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Effective Technical Cooperation for Capacity Development

Zambia Country Case Study

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Joint Study on Effective TC for CD



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This country study was prepared under the guidance, direction and review of a country management team consisting of the following people:

MR DAVID NDOPU, Ministry of Finance and National Planning

MR WAMUPU SIMOMO AKAPELWA, Ministry of Finance and National Planning

MS PRUDENCE KAOMA, Ministry of Finance and National Planning

MR BEN CHUNDU, Ministry of Energy and Water Development

MS FLORA SIMUMBA, Ministry of Energy and Water Development

MR PETER LUBAMBO, Ministry of Local Government and Housing

MS ZELES ZULU, Ministry of Local Government and Housing

MS C. S. CHISHIMBA, Cabinet Office

MRS MARY MUKUWA, Cabinet Office

MS MALALU MULUNDIKA, Cabinet Office

DR ZEBEDIAH PHIRI, University of Zambia

MS BIRGIT PICKEL, German Embassy

MR HAKUSHI HAMAOKA, Ministry of Finance and National Planning

MR MINORU MIYASAKA, Japan International Cooperation Agency

MS YUKI SHIBUYA, Japan International Cooperation Agency

Preparation of the study was assisted and facilitated by: Mr Romance C Sampa, Prof. Imasiku A Nyambe, National Consultants, and Dr Harvey Smith, International Consultant (Africa Region), and Mr Mike Ratcliffe, International Consultant (Team Leader).

The country management team has submitted this report to the Cabinet Office for approval.

ABBREVIATIONS

ABO	Area Based Organisation
ABP	Area Based Programme
ADAPT	Africa Dams Project
AfDB	African Development Bank
ADC	Area Development Committee
CD	Capacity Development
CP	Cooperating Partner
CUs	Commercial Utilities
DAAD	Deutscher Akademischer Austauschdienst/German Academic Exchange Service
Danida	Danish International Development Agency
DFID	UK Department of International Development
DISS	Department of Infrastructure and Support Services
DTF	Devolution Trust Fund
D-WASHE	District Water, Sanitation and Hygiene Education
ETC	Economic and Technical Cooperation
ECZ	Environmental Council of Zambia
EU	European Union
FNDP	Fifth National Development Plan (2006-2010)
GRZ	Government of the Republic of Zambia
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit/German Agency for Technical Cooperation
GWP	Global Water Partnership
GWP-SA	Global Water Partnership – Southern Africa
HIP	Harmonisation in Practice
IC	International Consultant
IWRM	Integrated Water Resources Management
JASZ	Joint Assistance Strategy for Zambia
JICA	Japan International Cooperation Agency
KfW	KfW Entwicklungsbank/German Development Bank
LA	Local Authority
LC	Local Consultant
LWSC	Lusaka Water and Sewerage Company
MACO	Ministry of Agriculture and Cooperatives
MDD	Management Development Division

MEWD	Ministry of Energy and Water Development
MoFA	Ministry of Foreign Affairs
MoFNP	Ministry of Finance and National Planning
MoJ	Ministry of Justice
MLGH	Ministry of Local Government and Housing
MoU	Memorandum of Understanding
NGO	Non Governmental Organisation
NRWSSP	National Rural Water Supply and Sanitation Programme
NWASCO	National Water Supply and Sanitation Council
N-WASHE	National Water, Sanitation and Hygiene Education
ODA	Official Development Assistance
PAWD	Partnership for Africa's Water Development
PCU	Programme Coordination Unit
PD	Paris Declaration on Aid Effectiveness and Harmonisation
PGHRDPS	Procedure and Guidelines for Human Resource Development in the Public Service
PRSP	Poverty Reduction Strategy Paper
PS	Permanent Secretary
PSCAP	Public Service Capacity Building
PSMD	Public Service Management Division
PSRP	Public Service Reform Programme
PSTDP	Public Service Training and Development Policy
PSTNP	Public Service Training Needs Identification Plan
PU	Peri-Urban
PUWSS	Peri-Urban Water Supply and Sanitation
RWSS	Rural Water Supply and Sanitation
RWSSU	Rural Water Supply and Sanitation Unit
SAG	Sector Advisory Group
SDF	Staff Development Fellow
SWAp	Sector Wide Approach
TA	Technical Assistance
TC	Technical Cooperation
ToR	Terms of Reference
UN	United Nations
UWSSU	Urban Water Supply and Sanitation Unit
V-WASHE	Village Water, Sanitation and Hygiene Education
WATSAN	Water Supply and Sanitation

WHIP	Wider Harmonisation In Practice
WRAP	Water Resources Action Programme
WRM	Water Resources Management
WSAG	Water Sector Advisory Group
WSDG	Water Sector Development Group
ZAMSIF	Zambia Social Investment Fund
ZWP	Zambia Water Partnership

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EXECUTIVE SUMMARY

This study on effective technical cooperation (TC) for capacity development (CD) in the water and sanitation sector is part of a global study looking at 11 countries in Africa and Asia. It aims at providing inputs in the policy-level discussions at the Third High Level Forum on Aid Effectiveness (HLF-3) in Accra in 2008, where CD will be one of the major items on the agenda.

Capacity, in this study, refers to the ability of people, organisations and society as a whole to manage their affairs. CD on the other hand is the process by which people, organisations and society as a whole create and strengthen capacity over time. Further, TC refers to a wide range of activities that include provision of policy advice, training, consultants/experts, scholarships, institutional building, networking and creating the necessary environment for positive change to improve capacity development.

The global study also seeks to move forward the current discussions and efforts for more effective TC, by providing empirical evidence on how to make better use of TC as part of the overall drive towards country-led CD. CD is a critical component in the delivery, management and effective use of aid for development as articulated in the Paris Declaration on Aid Effectiveness. Zambia is a signatory to the Paris Declaration on Aid Effectiveness (PD) and with the Cooperating Partners (CPs) has developed the *Joint Assistance Strategy for Zambia (JASZ)*, to operationalise the principles of the Paris Declaration.

The consensus of the signatories to the PD is that partner countries need to take ownership of development policies and lead the development agenda for aid to be effective. The CPs role is to align their assistance and support to the partner country's development policies. Consequently the JASZ is also a guiding document in the implementation of Zambia's Fifth National Development Plan (FNDP) 2006–2010.

It is also recognised that TC and the nature of its contribution should be examined from a wider perspective as part of the overall efforts toward CD as well as take into account influencing factors such as context, policy ownership and incentives. Availability of accurate information on TC in this case is of utmost importance.

In February 2008 Zambia launched a development assistance information management system, the *Zambia Development Assistance Database (ZDAD)*, for tracking and monitoring Official Development Assistance (ODA). The ZDAD is in its infancy and information on TC is imbedded in overall ODA data. Although, currently the specific data on the amounts, types and distribution of TC is not readily available there are general indications that TC may account for more than 26 percent of total inflows of development assistance according to the *Zambia Aid Policy and Strategy*, also launched in February 2008. In recent years TC type at national level has consisted mainly of support for policy development and reform to create enabling environment, and for institutional and human resource capacity.

The *Fifth National Development Plan (2006-2010)* (FNDP) and National Vision 2030 recognise CD as a critical component of Zambia's development agenda and this is manifested through planned investments in socio-economic infrastructure; institutional and human resource development through education and health; improved service delivery in the water and sanitation sector; entrepreneurial capabilities of the people; facilitating a macroeconomic environment for growth and poverty reduction; decentralising governance systems; and development of regional centres of excellence.

In addition the Public Service Management Division (PSMD, Cabinet Office) has produced the Public Service Training Needs Identification Plan (PSTNP) and Training Strategy for the period 2006 to 2010. The document sets out the programmes, objectives, strategies and specific human resource capacity development interventions for the public service. The PSTNP could be used as a basis for procurement of TC for CD in the public service. Further, the *Aid Policy and Strategy* (APS) sets out the framework within which future development assistance will be procured, prioritised and used.

KEY FINDINGS ON TC FOR CD AT THE NATIONAL AND SECTOR LEVELS

OVERALL SUMMARY OF LESSONS LEARNED

NATIONAL LEVEL:

Institutional Factors

- Gauging the effectiveness of TC for CD requires that information and data are easily retrievable for analysis as well as for monitoring and evaluation. Current inadequate information and data at national and sector levels incapacitates the ability of development managers to plan and manage for sustainable CD. The maxim "if you cannot measure it you cannot manage it" should be a guiding principle for development managers;
- Development of a policy framework, such as the FNDP, JASZ, and Zambia Aid Policy, endorsed by a consultative process, assures stakeholder and political support and serves to help TC contribution to sustainable CD. In this regard clear policy is important as it provides stakeholders, including TC providers, guidance on Government's intended actions and direction on how resources should be managed and used. It is, therefore, necessary that government formulates a TC policy framework;
- The lack of a coordinating framework for TC is an impediment to its contribution to sustainable capacity development. A diffusion of TC providers and the multiplicity of TC delivery models characterised by individual CP home country aid policies, conceptual outlook, management and procedural styles have transaction cost implications. In the absence of clear Government guidelines on TC solicitation,

recruitment, contracting/ procurement, management, monitoring of performance and evaluation some CPs have tended to drive TC for CD on what they consider “felt needs” in the country;

- TC personnel are more effective when beneficiary institutions are involved in the procurement process such as setting Terms of Reference (ToR) and evaluation of TC personnel curriculum vitae. Effectiveness is also enhanced when TC personnel operate within the existing institutional structures and adhere to existing communication channels. International TC is also more effective when working with officially designated counterparts;
- Improvements in governance, transparency and accountability encourage CPs to share responsibility and control of TC procurement and management which helps TC contribution to sustainable CD; and
- One of the most serious impediments to effective TC for CD is the HIV and AIDS factor. The high incidence rate at about 16 percent (FNDP) is a significant threat to sustainable CD. In addition the slow pace of public service reform and change in conditions of service for civil servants has led to capacity flight to the private sector and abroad where opportunities are appreciably better.

Organisational Factors

- Political support for TC for CD is vital. The National Water Policy and the guiding seven sector principles were endorsed by Cabinet and fully supported by the CPs;
- There is no national planning framework for overall CD needs. The compartmentalisation of CD identification among key line ministries has led to uncoordinated human resource development;
- Bureaucratic structures and arrangements as experienced in certain types of TC procurement tend to affect implementation of projects at the grass root level. There is also concern that identification of overall TC requirements is sometimes done at the central government level removing ownership from the eventual beneficiaries. In this regard implementation of the Decentralisation Policy through a Programme Based Approach, as agreed between Government and CPs will help address the capacity development at the grass roots level to initiate TC demand; and
- Some interviewees stated that for some projects capacity development concentrates at the centre to the exclusion of the lower implementing and user level, which tends to limit the effectiveness of TC for CD. In one interview an example was made of a community wanting financial management capacity to be developed so that it can receive development aid directly rather than through other parties.

WATER AND SANITATION SECTOR LEVEL:

Institutional Factors

- Clarification of roles and responsibilities among sector institutions is an important facilitative factor for TC as it minimises institutional rivalries. The longstanding conflict in the interpretation of responsibilities between MEWD and MLGH has an adverse effect on CP long term support;
- Identification of training needs based on development plans and strategies is an important facilitating factor for TC contribution to sustainable CD;
- The existence of national water policies and national programmes like the NRWSSP and WRAP provide a facilitative framework for TC. The success of the water and sanitation sector reforms and improved performance of NWASCO, DTF and the Commercial Utilities are examples.

Organisational Factors

- TC is most effective when the beneficiaries are involved from the beginning in the identification of their needs and CD gaps and design of TC delivery than when decisions are generated from the top as indicated by the example on Kafue District and George Compound Empowerment Projects. Involvement of the beneficiary in the project process promotes local ownership and protection of the project thus helping TC contribution to sustainable capacity development;
- True capacity development occurs when beneficiaries are able to take over the project and operate it successfully as is the case with the George Compound Empowerment Project;
- Initial sensitisation of communities about the benefits to be derived from a project is important in ensuring sustainability of a project including inculcating the value of cost recovery through awareness campaigns (The George Community Empowerment Programme (GCEP));
- TC should initially attempt to identify existing local institutions with capacity to be part of a synergic project structure that imparts knowledge and competencies to the community as this helps sustainability of CD, as demonstrated in the case of the George Community Empowerment Programme where the Japanese TC worked in partnership with a local NGO (CARE), the local commercial utility and the local council;
- Changing the legal and institutional framework, transforming or establishing new institutions needs a realistic time frame and consistent political support; Policy makers have to give a clear vision and ensure that guiding principles are available, understood and adhered to throughout the process. This is demonstrated in the

example of good practice on the creation of the National Supply and Sanitation Council (NWASCO), the Commercially viable Utilities (CUs) and Devolution Trust Fund (DTF) which have resulted in improved service delivery after water sector reforms were implemented over time supported by German and other TC ;

- Ensuring participation by key actors assists ownership by local leadership as in the case of Danida supported TC in Kafue District which has highlighted the process of consultations leading to active participation of stakeholders at community, district, provincial, and national levels.

WATER AND SANITATION SECTOR CAPACITY GAPS

In 2007 a Danida supported *Sector Capacity Study* identified serious capacity gaps and key constraints in the water and sanitation sector. About 150 new personnel in various categories and institutions are required annually. The capacity gaps, in terms of numbers of staff, are greatest at district level and in the Commercial Water and Sewerage Utilities. The study cited some of the serious constraints to include (i) poor remuneration, (ii) severe competition from other sectors, (iii) competition from neighbouring countries and (iv) the high HIV and AIDS prevalence in Zambia as posing major challenges to CD in the water and sanitation sector.

THE ROLE OF DEVELOPMENT PARTNERS

CPs have a crucial role to play in facilitating or impeding TC contribution to sustainable capacity development. On the one hand CPs have a role to play in contributing to policy dialogue and development by providing TC that assists the process through contracting consultants, study tours and workshops. Where local expertise and competences are identified they should be used to retain the capacity developed in the country.

In the Zambian situation CPs contribute to the process of TC and CD through:

- Dialoguing with the Government through the Lead Donors or the Water Sector Advisory Group (WSAG) when developing policy strategies and institutional framework which forms the basis for effective TC implementation;
- Providing technical support and advice during consultations with Government in the formulation stages of the TC programmes and projects;
- Supporting Government during the drawing up of ToR for TAs and consultants and procurement of the TAs and consultants; and
- Consultations and exchanging of views with Government on any challenges that may occur during the implementation of TC programmes.

On the other hand, while there is general agreement about the implementation of the principles of JASZ, in practice there is less willingness to adjust to the requirements by some

CPs largely due to fiduciary and governance concerns. This contributes to the confusion on the implementation of the JASZ and detracts from the local managers taking leadership and ownership of the programmes.

OVERALL CONCLUSIONS

NATIONAL LEVEL OVERALL CONCLUSIONS

Government and the CPs have made a lot of progress by formulating the JASZ based on the Paris Declaration on Aid Effectiveness (PD). The operation of JASZ is assured by the commitment of CPs to align their aid to the requirements of the FNDP. Inadequate human and institutional capacity at various government levels has been noted and recognised as a serious problem and constraint for effective TC for CD. One of the first steps lies in building management information systems that capture not only ODA but also TC data as well as human resource capacity needs.

Much progress has been made in formulating clear medium and long term development plans and policies which CPs have adopted in planning their assistance through the JASZ. However, in order to build local leadership and ownership of the development agenda local officials need to acquaint themselves with the principles of the PD and JASZ to effectively play their expected roles.

It is clear that there is a diffusion of Government institutions dealing with TC whose activities are not nationally coordinated. Consequently the restricted flow of TC information between them has contributed to less than optimal utilisation of TC for CD. A coordinating mechanism to deal with TC that cuts across sectors would contribute to maximisation of TC use and reduce duplication. It would also ensure that human resources development managers contribute fully to planning TC.

Improved governance, transparency and accountability in the use of TC fosters closer cooperation and partnership between Government and TC providers which also develops local leadership and ownership of the TC process.

WATER AND SANITATION SECTOR LEVEL OVERALL CONCLUSIONS

There is a general consensus among interviewees that TC in the water and sanitation sector is playing an important role in CD at central, district and community level. TC design and delivery is increasingly moving towards shared responsibility between Government and CPs. This has been assisted by clear water and sanitation sector policies and strategies such as the National Water Policy, seven sector principles, Water Resources Action Plan (WRAP), National Rural Water Supply and Sanitation Programme (NRWSSP) and FNDP.

On the basis of these documents Government is able to engage CPs in initial policy dialogue, wider stakeholder consultations, framing of ToR and hiring of consultants and experts using mutually recognised procurement procedures. For some CPs that remain largely in control

of TC procurement the conditions for even greater cooperation would seem to be the further assurances on strengthening of governance structures, transparency and accountability in the administration of TC at all levels.

Currently planning, procurement and use of TC as an effective tool for CD is hampered by a host of constraints that include lack of appropriate TC policy and records for planning, monitoring and evaluating of TC in the sector and weak human resource and institutional capacity. Other factors include poor conditions of service and uncompetitive remuneration for professionals, which undermines the sustainability of CD efforts as trained personnel leave for other opportunities. The HIV and AIDS pandemic also poses a serious threat to sustainable CD.

There has been no comprehensive study of the effectiveness of TC for CD delivered to the water and sanitation sector. This will need to be done to guide the formulation of an appropriate TC policy for development managers and project implementers.

At the implementation and beneficiary level findings from the examples of good practice suggest that for effective TC for CD in the water and sanitation sector to take place there is need for the following:

- TC must invest in capacity building of policy development processes and institutions, as was the case with the Programme Coordination Unit (PCU) water sector reform process. Political support and autonomy of such a process is likely to result in positive change;
- TC providers and Government should invest time in initial consultative processes that capture key stakeholder interests, as was the case with the National Water Policy of 1994, and the FNDP formulation processes. Such consultative processes build sector knowledge and exchange of ideas as well as stakeholder support and ownership of outputs;
- At programme and project implementation level TC providers should as a matter of course attempt to identify and engage existing country capacity in order to build synergic structures with beneficiary communities. TC is likely to be more effective where the beneficiaries have input in identifying needs and in the procurement of TC. The procurement methods that emphasise maximum use of local input and counterpart training will tend to develop more lasting capacity than that which has a higher proportion of external influence;
- Effectiveness of TC for CD should be measured by the ability of beneficiaries to sustain programmes and projects long after TC support has ceased, as in the case of the George Compound Empowerment Project.

ISSUES IDENTIFIED

NATIONAL LEVEL ISSUES

Inadequate national level TC information and data: The ZDAD has yet to be fully developed to provide separate and specific TC data by type and distribution. This imposes severe restrictions on the analysis of the impact of TC at a national level. Work on the ZDAD and developing links with the line ministry databases should be accelerated especially as it is supported by TC. A system of follow up on information submitted by line ministries and CPs should be institutionalised by strengthening the human resource capacity at MoFNP and line ministries.

Lack of a TC policy framework: There is no recognised national TC policy framework to guide decision makers in line ministries on the procurement, management and use of TC. The FNDP, Zambia Aid Policy and Strategy and other policy documents that have been issued by PSMD, for instance, could form the basis for formulating such a policy as well as a TC Coordination Mechanism.

There is a multiplicity of TC providers and TC delivery models characterised by individual CP home country aid policies, conceptual outlook, management and procedural styles. There are as many TC delivery models as there are CPs. This adds to the transaction costs of TC. Signing of the MoU of the JASZ should enable the CPs to accelerate alignments that will reduce transaction costs for the mutual benefit of Government and CPs

Inadequate JASZ awareness: In the Ministries contacted most of the managers are not aware of the Paris Declaration on Aid Effectiveness and are yet to understand the *Joint Assistance Strategy for Zambia (JASZ)*. This is an impeding factor that could prevent development managers and implementers from taking up ownership and leadership of programmes and projects and serve as effective partners to CPs. This inadequate awareness requires that the MoFNP embarks on a programme for wide dissemination of key documents such as the JASZ, Aid Policy and Strategies about expected roles and responsibilities of local development managers and implementers in planning, designing, and delivering TC. While more managers at the central government level may have a notion of the principles of the PD and JASZ fewer managers at lower levels are aware of the concepts and their intended purposes.

Human Resource Development Strategy: The PSMD's *Training Needs for Ministries, Provinces and Other Government Institutions for the Period 2006-2010* is a useful facilitative framework for addressing CD needs in the public service as a whole, however, more needs to be done to disseminate its contents to all stakeholders including CPs so that it can be used wherever consistent planning and procurement of TC for CD.

Multiplicity of TC procurement and flow of funds modalities: There are still marked differences in the modalities of how TC is arranged by different CPs. The range is from open

tendering for national experts using the procurement rules of the CP, to open European Union tendering, to using the GRZ procurement system – at least for local Consultants. Use of transparent and accountable procurement systems have assisted to build most CPs' fiduciary confidence leading to shared responsibility and control of TC.

With regard to flow of funds each CP at present uses its own procedures for the flow of funds, ranging from direct project funding managed by consultants/contractors to direct disbursement to either Districts or through the MoFNP. Government and CPs must dialogue and arrive at a satisfactory alignment of the modalities.

Inadequate coordination of national level TC: There is inadequate coordination and sharing of TC information for CD between key organisations such as the Public Service Management Division (Cabinet Office), MoFNP, Ministry of Foreign Affairs (MoFA), Ministry of Education (MoE) and line ministries and CPs. While line ministries are best placed to deal with their specific sector needs there is still a role for a national coordination mechanism for TC that is cross-cutting and not particularly sector specific.

WATER AND SANITATION SECTOR LEVEL ISSUES

Serious capacity and human resource gaps: There are serious capacity gaps in the water and sanitation sector in Zambia. The capacity gaps in terms of numbers of staff and their qualifications are greatest at the district level and in the Commercial Water and Sewerage Utilities.

Public Service Training Needs Identification Plan (PSTNP) could be used as a tool to design TC for CD in the water and sanitation sector. The Water Sector Advisory Group (WSAG) should take up the issue of institutional and human resource CD deficits identified in the PSTNP and Capacity Study and establish required numbers in the water and sanitation sector as a priority. The resulting output could then be a basis for a TC framework for CD in the sector. Identification of actual CD requirements should include central government, local authorities, regulatory and commercial utilities and community levels.

Inadequate sector level TC information and data: As is the case at the national level, a breakdown of TC by type, e.g. consultants/experts, training/scholarships, suffers from inadequate organised information and database in the MEWD and MLGH. Documents containing needed information are not stored in a systematic manner for easy retrieval. The two ministries should embark on institutionalising information and databases as a matter of urgency for future planning, monitoring and evaluation of TC for CD.

Leadership and ownership of TC: Overall the new developments in TC procurement are a significant shift from the position in the past where Government was obliged not to refuse external offers of TC personnel including those that government officials concluded were unnecessary and a drain on ODA. Dialogue and partnership in designing TC, joint framing of ToR for TA, and use of local and international procurement procedures have enhanced TC effectiveness. This trend should be further developed.

Conditions that have influenced TC trends and patterns in recent years have partly been the improvement in policy and sector information improvements and adherence to good governance principles in implementing projects.

Inadequate political support for appropriate institutional arrangements: Water and sanitation institutional arrangements that are established to implement processes and programmes need to be strengthened through political support and appropriate TC for CD. The restructuring of the Rural Water Supply and Sanitation Unit (RWSSU), the long delayed Water Resources Management Bill and implementation of the Decentralisation Policy are examples of institutional arrangements that require expedient political and TC support to achieve desired CD.

The capacity challenges of decentralisation: The devolution of authority to the Local Authorities (LAs) has brought with it capacity challenges. The *Sector Capacity Study* (2007) for the water and sanitation sector has indicated that there are serious capacity gaps both in terms of numbers, qualifications and skills at the District level and also in the Commercial Utilities (CUs). The capacity issues need to be examined holistically from the district perspective with the various Government Departments, for example the Department of Water Affairs, Agriculture and the Commercial Utilities (CUs) have qualified personnel who form part of the district capacity. The base, therefore, for CD in LAs to manage and coordinate the various departments already exists in districts.

The pending Water Resources Management Bill under the MEWD has capacity implications not only for WRM but also WATSAN sector management and co-ordination. It is to be expected that there will be CD implications and changes (or additional responsibilities) in the way the water and sanitation sector will be managed. Another development with capacity implications is the current decentralisation programme and the process in which all the relevant laws are being reviewed to ensure that the legal framework adequately supports its implementation.

KEY RECOMMENDATIONS

NATIONAL LEVEL:

- (i) *ZDAD:* The Ministry of Finance and National Planning (MoFNP) Department of Economic and Technical Cooperation (ETC) should complete the development of the ZDAD as a planning tool for all assistance to Zambia. Information on ODA should be disaggregated to help analysis, monitoring and evaluation of ODA components including TC;
- (ii) *TC Information:* The MoFNP should ensure that the collection and submission of organised and useful information on financial assistance and TC by line ministries and CPs is institutionalised to improve planning of TC for CD at national level.

