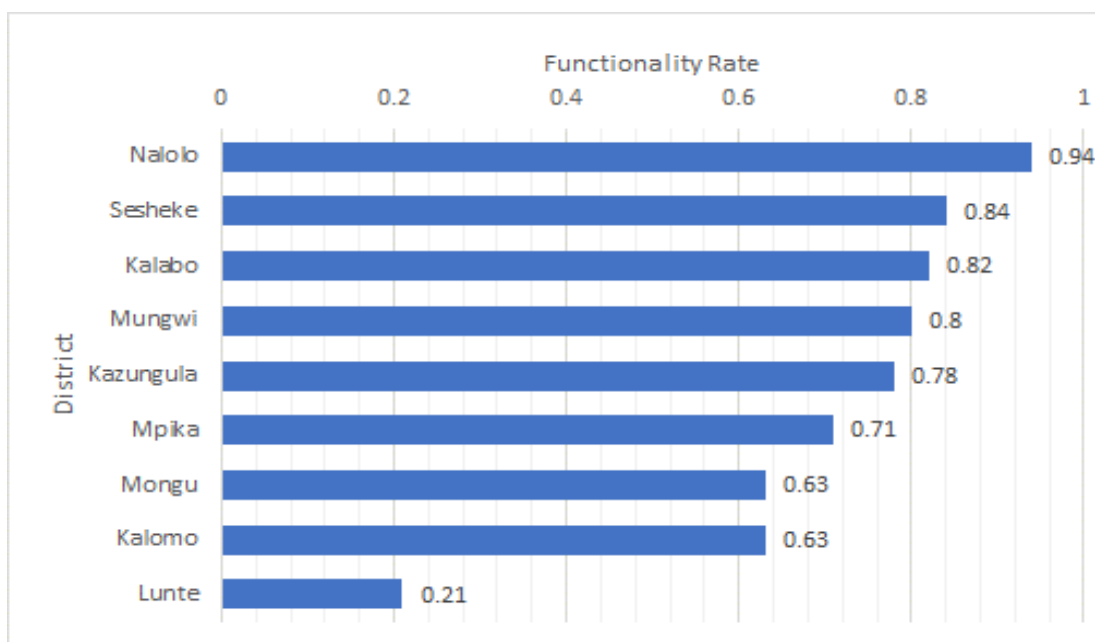
In FY23 Q2, USAID Expanding WASH conducted a water facility functionality assessment to establish the baseline value for the expected key result of improving the functionality rate of boreholes. The project is expected to improve the functionality of boreholes by 30%.

FIGURE 2 NUMBER OF BOREHOLES PER DISTRICT



The project collected data from all the 12 project target districts councils but only analyzed data from 10 districts because the data from the other two districts was not reliable. The results from the survey show that 69% of all the boreholes in the 10 districts are functional. The project is using this information to inform its interventions on rehabilitation of boreholes in the project areas. Figures 2 and 3 show the findings.

FIGURE 3 BOREHOLE FUNCTIONALITY RATE BY DISTRICT



MANAGEMENT

OPERATIONS

In Q2, the project engaged the SaniFOAM consultant, who commenced work in February and is expected to complete the study in April. This consultant worked in collaboration with the Service Delivery Lead. In addition, the operations unit supported the engagement of eight enumerators that worked with the SaniFOAM Consultant. The operation team also facilitated IT equipment and logistical support for this activity.

The project concluded procurement of IT support services, which will provide help desk and day-to-day IT support to the project. The project also finalized installation of a tracking system for two project vehicles, which will support management and prevent the theft of these project assets. As part of financial risk management associated with cash transactions for participant payments, the project is implementing a mobile money system for payment of allowances to workshop/training participants. The Operations Units conducted the sourcing and evaluation of potential suppliers and identified a finalist to be engaged in the next quarter.

The project team received training and onsite support from the RTI home and regional offices. Security, operations, and IT trainings were facilitated by the Regional Security Manager, Operations Manager, and Regional IT specialist, respectively. The Regional Security Manager scouted the office premises and reviewed the various hotels used by the project to ensure compliance with the security manual. She also provided safety and security training for Lusaka and provincial staff. The Regional IT Specialist provided a refresher training on IT policy, and oriented/onboarded the IT support service provider engaged by the project. The Operations Manager provided grants training to staff and assessed bottlenecks that could affect project implementation.

