

Mapping EU Support for Sanitation in Africa



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*Mapping EU Support for
Sanitation in Africa*

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Headline issues

European Union donors are a major source of external finance for sanitation in sub-Saharan Africa

For the eight EU donors for whom disaggregated data are available¹.

- 35% of their Official Development Assistance (ODA) for WASH in sub-Saharan Africa goes to sanitation.
- 54% of their ODA for sanitation in sub-Saharan Africa goes to *basic* sanitation systems.
- 15% of their ODA for WASH in the whole of Africa goes to *basic* sanitation in sub-Saharan Africa.

For sub-Saharan Africa, the ODA from these eight donors accounts for 66% of the total EU ODA to basic water and sanitation systems. The EU member states together with the Institutions of the EU account for 59% of all reported ODA for WASH in Sub-Saharan Africa. Their contribution to basic water and sanitation is 70% of the total reported ODA.

European Union member states' donor policies on sanitation are consistent and well-aligned with those of the Africa Union. This is a major achievement for Europe and Africa following the first AfricaSan conference in 2002

Subsequent to 2002, many African Countries and European Member States have developed either specific sanitation policies or overarching policies that make clear reference to sanitation. These developments constitute a significant achievement and advance. There are now consistent policy messages on sanitation that sit within recognized political frameworks that encompass both EU Member States and African States.

The following Headline Issues are based on country case studies for Mozambique, Burkina Faso and Uganda; the findings are therefore illustrative of national level issues and are not assumed to be a representative sample for the whole of Africa.

The majority of national planned expenditure on sanitation comes from external (donor) sources, with EU donors being substantial contributors

In Mozambique, Burkina Faso and Uganda, external (donor) funding accounts for 86%-97% of governments' planned expenditure on sanitation. By inference, ODA from the EU accounts for a high proportion of this, given that the EU accounts for 53%-68% of all ODA for WASH. For basic WASH the proportion of support is higher, with the EU contributing between 70-79% of all ODA.

There exists a wide variation in rural and urban expenditure allocations with respect to the deficits in sanitation coverage

Uganda and Burkina Faso both need to cover 3 times as many rural people as urban, whereas Mozambique needs to cover 1.5 times as many urban as rural. However, Uganda plans to allocate 11 times more investment per capita to urban than rural, Burkina Faso plans to allocate 3 times more, and Mozambique 7 times more. Contributing issues to these differences are firstly the wide range of unit costs used to develop expenditure plans and secondly the approach to subsidy adopted by countries as indicated by the expected household contributions.

National policies on subsidy for sanitation vary extremely widely and do not necessarily align with sanitation outcomes

Countries have estimated the likely capital expenditure required to meet their stated coverage targets; these exhibit widely differing assumptions about the relative contribution that households are expected to make. With respect to the situation prevailing for rural sanitation in 2008, Uganda provided zero subsidy, Mozambique a little over half, with Burkina Faso providing full subsidy of the capital costs. The *absolute numbers* of rural people practising open defecation have fallen substantially between 2000-2008 only in Uganda; this juxtaposes with very low subsidy arrangements and low unit capital costs for latrines. Conversely, Burkina Faso appears to show the opposite trend, with an increase in rural people practising open defecation in the light of high unit capital costs and high subsidies on government-sponsored programmes (as of 2008).

There is a pressing need to "close the monitoring loop"

Mozambique, Burkina Faso and Uganda all identify problem areas with WASH sector monitoring in general and with sanitation in particular. Financial disbursements to sanitation programmes at country level are largely un-monitorable and it is not possible to link disbursements directly either to outputs or outcomes in sanitation, particularly for rural areas. Financial flows to sanitation can only realistically be identified at the point of utilisation by radically strengthening national sector monitoring. To be achievable, this will require increasing effort on the part of all donors – it cannot be achieved simply by the forthcoming changes to the reporting structures for OECD DAC. Monitoring is a major concern of the EU donors and has a prominent place in their policies. Both the policy framework and the financial imperatives are therefore in place for EU donors to actively support the development of national monitoring systems.

¹ Finland, France, Denmark, Germany, Netherlands, Portugal, Sweden, United Kingdom

Introduction and objectives

This study addresses a number of key concerns of AMCOW, the European Union (EU) and other donors around the need to increase support to sanitation in order to accelerate the progress of national plans, Africa-wide goals, and the attainment of the MDG target on sanitation.

The purpose of the study is to obtain an overview of the status of the involvement of EU Member States and the European Commission in sanitation-related activities in Africa. It is anticipated that the findings of this work will have the potential to be used for both arguing for greater priority for sanitation within the international architecture and also for individual donors to use in discussing their own Official Development Assistance (ODA).

The work is complementary to the report from 2008 on mapping EU development assistance to the water sector in Africa². This earlier report had a much wider remit and as such, the Sanitation Mapping report can be considered as being supplementary to it.



There are three components to the work.

- Analysis of the ODA from the EU that is targeted to sanitation in Africa.
- Country case studies from Burkina Faso, Uganda and Mozambique which analyse the delivery of support to sanitation at the national level. This complements the analysis of donor ODA by identifying key issues from the recipient country perspective.
- A review and analysis of the attributes of the sanitation policies of EU donors.

Box 1. Sources of data

Data on overall ODA disbursements for Water, Sanitation and Hygiene (WASH) in the reference year of 2008 are abstracted from the OECD-DAC Creditor Reporting System (CRS)³ for reporting codes 14020 and 14030. These data do not disaggregate between ODA for water and sanitation; this will change in 2011 for the reporting of 2010 ODA. Disaggregated information for sanitation was obtained from the data set collected during the preparation of the Global Annual Assessment of Drinking Water and Sanitation report (GLAAS, 2010). Eight EU bilateral donors⁴ (hereafter referred to as the “donor group”) provided a global estimate of how their aid to the water sector was distributed between water and sanitation for 2008. These estimates were applied to the ODA reports available from the CRS.

