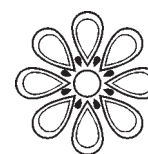




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REACHING THE UNREACHED: CHALLENGES FOR THE 21ST CENTURY

The people's choice: community management of RWS

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THROUGHOUT THE INTERNATIONAL Water Supply and Sanitation Decade the Government of Indonesia (GOI) made significant investments to improve rural water supply and sanitation service levels. However, as in many other countries at that time, targets were not achieved, and the focus on coverage at the expense of operation and maintenance led to an unacceptable rate of system failures. During the same period, a number of grant-financed pilot and demonstration projects supported by Non-Government Organizations and other external support agencies demonstrated that demand-driven approaches that extensively involve consumers in planning, financing and managing WSS services were more likely to be sustainable. The principles that drove these and other successful projects world-wide were later embodied in conclusions of the *Dublin International Conference on Water and the Environment in 1992* and are now known as the *Dublin Principles*¹.

This paper describes an early effort by GOI and the World Bank to incorporate the Dublin Principles in a large, loan financed, government executed project targeting poor rural communities. *The Water Supply and Sanitation Project for Low Income Communities* (WSSPLIC), the World Bank's first major investment in RWSS in Indonesia, represents new thinking within the World Bank about how projects for water supply and sanitation and other sectors should be designed and implemented. The trend is away from prescriptive, inflexible modalities and toward a process that can be characterized by phases of *Listening, Piloting, Demonstrating and Mainstreaming*.

In the case of WSSPLIC, much listening was done to learn from the experiences of both Government Agencies and NGOs in the 1980s and early 1990s. The work of some NGOs and the Government's Bengkulu-Lampung RWSS Project provided the pilot experience. WSSPLIC itself can

be characterized as a demonstration project which is showing how the Dublin Principles can be applied in a large scale investment within a government institutional environment. The lessons learned from implementing WSSPLIC should tell us how to mainstream the Dublin Principles in national RWSS programs and policies.

The Project is also innovative for the Government Indonesia, where a tradition of strong, centralized management had previously inhibited demand driven approaches. These policies are now changing rapidly, and WSSPLIC fits well with new efforts to decentralize governance and alleviate poverty. It features an adaptive project design which allows for real-time changes in strategy and processes in response to feedback from stakeholders and project performance.

WSSPLIC project design and implementation

The project is providing safe, adequate, reliable and easily accessible water supply and sanitation services to unserved or under served rural villages, and some communities around densely populated centres. In addition, it features a program for participatory hygiene and sanitation education. The project targets low income groups by prioritizing villages that have been classified as poor by qualifying for the Government's "Left behind Villages" Program (*INPRES Desa Tertinggal*, or IDT), a part of the national poverty alleviation campaign.

The institutional arrangements for WSSPLIC are rather complex. The Project is led by the Ministry of Health, within which the Central Project Secretariat (CPS) is located. The CPS comprises technical staff from the Directorate for Human Settlements in the Ministry of Public Works, and the Directorates for Community Development and Regional Development in the Ministry of Home Affairs. The National Development Planning Board (BAPPENAS) played a strong coordinating and advisory role during the design and early implementation phase, and continues to oversee the annual budget planning process as a part of its national mandate. The central structure is reflected at the provincial and district levels.

Technical assistance from Indonesian NGOs and private engineering consulting firms have played a key role in both project design and implementation. District-level project staff are each assisted by teams comprising a mix of community development advisers and engineers who help train and facilitate communities to plan and manage WSS systems.

WSSPLIC facts at a glance

Start date:	Oct. 1993
Duration:	5 years
Location:	Eastern Indonesia (6 provinces)
Coverage:	Approx. 1400 villages, 2 million people

An innovative RWSS project targeting poor communities and featuring a demand-driven approach, an adaptive project design, and extensive NGO/Govt. collaboration.

Objectives are:

- To provide safe, adequate and easily accessible WSS services;
- Support hygiene/health education to improve hygiene practices
- Poverty alleviation

Project implementation is founded on a set of simple rules governing demand responsiveness of the project and costs. These are:

- Communities must prepare *Village Action Plans* (VAPs) to be eligible to participate in the project. These plans, developed with the assistance of Field Officers, describe the type and level of service to be provided and the financial, labour, and managerial commitments of the community, Government agents, and contractors;
- *Village Water and Sanitation Committees* must be established to manage community level planning, implementation and operation & maintenance;
- *Budget ceilings* must be established for subsidies to capital costs. This is reviewed jointly by the World Bank and Govt, each year, and is presently set at an average of approximately US\$30,000 per village, which is sufficient to provide a basic level of service in rural communities;
- *Communities must contribute to both capital and recurrent costs*. The minimum contribution is 4 percent of capital costs in cash and 16 percent in kind, and 100 percent of O&M costs.