The finance/operations units provided logistical support to the PSE forum held in February 2023 in Lusaka, under Objective 3. The team also supported Objective 2 World Water Day activities conducted by various districts in March 2023.

The project commenced evaluation of proposals for the RFA released under Objective 2. The process is currently ongoing. Pre-award assessments commenced in March, and in the same month the team conducted on-site assessments of two applicants.

STAFFING

Additional progress was made on project staffing during the reporting period. The project finalized recruitment of the Policy and Regulatory Specialist, who is expected to report for work on April 5, reporting directly to the PSE Lead. The team also identified a candidate for the driver position and negotiations are currently under way; the candidate is expected start work in May 2023. The Southern Province Governance and Accountability Coordinator position is currently vacant due to the unsuccessful completion of probation by the previous incumbent. The recruitment process for the Construction Fund Manager commenced, with the advertisement placed in March and closing on April 3, at which point the team will start the shortlisting process. These final recruitments will complete staffing of all project positions. Table 3 below shows project staff and their respective start dates for the reporting period.

TABLE 3. PROJECT STAFF

POSITION TITLE	START DATE
Northern Service Delivery Coordinator	January 3, 2023
Policy and Regulatory Specialist	Anticipated for April 5, 2023
Lusaka Driver/ Admin Support	Estimated for May 2023
Construction Fund Manager	Estimated for May 2023

Please see Annex I for the full organizational chart which includes staff names.

COMMUNICATION AND REPORTING

In FY23 Q2, USAID Expanding WASH continued its regular communication with USAID using the following means:

Weekly emails: USAID Expanding WASH provided updates to its COR through weekly emails providing details on activities accomplished by the project.

Biweekly meetings with the COR and Alternate: The project held bi-weekly meetings (virtual and physical) with the COR and the alternate COR on agreed dates and times. During the meetings, updates on progress and implementation challenges were discussed. Further, the project used the meetings to seek feedback and guidance from the COR. These meetings were typically attended by the Project Manager, COP, and other key project staff, as necessary.

CROSS-CUTTING ACTIVITIES

GENDER AND YOUTH

In FY23 Q2, most project activities undertaken were socially inclusive. Low social inclusiveness was, however, noted during engagements with WDCs. To ensure social inclusion at the community level, the CSO training tool kit incorporates the need for social inclusiveness in WASH programming.

In reviewing grants applications, the project team ensured that the proposed activities are socially inclusive. The project team will provide GESI guidance to grantees once grants are awarded.

Under Objective 3, each pipeline project had to pass the screening criteria that had four aspects, one of which was Sustainability and Impact. This criterion addresses social inclusion with regards to youth empowerment and gender equity. All the qualified projects (8) have passed this criterion.

Under Objective 1 the selection criteria for all the planned training are socially inclusive; this is for all levels of training. Training materials for Asset Management and O&M are being revised to enhance social inclusivity.

GRANTS UNDER CONTRACT (GUC)

The consensus GUC meeting was held on January 17 to rank the 17 applicants whose proposals were evaluated. Four of the applicants were selected to move forward to the next stage.

The TEC team concluded evaluations of the cost proposals of the four applicants on the January 24, and letters of intent to award were sent on March 2. The applicants were contacted, and various meetings were conducted to revise the technical and cost proposals. which concluded on March 30

The team then embarked on pre-award assessments, including desk and site reviews. Desk reviews were concluded for all applicants in March, and on-site assessments will be finalized in April.

LOCALIZATION

In Q2, the project worked with the Ministry of Water Development and Sanitation, LAs, CUs, and the Ministry of Health to identify gaps and weaknesses in their WASH data-management systems and help find solutions to address these gaps. This was done to ensure that key government departments implementing water and sanitation activities drive the data-management systems.

The project also built the capacity of the LAs to integrate climate change adaption measures into water point site selection processes, to ensure that site-specific designs consider climate change risks such as flooding and droughts. The project provided a checklist that LAs are using to identify areas where water infrastructure should be placed.