Country data from Burkina Faso, Mozambique and Uganda were obtained primarily from the latest Country Sector Overview (CSO) reports and from staff who worked on the data generation.

The policy analysis was based on documents available in the public domain.

Detailed narrative reports on the country case studies and donor policy analysis are available separately by [hyperlink](#) (Appendix 1).

² EU Water Initiative Africa Working Group (2008), *Working Together to Improve Aid effectiveness in the Water Sector*, EUWI, European Commission, Brussels

³ For a concise discussion and analysis of ODA disbursements vs commitments see: “EU Water Initiative Africa Working Group (2008), *Working Together to Improve Aid effectiveness in the Water Sector*”. This report concludes that for the EU donors, disbursements closely follow commitments, and that disbursements better describe aid flows from the recipients’ point of view.

⁴ Finland, France, Denmark, Germany, Netherlands, Portugal, Sweden, United Kingdom

EU financing for sanitation

European Union donors are a major source of external finance for sanitation in sub-Saharan Africa

For the eight EU donors (the “donor group”) for whom disaggregated data are available.

- 35% of their ODA for WASH in sub-Saharan Africa goes to sanitation.
- 54% of their ODA for sanitation in sub-Saharan Africa goes to “basic” sanitation systems
- 15% of their ODA for WASH for the whole of Africa goes to “basic” sanitation in sub-Saharan Africa

The term “basic” is the term used in OECD DAC reporting of ODA (See Box 5); in general, it refers to latrines and on-site disposal systems as opposed to sewerage sanitation.

For “basic” water and sanitation systems in sub-Saharan Africa, the ODA from these eight donors accounts for 66% of the ODA from all EU sources of ODA for basic systems. Figures 1 and 2 show the estimated ODA disbursements (in US\$ and percentage terms) to sanitation from the donor group.

The EU member states together with the Institutions of the EU account for 59% of all reported ODA for WASH in sub-Saharan Africa. Their contribution to *basic* water and sanitation is 70% of the total reported ODA (Figure 3).

Whilst it is not possible to fully disaggregate sanitation ODA, alignment of these findings makes it clear that the EU is a major donor to sanitation in the sub-region and makes a major contribution to the external funding both for basic sanitation and for basic WASH services as a whole. This level of support sets the scene for both the EU donors and recipient governments to consider the implications of the issues raised in the *case studies* points that follow.

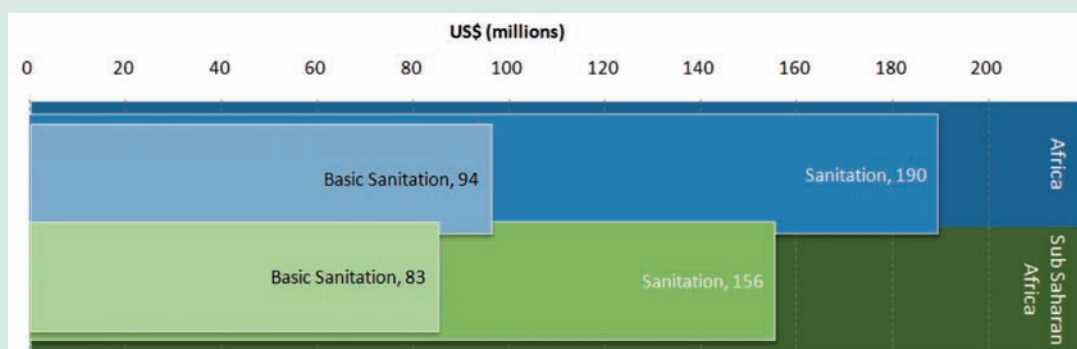


Figure 1. Estimated donor group disbursements for sanitation to Africa

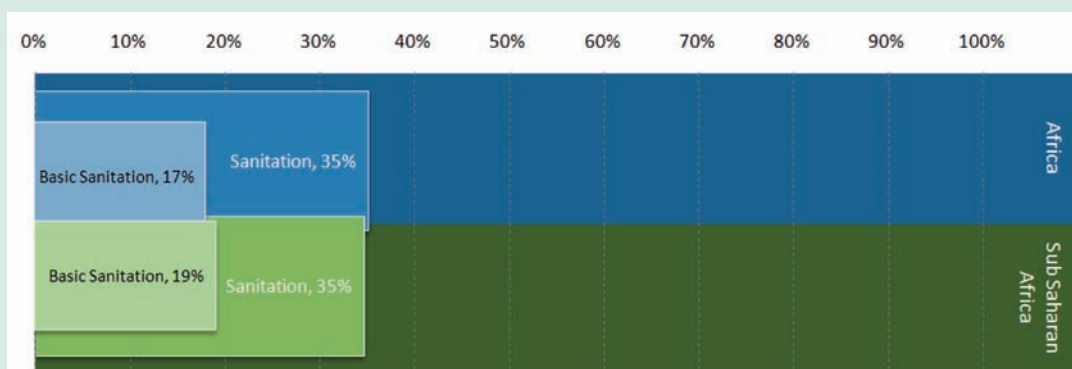


Figure 2. Estimated sanitation disbursements by the EU donor group relative to their WASH ODA