Officials to be responsible for such information should be formally appointed in line ministries;

- (iii) **TC Policy Framework:** MoFNP should commission a study on TC provision which would form a basis for a clear and specific TC policy and coordination framework to guide stake holders on the procurement, management and use of TC;
- (iv) **TC Coordination Mechanism:** MoFNP should initiate a national TC Coordination Mechanism involving key CD institutions such as the PSMD, MoE and MoFA and CPs for better coordination of national level TC for CD;
- (v) **Training and Awareness:** The MoFNP should conduct dissemination and sensitisation workshops on JASZ and the Zambia Aid Policy and Strategy for sector ministries and local authorities to improve leadership, ownership and management of aid resources at policy and implementation levels;
- (vi) **Introduction of SWAp:** Government and CPs should accelerate the introduction of SWAp in sector ministries and dialogue with some CPs that have continued to fund sector programme budgets outside the SWAp to adjust to the approach.
- (vii) **Human Resource Development Strategy:** It is recommended that the PSMD in collaboration with sector ministries should develop a comprehensive national human resource development (HRD) strategy utilising already existing studies and policies that can be used to guide TC for CD.

WATER AND SANITATION SECTOR LEVEL

- (i) **Institutional Rivalry:** Cabinet should resolve the long standing institutional conflict between the Ministry of Energy and Water Development (MEWD) and the Ministry of Local Government and Housing (MLGH) as a matter of urgency as the rivalry has a detrimental effect on effective TC provision by CPs;
- (ii) **Quantification of Training Needs:** The Water Sector Advisory Group (WSAG) should harmonise the Public Service Training Needs Identification Plan (PSTNP) and the Sector Capacity Study findings and quantify required TC for CD in the water and sanitation sector. This should also inform the TC policy formulation process;
- (iii) **Information Management Systems:** MEWD and MLGH should establish water and sanitation management information systems and databases, as well as reference libraries for project and programme documents in order to resolve the information constraints impeding effective TC research and planning for CD;
- (iv) **Appropriate Institutional Structures:** The WSAG should review the vacancies in MEWD and MLGH and the appropriateness of existing structures to fully perform their functions and recommend appropriate action to Government;

- (v) ***Legal and Planning Uncertainties:*** Cabinet should quickly resolve the delay in passing the Water Resources Management (WRM) Bill which is generating uncertainty in CD planning in the water and sanitation sector.

1. INTRODUCTION

1.1. BACKGROUND

Sustainable capacity development (CD) has been recognised as a critical element for social and economic development. Following years of mixed results from international efforts to enhance socio-economic development through development aid, attention has shifted to finding ways of making aid more effective with assured results. In March 2005 more than 130 countries, international development organisations and civil society signed the Paris Declaration (PD) on Aid Effectiveness and Harmonisation.

Zambia is a signatory to the Paris Declaration. Together with the Cooperating Partners (CPs) Zambia has developed the *Joint Assistance Strategy for Zambia (JASZ)* to operationalise the principles of the Paris Declaration.

The consensus of the signatories to the PD is that partner countries need to take ownership of development policies and lead the development agenda for aid to be effective. The CPs' role is to align their assistance and support to the partner country's development policies. Consequently the JASZ is a guiding document in the implementation of the Fifth National Development Plan (FNDP) 2006–2010.

Years of experience now show that technical cooperation (TC) is a vehicle for delivering more effective CD. While there are many aid instruments used to support CD, TC is recognised as a major instrument for CD. The improvement and better use of TC is now seen as one of the critical issues for CD.

Capacity development (CD) refers to the process whereby individuals, groups, organisations/institutions, communities, and society as a whole strengthen, improve, create, adapt and maintain their ability to successfully manage their development agenda over time.

In the study TC refers to a wide range of activities that include provision of policy advice, training, institutional building and creating the necessary environment for positive change to improve capacity development.

This study on effective TC for CD in the water and sanitation sector is part of the global study looking at 11 countries in Africa and Asia investigating how and to



what extent TC can be effectively used to develop capacity in developing countries. The global study on effective TC for CD is a result of a long process of debate on improved effectiveness of aid that culminated in the Paris Declaration on Aid Effectiveness. This study aims at providing inputs in the policy-level discussions at the Third High Level Forum on Aid Effectiveness (HLF-3) in Accra in 2008, where CD will be one of the major items on the agenda.

1.2. RATIONALE

CD is recognised as a critical component in the delivery, management and effective use of aid for development and production of desired development outputs. There is also recognition that TC and the nature of its contribution should be examined from a wider perspective as part of the overall efforts toward CD and also take into account influencing factors such as context, policy, ownership and incentives.

Some studies have suggested the direction for more effective TC for CD. The recommendations of these studies stress the importance of integrating human resources development with institutional change, country ownership and leadership, provision of TC guided by nationally owned strategy and approaches to facilitate endogenous process for change. However, empirical evidence on how the suggestions work is still very limited.

In this regard TC examples of success and the factors which have contributed to it have not been analysed to a great extent. Further, the study of the factors which contribute to success is required to deepen analysis of what has and has not worked and why, as well as to provide not only what needs to be addressed but also how to do so, based upon actual examples. This study investigates effective TC for CD in the water and sanitation sector and identifies some examples of good practice and draws lessons from these experiences.

The water and sanitation sector was selected in recognition of, among other factors, the importance of the sector in the overall national development framework; the nature of the sector; the abundance of TC interventions/examples; the diversity of actors (ministries, local authorities, Commercial Utilities, NGOs, communities) and consequent coordination challenges.

1.3. OBJECTIVES OF THE STUDY

In line with the Terms of Reference (ToR) at Appendix 1, the overall objectives of the study are to *assess the current capacities of the various stakeholders dealing with water and sanitation and recommend a harmonised process by which all stakeholders can provide capacity development in a cost-effective way.*

1.4. LIMITATIONS OF THE STUDY

The time frame for this study was very short to allow for an extended field research away from the 'line of rail' and get the perspective of rural based stakeholders on TC for CD in the

water and sanitation sector. Another serious constraining factor was the general lack of separate data on TC from Ministry of Finance and National Planning (MoFNP) and other line ministries. This constrained trend analysis and meaningful conclusions. The limited time for the study precluded an initial orientation workshop, detailed briefing and orientation meetings of country case groups or focus group meetings. Inadequate time also constrained various officials from providing the information requested. Administering national level Perception Survey and water sector level Perception Survey questionnaires was restricted to only a few institutions. A list of persons consulted is given in Appendix 4 while some of the documents used are listed in Appendix 5.

1.5. STRUCTURE OF THE REPORT

The structure of the report adheres to the guidelines given in the global ToR. The report is divided into the Executive Summary, Introduction, followed by Chapter 1 on the *Overall Analysis at the National Level*. Chapter 2 consists of the *Overall Situation Analysis of the Water and Sanitation Sector* while Chapter 3 is the *Detailed Analysis of Good Practices and Lessons Learned at the Water and Sanitation Sector Level*. The final Chapter 4 is the *Overall Conclusions, Issues Identified and Recommendations*.

2. OVERALL ANALYSIS AT THE NATIONAL LEVEL

This chapter reviews, at the national level, the status of TC trends and patterns; the overall policy environment for TC; and the overall operational environment for TC in Zambia. The chapter concludes with statements on the overall findings on effective TC at the national level.

2.1. REVIEW OF TECHNICAL COOPERATION TRENDS AND PATTERNS

This section attempts to summarise and analyse the overall trends in the amount, type and distribution of technical cooperation (TC) at national level over the 2002-07 period. A note of key changes in national level TC trends and patterns in recent years is made as well as a focus on key capacities.

2.1.1. SUMMARY OF STATUS OF TC INFORMATION

Recently, in February 2008, Zambia launched a development assistance information management system, *the Zambia Development and Assistance Database (ZDAD)*, tracking and monitoring Official Development Assistance (ODA). ODA consists of financial transfers and technical cooperation (TC). The database currently contains ODA data collected from most donors and about ten line ministries (out of a total of 23) on planned, committed and on-going programmes/projects across sectors, in modalities that include Budget Support, Project/Programme Support, SWAps, Sector Budget Support, Loans etc.

The ZDAD presents a very useful tool for not only providing an overall picture of ODA flows but also trends and patterns of its various components making up financial assistance flows and technical cooperation. However, currently the ZDAD data capturing is in its infancy and information on TC is imbedded in overall ODA data. For instance specific data on amounts and type of national TC defined as (1) consultants/ experts; (2) scholarships/ training; and (3) institutional twinning and networking in the context of this study is not readily retrievable from the ZDAD at this stage.

According to the Ministry of Finance and National Planning (MoFNP) most sector Ministries face serious capacity problems in



organising and submitting ODA information let alone TC information. Specific data is therefore not easily available to show national level TC types and distribution. This restricts overall time trend analysis of TC flows by amount, type and distribution. Compilation of disaggregated financial and technical assistance data from overall total aid flows remains a major challenge for the Ministry of Finance and National Planning (MoFNP) and sector ministries.

At sector level, however, it is possible to sift out TC components from documents on individual projects and programmes, but some sector ministries such as the Ministry of Energy and Water Development (MEWD) and the Ministry of Local Government and Housing (MLGH) do not have organised depositories for programme and project documents at some central place for easy reference. Further the databases are not yet developed to readily provide required disaggregated information on TC.

A survey of general documents, such as the FNDP and Ministry Strategic Plans, show that the Ministry of Health (MoH) and Ministry of Education (MoE), currently implementing sector wide approaches (SWAs), are, however, more advanced in maintaining organised data. The survey also indicates that there has been a general movement from TC delivery models characterised by extensive CP control to TC models characterised by shared government and CP responsibility.

This trend in TC models can partly be attributed to improving CPs' fiduciary confidence in government financial and budgetary processes and systems brought about by higher levels of transparency, accountability and good governance.

2.1.2. OVERALL TRENDS IN AID FLOWS

Overall aid inflows amounted to US\$2,332.3 million during the period 2002 to 2005. On an annual basis, external aid declined from US\$754 million in 2002 to US\$406.4 million in 2003 and rose to US\$519 million in 2004. In 2005, inflows increased to US\$652.0 million and then declined to US\$569.5 million and US\$503.6 in 2006 and 2007 respectively (Table 1). The assistance flows reflect increasing confidence of CPs in Government's improved ability to prudently manage the macro-economy.

Table 1: Development Assistance Flows (2002 -2007)

	2002	2003	2004	2005	2006	2007
Budget Support	311.0	58.8	64.8	153.7	159.6	147.5
Grants	81.9	38.9	44.1	129.7*	153.6
Loans	229.1	19.9	20.7	24.0*	76.7
Project Support	443.1	347.6	455	498.3*	356.1
Total Inflows	754.1	406.4	519.8	652.0	560.5	503.6

Source: Ministry of Finance and National Planning, Budget Speeches

** Not available*

Although the specific data on the amounts, types and distribution of national level TC is not readily available there are general indications that TC may account for more than 26 percent of total inflows of development assistance (Zambia Aid Policy and Strategy). This would put TC levels in the region of US\$127 million in 2007.

2.1.3. TYPES OF TECHNICAL COOPERATION

Currently there are no specific national standard guidelines for TC planning, design, procurement and management but the recently launched Zambia Aid Policy and Strategy, FNDP and other government sector policies present frameworks for developing a national level TC policy that could guide development managers on the planning, design, procurement, use management and evaluation of TC.

The trend in TC in recent years has involved the facilitation of ideas on governance, knowledge, technologies and skills to foster development. At national level TC type has consisted mainly of support for governance, policy development and reform aimed at creating an enabling environment, institutional and human resource capacity building and support through short- and long-term personnel, education and training, consultancies and equipment support.

Examples of this policy and structural reform oriented type of TC has included the provision of advice, influencing policy change and institutional reform at the national level such as: support to reform the public service (*Public Service Reform Programme (PSRP)*) whose overall goal is to improve the quality, efficiency, cost effectiveness and delivery of public services; improving and enhancing public expenditure management and strengthen overall financial accountability in the public sector (*Public Expenditure Management and Financial Accountability (PEMFA) Programme*); reforming and developing capital markets, rural financing etc (*Financial Sector Development Plan (FSDP)*); and improving the national business and investment climate (*Private Sector Development (PSD) Programme*). Such types of programmes are now invariably implemented through pooled TC from CPs.

The changes in national level TC trends and patterns in recent years are partly a result of the recognition of the critical nature of human and institutional capacity development for sustained development. Other TC types focus on substituting for scarce skills in highly technical fields through gap filling, especially in institutions which are in their formative stages such as Lukanga Water and Sewerage Company, where the African Development Bank (AfDB) programme has provided support through a consulting firm to help build capacity of the commercial utility, help to recruit staff, set up a financial management system and billing system among other inputs. Similar TC supported through Germany is assisting to develop capacity of Southern Water and Sewerage Company into a commercially viable entity. Western Water and Sewerage Company has used part of Danish support to engage legal services to carry out a survey of its premises in order to secure title deeds.

There are also TC types that aim at assuring minimum functionality within a government agency to deliver essential goods and services, as is the case with the provision of expert personnel in the health and education sectors. Other TC types focus on developing capacity of staff, organisations and systems, as in the case of the Danida support to financial management and development planning capacity of districts and communities as well as strengthening their governance structures. Japanese support to capacity development of communities to operate and maintain their own social and economic facilities is another example of this type of TC.

Other TC types focus on promoting dialogue and exchange between societal groups, including conflict resolution, as is the case with support to civil society organisations or to the national constitution making process by various CPs. TC types focusing on implementing discrete projects related to infrastructure development such as community schools, health centres and water and sanitation facilities are implemented by many CPs.

2.1.4. GENERAL TREND OF TC

Over the period 2001-07 there has been increasing collaboration among CPs to deliver TC. This is a response by CPs and Government to the previous pattern of TC types which were diffused over various projects, programmes and project implementation units (PIUs), a pattern that led to duplication, high transaction costs and a lower level of TC effectiveness. Presently sector-wide approaches (SWAs) are being implemented in the health and education sectors, and the water sector has moved towards the same direction. There are also increasing levels of budget support favoured by Government, pooling arrangements and mechanisms such as the Sector Advisory Groups (SAGs) in which CPs are key players. TC is also increasingly moving from being supply driven to a more demand driven TC in response to Government's demand as well as the PD principles.

The TC for CD procurement process normally takes the form whereby Government through its sector ministries identifies needs and decides on priority programmes within the context of the FNDP programmes. This forms the basis and understanding for dialogue with CPs on the design and procurement of TC. Following this dialogue between sector ministries and CPs the agreement is formalised between Government and CPs through the Ministry of Finance and National Planning (MoFNP). Identified priorities and type of TC procured can consist of: policy development through workshops, seminars and contracting specialist inputs; hiring of consultants; training of personnel locally and abroad; sensitisation programmes; operation and maintenance programmes. The pre-requisite of the process is the existence of a well defined national policy which at the national level is expressed through the FNDP.

2.2. REVIEW OF OVERALL POLICY ENVIRONMENT FOR TECHNICAL COOPERATION

This section summarises Zambia’s national development policy and poverty reduction strategy and the extent to which there are clearly stated policies, priorities and strategies for capacity development (CD) and use of TC. The status of country alignment plans and their relation to CD and use of TC is analysed as are the status of Government/CP working groups for CD and TC. The extent of clear CD and TC priorities in national development plans is outlined. A summary of capacity development plans, priorities and how they are formulated is summarised. The policies on the use of TC, including overall decision making by Zambia/CPs in TC procurement and management, is also summarised.

2.2.1. NATIONAL DEVELOPMENT POLICY

The Government of Zambia (GRZ) is implementing the Fifth National Development Plan 2006-2010 (FNDP) and the National Vision 2030. The FNDP’s theme is “Broad Based Wealth and Job Creation through Citizenry Participation and Technological Advancement” while its strategic focus is “Economic Infrastructure and Human Resources Development”. The *National Vision 2030*’s aim is to turn Zambia into a prosperous middle income country by 2030. The FNDP represents the first in a series of medium term plans to be followed which will lead to the attainment of the National Vision. The two documents constitute the Government’s medium and long term development agenda.

The focus of the FNDP is on pro-poor growth oriented sectors that create employment and income opportunities for the poor. In this regard one important strategy of the FNDP is to establish and strengthen needed structures, capacities and alliances to reduce poverty. About 60 percent of the total population and 70 percent of the poor live in rural areas. Government considers fostering agricultural growth and rural development a key strategy for rapidly reducing poverty as well as meeting the Millennium Development Goal (MDG) of halving the 1990 levels of poverty by 2015 (FNDP). In terms of human development the FNDP public spending priorities will focus on enhancing the quality of education provision,



skills development and employment.

Government has secured the support of the CPs regarding the FNDP and National Vision, who consider the two documents as credible tools for addressing poverty and promoting sustainable development. In this regard the Government and CPs have formulated the Joint Assistance Strategy for Zambia (JASZ).

The JASZ 2007-2010 provides a joint medium term national planning instrument for CPs to manage development cooperation with Government. It is aligned to the FNDP and attempts to strengthen local ownership of the development process and enhance the effectiveness of development assistance. CPs have committed themselves to either replace their current strategies for development cooperation in Zambia or base their maintained country strategies on it.

The FNDP and poverty reduction strategies are a result of a wide consultative process of discussion and dialogue involving the government, civil society, members of the public, traditional chiefs and academia at national, provincial and district level. The FNDP builds on the earlier work of the Poverty Reduction Strategy Paper where working groups known as the Sector Advisory Groups (SAGs) comprising Government, CPs, civil society and private sector associations led the process. The SAGs have been retained and continue to play a significant role in the setting of priorities and monitoring the implementation of development plans. A national level SAG meets annually to review progress in the implementation of the development plan. These processes have ensured a high degree of country ownership and leadership as well as transparency of the development agenda. All these processes provide the necessary conditions for effective TC for CD.

2.2.2. POLICIES, PRIORITIES AND STRATEGIES FOR CD AND USE OF TC

The FNDP, the JASZ, the National Vision 2030 as well as the Zambia Aid Policy and Strategy all clearly place high priority on CD as critical to achieving development goals. There is consensus that there is need for further CD of the Government and implementing organisations as outlined in the FNDP and the Zambia Aid policy and Strategy. Box 1 outlines the structural reforms to be undertaken during the FNDP in order to develop capacity for implementing the development agenda. Under the JASZ, support to CD will be an integral feature of CPs' harmonised and aligned assistance during the FNDP period. Implementation of the Public Service Reform Programme has been identified as a necessary factor for successful CD in the public sector and improved service delivery.

Figure 1: FNDP Structural Reforms

The FNDP aims to enhance Capacity Development at the National Level:

- Enhance private sector led growth;
- Strengthen public sector management capacity to drive the development agenda;
- Enhance rural development by investing in road and energy infrastructure;
- Improve budget execution, cash and treasury management;
- Improve the capacities of Ministries, Provinces and Spending Agencies to evaluate, and implement capital projects;
- Improve external aid mobilisation, coordination and utilisation through the Aid Management Policy and JASZ;
- Facilitate citizens' economic empowerment through structural reforms, credit provision and reduction of costs of doing business; and
- Strengthen the financial sector to obtain sovereign rating to enhance capacity of Government and the private sector to access international capital markets.

The FNDP, National Vision 2030, Aid Policy and Strategy (APS), Public Service Training and Development Policy (PSTDP), Procedures and Guidelines for Human Resource Development in the Public Service (PGHRDPS) and the Private Sector Development (PSD) Reform Programme provide the general direction on policies, priorities and strategies for capacity development (CD) and possibilities on the use of TC.

Although there is no explicitly stated TC policy framework, the FNDP and the Zambia Aid Policy and Strategy provide enough guidance on which such a TC policy could be formulated. On the basis of the two documents, acquisition of all development assistance for CD should be provided in ways that build, and not inadvertently undermine, Zambia's institutional and human resource capacities (Zambia Aid Policy and Strategy) and it should be demand-driven and integrated into the Government's comprehensive national capacity building strategies.

National CD strategies include: strengthening the capacity for effective collaboration between MoFNP's ETC and other sector ministries; the FNDP to serve as a key planning instrument; improved reporting of external resource flows through, inter alia, the filling of existing gaps in aid statistics; identifying existing gaps in national technical capacities; TC to be acquired on the basis of a comprehensive and prioritised inventory of the gaps in the country's technical capabilities; and TC to be carefully synchronised with and be part of the country's national planning in general and the human resource development strategy in particular.

Apart from the FNDP and the Zambia Aid Policy and Strategy there are a number of national and sector policies that could be the basis for developing a framework for TC

solicitation, contracting/procurement, management, monitoring of performance, and evaluation. These include the Government's *Public Service Training and Development Policy (PSTDP)* (Cabinet Office), the *Procedures and Guidelines for Human Resource Development in the Public Service (PGHRDPS)* and the *Public Service Training Needs Identification Plan (PSTNP)*.

The PSTNP emphasises development of competencies rather than academic qualifications and, among other objectives: facilitate the effective utilisation of training resources both from government as well as those being provided by CPs; facilitate monitoring and evaluation of the training functions; guide the implementation of training activities in line with the FNDP and annual budgets; and provide information for decision making by Government and Cooperating Partners. Although the PSTNP is a framework for effective utilisation of training resources from both Government and CPs it needs to be more widely disseminated among Government officials and CPs dealing with TC for CD.

With pooled TC from CPs the PSD seeks to improve (a) the policy environment and institutions that serve the private sector, (b) regulations and laws, (c) infrastructure development, (d) business facilitation and economic diversification, (e) trade expansion, and (f) citizens' local economic empowerment.

Nationally there are various institutions implementing TC for CD in the form of education and training in the country at basic, high school and tertiary levels. The Ministry of Education (MoE) is responsible for guiding education delivery as well as providing education at basic, high school and college levels. The Ministry of Science, Technology and Vocational Training (MSTVT) is responsible for technical education, vocational and entrepreneurship training. The Ministry of Sport, Youth and Child Development (MSYCD) is responsible for community based skills training. The Ministry of Community Development and Social Services is responsible for leadership and practical skills as well as literacy classes. There are also many providers of education and training at all levels from the private sector. Further, some non-governmental organisations (NGOs), faith based organisations (FBOs) and community based organisations (CBOs) also provide education and training using alternative delivery systems that equip beneficiaries with knowledge and skills needed for livelihood.

2.3. REVIEW OF OVERALL OPERATIONAL ENVIRONMENT FOR TECHNICAL COOPERATION

This section of the report summarises the status of the TC coordination framework and the extent and roles of country and CPs in identifying CD gaps and TC needs and matching supply and demand.

2.3.1. TC COORDINATION MECHANISMS

As stated above, there is no specific national level TC Coordination Mechanism at present in Zambia. What exists is a diffusion of TC providers and the multiplicity of CPs is reflected in the number of TC delivery models characterised by individual CP home country aid policies, conceptual outlook, management and procedural styles. For instance in terms of procurement of TC there are still marked differences in the modalities of how Technical Assistance (TA) is arranged by different CPs. The range is from open tendering for national experts using the procurement rules of the CP, to open European Union tendering, to using the GRZ procurement system (at least for local TA staff). In some cases the procurement of international TA has remained a preserve of some CPs with little influence by Government.

In summary the main procurements systems are as follows:

- Procurement by implementing partner line ministry;
- Open recruitment system of CP experts;
- Government and CP procedures (procurement carried out by Government);
- CP prefers Government systems for pooled funds and Government or partner systems for the project funding modality;
- CP tenders together with implementing line ministry for overall TA (project activities such as implementation, concept, supervision, construction etc);
- Individual consultants procured by CP.

In terms of flow of funds for TC each CP at present uses its own procedures, ranging from direct project funding managed by consultants/contractors to direct disbursement either to implementing agents (e.g. Local Authorities) or through MoFNP or line ministries. In the water and sanitation sector some CPs have indicated their readiness/preference for joint funding through a common arrangement at the MoFNP. The following are the current practices for flow of funds:

- Delegated cooperation arrangement with CPs and bilateral agreement with line ministry;
- Main modality is project funding;
- Basket funding or budget support;
- MoFNP special account for line ministry or implementing agency in line with Government procedures;
- Funds from CP to implementing line ministry and then to implementing partners;
- Direct from CP to implementing agency.

It should be noted, however, that even if the main modality of flow of funds for TC is project funding by different CPs (non-pooled TC), this does not necessarily indicate that the TC is not aligned to Government plans and priorities. The existence of Program Based Approaches (PBA) in a sector gives opportunities for CPs providing non-pooled TC to design their TC in alignment with the PBA and avoid being totally a stand-alone arrangement.

The JASZ sets out agreed development priorities, improved aid predictability and rationalised sector activities and processes. In addition it aims at reforming the public financial management system through the Public Expenditure Management and Financial Accountability Programme (PEMFA), facilitation of a Sector Wide Approach (SWAp) and also the decentralisation and restructuring of the office of the Auditor General.

The Aid Policy and Strategy (APS) points to Government's preference for direct budget support. This is seen as important for the enhancement of efficiency and the reduction of transaction costs for both the CPs and the Government. For CPs yet to channel their support directly to the budget SWAp is the preferred mode of external support.

Nonetheless, Government has undertaken to respect the diversification of modalities of assistance considering the needs of each sector and restrictions in donor aid institutions. Despite the introduction of SWAps in the Ministry of Education (MoE) and the Ministry of Health (MoH), some CPs have continued to fund sector programme budgets. This has sometimes resulted in the inability of MoFNP to control and monitor the use of these funds leading to technical, procurement and audit problems due to capacity problems in accounting units of line ministries.

2.3.2. COUNTRY AND DONOR PARTNER ROLES IN IDENTIFYING CD GAPS AND TC NEEDS

The Government's current overall aid policy is that external assistance should be based on National Development Plans and the MoFNP is the entry point for such external assistance. The role of CPs is to align their assistance to the planning cycle of the Government. In the absence of a specific TC policy it is inferred that TC falls within this framework.

On the Government side a number of institutions are involved in identifying CD gaps and TC needs. The Cabinet Office Public Service Management Division (PSMD) is responsible for: recruitment and placement of human resources; human resource development; human resources information and planning; formulation and interpretation of terms and conditions of service; payroll management and establishment control for the civil service. The PSMD is supposed to acquire TC for CD on the basis of a comprehensive and prioritised inventory of gaps in the country's technical capacities in collaboration with sector ministries.

The public service has a decentralised training and human resource development system in which line ministries and provinces are responsible for identifying CD gaps and needs identification through their own human resource development managers. This decentralised

approach is considered probably the right arrangement as TC needs differ across line ministries and provinces. Consequently the relationship between the PSMD and line ministries is a loose one as currently line ministries, through their Human Resources Development Departments, are solely responsible for CD development based on their own identified needs. There is, however, need for a coordinating role for PSMD and provision of training opportunities that cut across sectors and ministries.

Another important ministry in the provision of TC for CD is the Ministry of Foreign Affairs (MoFA), which, because of the nature of its operations, is also the entry point for TC involving training and scholarship offers from foreign countries through Zambian embassies abroad. However, because of the weak link and poor coordination between the MoFA and PSMD as well as line ministries, a lot of training opportunities have tended to remain unutilised as the flow of TC information through the Government system is restricted partly by bureaucratic inefficiencies. Further the Ministry of Education (MoE) is also responsible for training and scholarship offers from foreign countries which it utilises and manages through its Bursary Committee.

MoFNP's Economic and Technical Cooperation Department (ETC) focuses on overall external aid mobilisation rather than specific TC procurement. TC is often a component of overall external assistance negotiated between line ministries and CPs. The official long term policy is to move to pooled TC. The linkage between the MoFNP ETC and line ministries is stronger on overall external assistance than on specific TC but generally weak, with the PSMD the mandated institution for CD in the whole public service. During interviews with the PSMD it emerged that Human Resource Development Officers (HRDOs) in line ministries are usually not part of TC planning and procurement negotiated by their ministries. Therefore, terms of reference of projects on Capacity Development have no input from the human resource officers, though they monitor the donor funded projects to see whether capacity is being built so that there is sustainability when the programme comes to an end. It has been suggested that for all future TC planning HRDOs should be part of the TC planning and procurement process to enhance TC monitoring and evaluation.

Line ministries identify CD gaps and needs and engage donors in dialogue to design appropriate TC delivery within a programme or project. The programme and project agreements between line ministries and CPs are formalised through MoFNP.

In the absence of clear Government guidelines on TC solicitation, recruitment, contracting/ procurement, management, monitoring of performance and evaluation some CPs have tended to drive TC for CD based on what they consider "felt needs" in the country.

It is the intention in future of Government to move towards TC pooling and ensuring TC local counterpart arrangements to maximise the benefits of TC for CD (Aid Policy and Strategy). Despite the JASZ, there is still significant non-pooled TC by the CPs. According to the FNDP resolving human and institutional capacity gaps, through training and retention, will receive the highest priority in Zambia's strategies for improving aid effectiveness.

The SWOT analysis in Table 2 represents a summary of the operational arrangements for TC as stated by officials interviewed during the study.

Table 2: SWOT Analysis of the Operational Arrangements for TC at the National Level

Strengths
<ul style="list-style-type: none">■ Clear aid policy and strategies and medium and long term plans expressed in the FNDP and National Vision 2030: a TC framework needs to be built on this;■ ODA Database: Zambia Development and Assistance Database (ZDAD) to be used to track and monitor Official Development Assistance (ODA) could be used to further analyse impact of TC for CD;■ The Joint Assistance Strategy for Zambia (JASZ) is aligned to the FNDP and seeks to strengthen local ownership of the development process and enhance the effectiveness of development assistance.
Weaknesses
<ul style="list-style-type: none">■ Weak institutions for aid management;■ Inadequate and unclear procedures for aid procurement;■ Inadequate implementation;■ Weak coordination within Government system;■ The ZDAD is not yet fully operational nor fully developed: this hinders its usefulness in analysing and planning TC;■ Lack of a TC policy: absence of specific TC policy may lead to less than optimal TC effectiveness.
Opportunities
<ul style="list-style-type: none">■ Aid policy: the Zambia Aid Policy and Strategy supported by stakeholders offers the chance develop a TC policy and strategy to guide development managers;■ JASZ;■ Existing institutions;■ Educated human resource;■ Political stability: political and economic stability provides the platform for effective TC for CD;■ Practical examples of what works and does not work at MoH and MoE are an opportunity for the water and sanitation sector ministries of MEWD.
Threats
<ul style="list-style-type: none">■ Multiplicity of donor reporting and accounting systems;■ Lack of transparency, accountability and effective management systems;■ HIV and AIDS prevalence at 16 percent has potential to erode TC for CD gains through deaths, disruption of effective operations, and loss of personnel hours.

The current arrangements suggest that for TC to be more effective there is need for a clearer TC coordination mechanism within an overall TC policy framework that brings together the key players such as the MDD, PSMD, MoFNP, MoE, MoFA and key line Ministries with CPs playing a supporting role.

2.4. OVERALL FINDINGS ON EFFECTIVENESS OF TECHNICAL COOPERATION AT NATIONAL LEVEL

This final section of chapter 1 summarises findings of the overall country experience on the effectiveness of using TC personnel (international and local), study tours etc, including use of regional expertise, and what should be done to ensure TC contributes more effectively to sustainable capacity development.

2.4.1. EFFECTIVENESS OF TC PERSONNEL

There is a general consensus among those interviewed that TC is making a significant contribution to CD despite the difficulties of measuring the magnitude of capacity change in many cases. There is an increased appreciation for training and education among a cross-section of society as evidenced by the rapid increase in institutions offering basic, high school and tertiary education and training across the country in recent years.

There is also a general appreciation among officials that TC inputs into organisations, especially those in the formative stages such as commercial utilities, have brought desirable organisation changes, changed work practices, changed staff skills and changed knowledge and learning processes.

Findings from interviews on the effectiveness of using TC personnel suggest that international TC personnel appear to be more effective when beneficiary institutions are involved in the procurement process such as setting Terms of Reference (ToR) and evaluation of TC personnel curriculum vitae. Effectiveness is also enhanced when TC personnel operate within the existing institutional structures and adhere to existing communication channels. International TC is also more effective when working with designated counterparts. Sometimes effectiveness of international TC is also influenced by the personality of the TA and degree of awareness of multicultural 'sensibilities' in the work environment.

Although there are no readily available studies on the subject of local TC personnel in Zambia the view emerging from the interviewees is that use of local TC personnel is more effective for the country when the personnel possess the knowledge and skills as this is retained within the country. Regional TC personnel are more effective as they bring with them regional experience and increase the regional pool of expertise.

Study tours are an effective tool for CD for local development managers as lessons learnt and sharing of knowledge with host institutions impart a 'see and learn' experience. Success

is more assured when local managers have practical knowledge of what has worked and what has not and why.

Several things need to be done to ensure TC contributes more effectively to sustainable capacity development. These include the following:

- Management Information Systems in organisations especially line ministries need to be institutionalised. Information gathering, creation of databases and document libraries to enhance empirical research, analysis, monitoring and evaluation will be enhanced. The weakness and absence of MIS is a general feature of many institutions which makes it difficult to provide empirical information for decision making and for impact assessment. The absence of central depositories for reports and other documents results in loss of useful information and records acquired at great cost. In most cases there are no particular officials assigned this function or with this reflected in their job description;
- The ZDAD needs to be fully developed and interface with databases in line ministries or user institutions to enhance analysis and decision making, given that its objective is to improve information on planned and actual resource inflows for Government and CPs and promote alignment of assistance under the JASZ in line with the FNDP and in the context of the Zambia Aid Policy and Strategy (MoFNP);
- Meticulous preparation prior to project implementation increases the chances of TC success. Such preparations should include design studies, identification and engagement of local capacity to supplement project effort, and stakeholder participation in identifying needs and implementation of the projects and/or programmes.

2.4.2. INSTITUTIONAL AND POLICY FACTORS HELPING AND IMPEDING EFFECTIVE TC FOR CD

2.4.2.1. LEADERSHIP AND OWNERSHIP PROCESSES

Government has taken the lead in formulating credible development and poverty reduction policies based on an inclusive consultative process of discussion and dialogue involving the Government, civil society, members of the public and traditional leaders, which has helped country ownership and leadership of the development agenda. These policies and strategies have formed the basis for dialogue with CPs and design of TC for CD.

2.4.2.2. DEGREE OF GOVERNMENT CONTROL OF TC PROCUREMENT, MANAGEMENT AND MONITORING PROCESSES

As measures and improvements on governance, transparency and accountability have been affected conditions have been created whereby control of TC procurement, management and monitoring has become a shared responsibility between Government and CPs rather than a

sole CP responsibility. Government and CPs now collaborate more closely on TC design, procurement and management. There are, however, some CPs whose processes and procedures have slowed down change to more Government control of TC.

2.4.2.3. COUNTRY-LED DESIGN AND DECISION MAKING OVER TC PRIORITIES, INCLUDING USE OF CONSULTANTS, TRAINING AND SCHOLARSHIPS

There is a mixture of approaches in design and decision making over TC priorities, including use of consultants, training and scholarships. For instance, MoFA training and scholarship opportunities are supply driven with foreign governments and institutions offering training and education opportunities abroad through Zambian embassies.

The Ministry of Education and PSMD have a mixture of supply and demand driven training and scholarships on offer. Supply driven training often originates from foreign institutions and governments offering training and scholarships to Zambian citizens through the MoE and PSMD. Demand driven training applies to nationals applying for scholarships to train at local training and education institutions.

Sector ministries have developed more control over TC design and more decision making over TC priorities as this is mostly demand driven, including use of consultants, training and scholarships. It should be noted, however, that many Human Resource Development Officers in sector ministries have stated that they are rarely involved in TC design in their respective ministries although they are expected to monitor and evaluate TC (PSMD).

2.4.2.4. COMPLEMENTARITY AND COORDINATION OF TC WITH OTHER FORMS OF SUPPORT

Figure 2: Key findings on Technical Cooperation

Key Findings on Technical Cooperation
■ Lack of a specific TC policy or framework for TC coordination;
■ The Human Resource Officers in line ministries are usually not involved in TC planning;
■ Multiplicity of TC delivery models;
■ CP in lead of identifying CD gaps: some experts perform human resource function;
■ Weak local leadership and institutions for TC management;
■ Weak coordination of TC within Government systems;
■ Monitoring and evaluation of TC is inadequate as there is no information;
■ TC delivery models controlled by perceptions, management styles and ethics of TC providers;
■ Even when TC is up and running there is no information;
■ Zambia Development Assistance Database not fully populated or versatile to isolate TC from ODA.

2.4.2.5. CROSS CUTTING PUBLIC SECTOR ISSUES FOR CIVIL SERVANTS

One of the most serious impediments to effective TC for CD is the HIV and AIDS factor. The high incidence rate at about 16 percent (FNDP) is a significant threat to sustainable CD. In addition the slow pace of public service reform and change in conditions of service for civil servants has led to capacity flight to the private sector and abroad where opportunities are appreciably better.

3. OVERALL SITUATION ANALYSIS OF THE WATER AND SANITATION SECTOR

This chapter reviews and analyses the overall water and sanitation sector policy and strategic context; reviews and analyses the TC coordination mechanisms in the water and sanitation sector; and also reviews the complementarity of TC with other instruments for CD.

3.1. REVIEW OF OVERALL WATER AND SANITATION POLICY AND STRATEGIC CONTEXT

3.1.1. WATER AND SANITATION SECTOR POLICIES, STRATEGY AND PROGRAMMES

The water and sanitation policy is guided by the FNDP and seven key principles, namely:

- Separation of water resources management from water supply and sanitation;
- Separation of regulatory and executive functions;
- Devolution of authority to local authorities and private enterprises;
- Achievement of full cost recovery for the water supply and sanitation services;
- Human resources development leading to more effective institutions;
- The use of technologies appropriate to local conditions; and
- Increased Government priority and budget spending to the sector.

The *National Vision 2030* for the water and sanitation sector foresees a “Zambia where all users have access to water and sanitation and utilise them in an efficient and sustainable manner for wealth creation and improved livelihood by 2030” (FNDP).

The water and sanitation sector goal is “to promote sustainable water resources development and sanitation with a view to facilitating an equitable provision of adequate quantity and



quality for all users at acceptable costs and ensuring security of supply under varying conditions” (FNDP).

Under current privatisation policies water supply and sanitation (WATSAN) functions allow for private sector participation in the sector. Local Authorities (LAs) can establish commercial water and sewerage utilities (CUs) on their own or in partnership with other LAs. All WATSAN functions are then the responsibility of the CUs. One or more LAs can also entrust the management of WATSAN services to a private operator. Such an arrangement would be in the range from management contract to concession contracts. In this case the assets can be managed by the LA itself or the LA can establish a purpose company (Asset Holding Company) to manage the assets on behalf of the LA. In yet another management arrangement for WATSAN a LA can sell off up to 49% of its equity in the WATSAN assets to an interested private company.

3.1.2. WATER AND SANITATION INSTITUTIONAL RESPONSIBILITIES

The Ministry of Energy and Water Development (MEWD) is responsible for the development, management, regulation and use of water resources while the Ministry of Local Government and Housing (MLGH) is responsible for water supply and sanitation policy and overseeing service provision to urban and rural areas by local authorities (LAs). Despite the clarification of roles in the national water policy and seven principles there has been a long standing conflict in the interpretation of responsibilities between MEWD and MLGH that has yet to be resolved and which has a detrimental effect on CPs’ support plans. In other countries water resources management (WRM) functions and water supply and sanitation (WATSAN) functions fall under one ministry or national water agency.

NWASCO, Water Development Board and Environmental Council of Zambia (ECZ) are regulatory agencies for water supply and sanitation, water resources use, and environmental and pollution control respectively. LAs are responsible for provision of water supply and sanitation services in rural areas whereas in urban areas the LAs have formed commercial water and sewerage companies. Currently NWASCO reports to MEWD although it has been agreed to change it to MLGH.

Table 3 summarises the water and sanitation programmes and policy objectives on CD and areas for TC use. Table 3 should be read with reference to Appendix 3 which gives the details of the identified human resource capacity building needs in the water resources management and water supply and sanitation functions of MEWD and MLGH over the FNDP period as identified by the PSMD in the *Public Service Training Needs Identification Plan (PSTNP)*. The training needs are based on the FNDP, Strategic Plans and the three-year rolling Training Plans of line ministries, provinces and other Government institutions. The PSTNP weakness is that it does not provide actual numbers of capacity needs. The Danida supported Sector Capacity Study has attempted to provide some estimates of annual additional staff requirements for the sector which indicate about 150 per year, in various categories, for the public sector alone.

Table 3: Water and Sanitation Sector CD related Policy Objectives and Key CD milestones

Programmes	Policy Objectives
General Administration and Organisation	To effectively manage and develop human resources for efficient performance of the sector
Water Resource Development and Infrastructure Development	To assess, develop, and allocate water resources in the four priority pillars of economic development of agriculture, tourism, environment, mining, manufacturing, and energy
Water Resource Management and Information Systems	To develop management information systems for planning, development, allocation, and management of water resources at catchment, national and regional level and to provide safe water and improve coverage in Zambia
Water Resource Assessment Programme	To assess surface and groundwater resources country-wide in order to determine the quantity and quality of available water
Institutional Capacity Building and Enhancement	To promote legal and institutional framework capacity enhancement
Water Resource Assessment Programme	To assess surface and groundwater resources country-wide in order to determine the quantity and quality of available water
Urban Water Supply and Sanitation	To provide adequate, safe, and cost-effective water supply and sanitation services
Rural Water Supply and Sanitation	To provide adequate, safe and cost-effective water supply and sanitation services with due regard to environmental issues

Key CD Milestones in the Water and Sanitation Sector	
2000	Completion of the establishment of D-WASHE Committees in 63 rural Districts
2000	Beginning of operation of the regulator NWASCO
2000	Beginning of the operation of 7 new CUs. Private sector participation introduced in form of management contract for service provision in the former mine owned areas
2001	Establishment of the Devolution Trust Fund (DTF) for service provision to the urban poor and start of pilot projects involving the CUs
2002	Water Resources Action Programme (WRAP) for the reform in water resources management becomes operational
2003	Establishment of the rural water supply and sanitation unit at MLGH/DISS

3.1.3. STATUS OF WATER AND SANITATION SECTOR ALIGNMENT PLANS AND RELATION TO CD AND USE OF TC

In line with the JASZ the Lead CPs are Germany and Denmark in the water resources management and water supply and sanitation respectively. The CPs are committed to aligning their assistance to the FNDP requirements in the sector.

In this regard preconditions that have facilitated CP support to the water and sanitation sector include the existence of national water policy and an elaborate and comprehensive strategy and institutional framework for the water and sanitation sector covering urban, peri-urban and rural areas and providing for the devolution of authority for service provision from central government to local authorities and private enterprises. According to the Water Supply and Sanitation Act No. 28 of 1997 Local Authorities (LAs), under the MLGH, acting by themselves or through the Commercial Utilities they establish or the private sector, are responsible for provision of water and sanitation services to all areas in the jurisdiction of the local community. The Act has also established the National Water Supply and Sanitation Council (NWASCO) as the regulator for the provision of water and sanitation services throughout the country.

Further the other facilitative condition has been the adoption of the Water, Sanitation and Health Education (WASHE) concept as a national strategy for the improvement of the water and sanitation services through, among other things, the involvement of the rural communities. District WASHE Communities have been established and an inventory of water points conducted countrywide. The database of water points requires regular updating.

With regard to water resources management the adoption and implementation of the Water Resources Action Programme (WRAP) whose overall objective is to establish a comprehensive legal and institutional framework for promoting the use, development and management of Zambia's water resources in sustainable manner has resulted in the Water Resources Management Bill awaiting approval of Government.

3.1.4. STATUS OF THE WATER AND SANITATION SECTOR COUNTRY/DONOR PARTNER WORKING GROUP FOR CD AND TC

The important working groups include the Water Sector Advisory Group (WSAG), the CPs Coordinating Group, the Water Supply and Sanitation Steering Committee. There are four WSAG sub-committees responsible for (i) water supply and sanitation; (ii) infrastructure; (iii) water resource management; and (iv) capacity building, monitoring and evaluation.

In terms of work practices the Water Sector Advisory Group (WSAG), a committee of a cross-section of stakeholders, has been mandated by the MoFNP to monitor the implementation of the FNDP water and sanitation sector programmes. Institutional and

human resource capacity development in the water and sanitation sector has been accorded high priority.

3.1.5. EXTENT OF CLEAR CD AND TC PRIORITIES IN THE WATER AND SANITATION SECTOR DEVELOPMENT PLAN AND PROGRAMMES

CD requirements have been recognised as critical at all levels including central government, local authorities, regulatory and commercial utility levels and community level. Presently CD plans and identification are done at central level and TC acquired on that basis. This has led to some complaints at lower levels that ultimate beneficiaries should be involved in final decisions on TC procurement. Policy on TC procurement and use is urgently required to guide decision makers.

Most CUs are in their infancy and due to inadequate resources to effect retrenchments have been obliged to engage personnel from water and sewerage departments of LAs. Consequently CUs have inherited high operating costs and inefficiencies. TC for in CUs is mostly directed to CD provision of management consultancies and short term-term training to help build the management operational capacities.

3.1.6. SUMMARY OF THE WATER AND SANITATION SECTOR CD PLAN, PRIORITIES AND HOW IT WAS FORMULATED

Based on the PSMD's 'Training Needs for Ministries, Provinces and Other Government Institutions for the Period 2006-2010', CD needs for the water and sanitation sector are outlined in Appendix 3 in some detail for the MEWD and MLGH and these should be the basis for cooperation with CPs. The Danida supported Capacity Study goes further by identifying private sector CD requirements.

The PSTNP is intended, among other things, to:

- Ensure that training is relevant to the needs of the Public Service for improved service delivery;
- Facilitate the effective utilisation of training resources both from government as well as those being provided by CPs;
- Facilitate monitoring and evaluation of the training functions;
- Guide the implementation of training activities in line with the FNDP and annual budgets; and
- Provide information for decision making by Government and Cooperating Partners;

3.1.7. WATER AND SANITATION SECTOR POLICIES AND STRATEGIES ON THE USE OF TC AND OVERALL DECISION MAKING IN TC PROCUREMENT AND MANAGEMENT

There are no clearly laid down policies and strategies on the use of TC in the water and sanitation sector. Further, record keeping of TC information is very poor. At both MEWD and MLGH there are only ad hoc arrangements in place and no particular official is responsible for the function of keeping documents on TC.

The PSTNP sets out the programmes, objectives, strategies and specific human resource capacity building interventions for the public service and makes reference to the fact that it is a framework for effective utilisation of training resources from both Government and CPs.

In 2007 a Danida supported Sector Capacity Study identified capacity gaps in the water and sanitation sector and various constraints. It cited some of the serious constraints, such as (i) poor remuneration, (ii) severe competition from other sectors, (iii) competition from neighbouring countries and (iv) the high HIV and AIDS prevalence in Zambia, as posing major challenges to CD in the water and sanitation sector.

3.2. REVIEW OF TRENDS AND PATTERNS OF TECHNICAL COOPERATION

This section attempts to summarise the overall water and sanitation sector trends in the amount, type and distribution of TC.

3.2.1. SUMMARY OF KEY CHANGES IN TC TRENDS AND PATTERNS

As is the case at the national level a breakdown of TC by type, e.g. consultants/experts, training/scholarships, suffers from lack of organised information and database in the MEWD and MLGH. Documents containing needed information are not stored in a systematic manner for easy retrieval. To obtain such information would require more time than the study period allowed.

It is, however, also useful to show the levels of overall donor support in the water and sanitation sector as shown at Appendix 2 as most of these programmes supported by CPs have a TC component attached. This is in recognition of the critical importance of CD to sustain CP supported programmes. The attachment of TC to infrastructure development is also in line with the general guideline of Government that aid should contain clear capacity building components. In this regard TC is expected to develop institutional and human resource capacities. Government's role is to identify institutional and human capacities, human resource development and retention and address these in close collaboration with CPs.

The pattern of the water and sanitation programmes as shown in Appendix 2, for instance rural water supply and sanitation programmes, is that infrastructure development is accompanied by training and education in health and sanitation, as well as developing the

capacities of communities in operation and maintenance and of WASHE Committees and Districts to carry out planning, prioritisation of projects, and community mobilisation skills.

Key trends in TC flows include the emphasis on CD development of communities to manage the water resource, maintain the water facilities and integrate health and hygiene practices as an important aspect of maximising the impact of access to clean water.

There has also been significant TC in the form of institutional support to service providers following the formation of several regional water and sewerage companies which are owned by local authorities as part of the commercialisation and privatisation reforms of the water and sanitation sector. Types of TC in this case include support to the commercial utility normally by placing TAs in the institution to help develop management systems, draw up operational standards, help recruit suitable personnel and improve the operations of the utility.

3.2.2. PROCUREMENT OF TC

There are different models of procuring TC for CD in the water and sanitation sector services. For instance in the case of Western Water and Sewerage Company (WWSC) the Danish Government has provided support to the commercial utility to engage the services of a legal firm to carry out a thorough survey of all premises where WWSC operates in order to assist it obtain land title deeds. The selection procedure for legal services are in accordance with the World Bank guidelines for the selection and employment of consultants.

In one TC procurement model the MLGH through the DISS applied for TC with JICA in rural water supply and sanitation through the MoFNP. Following discussions of the possibility with JICA MLGH then applied to MoFNP seeking support for the application for TC to JICA. After MoFNP endorsement and submission of the application to the local JICA office the hiring of local consultancy services for monitoring and evaluation was subjected to the MLGH Tender Committee tender procedures. Had this involved international consultancy services only Japanese tender and procurement procedures would have applied.

In some other TC procurement models the CP allows for local participation but demand for a short list and a “no objection” before the TC can be procured by the beneficiary institution. Occasionally these consultative processes have turned out to be lengthy due to differences in approval systems and affected timely TC implementation. Some interviewees point to EU procedures and approval processes as particularly bureaucratic and lengthy.

Overall the new developments in TC procurement are a significant shift from the position in the past when Government, at the risk of losing financial assistance, was invariably obliged not to refuse external offers of TC personnel including those that government officials felt were unnecessary and a drain on ODA. Dialogue and partnership in designing TC, joint framing of ToR for TA and use of local and international procurement procedures are more common and have enhanced TC effectiveness.

3.3. REVIEW OF TECHNICAL COOPERATION MECHANISMS

3.3.1. SUMMARY OF THE WATER AND SANITATION SECTOR TC COORDINATION MECHANISMS

Water and sanitation programmes are being driven by principles, objectives and strategies contained in the FNDP. The mechanism with high potential for TC coordination is the Water Sector Advisory Group (WSAG), co-chaired by the MEWD and MLGH. The WSAG CPs and representatives of key stakeholders in the water and sanitation sector from Government and civil society. There are four WSAG sub-committees responsible for (i) water supply and sanitation; (ii) infrastructure; (iii) water resource management; and (iv) capacity building, monitoring and evaluation.

The WSAG is a forum for water and sanitation sector stakeholders drawn from public, private and civil sectors which helps to harmonise policy and programme implementation and improve sector coordination mechanism. The WSAG has been mandated by the MoFNP to monitor the implementation of the FNDP water and sanitation programmes.

The National Rural Water Supply and Sanitation Programme (NRWSSP) and accompanying Memorandum of Understanding (MoU) between Government and CPs presents a coordination framework within which TC can be coordinated. The NRWSSP provides guidance and direction to all stakeholders including CPs and Non-Governmental Organisations (NGOs) on the entry points for implementation of rural water supply and sanitation activities. The strategy is to be implemented through a SWAp. The Government's preference is for pooled funding under government leadership, for harmonisation and aid effectiveness.

The NRWSSP is also intended to assist the MLGH move towards a more coordinated and a sector wide approach to planning and implementation. As part of the implementation the MLGH developed a Memorandum of Understanding (MoU) in consultation with CPs and other relevant Government agencies to reflect specific principles to be followed by MLGH and participating CPs in the WATSAN sector. CPs have indicated their acceptance of the MoU in principle and will sign after consultations.

On the CPs side, a process of harmonisation of approaches has been initiated in preparation and readiness of CPs fitting into a SWAp for the WATSAN. During the period of implementation of the NRWSSP the MLGH will continue to intensify the approach of open dialogue with the Lead CP, Denmark, and take a leading position, particularly as far as policy, strategy and institutional framework are concerned.

The MLGH with the support of the CPs is in the process of preparing an Urban Water Supply and Sanitation Programme (NUWSSP) to address the water and sanitation problems of the urban sector. The NRWSSP is being used as a model for developing the National Urban Water and Sanitation Programme. A draft of the programme has been developed.

The management, implementation and coordination of the MLGH programmes is to be undertaken at national, provincial, district and community levels. Internal and joint management structures and a set of agreements and guidelines to ensure effective ownership, transparency, accountability and monitoring of the programmes defined in the FNDP will be established.

Under the JASZ the MLGH has developed internal and joint management structures that will facilitate broad participation of the Lead CP while ensuring that the ownership of the programmes is firmly with MLGH. The structures will also ensure that there is a significant reduction in the transaction costs to both the Ministry and the CPs through the elimination of separate meetings, external missions, etc. The structures defined will allow for participation and interaction on various levels.

The environment in which the water and sanitation sector operates is analysed and the factors that facilitate and impede TC are captured in the SWOT analysis shown in Table 4 below. This is drawn from interviews with officials, key stakeholders and available documentation:

Table 4: SWOT Analysis of the Operational Arrangements for Water and Sanitation Sector TC.

Strengths

- Medium and Long Term Plans expressed in the FNDP and National Vision 2030: a TC framework needs to be built on this;
- The existence of the Water Sector Advisory Group (WSAG), a stakeholders group that includes CPs, and incorporated in the development planning process of Zambia, which could be used as a vehicle for developing a TC policy framework;
- The National Rural Water Supply Programme (NRWSSP) to which all stakeholders including CPs are aligning their WATSAN support;
- The formulation of the NUWSSP;
- The Water Resources Management (WRM) Bill which seeks to establish a comprehensive legal and institutional framework for promoting the use, development and management of Zambia's water resources sustainability;
- Examples of working SWAPs at MoH and MoE could be used to study what TC has worked, how and why and best lessons possibly replicated in the water and sanitation sector.

Weaknesses

- Data and information systems not fully developed: this hinders their usefulness in analysing and planning TC;
- Slow pace of Public Service Reform has a de-motivating influence on public workers with possible negative implications for TC for CD,
- Institutional conflicts on roles and responsibilities between MEWD and MLGH detract from TC planning despite clear policy on the separate functions of the two ministries;
- Poor conditions of service in comparison to the private sector and regional water and

sanitation institutions draw expertise from public water and sanitation sector;

- The Public Service Reform Programme has caused dislocations and vacancies in MEWD and MLGH. The two ministries may need TC to realign their structures to fully perform their expected functions;
- Absence of specific TC policy may lead to less than optimal TC effectiveness.

Opportunities

- The Zambia Aid Policy and Strategy supported by stakeholders offers the chance to develop a TC policy and strategy to guide development managers;
- Political and economic stability provides the platform for effective TC for CD;
- Practical examples of what works and what does not work at MoH and MoE are an opportunity for the water and sanitation sector ministries of MEWD and MLGH to shape effective TC for CD;
- Zambia Development and Assistance Database (ZDAD), to be used to track and monitor Official Development Assistance (ODA), could be used to further analyse impact of TC for CD in the water and sanitation sector;

Threats

- Delays in passing WRM Bill are generating unnecessary uncertainty in CD planning in the water and sanitation sector;
- HIV and AIDS prevalence at 16 percent has potential to erode effectiveness of TC for CD gains through deaths, disruption of effective operations and loss of personnel hours. Effective HIV and AIDS prevention programmes are required to counter the serious threat;
- Inadequate lower level involvement resulting from centralised structures and processes in the water and sanitation might detract from effective TC at lower levels of implementation;
- High poverty levels at about 68 percent are a threat to effective implementation of programmes and projects and therefore effective TC for CD through resulting vandalism, thefts and corruption. TC needs to incorporate support to income generating aspects wherever possible;
- Inadequate Government funding to the water and sanitation sector not in line with one of the sector principles reduces Government influence in overall TC planning and procurement.

Conditions that have influenced TC trends and patterns in the water and sanitation in recent years have partly been the improvement in policy and sector information improvements, and adherence to good governance, transparency and accountability principles in implementing projects.

3.4. REVIEW OF COMPLIMENTARITY OF TC WITH OTHER INSTRUMENTS OF CAPACITY DEVELOPMENT

Various programmes in the water and sanitation sector have incorporated TC for CD. The MLGH with CPs' support have identified CD needs in Commercial Utilities (CU) and rural districts. Several CUs are receiving institutional and human resource capacity building support. Lukanga Water and Sewerage Company, which is in its formative stages, has acquired the services of a consulting firm procured under competitive tender to help the CU recruit its required staff, develop a peri-urban strategy and water kiosk implementation, build capacity in billing and accounting as well as customer relations and communication. It is anticipated that at the end of the institutional support project Lukanga Water and Sewerage Company would have acquired sustainable capacity to undertake its operations efficiently. This TC is provided through AfDB support and complements MLGH and LA efforts to build strong CUs.

A number of CUs, such as the Southern Water and Sewerage Company, are receiving similar support from other CPs through TC for CD incorporated in their programmes in consultation with the MLGH and LA. Infrastructure development programmes/projects, supported by different CPs, are one of the instruments, which with TC attached, provides technical expertise to LAs and develops their capacity. In the past this type of TC has also assisted to develop the capacity of engineers and other personnel associated with the implementation of infrastructure programmes such as borehole drilling, hand pump fitting and dam construction.

In other cases the MLGH, having identified capacity needs in Districts, has designed TC for CD in rural Districts and WASHE committees to complement and build institutional capacity to deliver water and sanitation services.

TC for CD is being provided at various levels in the water and sanitation sector in a variety of ways.

3.5. OVERALL FINDINGS ON EFFECTIVENESS OF TC AT THE WATER AND SANITATION SECTOR LEVEL

Factors facilitating effective TC for CD at the National level:

- The existence of clear and nationally generated medium and long term development plans and policies as expressed in the FNDP and National Vision 2030 help to facilitate CPs' support for TC;
- The Joint Assistance Strategy for Zambia (JASZ) is aligned to the FNDP and seeks to strengthen local ownership of the development process, as well as set out agreed development priorities, improved aid predictability and rationalised sector activities and processes which helps effective TC;

Factors facilitating effective TC for CD at the National level:

- The existence of an Aid Policy and Strategy launched in February 2008 has provided a consistent framework on which a TC policy framework can be developed;
- International TC personnel are more effective when beneficiary institutions are involved in the procurement process such as setting Terms of Reference (ToR) and evaluation of TC personnel curricula vitae. Effectiveness is also enhanced when TC personnel operate within the existing institutional structures and adhere to existing communication channels and work with officially designated counterparts;
- Management Information Systems in organisations enhance empirical research, analysis, monitoring and evaluation. This is important for planning, monitoring and evaluating the effectiveness of TC;
- Government commitment to implementing structural reforms that improve good governance practices, transparency, and accountability in the management of resources and change facilitates procurement of TC;
- Political and economic stability enhances effectiveness and sustainability of TC for CD because it generates certainty and confidence in decision making and planning;
- Increasing number of educated human resource at national level provides a base for sustainability of CD;
- Decentralisation policies and devolution of decision making to the Districts and Communities that transfers leadership and ownership of TC to the implementation level improves effectiveness of TC.

Factors impeding effective TC for CD at the National level:

- The absence of a specific TC policy or framework to guide development managers, implementers and beneficiaries of CD detracts from effective TC;
- Inadequate involvement of national human resource development institutions such as the Public Service Management Division (PSMD) in TC planning impedes effective TC;
- Multiplicity of TC delivery models increases transaction costs;
- Some CPs lead in identifying CD gaps resulting in some TAs performing human resource development functions and undermining CD of local leadership;
- Weak local leadership and institutions for TC management affect CD;
- Delays in implementing decentralisation of responsibilities to the districts has slowed CD at that level;
- Weak coordination of TC within Government systems and ministries results in less than optimal use of TC for CD;

Factors impeding effective TC for CD at the National level:

- National level monitoring and evaluation of TC is inadequate as there is no organised information which could be used as an analytical tool. The Zambia Development Assistance Database which could be a useful tool for national TC management is not fully populated or versatile enough to isolate and analyse TC data from overall ODA; and
- Some TC delivery models are strongly influenced by perceptions, management styles and ethics of TC providers at the expense of local perspectives;

Factors facilitating effective TC for CD at the water and sanitation sector level:

- A clear National Water Policy and supporting sector principles and strategies including National Environmental Support Programme, the Water Resources Master Plan, the National Rural Water Supply and Sanitation Programme (NRWSSP) have formed a platform for CP support;
- Clear division of roles and functions among water and sanitation institutions;
- The existence of the Water Sector Advisory Group (WSAG) comprising all key stakeholders including CPs provides a forum for discussions on effectiveness of TC;
- The willingness by both Government and CPs to move towards a SWAp for the water and sanitation sector is a facilitative influence on effectiveness of TC.

Factors impeding effective TC for CD at the water and sanitation sector level:

- Insufficient knowledge of Paris Declaration on Aid Effectiveness and Harmonisation and JASZ principles among sector players constrains local leadership and ownership of TC;
- Inadequate institutional capacity to manage TC caused by inadequate institution structures and human resources as in the case of the WATSAN structure at the Ministry of Local Government and Housing (MLGH);
- High HIV/AIDS prevalence undermining human and institutional CD;
- Low remuneration, poor conditions of service and retention of professionals in the water and sanitation sector is undermining effective TC for sustainable CD;
- Slow decision making processes on critical legislation and governance issues such as the Water Resources Management Bill has introduced uncertainty in TC planning for future CD requirements;
- Multiplicity of donor reporting, accounting systems, and approaches to TC planning and implementation and management increase transaction costs;

Role of donors and other partners in TC planning and implementation/management

- Dialoguing with the Government through the Lead Donors or the Water Sector Advisory Group (WSAG) when developing policy, strategies and institutional framework which forms the basis for effective TC implementation;
- Providing technical support and advice during consultations with Government in the formulation stages of the TC programmes and projects;
- Supporting Government during the drawing up of ToR for TAs, consultants and procurement of the TAs and consultants; and
- Consultations and exchanging of views with Government on any challenges that may occur during the implementation of TC programmes.

4. DETAILED ANALYSIS OF GOOD PRACTICES AND LESSONS LEARNED

This chapter presents six examples of good practice in the water and sanitation sector and draws lessons learned from the experiences.

4.1. GOOD PRACTICE 1: COUNTRY-LED TC PLANNING

RURAL WATER SUPPLY AND SANITATION UNIT (RWSS UNIT)

The creation of the RWSSU in the DISS in 2003 is a direct product of the country-led water sector process started in early 2003. It is a result of the transfer of WATSAN functions from MEWD to MLGH. It is an example of good practice capturing the gap filling role of TC in developing CD to prevent the rural water supply and sanitation from stalling.

4.1.1. BRIEF DESCRIPTION OF INTERVENTION

The Rural Water Supply and Sanitation Unit established in 2003 in the Department of Infrastructure and Support Services (DISS) of MLGH has its origins in the preceding facilitative conditions and arrangements for change instituted by Government in the early 1990s.

In the early 1990s the new Government, spurred by general dissatisfaction with the state of the water and sanitation sector characterised by the diffusion of institutions dealing with water and sanitation matters, decided to reform the sector by developing policies and principles that would reorganise the sector.

The water sector reforms coming out of the national water policy and seven sector principles already referred to in Chapter 2 were reinforced through the following: the Sector Strategy for institutional and legal framework for water supply and sanitation services in 1994; establishment of the Department of Infrastructure and Support Services (DISS) at MLGH to mobilise resources and to facilitate the development of WATSAN services devolved to Local Authorities (LAs) in 1995; establishment of the National Water and Sanitation and Health Education Committee (NWASHE) in 1996; transfer of the water supply and sanitation functions to the MLGH/DISS in 1997 and enactment of the Water Supply and Sanitation Act with focus on



commercialisation, private sector participation, regulation (established the National Water Supply and Sanitation Council, NWASCO) and delimitation of service area as well as the establishment of a Devolution Trust Fund (DTF).

The impeding condition for the MLGH take the reform process forward in WATSAN after taking on rural water supply and sanitation responsibilities transferred from MEWD were essentially the following:

- Firstly there was a lack of an appropriate Section/Unit in the DISS to undertake rural water supply and sanitation functions and carry out projects and programmes within DISS following the transfer of rural water supply and sanitation functions from MEWD to MLGH. This represented a serious capacity constraint with the potential to stall the rural water programme as well as the sector reform; and
- Government's financial constraints coupled with lengthy organisation restructuring processes and bureaucratic procedures prevented the MLGH from quickly establishing the vital Rural Water Supply and Sanitation Unit.

To fill the capacity gap at DISS, Development Cooperation Ireland (DCI) provided TC through the recruitment of 6 qualified local personnel for the RWSSU at the request of MLGH. This 'gap filling TC' which set up the RWSSU as a project also covered provision of personnel salaries, operational expenses, equipment, materials and vehicles to enable the DISS to begin its rural water and sanitation functions. The Irish TC enabled quick gap filling capacity building and was flexible enough to also allow MLGH/DISS to take the lead in identifying the needs and procurement of staff and short term consultants for the Unit. This helped prevent the water reforms with regard to rural water supply and sanitation from stalling.

Types of TC intervention: TC supporting the sustained water reforms began in the early 1990s through provision of support to the policy process, institutional arrangements and time bound 'capacity gap filling' to maintain momentum of the reforms.

The type of TC for CD consisted of provision of consultants and experts; training; and stakeholder awareness meetings by the CP. Other forms of support included project inputs such as equipment, vehicles, office space, sector budget support and financial assistance.

Summary of Government agencies & donors supporting the intervention: The Government through MLGH and CPs are providing TC for CD through their rural water supply and sanitation projects and programmes which are addressing policy, institutional and human resource capacity building in the RWSS Unit, the Districts and Community level. Danida, for instance, has supported the information management activities in Southern Province and UNICEF has provided vehicles and funds for monitoring and evaluation.

4.1.2. EMPIRICAL EVIDENCE OF SUCCESSFUL CD RESULTS

Before the establishment of the RWSS Unit the MLGH had no capacity to carry out full rural water supply and sanitation functions which were transferred from the MEWD. While the functions had been transferred, commensurate personnel were not transferred from MEWD to MLGH to continue the RWSS functions. The establishment of the RWSS Unit through TC in MLGH/DISS has developed some capacity that is evident from the development of the NRWSSP.

Since the establishment of the RWSS Unit personnel have acquired some experience, knowledge and skills transferred from interaction and working closely with consultants provided by TC from various CP projects and programmes. Other indicators of CD having taken place include:

- The development and launch of the NRWSSP in December 2007 which is now used by all stakeholders as a common planning tool;
- RWSS Unit personnel now able to lead discussions with CPs on rural water supply and sanitation projects and being engaged as component managers in Danida water sector support programme;
- A key problem of data identified during the formulation of the NRWSSP has been addressed by the implementation of a Monitoring and Evaluation Management Information System (ME-MIS) pilot project to verify district data. The Information Management System (IMS) to be employed at both district and national level will result in a more reliable basis for planning and monitoring the sector especially when rolled out to the whole country;
- The MLGH and CPs agreeing to promote the JICA assisted maintenance system, the Sustainable Operation and Maintenance Project (SOMAP), as the national model is an indicator of the willingness for harmonisation in the sector.

The RWSS Unit is now recognised as a vital institution for the successful implementation of the NRWSSP. Its capacity to carry out its functions, however, needs to be further developed to manage the ever changing situation in the rural water supply and sanitation sector.

4.1.3. DESCRIPTION OF IMPLEMENTATION ARRANGEMENTS AND PROCESSES

The RWSS Unit is responsible for the NRWSS which is a programme based approach/SWAp. The SWAp is designed to accommodate various funding modalities and will be coordinated through a donor coordination mechanism led by government which will have provision for joint monitoring and reporting procedures.

In terms of future TA procurement it is intended that this will be aligned to the SWAp. The CPs will be encouraged to make TA available for common tasks at national and district level

and share TOR for consultancies with the purpose of ensuring that the outcome of the consultancy can be used widely.

Currently, the planning process for WATSAN follows the pattern of planning prevailing in other government institutions, involving the development of Annual Plans for the sectors. In RWSSP the process begins at sub-district level where plans are submitted (mostly by EHTs) to the LAs. The LAs then consolidate the submissions of the various sub-districts and pass them on either through the provincial office or direct to DISS.

The NRWSSP has created a platform for Government, CPs' and NGOs' cooperation through several components of the Programme that include: water supply; sanitation; policy development; capacity development; operation and maintenance of water facilities; and research and development. The strategy of implementation is through the SWAp, which shall accommodate various funding modalities and will be supported by a Government led coordination process. It shall also be subject to joint monitoring and reporting procedure.

4.1.4. ANALYSIS OF COUNTRY CONDITIONS HELPING ACHIEVE SUCCESS

Country conditions that helped the intervention to achieve success include the existence of a conducive and widely supported policy environment, as expressed in the National Water Policy and the sector principles of the water sector reforms started in the early 1990s and supported by NORAD, GTZ, Ireland Aid, the World Bank, and UNICEF and Danida who joined the process later.

The CPs' readiness to support the reform programme played a crucial role especially through provision of TA, policy support, equipment and hire of international and local consultants and funding study tours in the region for government officials. DCI had been part of the water sector reform process and understood the importance of creating WATSAN capacity in MLGH.

4.1.5. SUMMARY OF DONOR PARTNERS' ROLE IN ACHIEVING SUCCESS

CPs' support to the national programme goals, objectives and strategies is largely aligned to the NRWSSP. Irish Aid TC to establish the Rural Water Supply and Sanitation Unit assisted the water sector reform process and built capacity within DISS to articulate the rural water supply and sanitation programme. CPs' TC provision, including TA to the RWSS Unit, was crucial in developing necessary capacity to carry the reforms forward. TC delivery was flexible enough to allow local identification of gaps and participation in procuring necessary inputs for success.

4.1.6. SUMMARY OF CONDITIONS AND FACTORS THAT MAY PREVENT WIDER ADOPTION OF THIS APPROACH UNDER OTHER CIRCUMSTANCES

Lack of a clear water sector reform process and priorities in the rural water supply and sanitation could have prevented the adoption of the 'gap filling TC'. Reliance on the bureaucratic processes and procedures that do not respond to the time bound nature of 'gap filling TC' could have prevented adoption of the approach. Quick response of Government to recruitment of required staffing to take over from TC 'gap filling' role.

4.1.7. LESSONS LEARNED

Institutional arrangements that are established to implement processes and programmes need to be strengthened through appropriate TC for CD. The Rural Water Supply and Sanitation Unit (RWSSU) is an example of a local institution, the MLGH, supported by appropriate TC that produced tangible results. This requires clear political support and a national programme on sector priorities.

The CPs' readiness to support the reform programme played a crucial role through timely provision of TA, policy support, equipment and hire of international and local consultants which filled the gap while MLGH was reorganising itself.

4.2. GOOD PRACTICE 2: FLEXIBLE AND RESPONSIVE TC DESIGN

THE KAFUE DISTRICT RWSS PROGRAMME

This example highlights a demand driven TC model whose design is preceded by elaborate consultations between central Government and the CP, followed by studies and stakeholder consultations resulting in TC that addresses the supply and demand side of water supply and sanitation service delivery.

4.2.1. BRIEF DESCRIPTION OF INTERVENTION:

Brief history of the TC intervention: The Kafue District Rural TC intervention is part of the District Based Water and Sanitation Component funded by Danish Government through Danida and the Government of Zambia. It involves demand responsive provision of sustainable community water supply and sanitation infrastructure through the District structures supported by NGOs and the private sector. Kafue District Rural Water Supply and Sanitation programme started getting financial, technical and material support from Danida through the MLGH in 2007.

Summary of TC objectives: The Kafue District WATSAN objective is to ensure the district has adequate capacity for facilitating sustainable community managed water and sanitation infrastructure and productive water.

The capacity development focus of TC is on:

- Supporting the Kafue District to plan, prioritise, design, tender and supervise infrastructure projects;
- Assisting the community level in sustaining the water supply and sanitation provision through community based O&M;
- Supporting the private sector in establishing supply chains for maintenance and replacements (repair services, supply of spare parts, etc);
- Improving water supply for the majority of unserved and under-served population.

Main features of how the design is flexible and adaptive to any changing organisational needs: A key feature is that all interventions revolve around the district development plan with specific focus on the sub-plan for water supply and sanitation. Water supply and sanitation is used as the vehicle to develop capacity in the district to deliver, manage and maintain infrastructure services. All district management staff and WASHE staff at district and sub-district level are included in the capacity assessment.

The CD is not limited to technical issues, but is based on a holistic approach and thus includes general subjects as necessary. This makes CD flexible and adaptive to any changing organisational needs. The development of the water and sanitation plan and its subsequent implementation is the envisaged output of the District. CD is preceded by training needs assessments as are plans for training interventions.

A Support Team, based in Lusaka, provides assistance to the District on demand and facilitates CD of the district and the private sector to efficiently plan and implement water supply projects.

Types of TC interventions: The type of TC for CD provided in the District of Kafue includes: training for District and ADC staff; setting up funding and financing mechanisms; procurement of consultants to carry out workshops, seminars and on-the-job training; feasibility studies for projects and appraisals, etc.

D-WASHE and V-WASHE Committees are undergoing capacity building through workshops and seminars. On the demand side users of water and sanitation facilities are also undergoing training.

Underpinning the CD aspects is the inter-disciplinary Support Team of local and international consultants with expertise in sociology, hygiene, engineering and finance. They provide CD support at central, district and community level.

Summary of Government agencies and donors that supported the intervention and how the flexibility in the TC provision was agreed, negotiated and managed: The TC resulted from a long process of consultation between Government and Danida. The resulting demand driven TC design was preceded by consultations between central Government and the CP,

followed by studies and stakeholder consultations, resulting in TC that addresses the supply and demand side of water supply and sanitation service delivery.

Further the MLGH has developed a National Rural Water Supply Programme which serves as the platform for CPs and other water and sanitation actors for implementing RWSS projects and programmes in the country. The Kafue District Council, under the RWSS, is funded by Government and Danida.

Before Danida support, rural water and sanitation programmes were undertaken by Water Aid, UNICEF, Christian Children's Fund (CCF), Africare and ZAMSIF. These partners helped to improve water and sanitation coverage in Kafue District. These efforts left a base for the Danida/Government TC intervention.

At the district there is a multi sectoral D-WASHE committee which has 12 members from different sectors that include the Council Secretary as Chairman; the Focal Point Person; the District Planning Officer; MACO; MCDSS; MoE; District Treasurer/Council; CFF; Builds; MoH; Zambia National Information Service (ZANIS) and the stores officer from the Council.

4.2.2. EMPIRICAL EVIDENCE OF SUCCESSFUL CAPACITY DEVELOPMENT RESULTS

The phasing and sequencing of capacity development priorities: The outputs expected from the TC intervention include: building adequate capacity to implement WSS Projects in the district.; preparation of Annual Kafue District Investment plans; implementation of sanitation and health and hygiene awareness campaigns for all communities in the district; community organisations and artisans able to deliver sanitation and advise and construct latrines on demand; increased access to sanitation in schools and health centres in the Kafue district; increased access by rural population in all the wards in the district to potable water; development and promotion of a model for implementing water for productive use through demonstrations of small scale water supply for irrigation or livestock; and establishment of a District Based O&M system.

What capacities changed and improved, at both organisational and individual levels: So far the following activities have been done: capacity building of District Team in the RWSS project; management and M&E; one-day orientation workshop for councillors on the RWSS project; technical assessment of defunct boreholes; desk appraisal of community applications; identification of local theatre groups in the 17 wards of the district; planning workshop; D-WASHE review meeting to review progress; and creating of awareness for productive use. The 17 ADCs have been formed and trained in the management of RWSS.

How the changes in capacity were measured and how the TC focus changed as the design evolved: Out of 13 officers trained in PM and M&E in the first quarter of the programme 13 were trained; out of 21 community leaders 19 were trained; out of 20 water points to be assessed 57 were done; the district benefited by receiving funding for implementation of projects, training of staff, establishment of RWSS units, production of annual work plans and

budgets, and community awareness created about the programme. The most tangible benefit was being able to create awareness and demand in the community of water facilities as can be seen by the number of application forms (68) the district received from the community.

4.2.3. DESCRIPTION OF IMPLEMENTATION ARRANGEMENTS AND PROCESS

How the TC design process took place, including organisational capacity assessment: The TC resulted from a long process of consultation between Government and Danida – a demand driven TC model whose design is preceded by consultations between central Government and the CP, followed by studies and stakeholder consultations, resulting in TC that addresses the supply and demand side of water supply and sanitation service delivery.

A committee made up of 13 members from the District Council, line ministries and an NGO oversee and manage the implementation of projects. The chairmanship and secretariat is held by the Council.

The D-WASHE, a sub-committee of the District Development Coordination Committee (DDCC), is responsible for coordinating water and sanitation development in the district. It advises the Kafue District Council on water and sanitation policy through its reporting structure to the DDCC. The D-WASHE also networks with other stakeholders in water supply and sanitation and monitors and evaluates programmes in the district.

Stakeholder analysis both within and external to the organisation or sub-organisations: The D-WASHE prepares the work plan and budget through consultations with the members and in particular the Focal Point Person and the District Planning Officer of the Council and District Support Team Members from the Programme Office. Technical Assistance contribution to the programme is through imparting knowledge and skills to the focal point person in the management of the Rural Water Supply and Sanitation Programme using the logical framework approach.

Kind of broad dialogue that took place with other Government organisations, civil society groups or other interest groups, including donor partners: The work plan is then presented to Council through the DDCC and adopted as a working document for the Council's fiscal year. The entire process work plan is based on the MoU signed by the Council and MLGH on the implementation of the Water Supply and Sanitation Programme in the district.

In the past the Committee has partnered with various actors in the provision of safe water and sanitation. Notable among these are Water Aid (Zambia), Africare, ZAMSIF and Christian Children's Fund (CCF) and of recent Danida through the NRWSS Programme.

4.2.4. ANALYSIS OF COUNTRY CONDITIONS THAT HELPED ACHIEVE SUCCESS

A long term vision and perspective within the organisation and recognition that needs change: The National Water Policy, the seven sector principles and the Government's strategies and plans on rural water supply and sanitation formed a sound basis for engaging Danida to provide development assistance. In addition the elaborate preparatory work and studies based on wide consultations with stakeholders assisted in designing the project.

Leadership willingness and capacity to regularly monitor changing organisational capacity needs: The District Council was able to appoint one of its staff to be the focal person for the project and link with the various communities in the District.

4.2.5. SUMMARY OF DONOR PARTNER'S ROLE IN ACHIEVING RESULTS

Danida has played a critical role by being the Lead Donor in the sector and undertaking an elaborate process of preparing the project in consultation with Government and other key stakeholders. Danida supports the Government's policy on WATSAN.

Before Danida support, rural water and sanitation programmes were supported by Water Aid (an NGO), UNICEF and Christian Children's Fund. These partners helped to improve water and sanitation coverage to 51% and 49% from 35% and 12% respectively before the intervention (Kafue District Progress Report, February 2008). Danida is anticipated to raise the coverage higher.

In Kafue, NGOs especially the Christian Children's Fund, are contributing in construction of new water points, training of V-WASHE committees, construction of latrines at public institutions and household, supporting APMs (with transport and tool kits) and mobilising communities to address their water supply and sanitation needs. The Ministry of Agriculture and Cooperatives and NGOs are working with different communities in establishing small irrigation schemes using existing water sources. Musanja community on the Zambezi River and Chipapa community were trained in the use of treadle pumps and are supplied with pumps on small scale loans that create a revolving fund.

Government, through the Justice Solidarity Poverty Reduction Funds (JSPRF), was working through the Council to improve rural water supply. The District benefited through the construction of 4 new water points during the year. Besides this, there has been no major intervention in water and sanitation in the district.

4.2.6. SUMMARY OF CONDITIONS AND FACTORS THAT MAY PREVENT WIDER ADOPTION OF THE APPROACH UNDER OTHER CIRCUMSTANCES

Since the programme entails frequent visits to communities, transport is cardinal in the management of RWSSP. Late release of quarterly project funds has greatly affected the

effective implementation of the RWSS programme. The Ministry needs to expedite the provision of the promised vehicles and motorbikes to districts to improve programme implementation.

Variations in Government/donor partners' willingness to adopt a flexible approach to procure and financing of TC: The TC delivery model in this case study is one in which the TC provider and recipient manage and control the utilisation of TC based on demand. Conditions in which the TC provider is in total control of the delivery of TC would alienate the beneficiary from ownership of the project.

4.2.7. LESSONS LEARNED

Too often capacity development concentrates at the centre to the exclusion of the implementing and user level, which tends to limit the effectiveness of TC for CD. The communities also expressed eagerness that their financial management capacity should be developed so that they receive development aid directly and not through other third party bureaucratic channels.

The programme also underscores the fact that social mobilisation, through local leaders, is very important before any programme/project is undertaken. Sufficient community awareness can be created by use of civic, traditional and elected community leaders. This in turn improves community participation which has been generally poor in some of the communities. In addition the bottom-up process in project identification and participation in implementation inculcates a sense of ownership.

4.3. GOOD PRACTICE 3: ORGANISATIONAL CHANGE MANAGEMENT

NATIONAL WATER SUPPLY AND SANITATION COUNCIL (NWASCO), COMMERCIAL WATER UTILITIES (CUS) AND DEVOLUTION TRUST FUND (DTF)

4.3.1. BRIEF DESCRIPTION OF INTERVENTION

Before the water sector reforms, which were heightened in the 1990s, water supply and sanitation services in some of the townships were under the mandate of the MEWD-DWA. Although the major towns and cities managed their own water and sanitation facilities, service delivery remained poor. The main issues were:

- Lack of a comprehensive sector policy or strategy to guide sector organisations in the performance of their tasks;
- Unclear roles and responsibilities for the water sector leading either to duplication of efforts or gaps in some areas;

- Deteriorating infrastructure as a result of poor maintenance and lack of new investments, with most of the investment being provided by external support agencies;
- Erratic and insufficient funding through Government with little impact of Government institutions on the ground;
- Increasing pollution of water resources among other environmental problems, particularly in the mining areas;
- Non-existence of comprehensive legislative framework for managing water (no sector policy on Water Resources Management (WRM) and Water Supply and Sanitation (WSS); the Water Act from 1948 was outdated and did not cover WSS); and
- Lack of stakeholder involvement and ownership by consumers and users.

There was need therefore to address the poor performance of the institutions addressing a number of factors as listed above, including low cost recovery and overstaffing with personnel not adequately qualified. A complete overhaul of institutional arrangements was necessary to bring about an organisational change management. This is a success story of NWASCO, Commercial Utilities and Devolution Trust Fund (DIF), where a mixed TC between CP and Government worked together to foster an organisational change management in viable professionally run entities.

Summary of TC objectives: The TC objectives were to address the poor performance of the institutions charged with the responsibility of service provision with an institutional change management that is focused on full cost recovery, sustainability through good governance and financial management.

Main feature of the design: The main features of the design was to produce permanent structures (Figure 3) that would transform the water supply and sanitation sub-sector through institutional change management with a focus on full cost recovery, efficient delivery, transparency, and sound financial management. These permanent structures are:

- (i) *NWASCO*, established by the Water Supply and Sanitation Act 1997, is an autonomous regulator for WSS services provision. Its functions comprise the establishment of a regulatory regime in order to oversee improvement of efficiency and sustainability of the provision of WSS services. NWASCO was designed to sustain itself through collection of fees from the providers (presently 2% of the turnover, billed consumption) to cover its costs. This has almost been achieved (Table 5). International TA works with local staff on-the-job to develop regulatory tools, which serves as a capacity building opportunity for NWASCO.

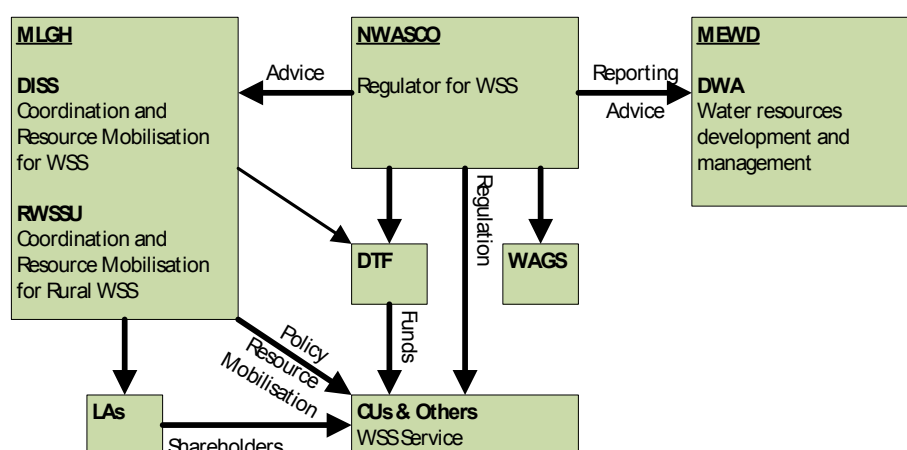
Table 5: NWASCO Cost coverage (Based on Actual Cash/Technical Assistance received)

Details	2000	2001	2002	2003	2004	2005	2006	2007
GRZ	37%	30%	23%	10%	15%	18%	10%	1%
Licence Fees	5%	43%	56%	54%	75%	94%	104%	98%
External Assistance	61%	3%	7%	7%	5%	1%	2%	3%
Others	2%	3%	5%	5%	4%	7%	4%	4%
Expenditure (K million)	1,456	1,182	1,330	1,456	1,580	1,950	3,230	4,632

(ii) On *Commercial Utilities (CUs)*, the LAs opted for the establishment of CUs, as provided for in the WSS Act. No. 28 of 1997, through which they can deliver the services. CUs are actually private companies according to the company laws of Zambia, wholly owned by the LAs as shareholders and registered under the Companies Act. Tariff calculations and recommendations (to NWASCO) are successfully separated from the involvement of politicians and private sector participation is strongly encouraged.

(iii) The *DTF* was established under NWASCO as a basket fund by a statutory instrument based on the WSS Act of 1997. The DTF focuses on service provision to the urban poor thereby promoting low cost technology. The decision making on investments by DTF is separated from NWASCO's. DTF is considered an appropriate instrument to reach the MDGs for the urban poor through which CPs are participating.

Figure 3: Permanent Structures of the Water Supply and Sanitation Sub-Sector



Type of TC: The type of TC involved both investment and TA. Most commercial utilities found in place dilapidated infrastructure which needed overhaul. Similarly, NWASCO needed to be established and made operational and US\$450,000 was initially required for purchase and refurbishment of office space, furniture and workplace installations as well as transport. In this regard, three CPs pooled resources towards the initial working capital of

the Regulator. An advisor (TA) was attached to NWASCO on a full-time basis and has continued to support the Regulator to date.

Summary of which Government Agencies and donors support the intervention: MEWD, Ministry of Local Government and Housing (MLGH), National Commission for Development and Planning (NCDP), Ministry of Health (MoH), Ministry of Tourism, Environment and Natural Resources (MTENR), Environmental Council of Zambia (ECZ), National Council for Scientific Research (NCSR), Ministry of Works and Supply (MWS), Ministry of Agriculture, Food and Fisheries (MAFF) and Cabinet Office Policy Analysis and Coordination Division (PAC). Donors that supported the intervention are Germany, Norway and Ireland, with funding partly from Government.

4.3.2. EMPIRICAL EVIDENCE OF SUCCESSFUL CD RESULTS

The evidence for successful CD results is seen through the institutional change into new institutions of NWASCO established in 2000, 10 CUs established over the period of 1988 to 2007 (Table 6), and DTF in 2001. These institutions are now fully established and operational, all receiving significant interventions with the assistance of CPs.

Table 6: External Support to CUs in Zambia

Details	Start	Connections	Towns Serviced	External Support
Nkana WSC	2000	75,364	7	WB/AfDB*/China
Lusaka WSC	1989	48,676	1	AfDB*/WB
Kafubu WSC	2000	35,135	3	WB/Danida/ Germany/China
Southern WSC	2000	24,461	17	WB/Germany
Mulonga WSC	2000	21,083	3	WB/Danida/ Germany
Lukanga WSC	2006	10,610	6	AfDB
Chambeshi WSC	2003	9,480	12	Ireland
Chipata WSC	1992	5,522	1	Germany
North Western WSC	2000	5,587	7	Germany
Western WSC	2000	7,409	6	(Danida/Germany)

Source NWASCO, 2007;

* AfDB support to Nkana and Lusaka WSCs ended in 2003

This institutional change management with significant involvement of TC for CD has led to national urban water coverage of about 68%, with CUs responsible for service provision for 92% of the urban population (NWASCO, 2007).

4.3.3. DESCRIPTION OF IMPLEMENTATION ARRANGEMENTS AND PROCESS

During the process, a new institutional framework was elaborated, through the involvement of all stakeholders, that addressed specific areas including gender mainstreaming in water supply and sanitation. Similarly, a new legal framework was also elaborated in order to translate the institutional framework into law. It attributed functions and power to the different existing and new institutions (e.g. NWASCO), outlined arbitration procedures and provided for the establishment of sub structures and instruments (Figure 1). Thus, the WSS Act 1997 for example provided for the establishment of NWASCO-WSS regulator and the CUs.

The temporary institutions created such as the WSS Programme Coordination Unit's (PCU's) task was to re-organise the WSS sector (rural and urban). It was chaired by the Permanent Secretary of the Ministry of Energy and Water Development (MEWD), consisting of initially 9 members and later 10 drawn from Government ministries and agencies. The PCU established sub-committees and working groups for specific issues and areas. The secretariat of PCU was the Water Sector Development Group later named Water Sector Reform Support Unit (WSDG/WSRSU), which was established to implement reforms by proposing policy/strategies and a new institutional and legal framework. These temporary institutions were later replaced by permanent institutions (Figure 1).

4.3.4. ANALYSIS OF COUNTRY CONDITIONS THAT HELPED ACHIEVE SUCCESS

First, the growing dissatisfaction of the consumers on the performance of service delivery institutions was a key problem Government had to address by putting in place a National Water Policy to provide a policy framework for the reforms. In carrying out the reforms Government showed political will through the establishment of an inter-ministerial body (PCU). In addition, the external support from CPs, where some provided funds and others Technical Assistance (TA), assisted to achieve success through a non-pooled TC type.

Observations (Challenges): The challenges for CUs have been the outstanding debts inherited at the beginning of operation, as some are still facing liquidity problems stemming from Government failure to meet its commitments. Other factors are use of seconded personnel from LAs, retention of qualified staff, lack of capitalisation, as well as bearing the VAT burden on inputs.

4.3.5. SUMMARY OF DONOR PARTNERS' ROLE IN ACHIEVING SUCCESS

The Secretariat of PCU received financial support from Germany, Norway and Ireland with some additional support from World Bank and UNICEF. The PCU operated for 6.5 years with an annual budget of US\$350,000 to 500,000. Whereas the management of CUs, NWASCO and DTF are Zambian run, the CP provided TC and infrastructure investment

directly. The TA was non-pooled but designed and implemented jointly with the relevant Government agencies. Some long-term TA was integrated into the relevant institutions such as NWASCO and DTF. For example, the TA at DTF assisted in development of systems, structures and procedures for the management of the basket fund and thus ensured transfer of knowledge to the local staff.

4.3.6. SUMMARY OF CONDITIONS AND FACTORS THAT MAY PREVENT WIDER ADOPTION OF THIS APPROACH UNDER OTHER CIRCUMSTANCES

In this example, the TC model used was mixed where financial resources and TA were directly involved in the process. Perhaps this could have been done differently if the TC was fully Government controlled.

4.3.7. LESSONS LEARNED

The water sector reform in Zambia has been considered as a model for other countries in the region and internationally. TAs gave experience from elsewhere and contributed to the following lessons learned:

- Changing the legal and institutional framework and transforming or establishing new institutions needs a realistic time frame;
- Policy makers have to give a clear vision and ensure that guiding principles are available, understood and adhered to throughout the process;
- A temporary reform programme structure should manage the reform with a large degree of autonomy and professionals;
- Sufficient room should be left for adjustments to the process, strategies etc;
- The reform should be organised according to key issues rather than professional fields;
- Transition from a temporary reform structure to permanent institutions has to be carefully managed;
- Many unrealistic expectations and unacceptable practices emerge during the implementation of the reform;
- The sector reform is never completed. There is a need for a permanent sector coordination body;
- Autonomy is essential for restructured and new institutions;
- Due to Government support top management of the new or restructured institutions has been given an important role in the preparation and implementation of programmes;
- The set-up of a CU requires a timely transfer of assets and support;

- Human resource development is crucial for effective operation of CUs;
- The regulatory regime has to be tailored to the specific challenges in the country;
- Delegating the responsibility for WSS to professionals and the private sector is difficult to achieve but feasible; and
- TA through TC is critical for the transfer of knowledge to the local staff.

4.4. GOOD PRACTICE 4: COUNTRY-LED TC IMPLEMENTATION AND MANAGEMENT

WATER RESOURCES ACTION PROGRAMME (WRAP)/PARTNERSHIP FOR AFRICA'S WATER DEVELOPMENT (PAWD) PROJECT

4.4.1. BRIEF DESCRIPTION OF INTERVENTION

Due to the poor performance of the institutions charged with the management of the water sector, Government realised the need to reform the Water Sector, which started in the 1980s. In the Water Resources Management (WRM) sub-sector, Government had therefore carried out several revisions of the existing water legislation, which culminated in the Water Bill, 1997. However, finalisation of the legal and institutional frameworks could not be achieved because of limited capacity and because these processes were taking place within Government. Therefore, in 1998, government decided to establish the Water Resources Action Programme (pre-WRAP phase), outside the Ministry of Energy and Water Development (MEWD).

The WRAP is a reform programme of the WRM sub-sector aimed at supporting the National Water Policy (1994) by developing a comprehensive legal and institutional framework for the use, development and management of water resources in a sustainable manner. At the same time, during the Johannesburg Summit on Sustainable Development in 2002, it was agreed that countries should prepare National Integrated Water Resources Management (IWRM) and Water Efficiency (WE) Plans by 2005. As a result, in 2004, the Zambian Government, through the MEWD, with facilitation by the Zambia Water Partnership (ZWP), a Zambian chapter of GWP and GWP-SA, and PAWD started developing the IWRM/WE Plan for sustainable management of the country's water resources. PAWD became the ninth component of WRAP, building on the draft Water Action Plan (WAP) and hence considered together in this case study.

This is the story of country-led water resources reforms through WRAP in which the Management Team was complemented by full time TA from German Technical Cooperation and several international and local short-term TA. The cooperating partners supporting WRAP were Germany, Norway, Ireland, Denmark, and the World Bank. Similarly, PAWD was a country led project implemented under a public-civil (NGO) partnership to assist in the Water Resources reform process. Financial assistance from the Canadian International

Development Agency (CIDA) was channelled through the Global Water Partnership (GWP) to the ZWP which facilitated the process on behalf of Government.

Summary of TC objectives: The WRAP objective to which the TC subscribed to was to develop a new legal and institutional framework for water resources. The PAWD project's goal, on the other hand, was to add value to WRAP through development of IWRM/WE Plans through multi-stakeholder platforms and consultations.

Main feature of the design: The main outputs of WRAP were definition of an enabling environment for water resources management; institutional framework and roles, revision of the existing National Water Policy and proposal of a new Water Resources Management Act, and development of sustainable instruments for water resources management. In order to achieve these outcomes, WRAP has to be a participatory process involving, among other things, country wide stakeholder consultations accompanied by a record number of capacity building activities, mainly for the WRAP Team.

Similarly, PAWD used the multi-stakeholder platform created by ZWP as an avenue for facilitating, through wide stakeholder participation utilising both top-down and bottom-up approaches, on behalf of the MEWD, during the formulation of the national IWRM and Water Efficiency Plan, which has been integrated into the Fifth National Development Plan (FNDP).

In both WRAP and PAWD the Government of Zambia and the external CP support agencies agreed that both processes should be dynamic, interactive and participatory between water management authorities, sector ministries/institutions and other stakeholders concerned and should contain strong component of capacity building and country wide stakeholder consultations. This was the main feature of the design through which the TC for CD was effective.

Type of TC: In the case of WRAP, TC took different forms of support that were timely:

- Financial assistance (NORAD, DCI, Germany, Danida);
- Short and long-term TA (WB, Germany, Danida); and
- Training (WB, Germany, Danida).

For PAWD, the TC was in two forms:

- Financial assistance (CIDA, Canada); and
- Development of IWRM/WE plans (Zambian Short-term Experts; GWP Technical Resource Group), training and guidance (GWP, GWP-SA, ZWP).

In both WRAP and PAWD, the TC was not Government controlled as it had its own administrative and management structure. However, both were aligned to the government needs, as the teams were composed of Zambian personnel.

Summary of which Government Agencies and donors support the intervention: Ministry of Energy and Water Development DWA, Water Development Board, Ministry of Finance and National Planning, Ministry of Agriculture and Cooperatives, Ministry of Transport and Communication (Meteorological Department), Ministry of Local Government and Housing DISS, and Ministry of Tourism, Environment and Natural Resources. The CPs for WRAP included Germany, Norway, Ireland and Denmark. Other financial assistance came from the World Bank.

For PAWD in addition to the above, other organisations which participated included Zambia Sugar Company, the Government owned Zambia Daily Mail, Chalimbana Catchment Conservation Organisation, GWP, GWP-SA, ZWP. Canada (CIDA) was the sole financier.

4.4.2. EMPIRICAL EVIDENCE OF SUCCESSFUL CD RESULTS

The evidence of the success of the capacity development is seen through, among others, the following (WRAP, 2001-2008):

- Conceptualisation and finalisation of new Institutional and Legal Framework, Water Resources Management Bill (bill peer reviewed by a team of international consultants brought in by Danida; bill subjected to a consultancy financed by DCI);
- Improved Water Resources Management Information System (comprehensive data base for water rights established at the Water Board and on-the-job training carried out; equipment and training for information officers for all the Provinces); and
- Developed draft Water Action Plan for the transition phase (preparation for the enactment and establishment of the new legal and institutional framework).

For PAWD:

- Draft of the IWRM/WE Implementation Plan for the FNDP's water and sanitation chapter and water related programmes in other chapters;
- Water issues integrated into the FNDP.

Capacity was built in the WRAP Team, sometimes with attendance by other stakeholders (e.g. Ministry of Justice, MoJ), through:

- Training courses on National and International Water Resources Law, IWRM, Negotiation Skills in the context of Shared Watercourses, use of Water Resources Information Systems, conflict resolution, governance and effective regulation, and legal and institutional framework for water resources;
- Study tours to Namibia, Australia and China (to assist in the development of the legal and institutional framework) and participation in several international conferences and events.

Whereas PAWD offered training courses at local, national and regional levels on conflict resolution and negotiation skills for IWRM, water financing, water for environmental flows and gender mainstreaming in IWRM etc, which resulted in human capacity building in excess of 150 individuals in IWRM and led to an awareness of key and cross-cutting issues in Water Resource Management such as HIV/AIDS.

In both WRAP and PAWD, training has inculcated a positive change among the Management Team members with an increase in commitment to work, goal oriented, efficiency, improvement on organisational skills, and follow-ups in the execution of tasks.

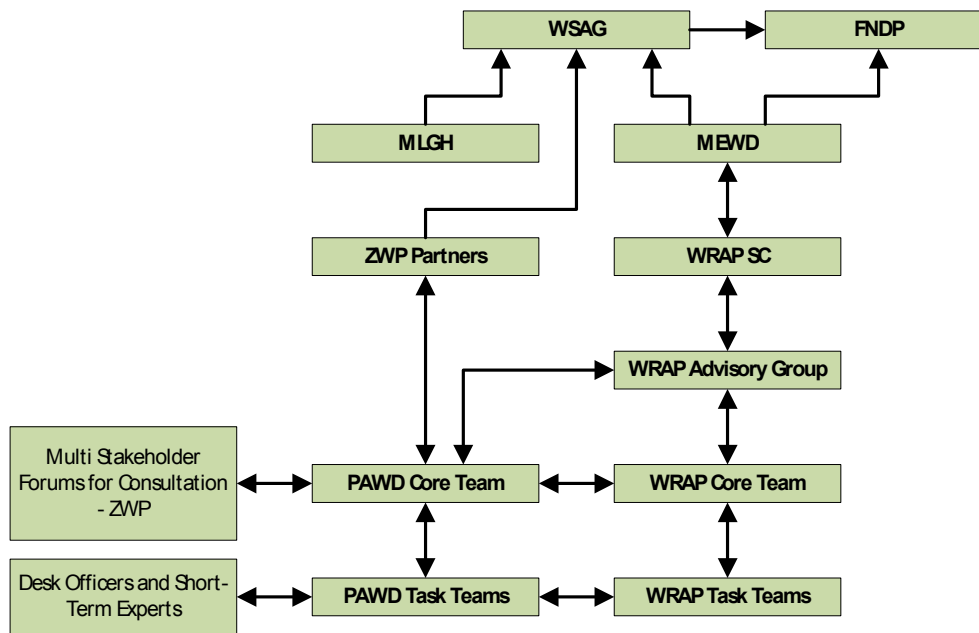
4.4.3. DESCRIPTION OF IMPLEMENTATION ARRANGEMENTS AND PROCESS

Implementation of WRAP started in 2001. WRAP implementation arrangements and process were administered as given in the structure (Figure 4 - right side). The WRAP Management Team was composed of an external Programme Manager and eight specialists that comprised seconded personnel from Government as well as private sector to ensure a balanced composition of the team. The team was complemented by support staff and full time TA from GTZ and several international and local short-term TA. The Team developed proposals submitted to the Advisory Group (WRAP Core Team), then to WRAP Steering Committee for approval. The committee chaired by the Permanent Secretary in MEWD, ensured political support to the reform process.

For PAWD, project management structure (Figure 4 - left side) consisted of a Project Management Team headed by a PAWD Manager who was complemented by one support staff and a Task Team (technical committee). The Management Team was supervised by ZWP Secretariat (Chair, Coordinator and Treasurer). The developed IWRM /WE Plans were approved by PAWD Core Team (Project Steering Committee). Reporting lines to Government were outlined through the linkage to the WRAP reporting system and to the Water Sector Advisory Group.

During WRAP/PAWD-IWRM process (2004-2006), the Government of Zambia also developed its Fifth National Development Plan (FNDP 2006-2010). The chapter on water and sanitation was approved by the Water Sector Advisory Group (WSAG) Forum (Figure 4). WSAG is the Government led highest forum of stakeholders drawn from public, private and civil sectors which helps to harmonise policy and programme implementation and improve sector coordination mechanism.

Figure 4: Management Structure of WRAP and PAWD Project Implementation Process



Through this process, the submitted programmes from the IWRM / WE Plan Document and from WRAP became part of the seven IWRM Core Programmes and related poverty programmes which are in the FNDP. A draft IWRM /WE Implementation Plan is available to implement the Water and Sanitation Chapter of the FNDP including water related programmes in other sectors of the FNDP.

4.4.4. ANALYSIS OF COUNTRY CONDITIONS THAT HELPED ACHIEVE SUCCESS

The governance systems of both WRAP and PAWD (Task Team, Advisory Group, Steering Committee) provided a transparent mechanism which ensured a system of checks and balances was always in place. This built confidence in the CPs to participate in the process. This combined with the political will through water sector reforms, and later government's commitment to developing the FNDP through WSAG also helped to achieve success in both capacity building and the draft documents.

Observations (Challenges): With the movement towards the pooled government controlled TC, it will remain a challenge for donors to commit themselves unless Government puts in place change management institutions that have private sector management skills. The apparent low funding from Government and the non-acceptance of water as the driver of the economy are still the major challenges.

4.4.5. SUMMARY OF DONOR PARTNERS' ROLE IN ACHIEVING SUCCESS

Donors and lending institutions provided the financial support to the programme (Table 7), in some cases a TA. However, the Management Team was drawn from Zambians.

Table 7: WRAP Financial Commitments excluding GRZ (USD)

Donor	2001	2002	2003	2004	2005	2006	Total
Norway	222,146	357,786	397,256	328,461			1,305,649
Ireland		59,800	55,015	110,030	110,030		334,875
Germany		183,750	179,349	272,874	272,874	136,437	1,045,284
Denmark		-	-	225,000	225,000		450,000
World Bank		511,000					511,000
Total	222,146	1,112,336	631,620	936,365	607,904	136,437	3,646,808

GWP and GWP-Southern Africa (SA) provided guidance, technical support and capacity building during the process. CIDA provided financial assistance of US\$1 million (2004-2007) through GWP, Stockholm, completely controlled by the CP.

4.4.6. SUMMARY OF CONDITIONS AND FACTORS THAT MAY PREVENT WIDER ADOPTION OF THIS APPROACH UNDER OTHER CIRCUMSTANCES

If the TC was Government controlled, this approach may not have worked in the light of inadequate up-to-date financial and management systems in the sector. In addition, though some improvements have been made, the water resources sub-sector should continue to:

- Reinforce coordination of the different actors in the sector;
- Move towards management of international / shared watercourses;
- Enhance conflict prevention / resolution; and
- Work towards provision of enabling environments for institutional arrangements.

4.4.7. LESSONS LEARNED

The main lesson learned in the process is that through training, human capacity can be strengthened which can bring about change to individuals. In addition the two programmes have built capacity in other stakeholders through:

- Ensuring participation by key actors: the process of consultations ensured the active participation of actors at community, district, provincial and national levels.
- Building ownership particularly on the Water Resources Management Bill and IWRM/WE country-wide consultations: ensuring integration into the national development process and building ownership that will ensure implementation.
- Taking the process to other on-going initiatives and existing opportunities, i.e. integrating into the FNNDP process and moving the IWRM/WE plan into an implementation plan.

- Sustaining coverage by the media was necessary in order to create understanding of IWRM and the process.

4.5. GOOD PRACTICE 5: COMPLEMENTARITY OF TC AND OTHER SUPPORT

HUMAN CAPACITY DEVELOPMENT IN IWRM (ESTABLISHMENT OF UNZA IWRM CENTRE)

4.5.1. BRIEF DESCRIPTION OF INTERVENTION

The University of Zambia was established in 1966 in order to train Zambians in various fields at degree level after Zambia realised its lack of manpower at this level after independence. It was in this regard that technical schools such as Engineering and Mines were added to the University. To build capacity Government relied on TC in many cases by bringing expatriate lecturers to lecture in various fields at the university. One such example is in the early 1980s when Danida supported curriculum development and training in the fields of hydrogeology and geochemistry at undergraduate level, through which capacity was built.

Many Zambians who were trained in these water related fields took up the challenge. With the assistance of the University of Zambia, Government led staff development fellowships complemented by various other fellowships and scholarships such as the Canadian Commonwealth Scholarship and DAAD, staff went on to gain post-graduate qualifications at Masters level and PhDs in largely sectoral fields and disciplines including water (surface- and ground-water). For example, in 2007, twenty-five Zambians completed their Masters and PhDs under the SDF programme. These men and women are now running the training, research and consultancy in the water sector and related fields. In response to the identified needs for capacity building within the water sector, Danida has supported UNZA to set up an IWRM Centre.

This is the story of the University of Zambia Integrated Water Resources Management Centre established in 2006, through which human capacity building will be undertaken to bridge the gap between the sectoral type of training and a multi-disciplinary inter-sectoral trained personnel that will be able to manage water in an integrated manner. This is a good example of both how long interventions are needed in human capacity building and how the needs change over the length of the interventions.

In the 1980s Danish support was fully CP controlled and given directly to TA (Lecturers), whereas today a mixed model of TC (controlled by both Danida and Government) involves twinning of UNZA IWRM Centre with Danish universities, which will be working together with their UNZA counterparts to develop curriculum at post-graduate level, and support Masters and PhD research in IWRM. In the 1980s the need was to develop an indigenous

group of academics who could take up the educational jobs to provide high level education for a larger group of Zambian students.

This was accomplished through the expatriate lecturing capacity (TC). Today some of these students are part of the UNZA stock of lecturers, together with others who were trained both in Zambia and abroad. The present day needs are different. The TC involves support to twinning with capacities in Denmark as well as other relations to universities in the region and abroad. The support is aimed at expanding the scope of courses offered to include IWRM in a more direct manner.

Summary of TC objectives: The University of Zambia has mandated the IWRM Centre to be the Centre of Excellence through Education, Training and Research in Integrated Water Resource Management with a vision of “providing expertise in IWRM through education, including continuing education and training, carry out advanced research, and high quality professional consulting services in Zambia and the southern African region”.

The Danish TC objective was therefore to assist in establishing the Centre at UNZA, and through twinning with Danish universities develop curricula for training at post-graduate level, undertake research through Masters and PhDs and staff exchange. Linkages have been extended to ETH of Zurich in Switzerland.

Main feature of the design: The scope of work of the IWRM Centre focuses on coordination of development of curricula for in-service training and post-graduate education and research in IWRM, working towards the resulting courses gaining formal recognition in the educational system in Zambia. Under the Danish support, funds will be paid to the Ministry of Finance and National Planning (MoFNP). MEWD will then access the funds from MoFNP, and UNZA IWRM Centre will in turn access funds from MEWD. Whereas there is a TA attached to the MEWD, there is none at UNZA but they can access the same TA at MEWD.

The Danida support’s first output is to establish the IWRM Unit at UNZA through which the following will be undertaken:

- Developing tailor-made in-service training courses on IWRM;
- Developing a new formal post-graduate diploma course in IWRM, and a post-graduate diploma in hydrogeology;
- Supporting and supervising applied research projects;
- Supporting and supervising up to 2 PhD projects and 8 MSc projects;
- Supporting 8 faculty exchanges under a twinning arrangement with Danish universities.

The Centre, however, will build on its mandate to develop links with other institutions, and execute other programmes and projects supporting capacity building and research in IWRM in Zambia as well as in WSS. It is in this regard that the Centre has already developed an

MoU with the Department of Environmental Sciences at the Swiss Federal Institute of Technology, Zurich, on a joint research programme called "ADAPT". A call for a Master of Science in IWRM at UNZA for a Zambian student, fully funded by the ADAPT project, was announced in February 2008. In addition, the Centre, since May 2007, is involved in a three-year research on "Competing for Water: Conflict and cooperation in local governance" being carried out in collaboration with the Danish Institute of International Studies and International Water Management Institute (IWMI) of Southern Africa. The results are expected to influence WSS policy at local, district, provincial and national level.

Type of TC: The TC for CD is based on supporting the development of curricula for training at post-graduate level, undertaking research through Masters and PhDs and staff exchange between UNZA and Danish universities, providing a mixed TC model controlled by both Danida and Government.

Summary of which Government Agencies and donors support the intervention: Ministry of Energy and Water Development / DWA, Water Development Board, Ministry of Finance and National Planning, Danida, Danish Geological Survey and Danish Technical University.

4.5.2. EMPIRICAL EVIDENCE OF SUCCESSFUL CD RESULTS

The Development of the Centre is still in its infancy and its success will be measured by the number of graduates. However, the following specifics have been set-up:

- Centre housed in School of Mines and Coordinator appointed;
- Technical Working Group appointed; and
- One Master of Science position announced with support from the ADAPT project of Swiss Federal Institute of Technology, Zurich, Switzerland, to start in May 2008.

4.5.3. DESCRIPTION OF IMPLEMENTATION ARRANGEMENTS AND PROCESS

The IWRM Centre is part of UNZA's organisation and formally reports to the UNZA Chancellor through the Dean of School of Mines. The Coordinator will draw up a work plan for the running of the Centre, while reporting to the Dean of School of Mines and the Deputy Vice-Chancellor.

The operation of the Centre will be monitored and supervised by an IWRM Technical Group comprising representatives of relevant schools at UNZA (currently Schools of Education, Law, Humanities and Social Sciences, Engineering, Agricultural Sciences, Natural Sciences and Mines), key stakeholders in the water sector, Danish universities and the cooperating partners supporting the Centre.

The Centre will report to a National IWRM Steering Committee to be established by MEWD. As indicated in the main features section, the Centre will receive funds from Danida through MEWD.

4.5.4. ANALYSIS OF COUNTRY CONDITIONS THAT HELPED ACHIEVE SUCCESS

The realisation by the Government of Zambia to adopt IWRM in the management of the water resources through the National Water Policy of 1994 was a key factor that helped to achieve success. This was accelerated by the IWRM focused on-going water sector reforms in Zambia, which comprised the Water Resources Action Programme (WRAP), the water supply and sanitation sub-sector reforms, e.g. National Rural Water Supply and Sanitation Programme, the Kafue Dialogue, Kafue Flats Integrated Water Resources Management Strategy, in which the CP (Danida) has been involved before, and which provided confidence for the CP to support the initiative. Others are that UNZA already hosts the Zambia Water Partnership at the School of Mines, with focus on championing IWRM in Zambia, as well as the Partnership for African Water Development (PAWD) on the development of the IWRM /WE Implementation Plan supported by CIDA. The adoption of the FNDP in 2006 also helped to achieve success.

Observations (Challenges): Major constraints will be on the coordination of the activities of the Centre, which in its initial stages has to work hand-in-hand with the Ministry of Energy and Water Development.

4.5.5. SUMMARY OF DONOR PARTNERS' ROLE IN ACHIEVING SUCCESS

Danida support of up to US\$1,400,000 for a four-year period has been committed. Technical support is expected to come from the twinning with the Danish universities and a TA from COWI based at the MEWD. ADAPT project of Swiss Federal Institute of Technology, Zurich, will also provide financial support to post-graduate training and research.

4.5.6. SUMMARY OF CONDITIONS AND FACTORS THAT MAY PREVENT WIDER ADOPTION OF THIS APPROACH UNDER OTHER CIRCUMSTANCES

The main condition and factor that may prevent wider adoption is if the resulting courses do not gain a formal recognition in the educational system in Zambia. A Government fully controlled TC may prevent wider adoption of this process, as the mixed TC approach seems to give confidence to Danida to continue with the process.

4.5.7. LESSONS LEARNED

The main lessons learned in the project proposal and implementation were:

- Use of sector capacity needs study that clearly indicated human capacity needs of over 100 annually;
- Aligning to national vision and water policy direction focused on adoption of IWRM structures as a way to manage water in Zambia, which may be turned into law when the Water Resources Management Bill is passed in Parliament and assented to by the President;
- Changing people's attitudes towards working as a team through the multi-disciplinary Technical Group involving Schools of the University of Zambia, MEWD, Danish universities and Danish Embassy.

4.6. GOOD PRACTICE 6: ORGANISATIONAL LEARNING AND SUSTAINED CHANGE

THE GEORGE COMMUNITY EMPOWERMENT PROGRAMME (GCEP)

4.6.1. BRIEF DESCRIPTION OF INTERVENTION

The absence of public water supply in high density and low-income peri-urban areas like the George Complex (consisting of 8 compounds) prompted this intervention. The Government's Fourth National Development Plan (1989-1993) had identified the provision of permanent supplies of water of acceptable quality and quantity as a priority. One of its strategies to achieve this objective was to construct, improve and expand existing water supply facilities.

To implement the project the Government requested the Japanese Government for assistance. The intervention consisted of Japanese Grant Aid funding for the construction of piped water system with groundwater as the source in order to supply safe water to the George Complex Community.

A key feature of the intervention was the incorporation of sustainability of the water supply system in the design of the JICA funded George Community Empowerment Programme. The programme sought to ensure sustainable operation and maintenance of the new water supply system by fostering a partnership between the CP, Area Based Organisations (ABO), Lusaka City Council, CARE (an NGO) and Lusaka Water and Sewerage Company (LWSC). The programme also entailed capacity building of these organisations through improvement of the overall management system and raising awareness among beneficiary community members.

4.6.2. EMPIRICAL EVIDENCE OF SUCCESSFUL CAPACITY DEVELOPMENT RESULTS

Capacity development brought about by the JICA intervention has led to establishment of a sustainable water supply and management system resulting in improved living and hygiene

conditions and reduction of the prevalence of waterborne communicable diseases. This is indicated by comparing the period before the intervention and the period after the intervention.

Before the intervention the programme area was frequently stricken by epidemics, notably cholera, largely caused by the use of unsanitary hand-dug wells due to lack of a proper water service. The public experienced water shortages and where there were supply lines frequent outages and low pressure.

After the intervention George Complex water supply system is a successful sustainable community-based water supply scheme in Zambia. Other indicators of successful capacity development include the following:

- The water supply scheme is able to sustain itself;
- All staff, with the exception of the Project Manager who is employed by the LWSC, are employed by the scheme;
- The scheme is able to meet all operational and maintenance expenses for all its equipment and facilities;
- The water scheme is able to meet 100 percent of depreciation requirements for equipment with an economic life of eight years.

4.6.3. DESCRIPTION OF IMPLEMENTATION ARRANGEMENTS AND PROCESS

The Fourth National Development Plan (1989-1993) provided the policy framework on which the Government made its request to the Japanese Government to support the water supply and sanitation project for George Complex. The Japanese Government responded by commissioning, through JICA, a design study to examine the feasibility of the project.

The implementation framework involved a partnership of Government, the CP, Lusaka City Council, Lusaka Water and Sewerage Company, CARE PROSPECT (an NGO) and the beneficiary community. This partnership provided complementary inputs in terms of funds, personnel, technical skills and knowledge that ensured successful implementation. The implementation model exemplified is one where the CP's TC and country stakeholders synergised to produce real and lasting capacity development.

Two important factors helped create the synergy required for success. Firstly, CARE had previously worked in George Complex and had acquired useful knowledge of the work environment and key players who needed to be involved before the GCEP commenced. Secondly the Participatory Analysis and Needs Assessment conducted at the initiation of the GCEP with all stakeholders helped to establish working relationships and expected future roles in the project.

Utilising their established community skills and knowledge CARE carried out a Participatory Analysis and Needs Assessment that established the most critical needs of the community through the Area Based Organisations (ABOs), as well as other stakeholders such as JICA, Lusaka Water and Sewerage Company and Lusaka City Council. In addition CARE assigned two of its staff – a Coordinator and a Senior Community Development Officer – to be responsible for Institutional Capacity Building.

Lusaka Water and Sewerage Company provided its technical and financial expertise and skills in helping build technical and financial management capacity of the project.

The beneficiary community contributed through direct participation in the implementation from inception.

4.6.4. ANALYSIS OF COUNTRY CONDITIONS THAT HELPED ACHIEVE SUCCESS

- The existence of policy frameworks within the Government and Lusaka Water and Sewerage Company that helped shape a common vision;
- JICA's policy of supporting water and sanitation projects with CD content and promoting community empowerment facilitated community ownership of the programme;
- The Lusaka Water and Sewerage Company lent its existing capacity to support all financial management aspects of the project;
- Community appreciation of the benefits of water supply and willingness to pay for the service guaranteed sustainability of the project by enabling the water scheme to meet its operational and maintenance expenses, including meeting insurance, depreciation provision and contributing to the maintenance and replacement funds. This is particularly important in realising one of the seven water sector principles, cost recovery.

4.6.5. SUMMARY OF DONOR PARTNER'S ROLE IN ACHIEVING RESULTS

The CP supported the necessity for improvement of the water supply for the satellite areas as identified in the Fourth National Development Plan (1989-1993) by the Government.

The CP provided the grant aid to the project and supported the basic design study to establish the feasibility and rationale of the project in response to the request by the Government.

The CP developed a strong working relationship with local institutions such as CARE, Government, Lusaka City Council, Lusaka Water and Sewerage Company and local Area Based Organisations.

JICA implemented the project in collaboration with CARE PROSPECT, an NGO with proven capacity in implementing social service provision in general and promoting community participation on water projects in particular.

JICA provided TA to work with CARE PROSPECT, aimed at enhancing community participation, and provided linkage between Lusaka Water and Sewerage, Lusaka City Council and CARE on the one hand and JICA on the other. The Japanese TA was a professional community development worker with previous experience of having worked in George Complex and CARE.

4.6.6. SUMMARY OF CONDITIONS AND FACTORS THAT MAY PREVENT WIDER ADOPTION OF THE APPROACH UNDER OTHER CIRCUMSTANCES

One of the telling features is the structure of the TC characterised by joint CP and local control. If the TC model consisted only of TC control the chances are that sustainability would be difficult to attain and replication would be solely dependent on the CP, leading to TC being less effective.

Consistency in local support was vital in building rapport between the project managers and the community. Frequent changes would not endear the community to the project.

4.6.7. LESSONS LEARNED

- The existence of policy and a national development plan helps to guide CP assistance;
- Identifying local institutions with existing capacity to support the project imparted knowledge and competencies to the community;
- Involvement of the beneficiary in the project process promotes local ownership and protection of the project;
- Sensitisation of communities about the benefits to be derived from the project is important in ensuring sustainability, including inculcating the value of cost recovery through awareness campaigns;
- True capacity development occurs when beneficiaries are able to take over the project and operate it successfully;
- Findings of the study suggest that TC is more effective where the beneficiaries have input in identifying needs and in the procurement of TC. The procurement methods that emphasise maximum use of local input and counterpart training will tend to build longer lasting capacity than that which has a higher proportion of external influence.

4.7. OVERALL SUMMARY OF LESSONS LEARNED

The overall summary of lessons learned draws on the analysis, findings and good practice examples at the national and water and sanitation sector levels, summarising the main factors and conditions that help and/or impede TC contributing to sustainable CD.

4.7.1. NATIONAL LEVEL:

Institutional Factors

- Gauging the effectiveness of TC for CD requires that information and data are easily retrievable for analysis as well as for monitoring and evaluating. Current inadequate information and data at national and sector levels incapacitate the ability of development managers to plan and manage for sustainable CD. The maxim “if you cannot measure it you cannot manage it” should be a guiding principle for development managers. The ZDAD, when fully developed and interfaced with line ministry databases, will provide a useful tool for planning, monitoring and evaluating TC for CD;
- Development of a policy framework, such as the FNDP, JASZ and Zambia Aid Policy, endorsed by a consultative process, assures stakeholder and political support and serves to help TC contribution to sustainable CD. In this regard clear policy is important as it provides stakeholders, including TC providers, guidance on Government’s intended actions and direction on how resources should be managed and used. It is, therefore, necessary that government formulates a TC policy framework;
- The lack of a coordinating framework for TC is an impediment to its contribution to sustainable capacity development. A diffusion of TC providers and the multiplicity of TC delivery models characterised by individual CP home country aid policies, conceptual outlook, management and procedural styles has transaction cost implications. In the absence of clear Government guidelines on TC solicitation, recruitment, contracting/procurement, management, monitoring of performance and evaluation, some CPs have tended to drive TC for CD on what they consider “felt needs” in the country;
- TC personnel are more effective when beneficiary institutions are involved in the procurement process, such as setting Terms of Reference (ToR) and evaluation of TC personnel curricula vitae. Effectiveness is also enhanced when TC personnel operate within the existing institutional structures and adhere to existing communication channels. International TC is also more effective when working with designated counterparts;
- Improvements on governance, transparency and accountability encourage CPs to share responsibility and control of TC procurement and management, which helps TC contribution to sustainable CD;

- One of the most serious impediments to effective TC for CD is the HIV and AIDS factor. The high incidence rate at about 16 percent (FNDP) is a significant threat to sustainable CD. In addition the slow pace of public service reform and change in conditions of service for civil servants has led to capacity flight to the private sector and abroad, where opportunities are appreciably better.

Organisational Factors

- Political support for TC for CD is vital. The National Water Policy and the seven guiding principles were endorsed by Cabinet and fully supported by the CPs;
- There is no national planning framework for overall CD needs. The compartmentalisation of CD identification among key line ministries has led to uncoordinated human resource development;
- Bureaucratic structures and arrangements as experienced in certain types of TC procurement tend to affect implementation of projects at the grassroots level. There is also concern that identification of overall TC requirements is sometimes done at the central government level, removing ownership from the eventual beneficiaries. In this regard implementation of the Decentralisation Policy through a Programme Based Approach, as agreed between Government and CPs, will help address the capacity development at the grassroots level to initiate TC demand.
- Some interviewees stated that too often for some projects capacity development concentrates at the centre to the exclusion of the lower implementing and user level, which tends to limit the effectiveness of TC for CD. In one interview an example was made of one community wanting their financial management capacity to be developed so that they receive development aid directly rather than through other second parties.

4.7.2. WATER AND SANITATION LEVEL:

Institutional Factors

- Clarification of roles and responsibilities among sector institutions is an important facilitative factor for TC as it minimises institutional rivalries. The longstanding conflict in the interpretation of responsibilities between MEWD and MLGH has an adverse effect on CPs' long term support;
- Identification of training needs based on development plans and strategies is an important facilitating factor for TC contribution to sustainable CD;
- The existence of national water policies and national programmes like the NRWSSP and WRAP provide a facilitative framework for TC. The success of the water and sanitation sector reforms and improved performance of NWASCO, DTF and the Commercial Utilities are examples.

Organisation Factors

- TC is most effective when the beneficiaries are involved from the beginning in the identification of their needs and CD gaps and design of TC delivery, rather than when decisions are generated from the top, as indicated by the example on Kafue District and George Compound Empowerment Projects. Involvement of the beneficiary in the project process promotes local ownership and protection of the project thus helping TC's contribution to sustainable capacity development;
- True capacity development occurs when beneficiaries are able to take over the project and operate it successfully as is the case with the George Compound Empowerment Project;
- Initial sensitisation of communities about the benefits to be derived from a project is important in ensuring sustainability of the project, including inculcating the value of cost recovery through awareness campaigns (e.g. The George Community Empowerment Programme);
- Identifying local institutions with existing capacity to use the project imparts knowledge and competencies to the community and helps sustainability of CD, as in the case of the George Community Empowerment Programme where the Japanese CP worked in partnership with a local NGO (CARE) and the local commercial utility and the local council;
- Changing the legal and institutional framework and transforming or establishing new institutions needs a realistic timeframe and political support; policy makers have to give a clear vision and ensure that guiding principles are available, understood and adhered to throughout the process. This is demonstrated in the example of good practice on the creation of the National Supply and Sanitation Council (NWASCO), the Commercial Utilities (CUs) and Devolution Trust Fund (DTF), which has resulted in improved service delivery after water sector reforms were implemented over time, supported by German and other TC ;
- Ensuring participation by key actors assists ownership by local leadership as in the case of Danida supported TC in Kafue District, which has highlighted the process of consultations leading to active participation of actors at community, district, provincial and national levels.

4.7.3. DETAILED FINDINGS FROM EXAMPLES OF GOOD PRACTICE

4.7.3.1. EXAMPLE 1: COUNTRY-LED TC PLANNING – THE CASE OF THE RURAL WATER SUPPLY AND SANITATION UNIT IN MLGH

Institutional arrangements that are established to implement processes and programmes need to be strengthened through appropriate TC for CD. The Rural Water Supply and Sanitation Unit (RWSSU) is an example of a local institutional arrangement supported by

appropriate TC that produced tangible results. This requires clear political support and a national programme on how the sector would develop.

The CPs' readiness to support the reform programme played a crucial role, especially through provision of TA, policy support, equipment and hire of international and local consultants which filled the gap while MLGH was reorganising itself.

4.7.3.2. EXAMPLE 2: FLEXIBLE AND RESPONSIVE TC DESIGN - THE CASE OF KAFUE DISTRICT RURAL WATER SUPPLY AND SANITATION PROGRAMMES

Too often capacity development concentrates at the centre to the exclusion of the implementing and user level, which tends to limit the effectiveness of TC for CD. This project addresses this problem. The communities also show eagerness that their financial management capacity is developed so that they receive development aid directly and not through other bureaucratic channels.

Social mobilisation is very important before any programme/project is to be undertaken. This in turn improves community participation which has been generally poor in some of the communities;

Bottom-up process in project identification and participation in implementation installed a sense of ownership and hastened project completion on time;

Sufficient community awareness can be created by use of civic, traditional and elected community leaders.

4.7.3.3. EXAMPLE 3: ORGANISATIONAL CHANGE - THE CASE OF THE NATIONAL WATER SUPPLY AND SANITATION COUNCIL (NWASCO), COMMERCIAL WATER UTILITIES (CUS) AND DEVOLUTION TRUST FUND (DTF).

The water sector reform in Zambia has been considered as a model for other countries in the region and internationally. TAs gave experience from elsewhere and contributed to the following lessons learned:

- Changing the legal and institutional framework and transforming or establishing new institutions needs a realistic timeframe;
- Policy makers have to give a clear vision and ensure that guiding principles are available, understood and adhered to throughout the process;
- A temporary reform programme structure should manage the reform with a large degree of autonomy and professionals;
- Sufficient room should be left for adjustments to the process, strategies etc;

- The reform should be organised according to key issues rather than professional fields;
- Transition from a temporary reform structure to permanent institutions has to be carefully managed;
- Many unrealistic expectations and unacceptable practices emerge during the implementation of the reform;
- The sector reform is never completed. There is a need for a permanent sector coordination body;
- Autonomy is essential for restructured and new institutions;
- Due to Government support top management of the new or restructured institutions has been given an important role in the preparation and implementation of programmes;
- The set-up of a CU requires a timely transfer of assets and support;
- Human resource development is crucial for effective operation of CUs;
- The regulatory regime has to be tailored to the specific challenges in the country;
- Delegating the responsibility for WSS to professionals and the private is difficult to achieve but feasible; and
- TA through TC is critical for the transfer of knowledge to the local staff.

4.7.3.4. EXAMPLE 4: COUNTRY-LED TC IMPLEMENTATION AND MANAGEMENT - THE CASE OF THE WATER RESOURCES ACTION PROGRAMME (WRAP)/PARTNERSHIP FOR AFRICA'S WATER DEVELOPMENT (PAWD) PROJECT

The main lesson learned in the process is that, through training, human capacity can be strengthened which can bring about change to individuals. In addition the two programmes have built capacity in other stakeholders through:

- Ensuring participation by key actors: the process of consultations ensured the active participation of actors at community, district, provincial and national levels.
- Building ownership particularly on the Water Resources Management Bill and IWRM/WE country-wide consultations: this ensured integration into National Development process and built ownership that will ensure implementation.
- Taking the process to other on-going initiatives and existing opportunities integrated it into the FNDP process and moved the IWRM/WE plan into an implementation plan.
- Sustaining coverage by the media was necessary in order to create understanding of IWRM and the process.

4.7.3.5. EXAMPLE 5: COMPLEMENTARITY OF TC AND OTHER SUPPORT - THE CASE OF HUMAN CAPACITY DEVELOPMENT IN IWRM IN ZAMBIA (ESTABLISHMENT OF UNZA IWRM CENTRE)

The main lessons learned in the project proposal and implementation were:

- Use of sector capacity needs study that clearly indicated human capacity needs of over 100 annually;
- Aligning to national vision and water policy direction focused on adoption of IWRM structures as way to manage water in Zambia, which may be turned into law when the Water Resources Management Bill is passed in Parliament and assented to by the President;
- Changing people's attitudes towards working as a team through the multi-disciplinary Technical Group involving Schools of the University of Zambia, MEWD, Danish universities and Danish Embassy.

4.7.3.6. EXAMPLE 6: ORGANISATIONAL LEARNING AND SUSTAINED CHANGE - THE CASE OF THE GEORGE COMMUNITY EMPOWERMENT PROGRAMME (GCEP)

- The existence of policy and a national development plan helps to guide CP assistance;
- Identifying local institutions with existing capacity to support the project imparted knowledge and competencies to the community;
- Involvement of the beneficiary in the project process promotes local ownership and protection of the project;
- Sensitisation of communities about the benefits to be derived from project is important in ensuring sustainability of the project including inculcating the value of cost recovery through awareness campaigns;
- True capacity development occurs when beneficiaries are able to take over the project and operate it successfully;
- Findings of the study suggest that TC is more effective where the beneficiaries have input in identifying needs and in the procurement of TC. The procurement methods that emphasise maximum use of local input and counterpart training will tend to build longer lasting capacity than that which has a higher proportion of external influence.

4.7.4. THE ROLE OF DEVELOPMENT PARTNERS

CPs have a crucial role to play in facilitating or impeding TC contribution to sustainable capacity development. For instance, on the one hand CPs have a role to play in contributing

to policy dialogue and development by providing TC that assists the process, through contracting consultants, study tours and workshops. Where local expertise and competences are identified they should be used to retain the capacity developed in the country.

In the Zambian situation CPs contribute in the process of TC and CD through:

- Dialoguing with the Government through the Lead Donors or the Water Sector Advisory Group (WSAG) when developing policy strategies and institutional frameworks which form the basis for effective TC implementation;
- Providing technical support and advice during consultations with Government in the formulation stages of the TC programmes and projects;
- Supporting Government during the drawing up of ToR for TAs, and consultants and procurement of the TAs and consultants; and
- Consultations and exchanging of views with Government on any challenges that may occur during the implementation of TC programmes.

On the other hand, while there is general agreement about the implementation of the principles of JASZ, in practice there is less willingness to adjust to the requirements by some CPs largely due to fiduciary and governance concerns. This contributes to the confusion on the implementation of the JASZ and detracts from the local managers taking leadership and ownership of the programmes.

5. OVERALL CONCLUSIONS, ISSUES IDENTIFIED & RECOMMENDATIONS

This section summarises, at the national and water and sanitation sector levels, the main conclusions, key issues and recommendations.

5.1. OVERALL CONCLUSIONS

This section summarises the main conclusions based on findings at the national and water and sanitation sector levels.

5.1.1. NATIONAL LEVEL OVERALL CONCLUSIONS

Government and the CPs have made a lot of progress by formulating the JASZ based on the Paris Declaration on Aid Effectiveness. The operation of JASZ is assured by the commitment of CPs to align their aid to the requirements of the FNDP. Inadequate human and institutional capacity at various government levels has been noted and recognised as a serious problem and constraint for effective TC for CD. One of the first steps lies in building management information systems that capture not only ODA but also TC data as well as human resources capacity needs.

Much progress has been made in formulating clear medium and long term development plans and policies which CPs have adopted in planning their assistance through the JASZ. However, in order to build local leadership and ownership of the development agenda, local officials need to acquaint themselves with the principles of the PD and JASZ to effectively play their expected roles.

It is clear that there is a diffusion of Government institutions dealing with TC whose activities are not nationally coordinated. Consequently the restricted flow of TC information between them has contributed to less than optimal utilisation of TC for CD. A coordinating mechanism to deal with TC that cuts across sectors would contribute to maximisation of TC use and reduce duplication. It would also ensure that human resources development managers contribute fully to planning TC.



Improved governance, transparency and accountability in the use of TC foster closer cooperation and partnership between Government and TC providers which also develops local leadership and ownership of the TC process.

5.1.2. WATER AND SANITATION SECTOR LEVEL OVERALL CONCLUSIONS

There is a general consensus among interviewees that TC in the water and sanitation sector is playing an important role in CD at central, district and community level. TC design and delivery is increasingly moving towards shared responsibility between Government and CPs. This has been assisted by clear water and sanitation sector policies and strategies such as the National Water Policy, seven sector principles, Water Resources Action Plan (WRAP), National Rural Water Supply and Sanitation Programme (NRWSSP) and FNDP.

On the basis of these documents Government is able to engage CPs in initial policy dialogue, wider stakeholder consultations, framing of ToRs and hiring of consultants and experts using mutually recognised procurement procedures. For some CPs that remain largely in control of TC procurement, the conditions for even greater cooperation would seem to be further assurances on strengthening of governance structures, transparency and accountability in the administration of TC at all levels.

Currently planning, procurement and use of TC as an effective tool for CD is hampered by a host of constraints that include lack of appropriate TC policy and records for planning, monitoring and evaluating of TC in the sector and weak human resource and institutional capacity. Other factors include poor conditions of service and uncompetitive remuneration for professionals, which undermine the sustainability of CD efforts as trained personnel leave for other opportunities. The HIV and AIDS pandemic also poses a serious threat to sustainable CD.

There has been no comprehensive study of the effectiveness of TC for CD delivered to the water and sanitation sector. This will need to be done to guide the formulation of an appropriate TC policy for development managers and project implementers.

At the implementation and beneficiary level findings from the examples of good practice suggest that for effective TC for CD in the water and sanitation sector to take place there is need for the following:

- TC must invest in capacity building of policy development processes and institutions, as was the case with the Programme Coordination Unit (PCU) water sector reform process. Political support and autonomy of such a process is likely to result in positive change;
- TC providers and Government should invest time in initial consultative processes that capture key stakeholder interests, as was the case with the National Water Policy of 1994 and the FNDP formulation processes. Such consultative processes build

sector knowledge and exchange of ideas on the one hand and stakeholder support and ownership of outputs on the other;

- At programme and project implementation level TC providers should as a matter of course attempt to identify and engage existing country capacity in order to build synergic structures with beneficiary communities. TC is likely to be more effective where the beneficiaries have input in identifying needs and in the procurement of TC. The procurement methods that emphasise maximum use of local input and counterpart training will tend to develop longer lasting capacity than that which has a higher proportion of external influence;
- Effectiveness of TC for CD should be measured by the ability of beneficiaries to sustain programmes and projects long after TC support has ceased, as in the case of the George Compound Empowerment Project.

5.2. ISSUES IDENTIFIED

5.2.1. NATIONAL LEVEL ISSUES

Inadequate national level TC information and data: The ZDAD has yet to be fully developed to provide separate and specific TC data by type and distribution. This imposes severe restrictions on the analysis of the impact of TC at a national level. Work on the ZDAD and developing links with the line ministry databases should be accelerated, especially as it is supported by TC. A system of follow up on information submitted by line ministries and CPs should be institutionalised by strengthening the human resource capacity at MoFNP and line ministries.

Lack of a TC policy framework: There is no recognised national TC policy framework to guide decision makers in line ministries on the procurement, management and use of TC. The FNDP, Zambia Aid Policy and Strategy and other policy documents that have been issued by PSMD, for instance, could form the basis for formulating such a policy as well as a TC Coordination Mechanism.

There is a multiplicity of TC providers and TC delivery models, characterised by individual CP home country aid policies, conceptual outlook, management and procedural styles. There are as many TC delivery models as there are CPs. This adds to the transaction costs of TC. Signing of the MoU of the JASZ should enable the CPs to accelerate alignments that will reduce transaction costs for the mutual benefit of Government and CPs.

Inadequate JASZ awareness: In the ministries contacted most of the managers are not aware of the Paris Declaration on Aid Effectiveness and are yet to understand the *Joint Assistance Strategy for Zambia (JASZ)*. This is an impeding factor that could prevent development managers and implementers from taking up ownership and leadership of programmes and projects and serve as effective partners to CPs. This inadequate awareness requires that the MoFNP embarks on a programme for wide dissemination of key documents such as the

JASZ and Aid Policy and Strategies about expected roles and responsibilities of local development managers and implementers in planning, designing and delivering TC. While more managers at the central government level may have a notion of the principles of the PD and JASZ, fewer managers at lower levels are aware of the concepts and their intended purposes.

Human Resource Development Strategy: The PSMD's "Training Needs for Ministries, Provinces and Other Government Institutions for the Period 2006-2010" is a useful facilitative framework for addressing CD needs in the public service as a whole, however, more needs to be done to disseminate its contents to all stakeholders, including CPs, so that it can be used wherever there is a need for consistent planning and procurement of TC for CD.

Multiplicity of TC procurement and flow of funds modalities: There are still marked differences in the modalities of how TC is arranged by different CPs. The range is from open tendering for national experts using the procurement rules of the CP, to open European Union tendering, to using the GRZ procurement system – at least for local consultants. Use of transparent and accountable procurement systems have assisted to build most CPs' fiduciary confidence leading to shared responsibility and control of TC.

With regard to flow of funds each CP at present uses its own procedures, ranging from direct project funding managed by consultants/contractors to direct disbursement to Districts or through the MoFNP. Government and CPs must dialogue and arrive at a satisfactory alignment of the modalities.

Inadequate coordination of national level TC: There is inadequate co-ordination and sharing of TC information for CD between key organisations such as the Public Service Management Division (Cabinet Office), MoFNP, Ministry of Foreign Affairs (MoFA), Ministry of Education (MoE) and line ministries and CPs. While line ministries are best placed to deal with their specific sector needs there is still a role for a national coordination mechanism for TC that is cross-cutting and not particularly sector specific.

5.2.2. WATER AND SANITATION SECTOR LEVEL ISSUES

Serious capacity and human resource gaps: There are serious capacity gaps in the water and sanitation sector in Zambia. The capacity gaps in terms of numbers of staff and their qualifications are greatest at the district level and in the Commercial Water and Sewerage Utilities.

The Public Service Training Needs Identification Plan (PSTNP) could be used as a tool to design TC for CD in the water and sanitation sector. The Water Sector Advisory Group (WSAG) should take up the issue of institutional and human resource CD deficits identified in the PSTNP and Capacity Study and establish required numbers in the water and sanitation sector as a priority. The resulting output could then be a basis for a TC framework for CD in the sector. Identification of actual CD requirements should include central government, local authorities, regulatory and commercial utilities and community levels.

Inadequate sector level TC information and data: As is the case at the national level, a breakdown of TC by type, e.g. consultants/experts, training/scholarships, suffers from inadequate organised information and database in the MEWD and MLGH. Documents containing needed information are not stored in a systematic manner for easy retrieval. The two ministries should embark on institutionalising information and databases as a matter of urgency for future planning, monitoring and evaluation of TC for CD.

Leadership and ownership of TC: Overall the new developments in TC procurement are a significant shift from the position in the past where Government was obliged not to refuse external offers of TC personnel, including those that government officials concluded were unnecessary and a drain on ODA. Dialogue and partnership in designing TC, joint framing of ToRs for TA and use of local and international procurement procedures have enhanced TC effectiveness. This trend should be further developed.

Conditions that have influenced TC trends and patterns in recent years have partly been the improvement in policy and sector information and adherence to good governance principles in implementing projects.

Inadequate political support for appropriate institutional arrangements: Water and sanitation institutional arrangements that are established to implement processes and programmes need to be strengthened through political support and appropriate TC for CD. The restructuring of the Rural Water Supply and Sanitation Unit (RWSSU), the long delayed Water Resources Management Bill and implementation of the Decentralisation Policy are examples of institutional arrangements that require expedient political and TC support to achieve desired CD.

The capacity challenges of decentralisation: The devolution of authority to the Local Authorities has brought with it capacity challenges. The *Sector Capacity Study, 2007* for the water and sanitation sector has indicated that there are serious capacity gaps in terms of numbers, qualifications and skills at the District level and also in the Commercial Utilities. The capacity issues need to be examined holistically from the district perspective with its various Government Departments, for example the Department of Water Affairs, Agriculture and the Commercial Utilities have qualified personnel who form part of the District capacity. The base, therefore, for CD in LAs to manage and coordinate the various departments already exists in districts.

The pending Water Resources Management Bill under the MEWD has capacity implications not only for WRM but also for WATSAN sector management and coordination. It is to be expected that there will be CD implications and changes (or additional responsibilities) in the way the water and sanitation sector will be managed. Another development with capacity implications is the current decentralisation programme and the process in which all the relevant laws are being reviewed to ensure that the legal framework adequately supports its implementation.

5.3. KEY RECCOMENDATIONS

The following key recommendations in this section are based on findings at national and sector levels as well as the examples of good practice. The recommendations seek to address the issues and impeding factors identified in the preceding sections.

5.3.1. NATIONAL LEVEL

- (i) **ZDAD:** The Ministry of Finance and National Planning (MoFNP) Department of Economic and Technical Cooperation (ETC) should complete the development of the ZDAD as a planning tool for all assistance to Zambia. Information on ODA should be disaggregated to help analysis, monitoring and evaluation of ODA components including TC;
- (ii) **TC information:** The MoFNP should ensure that the collection and submission of organised and useful information on financial assistance and TC by line ministries and CPs is institutionalised to improve planning of TC for CD at national level. Officials to be responsible for such information should be formally appointed in line ministries;
- (iii) **TC Policy Framework:** MoFNP should commission a study on TC provision which would form a basis for a clear and specific TC policy and coordination framework to guide stakeholders on the procurement, management and use of TC;
- (iv) **TC Coordination Mechanism:** MoFNP should initiate a national TC Coordination Mechanism involving key CD institutions such as the PSMD, MoE, MoFA and CPs for better coordination of national level TC for CD;
- (v) **Training and Awareness:** The MoFNP should conduct dissemination and sensitisation workshops on JASZ and the Zambia Aid Policy and Strategy for sector ministries and local authorities to improve leadership, ownership and management of aid resources at policy and implementation levels;
- (vi) **Introduction of SWAp:** Government and CPs should accelerate the introduction of SWAps in sector ministries and dialogue with some CPs that have continued to fund sector programme budgets outside the SWAp to adjust to the approach.
- (vii) **Human Resource Development Strategy:** It is recommended that the PSMD in collaboration with sector ministries should develop a comprehensive national human resource development (HRD) strategy utilising already existing studies and policies that can be used to guide TC for CD.

5.3.2. WATER AND SANITATION SECTOR LEVEL

- (i) ***Institutional Rivalry:*** Cabinet should resolve the long standing institutional conflict between the Ministry of Energy and Water Development (MEWD) and the Ministry of Local Government and Housing (MLGH) as a matter of urgency as the rivalry has a detrimental effect on effective TC provision by CPs;
- (ii) ***Quantification of Training Needs:*** The Water Sector Advisory Group (WSAG) should harmonise the Public Service Training Needs Identification Plan (PSTNP) and the Sector Capacity Study findings and quantify required TC for CD in the water and sanitation sector. This should also inform the TC policy formulation process;
- (iii) ***Information Management Systems:*** MEWD and MLGH should establish water and sanitation management information systems, databases, as well as reference libraries for project and programme documents in order to resolve the information constraints impeding effective TC research and planning for CD;
- (iv) ***Appropriate Institutional Structures:*** The WSAG should review the vacancies in MEWD and MLGH and the appropriateness of existing structures to fully perform their functions and recommend appropriate action to government;
- (v) ***Legal and Planning Uncertainties:*** Cabinet should quickly resolve the delay in passing the Water Resources Management (WRM) Bill which is generating uncertainty in CD planning in the water and sanitation sector.

APPENDIX 1: TERMS OF REFERENCE

Ministry of Finance and National Planning

Terms of Reference for the Local Consultant for the Country Study

Zambia is a signatory to the Paris Declaration on Aid Effectiveness, which has led to the development of the Joint Assistance Strategy for Zambia, as a guiding document in the implementation of the Fifth National Development Plan (FNDP). Following Zambia's progress in the harmonisation agenda, the country has been selected to participate in a ten-country study on Effective Technical Cooperation for Capacity Development.

Working with the Cooperating Partners, the Government of Zambia now wishes to engage a local consultant to implement the Country Study on Effective Cooperation. The study shall be limited to the Water and Sanitation Sector and will be coordinated by a Joint Committee of Government and Cooperating Partners. Since it is a global study, the overall study will be implemented with the collaboration of an International Consultant.

Scope of Services

The local Consultancy is a two-person assignment for a total of 25 working days, commencing 15th January 2008. Both the Team leader and Team Member will be qualified and experienced professionals with practical knowledge of the Zambian Water and Sanitation Sector. Furthermore, the consultant is expected to have experience in capacity development work.

The overall objectives of the study are to assess the current capacities of the various stakeholders dealing with water and sanitation and recommend a harmonised process by which all stakeholders can provide capacity development in a cost-effective way. The Specific tasks to be undertaken are given below but must be read in conjunction with the generic Terms of Reference for the Global Study attached as Annex i:

1. Study the Standard Joint Study Design and Framework developed by the international Consultants and should then prepare the Country Case Study Design and Concept; based on the standard framework provided (these will provide background information for the case study), but adapting this common framework and questions in ways that suit country-specific circumstances, so that the local learning needs are met as fully as possible;
2. The Local Consultant is expected to make a short review of the Framework and Study Design and Methodology documents and make utmost use of already-existing information and documents and interviews with the partner countries and donors;
3. Conduct a review of the situation of Technical Cooperation (TC) in the country; this will involve conducting an overview of the current situation of TC in the country such as; volume, types, major donors of TC; country policy on TC; current practices of delivery, coordination, alignment of TC etc.

4. The Local Consultant is expected to look at TC within a broader context of efforts toward CD by both partner country and donors. This shall be done by examining not only the delivery of specific TC but also such issues as alignment, coordination among TC providers, complementarity with other aid modalities for CD, political and institutional context of the country, country leadership and so on;
5. The case study area will be Water and Sanitation Sector, which has been selected by the country in close consultation with donors; the study will examine the capacity needs in Water and Sanitation Sector and how TC is carried out and how it has contributed to such CD needs in this sector; the case study aims at examining what works and why, for TC to effectively contribute to Capacity Development (CD), based upon empirical evidences;
6. The Local Consultant is expected to examine whether and how the causal framework is functioning in Water and Sanitation Sector in the case study. The questions for the case study are thus to be developed around the causal framework in a way to adapt it to Water and Sanitation Sector. In order to conduct an in-depth study on these, representative cases shall be selected and studied. Based upon the in-depth study of the representative cases, Local Consultants are to analyse contributing and impeding factors for the contribution of TC to CD and to extract lessons learned;
7. The Local Consultant shall also review the report of the Sector Capacity Study Water and Sanitation carried out with the support of Danida in 2007.
8. Collect data and document findings of the study process and outcomes and maintain close communications with the Country Management Team so as to fully reflect their views, experiences, and learning needs;
9. The Local Consultant is expected to keep close communication with the International Consultant to ensure coherence and quality of the study as a whole; this being a global study; and
10. The Local Consultant is expected to provide action-oriented recommendations for making better use of TC for CD.

MoFNP

PSMD

APPENDIX 2: DONOR FUNDED PROJECTS AND PROGRAMMES (RWSS)

Table A: Examples of Donor Funded Projects and Programmes

Programme/Project Description	Financing Agency	Executing Agency	Timeframe	Cost (million)	ZMK billion
Northern Province Rural Water Supply & Sanitation Programme. Construction & rehabilitation of RWWS infrastructure; provision of household, school, and health centre sanitation; health & hygiene education; capacity building of WASHE Committees	DCI	MLGH/	2000-2002	Euro 5.8	28.98
		DISS	2002-2005	Euro 5.4	28.98
Central Province Rural Water Supply & Sanitation Project. Construction or rehabilitation of 2,550 boreholes; sanitation support; health education support; catchment protection; community mobilisation and training; & institutional support	AfDB	MLGH/ DISS	2002-2007	UA12	67.2
GRZ/UNICEF: WASHE Project. Construction & rehabilitation of 10,000 water facilities; school latrines; health, hygiene & nutrition education; capacity building of WASHE committees.	UNICEF	UNICEF/ MLGH	2002 - 2006	US\$12	50.4
GRZ/UNICEF: Construction & rehabilitation of water facilities	UNICEF	MLGH (under design)	2006 - ?	US\$18	75.6
Rural Water Supply Project North Western Province. Construction of 400 new boreholes & hand dug wells; school latrine improvement;	Germany (KfW)	MLGH/ DISS	2005 - 2007	Euro 7.2	39.48

Programme/Project Description	Financing Agency	Executing Agency	Timeframe	Cost (million)	ZMK billion
health and hygiene education; O&M systems at local & district level.					
Rural Water Supply Project Eastern Province – Phase II. Construction of 820 boreholes & wells; establishment of O&M systems; health & hygiene promotion.	Germany (KfW)	MEWD/ DWA	2001 – 2006	Euro 11.2	61.32
Rural Water Supply Project Eastern Province – Phase III. Physical targets to be established but include construction & rehabilitation, O&M systems; health & hygiene promotion & capacity building of WASHE Committees.	Germany (KfW)	MEWD/ DWA	2007 – 2009	Euro 8	43.68
Ground water development & sanitation improvement in drought prone rural areas. 300 boreholes; hygiene and health promotion.	Japan	MEWD/ DWA	2001 – 2003	JY 1,570	54.6
Support to Northern & Luapula Provinces.	AfDB	MLGH	2007 – 2010	UA 15	92.4
Luapula Province WATSAN Programme.	Water Aid	MLGH	2006 – 2010	UK£3	23.94
Groundwater Development & Sanitation Improvement in Northern Province. 196 boreholes; hygiene & health promotion; community management.	Japan	MEWD/ DWA	2005 – 2006	JY809	28.14

Programme/Project Description	Financing Agency	Executing Agency	Timeframe	Cost (million)	ZMK billion
Sustainable Operation and Maintenance Project for Rural Water Supply (SOMAP) Phase 2: Dissemination of SOMAP Operation and Maintenance (O&M) model,	Japan	MLGH/ DISS	2007 - 2010	USD 0.86	3.24
Sustainable Operation and Maintenance Project for Rural Water Supply (SOMAP). Operation and Maintenance (O&M) activities and capacity development in Mumbwa and Monze.	Japan	MLGH/ DISS	2005 -2007	USD0.70	2.63
The Project for Groundwater Development in Luapula Province. Drill 200 boreholes, support capacity building on operation and maintenance activities.	Japan	MLGH/ DISS	2008 - 2010	N/A	N/A
Support to GRZ in operationalising its policies for RWSS & Implementation of RWSS activities at 12 districts in Western, Lusaka, & Southern Provinces.	Danida	MLGH	2006 - 2010	DKK 121	84
To Develop effective MIS & M7E system for RWSS in Zambia; WATSAN services, institutional development.	DCI/RNE	MLGH	2005 - 2008	Euro 4.6	24.78
Support to sector development for RWSS Unit.	WB/Irish Aid	MLGH	2007 - 2010	US\$ 1.5	6.3

Source: Ministry of Local Government and Housing.

Table B: Projects and Programmes under MEWD

Project and Programs	TC	Date Started	2005	2006	2007	2008
Integrated Water Resources Management	Danida	2006		USD 180,000 /K748,800,000	-	USD 2,422,000 /K 9,348,920,000
Isotope Techniques for Water Resources Quality Assessment	IAEA	2004		K141,000,000		
Water Resources Action Program	Currently Germany & EU only	2008		K 100,000,000		K 50,000,000
	GTZ	2002				
	NORAD	2001				
	DCI	2001				
	World Bank	2002				
	Danida	2004				
Rural Water Development-Eastern Province	JBG	1998				
Rural Water (Luapula Water Development)	JICA					
Groundwater Resources for Southern Province	Ongoing (BGR)	2005	€280,000	€320,000	€330,000 /K 147,786,199	K 100,000,000

Source: Ministry of Energy and Water Development

Note: Amounts in Kwacha are counterpart funding to these projects and programmes. The Ministry does not have information on how much is released each year. Information on the total cost of the project may be available but on how much money comes in each year can be obtained from the TC. For the amounts in Euros under item 6, the figures were obtained from the TA who is currently within the project.

Table C. Water Sector Performance Improvement Project: Indicative Cost – Table

Support	US\$ million
MLGH	
Support to MLGH for institutional capacity building to meet its enhanced responsibilities with respect to developing coordinating mechanism between the GRZ and donors for the water supply and sanitation	1.1
Sub-total (including taxes and duties)	1.1
LWSC	
Support to Development Financing Agreement for Performance Enhancement (DFA) – works, goods, operational cost support	12.0
Emergency goods and works	6.3
Human resources strategy, training and performance payments	2.0
Preparation of designs, feasibility studies and EIA for capital projects	1.0
PPF	0.6
Sub-total (including taxes and duties)	21.9
Total	23.0

Source: The World Bank

APPENDIX 3: HUMAN RESOURCE CAPACITY BUILDING NEEDS IN THE SECTOR

Programme	Objectives	Strategies	Human Resources Capacity Building
General Administration and Organisation	To effectively manage and develop human resources for efficient performance of the sector To undertake and coordinate the planning, monitoring, and evaluation of energy sector programmes and projects in order to ensure their effective implementation	a) Develop and implement human resources development and Management plan. b) Develop monitoring and evaluation Guidelines.	<ul style="list-style-type: none"> ■ Monitoring and Evaluation ■ Performance Management ■ Human Resource Planning and Forecasting ■ Training Needs Analysis ■ Strategic Planning and Management ■ Research Methodologies
Water Resource Development and Infrastructure Development	To assess, develop, and allocate water resources in the four priority pillars of economic development of agriculture, tourism, environment, mining, manufacturing, and energy	<p>a) Assess water resource in detail in the four pillars of national development, including studies on protection of public health and environment;</p> <p>b) Construct 30 assessment and monitor boreholes per year and rehabilitate existing boreholes in areas where the Government has directed its economic development;</p> <p>c) Construct 4 small dams per year for economic production;</p> <p>d) Rehabilitate and expand dams;</p> <p>e) Water use, irrigation and land use evaluation surveys in peri-urban areas, dambo and settlement schemes in rural areas;</p> <p>f) Provide drought emergency funds for development of water resources, such as boreholes for drought prone areas</p>	<ul style="list-style-type: none"> ■ Water Engineering ■ Hydrology ■ Pipe Water Development ■ Monitoring and Evaluation ■ Bole Hole Drilling ■ Environmental Impact Assessment (EIA) ■ Water Quality Management ■ Sustainable Water Development ■ Water System Modelling ■ Sanitation Engineering ■ Country and Town Planning ■ Dam Construction and Site Management ■ Dam Engineering ■ Water and Environmental Management ■ Water Resource Management ■ Water Supply & Management ■ Public and Environmental Health ■ Water Environmental Assessment and Monitoring

Programme	Objectives	Strategies	Human Resources Capacity Building
Institutional Capacity Building and Enhancement	To promote legal and institutional framework capacity enhancement	<p>a) Legal and institutional framework capacity enhancement (e.g. setting up of the National Water Authority, IWRM unit at national level, catchment councils and water users association), and Marine Meteorological stations;</p> <p>b) Human resource development (recruitment and education and training of personnel to align them into IWRM sphere);</p> <p>c) Stakeholder participation and awareness raising</p>	<ul style="list-style-type: none"> ■ Research and Development ■ Land Surveying and Mapping ■ Public Policy Formulation, Management and Administration ■ Curriculum Development ■ Instructional Material Design and Development ■ Man Power Planning ■ Information, Education and Communication Strategies ■ Public Relations ■ Research and Development ■ Public Private Partnership Development ■ Participatory Approaches ■ Water Rights ■ Sustainable Water Resource Management
Water Resource Management and Information Systems	To develop management information systems for planning, development, allocation, and management of water resources at catchment, national and regional level and to provide safe water and improve coverage in Zambia	<p>a) Establish water resource information systems for planning, development and management;</p> <p>b) Develop catchment management plans;</p> <p>c) Assess water resources at catchment level;</p> <p>d) Rehabilitate dams at catchment level and mobilise communities;</p> <p>e) Assess groundwater based infrastructure at catchment level, such as boreholes;</p> <p>f) Produce weather and water 10-day bulletins;</p> <p>g) Maintain both surface and ground water resource database and the publish yearbooks;</p> <p>h) Implement water resource guidelines and methodology project, including water allocation guidelines;</p> <p>i) Implement conservation, including comprehensive, conjunctive surface and ground water efficiency, ecological protection, etc.;</p>	<ul style="list-style-type: none"> ■ Water Engineering ■ Geographical Information System ■ River Management ■ Water Resource Conservation and Management ■ Information management and Management ■ Strategic Planning and Management ■ Database Management ■ Water Resource Conservation and Management ■ Water and Environmental Management ■ Report/Bulletin Writing Skills ■ Dam Construction, Maintenance and Site Management ■ Monitoring and Evaluation ■ Conflict Resolution and Management ■ Negotiation Skills ■ Project Planning and Management

Programme	Objectives	Strategies	Human Resources Capacity Building
		<p>j) Implement of monitoring network, wetland survey, and in-stream flow requirement studies at catchment level;</p> <p>k) Implement economic accounting;</p> <p>l) Provide gender and IWRM issues support at catchment level;</p> <p>m) Provide conflict management and arbitrate water resources related conflicts and arbitration;</p> <p>n) Conduct NGO and CBO funding assessment.</p>	<ul style="list-style-type: none"> ■ Economic Accounting ■ Mass Communication ■ Sustainable Water Management ■ Meteorology ■ Integrated Water Resource Management ■ Water Resource and Environmental Management ■ Water Supply Management ■ Non-Revenue Water Management ■ River and Dam Engineering ■ Research and Development ■ Monitoring and Evaluation
Water Resource Assessment Programme	<p>To assess surface and groundwater resources country-wide in order to determine the quantity and quality of available water</p>	<p>a) Surface water resource assessment: Rehabilitate and upgrade of 300 hydrometric stations, 6 marine meteorological stations and establishing 10 new stations per year (including data collection); Water assessment (including existing reservoirs); Design & implement National water quality Monitoring Network (including data collection); Forecast flood and drought (including training) in conjunction with the Meteorological Department; Study water quality for threatened areas such as Lusaka, Copperbelt, Luapula, Eastern and Northern provinces;</p> <p>b) Groundwater resource assessment: Observe boreholes for groundwater resource development and assessment; Develop exploration boreholes; Monitor wells and boreholes (ground water level and quality monitoring); Rehabilitate existing groundwater systems, such as monitoring boreholes</p>	<ul style="list-style-type: none"> ■ Groundwater Resource Management ■ Water Environmental Management ■ Conflict Management ■ Research and Development ■ Water Engineering ■ Water Quality Management ■ Flood And Drought Forecasting ■ Meteorology ■ Ground Water Assessment ■ Public Works Maintenance Engineering ■ Information, Education and Communication Skills ■ Monitoring and Evaluation

Programme	Objectives	Strategies	Human Resources Capacity Building
International Waters	To manage and develop shared water resources	<ul style="list-style-type: none"> a) Establish an international waters unit; b) Build up capacity in the unit, e.g. negotiating skills; c) Facilitate the implementation of programmes related to international Waters for example. SADC, ZRA, ZamCOM programmes; d) Oversee policy, legal and institutional framework governing international waters; e) Conduct research and consultancy in international waters to address specific issues and other related activities including stakeholder consultation 	<ul style="list-style-type: none"> ■ Public Policy, Formulation, Management and Administration ■ Research and Development ■ Water Resource Mapping and Modelling ■ Sustainable Water Resource Management ■ Public Relations ■ Negotiation Skills ■ Conflict Management and Resolution ■ International Relations and Diplomacy ■ Information, Education and Communication Skills ■ Public Private Partnership Development ■ Monitoring and Evaluation
Research and Development	To carry out research and development in selected areas in the country for improved planning, regulation and allocation of Zambia's water resources	<ul style="list-style-type: none"> a) Implement, monitor and harmonise legal study on Institutional Enhancement Project and IWRM integration in Office of the Vice President – Disaster Management Unit; b) Implement Policy and Planning Project to bring about Harmonisations of all key sector plans/policies (for example, MACO& MTNER) into one through national consultative forums; c) Conduct water resource mapping, lake and river levels, modelling and development of information systems including use of Remote Sensing and GIS in mapping of selected catchments and hot-spots. Activities include feasibility studies & setting 	<ul style="list-style-type: none"> ■ Project Planning and Management ■ Strategic Planning ■ Research and Development ■ Environmental Impact Assessment ■ Sustainable Water Development ■ Water Management ■ Water Resource Surveying and Mapping ■ Remote Sensing ■ Water Resource Modelling ■ Disaster Management ■ Geographical Information System Mapping ■ Public, Private Partnership Development and Management ■ Participatory Planning and Approaches ■ Sustainable Agro forest Watershed Management ■ Information , Education and Communication Strategies ■ Sustainable Water Technologies

Programme	Objectives	Strategies	Human Resources Capacity Building
		<p>up measuring stations, mapping of impediments to water quantity, quality (e.g. erosion, pollution) where necessary;</p> <p>d) Establish environmental and agro forest watershed management pilots in selected areas;</p> <p>e) Conduct research in development of simple technologies such as rain water harvesting, reclamation, recycling and re-use of waste water discharged; activities include impact assessment, social benefits and evaluation;</p> <p>f) Promote community participation in water and environmental management for economic growth; activities include environmental regulation review, water accounting, EIA review and assessment, NGO/CBO cooperative Implementation, conflict resolution, pilot studies, small-scale irrigation demonstrations and sustainable natural resource management and uses</p>	
Monitoring and Evaluation	To monitor and evaluate the proposed programmes in order to achieve the desired impacts	<p>Carry out:</p> <p>a) Human Resource Development;</p> <p>b) Public Opinion Surveys;</p> <p>c) Conduct Monitoring and Evaluation</p>	<ul style="list-style-type: none"> ■ Monitoring and Evaluation ■ Service Delivery Charters ■ Performance management Systems ■ Performance Indicators Development

Programme	Objectives	Strategies	Human Resources Capacity Building
Urban Water Supply and Sanitation	To provide adequate, safe, and cost-effective water supply and sanitation services	<p>Development and provision of sustainable water and sanitation service to more people in urban and peri-urban areas through:</p> <p>a) Commercialisation, private sector participation and independent regulation;</p> <p>b) Support to the national UWSS development that focuses on enhancing institutional capacities, policy and legal frameworks, and information management for planning and development at national, provincial and district levels;</p> <p>c) Support to investment programmes that aim at increasing access to safe, adequate water supply to 80 percent of the urban and peri-urban population by 2010, and proper sanitation systems to 70 percent for the urban and peri-urban population by 2010;</p> <p>d) Involve service providers in the achievement of investment programmes</p>	<ul style="list-style-type: none"> ■ Water Quality Management ■ Information, Education and Communication Strategies ■ Sustainable Water Resource Management ■ Public, Private Partnership Development ■ Public Policy Planning, Formulation and Management ■ Information Management System ■ Participatory Approaches ■ Strategic Planning and Management ■ Integrated Water resource Management ■ Public and Environmental Health ■ Sanitation Engineering

Programme	Objectives	Strategies	Human Resources Capacity Building
Rural Water Supply and Sanitation	To provide adequate, safe and cost-effective water supply and sanitation services with due regard to environmental issues	Facilitation of universal access to safe, adequate and reliable water supply and sanitation services in rural areas through: a) Institutional support activities to facilitate more effective planning, implementation and monitoring of RWSS, focusing on: Develop a supportive legal framework; Institutional development, including development and implementation of appropriate capacity building at community, district, provincial and national levels; Information Management System (IMS); Advocacy and Publicity; District planning; Sanitation and Hygiene Education; Operation and Maintenance (O&M) systems. b) Capital investment programmes consisting of projects for construction of new facilities and rehabilitation of facilities to secure or safeguard existing coverage, focusing on: Integrated rural water supply and sanitation investment projects in	<ul style="list-style-type: none"> ■ Public Policy, Planning, Formulation and Management ■ Hygiene Education ■ Operation and Maintenance of Water Systems ■ Water Resource Planning ■ Borehole Drilling ■ Strategic Planning and Management ■ Training of Trainers ■ Information, Education and Communication Skills ■ Information Management Systems ■ Public and Environmental Health ■ Monitoring and Evaluation ■ Organisational Development ■ Sanitation Engineering ■ Infrastructure Development and Management

Programme	Objectives	Strategies	Human Resources Capacity Building
		<p>all provinces, with priority given to extension of water and sanitation facilities, and related hygiene education awareness campaigns in the presently under-served Northern, Western, Luapula and Lusaka Provinces; Programmes for rehabilitation of existing facilities</p>	

Source: Public Service Management Division

APPENDIX 4: LIST OF PERSONS CONSULTED

Name	Position	Institution
Mr Ben Chundu	Director	MEWD
Ms C. S. Chishimba	Director	PSMD
Mrs M Mukuwa	A/Director	PSMD
Mr Peter Chola	A/Director	MEWD/DWA
Mr Oswald Chanda	Managing Director	NWASCO
Ms F Simumba	Planner	MEWD/DPI
Mr Peter Lubambo	Director	MLGH
Mr Miyasaka Minoru	Deputy Resident Representative	JICA
Ms Yuki Shibuya	Assistant Deputy Resident Representative	JICA
Mrs Etambuyu Siwale	Head	RWSS Unit
Mr Stephen C. Dollery	National TA	Danida/COWI
Ms Claudia Heim	Consultant	Danida/COWI
Mr Daniel J. Bothma	Consultant	RWSS Unit
Mr Josef Ngosa	Focal Point Person	Kafue District Council
Ms Birgit Pickel	Counselor/Head of Cooperation	German Development Cooperation (GDC)
Mr Helmut Lang	Sector Coordinator Water	GDC
Mr David Ndopu	Director	MoFNP
Ms Chasiya Kazembe	Principal Economist	MoFNP/ETC
Mr Kangacepe Zulu	Data Analyst/ZDAD System Support Administrator	MoFNP/ETC
Mr Chimangata Kashimbaya	Senior Human Resource Manager	Lusaka Water & Sewerage Company
Mr Charles Shindaile	Director Operations	Southern Water & Sewerage Company
Mr Joseph Munalula	Managing Director	Lukanga Water & Sewerage Company
Mrs Mwangala Chiwala	Consultant	Lukanga Water & Sewerage Company/
Mr Stefan Doiner	Consultant	Lukanga Water & Sewerage Company/
Mr Chimwanga Maseka	PAWD Manager	Zambia Water Partnership
Ms Laura Sustersic	Advisor	German Development Cooperation / Water Board

APPENDIX 5: LIST OF DOCUMENTS CONSULTED

1. DTF flyer. The Devolution Trust Fund – reaching the water and sanitation needs of the urban poor
2. Fourth National Development Plan (1989-1993), National Commission for Development Planning
3. Fifth National Development Plan (2006-2010), Ministry of Finance and National Planning
4. HRDC, 2007. Joint study on effective cooperation for capacity development. Conceptual framework, methodology and analytical approach. 17p.
5. Development Co-operation Ireland (DCI), Norwegian Agency for Development Co-operation (NORAD) and Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), 2003. Water Resources Action Programme (WRAP), Mid-Term Review Final Report. Lusaka 44p.
6. NWASCO, 2004. Water Sector Reform in Zambia, Lusaka 37p.
7. NWASCO, 2007. Urban and Peri-Urban Water Supply and Sanitation Sector Report 2006/2007. Lusaka. 45p.
8. Nyambe I. A., 2005. Water Sector Identification and Preparation Study Part 5: Options for collaboration between Zambian and Danish institutions on water sector research – Assessment of human resources in the sector.
9. PSMD, undated. Public Service Training Needs Identification Plan for the Period 2006-2010, Lusaka, Zambia. 180p.
10. Stoltz T. H., et. al. 2007. Sector Capacity Study – Water and Sanitation in Zambia. Lusaka. 113p.
11. Zambia Aid Policy and Strategy, Ministry of Finance and National Planning
12. Central Province Eight Centres Water Supply and Sanitation Project, Quarterly Progress Report No 4/07
13. Strategic Plan for Energy and Water Development (2003-2007), Ministry of Energy and Water Development, November 2003
14. Progress Report on Rural Water Supply and Sanitation Programme, January to December 2007, February 2008
15. Report on the Implementation Process of the Zambia Development and Assistance Database for the Year 2006 – Economic and Technical Cooperation, MoFNP, October 2006