COLLABORATING, LEARNING, AND ADAPTING

In FY23 Q2, USAID Expanding Water and Sanitation reviewed existing WASH service management models to identify those that would aide professionalization of service delivery in rural and peri-urban areas. The project also reviewed and learned from various service management models implemented by other sector players. Expanding WASH is working with Access Water for Zambia to review the social Enterprise Model this organization is using to manage small water schemes and water points in Luapula province. Once the review is complete and the project has weighed the pros

and cons of each model, Expanding WASH will adopt and adapt the most efficient model to sustain service provision in rural and peri-urban areas.

The project collaborated with the USAID Scaling Up Nutrition Technical Assistance project and the Ministry of Water Development and Sanitation to streamline water and sanitation data-collection tools. Expanding WASH reviewed current data-collection tools, especially data elements concerning access to water, and proposed their alignment with Joint Monitoring Program (JMP) water access indicators.

ENVIRONMENTAL MANAGEMENT

ENVIRONMENTAL COMPLIANCE

In FY23 Q2, the project revised the CIP in response to comments received from USAID; this document provides for recruitment of key staff to implement mitigation measures proposed in the EMMP. Once the CIP is approved, the project will initiate recruitment of the Design and Oversight Engineer who, with the architectural and engineering firm, will ensure that subcontractors meet environment, social, health and safety standards indicated in the approved CIP and EMMP. The project did not implement any construction activities during the reporting period, and therefore the mitigation measures in the EMMP were not implemented or monitored.

CLIMATE ADAPTATION

In Q2, the project built the capacity of LAs to integrate climate change adaptation into the water point site selection process. USAID Expanding WASH, together with LAs in project areas, developed a site selection criteria checklist that requires the selection of water points and sanitation facilities sites less prone to the effects of climate change, such as floods, to ensure that designs for flood-prone areas can withstand the adverse effects of climate change.

SCHEDULES

Some activities planned for execution within the reporting period experienced some delays on account of various reasons. The team will accelerate implementation of these activities to ensure completion by the target dates in the second quarter. Details of the delayed activities are outlined in the table below:

TABLE 4. SCHEDULES				
TASK	ACTIVITY	PLANNED TIMELINE	REVISED TIMELINE	COMMENT
1.3.3	Formative research on sanitation and hygiene behavior using the SaniFOAM approach	January–February 2023	February – April 2023	Delay due to non-responsiveness of initial bids. Study was de-scoped
	Draft a behavior-change strategy to address open defecation and hygiene, consulting with women, youth, and persons with disabilities and leveraging existing research on WASH SBC from Globalwaters.org and other platforms	February–March 2023	May-June 2023	Affected by delayed completion of SaniFOAM study which forms key input for the strategy
2.2.2	Support CUs to use appropriate billing and planning tools, with socially inclusive customer tracking tools	January – March, 2023	April – June 2023	Rescheduled to align with capacity building activities under Objective I
	Support technical assistance to CUs for improved operating efficiencies	January – February, 2023	April – June 2023	Rescheduled to align with capacity building activities under Objective I
3.2.1	Establish CU procurement policy to be used for engaging private sector	January - March	April - June	Affected by delayed recruitment of Policy and Regulatory Specialist
3.2.2	Review tariff guidelines and identify barriers to PSP	January – June	April - June	Affected by delayed recruitment of Policy and Regulatory Specialist

The CIP and Water Quality Assurance Plan (WQAP) were delivered on schedule in October and November, respectively, as per the Award modification effective August 12, 2022.

CHALLENGES

In FY23 Q2, USAID Expanding WASH continued to evaluate long-term challenges as project implementation progressed. These potential challenges include:

- Lack of clarity on the roles and responsibilities of LAs and commercial utilities following the extension of the mandate for the CUs to include rural water supply and sanitation. The project continued to engage with MWDS and NWASCO to ensure that all key stakeholders had a common understanding of the expanded mandate, its implications, and the government's roll-out plan.
- Significant delays in obtaining data from CUs that required to conduct the financial analysis of pipeline projects earmarked for private sector participation. As a result, some project pipelines had to be moved to the second tranche. Currently, six of the nine pipeline projects are being analyzed. The project will continue to support CUs and build on established working relationships with key CU staff to ensure the smooth flow of data.
- The system used for management and allocation of resources under the newly rolled out CDF may prove to be an obstacle in obtaining local government funding earmarked for future WASH programming.
- Under an uncertain policy framework, businesses risk losing their investments and ultimately not meeting the expected standards for service provision. In the WASH sector, the right conditions for private investment are created through effective pricing policies and cost-recovery principles. Digital tools and technology can make billing and revenue collection more efficient, reduce NRW, and make partnership models more cost-effective.
- Low levels of O&M cost coverage from revenues for the CUs mainly as a result of low tariffs may affect their sustainability and capacity to take on additional responsibilities. None of the 11 CUs in the country has been allowed a tariff adjustment in the past 3 years despite increased cost of inputs such as electricity, fuel, and water treatment chemicals.
- Coronavirus disease 2019 (COVID-19) restrictions in Zambia were lifted at the end of Q2 FY2022. There is continuing risk that emerging variants may cause implementation delays.

IMPLEMENTATION STATUS, CHALLENGES, AND RISKS

As with any project, unexpected situations may arise that could derail project implementation if not carefully tracked. As part of project implementation, RTI deploys a risk register to continually track potential risks and challenges during project implementation. Using adaptive management principles that promote collaboration, transparency, and accountability, RTI identifies potential mitigation measures for every risk or challenge identified. A summary of the risks and challenges identified this quarter is included in Table 5 below.

TABLE 5. CHALLENGES AND RISKS

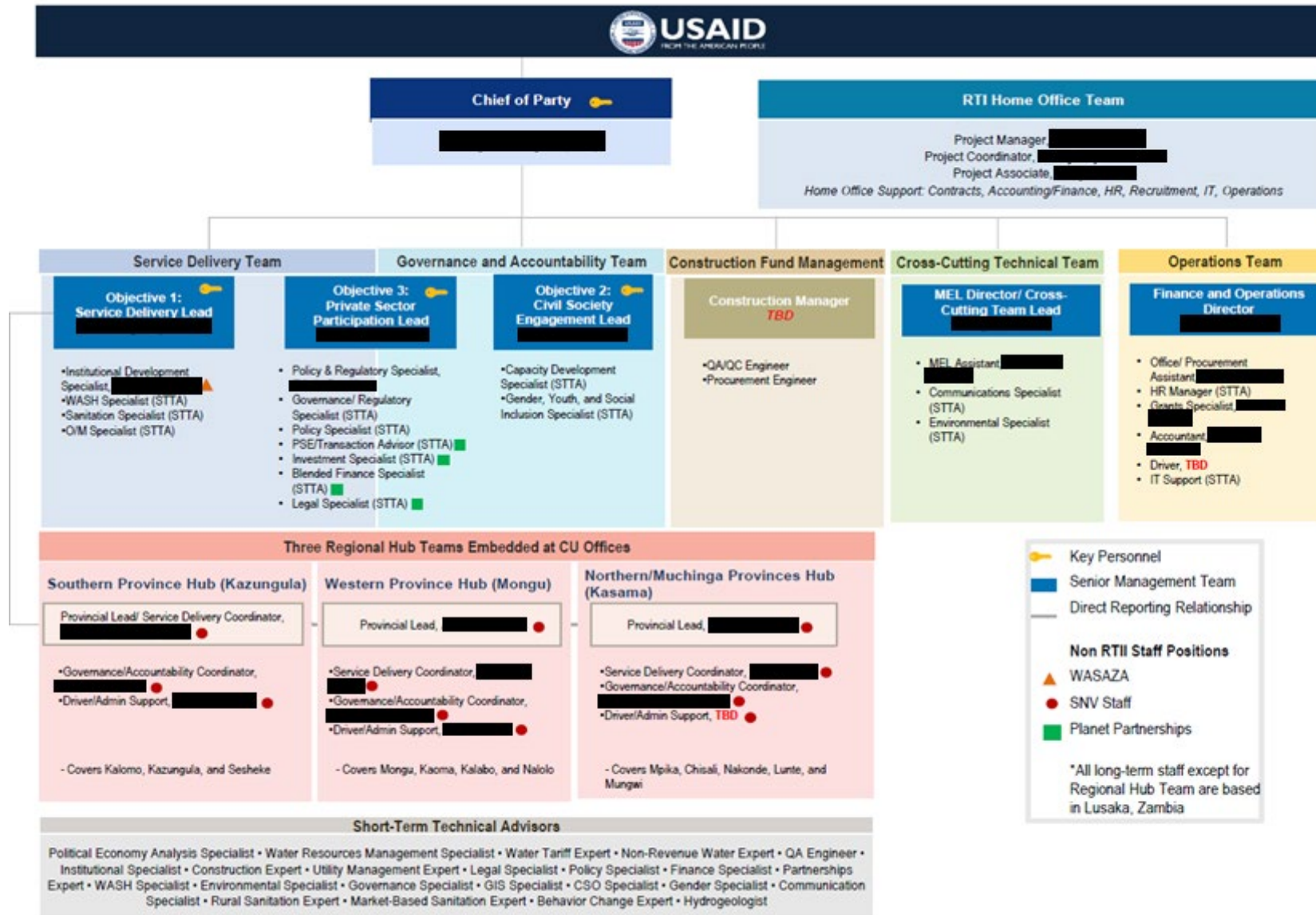
RISK / CHALLENGE	MITIGATION MEASURES
<p>Schedule Risk: Delayed commencement of construction activities may lead to non-attainment of targets. Significant preparatory work and necessary approvals from USAID must be undertaken well in advance.</p>	<ul style="list-style-type: none"> • Work with partner USAID projects to identify important lessons learned in construction, such as building in oversight, setting scoring criteria, etc., to facilitate environmental compliance reviews once appropriate documentation is received. • Recruit a Construction Fund Manager to adequately prepare for construction activities.
<p>Technical Risk: Some identified private sector stakeholders envisaged to be part of the private sector dialogue and private sector engagement forums have been unresponsive to project communications. These groups have delayed or canceled several meetings, and the project has been unable to identify POCs.</p>	<ul style="list-style-type: none"> • Use the planned project launch in Q4 to share information about the project and bring stakeholders onboard • Leverage the influence of other key partners, such as MWDS, to engage unresponsive stakeholders

