

Evaluation Summary

Small towns water supply and sanitation project (STWSSP)

Country: **Tanzania**

Sector: **Water supply and sanitation
(large systems)**

Evaluators: **eMJee Consult Netherlands**

Date of the evaluation: **December 2014**

Key data on AFD's support

Project number: CTZ 1006

Amount: €6 million grant

Disbursement rate: 91%

Signature of financing agreement: June 2002

Completion date: December 2010

Total duration: 8 years and 6 months



Context

The project was implemented in the context of a **need for further decentralization in the water sector**, combined with a *de facto* **lack of management models** to deal with water supply and sanitation in small towns that range from 5,000 to 50,000 inhabitants.

Actors and operating method

The contracting authority was the ministry of water (MoW).

The management contractor was Seureca joint venture.

The project manager was a combined unit from MoW, AFD and a management consultant.

Objectives

The establishment of sustainable systems for the management and maintenance of domestic water supply infrastructure, through:

- the preparation of business plans,
- the strengthening of capacities,
- and the mobilization of private operators.

The construction and rehabilitation of working domestic water supply systems in small towns selected, ensuring a good level of service and a reasonable price of water.

The carrying out of collective and individual actions for **water treatment and improvement of hygiene** in the towns selected.

Expected outcomes

- **Two towns selected** for rehabilitation of the existing water supply network. Reaching 43,000 people and a coverage of 90% for Utete and 57% for Mpwapwa.
- **Increase in number of connections** (2010-2014) from 299 to 522 in Utete and from 1,423 to 2,455 in Mpwapwa.
- **No private operators involved** in the management, in order to make the Urban water and sanitation authorities (UWSA) responsible for the system management without outsourcing services.

Performance assessment

Relevance

The project was highly relevant. The intervention is in line with and in support of national policies and strategies. It came timely to contribute to the discussion in the MoW and the Local government authority (LGA) on how to deal with small towns. **It responded to the needs of the population** for improved access to safe drinking water.

Effectiveness

The effectiveness was high in achieving the construction and rehabilitation of the schemes in Utete and Mpwapwa, **the works are of good quality and cater for a medium-term growth and increase of demand in the towns.**

The effectiveness in relation to creating a sustainable management team is medium, since the project has not been able to address this issue in a conclusive way with the government of Tanzania (GoT). Staffing numbers and levels are critical to the success of STWSSP. **Reviewing the UWSA management model may be necessary**, especially for small entities, as it seems difficult for them to meet Operations and maintenance (OM) costs. Clustering might be a solution. The effectiveness of the component dealing with the promotion of collective and individual action for water treatment and hygiene was less than for the other components.

Efficiency

The STWSSP has made efficient use of its resources. **The investment costs were equal to the overall average per capita investment for all nine towns.** The extension of the oversight contract could not be avoided due to the delays in awarding the tenders for the construction works.

Impact

While a **very positive impact** can be noted regarding the access and the quality of the water, **the main challenge remains the way the schemes are operated.** Due to lack of management experience, financial management insights, UWSA tends to look at reducing expenditures and not at the increasing income from sales. Consequently, the water users are deprived of access to enough water to meet their demands. The impact on sanitation and hygiene remains below expectation, and none of the UWSA has taken the initiative to address water access and sanitation facilities in urban areas (markets/bus stations, schools and hospitals/ health centers).

Sustainability

The sustainability depends mostly on the quality of the management by the UWSA to deal with aspects of sustainability. Utete and Mpwapwa still **do not plan for proper OM costs** and in case of any breakdown, they rely on the willingness of the LGA to pay for the necessary repairs. They face **difficulties in collecting revenues**, which has an enormous impact on their cash flow and monitor the costs and sales insufficiently.

On the positive side, the population is very much interested in improved water supply services, which should be an incentive for the UWSA to improve the services to the users and guarantee the sustainability of the services. **Environmental aspects as well as the hygiene and sanitation efforts have not received enough attention to date.**

Added value of AFD's contribution

The project made use of the synergy that emerged from the World bank initiative to **support further decentralization**, and the STWSSP was seen as a **pilot project** to test different management options. AFD monitored the project from the Nairobi office and opened a permanent office in Dar es Salaam only in 2009. This **physical distance** made it harder to follow up on recommendations and to discuss the findings of the intermediary studies with the MoW. It is important to include adequate attention for the capacity building and coaching in the project design, which had been **insufficiently addressed** before the handing over of the infrastructure to the utilities.

Conclusions and lessons learnt

Overall, the project has been of good quality and relevant to the population. It addressed the **different management models** that could be introduced to make UWSAs in small towns more sustainable. However, **the GoT opted for the introduction of one single model**, which might be difficult to operate, especially in the smaller towns. The consequence of this decision is a **huge demand for staff and managers** to operate the UWSA in a semi-autonomous way. The UWSA that operate in townships should receive a subsidy for the key staff and the electricity required for operations, but this is not always guaranteed. Without a **good monitoring of required costs and revenues**, it is difficult to establish realistic tariffs that allow for the provision of improved water supply services.

Having installed the infrastructure as part of the project is only one side of the equation. **There has been too limited attention for capacity building and on the job training** of the management to successfully run the UWSA. Building in a distinctive capacity building phase after the delivery of the physical infrastructure should be envisaged (collaboration with the GIZ program on capacity building could be further developed).

The support to sanitation and hygiene promotion was the least successful element of the project. The intended sanitation blocks were never constructed, and the team observed that, to date, the **UWSAs have not come forward with innovative solutions to ensure adequate sanitation services at public spaces.**