2014

Final Report on Developing Modality for Piloting Sector-wide Approach (SWAp) in WASAs

Policy Support Unit (PSU)
Local Government Division (LGD)
Ministry of Local Government, Rural Development &
Cooperatives (LGDR&C), Government of Bangladesh

Final Report on

Developing Modality for Piloting Sector-wide Approach (SWAp) in WASAs

Submitted to:
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Submitted
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Acronyms

ADP	Annual Development Programme
ASEAB	Association for Socio-Economic Advancement of Bangladesh
CBO	Community Based Organization
CC	City Corporation
CSO	Civil Society Organization
DANIDA	Danish International Development Agency
DPHE	Department of Public Health Engineering
DTW	Deep Tube Well
GoB	Government of Bangladesh
JMP	Joint Monitoring Programme
KII	Key Informant Interview
LCG	Local Consultative Group
LGD	Local Government Division
LGED	Local Government Engineering Department
MAB	Municipal Association of Bangladesh
MDG	Millennium Development Goal
MoLGRDC	Ministry of Local Government, Rural Development and Cooperatives
M&E	Monitoring and Evaluation
NGO	Non-Government Organization
NPWSS	National Policy for Safe Water Supply and Sanitation
NWMP	National Water Management Plan
O&M	Operation and Management
PPCP	Public Private and Community Partnership
PRSP	Poverty Reduction Strategy Paper
PSF	Pond Sand Filter
PSU	Policy Support Unit
RED	Research and Evaluation Division
RWH	Rain Water Harvester
SACOSAN	South Asian Conference on Sanitation
SDF	Sector Development Framework
SDP	Sector Development Program
SHEWA-B	Sanitation, Hygiene Education and Water Supply in Bangladesh
UNICEF	United Nations Children's Fund
WAB	Water Aid Bangladesh
WASA	Water Supply and Sewerage Authority
WASH	Water, Sanitation and Hygiene

WATSAN   Water and Sanitation
WB   World Bank
WHO   World Health Organization
WSP   Water and Sanitation Program
WSS   Water Supply and Sanitation
WSSCC Water Supply and Sanitation Collaborative Council
WSSPS   Water Supply Sanitation Sector Program Support
WSSS   Water Supply and Sanitation Sector

Executive Summary

Sector-Wide Approach (SWAp) emerged in the 1990s globally to improve aid delivery to a sector-specific umbrella tied to a defined sector policy under the respective government leadership and ownership. In Bangladesh, there are two SWAps in practice: one in the health sector, and the other in the primary education sector. These SWAps provide lessons for designing a SWAp in the Water Supply and Sanitation Sector (WSS) of Bangladesh. Taking the lessons into account, the WSS Sector Development Plan (2011-25) recommends initiating a SWAp for the sector indicating the need for transition from the project approach to the programme approach. In this backdrop, the Policy Support Unit (PSU), Local Government Division (LGD), Ministry of Local Government, Rural Development & Cooperatives (LGRD&C), took the initiative for developing the modality of piloting a SWAp in the water supply and sewerage authorities (WASAs) of the country. The objectives of the initiative are as follows:

- To review the existing SWAps modalities in Bangladesh to find out strength and weakness in WSS sector;
- To explain what extent WSS sector, particularly the WASAs, are ready to implement the SWAp;
- To provide explicit modalities how the government leadership will ensure SWAp in WASAs;
- To propose common approaches that will be adopted by all funding partners of WASAs; and
- To explain how all significant public funding for WASAs under SWAp will support a single policy and expenditure programme.

The modality has been prepared based on a review of the existing SWAp literature in Bangladesh and beyond as well as consultations with major stakeholders involved in the primary education, health, and WASH (Water, Sanitation and Hygiene) sectors. To capture the experiential insights, foresights and recommendations from the stated sector stakeholders, the qualitative methodology has been used adopting appropriate techniques and tools.

A modest review of literature has been done to develop an understanding of SWAp. The salient features of a SWAp include a comprehensive picture of a sector, a single basket of funds, agreed-on sector policies and plans, and one set of monitoring and accounting mechanisms. The potential benefits derived from using a SWAp are better coordination and greater country ownership, avoidance of duplicate and piecemeal efforts, minimization of transaction costs, efficient management of aid, enhancement of the sector capacity, and improvement in sector performances. The review also provides an account of the SWAp experiences in the Health, Nutrition and Population Sector Programme (HNPSP), and the Primary Education Development Programme (PEDP). The

HNPSP SWAp is aimed at achieving sustainable improvement in health, nutrition and reproductive health, and the PEDP SWAp at raising coverage and improving education quality. To form the basis of sector readiness for adopting SWAp in the WASH sector/ WASAs, the review makes references to the formulation of a number of national legislations, sector policies, strategies and plans that stepped up the SWAp-developing process in the sector.

The review coupled with consultations suggests certain measures for piloting the Sector-wide Approach (SWAp) in the WASAs. The measures indicate the shift of focus from the WASAs to WASH sector, identification of the key components, formulation of a broad-based results matrix, focused attention on targets, leadership and ownership, commitment to sector reforms, monitoring of the sector development road map and agreements, staffing, capacity building, funding, aid harmonization and alignment.

The major actions recommended to implement the SDP using SWAp are as follows:

- Prepare a concept paper on SWAp shifting the focus from WASAs to WASH sector, and identify the key components for a SWAp in the WASH sector.

- Frame a results matrix by taking into consideration the SDP roadmap and consensual agreements with the Municipalities Association of Bangladesh (MAB).

- Ensure the government take the leadership represented by the LGD at the ministerial level and the PSU at the agency level, and the DPHE and the WASAs become the lead implementing agencies.
- Make sure the LGRD&C Ministry is committed to sector reforms and agrees to influence result-oriented institutional and policy reforms.
- Monitor the performance agreements with the MAB, WASAs, CCs, DPHE and LGD as well as the SDP implementation road map, and assess the sector progress on an annual basis using the indicators as presented by the SDP.
- Demonstrate a clear commitment to adequate staffing and capacity building to efficiently implement the WASH sector programme using the SWAp.
- Mobilize fund for the SWAp, ensure Aid Harmonization and Alignment, and devise a normal or special fund flow channel/mechanism.

Chapter I
INTRODUCTION

This chapter introduces the study in terms of a background, rationale, purpose of the assignment, objectives and scope of the work.

1.1 Background

The Policy Support Unit (PSU) of Local Government Division (LGD), Ministry of Local Government, Rural Development & Cooperatives (LGRD&C), took the initiative for developing the modality of piloting a Sector-wide Approach (SWAp) in the WSS sector.

The Sector-Wide Approach (SWAp) emerged in the 1990s to reform the aid delivery methods. Aid provided to developing countries in the form of the "self-contained" projects funded by their own donors has been under fire as the donor-driven approach undermines the country priorities leading to fragmentation and duplication. It was recognized that many individual projects made unrealistic demands on the limited economic and human resources of the developing countries.

Under the SWAp, the project funds contribute directly to a sector-specific umbrella and are tied to a defined sector policy under a government authority. In essence, a SWAp calls for a partnership in which government and development agencies change their relationships (to the clearer government leadership). They interact together more in the formulation of policy than on the details of its implementation. The key characteristics of a SWAp are as follows:

- i)   the partner government clearly leads and owns the programme; and
- ii)   a common effort by external partners to support that programme, including the provision of all or a major share of funding for the sector, in support of the government's unified policy and expenditure programme.

Over time, few SWAps have progressed towards using government procedures for implementation and the disbursement of funds. In practice, most programmes are in the process of drawing in the diverse channels of funding, making the sector coverage more comprehensive, bringing the ongoing projects in line with the sector priorities, developing common procedures, and increasing reliance on the government for management. Where SWAps are appropriate, they can help promote greater local involvement, accountability and capacity in partner countries. However, SWAps are not possible in all cases. Certain preconditions in the macroeconomic policy and institutional environment are necessary.

In Bangladesh, there are two SWAps in practice: one in the health sector, and the other in the primary education sector. These SWAPs are recognized as successes; however, some review and evaluations indicated the need for improvements in some areas to make them more effective. They provide lessons for designing a SWAp in the Water and Sanitation Sector of Bangladesh. The recent WSS Sector Development Plan (2011-25) recommends initiating a SWAp for the sector indicating that certain developments so far in the WSS sector require transition from the project approach to the programme approach.

1.2 Rationale

The Local Government Division (LGD) prepared the "Sector Development Plan (FY2011-FY25) for Water and Sanitation Sector in Bangladesh". The SDP has been considered a "path-breaking" initiative for sketching a bottom-up road map to reach the goal of providing safe drinking water and sanitation for all. It has addressed various issues related to the sector financing, planning and coordination mechanism, and monitoring and evaluation. It has also analyzed the issues of donor harmonization, adaptation of sector-wide approaches to the WSS; and highlighted the need for enhancing the Research and Development activities to support the innovation of technological solutions besides many other issues under its short, medium and long term plans. Furthermore, the recent meetings of the National Forum for Water and Sanitation Sector, and the LCG Working Group on the WSS advised the PSU to take several initiatives, including the development of modalities for piloting a SWAp, for implementation of the SDP.

1.3 Purpose of the Consultancy

The purpose of the assignment is to develop modalities for piloting a SWAp in WASAs.

1.4 Objectives

The objectives of the assignment are as follows:
- To review the existing SWAps modalities in Bangladesh to find out strength and weakness in WSS sector;
- To explain what extent WSS sector particularly WASAs are ready to implement the SWAp;
- To provide explicit modalities how the government leadership will ensure SWAp in WASAs;
- To propose common approaches that will be adopted by all funding partners of WASAs; and
- To explain how all significant public funding for WASAs under SWAp will support a single policy and expenditure programme.

1.5 Scope of Work

The scope of work covered a review of the following policy documents:

- lessons learning and best practices on the SWAps in health and education sectors;
- review and evaluation studies related to the PEDP and the HNPSP in Bangladesh;
- Draft Bill on the Regulatory Commission on Drinking Water Supply and Sanitation Sector 2013;
- documents related to the WASAs;
- master plans developed for the WASAs;
- National Policy for Safe Water Supply and Sanitation (NPSWSS), 1998;
- Environmental Sanitation Campaign, LGD, 2007
- Sector Development Plan (SDP) for Water Supply and Sanitation Sector in Bangladesh, 2011-25;
- National Cost-Sharing Strategy for Water Supply and Sanitation Sector in Bangladesh, 2012;
- National Strategy for Water Supply and Sanitation for Hard-to-reach Areas in Bangladesh, 2012;
- National Water Management Plan (NWMP), 2004;
- National Water Act 2013;
- Bangladesh Climate Change Strategy and Action Plan, 2009; and
- various international and national documents related to SWAp and Dedicated Fund.

Apart from the review of literature as above, consultations with the development partners have been carried out (detailed in chapter II).

1.6 Organization of the Report

This report comprises four chapters. The first chapter introduces the study in terms of a background, rationale, purpose of the assignment, objectives and scope of the work. The second chapter gives an account of the study methodology and design, the third provides a review of the SWAp with background information and experiential insights and foresights, and the fourth chapter presents the modality of piloting SWAp in the WASH sector.

Chapter II

METHODOLOGY AND STUDY DESIGN

This chapter provides an account of the methodology adopted to conduct the study.

2.1   Methodology

The team has adopted a participatory approach to ensure a consultative process of developing the modalities. The methodology preferred so far to apply is qualitative to best serve the consultative process.

2.2 Literature Review

As proposed, to ensure an intensive review of SWAp literature in Bangladesh, the team members have visited and tapped important sources, browsed websites, and collected documents relating to the following areas:

- education, health, and WSS sectors, especially the policy matrix—mini-SWAp practised by the DWASA, the CWASA and the KWASA;
- SDP for WSS 2011-25, particularly the roadmap towards SWAp as stated therein;
- Vision 2021;
- SWAp documents in General Economic Division (GED) of Planning Commission; and
- Paris Declaration: Harmonization and Alignment (with GoB modalities).

In particular, the team members have reviewed the Draft Bill on Regulatory Commission on Drinking Water Supply and Sanitation 2013; National Policy for Safe Water Supply and Sanitation (NPSWSS), 1998; National Cost-Sharing Strategy for Water Supply and Sanitation in Bangladesh, 2012; and National Strategy for Water Supply & Sanitation for Hard to Reach Areas in Bangladesh, 2012. Efforts have been made to capture other documents related to WASAs, such as the master plans developed for WASAs, Environmental Sanitation Campaign, LGD, 2007; National Water Management Plan (NWMP), 2004; National Water Act 2013; Bangladesh Climate Change Strategy and Action Plan, 2009; and various international and national documents related to SWAp and Dedicated Fund.

2.3 Method: Data Collection and Management

The method adopted to execute the assignment is qualitative, and relevant data collection techniques and tools have been developed and administered to capture the SWAp experiences in the education and health sectors.

2.3.1 Sampling

The study has picked up the purposive sampling strategy in consideration of the respondents, methods, tools and techniques to carry out consultation at the governmental, non-governmental and development partner levels as below:

- GoB: WASA MDs, top officials of PEDP, HNPSP, GED, LGD, DPHE, and PSU;
- DPs: LCG representatives, WHO, UNICEF, ADB, WB, JICA, and Dutch WASH Alliance; and
- NGOs: DSK, WaterAid, NGO Forum, and the PSTC.

2.3.2 Data Collection

The following techniques and tools suitable for qualitative data collection have been employed.

2.3.2.1 Key Informant Interview (KII)

To review the existing SWAp modalities in Bangladesh and find out strengths and weaknesses in WSS sector, KIIs have been conducted with the WASA MDs, top officials of PEDP, HNPSP, GED, LGD, DPHE, PSU, LGED, city corporations, WB, ADB, JICA, WAB and sector experts/individuals. The KIIs have also been carried on to capture data from the LGD and WASA senior officials as well as ADB, JICA, and WB experts to explain what extent WSS sector particularly WASAs are ready to adopt the SWAp. To guide the KIIs, draft checklists have been prepared and provided in the appendix.

2.3.2.2 Meeting

Individual meetings/interviews held with the Joint Secretary (WS), LGD; and the MDs of the three WASAs at the governmental level provide explicit modalities how government leadership will implement to ensure SWAp in WASAs. To guide the meeting, a draft checklist has been prepared and provided in the appendix.

2.3.2.4 In-depth Interview

To find answers to the above-mentioned query, a few in-depth interviews have been conducted to collect data from the sector resource persons identified in consultation with the PSU and as the data collection process makes progress. To guide the in-depth interview, a draft checklist has been prepared and provided in the appendix.

2.3.2.5 Discussion

Discussions have taken place with the relevant senior officials of the WB, ADB, JICA, WHO, and UNICEF to propose common approaches to be adopted by all funding partners

of WASAs as well as to explain how all significant public funding for WASAs under SWAp will support single policy and expenditure programme. Opinions of the LGD Joint Secretary and the PSU have also been captured. To guide the discussion, a draft checklist has been prepared and provided in the checklist.

2.3.2.6 National Sharing Workshop

The draft report has been disseminated in a national consultation workshop organized in the conference room of the DPHE Bhaban. The workshop has generated feedback, critical comments and suggestions from different perspectives of the stakeholders who took part in the discussion on modality presentation. The report has been improved, updated and finalised incorporating the inputs obtained from the workshop.

2.3.3 Data Collection Matrix

Data have been collected by using a number of instruments as proposed in a matrix below:

Table 2.1: Data Collection Techniques and Tools

Objectives	Techniques & Tools	Level/ Category	Sample Unit
To review the existing SWAps modalities in Bangladesh to find out strength and weakness in WSS sector	Literature Review		
	KII	GoB	WASA MDs, top officials of PEDP, HNPSP, LGD, DPHE, PSU, LGED, city corporations
		DP	WB, ADB, JICA
		NGO	WAB, BRAC
		Individual	
To explain what extent WSS sector particularly WASAs are ready to implement SWAp	KII	GoB	LGD, WASAs,
		DPs	ADB, JICA, WB
To provide explicit modalities how government leadership will implement to ensure SWAp in WASAs	Meeting	GoB	LGD Joint Secretary (WS), WASA MDs
	In-depth interview	Individuals /RPs	as identified
To propose common approaches to be adopted by all funding partners of WASAs	Discussion/ workshop	DPs	WB, ADB, JICA, WHO
To explain how all significant public funding for WASAs under SWAp will support single policy and expenditure programme	Discussion	DPs	WB, ADB, JICA, WHO
		GoB	LGD-Joint Secretary, PSU
National Consultation (Validation) Workshop			

The tools developed so far to support the study instruments have been piloted for their improvement ahead of data collection administration. Ethical issues have been strongly considered in the data collection process.

2.3. 4 Data Management and Report Preparation

The data collected from the respondents have been transcribed and computerized to produce field reports for use and analysis in the modality development and preparing a draft report. A draft report has been submitted to the PSU for review prior to the submission of the final one.

The following chapter provides a review of the SWAp modalities developed and practiced at home and abroad with special references to the ones used in the primary education and health sectors of the country.

Chapter III

SWAp IN BANGLADESH: A REVIEW

This chapter provides a review of the SWAp modalities developed and practiced at home and abroad with special references to the ones used in the primary education and health sectors of Bangladesh.

3.1 Understanding the SWAp

3.1.1 Definition of SWAp

Sector-Wide Approach (SWAp) is an approach to international development that "brings together governments, donors and other stakeholders within any sector. It is characterized by a set of operating principles rather than a specific package of policies or activities. The approach involves movement over time under government leadership towards: broadening policy dialogue; developing a single sector policy (that addresses private and public sector issues) and a common realistic expenditure program; common monitoring arrangements; and more coordinated procedures for funding and procurement." (*WHO, 2000*).

SWAp is both a process and an approach rather than a blue print, in which sector funding whether internally sourced or provided by donors supports a single policy and expenditure program under government leadership, and which adopts a common approach to implementation and management across a sector as a whole. (Foster M 2000) The approach is a 'process-based method of operation and cooperation', not an end in itself. It varies in different countries and sector contexts.

Generally, SWAp is accompanied by capacity development interventions to strengthen the government procedures for disbursement and accountability. It seeks to enhance coordination among donors and between donors and government, and facilitate broad stakeholders' consultation in designing a coherent sector programme.

3.1.2 SWAP Journey from Project to Programme Approach

SWAp moves along the funding and implementation modalities evolving from the project approach (current practices in most sectors) towards the programme approach. The

approach remains flexible as it keeps moving to amass and embed programme elements and assume a more stringent yet clearer approach.

Figure 3.1: Journey towards SWAp
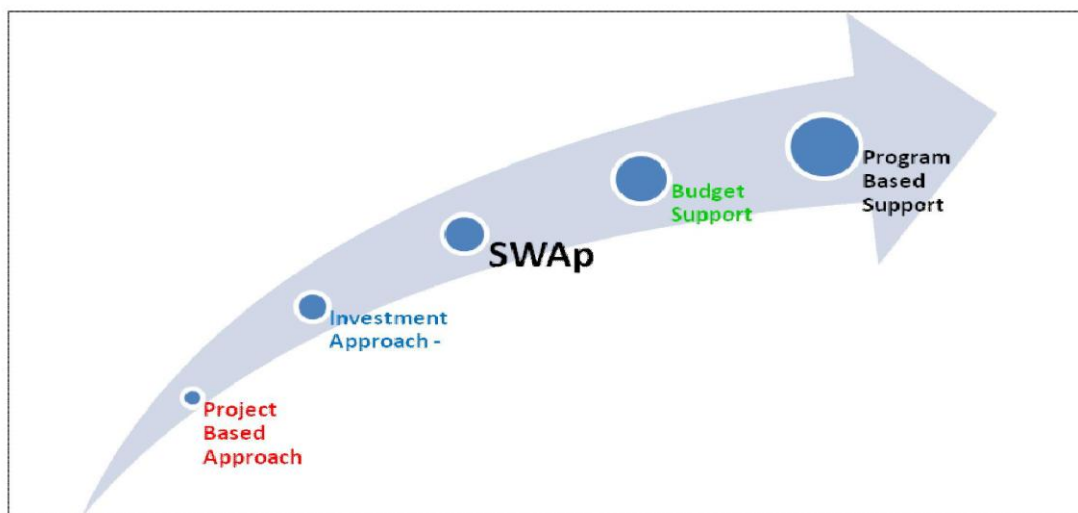
The journey, therefore, moves through the following stages:

a) *Project-based Approach:* The project approach works in a parallel system outside the government budgetary framework with little ownership, low chance of replication, overlapping of geographical coverage, systemic duplications, and limited reporting mechanism and impact.

b) *Partnership-based Approach* departs from the narrow project intervention to the wider coverage with sustainable result, and involves mutual accountability and aid harmonization reducing transaction cost of aid delivery and suggesting wider fund mobilization.

c) **Sector-wide Approach (SWAp)** involves different sector stakeholders in implementing a government-led sector programme using a common approach and basket funding to pursue a national policy goal set by the government.

d) *Budget Support Approach* recognizes the benefits of countrywide and sector-wide development. Budget is made available to a result-based management supported by a strong monitoring and evaluation system.

e) *Programme- based Approach* refers to coordinated support donors provide for a comprehensive programme or specific sector/thematic strategy in a single budget framework. This approach includes both the budget support and SWAPs. The above approaches are not the only approaches in an area characterized by complex lending and implementation practices. Some other approaches which are close to above approaches but retain some flexibility in lending terms can be summarized as follows:

i.   ***Policy-based Lending:*** Provision of untied donor resources directly through the government's budget, using the government's own financial management, procurement, auditing, and implementation process and systems, and based on a set of policy or institutional reforms fulfilled either ex ante (conditionally), if designed as a multi-tranche operation, or ex post (prior actions), if designed as a single tranche operation.

ii.   ***Development Policy Lending (DPL***): This is World Bank (WB) term for policy based lending. DPL replaced adjustment lending as the Bank's financing instrument to provide quick disbursing resources to client governments.

iii. ***Poverty Reduction Support Credit (PRSC):*** A programmatic approaches to DPL in low income countries that is tied to the country's medium-term PRS and typically consist of a series of three or four single tranche operations (The World Bank).

However, this journey of SWAp does take time as a number of changes in working modalities and tools are developed and used in phases of the course. A few of them are summarized below:

- an approved sector policy document and overall strategic framework which outlines government priorities;
- a medium-term expenditure framework for the sector agreeing on common sector plan/programme expenditure framework;
- a coordinated process led by the government;
- harmonization in implementation and use of government systems and procedures;
- alignment of all government and DPs resources as pooled and non-pooled system and coordinated with national priorities;
- agreed sector policy framework/strategy based on shared vision and priorities;
- strong commitment and mutual accountability for true implementation of the jointly planned activities outlined as in Annual Strategic Implementation Plan (ASIP), and Annual Work Plan and Budget (AWPB);
- transformed behavioural relation between the donor and the fund recipient;
- strong partnership among development partners;
- realization of each other's difficulties;
- developed functional understanding; and
- close coordination, communication and commitments on agreed agendas (Awasthi et al: 2011)

3.1.2 Common Features of a SWAp

Some common features of a SWAp are as follows:

- SWAp provides a comprehensive picture of a sector at a given point in time.
- The DPs agree to contribute to a single basket of funds, national plan and budget.
- The government and the DPs negotiate and agree on policies and plans for development in the sector.
- Only one set of monitoring and accounting mechanisms is used.
- Aid is provided within the context.

3.1.3 Basic Principles of SWAp

The basic set of SWAp principles can be summarized as follows:

- The government takes the lead in defining the policy framework and expenditure programme for the sector.
- The government adopts an all-inclusive approach to policy development by inviting broadbased participation from civil society, the private sector, international NGOs and the donor community.
- Donors commit themselves to reducing the fragmentation of development cooperation efforts and shifting from a project to a programme approach (and ultimately to budget support).
- Donors establish common planning, implementation, disbursement, reporting and accounting arrangements, preferably based on recipient government arrangements, and thereby helping to reduce the administrative burden and strengthen the national institutional capacity.
- Government and donors regularly monitor and evaluate process achievements and results (Awasthi et al: 2011).

3.1.4 SWAp Components

While every SWAp is different in nature and scope, there are a number of identifiable "components" that tend to be common to all SWAps though that the "components" may not come together at the same time in the complex process of the SWAp while the partner government may require time and support in developing them. The approach involves the process of supporting the partner country planning and practice and representing a step towards country-led development.

Figure 3.2: SWAp Components
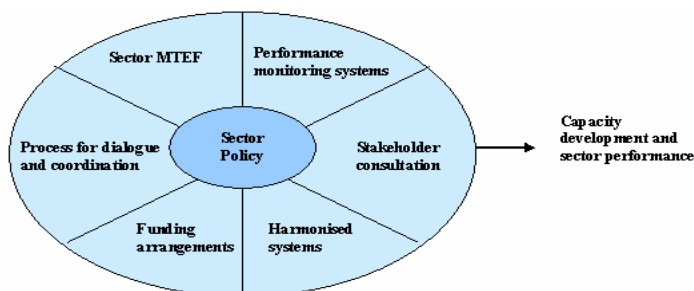
OECD, 2006

The PSU Working Document Number 3 "Sector Wide Approach (SWAp): A Road-map for the Water and Sanitation Sector in Bangladesh" (2009), following points as the key components for a SWAp in the WSS sector:

- a macro-plan/strategy for sector development;
- medium-term expenditure framework linked to the sector strategy;
- a clear understanding between government and development partners including agreed funding modalities;
- performance monitoring, with agreed indicators for measuring achievement of results;
- broad consultation mechanisms that involve all key stakeholders;
- a process for alignment with government systems for reporting, budgeting, financial management and procurement; and
- partner government-led process for development partner coordination, at sector level.

The working document argues that with these components in place - or a clear plan of action to establish them - a programmatic approach for the development of the sector could be developed.

3.1.5 Key Elements of SWAp

SWAp is a process that works when certain characteristics and modalities are in place. These characteristics, enshrined in Paris and Accra accords, can be broadly summarized as follows:

- **Ownership:** The government of the country owns the processes and results of development initiatives;
- **Alignment:** Donors pool- basket funding. Non Pool Programme coordination. Aligned with government system (Guided by JFA, Code of Conduct);
- **Harmonization:** Coordinated way of functioning, Joint Planning, Monitoring and Reporting;
- **Mutual Accountability:** Responsible and accountable jointly to their commitments; and
- **Result based Management:** Focus on outcome, support for systematic change.

3.1.6 Potential Benefits of Using a SWAp

The potential benefits learnt to have been derived by using a SWAp to implement programmes are as follows:

- better coordination and greater country ownership;

- avoidance of duplicate and piecemeal efforts, and minimization of transaction costs;

- spending of money on the priorities set by the government, not the external agencies;

- efficient management of aid through the country's existing structures; and

- enhancement of the sector capacity and improvement of sector performances.

"In short, SWAp, as a recent version of the development cooperation modality, is intended to: a) align external assistance with national priorities and objectives; b) improve coordination among both national and external actors; c) promote sector- wide thinking and planning; d) help develop national capacities; and e) harmonise efforts of different assistance agencies (Ahmed 2011:4).

3.1.7 SWAp Framework Tools

At practical level, the development actors adopt the following tools that relate to agreed SWAp framework:

- joint review system;
- single sector strategy;
- single programme;
- single budget;
- single result framework;
- single monitoring and evaluation framework;
- single progress report;
- single foreign exchange account;
- regular and timely joint meetings for annual work plan and budget and performance review;
- frequent coordination meetings and consultations are made as per need and important issues;
- joint monitoring mechanism followed, if needed; and
- resources channeled into one treasury or account.

3.1.8 Major Challenges Facing the SWAps

Research, evaluation and review reports made available and studied so far indicate certain challenges different sectors have faced while implementing their programmes using the SWAp in different countries. Taking them into account, the experts have argued that SWAp is a process that unfolds challenges as experience is gained in the course of implementation. Following is an account of the challenges identified so far. Burki, O. (2001) points out the challenges his study reveals so far:

- Coherence of initiatives, targets and indicators are not always ensured. Orientations taken by the sector reform should better inform the overall government reform implementation process to ensure that all expectations and resources converge towards the same priorities established under the leadership of the ministry.
- A reporting format in line with the government's budget cycle should be developed and circulated annually to all partners, in order to identify planned expenditures and disbursements as per the expenditure coding structure.

Foster et al (2000) summarise the SWAp challenges as noted below:

- Most of the important government actions which influence the sector are concerned with policy rather than service delivery.

- Attempts are made to formulate a comprehensive policy, but the emphasis is on annual work plans.

- Private sector interest wanes in the early implementation phase of the SWAp as it undermines the participation of the private sector producers who represent a significant share of the sector in terms of national output and employments.

- One size does not fit all. One approach cannot be nationally replicated; hence the economies of scale and of standardization arguments for a SWAp are weaker.

- SWAp is poorly integrated into the government's administrative structure.

- Projects are welcome if they fit and do not contradict the policy direction of the SWAp.

- Making fund available to the SWAp until the 'basket funding' works.

- All partners involved in funding a sector sit at the negotiating table on policy, irrespective of whether they participate in basket funding or not. The contributions of those that do not fit the basket fit general policy concerns.

- There is pressure on those that have not harmonized procedures to incorporate them gradually in to their work, especially new comers.

- Donors insist on the separate national identification of their contributions. (Foster et al 2000)

Martínez et al (2006) identify the SWAp challenges as pointed out below:

- limited effectiveness and high transaction costs linked to health sector review mechanisms established under the SWAP; and
- lack of systematic follow-up by the ministry concerned and limited capabilities in monitoring and policy implementation.

Awasthi et al (2011: 25) argue briefly that the health and education sectors have experienced the following constraints which are being addressed through joint mechanisms and awareness programmes:

- There is still a low level of understanding or individual interpretation of SWAp. This often leads to high expectations and low performance.
- The sector capacity has remained low due to unstable bureaucracy impacting the actual high level of leadership that sector requires at national and local level/
- Despite the emphasis on SWAp, key aid coordination agencies make no policy difference between SWAp and non-SWAp sectors impacting actual delivery of SWAp benefits.
- The requirement to coordinate with multiple foreign aid management agencies external to the ministries is affecting the issue of alignment and harmonization. These bodies are yet to be effectively internalized into the SWAp framework.
- Information systems, especially financial, procurement, vital registration, physical assets and human resource management, is not yet efficient impacting information sharing and receipt of feedback.
- The role and modality of technical assistance, turn key projects within the SWAp framework are not clear.
- There is still tendency within the DPs to seek individual impacts of their contributions and this makes the reporting system very challenging.
- Decentralization of SWAp at regional and local government level is now essential but the modality is not yet clear particularly in the context of potential federal structure of the government.

The analyses of the experiences of two countries show a common stream of challenges that they share while moving decentralisation programmes forward. These include:

- clarifying the roles and responsibilities of sector ministries and local government;
- updating sector legislation so that it is consistent with the provisions of decentralization;
- working out an appropriate system of fiscal transfers that will enable local authorities to discharge their new-found responsibilities;
- developing credible leadership and technical competence at a local level;

- promoting closer cooperation between the local authorities and other local stakeholders in civil society and the private sector;
- demonstrating the value that decentralisation brings to the fight against poverty; and
- increasing capacity to manage transformation.

Martínez (2008) argues that the sector wide approaches (SWAps) have helped countries like Bangladesh, Zambia, Ghana and Uganda shape government health policy, strengthen its implementation and make health financing more predictable and flexible. However, after initial successes, some of the mature SWAps are losing momentum. Some of the difficulties lie in coping with changes in the complex international aid architecture, where SWAp principles and instruments come under pressure from global initiatives, large scale project aid and vertical interventions.

The SDP (2011) notes that nowhere are the tensions and fatigue more apparent than in the largest and oldest health SWAp, the Bangladesh Health, Nutrition and Population Sector Programme. However, many of the issues identified are not exclusive to Bangladesh; they do not lie in the SWAp model, but rather in its application. Through the case of Bangladesh, the paper emphasises the need for keeping a constant watch on key SWAp principles, such as, government leadership, a realistic government health plan, commitment to adopt common review, reporting and monitoring systems, and continued efforts to provide external financing in ways that increase absorptive capacity. Whenever fatigue sets in and problems emerge, the SWAp partners need to look critically at themselves and ensure that their focus remains on the core SWAp principles and values.

3.2 SWAp Experience in Bangladesh

The study has found two SWAps in Bangladesh so far—one in the health sector and the other in the primary education sector with notable differences between them. A modest review of the two programs could provide important lessons for a SWAp in the WASH sector.

3.2.1 Health, Nutrition and Population Sector Program (HNPSP)

The SWAp in the health sector of Bangladesh is known as the "Health, Nutrition and Population Sector Programme (HNPSP)". It was the first SWAp adopted in the health and population sector during the late 1990s to ensure that the government action and resources make the cost-effective contribution to the priority health needs of the poor, particularly the women and the children. The Health and Population Sector Strategy (HPSS) was formulated on the consensus between the GoB and the development partners (DPs), and followed by the Health and Population Sector Programme (HPSP) involving a composite five-year Programme Implementation Plan (PIP) and financing framework around which SWAp arrangements work put in place for implementation in

1998. The Ministry of Health and family welfare (MOHFW) extended the programme in 2003 by incorporating the "Nutrition" component and renamed it Health, Nutrition and Population Sector Program (HNPSP) with the long-term aim of creating a modern responsive, efficient and equitable HNP sector.

The MOHFW spent the first two years of HNPSP as the bridging period for preparation and negotiations with the key stakeholders, and developed a conceptual framework for the sector through extensive consultation with the sector stakeholders. Based on this conceptual framework was developed a three-year Programme Implementation Plan (PIP) which was approved by the ECNEC and executed with public financing and the development partners' contribution through contingency plan and bilateral funding. In November 2004, a Strategic Investment Plan (SIP) was prepared in line with the Millennium Development Goals (MDGs) and poverty reduction strategies of the Government of Bangladesh to achieve longer term strategic objectives. The SIP identified the key investments needed for accelerating the process of modernizing the HNP sector to make it efficient and need-responsive. Based on the SIP, conceptual framework and the PIP of HNPSP (2003-2006), the "Health, Nutrition and Population Programme Proposal (HNPPP)" was developed in January 2005 for aid negotiation with the World Bank as the lead organization for pool funding and also the DP Consortium. Subsequently, a revised PIP (2003-2010) was framed and approved on 31 January 2006. The PIP was revised once again in August 2008 to incorporate the recommendations of the Mid Term Review (MTR) held in April 2008 and extend the programme to 2011.

3.2.1.1 Goal
Within the overall development policy framework of the Government of Bangladesh, the goal of the Health, Nutrition and Population Sector Program (HNPSP) is to achieve sustainable improvement in health, nutrition and reproductive health, including family planning, status of the people, particular of vulnerable groups, including women, children, the elderly and the poor with the ultimate aim of their economic emancipation and physical, social, mental and spiritual well being and thus contribute to the poverty reduction of the country.

3.2.1.2 Priority Objectives
The priority objectives set to measure the success of HNPSP are (i) reducing MMR (ii) reducing TFR; (iii) reducing malnutrition (iv) reducing infant and under-five mortality; (v) reducing the burden of TB and other diseases and (vi) prevention & control of non-communicable diseases including injuries. The table below shows the priority objectives with unit of measurement, benchmark figure and projected targets.

3.2.1.3 Implementing Agency
Ministry of Health and Family Welfare (MOHFW) and its attached departments such as Directorate General of Health Services (DGHS), Directorate General of Family Planning (DGP), Directorate of Nursing Services, Directorate of Drug Administration, National Institute of Population Research & Training (NIPORT), National Nutrition Programme

(NNP), Construction and Maintanance Management Unit (CMMU) and Public Works Department (PWD) of the Ministry of Housing and Public Works have been implementing the programme throughout the country.

3.2.1.4 Financing and Financial Arrangement

The HNPSP is administered with funds from three sources: GoB Revenue, GoB Development, and DPs' contribution. During the whole program period (2003-2011) GoB revenue is estimated to account for 55.69% of the total budget, while contribution from GoB development and DPs is estimated to account for 16.85% and 27.46% respectively of the total budget. Of the development budget GoB's share is 38.02% and DPs' share is 61.98%.

Table 3.1: Financing Arrangements of HNPSP (Taka in Lakh)

Financing Pattern	Original (2003-2006)	1st Revised (2003-2010)	2nd Revised (2003-2011)	
GOB (Development)	140000.00	542970.00		629911.82
PA	320000.00	1079350.00	RPA	627330.06
			DPA	399404.65
			PA	1026734.71
Sub Total (Development)	460000.00	1622320.00		1656646.53
GOB (Revenue)	481000.00	1622710.00		2081764.52
Total (Rev + Dev)	941000.00	3245030.00		3738411.05

Two different modalities exist for allocation, disbursement and use of DPs' funds. Pooled funds provided by pooled DPs in proportion to their financing share of the agreed **operational plan (OP)** and budget is made available to the implementing agencies or spending units through GOB's normal budgetary channels. While the non-pooled funds, technical assistance and contributions-in-kind provided by the DPs are directed towards specific projects or budget lines in the OP or budget in accordance with bilateral arrangements between GOB and the respective DPs. In accordance with bilateral arrangements between the IDA and some Pooled DPs, the said Pooled DPs, deposit their contributions to a trust fund managed by the IDA. The IDA transfers the fund to a FOREX Account of the programme at the Bangladesh Bank.

3.2.1.5 Fund Flow Mechanism

3.2.1.5.1 Pooled Fund

IDA deposits into HNPSP FOREX Account, held by GoB at the Central Bank, an amount corresponding to Pooled DPs share of six months estimated expenditure of the operational plan. GOB's normal budgetary channels are used to make funds available to the implementing agencies or spending units. Following the completion of each quarterly review meeting MOHFW requests disbursements from Pooled DPs on a quarterly basis. The disbursement requests are based on the agreed OP, budget and Procurement Plan.

3.2.1.5.2 Non-pooled Fund

Arrangements for disbursement of non-pooled funds has been negotiated between GOB and each non-pooled DP and incorporated into bilateral financing arrangements between the two parties.

3.2.1.5.3 Funding from Line Directors to Cost Centre

According to existing GOB system of release of funds, Line Directors disburse funds to various cost centers, i.e. Drawing & Disbursement Officer at Regional level. Districts and Upazilas. Disbusements are made quarterly on the basis of approved Administrative Order (AO) [or each Operational Plan. The Chief Accounts Officer (CAO) of MOHFW transmits copies of the AO to the Divisional Comptroller of Accounts (DCA). District Accounts Officer (DAO) and Upazila Accounts Officer ensure that expenditures are consistent with approved spending.

3.2.1.5.4 Performance-Based Funding (PBF)

In order to promote achievement of key outputs or reforms of HNPSP, a percentage of the pooled funds have been allocated to a specific category, disbursement of which would be based on certain performance indicators each year.

Figure 3.3: Total HNPSP Support
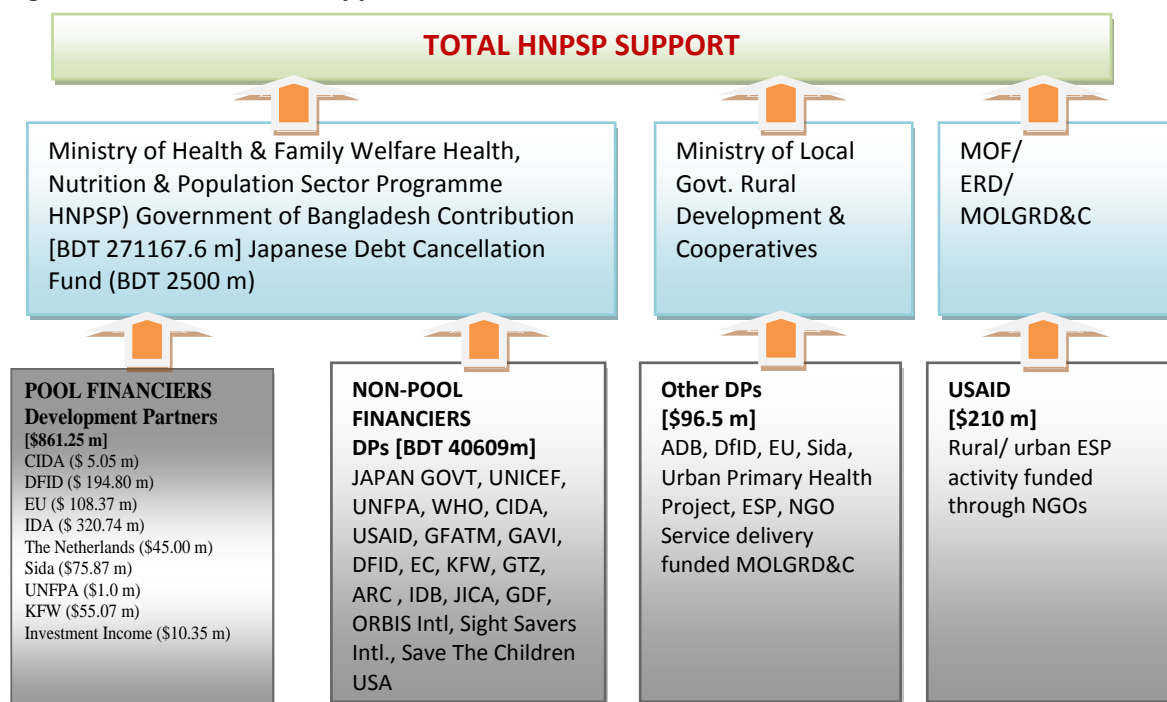
Since its launch, the HNPSP has achieved much. It has shaped and strengthened the government health policy and supported its implementation technically and financially. It has also rationalized and simplified the external health financing, making it more flexible,

aligned and predictable than in the past. This has been accomplished mainly through the establishment of a large "pooled fund" created by both the government and development partners. It has also greatly improved the working relationships between the government and its development partners.

3.2.2 Primary Education Development Programme (PEDP II & III)

The Education sector also implemented a SWAp known as the "Primary Education Development Programme" (PEDP). It was launched in 2004 as a sequel to PEDP I aimed at expanding access to quality primary education for all eligible children in Bangladesh. More than two dozen separate projects implemented under the umbrella of PEDP I suffered weak coordination and duplication.

3.2.2.1 Primary Education Development Programme (PEDP II)

To overcome the weaknesses, a macro plan for PEDP II was prepared by involving the respective ministries, directorates and development partners (DPs). It was planned for July 2004 - June 2009 period, but the implementation was delayed and its duration was extended to mid-2011. The objectives of the programme are to raise coverage, and improve education quality**.** The programme went through the preparatory phase of two years that covered intensive consultations in a GoB-led participatory process; finalization of programme design, management and implementation mechanisms; inclusion of the PEDP II included in ADP (2003-04); declaration of the ADB loan; first Joint Inception Review Mission during June 12-20, 2004; and launch of the program on 8 September 2004 by the Prime Minister.

3.2.2.1.1 Implementation Mechanism
The *implementation mechanism* involved the Ministry of Primary and Mass Education (MOPME) as the executing agency for the PEDP-II; and the Directorate of Primary Education (DPE) as the implementation agency led by the Director-General (DG), DPE; with focus on capacity building in preparation for programme implementation. The programme is implemented via the DPE's line divisions--National Academy of Primary Education (NAPE), National Curriculum Textbook Board (NCTB), and Local Government Engineering Department (LGED). To facilitate the smooth implementation, the MOPME established a 20-member PSC, a technical committee chaired by MOPME Joint Secretary (Dev).

3.2.2.1.1.1 Establishment of Programme Liaison Unit (PSU)
A Program Liaison Unit (PLU) was set up for everyday functions, with a Team Leader who is accountable to the Country Director through the Program Manager. The PLU was to provide regular information and guidance on issues of policy importance, act as a link between the Development Partners, the MOPME and the DPE. The PLU is responsible for monitoring and evaluation of the Program on behalf of the DPs. The following organization chart identifies the key organizational structures involved in PEDP-II.

3.2.2.1.1.2 Establishment of Donor Consortium

A PEDP-II Donor Consortium has been established consisting of the eleven Development Partners (DPs) who are providing financial support to the PEDP-II (ADB, WB-IDA, DFID, EU, Netherlands, NORAD, SIDA, CIDA, UNICEF/AusAID, JICA). The Consortium is intended as a coordinating agency for ensuring coherence between PEDP-II and the broader development efforts of development partners.

3.2.2.1.2 Funding

The PEDP II was financed by the Government of Bangladesh (GoB) and 11 external development partners (DPs) with the Asian Development Bank (ADB) as the lead agency. A **basket of fund** was created with contribution from the GoB and 11 DPs –ADB (lead DP), CIDA, DFID, EC, Norway, the Netherlands, Sida, World Bank, UNICEF, Australia, and JICA. The original total financing is $1,815 million over six years (2004-2009) comprising 64% from the GoB and 36% from the DPs. Following the Mid Term Review (MTR), however, the total cost was revised and increased with additional funds from CIDA and EC, and increased contributions from the parallel financiers (JICA, AusAID through UNICEF).

3.2.2.1.2.1 Fund Flow Mechanism

Funds of PEDP-II operate under four sources:

a. Co-financing by major development partners (pooled funding);
b. Bilateral funding (non-pool funding);
c. Parallel financing for non-pool ICB procurement; and
d. Government (GOB) fund.

The ADB funds and the ADB managed co-financing grant funds are advanced as per agreed percentage and deposited in the two Imprest Accounts and the IDA funds are advanced and deposited in the dollar special account in a commercial account. All the three USD accounts and a common pool taka account to the same bank are being operated by the Program Director of PEDP-II. The Common Pool Taka Account (CPTA) is being operated by the Program Director for making payment to suppliers/contractors.

3.2.2.1.3 Making Reforms

The *reform measures* undertaken include adaptation of Ministry and DPs to the SWAp; creation of a Program Coordination Unit, a Finance and Procurement Division, and Monitoring and Evaluation Cell; development of new administrative procedures; administration of a Mid-term Review followed by revision of indicators and improvement of database; transfer of additional high-level civil servants transferred to SWAp; and the strengthening of sector-wide monitoring and evaluation (M&E) capacity.

The ADB Evaluation (2008) observes: The **PEDP-II SWAp** worked well in terms of being a *relevant* modality, based on the DPs' long-term experience of close coordination in

primary education through the project-type modality with the first investment cycle in 1990, and then in the second investment cycle in the late 1990s within the GoB common policy framework. It is also an appropriate modality because it allowed the DPs to coordinate more closely using pooled funding resources and to engage the GoB to take the lead and drive the program for improving the primary education subsector. The PEDP-II SWAp's **strengths**, which are part of the reasons for making the program effective/evolving, are as follows:

(a) it has a single PMU (rather than separate PIUs as in the first two investment cycles), the activities of which are integrated into the EA's normal operations to ensure EA ownership and sustainable capacity after completion;

(b) it enables the DPs to have stronger coordination during implementation (compared with the modalities used in the first two investment cycles) through consortium meetings, with the project liaison unit (PLU) playing an active role in facilitating the process;

(c) it allows for regular joint reviews and monitoring; and

(d) there is a consensus that the PEDP-II has enhanced GOB leadership and ownership and opened up many priority areas (e.g., inclusive education and decentralization) that have remained the country's big challenges to improving quality, institutional capacity, and equity in access for a long time.

3.2.2.1.4 Making the SWAp Work Better

3.2.2.1.4.1 Lessons Learnt

The following lessons are drawn for the DPs to reduce the transaction costs to make SWAp work better:

a. design the program size to be manageable, with an appropriate number of DPs in relation to the extent of activities, depending on the DPs' availability of staff and resources, the extent of procedural harmonization, and the EA's initial institutional and staff capacities;

b. provide ADTA at the design stage to strengthen the EA institutional capacity prior to implementing a SWAp;

c. target ADTA for analytical studies and technical support to ensure efficient joint annual reviews;

d. focus on strengthening the EMIS for improving the results framework to monitor and report on progress;

e. collectively strengthen the results framework to meet all the DPs' reporting needs so that a single report can be prepared annually, not quarterly, to assess progress and support policy dialogue;

f. adopt more stringent partnership agreements (including further harmonization of implementation procedures) among the participating DPs under GOB leadership;

g. set up the SWAp administrative unit (such as the PEDP-II PLU) within the resident mission of the lead DP, rather than outside, as in the PEDP-II case, in order to avoid any confusion regarding the roles and responsibilities of the lead DP;

h. separate the consortium functions from the lead DP functions as a self-contained arrangement (as in the SWAp in the health sector) to enhance mutual accountability; and

i. include special arrangements to expeditiously address critical cases like corruption without jeopardizing regular implementation.

3.2.2.1.4.2 Key Lessons Learnt

The PROG3 Concept Paper, prepared by DPE listed, among others, the following lessons of PEDP II:

Better Ownership by DPE

Activities of a project were seen as something temporary and outside mainstream activities. PEDP II activities are now perceived as mainstream.

Increased Capacity of DPE Personnel

During the project era, involvement of mainstream staff was limited as far as implementation was concerned. PEDP II required the people working in concerned line divisions to be responsible for the implementation of the programme, thus providing them with an opportunity to build their capacity and skills.

Sustainability

Because of the involvement and ownership of the mainstream machineries, the chance of sustainability is higher compared to isolated donor-driven projects.

Inclusive Approach

Instead of the previous fragmented tactics, the inclusive approach of the programme helps to bring different activities into a common and holistic framework.

Recognition

Because of the SWAP, the primary education sub-sector achieved exceptional importance both to the donors and to the government. The GOB has termed the PEDP II as its 'flagship' programme.

Improved Discipline and Governance in the Subsector

Previously, the projects followed the guidelines of particular donors (e.g. in procurement, financial management, monitoring and evaluation) with different systems in different projects. In PEDP II, a harmonized system was developed from the DP side. GoB rules and regulations were followed properly. Mainstreaming government procedures in the implementation of development

activities is a big achievement (an example of alignment by the DPs). Although projects are sometimes more efficient and quicker to implement, the programme approach is increasingly more effective and has a higher chance of sustainability.

The **key lessons learnt** in an independent evaluation of PEDP II by the World Bank (2014) are as below:

- In a SWAP, the leadership of development partners requires a mix of "hard skills", "soft skills", and flexibility.
- Government ownership needs to be fostered.
- No sector is an island and it is important for sector programs to coordinate with efforts to strengthen public administration and governance. In the long run, Bangladesh needs to reform how civil servants are hired and remunerated.
- A SWAP is an evolutionary process that requires flexibility and adaptation to succeed.
- With support, governments can transform M&E systems from a pro-forma system of collecting data to a powerful tool for monitoring and decision making. (World Bank, 2014).

3.2.2.2 Primary Education Development Programme (PEDP III)

The PEDP III is guided by its Results and Programme Matrix, a logical framework which summarises what the Programme will do and what it plans to achieve. It lists 15 key performance indicators (KPIs) and a set of 18 Primary School Quality Level (PSQL) indicators and describes the results of activities and inputs that need to be monitored and evaluated to support the planning process. These two sets of indicators (KPI and PSQL) and related results that set are the main agenda for the Annual Sector Performance Report (ASPR). The ASPR (2013) claims that:

> *the sector has "gained increased significance under PEDP3 due to the programme's result-based approach to education sector development".*

According to the report, PEDP III builds on the PEDP II that introduced institutional and systemic reforms and quality improvement.

3.2.2.2.1 Development Coordination

Most external financing in education in Bangladesh is for primary education, particularly in the Third Primary Education Development Program's sector-wide approach and support for schools managed by the Bangladesh Rural Advancement Committee (BRAC). The following table summarizes development partners' funding to projects that contribute to secondary education.

Table 3.1: Major Development Partners in Secondary Education

Development Partners	Project and/or	Duration	Amount ($ million)
ADB	Secondary Education Sector Development Program Secondary Teaching Quality Improvement Project	2006-13 2012-17	$115 $70
DfID	English in Action	2008-17	$108
KOICA	Establishment of Upazila ICT training and Resource Centre of Education Enhancement of ICT Training in BKITCE, BANBEIS and strengthening EMIS network of MOE	2010–2015 2010–2013	$39 $0.8
World Bank	Secondary Education Quality and Access Enhancement Project	2008-2013	$131.7

ADB = Asian Development Bank, BANBEIS = Bangladesh Bureau of Educational Information and Statistics, BKITCE = Bangladesh–Korea ICT Training Centre, DFID = Department for International Development, EMIS = education management information system, ICT = information and communication technology, KOICA = Korea International Cooperation Agency, MOE = Ministry of Education.

Source: Asian Development Bank estimates.

3.2.2.2.2 Institutional Arrangements and Processes for Development Coordination

Development coordination is the task of the education subgroup of the Local Consultative Group, under which the government, development partners, and nongovernmental organizations regularly meet. While coordination has been more active in primary education and skills development, dialogue toward developing the whole education sector has began to take place, particularly on making the synergy between primary education and secondary education.

3.2.2.2.3 Achievements and Issues

Secondary education is currently managed through 22 projects funded by the government and externally. Though projects may contribute to meeting sector outcomes within their limited scope, sector planning and management is fragmented and weakened by overreliance on external project implementation units. The government recognizes the issue and is committed to a phased transition of secondary education to a sector-wide approach, which entails (i) programs and projects aligned with a common secondary education program framework by 2017 and a decrease in the number of discrete projects by 2023; (ii) government institutional capacity strengthened, particularly in planning, monitoring and evaluation, procurement, and finance; and (iii) development partners' contribution harmonized and aligned with the country system. The following table describes the sector-wide approach road map for secondary

education. The road map reviews achievements and current issues in sector planning, financing, management, and development coordination. It summarizes key recommendations for a phased transition to a sector-wide approach from FY2014–FY2023.

Table 3.2: Sector-wide Approach Road Map for Secondary Education

Areas	Current Status in FY2013	FY2014–FY2017	FY2018–FY2023
I. Sector Planning, Financing, and Management			
Sector program	No coherent sector program 22 projects funded by the government alone or with development partners running in parallel under the DSHE MTBF providing an overall framework	The SEPF developed and approved, and preparation for a secondary education sector program initiated	The SEPF fully implemented The SEPF to provide a framework for developing and implementing a full secondary education sector program for grades 6–12 covering both development and nondevelopment budgets
Projects	Isolated projects with limited communication	Discrete projects continue under the SEPF with further efforts to coordinate review and monitoring All new projects developed and approved in line with the SEPF	Secondary education sector program becoming the main sector program Discrete projects only for special interventions Number of discrete projects gradually reduced All projects contribute to SEPF objectives and targets
Management of projects	Most projects implemented through PIUs headed by project directors	Implementation through PIUs continues with the possibility of sharing PIUs Assigning project directors to regular positions in MOE functional units encouraged (e.g., the director general of the DSHE designated a project director)	Regular MOE functional units implementing the secondary education program and serving as PIUs for projects, with the exception of few discrete projects
Budget and financing	Artificial categorization of development and nondevelopment budgets, with development partner support provided only to the development budget	Revenue and capital budget categorization initiated, and development partner funds to be used for the program as a whole under the MTBF Channelling funds through the treasury system initiated	All development partner funds channelled and managed through the treasury system, and development partner funds used to finance all eligible items under the revenue and capital budgets under the MTBF
Institutional development	Regular functions of the MOE, the DSHE, and other MOE functional units such as planning, finance, procurement, and M&E weakened because of overreliance on PIUs	MOE functional units restructured in line with the SEPF, and an institutional development plan including a decentralization plan developed and approved by 2017 Some key regular functions of the MOE and the DSHE supported through projects	An institutional development plan including a decentralization plan implemented in a phased manner Regular functions of the MOE, the DSHE, and other MOE functional units strengthened Staff positions regularized

Areas	Current Status in FY2013	FY2014–FY2017	FY2018–FY2023
		as transition arrangements	under the nondevelopment budget
II. Development Partner Coordination and Aid Harmonization			
Development partner coordination and harmonization	Genuine efforts for coordination but achieving only limited or no harmonization Project-specific mechanisms and procedures set up in areas such as stipends, M&E, and the EMIS	Joint planning and review missions where feasible Gap analysis of procedures and mechanism conducted Harmonized approach initiated in some technical areas where feasible, such as stipends, M&E, and EMIS Collaborative parallel cofinancing initiated Technical collaboration initiated in areas such as English and science teaching, and ICT in education	Full harmonization of procedures with common reporting, review, and disbursement mechanisms Harmonized approach in all technical areas Joint financing arrangement signed
Alignment with country system	Development partners use their own procedures including financial management (e.g., separate accounts) and procurement management	Country system assessed Use of country system initiated where feasible and relevant Policy dialogue and capacity development as needed for improvement initiated Joint fiduciary oversight conducted where feasible	Expanded use of country system Development partners contributing to system improvement Joint fiduciary oversight conducted
Development partner aid modality	Project aid and transaction-based support	Results-based approach (use of disbursement-linked indicators)	Expanded use of results-based approach
TA	TA to implement projects	TA to support the institutional development plan Institutional assessment completed and TA arranged for the institutions concerned TA coordination initiated	Continued TA support through a coordinated TA facility

ICT = information and communication technology, DSHE = Directorate of Secondary and Higher Education, EMIS = education management information system, M&E = monitoring and evaluation, MOE = Ministry of Education, MTBF = medium-term budget framework, PIU = project implementation unit, SEPF = Secondary Education Program Framework, TA = technical assistance.

Source: Asian Development Bank.

Box 3.1: ASPR 2013 Highlights

OUTCOMES

- In total, 104,017 primary educational institutions were recorded in this year's APSC compared with 103,930 institutions registered for the 2012 primary education completion exam indicating 100% coverage on all types of schools.
- Overall gross intake rate in the formal primary school in 2012 was 105.8% (compared with 108.4% and 125.9% in 2005 and 2011 respectively), whereas the net intake rate in the same year was 97.4% (compared with 94.7% and 99.9% in 2005 and 2011 respectively). The gross enrolment rate (GER) - the number of children enrolled in grades 1–5 relative to the total population of children aged 6–10 (official primary school age) - was 104.4% in 2012 (up from 93.7% and 101.5% in 2005 and 2011 respectively).
- The net enrolment rate (NER) was 96.7% in 2012 up from 87.2% and 94.9% in 2005 and 2011 respectively. Gender-wise, boys' NER was 95.4% and girls' NER was 98.1%. Total enrolment of children aged 6–10 has increased rapidly since 2010 and the trend continues in 2012.
- The number of children with disabilities enrolled in the government and non-government schools remained unchanged between 2011 and 2012, and showed a sharp increase (e.g. trebling) in the numbers between 2005 and 2011.
- Provision of pre-primary education (PPE) or "baby classes" has seen substantial growth rising from 949,159 to 2,599,561 between 2010 and 2012, and represents an overall enrollment increase of 174%.

INTERNAL EFFICIENCY

- Dropout rates have been falling in all grades in recent years, with the exception of Grade 5.
- Similarly survival rate is significantly high
- The cycle completion rate has seen gradual improvement since 2005. The increase was equally shared between boys and girls.
- The coefficient of efficiency (a measure of repetition and dropout) has improved considerably.
- Years input per graduate has also reduced.

OUTPUTS

- Absenteeism rate has reduced gradually since 2005 as well as from the 2010 baseline of PEDP3.
- Enrolment growth has kept pace with infrastructure development from lowering of SCR.
- Record clearly indicates a positive trend in lowering the student-teacher ratio.
- Sanitation facilities record modest improvement.
- Almost all schools have tube wells, but some are not tested for arsenic contamination.
- In 2012, 98% schoo*ls received all textbooks by 31st Janu*ary which is a landmark achievement contrasting the 2011 school census that reported only 47% schools having received all books in the first month of the school year. In 2012, 89% teachers have the professional q*ualifications* compared with 82% in 2011.

3.2.2.3 HNPSP and PEDP II: Some Key Features Compared

The following table presents a comparative picture of SWAPs adopted by the HNPSP and the PEDP II in terms of some key features identified by researchers and reviewers:

Table 3.4: HNPSP and PEDP II Key Features Compared

HNPSP	PEDP II
Covers broader health sector	Covers formal section of the primary education sub-sector
Program budget includes both revenue and development expenditure	Program budget includes development expenditure only
The program is divided into 38 operational plans which are being implemented by 38 line directors from 5 organizations (DGHS, DNS, DDA, DGFP and MoHFP)	The program has four components that are being implemented by 6 line directors of DPE.
For flow of fund GoB's normal budgetary channels are being used.	Special fund flow arrangements developed for PEDP II.
IDA is the lead donor.	ADB is the lead donor.
Includes wide ranging activities	Activities are more focused compared to HNPSP
Prominent role of TA through Program Support Office.	Initially, there was a TA unit called Program Coordination Unit (PCU). But after three years the PCU was abolished. Now individual TA is being used only in focused areas.

3.3 Rationale for SWAp in the WASH Sector

There are a number of rationales for adopting a SWAp in the WASH sector. The rationales include government ownership and leadership; results-oriented (with a focus on sector performance); greater focus on policy -- not on detail; better coordination; funding clearer and more predictable; reduced transaction costs; improved accountability; greater focus on capacity building; increased resource allocation to under-resourced sectors/areas; and improved transparency in budgetary process. Moreover, the Sector Development Programme (SDP) for 2011-25:

- recognizes the advantages of a SWAp, the LGD of the MLGRD&C has decided to adopt a SWAp for the WSS sector in the SDP;
- recognizes SWAPs in Health and Education sectors as successes;
- indicates transition from project to program approach; and
- recommends that:
    - ➢ LGD adopt SWAps in phases, starting with a sub-SWAp covering the three WASAs given the implementation of activities under the agreed-

> on partnership framework, and then gradually expanding to small towns, large towns and cities, and rural areas; and
> ➢ PSU lead the preparatory phase and coordinate all activities in consultation with stakeholders.

Figure 3.4: Schematic Diagram of a SWAp in the WSS Sector in Bangladesh

| Isolated projects | Groups of projects | Sector Programme |

Movement over time
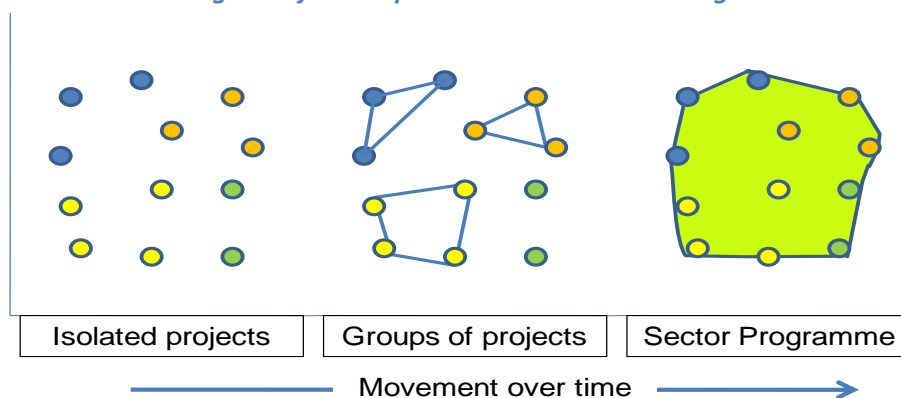
3.4 Sector's Readiness for SWAp

The sector is inwardly readying for a SWAp in terms of its gradual progress towards undertaking a programme approach to development in place of the existing project approach. Nonetheless, it is crucial to assess if the sector is ready for such a paradigm shift from a project approach to a programme approach for sector development as it involves facing significant challenges. However in Bangladesh several important developments have already taken place in the WSS sector that would help overcome the initial challenges in its transition from the project approach to the programme approach. It is apparent that the following factors would positively contribute to developing a SWAp in the WASH sector in Bangladesh:

- There is a national sector policy for WSS and a policy for arsenic mitigation.
- The "Sector Development Plan (FY 2011-25) for the Water Supply and Sanitation Sector in Bangladesh" has been prepared and approved.
- A sector development strategy is being developed in the context of the SDP.
- The Ministry of LGRD and Cooperatives has adopted the MTBF for financing the sector.
- The government has, in principle, agreed to adopt a sector-wide approach and most of the development partners are willing to move towards that.
- A system has been developed and put in operation for effective coordination among the donors, government and other sector stakeholders through establishment of sector steering committees and the National Forum for WSS.

- Twelve thematic groups have been formed involving various stakeholders in the sector for the implementation and monitoring of the SDP.
- Development partners have started aligning almost fully with government systems of auditing and partially with government financial management system and procurement.

3.4.1 National Legislations, Sector Policies, Strategies and Plans

The installation of the Water and Sanitation Sector Programme Support (WSSPS-I) in 1998-2004 ushered in a SWAp that worked rather informally, silently and invisibly over a period of 10 years to assume a way forward recognized and directed by the WSS Sector Development Plan (2011-25). The milestones/landmarks that stepped up the SWAp-developing process in the sector include formulation of a number of national legislations, sector policies, strategies and plans as noted below:

3.4.1.1 Bangladesh Water Act 2013

The objectives of the Act are to coordinate, develop, manage, extract, distribute, use, protect and preserve water resource. To achieve the objectives of the Act, the government has formed the National Water Resource Council (NWRC) as the highest decision-making body. The Act provides comments and suggestions of the people including private sector on any areas of National Water Resource Plan.

- Article 3(2) mentions potable water, use of water for hygiene and sanitation to be considered a universal right.
- Article 17 is related to the identification of water scarcity-stricken areas and its management. Sub-clause (1): the Government can declare any place or part of any place or any water resource-related land as water scarcity-stricken area for a certain period based on the results of proper investigation, examination and survey in the interest of protecting water preservers and aquifers.
- Article 18 mentions that the top two priority-based uses of water resources in water scarcity-stricken areas are: (a) potable water, and (b) water for domestic use.
- Article 19 is related to the determination of the lowest level of underground aquifer and provisions for extracting underground water. Sub-clause mentions that the Executive Committee can determine the lowest safe yield level of underground water; and sub clause (3) mentions that any individual or authority can install shallow and deep tube wells for underground extraction of water following the lowest safe yield level and other existing provisions of the Act.
- Article 22 is related to the protection of water bodies audit management. The Executive Committee may demarcate and impose restrictions to protect ponds, lake or any other water preservers as the source of safe water, if there is huge scarcity of potable water due to any natural disaster or any other causes.

3.4.1.2 Local Government Act 2009

The Local Government Acts include Local Government (Paurashava) Act, 2009; Local Government (City Corporations) Act, 2009; Upazila Parishad Act, 2009; and Union Parishad Act, 2009. These Acts specify the responsibilities, including those related to water and sanitation, of local government at different levels. In the case of water and sanitation, the responsibilities include provision and maintenance of water supply, sanitation and drainage facilities and preventing pollution of water sources.

3.4.1.3 WASAs Act

The WASAs Act 1996 empowers the government to establish WASAs in any area. It permits WASAs to carry on works related to water supply, sewage systems, solid waste collection and drainage. It also describes the composition of the WASA Board and delineates responsibilities between the Board and the Managing Director. Presently, WASAs work in Dhaka, Chittagong, Khulna and Rajshahi cities. According to WASA Act 1996 (Section 22; Sub-Section (2)), WASAs are empowered to increase the water tariff, with the approval of the Board, up to five per cent in a financial year, otherwise it has to seek approval from the LGD. The WASAs have proposed that they should be allowed to increase the tariff up to 10 per cent to meet the increasing costs and make their operations financially viable.

3.4.1.4 Environment Conservation Act 1995 (amended in 2000 and 2002)

The Act is applicable to the WSS sector in terms of obtaining environmental clearance of infrastructure construction and operations of WSS facilities like water treatment plants and waste water treatment plants.

3.4.1.5 Environment Conservation Rules 1997 (amended in 2002 and 2003)

Schedule 1 of the Rules classifies industrial units and projects into four categories according to their site and impact on the environment, namely (i) green, (ii) orange-A, (iii) orange–B, and (iv) red. The rules specify the procedures for issuing ECC for the various categories of projects. According to Schedule 1, the Water Purification Plants and Public Toilets are categorized as Orange-B, and Sewerage Treatment Plants as Red. Under Rule 12, Schedule 3-A gives Standards for Inland Surface Water; Schedule 3-B gives Standards for Drinking Water; and Schedule 9 gives the Standards for Sewerage Discharges.

3.4.1.6 Draft Water Supply and Sanitation Regulatory Commission Bill 2014

The government has prepared the final draft of Bangladesh Water Supply and Sanitation Regulatory Commission Bill, 2014 to make provisions for the establishment of an economic regulatory commission for the Water Supply and Sanitation (WSS) sector in Bangladesh to regulate tariffs, service quality, and protection of interests of users. The broad objectives of the Commission will be to build and promote equitable, sustainable, and efficient water supply and sanitation system; develop a transitory approach towards

building the economic regulatory system; ensure transparency, accountability, and public participation; promote effective competition and efficiency; protect interests of users, especially low income, vulnerable, marginalized, and disadvantaged sections of the society; protect financial viability of efficient service providers; enhance public knowledge, awareness, and understanding of the regulated sector; coordinate with other agencies in the country that are mandated to carry out activities to protect and conserve the environment; promote efficient long-term investment in water supply and sanitation section; coordinate with appropriate authorities that are responsible to monitor quality of water supply, ensure proper quality of water supply is provided, and to be sensitive towards gender issues in specific to the WSS sector as well as to the governance of the WSS sector. The preparation of the final draft WSSRC Bill is another milestone of progress in forming the legal ground for establishing an economic regulatory commission for the sector to regulate tariff, improve service quality and protect users' interests.

3.4.1.7 National Policy for Safe Water Supply and Sanitation (NPSWSS), 1998

The NPSWSS has been formulated with an objective "*to improve the standard of public health and to ensure improved environment*". The NPSWSS gives priority to the under-privileged groups and regions; emphasizes capacity enhancement of the sector; recognizes the important roles of NGOs and the private sector; calls for decentralization of operations and emphasizes participation of users in planning, development, O&M of WSS facilities; and confirms the price of water reflect its economic values as well as underlines the provision of safety net for hard-core poor communities.

3.4.1.8 National Policy for Arsenic Mitigation (NPAM) 2004

The NPAM provides guidelines for arsenic mitigation in the drinking water, health and agriculture sectors; and calls for greater involvement of local government institutions (particularly union parishads) in planning, delivery of safe water options, mobilizing resources, monitoring of tube wells and patients, and information management.

3.4.1.9 Implementation Plan for Arsenic Mitigation (IPAM, 2004)

IPAM provides details of the roles of the institutional arrangements and the actors with regard to screening and monitoring, emergency response programme, and research and development.

3.4.1.10 National Sanitation Strategy (NSS, 2005)

The NSS seeks to "*address key sector issues, define the roles of various actors, and guide the creation of enabling conditions for success*". The NSS stresses capacity enhancement of the LGIs; recognizes importance of providing special services to hard-core poor / slum dwellers; provides guidelines on technology choices; calls for public-private-community partnerships; highlights importance of coordination in service delivery; and calls for enforcement of appropriate desludging of on-site sanitation systems.

3.4.1.11 Pro-poor Strategy for Water and Sanitation Sector (PPSWSS, 2005)

The PPSWSS builds on four pillars: i) definition of hardcore poor households; ii) definition of basic minimum service level; iii) targeting and organizing the hardcore poor households; and iv) mechanism of administering subsidies.

3.4.1.12 National Vetting Guidelines for Water Supply and Sanitation Subsector Bangladesh (2009)

The National Vetting Guidelines has been formulated and approved by the Government of Bangladesh "to ensure that all projects in the sector do not, at least, contradict or work against any of the guiding principles which the government has adopted for the sector". The Guidelines includes review of the projects sponsored by the government, funded by donors, and implemented by the NGOs, but it excludes the privately planned, funded and implemented projects and initiatives. It is intended to assure that the projects run in conformity with the national policy principles.

3.4.1.13 National Hygiene Promotion Strategy for WSS (NHPSWSS 2012)

The NHPSWSS has been formulated to *"promote sustainable use of improved water supply and sanitation infrastructures, to create an enabling environment"*. The NHPSWSS: ensures comprehensive hygiene promotion and practices to reduce water and sanitation related diseases; highlights basic principles to be followed at every stage and level of programming; and highlights ten strategic elements, including role of NGOs and the private sector, and gender mainstreaming.

3.4.1.14 National Cost-sharing Strategy for water Supply and Sanitation (NCSSWSS 2011) (revised)

The NCSSWSS pursues a goal *"to provide functional ways and means for water supply and sanitation in Bangladesh to facilitate standardization of and increased access to water supply and sanitation services to all by 2025, and to make services affordable, equitable and sustainable, at cost"*. The NCSSWSS provides cost sharing principles and modalities; and recommends operational guidelines for measuring service levels.

3.4.1.15 National Strategy for Water and Sanitation in Hard-to-Reach Areas (NSWSSHRA, 2011)

The NSWSSHRA seeks "*to improve safe drinking water and sanitation coverage in hydro-geologically and socioeconomically difficult areas" The s*pecific objectives are to develop meaningful definitions of hard-to-reach areas and people; develop criteria for isolating hard to reach areas; and identify challenges and develop strategies for improved WSS services to the hard to reach areas.

However, the sector has developed the National Water and Sanitation Strategy by compiling and harmonizing the five different strategies formulated at different times to meet instant needs, and as it now provides a uniform strategic guideline for achieving the sector policy goals by incorporating the emerging challenges facing the sector.

3.4.1.16 Sector Development Plan (FY2011-25) for Water Supply and Sanitation Sector in Bangladesh

The Sector Development Plan for a period of 15 years (FY 2011–2025) is a planning document for the WSS sector approved by the Government of Bangladesh (GoB). In 2011, the Policy Support Unit (PSU) prepared a new version of the SDP updating a 10-year SDP (SDP, 2005) for the WSS sector in Bangladesh prepared in 2005 by the Local Government Division (LGD), Ministry of Local Government, Rural Development and Cooperatives (MoLGRD&C). The SDP 2005 analyzed the relevant national and international policies, strategies and targets, and prepared a framework for the development of the WSS sector. The government subsequently decided that a separate analysis for Chittagong Hill Tracts (CHT), more focus on hygiene promotion and greater attention to regions that were lagging behind should be included. It was also realized that some emerging development approaches such as the Water Safety Plan (WSP), Sector Wide Approach (SWAp), and climate change and disaster management should be assessed and incorporated in the context of the WSS sector. The PSU has made substantial progress in disseminating the plan with the major stakeholders as a step to involve their active participation in the implementation process. The SDP:

− recognizes the advantages of a SWAp, the LGD of the MLGRD&C has decided to adopt a SWAp for the WSS sector;

− recognizes SWAPs in Health and Education sectors as successes; and

− indicates transition from project to programme approach.

The SDP also recommends that:

− LGD adopt SWAps in phases, starting with a sub-SWAp covering the three WASAs given the implementation of activities under the agreed-on partnership framework, and then gradually expanding to small towns, large towns and cities, and rural areas; and

− the PSU lead the preparatory phase and coordinate all activities in consultation with stakeholders.

3.5 Institutional Arrangements and Coordination Forums

3.5.1 National Forum for Water Supply and Sanitation

According to NPSWSS 1998, the National Forum for Water Supply and Sanitation (NFWSS), having representatives from relevant ministries, agencies and the DPs and chaired by the Secretary, LGD, is responsible for coordination, monitoring and evaluation of the sector activities. Since its inception in 2000, the NFWSS has approved, supervised and coordinated a number of policy and strategy documents. It has, at present after the

adoption of the SDP, two sub-committees: (i) Policy and Monitoring Support Committee, and (ii) Technical Support Committee.

Figure 3.5: Sector Coordination and Monitoring Arrangement
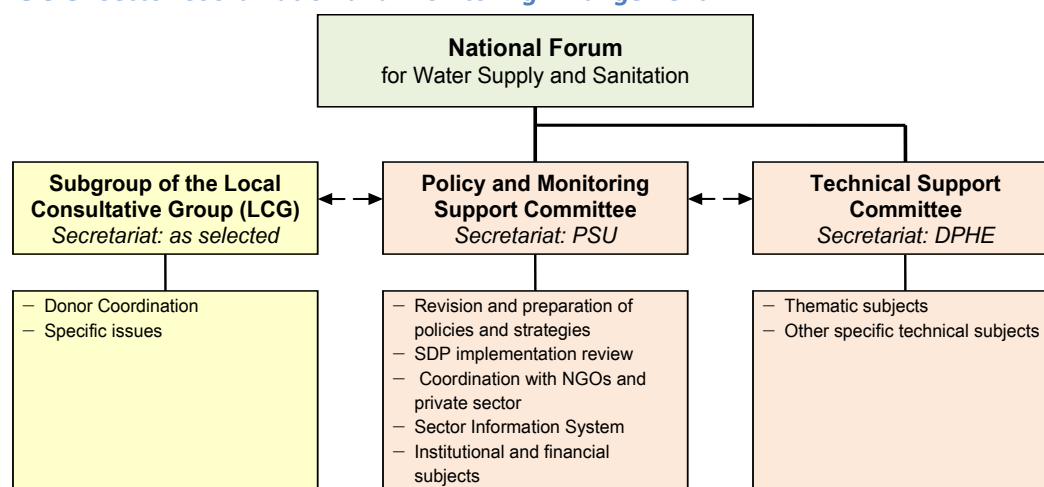
- The Policy & Monitoring Support Committee headed by a Joint Secretary, LGD, and with the PSU as its Secretariat, is responsible for revision and preparation of policies and strategies, review of SDP implementation, coordination with NGOs and the private sector, sector information system, and institutional and financial subjects.

- The Technical Support Committee headed by DPHE Chief Engineer is responsible for thematic subjects and other technical matters.

3.5.2 Local Consultative Group (LCG) on WSS

Under the umbrella of the Local Consultative Group (LCG) in Bangladesh, an association of bilateral and multilateral donors with participation of other stakeholders, including government agencies and the NGOs, the LCG subgroup for water and sanitation shares information and experiences, discusses issues and challenges, coordinates, monitors and harmonizes sector development activities. The LCG WSS subgroup can also create *ad hoc* working groups as needed.

3.5.3 Thematic Groups

Twelve thematic groups involved in the preparation of the SDP 2011-15 have been functional. The groups involve a number of thematic agencies in implementing the sector development plan in 12 different thematic areas. The thematic areas are water supply and sanitation, hygiene, environmental sanitation, sector reforms and institutional reforms, water safety plan and water quality monitoring, arsenic mitigation, drinking water resource management, lagged behind areas, cross-cutting issues, research and development, monitoring and evaluation, and disaster response.

Table 3.5: Thematic Areas and Agencies

SI	Thematic Areas	Thematic Agencies (focal agency in bold)
01	Water Supply and Sanitation	**DPHE, UNICEF**
02	Hygiene	**UNICEF**, Directorate of Health
03	Environmental Sanitation	**DPHE**, BRAC, Water Aid
04	Sector Reforms and Institutional Reforms	**PSU**, ABD, World Bank, DPHE, WASA, LGED, DANIDA
05	Water Safety Plan and Water Quality Monitoring	**WHO**, DPHE, JICA
06	Arsenic mitigation	**JICA/UNICEF,** DPHE, WHO, WSP, MO Health, MO Agriculture, MO Water Resources
07	Drinking Water Resource Management	**DPHE**, WASAs, MO Water Resources (WARPO), World Bank, Netherlands
08	Lagged Behind Areas	**WaterAid**, LGED, NGO-F
09	Cross-cutting Issues	**WSSC,B**, DPHE, WSP, WAB, NGO–F, DANIDA
10	Research and Development (R&D)	**ITN**, DPHE, WASA
11	Monitoring and Evaluation	**PSU**, DPHE, WASA, LGED
12	Disaster Response	**UNICEF,** DPHE, Disaster Management Bureau

3.6 Mainstreaming the WSS Sector Programme Support

The PSU was established in December 2005 as a Sector Policy Component of Water Supply and Sanitation Programme Support (WSSPS)-II to provide the GoB with technical assistance for development, review, implementation and monitoring of sector policies and facilitate implementation of the Sector Development Plan (SDP). It became a successor to the Danida-assisted Unit for Policy Implementation (UPI) established in 1999 as a component of WSSPS-I. The Policy Support Unit (PSU) has been mainstreamed as a Branch of the Local Government Division (LGD) in the Ministry of Local Government, Rural Development & Cooperatives (LGDR&C). The positions are expected to be filled in soon for full functioning of the Branch. The challenge that trails along the transition is to establish the branch as a knowledge hub that may facilitate intellectual engagement and provide input for policy reform and development, create options for making decisions based on practical information, and take on advisory roles in guiding the sector.

The next chapter presents the modality of piloting the SWAp in the WASH sector.

Chapter IV

THE MODALITY OF PILOTING SWAp
IN THE WASH SECTOR

A modest review of literature available so far as well as intensive consultations with a variety of key stakeholders, especially the information-rich respondents having direct SWAp implementation experience in the education and health sectors of Bangladesh, suggest certain measures for piloting the Sector-wide Approach (SWAp) in WASH sector as discussed below.

4.1 Shifting the Focus from WASAs to WASH Sector

The initiative taken by the PSU to formulate "modality for SWAp piloting in WASAs to facilitate initiatives to adopt SWAp in Water and Sanitation Sector" to achieve four specific objectives (see Chapter I) is one of the important steps the Sector Development Plan (SDP) 2011-25 has suggested to reach the sector policy goals. The SDP argues:

> *A SWAp in the WSS sector should be simple and small at the initial stages. The transition from a project approach to a program approach should be gradual to allow building of capacity and confidence. Accordingly, it is suggested that the LGD adopt SWAps in phases, starting with a sub-SWAp covering the three WASAs given the implementation of activities under the agreed-on partnership framework, and then gradually expanding to small towns, large towns and cities, and rural areas (Figure 7.3). Another arrangement for consideration is to have, in parallel, a separate sub-SWAp for the CHT area in the short term. In the medium term, it is envisaged that a sub-SWAp would be established in the rural subsector, in large cities with WASAs, and in the city corporations and paurashavas. (SDP 2011-25, p. 162)*

However, according to the SDP, WASAs were first established in Dhaka and Chittagong cities through the then East Pakistan Ordinance of 1963 to address the WSS needs of large cities. Khulna WASA was established in 2008, and a WASA established in Rajshahi in 2010 is developing. Data reveals that the WASAs (Dhaka WASA, Chittagong WASA, Khulna WASA, and Rajshahi WASA) lack a homogenous scale of operation to fulfil the differing degrees of needs of the city clients due to their varying institutional response capacities. One WASA managing director notes:

> *The main goal for the WASAs is to provide uninterrupted 24-hour potable drinking water supply. However, the pipelines, pressure, tariff structure, and payment system are different for the different WASAs at the beginning of the*

> *varying development stages of the WASAs but may be levelled up/upgraded gradually in compatibility with development. DWASA is leading in a sense that it is implementing the water supply/safety training for CWASA and KWASA as they do not have infrastructural arrangement and technical capacity for doing so. To undertake a unified programmatic approach, benchmarking/KPI will have to be determined covering production, distribution, and revenue earning.*

The SDP informs that the WSS sector in the SDP is divided into Urban Water and Sanitation Subsector, and Rural Water and Sanitation Subsector because of the distinct characteristics of urban and rural areas (SDP p. 23). The urban subsector is divided into two categories on the basis of different institutional arrangements for water and sanitation and the size of the cities: cities with WASAs; and city corporations and *paurashavas*.

WASAs are large WSS utilities which operate the systems, collect fees and implement development projects. They are responsible for water supply and sewerage in four city corporations while the city corporations are responsible for drainage. The government has placed high priority on developing the WASAs as efficient agencies and signed a Partnership Framework Agreement for the three WASAs with DPs. The objective of the agreement is to address reform issues and to improve and extend water, sanitation, drainage and wastewater services. Again, the WASAs have signed performance agreements with the Government of Bangladesh represented by the LGD. (See, for example, the "LGD-CWASA Performance Agreement: July 2013—June 2018" in Appendix 4.)

Apart from the WASAs, the Department of Public Health Engineering (DPHE) plans and implements water and sanitation facilities via the LGIs, ie, city corporations without the WASAs, paurashavas and the union parishads. The urban LGIs, that is, city corporations and paurashavas, are responsible for the O&M of the water supply systems with technical support from the DPHE. The DPHE assists the city corporations, some large paurashavas and 148 small paurashavas (with no piped water supply systems) in preparing master plans for the WSS.

Given the perspective as portrayed above, it appears that it would be pragmatic to facilitate a shift of focus from the WASAs to the WASH to involve the entire sector (urban and rural) as SWAp is all about sector reform from the policy to the implantation level down through the service delivery system, and it seeks to influence shift from the project to programme approach. To ensure that WASH is covered in both the urban and rural areas, the LGD taking the lead role may involve both the DPHE and the WASAs in implementing the SWAp. The workshop participants have argued:

> *The planning vocabulary lacks WASH as a sector but it exists in practice at institutional level under the leadership of LGD.*

4.2 Identifying the Key Components

Based on some general features of SWAps in different countries and in the Health and Primary Education sub-sector in Bangladesh, the following components may be identified as key components for a SWAp in the WSS sector:

- a *macro plan/strategy* for sector development;
- *medium-term expenditure framework* linked to the sector strategy;
- *clear understanding* between government and development; partners including *agreed funding modalities*;
- *performance monitoring* with agreed indicators for measuring achievement of results;
- *broad consultation mechanisms* that involve all key stakeholders;
- a process for alignment with *government systems* for reporting, budgeting, financial management and procurement; and
- partner government-led process for *development partner coordination* at sector level.

With these components in place or a clear plan of action to establish them, a programmatic approach to the development of the sector could be developed.

4.3 Formulating a Broad-based Results Matrix

The WASH sector is required to frame a results matrix by taking into consideration the SDP roadmap and consensual agreements with the Municipalities Association of Bangladesh (MAB) as found in the SDP (2011-25), and adopt the Result Based Management (RBM) approach as it:

- provides information in order to support the decision-making and planning processes for policy and decision makers;
- uses an RBM-focused Monitoring and Evaluation system to help the WASAs and the DPs base their decisions about the sector progress and success on results; and
- lays its emphasis more on results than on activities.

This is also known as evidence-based planning. When RBM presents data for planning purposes it uses "the results chain". With the results chain, resources ("inputs") are used (for "activities") to produce short-term results ("outputs"). These "outputs" will, in turn, lead to improved services in the medium term ("outcomes"), as well as long-term benefits for society as a whole ("impact").

Figure 4.1: Results Framework
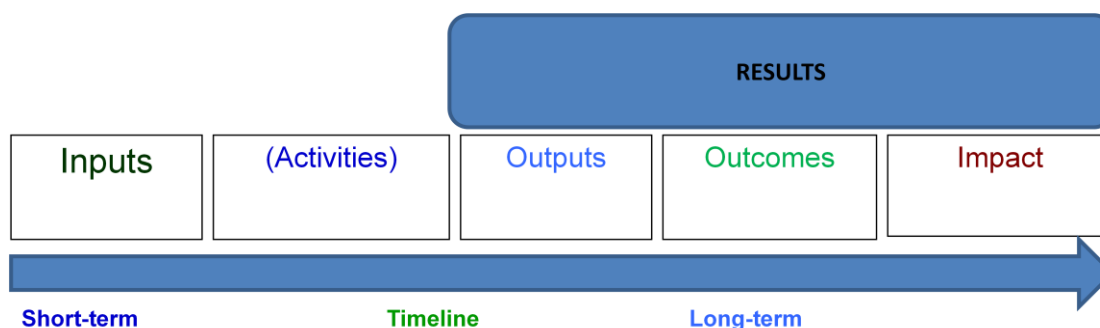
The planning process needs to link implementation (input → activities → output) with sector performance (outcome → impact) through the use of information and statistics. It is a basis for a planning dialogue in the WASAs and the other key implementing agencies and in the annual planning cycle of the sector programme. It provides evidence to pinpoint what is working well towards the achievement of the desired results and what is not doing so well. Based on this evidence, decision makers and planners will be able to adjust the inputs and activities as necessary to improve outputs and therefore outcomes. This way the sector programme needs to be guided by its Results and Programme Matrix,

Box 4.1: Planning Process Using RBM Approach

In evidence-based planning, policy makers, in this case the Government, begin by deciding what outcomes should be achieved. These outcomes are then stated clearly as „indicators‟ which can be measured in a manner which is objective, in the sense that there can be no doubt about whether they have been achieved or not. Only after these desired outcomes are decided are the necessary inputs, activities and outputs identified. For planning purposes, this means starting at the right end of the figure above. The planner then moves along the chain to the left: from the desired impact back to the inputs and activities which are necessary to achieve that impact. This holds true both for the five-year planning of the

a logical framework which summarizes what the Programme will do and what it plans to achieve; and it needs to make sure the M&E Matrix lists the key performance indicators (KPIs), provides a set of PSQL indicators, and describes the results of activities and inputs that need to be monitored and evaluated to support the planning process.

The RBM is identical with the lending mechanism of the donors. For example, the World Bank introduces a lending instrument for the governments to better deliver their own development programs. Program-for-Results financing would link disbursement of Bank financing to the verified achievement of results. It would also work to strengthen program institutions and systems, and would allow the Bank to have more effective partnerships with governments and other donors in support of larger development

programs (World Bank 2011). The Bank also informs that the work encompasses three complementary efforts: (1) developing and expanding comparative Indicators of the Strength of Public Management Systems (ISPMS), (2) developing new measures of Institutions and Governance for the World Bank's Corporate Scorecard, and (3) developing Disbursement Linked Indicators (DLIs) that are suitable for use in Results-based Lending operations. All of these efforts serve to strengthen a focus on and accountability for results, to enable learning and improving project effectiveness over time. They are based on common quality principles for useful measures of public sector management systems.

ADB (2011) notes, the results to be agreed and monitored would be the results of the government's program. A results chain for each program would be developed to clearly show the links between inputs, outputs and outcomes, and World Bank disbursements would be linked to achievement of specific results on that results chain or to performance enhancement actions/processes. The instrument would provide a lot of flexibility with respect to the choice of disbursement linked indicators (DLIs) to facilitate achievement of results and provide some reasonable assurance of steady funding for the program. The DLIs could also be made scalable – meaning partial disbursement in cases of partial achievement of results. The DLIs could be outputs, outcomes or other actions/results and would need to be clearly verifiable. All of this would mean a very strong focus on monitoring and evaluation and how to improve a program's existing monitoring and evaluation systems as well as a set of protocols to verify that DLIs have been achieved.

4.4 Focusing Attention on Targets

The sector needs to focus its attention on the areas of its engagement aided by an action research that constantly studies the implementation process to capture the lessons to be learnt for consideration in the next cycle of planning. It is important the sector explore the scope of its coverage and engagement and consider certain critical issues as below:

- target areas of focus, such as sector reforms, performance monitoring, and so on;
- number and size of the areas to be covered by the programme;
- making an action plan setting time-bound, specific, measurable and achievable disbursement linked targets (DLTs) and disbursement linked indicators (DLIs) that may attract funding; and
- sketching the range of result-oriented activities that are implementable in practical terms.

However, it is important that while making the plans the WASAs consider the key performance indicators as set by the SDP (2011-25) for sector monitoring.

Table 4.1: Key Performance Indicators for Sector Information System

Key performance indicators for sector information system

Performance Themes	Key Indicators	Brief Description of the Indicators (unit)
Access	Water supply coverage	Proportion of population with sustainable access to safe drinking water supply (%)
	Sanitation coverage	Proportion of population with access to improved sanitation facilities (%)
Functionality	UfW (NRW)	Proportion of water delivered to registered customers compared to water produced in water supply systems (%)
	Water quality	Proportion of water sample taken at the point of consumption that complies with the national water quality standards (%)
Organizational Efficiency	Cost recovery	Proportion of capital and O&M costs covered by revenue collection in piped water supply systems (%)
Investment Efficiency	Unit cost	Unit cost of additional population served (BDT/capita)
Inclusiveness	Pro-poor	Proportion of poor population having access to the water and sanitation facilities (%)
Behavioral Change	Hand washing	Proportion of people washing hands with soap or ash after using toilet and before eating (%)

Source: WSS SDP 2011-25

4.5 Taking the SWAp Leadership and Ownership

The Local Government Division (LGD) will have to take the overall responsibility and the PSU to take the leadership and coordinate implementation by the DPHE and the WASAs. In case of implementing a programme using the Sector-wide Approach (SWAp), it is essential that the government take the leadership that may be represented by the LGD at the ministerial level and the PSU/DPHE at the agency level. The SDP points out:

> *The PSU of the LGD under the MLGD&C should be the lead agency during the preparatory phase and coordinate all preparatory activities in consultation with stakeholders.*

Government ownership is essential, and this automatically flows from the standardized government analytical framework and results framework because it gives the government a full picture for sector optimization instead of project optimization. In one big programme, all DPs agree to one results framework.

However, the government needs to make sure that the following leadership arrangement is made:

- Lead Ministry: LGD; and
- Lead Agencies: DPHE and the WASAs.

The national consultation workshop participants have shared the following observations:

➤ *There are many positive tools and equipment to start SWAp in the sector, but it is not happening due to the weak leadership of the PSU.*
➤ *The PSU should take the leadership that would be enabling all sector agencies and actors to work together.*
➤ *Linkage between policy makers and the sector stakeholders requires a continuum, and the PSU should play bridging roles in strengthening sector coordination.*
➤ *All stakeholders must be consulted and involved in the process to build consensus among them to develop holistic ownership and ease progress. Hence, the PSU should continue focus on linking and coordinating the stakeholders and their priorities.*
➤ *SWAp should be inclusive and cover the agencies (DPHE and LGED). Any projects not covered by the SWAp should not be undermined.*
➤ *Caution should be taken to ensure the ongoing projects continue even if the SWAp starts with the pooled funding. SWAp should not lose its focus on the specific, minor issues and areas lagging behind. Parallel projects need to be allowed.*
➤ *Varied stakeholders having variance in thematic focus and interest indicating complexity of institutional engagement.*
➤ *We need to make analyses of the political economy to bridge the gaps between the popular demands and the planning needs.*
➤ *SWAp should be in operation with flexibility. Varied approaches such as rights based, delivery based, equity-based, hard-to-reach should not be diluted to provide adequate space for concurrent operation.*

Nonetheless, it makes sense that the PSU represent the LGD to coordinate SWAp activities implemented in the urban and rural areas by the DPHE and the WASAs. Taking into account the existing institutional capacity of the PSU, a concern that the respondents have expressed during the consultation needs to be addressed to enable the PSU to take the SWAp leadership on behalf of the government. It is also vital that the PSU gets adequate authority from the LGD to facilitate the institutional engagement/ involvement--DPHE, WASAs, city corporations, municipalities, union parishads, LGED, NILG, and other relevant agencies in the programme implementation process. One workshop participant notes:

The local government institutions (LGIs) seem to be ignoring the SDP as they are not putting this national planning document into practice.

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Box: 4.2 Institutional Agreements

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i)   Agreement between the Local Government Division (LGD) of Ministry of Local Government, Rural Development and Cooperatives (LGRD&C) and the Department of Public Health Engineering (DPHE) in a workshop on "Positioning DPHE for Future Challenges" in Cox's Bazar, 6-8 May 2010;

ii) Agreement between the LGD and the Three City Corporations (TCCs) in a workshop on "Future Challenges in Water and Sanitation Sector: Roles of City Corporations" in Chittagong from 27-29 May 2010;

iii) Agreement between the LGD and three WASAs in a workshop on "Future Challenges in Water and Sanitation Sector: Roles of WASAs" in Sylhet, 10-12 June 2010;

iv) Agreed Statements between LGD and the Municipal Association of Bangladesh (MAB) in a workshop on "Future Challenges in Water and Sanitation Sector: Roles of Paurashavas" at Jamuna Resort in Tangail, 18-20 June 2010; and

v)   Agreement of Local Government Division (LGD) in a meeting on "Future Challenges in Water Supply and Sanitation Sector: Roles of LGD" in Dhaka on 17 July 2010.

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4.5 Championing Sector Reforms

The SWAp needs to make sure the ministry has sufficient leverage to negotiate, argue and push other ministries like Ministry of Finance, Ministry Land, Ministry of Public Administration. Championing the cause of sector reforms would require policy and resource commitment to constant process and policy advocacy from within to influence and push result-oriented institutional and policy reforms aimed at systemic improvement, building capacity at the institutional and individual levels, and yielding better results at the output, outcome and impact levels of the programme.

4.6 Monitoring the Sector Road Map and Agreements

SWAp needs to involve the Municipal Association of Bangladesh (MAB) and the 12 thematic groups gradually in operation and monitor the performance agreements with the MAB, WASAs, city corporations (CCs), the DPHE and the LGD. The agreements are the statements committed to achieving the national goal of supplying safe drinking water for entire population by 2011 and bringing each house under improved sanitation by 2013, as defined in national documents, and thereafter enhancing the service levels. The parties affirm that they will accordingly adopt and implement policies, strategies and implementation plans, as will be reflected in the Sector Development Plan.

The subcommittee of the NFWSS established 12 thematic groups, each given the task to address a specific theme identified as crucial for the SDP. Each group was composed of members from a number of agencies, including representatives of the academia, government agencies, the DPs, the NGOs, the private sector and the SDP consultants, with expertise in the particular theme, and had a focal agency to coordinate the group's activities. The objectives of the thematic groups were to provide technical support

related to the themes during the SDP preparation phase; and to oversee the implementation of the thematic recommendations and to provide technical guidance during the three SDP planning and implementation periods. The thematic groups produced reports on the themes, shared new ideas, and reviewed the relevant parts of the SDP. In short, the monitoring the sector development road map and implementation of the agreements as stated above indicate that SWAp means the implementation of the SDP as articulated by the participants of the national consultation workshop.

> *SWAp implementation means SDP implementation which indicates a major shift in policy strategy implementation recognizing actor variance, their interests and involvement…*
>
> *The SWAp is a good initiative taken by the government and needs to be piloted without further delay.*
>
> *SWAp implementation means SDP implementation which indicates a major shift in policy strategy implementation recognizing actor variance, their interests and involvement.*
>
> *Piloting and data reliability are crucial for marketing of the SWAp and influencing the DPs.*
>
> *One critical way of scaling up the SWAp is to review or monitor SDP implementation.*

4.7 Staffing and Capacity Building

The SWAp must demonstrate clear commitment to adequate staffing and staff capability building to enable them to implement the WASH programme using the SWAp. One respondent notes:

> *It is crucial to build and enhance the management capacity to implement the plan and monitor the progress using the SWAp.*

To be specific, the government needs to make sure that it turns over senior capable staff, and the admin cadre staff turnover for 2-3 years needs to be minimized as it is too short to implement the programme.

4.8 Funding the SWAp

Fund mobilization involves a challenge of identifying the sources to finance the programme as it may take some time to attract donor funding. From the lessons of HNPSP and PEDP II it seems that the SWAp in this sector should not be very ambitious at the beginning.

The diversified institutional arrangements might prove very difficult to handle. However, the government may agree to a broad program framework for the WSS

sector but implement it in phases starting with rural water supply and sanitation and gradually expanding to small towns, large towns and cities.

However, the WSS sector may consider kicking off the pilot programme with resources available from the Revenue Budget/Development Budget. One workshop participant has suggested that the SWAp piloting be started with public money on a small scale at first with a skeleton budget following the footsteps of PEDP II and III. The participant adds:

> *A single fund management policy needs to be formulated to provide directives for WASH sector implementation using the SWAp. The government should take the initiative for inviting the donors to agree to collaborate to create a pooled fund to support a single policy.*

Given the resource constraints, it may be useful to start with the "lower-hanging grapes", a benchmark that may be set to crop strategic benefits of implementing the programme using a SWAp.

The step that may be taken at the next level is to attract the donors to contribute to the basket funding, which will require the sector to follow a modality of results-based funding, meaning that it is only after the results are achieved money will flow. Some of these results are associated with the DLIs (Disbursement Linked Indicators) linked to sector finance suggestive of conditional release of funding from the donors or from the government's own fund. For example, if the Ministry of Finance does not give enough money to the programme the development partners (DPs) may not give money to the government. In other words, results-based lending requires the government to meet the DLIs as a perquisite for accessing the fund committed by the donors.

4.9 Aid Harmonization and Alignment

As signatories to the Paris Declaration, the donors are obliged to align with the government policies, plans and actions. The Declaration lays out a practical, action-orientated roadmap to improve the quality of aid and its impact on development. It contains 56 partnership commitments organised around five principles to make aid more effective. As part of the Paris agenda for aid effectiveness, donors are working to minimise proliferation, harmonise procedures and align aid by using developing country systems. Donors are also co-ordinating their aid programmes, and ensuring coherence and avoiding overlapping actions. Some actions specific to alignment and harmonization are:

- Countries develop reliable national fiduciary systems or reform programmes to achieve them.
- Donors align their aid with national priorities and provide the information needed for it to be included in national budgets.
- Co-ordinated programmes aligned with national development strategies provide support for capacity development.
- Aid is provided through harmonised programmes co-ordinated among donors.

Table 4.2: Aid Harmonization and Alignment

01	Ownership	Developing countries set their own development strategies, improve their institutions and tackle corruption.
02	Alignment	Donor countries and organisations bring their support in line with these strategies and use local systems.
03	Harmonisation	Donor countries and organisations co-ordinate their actions, simplify procedures and share information to avoid duplication.
04	Managing for Results	Developing countries and donors focus on producing – and measuring – results.
05	Mutual Accountability	Donors and developing countries are accountable for development results.

It is important to bear in mind that different donors have different funding priorities, targeting mechanisms, and pipelines, meaning that analytical matters need to be harmonized to qualify for such big funds and countrywide investments. The different donors' guidelines and priorities of the areas that need interventions the most should be harmonized, and they do not allow for any changes unless agreed on to let a third party in. The process appears difficult due to the multi-donor engagement in funding the programme, yet it is useful for the programme to focus on the areas that need interventions the hardest. In case of alignment, there is no room for a project approach that makes sporadic efforts without creating a scope for holistic engagements and results. This holism in development interventions involves a joint need assessment structure to analyse all service points and prioritise the ones that need support most.

The potential donors that may be willing to contribute to the WASAs' basket funding are World Bank (WB), Asian Development Bank (ADB), UKAID, DANIDA, and Dutch WASH Alliance among others. The sector may consider to think of the WB/ADB as the lead donor, and the others as the associate donors.

4.10 Devising a Fund Flow Channel

It is important to devise a fund flow channel to make sure all the money is pooled together and it goes directly into the government treasury. The treasury merges with the budget for one TPP/DPP for the entire WSS sector while a few projects under the umbrella are nearly closing. This approach is actually more and more minimizing the traditional work of the Planning Commission because of one programme with all interventions of the sector under one umbrella of the TPP/DPP with inbuilt flexibility of reallocation which does not require approval from the Planning Commission because the TPP/DPP is already approved. Secondly, the donors fund not only the ADP but also the

revenue budget. Once money goes into the Treasury which merges with the public money allocated to the sector, it minimizes the need for formulating a separate financial management and procurement policies to support one plan, ie, Annual Operations Plan for the whole sector which is jointly funded without any separate accounts for different donors. One of the huge advantages of this approach is that creating capacity for a particular project is not needed, rather system capacity is built. With the money handled by the project chief, the programme is implemented in line with the annual operations plan. The donors would monitor the speed of execution instead of looking for vouchers, and look at systemic strengthening through constant monitoring of the progress linking to the results framework. Hence, it is important to devise a normal or special fund flow channels/mechanisms, and/or start with the TA (ie, currently implemented under WSSRC TA).

4.11 Recommended Steps/Measures

Box 4.3: Recommendations

- **Prepare a concept paper on SWAp for WASH.**
- **Shift the focus from WASAs to WASH Sector.**
- **Identify the key components**
- **Formulate a broad-based result matrix.**
- **Focus attention on targets.**
- **Take the SWAp ownership and leadership.**
- **Champion sector reforms.**
- **Monitor the sector development commitments, progress and performance arrangements.**
- **Ensure adequate staffing and enhance capacity.**
- **Mobilize fund for SWAp.**
- **Ensure Aid Harmonization and Alignment.**
- **Devise fund flow channel.**

The following measures are recommended to implement the SDP by adopting and using the sector wide approach:

4.11.1 Prepare a concept paper on SWAp for WASH

- Prepare a concept paper containing a results framework, circulate copies among the key stakeholders to incorporate their viewpoints for improvement of the draft, and
- invite funding from the major donors that have potential interest in achieving sector progress in line with the SDP 2011-25.

4.11.2 Shift the focus from WASAs to WASH Sector

- Shift the focus from the WASAs to broaden the scope of the initiative taken by the PSU to formulate "modality for SWAp piloting in WASAs to facilitate initiative to adopt SWAp in Water and Sanitation Sector" to reach the sector policy goals.
- Pilot SWAp on a small scale to get proper directions to move forward and scale up.

4.11.3 Identify the key components

- Identify the key components for a SWAp in the WSS sector, which include macro plan/strategy for sector development, medium-term expenditure framework, clear understanding, agreed funding modalities, performance monitoring with agreed indicators for measuring achievement of results, broad consultation mechanisms that involve all key stakeholders, a process for alignment with government systems for reporting, budgeting, financial management and procurement; and partner government-led process for development partner coordination at sector level.

4.11.4 Formulate a broad-based results matrix

- Frame a results matrix by taking into consideration the SDP roadmap and consensual agreements with the Municipalities Association of Bangladesh (MAB).
- Link implementation (input → activities → output) with sector performance (outcome → impact) through the use of information and statistics.

4.11.5 Focus attention on targets

- Focus the sector attention on the areas of its engagement aided by an action research that constantly studies on the implementation process to capture the lessons to be learnt for consideration in the next cycle of planning.

4.11.6 Take the SWAp leadership and ownership

- Make sure the Local Government Division (LGD) to take the overall responsibility and the PSU to take the leadership and coordinate implementation by DPHE and WASAs.
- Ensure the government take the leadership that may be represented by the LGD at the ministerial level and the PSU/DPHE at the agency level.
- Make sure that the LGD become the lead ministry while the DPHE and the WASAs become the lead agencies.

4.11.7 Champion sector reforms

- Make sure the ministry has sufficient leverage to negotiate, argue and push other ministries to champion the cause of sector reforms and to influence and push result-oriented institutional and policy reforms aimed at systemic improvement, building capacity at the institutional and individual levels, and yielding better results at the output, outcome and impact levels of the programme.
- Revisit the policies every 10 years to readjust the focuses.

4.11.8 Monitor the sector development commitments, progress and performance agreements

- Develop a performance-based sector monitoring mechanism and implement it.
- Make an assessment of the commitments made by the five different agencies and involve the MAB and thematic groups gradually in operation and monitor the performance agreements with the MAB, WASAs, CCs, DPHE and LGD as well as the SDP implementation road map.
- Assess the sector progress on an annual basis using the indicators as in the SDP.
- Make an assessment of the sector financing as per the SIP of the SDP.
- Establish programme funding for sector monitoring.

4.11.9 Ensure adequate staffing and enhance capacity

- Demonstrate clear commitment to adequate staffing and staff capability building to enable them to implement the WASA programme using the SWAp.

4.11.10 Mobilize fund for the SWAp

- Identifying the sources to finance the programme as it may take some time to attract donor funding.
- Develop a broad Program Framework for the WSS sector but implement it in phases starting with rural water supply and sanitation and gradually expanding to small towns, large towns and cities.
- Consider kicking off the pilot programme with resources available from the Revenue Budget/Development Budget.
- Try the "lower-hanging grapes", a benchmark that may be set to crop strategic benefits of implementing the programme using a SWAp.
- Attract the donors to contribute to the basket funding, which will require the sector to follow a modality of results-based funding, meaning that it is only after the results are achieved money will flow.

4.11.11 Ensure Aid Harmonization and Alignment

- Negotiate with the donors to align with the government policies, plans and actions.
- Convince the potential donors such as World Bank (WB), Asian Development Bank (ADB), UKAID, DANIDA, and Dutch WASH Alliance among others to contribute to the basket fund.

4.11.12 Devise a fund flow channel

- Devise a normal or special fund flow channels/mechanisms, and/or start with the TA (ie, currently implemented under WSSRC TA).

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Developing Modalities for Piloting SWAp in WASAs

Key Informant Interview (KII): Checklist

Respondents: Public officials, DPs and Individual Experts

Name: ....

Designation: ....

Institution: .... Date: ………/……../………

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1. Experiences in PEDP/HNPSP implementation in Bangladesh
2. Successes and challenges
3. Strengths and weaknesses
4. Experiences in implementing the policy matrix of ADB, JICA and Danida funded programmes implemented by DWASA, CWASA and KWASA
5. Donors' basket funding
6. Result matrix
7. Progress monitoring
8. Problems and challenges
9. Lessons
10. Way forward

Developing Modalities for Piloting SWAp in WASAs

Meeting: Checklist

Respondents: Senior public officials

<div style="border:1px solid black; padding:10px;">

Name: ....

Designation: ....

Institution: .... **Date:** ………/……../………

</div>

1. Objectives of SWAp for WASH Sector
2. Type of leadership and initiatives
3. Involving sector stakeholders and coordination
4. Financial and HR mobilization

Developing Modalities for Piloting SWAp in WASAs

In-depth Interview: Checklist

Respondents: Individuals/RPs

Name: ....

Designation: ....

Institution: .... **Date:** ………/………/………

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1. Objectives of SWAp for WASH Sector
2. Type of leadership and initiatives
3. Involving sector stakeholders and coordination
4. Financial and HR mobilization

Developing Modalities for Piloting SWAp in WASAs

Discussion: Checklist

Respondents: DPs

Name: ....

Designation: ....

Institution: .... **Date:** ………/………/………

1   Issues and concerns for SWAp
2   Benefits and challenges
3   Suggestions for adopting common approaches to developing and implementing SWAp
4   Policies and strategies for SWAp in WASAs
5   Possibilities for single policy for basket funidn and programme
6   Benefits and challenges

Developing Modalities for Piloting SWAp in WASAs

Semi-structured Interview (SSI): Checklist

Respondents: Individuals/RPs

Name: ....

Designation: ....

Institution: .... **Date:** ………/………/………

1. Policies and strategies for SWAp in WASAs
2. Possibilities for single policy for basket funding and programme
3. Benefits and challenges

APPENDIX 2: Consultants and Tasks

The following consultants have been mobilized to take on the roles assigned to facilitate the process of developing the modalities for piloting the Sector-wide Approach (SWAp) in the WASAs.

Mr. Md. Shariful Alam, **WSS Sector Specialist & Team Leader,** is a PhD Researcher at Asian Institute of Technology (AIT), Bangkok, Thailand (2012-2014). He is also an MSc in Urban Environmental Management; Institute for Housing and Urban Development Studies (IHS), Rotterdam and Wageningen Agricultural University (WAU), The Netherlands, 1997; and an MSS in Political Science, Chittagong University, 1986 (held in 1989). Mr. Alam has more than 10 years of experience in facilitating SWAp, and 20 years of experience in working with various development partners. He has also gathered experience in working at policy level for 15 years, and in Water and Sanitation sector for 17 years.

Mr. Bayezid Dawla, SWAp Specialist, has obtained Master of Research (MRes) in International Development from the University of Bath, United Kingdom (UK). He is also an MA in English and American Literature with BA Honours in English from the University of Rajshahi, Bangladesh. He has gathered more than twenty one years of working experience in the WSS sector and carried out reviews, assessments and evaluation of projects and organizations that added to his already acquired wealth of academic and practical knowledge and skills in development management, qualitative research, and policy communication. Over the last 13 years of his engagements in consultancy services, Mr. Dawla has carried out 17 assignments as Team Leader, and prepared a number of national documents.

Tasks of Core Professionals

Name	Designation	Task Assigned
Mr. Md. Shariful Alam	Team Leader/WSS Sector Specialist	Responsible for overall coordination, planning and designing the assignment, documents collection, review, support to data collection, team management & report writing
Mr. Bayezid Dawla	SWAp Specialist	• To assist the Team Leader in planning & designing the assessment methods & tools, support in data collection, documents review; and • To assist capacity building & IT specialist in carrying out their review and assessment, conduct workshop, contribute to data analysis and report writing

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APPENDIX 3: Work Plan

SL	Activities	Implementation Plan in Weeks												
		1	2	3	4	5	6	7	8	9	10	11	12	13
1.	Signing of contract	█												
2.	Inception meeting	█												
3.	Preparation of inception report	█	█											
4.	Methodology review and improvement			█										
5.	Literature collection & review	█	█	█	█	█	█	█	█					
6.	Data collection				█	█	█	█						
7.	Data management/processing							█	█					
8.	Preparation of draft SWAp Modality									█	█			
9.	Modality dissemination workshop at national level											█		
10.	Improving the draft modalities											█	█	█
11.	Submission of final report on SWAp modalities in WASAs													█

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APPENDIX 4: LGD-CWASA Performance Agreement: July 2013—June 2018

A performance agreement between the Government of Bangladesh represented by the Local Government Division (LGD) and Chittagong WASA was signed for July 2013—June 208 period recognizing the "urgent need for improvement in water supply and sanitation, and storm water drainage in Chittagong and other urban areas in Bangladesh". Under the agreement, CWASA will ensure that it operates efficiently as a truly autonomous and commercially managed water supply, sewerage and drainage utilities by implementing actions that would give more autonomy in its operations to provide its customers with an adequate and reliable water and sanitation source efficiently. This goal will be pursue with the main objective is to develop CWASA into an efficient and financially autonomous organization capable of meeting consumer needs without recourse to GoB financial and budgetary support. The rationales for the agreement are to:

- improve the performance and growth of CWASA as an autonomous public utility capable of exercising its powers to maximize the benefits from CWASA's assets;
- increase the level and quality of water and sanitation services in the city of Chittagong;
- improve investment and financial planning, and reduce the level of financial losses in CWASA; and
- contribute towards the economic and social development of Bangladesh by increasing CWASA's capabilities in the areas of its functions as identified by WASA Act 6 of 1996.

Key Performance Indicators (KPI): July 2014—June 2018

SI	Subject Area	Unit	Current Performance (2012-13) Actual	Benchmark Standard	CWASA Target Years				
					2013-14	2014-15	2015-16	2016-17	2017-18
01	Non-revenue Water (NRW)	% water produced but unbilled	17%	5%	17%	17%	23%	23%	22%
02	Bill sent out	As % of registered account	99%	100%	99%	100%	100%	100%	100%
03	Revenue collection (current+arear)	% of total billed amount	98%		101%	104%	103%	102%	101%
04	Debt age	Days equivalent	174 days	30 days	163	140	64	39	31

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05	Manpower	Total staff per 1000 connections	13	5	13	13	12	12	11
06	Operating ratio	Ratio	0.97	0.5	0.98	1.01	1.13	1.26	1.27
07	Metered connection	% of registered customer with meter (running)	100%	100%	100%	100%	100%	100%	100%
08	Ratio of metered water to total water sold	Ratio	0.71	0.95	0.748	0.786	0.824	0.862	0.9
09	Water quality	Number of samples/ month	60	3 No/1000 active connection	65	75	80	90	100
10	Sample satisfying free chlorine level	%	100%	100%	100%	100%	100%	100%	100%
11	Sample satisfying microbiological requirement	%	100%	100%	100%	100%	100%	100%	100%
12	Pipeline leakage	No/Km/mnth	0.35	0.2	0.32	0.32	0.38	0.38	0.36