NEXT-QUARTER ACTIVITIES AND MILESTONES

During the next quarter, the project will continue to work towards implementation of key tasks as outlined in the work plan. Table 6, below, includes expected project milestones and deliverable submissions during the next quarter.

TABLE 6. ACTIVITIES AND MILESTONES		
MILESTONE/DELIVERABLE	RELATED ACTIVITY	DATE
Complete SaniFOAM Framework Assessment	Objective 1	1 Apr 2023
Quarterly Notification of Changes Certification	Reporting Requirements	10 April 2023
Quarterly and Financial Report Submission	Reporting Requirements	15 April 2023
Award first project grant	Objective 2	1 May 2023
Finalise research on different market-based WASH service delivery models for rural growth centres and rural areas	Objective 1	1 May 2023
Start technical capacity building in CUs and LAs on Asset Management, IT data capture & management and customer enumeration	Objective 1	May 2023
Capacity Needs Assessment Results	Objective 3	May 30 2023
Training of CSOs in advocacy and Social Accountability. (2 regional trainings to be conducted)	Objective 2	1 Jun 2023
Support CUs on appropriate billing	Objective 2	1 Jun 2023
Specific Pilot Project Appraisal and Preparation Reports	Objective 3	June 2023
Private Sector Directory and Database	Objective 3	June 2023
Finalise research on different market-based WASH service delivery models for rural growth centres and rural areas	Objective 1	June 2023
New grant RFA for capacity building of Environmental Health Technicians, Community Champions and Area Pump Menders with support Equipment (Bicycles, Tool kits, Smart Phones)	Objective 1	June 2023
PSE and PSP Recommendations for NWASCO and CU Rural Water Supply and Sanitation Guidelines and Policies	Objective 3	June 30, 2023
Recommendations for PSP Framework Amendments	Objective 3	June 30, 2023