The construction of all physical works is driven by the informed choice of communities as expressed the Village Action Plans. Although “imperfect tools” at the outset of the project, they have become progressively more effective instruments for defining community service level demands and locals takeholder responsibilities.

Developing and applying the rules was not a simple task. During the design phase, much debate revolved around the ability of low income communities to contribute to capital costs. The benefits of requiring the contribution was also debated. A great deal of debate occurred during the first years of the project that led to some modifications of the parameters of the rules to address the needs and concerns of all stakeholders, but fundamentally they remained the same.

The application of these rules has had several important benefits. The process of “informed choice” through the VAPs and subsequent cash contributions for construction has led to a strong sense of ownership and responsibility in most WSSPLIC villages. Communities are now aware not only of their own responsibilities but also those of the government agencies, NGOs, and contractors. They are thus better able to monitor contract delivery and ensure that acceptable materials and services are provided.

Initially, project implementation was very slow due in part to the innovative nature of many aspects of the project and the learning required for many stakeholders. In the first two years of the project there were long delays in contract processing, community involvement in VAP preparation and in subsequent construction was less than planned, per capita costs were relatively high, and construction quality was very variable. As knowledge and

experience was gained through training and implementation, improvement became rapid. Most water systems now are being built for less than US\$25 per capita, VAPs accurately reflect community needs and commitments, and construction quality in most new villages meets project standards.

The learning process

The process of systematic learning has been instrumental in identifying, analyzing and documenting the causes of project successes and constraints, and then guiding adaptation of the project strategy in response. To drive the adaptive process, more intensive field supervision, case studies of project “outliers” (very good and very poorly performing areas and elements), and an annual monitoring protocol are being carried out by project staff supplemented by independent consultants. The UNDP/World Bank Water and Sanitation Program has played an important role in developing and guiding the systematic learning process. A variety of indicators are monitored through these mechanisms. Indicators of project process effectiveness include: the quality of VAPs; records of community cash and in-kind contributions; contract processing time; contract performance, and the timeliness, appropriateness, and impact of training. Output indicators are:

- cost per capita of completed systems
- construction quality
- community capacity and responsiveness for undertaking or financing system maintenance,
- health impacts.

WSSPLIC has thus far provided a host of lessons to help guide the design of future projects and sector policies in Indonesia. Some of these are outlined below:

- Communication and consensus are key to making the project work. At the outset, not all stakeholders in government understood or agreed with the project rules or how they were to be applied. A protracted process of dialogue and negotiation has led to a viable and effective set of operating rules that all stakeholders are comfortable with.
- If the “gatekeepers” understand and buy into the project, others will follow. A key event in WSSPLIC was the introduction of annual conferences for District Commissioners (Bupatis) to apprise them of project progress and rules. This has led to enhanced support from the Bupatis and has introduced an element of competition between them to see the project perform well.
- Communities need to have a voice in the technical planning as well as in financing, implementation, and operations and maintenance. Without this, designers lose the opportunity to make use of local knowledge, and systems may not provide the level of service that people want and are willing to pay for.

- Responsibility for construction management should be the lowest appropriate level - usually the village level. Systems that are built through community "self-help", when properly supervised by technical staff, tend to be better constructed, better maintained, and cheaper than contractor-built facilities.
- Keep procurement rules simple and transparent by
 - minimizing the number of contracts
 - ensuring that procurement rules are understood through careful training at the outset of the project
 - maximize the use of community skills and resources to reduce the need for contractors.
- NGOs need to learn too. Working with large scale government projects involve new operating rules and skills that NGOs may need orientation or training to develop to perform effectively.
- A multi-agency approach is relatively complex and takes time and persistence to get in working order, but it yields better results than a single agency strategy when high levels of beneficiary participation are required. A variety of engineering and social science skills are required to support community-based approaches that no single agency can provide.
- Have patience. Institutional change is a complex process that takes time and nurturing before results can be seen.

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- ¹ The four key principles enunciated at the Dublin Conference are:
- Effective management of water resources demands a *holistic approach* linking social and economic development with protection of natural ecosystems;
 - Water has an economic value in all its competing uses and should be recognized as an *economic good*;
 - Water development and management should be based on a *participatory approach*, involving users, planners, and policy makers at all levels, with *decisions taken at the lowest appropriate level*; and
 - *Women play a central part* in providing, managing and safeguarding water, and therefore they should participate in decisions effecting water use.