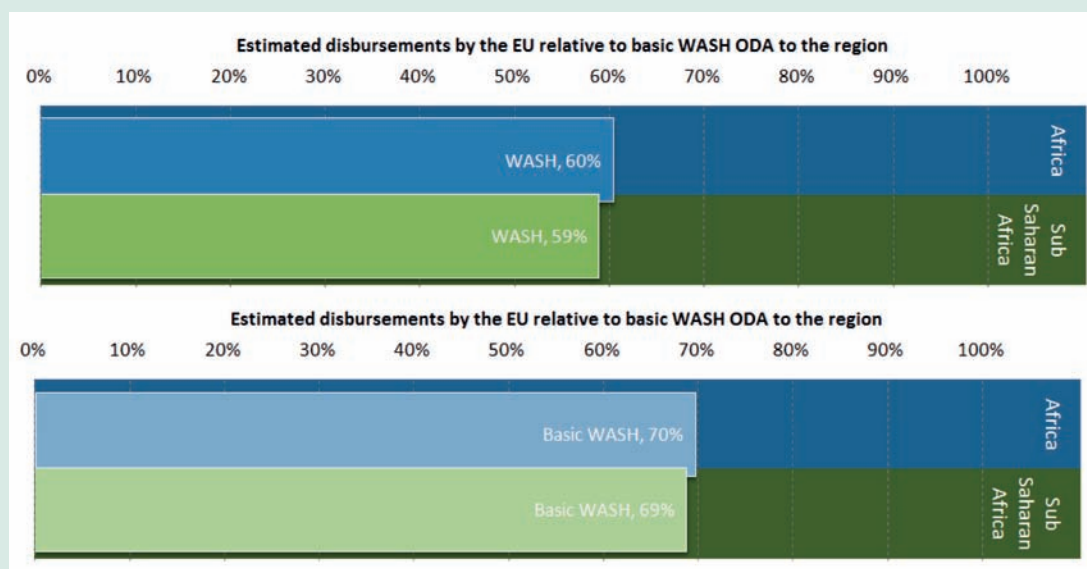


Figure 3. EU disbursements to WASH in Africa



EU donor policy on sanitation

EU member states' donor policies on sanitation are consistent and well-aligned with those of the Africa Union. This is a major achievement for Europe and Africa following the first AfricaSan conference in 2002

The political statement from the first AfricaSan conference in 2002⁵ states the importance of policy development and raising the profile of sanitation:

"Develop and strengthen the clear policies and institutional frameworks needed to improve sanitation and hygiene"

"Raise the profile of sanitation and hygiene in all political and developmental processes. These include:.....regional bodies such as the African Union and the African Ministerial Conference on Water"

Since 2002, many African countries (including the case study countries) and European Member States have developed either specific sanitation policies, or overarching policies that make clear reference to sanitation. In addition, the European Union and the Africa Union (AU) have aligned their positions through adoption by the AU of the principles outlined in the Africa-EU Statement on Sanitation in the Sharm el Sheik Declaration⁶.

These developments constitute a significant achievement and advance. There are now consistent policy messages on sanitation that sit within recognized political frameworks that encompass both EU Member States and African States. This acceptance provides a sound basis and agreed principles for individual states (both European and African) to mutually support the development and implementation of national plans.

The policies of fourteen EU Member States who contribute significantly to supporting sanitation in Africa have been analysed. Box 2 compares and contrasts the key attributes and highlights common concerns.

⁵ African Sanitation and Hygiene Conference: Conference Statement on Sanitation and Hygiene in Africa, 29th July to 1st August 2002 : Johannesburg (Midrand), South Africa

⁶ Sharm El Sheikh Summit Declaration: 15th Summit Conference of Heads of State and Government of the non-aligned movement, Sharm El Sheikh, Egypt, 15 – 16 July 2009

Box 2. Attributes of EU Member States' Sanitation Policies

Policy context

- France and Germany have publicly available, separate strategy documents that focus on sanitation. The UK policy has a section dedicated to sanitation needs, opportunities and actions – based on a more comprehensive background paper that is no longer in the public domain.
- Some Member States have aspects of sanitation policy and strategy combined into the broader approach of Integrated Water Resources Management (Austria, Denmark, France Luxembourg and Sweden) or within the context of sustainable development (Spain). Others make specific reference to sanitation within the context of hygiene promotion (Denmark), support to health (Finland), sustainable urban environments (France), transition from relief to development and humanitarian assistance (Ireland and Luxembourg), contributing through ecological sanitation to environmental protection and agricultural production (Sweden).

Approaches

- The majority of established donors identify the significance of moving towards greater harmonization and coordination, to increase aid effectiveness and coherence. Some donors make specific mention of generic approaches, but the general sense is one of a need to align with national (recipient) processes.
- Where donors identify how they cooperate with country governments, it is not given in specific terms. It is based more on elements of programme implementation than in relation to the allocation and tracking of financial assistance.

Monitoring

- All major donors make reference to the importance of monitoring. Its purpose is given a number of interpretations, including: as a means to monitor the impact of development cooperation (Austria, France, Germany and Italy); to identify areas for change and effectively allocate further resources (Finland and Ireland); to improve efficiency and accountability and as the basis for future planning (Germany); to measure progress against commitments (Austria, Greece, Spain, UK); and to improve alignment and coordination of assistance (Luxembourg and UK).
- This has important implications with respect to the Case Study Point 4 on monitoring at the country level

Funding allocation

- Commitments to funding sanitation are identified by France and Germany (of which about 50% and 40% respectively are reported as being allocated to sanitation only) and to the sector as a whole by the UK. Germany and Italy give figures for how much is contributed through multi-lateral organizations. Portugal and the UK both state that “almost half of their ODA” is via multi-lateral development cooperation.
- Mechanisms for allocating funds effectively in-country relate to: decentralized financial mechanisms (Austria), cross subsidies and tariff structures that enable pro-poor services (at least to minimum levels of service) for urban services and community-managed systems based on cost-recovery for rural services (Denmark), subsidies focused on promotion and awareness creation, rather than for construction (Sweden).



Case study point 1: the majority of national planned expenditure on sanitation comes from external (donor) sources with EU donors being substantial contributors

The CSO studies show governments' planned expenditure on sanitation disaggregated into "internal" and "external" components; these refer to the respective contributions to the total from the government's own financial resources and those of its donors. Table 1 indicates the planned expenditure based on the population requiring access, according to agreed national coverage targets.



In the three study countries, external (donor) funding accounts for 86%-97% of governments' planned expenditure on sanitation. By inference, ODA from the EU accounts for a high proportion of this, given that the EU accounts for 53%-68% of all ODA for WASH and for basic WASH the proportion of support is higher, with the EU contributing between 70-79% of all ODA⁷.

The breakdown is illustrated in Figure 4.

Table 1. Sources of funding for governments' planned expenditure on sanitation

Sanitation	Popn requiring access	Internal allocations	External allocations	% external
	'000/year	10 ⁶ US\$/ year	10 ⁶ US\$/ year	
Mozambique	906	5	31	86%
Uganda	2271	0.4	13	97%
Burkina Faso	1238	2	15	94%

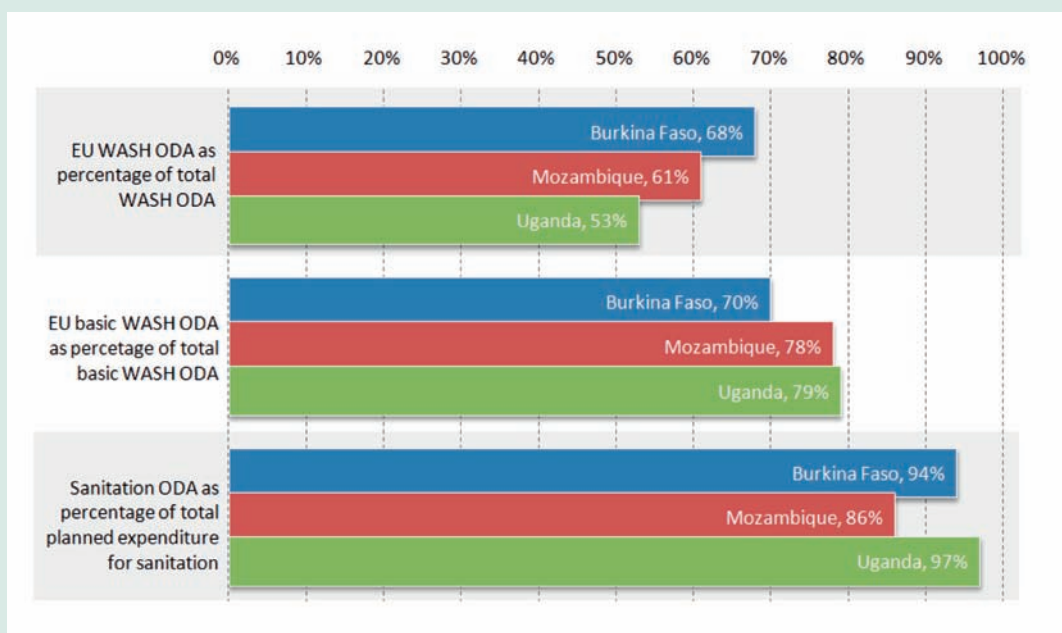


Figure 4. EU contributions to WASH and planned expenditure in the case study countries

⁷ It is not possible to disaggregate EU donor ODA specifically for sanitation in the case study countries.

Case study point 2: there exists a wide variation in rural and urban expenditure allocations with respect to the deficits in sanitation coverage

Table 2 shows the breakdown of governments' planned expenditure in terms of the allocations per capita requiring access, for both rural and urban sanitation in the case study countries. This reveals remarkably wide variations in:

- the total planned expenditure⁸; and
- the relative allocations between rural and urban

Uganda and Burkina Faso both need to cover 3 times as many rural people as urban, whereas Mozambique needs to cover 1.5 times as many urban as rural. However, Uganda plans to allocate 11 times more investment per capita to urban than rural, Burkina Faso plans to allocate 3 times more, and Mozambique 7 times more. It is to be expected that per capita costs of provision are likely to be greater in urban areas where there is a greater need for infrastructure and service networks; an earlier study of resource allocation to water supply and sanitation carried out in 2005 (WELL 2005) for Ethiopia, Uganda and Mozambique drew similar conclusions.

The differences in resource allocations do not appear to relate directly to the numbers of un-served. There appear to be two contributing issues.

- The wide range of unit costs used to develop expenditure plans; these are shown in Table 3. and
- The approach to subsidy adopted by countries (measured by the proportion that households are expected to pay); this is addressed separately in case study point 3.

Table 2. Breakdown of governments' planned expenditure on sanitation

Rural Sanitation	Population requiring access	Internal allocation	External allocation	Total
	'000/year	US\$/person/year	US\$/person/year	US\$/person/year
Mozambique	353	2.8	5.6	8.4
Uganda	1730	0	1.7	1.7
Burkina Faso	956	1.0	8.4	9.4

Urban Sanitation	Population requiring access	Internal allocation	External allocation	Total
	'000/year	US\$/person/year	US\$/person/year	US\$/person/year
Mozambique	553	7.2	52.4	59.6
Uganda	541	0.7	18.5	19.7
Burkina Faso	282	3.5	24.8	28.3

Table 3. Unit capital costs

Unit Capital Cost estimates used in national planning	Urban	Rural
	US\$ per person	US\$ per person
Mozambique	86	39
Uganda	34	12
Burkina Faso	45	17

Assigning realistic unit costs for planning both urban and rural sanitation programmes is clearly problematic and supports a generally held view that intensifying the understanding, collection and use of local life-cycle sanitation costs is essential. This is currently being addressed in a number of countries by the WASHCost study funded by the Bill & Melinda Gates Foundation⁹.

⁸ This is further complicated by the fact that the intended contributions from government funds and households, when combined, are insufficient (by approximately 50%) to meet the planning targets in Mozambique and Burkina Faso.

⁹ In Burkina Faso, WASHCost reports ranges in capital costs of latrines from US\$54-\$109 for rural, and \$105-\$177 for urban. It is not immediately possible to compare the findings with the stated estimates in the CSO reports, as the latter are given on a per capita, as opposed to a "per latrine", basis.

See Klutsé A., Bouraima Z., Amegnran C. (2010) *Sanitation costs analysis in Burkina Faso*, Pumps, Pipes and Promises, IRC Symposium, The Hague, Netherlands.

Case study point 3: national policies on subsidy for sanitation vary widely and do not necessarily align with sanitation outcomes

Countries have estimated the likely capital expenditure required to meet their stated coverage targets (see footnote 10); these exhibit widely differing assumptions about the relative contribution that households are expected to make. This can be used as an indicator of subsidy¹⁰ for capital expenditure; estimates are shown in Table 4. As would be expected, the levels of subsidy for urban sanitation are higher than for rural.

With respect to rural sanitation in 2008, Uganda provided very little subsidy, Mozambique a little over half, with Burkina Faso providing full subsidy of the capital costs (see Box 3 for explanatory notes). These findings are juxtaposed with the outcome measure of open defecation (OD) practice in rural areas (JMP, 2010) in Figure 5. Open defecation in rural areas varies widely between the three study countries. Over the period 2000 to 2008, all show a decrease in the percentage of the population practising OD. However, on account of the increase in population, the *absolute numbers* of people practising OD have fallen substantially only in Uganda. Figure 5 juxtaposes the number of people practising OD in Uganda alongside the very low subsidy arrangement and low unit capital costs of latrines. Conversely, Burkina Faso appears to show the opposite trend, with Mozambique somewhere in between.

The trend is similar when the open defecation values are juxtaposed with the external component (ODA) per capita unserved of governments' planned expenditure on rural sanitation. Figure 6 shows a best estimate¹¹ of the relative contribution of EU ODA (per capita unserved) to rural sanitation in the three countries alongside the changes in open defecation. The number of people practising OD in Uganda has declined; ODA per capita is low. Burkina Faso receives the highest ODA per capita (of the three study countries) and the population practising open defecation has increased.

Table 4. Subsidies to sanitation

	Urban subsidy	Urban unit capital costs of latrine, US\$/person	Rural subsidy	Rural unit capital costs of latrine, US\$/person
Mozambique	62%	86	60%	39
Uganda	48%	34	6%	12
Burkina Faso	94%	45	100%	17

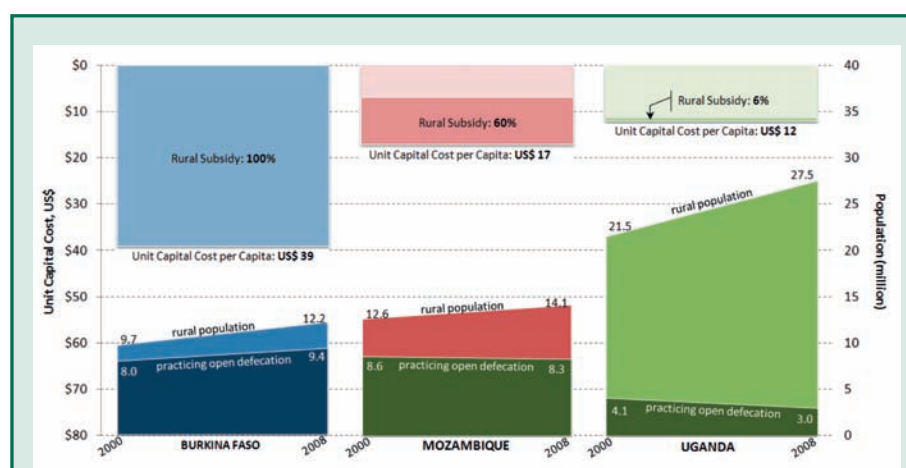


Figure 5. Trends in the rural population practising open defecation in relation to subsidy and unit capital cost of latrines

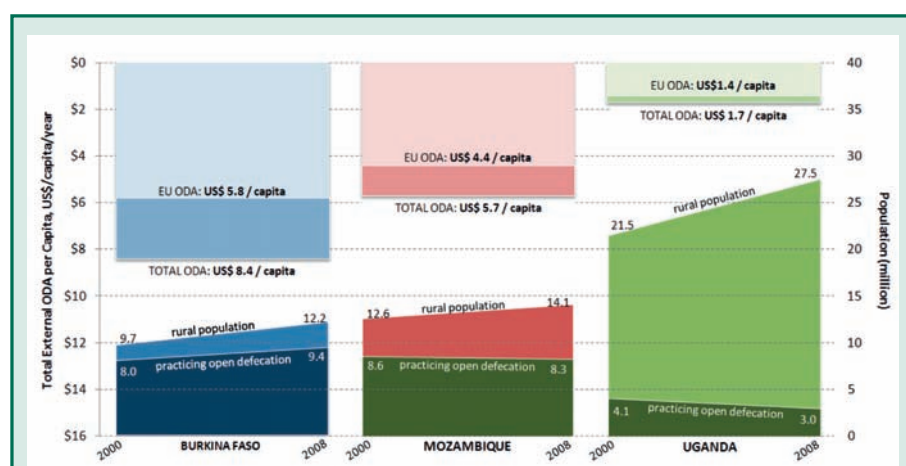


Figure 6. Changes in rural population practising open defecation in relation to ODA

¹⁰ The measure used to indicate "subsidy" is the ratio of *governments' planned expenditure / (governments planned expenditure + total expected household contributions)*

¹¹ By applying the proportional contribution that the EU makes to ODA for basic WASH, to the external allocation of planned expenditure on rural sanitation

Whilst it is not possible to draw any conclusions from these data concerning cause and effect with respect to rural open defecation trends, subsidy arrangements and the unit capital cost for latrines, the inference is that Uganda has developed relatively cost-effective ways of reducing rural open defecation given that it has zero subsidy and relatively low per capita ODA¹². This may of course be showing some effects due to time lag; that is, reform measures may have been put in place in Uganda that have resulted in the relatively positive situation.

Nevertheless this has potential implications for EU (and other) donor support and further analysis of the trajectory of progress in a country is useful to obtain a fuller picture. The situation can be represented on a quadrant plot as shown in Figure 7; this offers a useful means of locating countries' performance relatively in relation to proxy measures of outcome and input. For example, outcome could be measured by the trajectory in absolute numbers of rural people practising open defecation; input measures include subsidy levels, per capita latrine costs and per capita ODA.

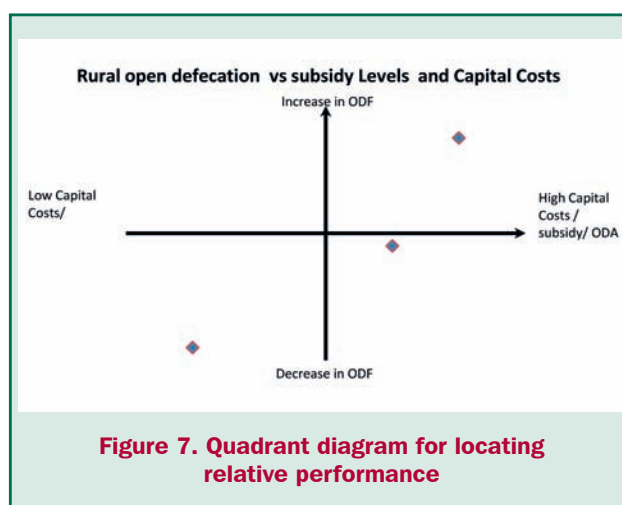
A country located in the lower left quadrant of diagram (for example Uganda, with reducing OD, lower subsidy and lower unit costs) has been able to develop a more effective approach than a country located in the upper right quadrant (low outcome, with high input measures). Therefore, national and donor discussions could focus on ways of moving a particular country out of the top-right hand quadrant, as remaining in this "location" is clearly not sustainable.

Similar plots could be made for different measures, for example relating to per capita ODA and urban outcomes. This approach complements that of GLAAS (2010) which identifies the multiple factors that influence donor aid prioritization; this is reproduced below.

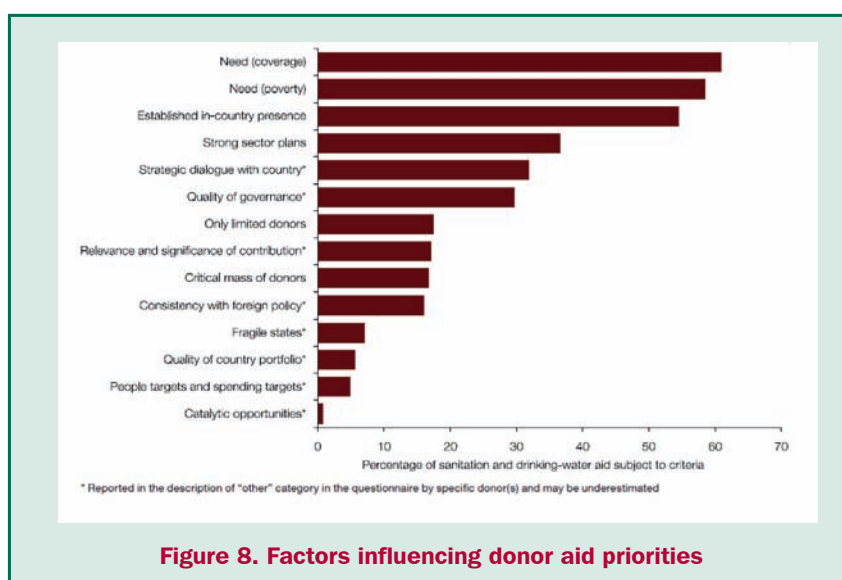
Sanitation coverage levels and degree of poverty play important roles; surprisingly, the cost-effectiveness of disbursed funds does not appear in the list of factors. The use of quadrant diagrams could be a useful additional tool to assist donor prioritisation and focus.

Box 3. Note on national subsidies

The subsidy rates are based on the national sanitation policies as applied in 2008. They apply to households involved in government-sponsored sanitation programmes. In reality, these may in fact not apply to the majority of the population who are not targeted by a programme as such. In addition, in each country projects exist which do not conform to the norm; levels of subsidy are under discussion or in the process of change. For example, in Burkina Faso the government has recently started to differentiate between different levels of subsidy.



Source: GLAAS (2010)



¹² Further analysis attempting to correlate the trends in ODA for basic WASH with open defecation was attempted, but the uncertainty in the historic allocations made by governments to rural sanitation are too great to enable meaningful conclusions to be drawn.

Case study point 4: there is a pressing need to “close the monitoring loop

The CSO reports for Mozambique, Burkina Faso and Uganda all identify problem areas with WASH sector monitoring in general and with sanitation in particular. These are summarised in Box 4. Financial disbursements within country-level sanitation programmes are largely un-monitorable¹³. There are two main issues.

1. Firstly, those of a generic nature with respect to WASH sector monitoring of outputs and outcomes. This relates to organizational and institutional fragmentation and lack of coordination of implementing agencies at the national and sub-national levels. A number of countries in sub-Saharan Africa are addressing this and working to put improved structures in place. For example, in Mozambique improvements are taking place through wider public finance reforms.
2. Secondly, there are specific problems associated with budget monitoring of financial flows to sanitation (that is, inputs), as the general practice of both donors and recipients is to report aggregated data for water supply and sanitation. This is amply illustrated by the difficulties encountered in this study regarding the collection of representative data on the disbursement and utilisation of ODA for sanitation.

As a consequence, it is not possible to directly link disbursements to either outputs or outcomes in sanitation, particularly for rural areas.

On the donor side, the OECD DAC Creditor Reporting System has been modified so that donors can disaggregate reporting of their ODA for sanitation from water supply with effect from 2011, to report on 2010 disbursement. This is described in Box 5.

Box 4. Status of national level monitoring

Mozambique

Since 2007, financial reporting has improved considerably, largely due to public finance reform and donor harmonization efforts. The current budget structure and reporting system permits some tracking of sanitation budgets and expenditures; there remain several concerns:

- there is still no consolidated budget or budget reporting for the sector;
- it is not possible to separate expenditures on water supply from those on sanitation for rural areas;
- GoM reporting does not clearly link investment amounts to specific works or types of works. This makes it difficult to generate and track unit costs, or to develop an overall cost structure for each subsector;
- aspects such as operation and maintenance (O&M) costs, community contributions, subsidies for O&M, connection fees, or latrine slabs are not specifically tracked or reported.

The quality of reporting to date has been weak in terms of linking disbursements to actual outputs; whilst each is reported, they are not reported in relation to one another. As a result, it is difficult to ascribe unit costs, or estimate value for money.

Uganda

On-budget expenditure versus commitments for rural and urban sanitation is reported upon in a Sector Performance Report. The Government does not fund household sanitation facilities in rural areas, hence no outputs are accounted for. Sanitation uptake in rural areas appears to be well monitored through the Health Inspectors Annual Sanitation Survey (HIASS) but less so in urban areas.

Expenditure on sanitation promotion and school sanitation is not included. Consequently, it is difficult to obtain a full picture of overall sanitation expenditure by government and donors.

Burkina Faso

Lack of differentiation among commitments allocated between rural and urban drinking water and sanitation hinders the accurate identification of the funds mobilized by NGOs, private providers, municipalities and direct household investments.

In addition to the annual donor-government joint review, monitoring the performance by the national government takes place in collaboration with all stakeholders in the National Steering Committee and Regional Steering Committees. These include representatives of local authorities, NGOs, private sector, users and donors. Although donors are only invited as observers, they participate actively in critical thinking and strategic sector. The quality of sector monitoring and evaluation data (progress of achievements, coverage rates, planning and budgets for the following year) is improving year by year, but weaknesses persist regarding:

- differences in definitions for urban and rural;
- standards used to define “access”; and
- difficulties pertaining to monitoring achievements in the field.

¹³ The Ministry of Health in Uganda does not have a sub-vote for sanitation; in Mozambique, rural water supply and sanitation disbursements are reported jointly.

Box 5. The OECD DAC Creditor Reporting System: disaggregating sanitation ODA

Reporting ODA for sanitation

Current reporting of ODA does not permit donors to disaggregate water supply from sanitation. From 2011, donors will be able to disaggregate ODA relating to 2010. The reporting system also distinguishes between “large” and “basic” systems as follows.

- Water supply - large systems: potable water treatment plants; intake works; storage; water supply pumping stations; large scale transmission / conveyance and distribution systems.
- Sanitation - large systems: large scale sewerage including trunk sewers and sewage pumping stations; domestic and industrial wastewater treatment plants.
- Basic drinking water supply: rural water supply schemes using handpumps, spring catchments, gravity-fed systems, rainwater collection and fog harvesting, storage tanks, small distribution systems typically with shared connections/points of use. Urban schemes using handpumps and local neighbourhood networks including those with shared connections.
- Basic sanitation: latrines, on-site disposal and alternative sanitation systems, including the promotion of household and community investments in the construction of these facilities.

Aid modalities

Aid modalities are set to become more programme-based in line with the implementation of the Paris Declaration. In practice, that means that donors are less specific about how recipient countries will use the ODA. This moves away from the donor specifying on which projects their ODA is to be used. For example, budget support modalities include:

- General budget support, which finances a recipient country’s budget. The resources are not designated (at the point of outflow from the donor) for a particular sector.
- Sector budget support is also a financial contribution to a recipient government’s budget, with the ODA being used in a sector designated by the donor, such as water and sanitation.

By definition, programme based aid is not disaggregated at the point of outflow from the donor - this would be self-defeating. The implications are that if donors increasingly use programme-based approaches, the new ODA data that disaggregates sanitation from water may well represent a declining proportion of the overall ODA going to sanitation.

However, even if donors improve their own disaggregated reporting to identify ODA for sanitation, the nature of the different aid modalities (in particular, programme-based aid and contributions to multilateral organizations) means that only a proportion of ODA going to sanitation can actually be identified at the point of outflow of funds from the donors.

It is therefore apparent that this places an increasing burden on national governments to develop monitoring and reporting systems that track disbursements in relation to outputs. Both internal and external financial flows to sanitation can only realistically be identified at the point of utilisation by radically strengthening national sector monitoring. To be achievable, this will require increasing effort on the part of all donors – it cannot be achieved simply by changes to the reporting structures for OECD DAC. This is particularly the case given that the number of donor projects and interventions may be increasing.¹⁴

A useful overview of sanitation outcomes is provided by the changes to coverage levels reported via the UNICEF-WHO Joint Monitoring Programme (JMP). However, this provides a picture too general to make inferences about the effectiveness of ODA and sanitation programmes. Attribution is not possible given that disbursements for sanitation cannot yet be tracked; neither is it possible to establish the efficiency or effectiveness of the use of external funds.

This has important implications for both donors and recipients alike in the current environment, where there are strong competing demands for both internal and external funding from different sectors, particularly when viewed in the context of the high levels of support from the EU donors described above. Monitoring is a major concern of the EU donors and has a prominent place in their policies (see Box 2).

Both the policy framework and the financial imperatives are therefore in place for EU donors to actively support the development of national monitoring systems.

¹⁴ See the EU Water Initiative Africa Working Group forthcoming report on the application of the EU Code of Conduct on the Division of Labour



Appendix 1. References and further reading

Narrative reports on the specific components of this study are available as follows:

1. EU member state policy summary http://wedc.lboro.ac.uk/docs/research/J12679/EU_Member_States_policy_summary.pdf
2. Country case study reports for Burkina Faso, Mozambique, Uganda http://wedc.lboro.ac.uk/docs/research/J12679/Country_Case_Studies_Report.pdf

The following reference documents were consulted in compiling this report:

1. Africa-EU Statement on Sanitation (2008) http://www.euwi.net/files/euwi/8509_tmpphpBRgY8Z.pdf [Accessed 20 January 2011]
2. African Sanitation and Hygiene Conference: Conference Statement on Sanitation and Hygiene in Africa, 29th July to 1st August 2002 : Johannesburg (Midrand), South Africa
3. African Union: Sharm El Sheikh Summit Declaration: 15th Summit Conference of Heads of State and Government of the non-aligned movement, Sharm El Sheikh, Egypt, 15 – 16 July 2009
4. AMCOW/WSP (Forthcoming 2011). *Country Status Overviews on Water Supply and Sanitation 2010. Country Case Studies*. Commissioned by the African Ministers' Council on Water.
5. Ellege M F, Rosenweig F and Warner D B (2002) *Guidelines for the assessment of national sanitation policies*, (EHP Strategic Report No 2), Arlington Va USA http://www.ehproject.org/PDF/Strategic_papers/SRSanPolFinal.pdf [Accessed 20 January 2011]
6. EU Water Initiative Africa Working Group (2008), *Working Together to Improve Aid effectiveness in the Water Sector*, EUWI, European Commission, Brussels
7. OECD Development Co-operation Directorate (n.d.): *The List of CRS Purpose Codes- taking effect in 2011 reporting on 2010 flows*. <http://www.oecd.org/dataoecd/13/28/43103155.doc> [Accessed 24 May 2010]
8. OECD Development Co-operation Directorate (Dec 2008) *Working Party on Statistics: Guidelines for reporting in CRS++ format* DCD/DAC/STAT(2008)17/REV1
9. OECD Development Co-operation Directorate (Feb 2009) *Measuring aid to water supply and sanitation, inc.. Annex – technical note: Monitoring Flows to the water supply and sanitation sector* <http://www.oecd.org/dataoecd/2/60/42265683.pdf> [Accessed 24 May 2010]
11. OECD Development Co-operation Directorate "Stat Extracts" *Creditor Reporting System* <http://stats.oecd.org/Index.aspx?DatasetCode=CRSNEW> [Accessed 8 October 2010]
12. GLAAS (2010), *UN-Water Global Annual Assessment of Sanitation and Drinking-Water*, WHO and UN Water, Geneva, Switzerland. http://www.unwater.org/downloads/UN-Water_GLAAS_2010_Report.pdf [Accessed 20 January 2011]
13. Personal Communication (September 2010): GLAAS, UN Water Global Annual assessment of Sanitation and Drinking-water, External Support Agency data set from 2009, provided by WHO Geneva, Switzerland
14. WEDC (2005) *Assessing National Sanitation Policy: a series of WEDC Briefing Notes*, WEDC, Loughborough University http://www.wedc-knowledge.org/wedcopac/opacreq.dll/fullnf?Search_link=AAAA:M:456045604744 [Accessed 20 January 2011]
15. WELL (2005) *Allocating national resources in the water and sanitation sector*, (Briefing Note 11), WEDC Loughborough University http://www.wedc-knowledge.org/wedcopac/opacreq.dll/fullnf?Search_link=AAAA:M:482448252796 [Accessed 20 January 2011]
16. WHO/UNICEF (2010) *Progress on sanitation and drinking water: 2010 update*, WHO Geneva. <http://www.wssinfo.org/> [Accessed 10 December 2010]