ANNEX I. ORGANIZATIONAL CHART



ANNEX 2. INDICATOR TABLE



USAID Expanding Water and Sanitation Project

PERFORMANCE INDICATOR TRACKING TABLE

#	Performance Indicator	Baseline	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		LOP Target	
			(Jan. 27, 2022–Sept. 2022)	(Oct. 2022–Sept. 2023)	(Oct. 2023–Sept. 2024)	(Oct. 2024–Sept. 2025)	(Oct. 2025–Sept. 2026)	(Oct. 2026–Jan. 2027)								
Goal-Level Indicators																
			Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
G1	No. of people gaining access to basic drinking water services as a result of USG assistance (HL.8.1-1)	Minimum	685,496.00	-	13,924.00	0	55,697.00	83,545.00	125,317.00	-	278,483.00	0				
		Maximum			21,528.00	0	86,110.00	150,692.00	172,220.00	-	430,550.00	0				
G2	No. of people gaining access to safely managed drinking water services as a result of USG assistance (HL.8.1-2)	Minimum	85,687.00	-	12,853.00	0	12,853.00	8,569.00	8,569.00	-	42,844.00	0				
		Maximum			26,910.00	0	26,910.00	17,940.00	17,940.00	-	89,700.00	0				

G3	No. of institutional settings gaining access to basic drinking water services as a result of USG assistance (HL.8.1-4)					26.0 0	0	34.00		13.00		13.00		-		86.00	0	
Objective 1: Institutionalized market-based WASH service delivery, financially sustainable and inclusive management models																		
1.1	No. of people receiving improved service quality from existing basic drinking or safely managed water service as a result of USG assistance (HL.8.1-3)					31,6 95	0	158,47 5		190,17 0		253,56 0		-		633,9 00	0	
1.3	No. of communities verified as ODF as a result of USG assistance (HL.8.2-1)					336	0	252		168		84		-		840	0	
2.1	(custom) No. of community-based WASH engagements targeting vulnerable groups (women and youth)					0	-	106		53		53		-		50% (264)	0	
2.2	No. of people gaining access to a basic sanitation service as a result of USG					192,79 6	-	53,5 54		107,10 9		160,66 3		214,21 8		-	535,5 44.00	0

	assistance (HL.8.2-2)													
2.3	No. of basic sanitation facilities provided in institutional settings as a result of USG assistance (HL.8.2-4)			-	182	0	122	122	182	-	608.0	0	0	
Objective 3: Increased private sector participation														
3.1	(custom) Percentage of water utility consumers who pay according to consumption			-		0				-	80%		0	
3.2	Number of water and sanitation sector institutions strengthened to manage water resources or improve water supply and sanitation services as a result of USG assistance (HL.8.3-3).	TBD	-	30	0	45	45	30	-	150		0		
3.3	(custom) No. of WASH-related reforms introduced, adopted, repealed, changed, or implemented	0	-	4	0	4	2	2	-	12		0		
3.4	Value of new funding mobilized to the water and sanitation sectors as a result of	TBD	-		0				-			0		

	USG assistance (HL.8.4-1)														
3.5	Percent of USG-assisted organizations with improved performance (CBLD-9).			-		0						-	85%	0	
3.6	Number of private sector enterprises that are engaged with the USG to support U.S. Foreign Assistance objectives (PSE-2)			-	2	0	4	2	2	2		-	10	0	
3.7	Number of private sector enterprises with improved participation in the local economy as a result of USG assistance				2	0	4	2	2	2			10	0	

ANNEX 3. IMPACT STORY I

USAID Expanding WASH Project reinforces social accountability in the WASH sector

Sustainable provision of water and sanitation services requires that the service providers have the capacity and resources to provide the service as and when the users need. In Zambia the mandate to provide water and sanitation services rests on the Ministry of Local Government and Rural Development, who delegates to the commercial utilities and local authorities. Statistics indicate that institutions mandated to provide water and sanitation services are struggling to discharge their obligations and the citizens are often not empowered to hold them accountable. This is largely due to lack of or inadequate platforms for citizens to engage government and service providers.

