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**SUSTAINABLE WATER AND SANITATION SERVICES  
FOR ALL IN A FAST CHANGING WORLD**

**Supporting water services in small towns:  
the experience of GoAL WaSH programme in Lao PDR**

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*In Lao PDR, it is estimated that more than 80 small towns (approximately 65% of all small towns in Lao PDR) and 5,000 remote villages (approximately 50% of all villages) lack water supply services. The GoAL WaSH programme, a global initiative lead by UNDP and focused on supporting water and sanitation governance has addressed this challenge in Lao, in partnership with UN-Habitat. Up to now, the project has been successful in developing and obtaining approval for a national strategy for water and sanitation in Emerging Towns, and this has been complemented with operational tools for adapting technology and costs to the size of these towns. The adaptation of raw water treatment plant designs to small towns has been especially developed. Combining a governance approach with piloting initiatives in the field has proved to be very effective for getting full support and ownership from the Government.*

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**Background**

Lao's National Socio-Economic Development Plan (NSED), which embodies the Government's most important development goals and related plans for their achievement, envisages achieving the Millennium Development Goals (MDGs) by 2015 and graduating from the status of least-developed country (LDC) by 2020. The 7th NSED 2011-2015 outlines water and sanitation as one of the priority areas and the Government sets the target to 80% of the total population with access to clean water by 2015 (UNDP, 2013). When the MEK-WATSAN programme was proposed, in 2006, 100 of a total of 145 district or secondary towns in Lao PDR had no formalised water supply (UN-Habitat, 2006). Both urban and rural water supplies are covered by an overarching policy for 'Management and Development of the Water Supply Sector' (Prime Ministerial Decision, No. 37/PM, 1999). Even though the Lao Water Supply Law was promulgated in 2010, there has been no detailed strategy for urban water supply since then, and thus a critical missing element at this stage is a well chalked out national sector strategy (World Bank, 2010). While significant investments have been made in the urban water supply sector over the past decade, the majority have focused on Vientiane Capital and the four (4) secondary towns of Kaysone Phomvihane, Pakse, Thakhek, and Luang Prabang, which represent only 41% of the country's urban population. The remaining small towns with populations ranging from 2,000 to 20,000 were largely ranked as lower priority until international agencies and donors like UN-Habitat, the Asian Development Bank (ADB), NORAD and others started to work on them. In 2007, piped water supply coverage in the small towns was only 21% compared to combined coverage of 70% in the five largest towns (UNCTAD, 2010). There is thus an urgent need to focus on the situation of access to water and sanitation in these emerging towns in Lao PDR.

**GoAL WASH: the global programme**

Governance, Advocacy and Leadership for Water, Sanitation and Hygiene (GoAL WaSH) is a UNDP global programme which was established in 2008. The programme aims to accelerate achievement of the water and sanitation MDG through strategically targeted interventions that strengthen governance of the water and sanitation sectors at appropriate levels. GoAL WaSH is an integral part of the UNDP's Water and Oceans Governance Programme (WOGP), and is based at the UNDP Water Governance Facility (WGF) at the Stockholm International Water Institute (SIWI) in Stockholm, Sweden.

Since its inception, GoAL WaSH has initiated and supported projects in eleven (11) countries worldwide. Three (3) more countries, Niger, Togo and Cambodia, have been evaluated for the programme and will start during 2014. Within the programme, there has been a focus on countries which are not receiving significant donor support in this area from other sources, countries where there is an institutional responsiveness to the services that the programme offers, and preferably, countries that were off-track in reaching the MDG.

Each country project is overseen by a national manager in the UNDP Country Office (CO), to ensure local ownership of the development process. GoAL WaSH national managers receive support from the Water Governance Facility at SIWI, as well as from national and international consultants for specific tasks.

GoAL WaSH main areas of intervention are:

- Strengthen institutional and human resources capacity to plan, manage, expand, regulate and sustain country's WaSH services with transparency and accountability
- Support sector coordination, legal and regulatory reforms and decentralization in order to improve the sector performance
- Develop policy instruments (strategic plans, roadmaps, investment plans etc) and regulation enabling effective, equitable and sustainable service delivery
- Awareness raising, advocacy and promotion of good governance of water and sanitation
- Promotion of human rights based approaches to water and sanitation, integrity, accountability and transparency

GoAL WaSH seeks in country collaboration to increase impact of the intervention.

### **GoAL WaSH in Lao PDR**

In Lao PDR, the GoAL WaSH project was built upon the existing UN-Habitat's Water for Asian Cities (WAC) Programme and the Mekong Region Water and Sanitation Initiative (MEK-WATSAN) in which on-the-ground pilots and demonstration water and sanitation projects focusing on pro-poor water and sanitation delivery are implemented, the project was conceptualized to feed into the increased coverage of water supply and sanitation infrastructure in the poor urban areas in a cost-effective and efficient manner, ensuring that the poor actually benefits from the sector strategy and the improved management system. GoAL WaSH started in Lao PDR in 2011, and after consultations with the Ministry of Public Works and Transport (MPWT), it was focused on four (4) main elements:

- Preparation of the national water supply sector strategy for emerging towns. These small emerging towns fell in the gap between the rural and the urban areas, and require a specific approach when it comes to the technical, financial and management aspects of the services
- Establishment of a database with designs of water treatment plants of various capacities ready for use in smaller communities for improved water supply. The lack of adequate technical designs for these plants made their costs unbearable for the Government, and kept private sector out of these investments. Providing feasible technical options for water supply at this scale in a database was deemed crucial for success
- Promoting best practices and incentivizing government ownership of the process by supporting pilot demonstration projects under the UN-Habitat MEK-WATSAN programme. Under this programme, pilots based on the new technical and management models could be tested, which demonstrated the efficiency of the approach
- Consumer rights protection practices and water tariff management training programme was designed and implemented in eight (8) provinces. The aim was to train both government and users on their roles and responsibilities on water services, as a needed step towards sustainability

### **Process**

The activities in the project were implemented in partnership with stakeholders at national level and provincial levels. Stakeholders consisted of community representatives, government officials (both at national and provincial levels), development partners (donors and I/NGOs) and water utility officials.

The strategy document was conducted in consultation with the senior officials from Ministry of Public Works and Transport and water utility officials at the provincial levels.

The database development was carried out in active cooperation with the government and different development partners. National level and provincial levels consultations were organised to ensure that all the operational water treatment plants are incorporated in the database.

For consumer rights, relevant water utility staff were part of the target group, through the development of a manual on consumer rights. The manual included 7 modules, beginning with (a) water governance, (b) corruption in the water sector and preventive measures, (c) transparency and access to information, (d) accountability and (e) integrity in integrated water resources management.

Regarding the water tariff management, a tariff review (2008-2011) was used as baseline measure as well as a socio-economic assessment of the effects of current water tariffs. The assessment involved all stakeholders, and the result was a training manual consisting on the following modules: (a) water tariff design including its socio economic effects in Lao PDR; (b) common assumptions about the positive effects of water tariff structures; (c) operational efficiency and effectiveness; and (d) alternative solutions to meet the water needs of the poor.

## **Achievements**

- Development of the National Sector Water Supply Strategy (focusing on “Emerging Towns”), approved by the Ministry of Public Works and Transport on 8<sup>th</sup> of August 2013. This strategy was developed through active engagement and consultations with the different stakeholders from Government and other national/international organizations active in the water sector in the country. Existing laws, regulations and policies were previously reviewed to avoid duplications and contradictions
- Establishment of a database with design of water treatment plants (WTP) of various capacities ready for use in smaller communities, size between 2,000 and 5,000 inhabitants. The WTP database is a web based searchable planning tool for government and development partners to make informed decisions on appropriate WTP designs. In addition, a developed user guide for the database gives the users a better understanding of how to access, manage and turn the data into useful information. A review of the design and costs of water treatment plants has been carried out to develop the Government’s capacity to undertake informed decisions on new water supply projects in un-served areas. This has been crucial to provide affordable designs and reduce the costs of infrastructure. A recent UN-Habitat analysis, based on inputs received from water utilities throughout the country, reveals that pilots have shown a reduction of up to 50-75% of previous standard costs .Much of the cost savings resulted from the reduction in involvement of international consultants, since previous designs could be easily adapted with national capacities. Furthermore, community based implementation model, where community provides in-kind contribution, allowed significant cost savings as well.

Consumer rights protection practices, and water tariff management training programmes were implemented in eight (8) provinces. These activities have substantial importance to develop the culture of rights and responsibilities from all stakeholders in the operation and maintenance of the services.

## **Challenges and lessons learned**

- The biggest challenge was to ensure that all sector stakeholders indeed participated and contributed to the efforts undertaken under the MDG Goal WASH project. Also, getting access to detailed information from stakeholders and partners has been challenging at times. The project reconfirmed that sector coordination is fundamental to ensure sector efficiency and effectiveness. The robust support indicated that the Government was convinced on the utility of the tools established, developed and implemented – perhaps the most compelling factor was that the project partners were convinced of the positive impacts of the tools.
- The database provides an opportunity for the government to benefit from existing technical designs. Having a basis to work upon, facilitates capacity building at national level (using national consultants or even ministry staff to prepare projects) and reduces the dependence on expensive international consultants

## **Conclusions and way forward**

GoAL WaSH support in Lao PDR was focused on emerging towns. Having an intermediate size and economical life, these towns need a specific approach. The development of a strategy for this neglected subsector will contribute towards the achievement of the MDG in the country. The strategy has also enabled the Government of Lao PDR to clearly establish targets, and development partners and other stakeholders to provide strategic and coordinated support. In addition, this experience shows that development of a policy is not enough; complementing the policy work with addressing practical challenges (the excessively elevated costs of inappropriately designed water treatment plants) was crucial for the success of the project.

The collaboration with UN-Habitat under the MEKWATSAN programme has enabled GoAL WaSH to address strategic governance issues and capacity gaps at decentralized level, with a significant impact achieved with the resources allocated.

Given the success achieved, GoAL WaSH will continue supporting the Emerging Towns subsector, supporting the Government in the revision of the current national tariff policy and formulating a new one. GoAL WaSH has also initiated a project in Cambodia in 2014 which will improve MDG monitoring and sustainability of water and sanitation actions.

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