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Effective and sustainable WASH services: a case study of Community Managed Project (CMP) approach in Ethiopia

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This case presents the development and scaling up of the Community Managed Project (CMP) approach. It is a rural WASH project implementation modality developed in Finland-Ethiopia bilateral projects. The approach was initiated in 2003 and in 2011 it was scaled-up to the national level where it is currently implemented in 76 districts in five regions. The key feature of CMP is the decentralization of the project's financial and managerial accountability to community level. To date more than 10,000 schemes have been constructed with CMP. This paper describes how the approach works, its results, challenges and a number of lessons learned. CMP has achieved a great speed and efficiency of construction and high functionality of the schemes while some challenges remain in the area of trust on community's capacity to manage the schemes. The next step will be scaling-up the approach to sector-wide implementation.

Introduction

This case study tells about the development of the Community Managed Project (CMP) approach in rural WASH project implementation in Ethiopia. The development of CMP started in 2003 in Amhara Region as part of the Government of Finland (GoF) and Government of Ethiopia (GoE) financed project called "Rural Water Supply and Environmental Program" (RWSEP). The approach was initiated in order to accelerate the water supply implementation in Amhara Region.[1] The main idea was to decentralize the project's financial and management accountability to community level which was expected to improve the implementation rate, ownership and sustainability of implemented projects.

The key feature of CMP approach is that investment funds for physical construction or rehabilitation are transferred via regional micro-finance institutions directly to communities. Communities are responsible for the water supply development process through planning, procurement, implementation and maintenance. The respective district offices provide technical assistance, supervision and build the capacity of the communities.

The Ethiopian National WASH Implementation Framework (WIF) was approved in March 2013 and CMP became officially one of the four rural WASH financing modalities in Ethiopia. Currently, the approach is implemented in 76 districts of the five major regions of Ethiopia (Amhara, Tigray, Oromia, Southern Nations, Nationalities and People's Region and Benishangul-Gumuz) as part of two Finland-Ethiopia bilateral projects; Community-Led Accelerated WASH Project (2011-2016) and FinnWASH-BG Programme (2009-2016). The total population in the CMP target areas is 9 million people, out of which about 4 million people still lack access to improved water supply. To date, nearly 3 million people have benefitted from improved water supply through CMP approach.

In 2010, the World Bank Water and Sanitation Programme (WSP) evaluated the approach and strongly recommended that the approach should be included into national implementation as the benefits of the approach were found to be encouraging. The evaluation team stated that "there is strong evidence that the potential benefits of mainstreaming the approach where conditions are suitable include:

1) A rapid implementation rate due to simple procedures and community management
2) Higher efficiency of proportion of funding used for physical investment

3) High degree of functionality associated with higher community responsibility and skills" (Buhl-Nielsen et al, 2010, vii)

The implementation of CMP approach

CMP is appropriate for rural communities or institutions (schools or health facilities) that demonstrate the demand and capacity to manage the development of WASH services. Originally the approach was intended mainly for the implementation of low-cost simple technologies such as hand dug wells and on spot springs. After positive experiences from the implementation of more complicated technologies, also schemes that require machine drilling or rural piped schemes can be nowadays constructed through CMP. However with more complicated technologies closer supervision and follow up of the technical quality of the work is required from the district water office experts.

With CMP, communities are responsible for planning, procurement, implementation and maintenance of communal water points, while the government's role is limited to administration, facilitation, supervision and training. CMP routes funds directly to communities requiring an appropriate financing channel to be established. In Ethiopia, funds are routed from the government's regional finance bureaus to a Micro-Finance Institution (MFI). Having more extensive branch structure than normal banks and demonstrated experience of working with rural communities, the MFIs then disburse funds to communities.

Communities are informed about the approach by the district water office. This includes information about the applicable technologies and suitable sites. When communities are interested in developing a water scheme through the approach, they elect a 5-7 member Water, Sanitation and Hygiene Committee (WASHCO) among themselves. The major criteria for selecting WASHCO members are that: the members have to be beneficiaries of the scheme, minimum 40% of the members have to be women, there has to be balance between older and younger community members and at least the secretary and accountant have to be literate. The WASHCO organisation is typical in rural water supply in Ethiopia and these are voluntary bodies with re-election period of 2-3 years.

WASHCO takes the responsibility to develop a plan for the water scheme and submit the application to the district WASH team for further financial and technical assessment and support. Communities can also choose the preferred technology and site for the scheme but the district experts always ensure the technical feasibility of the technology and the site. In most cases communities have selected simple low-cost technology i.e. hand-dug well with hand pump or on spot spring protection.

In parallel to the planning of the schemes, training is organised for local men and women to become artisans. They are supported to create local enterprises and become part of the WASH supply chains. This includes well diggers, masons and suppliers of hand pumps and construction materials.

The project plan developed by the community is assessed at district level during a desk appraisal. This is then followed by field appraisal conducted by a team of experts from the district WASH sector offices including at least one technical and social expert. During the field appraisal the final site and feasible technology for the water supply system is selected and confirmed with the community. Based on the appraisal result, the district WASH team approves the project application and a funding agreement is signed between the district head and WASHCO chairperson. After this the funds can be released to the community.

Before the approval of the project the communities are required to raise a cash contribution that is equivalent to one year's operation and maintenance (O&M) costs of the scheme which is saved to an interest-bearing bank account at the MFI. This contribution is not used for construction but it provides an initial fund for O&M. In addition to this, communities need to cover a minimum of 15% of the total investment costs in kind and/or cash. In practice, the community contribution from the construction costs has been 25-30 %.

Once the project plan is approved, WASHCOs of each scheme will be trained for four days in procurement, financial management, recording and reporting of construction progress. The investment grant is released to a separate construction account opened by the WASHCO at the MFI office. Each withdrawal of funds is authorised by the district water office and most payments are effected immediately after the withdrawal. The use of funds has to be reported with receipts before the next withdrawal can be requested.

Communities construct their own systems by purchasing the materials and contracting the services that they require such as local artisans to dig line the wells, build the head works and install the pump. The daily follow-up of the construction is made by WASHCO but to assure the technical quality of the construction district water office experts are assigned to make supervision. The need for technical support during the construction depends mainly on the level of technology use.

Once the water scheme is completed, a public audit is carried out by the community focusing on transparency and accountability of the WASHCO. Further three day training is organised for the WASHCO on O&M management, tariff setting and collection. WASHCOs operate and maintain the schemes independently with occasional support from district level.

The implementation of the CMP approach in Ethiopia is currently supported through two Finnish-Ethiopian bilateral projects one working in federal level and in five regional states, and the other in Benishangul-Gumuz region. The federal level project Community-Led Accelerated WASH Project (COWASH) runs in 2011-2016. Funds for the project are contributed from three sources: 44 % from Government of Finland (22 MEUR), 46 % (23 MEUR) from the project beneficiary regional governments in Ethiopia (GoE) and 10 % (5 MEUR) from the beneficiary communities (community contribution), the total budget being 50 MEUR. While the GoE fund is to be used for investment and some operational costs, the GoF funds are meant for human and physical capacity building and covering the costs of technical assistance.

The COWASH project is divided into two independent but interlinked components. The first component focuses on strengthening the federal and regional capacity to implement CMP approach being officially recognised as being part of Ethiopia's WASH Implementation Framework. The second component works at the regional level focusing in the practical implementation of the CMP in project districts and in establishment and strengthening the capacity of the regions to scale-up the implementation of the approach.

The impacts of CMP approach

Over 10 years of implementation has demonstrated that CMP as an implementation modality has effectively addressed the challenge of how to speed up the development of sustainable rural WASH services in Ethiopia. It is pro-poor as it involves low-cost infrastructure that communities can afford and manage to implement, operate and maintain and it is in line with the development priorities of Ethiopia. According to the evaluation of the approach, the good results can be explained by some core factors (Buhl-Nielsen et al 2010, iii):

i. Simplified accounting of funds;
ii. Simplified procurement of materials and services by the beneficiary community;
iii. Use of community-led project management;
iv. Use of specific technical and governance controls/safeguards;
v. Development of technical and governance skills in the districts, private sector and communities.

Next section will provide an overview of the key impacts of the approach.

Better cost-efficiency during project implementation

The approach promotes maximum community mainly in form of labour and local construction materials. Procurements are made as a committee by the WASHCO and only more challenging labour works are contracted to local artisans. WASHCOs carry the project management responsibility by themselves which means that no private contractors taking over-hear and profit are needed. Especially the removal of many traditional implementation bottlenecks such as slow procurement procedures has led to significant savings and more efficient budget use in project implementation. Also the delay in construction has been minimized due to more efficient procurement and community participation to construction works. This has finally contributed to completion of projects in relatively shorter period of time and with smaller costs.

The monitoring data of projects implementing CMP shows how the speed of implementation has increased from 462 water points constructed annually in 2003 to 1676 schemes constructed annually in 2014. Same development can be seen in the unit cost of water points constructed. Before CMP implementation, the unit cost (including investment, capacity building and operational costs) was on average EUR 4171 per water point in Finland-Ethiopia bilateral project. By the end of 2014 the unit price had decreased to EUR 2369 per water point. Also the utilization of investment budgets increased from average of 53% to close to 100% (Buhl-Nielsen et al, 2010, ii).

Increased ownership at all levels

The approach is currently implemented in five regions in Ethiopia and the acceptance and regional ownership of the project is demonstrated by the regional government budget allocations. The regions' contribution is currently covering 46% of the project's total budget which is rarely seen in bilateral

development cooperation projects. Furthermore, due to good performance of the approach, there is a growing demand from all the regions to expand the approach to other districts. In three years the project has expanded from 27 districts to 76 districts because of this demand. At village and community level, community led implementation process and financial contribution together with targeted capacity building ensures high ownership and project acceptance which paves the way to more sustainable results.

Higher sustainability

Several studies have been conducted on the functionality of CMP schemes. All of them have reported functionality rates over 90% which indicated 15% improvement in functionality rates in CMP districts when compared to the baseline year of 2011 (Source: COWASH monitoring data). Higher sustainability has been explained by high levels of ownership. Community's financial capacity to take care of the O&M is ensured already before the construction when depositing the upfront cash contribution to the MFI covering at least one year's O&M costs. Also the three day training the WASHCOs receive in O&M management is in key role in terms of sustainability.

Recently, the catchment screening and protection works have become part of CMP project cycle. This is aiming for the more continuous and reliable delivery of the water supply and to make the schemes more resilient to the impacts of climate change like extraordinary flooding and drought.

Challenges occurred and mitigation measures taken during the implementation

During over a decade of implementation of CMP, a number of challenges have occurred some of them still persisting. However, it can be clearly seen that in Amhara region where the approach has been under implementation for over ten years now, most of the issues that are typically hindering the implementation when the approach is new for the district officials are not existing anymore because of institutional learning. CMP approach is also currently studied under several research projects including one PhD level and five Master's level researches. The research papers are expected to provide more information and critical analysis of the approach which will also help to avoid and mitigate the future challenges.

Issues of trust

In the beginning of CMP, the lack of trust on community's capacity to lead and implement their own projects was a major challenge among the stakeholders. Another similar type of challenge was the government officials' fear of losing their control on the use of the money and fear that the community would misuse the funds. Demonstrated results, regional annual review meetings for information sharing and good feedback from public audits have been important in convincing the stakeholders.

Before the approach was fully institutionalised in the regions and reinforced by the regional authorities, some districts wanted to take over the project management responsibility to themselves from the community and go back to old conventional systems of district-led project implementation. This was prevented by close follow-up by the zone advisors and project staff. The mentioned points of institutional learning and trust were important also in these situations in mitigating the concerns of districts.

Among the Ethiopian stakeholders some resistance occurred to add more capacity building into the process as it was considered as delaying factor and wastage of budget. Through awareness raising, the importance of the capacity building in terms of sustainability of the schemes was understood and accepted. However, the requirement still remains that capacity building activities has to be allocated from donor budgets as in Ethiopia the government policy is to fund implementation and investments only.

Challenges in the implementation process

In terms of operational infrastructure the coverage of banking services in Ethiopia was a major challenge in the beginning. In 2003 when the approach was under development, the coverage was very low (<50 % of the districts) to carry out financial transactions to rural and sometimes distant communities. Therefore, the use of Micro-Finance Institutions (MFI) as financial intermediaries was selected as they had better coverage and previous working experience with the communities. However, today the coverage of Commercial Bank of Ethiopia is over 90% of districts and involvement of other financial intermediaries to CMP is under planning.

In many districts, suppliers of materials and capable artisans were not existing when the implementation of CMP started and still this problem persists in newly established districts. The district staff has been

promoting the approach and upcoming business potential to the suppliers in districts and mobilising existing organisations such as cooperatives to become the suppliers. In some instances big procurements such as hand pumps have been delegated to districts in case no suitable local suppliers were available. When it comes to the lack of artisans, several trainings to educate new artisans has been organised in the regions.

In some cases the district water officials didn't have interest towards the paper work and they were not motivated to follow the implementation modalities of CMP thoroughly enough. The formats and reporting procedures has been simplified and the importance of processes for the sake of transparency and accountability has been explained to district officials. Capacity building has been organised for district officials to improve their skills and performance.

Different practices of donors have also posed challenges for district staff. Often the districts were implementing several development projects funded by different donors and with some donors community contribution wasn't required which caused some confusion. Awareness raising has been important to make all the stakeholders understand the importance of community contribution in terms of increased ownership of the community and sustainability of the schemes.

Challenges in monitoring and evaluation

Several issues have posed challenges for the timely monitoring of the project. Firstly, the definitions of the WASH monitoring indicators were and are still not explicit in Ethiopia which leaves a lot of room for interpretation. This problem concerns the whole sector and it has been acknowledged and raised up at all possible levels to be resolved.

Data collection, data accuracy and data management have been a challenge for the district level staff because of the lacking capacity in the districts. This has caused delays in reporting and decision-making. Also the high turnover of district staff is hindering the monitoring work as the institutional memory does not develop. Capacity building and on-the-job training have been provided but this has to continue in the future.

The approach is continuously scaling up to new districts in Ethiopia. This causes challenges in terms of baseline data as the data collection should take place in the pace of the expansion of the implementation. There have been trainings organised to district staff to make them understand the purpose and importance of reliable baseline data for the new districts and also GIS-based water point mapping has been introduced to use in the process.

Lessons learned

After several phases of implementation and scaling up, a number of lessons learned can be mentioned.

The major enabling factor in terms of the good results of the approach is that the existing policies, strategies, plans and frameworks in Ethiopia such as Universal Access Plan 2012, WASH Implementation Framework 2013, One WASH National Implementation Document 2013 and One WASH Operational Manual 2014 include CMP as one rural WASH implementation modality. CMP is an example of small regional initiative that has expanded to national level implementation and that has been integrated to national policy framework because of the demonstrated results and active promotion.

Another important factor has been the belief and openness of the Government of Finland towards the development of the approach from the beginning. This made possible the thorough piloting of the approach for several years. Other important fact is that the external support from Finland to Ethiopian WASH sector was not only for a short period but has continued for over 20 years. This creates confidence among the stakeholders and allows long lasting change and institutional learning to take place. Later on, the regional governments have started to counter-finance the approach to a larger scale and today the contribution of regional governments is even exceeding the funds provided by Government of Finland when it comes to COWASH project which is rather unusual arrangement in bilateral projects. This demonstrates the strong ownership of the regional government. In addition, the case of CMP also shows how also a small donor country such as Finland can play rather significant role in certain sector when there is a clear focus and long-term commitment in place.

There is already a substantial amount of empiric evidence demonstrating how well supported community management and participation can lead to increased ownership which then leads to better functionality of the schemes and more cost-efficient project implementation. Many of the mentioned challenges were related to issues of trust but the last ten years of CMP implementation shows that communities can be trusted with the money and management responsibility when necessary support is available and adequate training is provided.

Another core process in the provision of sustainable WASH services is capacity building. The importance of capacity building has to be acknowledged at all levels of project implementation instead of focusing only on physical outputs. Currently all the capacity building activities to the communities and districts are funded from the donor budget but in the long run this may not be the sustainable approach.

Steps forward

In three years the approach has been scaled up from bilateral project working in one region to five regions and from 12 districts to 76 districts. CMP implementation manual for One WASH National Programme (OWNP) has been prepared taking into account and consideration the national program requirements and safeguards. Once the OWNP CMP Implementation Manual has been approved, the approach can be replicated all over Ethiopia. Targeted technical assistance support and especially strong capacity building efforts are still needed.

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All the references can be accessed through www.cmpethiopia.org

Note

[1] During the time the approach was developed it was called Community Development Fund (CDF) approach. When scaled-up to the national level implementation, the name changed to Community Managed Project (CMP). Therefore the sources older than 2011 refer to the approach as CDF even in this article we refer to it as CMP.

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