To help empower the citizens and subsequently improve social accountability in the wash sector, USAID Expanding Water and Sanitation (USAID Expanding WASH) Project is using the commemoration of international water, toilet, and hand washing days among other platforms to raise awareness on the citizens right to adequate, safe, and sustainable WASH services. USAID Expanding WASH is a five-year program (January 27, 2022, to January 26, 2027) designed to professionalize water, sanitation, and hygiene (WASH) service provision; promote accountability for reliable and high-quality WASH services; and enhance the enabling environment for private sector engagement (PSE) in service delivery in Zambia.

During the commemoration of the 2023 International water day, the project supported the local authorities to hold radio programs to discuss citizens' right to safe water, the minimum standards that service providers are supposed to adhere to, which government institutions are mandated to provide water and



Photo Credit: [REDACTED]: Lunte District Council Secretary delivering the speech

sanitation services. The project will continue to use these platforms to foster fruitful engagement between citizens, service providers and policy makers that will ensure sustainable provision of water and sanitation services.



Photo Credit: [REDACTED]
Lunte District Commissioner delivering his speech

ANNEX 4. IMPACT STORY 2

USAID Expanding WASH Project engages government on the possibility of creating a WASH matching fund from Constituency Development Fund

Government recognizes that to sustainably provide water and sanitation services in rural areas, a lot must improve in the way service providers operate, including financing of the sector. According to the National Water Supply and Sanitation Council (NWASCO) Executive Director Mr. Kelvin Chitumbo the extended mandate placed on the Commercial Utilities to provide water supply and sanitation services to the rural areas will need financial and other resources to enable the CUs carry out this mandate. A financing mechanism is required to ensure that the needed resources are not only mobilized but also directed at rural areas.

USAID Expanding Water and Sanitation project has been engaging the Ministry of Water Development and Sanitation and NWASCO on among other things, creating an enabling environment for the private sector to participate in the provision of water and sanitation services and as an alternative source of finance for WASH services.

During one of these engagement meetings the USAID Expanding WASH Team asked whether the Ministry had any strategies that could help achieve increased WASH funding through CDF. USAID Expanding WASH project would like the government to match the investment that the project is making in the construction of water infrastructure. This approach will help in

mobilizing additional funds that will accelerate the expansion of WASH services delivery in rural areas. The Director Planning intimated that the Ministry was pushing for 25 % allocation from CDF. However, this has not been adopted yet by Ministry of Local Government and Rural Development (MLGRD).



Photo Credit: Moses Mtonga Creatives:

Mr. Joe Kalusa the permanent secretary at the Ministry of Water Development and some staff confers with USAID Expanding WASH team at the PSE forum

It was agreed during the meeting that the Ministry of Water Development and Sanitation will engage MLGRD to request for project matching funds from CDF to maximize the project benefits as the USAID Expanding WASH will prioritize areas where such financing is available. The project will continue to engage the government, local authorities, ward development committees and citizens to ensure that some funds from CDF in constituencies within the project areas are allocated to WASH services delivery.

ANNEX 5. IMPACT STORY 3

USAID Expanding WASH Project supports local partners to find solutions: An integrated WASH Information management system

The need for accurate and reliable water and sanitation access data is so essential in informing decisions around resource allocation and estimating the impact of investments that the government of the Republic of Zambia and its cooperating partners make in the WASH sector.

For the last 7 years the Ministry of Water Development and Sanitation has struggled to sustain a WASH Information management system that they can use to collect reliable and accurate WASH services coverage data in rural areas and as a result, the ministry has not been able to accurately estimate how many people have access to quality WASH services.

The Ministry of Water Development and Sanitation acknowledges the need to have a functional integrated WASH information system to collect and manage WASH services coverage data. The ministry and its partners are working on developing an integrated WASH Information system that will support efficient management of WASH services delivery.

USAID Expanding WASH project, through its localization efforts is supporting the Ministry of Water Development and Sanitation to strengthen WASH information system. The project conducted and assessment of the current



Photo Credit: Joseph Mumba:

USAID Expanding WASH staff pre-testing data collection application in Mungwi District

WASH information systems and identify gaps. Using this information, the project made recommendations on what the Ministry needs to consider when developing the system.



Photo Credit: Joseph Mumba:

USAID Expanding WASH staff going through Community Champions data collection Form with Lunte Council staff

U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov