

Evaluation of the Global Water Operators' Partnerships Alliance (**GWOPA**) Strategy 2013-2017

Executive Summary



April 2018

GWOPA
helping water operators help one another

UN HABITAT
FOR A BETTER URBAN FUTURE



Disclaimer

The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Views expressed in this publication do not necessarily reflect those of the United Nations Human Settlements Programme, the United Nations, or its Member States.

Excerpts may be reproduced without authorization, on condition that the source is indicated.

Executive Summary

Background

This Evaluation Report concerns the Evaluation of the Global Water Operators' Partnerships Alliance (GWOPA) Strategy, 2013-2017. Water Operators' Partnerships (WOPs) are peer-support exchanges between two or more water operators, carried out on a not-for-profit basis, with the objective of strengthening their capacity, enhancing their performance and enabling them to provide a better service to more people, especially the poor. The evaluation has performance, learning and accountability purposes and covers both the strategy and the operational level. The findings, lessons learned, conclusions and recommendations from this evaluation will inform decision-making and strategic directions for the new strategy, 2018-2022. UN-Habitat founded the Global Water Operators' Partnerships Alliance (GWOPA) in 2009 and established a global governance structure to guide its operations - being an alliance of water operators, UN Agencies, water associations, development partners, labour and civil society bodies, International Financial Institutions and the private sector. The evaluation focuses on the entire five-year period of the strategy implementation, 2013- 2017.

Three sources of information are of particular relevance for the evaluation of the GWOPA Strategy: 1) Mid Term Review (MTR) of the GWOPA Strategy 2013-2017; 2) Project Evaluation of 9 African WOPs; and 12 case studies being the result of the five-year research programme "Boosting the Effectiveness of Water Operators' Partnerships (BEWOP). The above two subsets (9+12) of the portfolio have been subject to more in-depth studies and have thus more detailed performance data and constitute a main source for the evaluation. The assessment of the 21 WOPs has been complemented with interviews of key stakeholders. Except for the visits to the GWOPA Secretariat and UN-Habitat, the evaluation assignment did not include visits to WOP partners or other stakeholder, which pose a limitation to acquisition of adequate evidence on outcomes and impact, nor does it include visits to non-WOP supported facilities to judge the counterfactual.

Origin of the GWOPA concept

The GWOPA concept derives from the United Nations Secretary-General's Advisory Board (UNSGAB) on Water and Sanitation as a mechanism conceived based on the UNSGAB's Hashimoto Action Plan I (HAP 2006-2009) and II (2010-2012). With the expiry of the Millennium Development Goals (MDGs), the UNSGAB Hashimoto Action Plan III (2013-2015) endeavoured to define water and sanitation objectives for the post-2015 world. One of the commitments of HAP III was the promotion of the UN Watercourse Convention (UNWC) and the call for a dedicated water goal in the post-2015 development agenda. UNSGAB also advocated for water-efficiency targets in other post-2015 goals and for water-related disasters to be included in the post-2015 agenda. UNSGAB held its final meeting in New York on the 20th of November 2015 as the Board's mandate to support the MDGs had come to an end. A High Level Panel on Water (HLPW) was established in April 2016. The HLPW has met four times – last time in New York on 21 September 2017. The Action Plan of the HLPW mentioned WOPs as a possible priority action. GWOPA was part of UN-Habitat's Medium-term Strategic and Institutional Plan (MTSIP) 2008-2013; and is part of the UN-Habitat's Strategic Plan 2014-2019, the biennial Strategic Framework and the biennial Work Programmes and Budgets up to 2019, of which GWOPA is assigned the delivery of a set of outputs. GWOPA is anchored in the Urban Basic Services Branch of UN-Habitat.

Implementation framework for GWOPA 2009-2017

GWOPA Strategy Period 2009-2012: UN-Habitat established the GWOPA global governance structure to guide its operations. A Steering Committee, representing the full range of stakeholders in WOPs, was elected from amongst the membership of the Alliance. The Alliance adopted a set of principles and a code-of-conduct and created an Integrity Sub-committee to help ensure compliance. UN-Habitat established a stable GWOPA Secretariat team of international staff members at its Headquarters in Nairobi, Kenya. The first Strategic Phase 2009-2012 was funded through the UN-Habitat Water and Sanitation Trust fund in the order of USD 7.15 million. Out of this amount, UN-Habitat provided the core staff and office expenses at an estimated USD 1.8 million. It was envisaged that the Alliance partners will contribute to the substantive activities of the Secretariat for the remaining USD 5.35 million. Additional funding was provided by Abu Dhabi Water and Electricity Authority, the Catalan Development Cooperation Agency; and the French Development Agency. The total amount allocated was USD 4,399,956 of which USD 3,005,952 was spent up to December 2012, and USD 1,399,956 was rolled over to 2013.

The lessons learned from implementing GWOPA activities during 2009-2012 were fed into the GWOPA Strategy for 2013-2017. Key lessons were among others: i) As an UN initiative, GWOPA has a strong convening power and global reach, can draw on a diverse array of actors and can work with different levels of government; ii) formalizing collaboration with some of the stronger relevant global players – including more financial institutions, knowledge centres and water utility networks – would enhance GWOPA's influence; and iii) access to follow-up financing is a key requirement to realizing the full benefits of a WOP. Stakeholders encourage GWOPA to diversify its funding sources, increase its role in leveraging finance for WOPs from development banks and donors, and gain buy-in from the biggest investors in water utilities.

GWOPA Strategy Period 2013-2017: Seeking to mobilize sustainable funds for GWOPA, UN-Habitat launched a Call for Expressions of Interest to host the GWOPA Secretariat in January 2012. Following review of competitive bids received from the Netherlands, Spain and Turkey, the offer by the City of Barcelona was accepted as the new host for the Secretariat for the next 5 years. The Secretariat was relocated to Barcelona where it was hosted in a UN-Habitat office and backed with core funding from the Spanish Government. The offer to host GWOPA in Barcelona was supported by the Government of Spain with a sum of EUR 1.1 million annually for a period of five years.

The UN-Habitat Executive Director holds the oversight function of GWOPA and appoints a representative to chair the GWOPA International Steering Committee (ISC) – as stipulated in the GWOPA Charter. The GWOPA Charter is not very clear about mandates, roles and responsibilities of the parties involved. In early 2017, the relationship between UN-Habitat management and the GWOPA ISC deteriorated, as the ISC experienced a changing UN-Habitat prioritisation, which de-emphasised the scope of GWOPA's activities. The controversy between UN-Habitat and the ISC resulted in sourcing of new funding was halted during 2017, which in turn reduced the extent to which: new WOPs could be supported; and strategic activities implemented. Furthermore, the future hosting of the GWOPA Secretariat has not yet been decided. The 4th biennial GWOPA Congress and General Assembly, scheduled to take place 4-5 December 2017 was postponed to allow time for the evaluation of the GWOPA Strategy, the development of a new strategy for 2018-2022, and a revised GWOPA Charter. UN-Habitat has expressed its commitment to strengthen GWOPA; and has appointed a facilitator to prepare an action plan for GWOPA's way forward. Nonetheless, by end of 2017, GWOPA is at a critical stage of its development.

The emerging conceptual framework for a new GWOPA strategy

The 2030 Agenda: The UN Secretary General submitted his report on “Repositioning the UN development system to deliver on the 2030 Agenda – Ensuring a Better Future for All” on 30 June 2017¹. A set of landmark agreements reached in 2015 - the 2030 Agenda for Sustainable Development, the Paris Agreement on climate change and the Addis Ababa Action Agenda on financing for development - offers a pathway to a better future. The 2030 Agenda, in particular, raises the bar high. Universal in its coverage, it applies to all countries and commits to “leave no one behind”. Transformative and integrative in its design, it requires implementation on a dramatically different scale from its precursor framework, the “Millennium Development Goals”. It is the defining agenda of our time. Achieving the SDGs will provide a better life for all, prevent crises both natural and man-made, and build a firm foundation for human rights, stability, prosperity and peace in all societies. Expectations are high for the UN development system to align effectively with the 2030 Agenda, and meet the demands Member States have expressed through the Quadrennial Comprehensive Policy Review (QCPR) process. The analysis indicates that the system is both willing and ready, but is not fully equipped nor designed at this time to live up to the ambition of the 2030 Agenda. There is an urgent need for the UN development system to move beyond coherence and coordination towards greater leadership, integration and accountability for results on the ground.

The primary goal for water and sanitation is SDG 6 “Ensure availability and sustainable management of water and sanitation for all”. The 17 SDGs are interrelated as water and sanitation services relate to poverty, food production and security, health, gender equality, energy and economic growth, etc. The SDG 6 targets 6.1-6.4, 6.a and 6.b are those of most direct relevance to water and wastewater operators. The achievement of targets 6.5 and 6.6 is the responsibility of other entities, but the achievement of these two targets is of paramount importance for the water and wastewater operators’ performance.

The New Urban Agenda: The terminology “urban waters” is used to highlight the many forms of water in cities and to elevate water beyond its common understanding as a basic service. Urban waters refer to all types of water flowing through and residing in cities, including all water sources, piped water, waste water, storm water, reused water and recreational water. Urban waters management relates to a range of interrelated services, among which water resources protection, abstraction, transportation and distribution, collection, treatment and discharge, recycling and reuse, recharge and recovery, and storm water management are central. Taking a holistic approach to waters in cities is critical for safeguarding public health, minimizing disaster risks, guaranteeing water security and upholding human rights in the urban space.

¹ UN Economic and Social Council: Advance Unedited Version, 30 June 2017.

GWOPA Strategy 2013-2017 and Charter

GWOPA's vision is that water and sanitation operators help each other to achieve universal access to sustainable water and sanitation services through not-for-profit peer support partnerships. These partnerships result in public operators – the target of support – with strong technical, financial and management capacity, able to provide a sustainable, high-quality service to all. GWOPA's mission is to promote the effective use of not-for-profit partnerships between water and sanitation operators to realize its vision. GWOPA will be the global leader in WOPs promotion, facilitation and coordination, and the principle source for WOPs knowledge and guidance so that effective WOPs contribute to meeting national and global water and sanitation objectives including those relating to the Millennium Development Goals, Sustainable Development Goals and the Human Right to Water. The GWOPA Strategy has two strategic objectives: 1) Guiding global growth of WOPs; and 2) Strategic operational support to WOPs. Each strategic objective has a number of strategic areas with specified outcomes. A monitoring framework with outcome indicators and means of verification, which has been applied for monitoring the implementation of the Strategy.

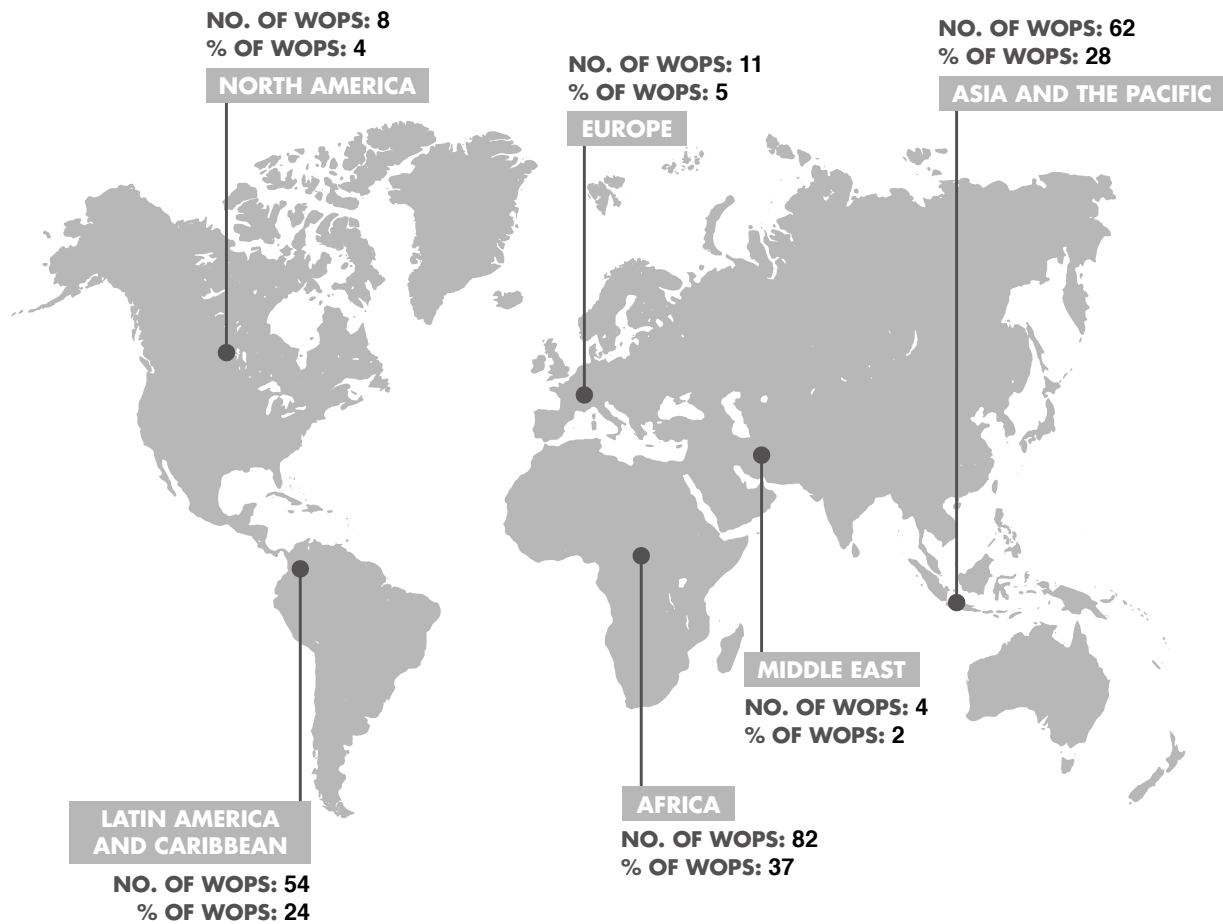
GWOPA's strategic objectives, strategic areas and outcomes

Strategic Objective/ Strategic Areas	Outcomes
Overall	1. Increased number of quality WOPs implemented resulting in the improvement of utilities performance.
Strategic objective 1: Guiding Global Growths of WOPs GWOPA's 2013-2017 strategy is to move to large-scale adoption of WOPs	
Knowledge Management	2. Increased number of quality knowledge products being produced and used to guide WOPs practice.
Branding of WOPS and GWOPA	3. The WOPs brand becomes clearly distinguishable and associated with successful models of WOPs that lead to comprehensive, long-term partnerships and substantive performance improvement.
Communications and Advocacy	4. Enhanced awareness of the WOPs approach, endorsed and actively supported by the water and sanitation sector, governments and the civil society.
Alliance Strengthening	5. Engaged efforts of Partners within GWOPA contributing to the achievement of a more synergetic and coordinated impact of WOPs worldwide.
Strategic objective 2: Strategic Operational Support to WOPs To provide operational support to WOP implementation in the field	
Strengthening of Regional WOP Platforms	6. Strengthened regional WOP platforms providing high-performing coordination and support
Mobilizing Finance and Support to WOPs	7. Increased number of WOPs worldwide adequately financed and leading to follow-up investment in water utilities.
Direct Operational Support	8. Increased number of WOPs carried out under the auspices of regional platforms that benefit from GWOPA's facilitation and direct support, and that apply its principles, models and tools.

Membership of the Alliance is open to all interested water and sanitation stakeholder organizations. Membership is obtained by accepting to abide by GWOPA's principles in the implementation of partnership activities as stated in the GWOPA Charter. Membership puts members within GWOPA's communication network and allows participation in GWOPA's biennial General Assemblies. The GWOPA Charter sets the regulatory framework for GWOPA governance and operations.

The WOPs portfolio

By end of December 2017, the GWOPA WOPs portfolio comprised 221 WOPs in the database. There is an additional 24 WOPs in the pipeline pending validation and shortlisting before they can be registered. The 221 WOPs include 71 WOPs directly supported by the GWOPA Secretariat: a) 38 directly supported where GWOPA played an active role during the WOP as broker, facilitator and financier; and b) 33 directly supported where GWOPA played an active role in supporting the regional platforms, as broker, facilitator or financier. By end of December 2017 there are 14 WOPs, for which the Secretariat has provided direct support. The regional location is shown below.



Source: GWOPA database, January 2018

Note: Based on 221 WOPs

Regional location of Mentees

Following the launch of the GWOPA 2013-2017 Strategy, there was a high increase in the number of WOPs recorded in the database in 2013 and 2014, but with a declining increase during 2015-2017, which does not necessarily relate to a decrease of the WOPs practice globally. The priority areas were: water supply, operation and maintenance, governance, institutional issues, sanitation, non-revenue water, WASH promotion, billing and collection, asset management and services to the poor.

Evaluation findings

Key findings on the governance set-up:

UN-Habitat

- 1) The special mechanism of cooperating with an alliance should be appreciated by the involved parties;
- 2) The UN-Secretariat's bureaucracy reduces administrative effectiveness; and
- 3) The clauses of GWOPA Charter have not been adequate for providing guidance for resolving major disputes.

The GWOPA Secretariat

The Strategy's budget evolution did not materialize as anticipated, which limited the scope of the Secretariat's activities – including the number of WOPs that could be directly supported and monitoring of the performance of the strategic areas. The funding situation worsened further due to the dispute between the UN-Habitat management and the ISC. Nonetheless, the Secretariat adapted to the situation during the last strategy period and has performed satisfactorily considering the resource constraints.

Regional and National WOP platforms

It would be pertinent to make a draft final version of the Memorandum of Understanding to enable the regional and national WOP platforms to give their consent on future modalities for interaction with the GWOPA Secretariat. Roles and responsibilities of regional and national WOPs should be included in a possible new version of the GWOPA Charter.

The International Steering Committee

The way the Charter is formulated, it is assumed that there generally is consensus between the ISC and UN-Habitat management. In principle the ISC could provide strategic directions and advice, which may not have the consent of UN-Habitat management and therefore may be neglected. Vice versa, UN-Habitat may introduce strategic directions to which the ISC is opposed. An overall strategic and conceptual framework that guides the GWOPA activities may reduce the level of future disputes.

GWOPA Assembly and Congress

- 1) Following the GWOPA Assembly and Congress in 2013 there was an increase in GWOPA supported WOPs during 2014, but a similar increase did not occur after the 2015 Assembly and Congress; 2) the number of active GWOPA members may be difficult to determine, as there apparently is no procedures for withdrawing the membership; and 3) the costs of conducting Assemblies and Congresses with up to 400 delegates seem to be expensive – and may not be the most cost-effective way of creating synergies and visibility.

Key findings on the GWOPA Strategy's performance:

Overall performance

The increase in the number of WOPs during the Strategy period has been moderate. The WOP utilities' performance has generally been improved – mainly related to the 'traditional' themes (e.g. NRW, O&M, billing and revenue collection). A large scale adoption of WOPs in terms of numbers has not been achieved, but nonetheless the foundation for moving to large scale adoption has gradually been improved.

Knowledge management

The BEWOP research study and the Evaluation of 9 African WOPs have contributed substantially to expanding GWOPA's normative framework. The thrust of the KM Study is on capacity development (focusing especially on the organisational and individual levels). The KM Study findings could be of particular importance for the next five-year GWOPA strategy.

Branding of WOPs

A simpler way of branding could be benchmarking that promotes good practices, which could be an optional activity as warranted in connection with the WOP process – the Performance Improvement Plan defines the WOP concept well. A certification system may be beyond the original concept of WOPs – certification systems already exist that could be applied. At any rate, the creation of a specific GWOPA certification system would divert attention away from the primary focus, and would require resources that the Secretariat is not likely to have in the medium-term.

Communication and advocacy

The GWOPA Secretariat has been very active with communication and advocacy activities and succeeded in placing WOPs on the 2015 WWF agenda, promoted WOPs in the 2016 HLPW Action Plan; and linked up with the 2016 UN Water Development Report on Water and Jobs by drawing attention to WOPs as a means of improving water and sanitation workers working environment. Besides these three advocacy activities, the GWOPA Secretariat has promoted WOPs in some 78 advocacy events. To get an overview of the effect of the advocacy events will require a more detailed assessment.

Alliance strengthening

The GWOPA Secretariat has been able to participate in many strategically important events and to maintain contacts to a large network of members and partners. The member and partner base has not grown as warranted despite the active engagement of GWOPA Secretariat – and for reasons that are not well explained or fully understood. The increase of donors and IFIs as partners or their active involvement in WOPs financing is essential for the future existence and expansion of GWOPA. Similarly, a well-qualified mentor base is important for the further expansion of the GWOPA activities.

Strengthening of regional platforms

Being a lean Secretariat there would be a limit to how intensely it could be involved in the direct implementation of WOPs undertaken the regional and national platforms. The option may rather be that the Secretariat supports the development of the regional and national platforms' implementation capacity – as the main mechanism for upscaling of WOPs. The framework of cooperation should accordingly consider the GWOPA Secretariat and the regional and national platforms as equivalent partners.

Mobilising finance and support for WOPs

Ideally, the GWOPA Secretariat should be compared to a research and development entity that gathers all relevant information on WOP worldwide, conduct reviews and evaluations, mobilises funding resources for WOPs, and drives the further development of the WOP concept. It is not realistic that the GWOPA Secretariat can generate adequate revenues in the intermediate term to fund Secretariat staff and office costs, and will accordingly remain dependent on external core funding for these expenditures.

Direct operational support

While the GWOPA Secretariat should assume a facilitation role – especially as regards mobilising financing – the regional and national platforms should preferably assume a main role in the implementation even when funding is routed through the Secretariat. The short-term WOPs should ideally have a duration of about 12 months, which result in a medium-term or long-term PIP (or similar), which have a good probability of attracting external funding.

Cross-cutting issues

Although the thrust of GWOPA's activities is on WOPs, the operation of water and sanitation utilities is a multi-faceted activity that relates socio-economic, natural resources, environment and climate change aspects – issues that are essential for appropriate service delivery. Access to water and sanitation are recognized by the UN as human rights and should generally be well integrated in strategies and action plans. The linking of WOPs to the SDGs would both be a contribution to overall development effects and make WOP PIPs/action plans more attractive for external funding.

Monitoring

The GWOPA monitoring framework was based on WOP survey(s) as a major means of verification, which only happened to some extent, primarily due to resource constraints. The monitoring has been challenging and would have required more staff resources if the Strategy's ambition were to be fulfilled. Only the Strategy's overall outcome relates to capacity and performance changes in the WOP mentee utility – information that document results on the ground will be of critical importance for leveraging of funds from donors/IFIs and upscaling of WOPs.

Risk management

The occurrence of not acquiring adequate funding for facilitation of WOPs and monitoring of the Strategy's performance is a critical problem as the upscaling of GWOPA supported WOPs will not take place. The certification of WOPs is not seen as a critical issue, which could be addressed at a later stage if found justified in terms of the required resources to set up and manage a certification system.

Overall conclusions and recommendations

GWOPA has succeeded in developing a normative framework that enables water and sanitation operators to improve service delivery with relatively limited funding and by applying a bottom-up process. The WOP can be a 'stand-alone' intervention that is mainly implemented by the water operators themselves and where the thrust would be on capacity development for improved operation and maintenance. Given the ever increasing demand for water and sanitation services in most urban centres in low and middle income countries, combined with the need for rehabilitation and expansion of the existing systems, there is also a need for substantial capital investment.

Following the short-term WOPs, the WOP process – if continued – leads to medium-term and long-term action plans/ Performance Improvement Plans, many of which have attracted third party funding from multilateral and bilateral donors. Some of the third party funding has been channelled through GWOPA mostly for facilitation and brokering, documenting achievements and for providing evidence. The Strategy's objective was to move to large scale adoption of WOPs. However, the mobilisation of finance was not adequate to achieve this ambition and the member and partner base did not grow as warranted. Demonstration of development effects of improved service delivery and coverage from WOP interventions is crucial for convincing utility operators, regulatory authorities, governments and donors on the benefits the WOP concept can offer. Monitoring, assembling of actual results and their dissemination to interested audiences would be essential for promoting WOPs and guiding global growth.

For those WOPs that have been implemented with support from the GWOPA, the WOP mechanism has proved its effectiveness in mobilizing water and sanitation utilities – resulting in tangible improvements of the utilities' performance in terms of coverage and service quality. GWOPA has contributed to the mobilization of WOPs either directly or indirectly through its leveraging effects. The opportunity for disseminating the WOP concept further remains substantial, which in turn will have significant positive effects on water and sanitation (and sewerage) service provisions. The WOP concept contributes to achieving the SDGs and adds value by mobilising local human resources and creating awareness on critical water and sanitation issues. The continuation of the GWOPA Secretariat's services remains important for addressing water and sanitation challenges globally.

Initial soundings on the funding agreement have been made with the Government of Spain (AECID), however, AECID has not yet formally clarified its stance on the extension. If AECID decides not to extend the funding agreement, there will be two scenarios for GWOPA's future situation: 1) donor host funding for a new five-year period will be secured within the immediate-term; and 2) host-funding for the GWOPA Secretariat will not materialize for a new five-year strategy period. As the need for improved water and sanitation services is immense in most developing economies, the preference would be scenario 1. In this case, GWOPA's functions would need to be revitalised to achieve a greater impact globally. A revitalisation process would not only require host funding, but also funding for capital investments in WOPs sourced from donors, national and local governments in recipient countries, and utilities' improved commercial operations.

In pursuance of the GWOPA's and the Secretariat's continued services it is recommended that the following actions are undertaken during 2018:

- 1** The UN-Habitat management confirms its continued commitment to GWOPA and support to elaboration of a strategic framework for GWOPA to be concluded by end of 2018.
- 2** An ISC meeting is called to assess status of the current situation and advise on the way forward.
- 3** Clarification with the Government of Spain on the prospect for its future support to GWOPA.
- 4** Consideration of options for a hosting and funding agreement and subsequent call as decided when outlines of the Strategy and Charter are in place.
- 5** Calls for support to regional platforms – including the potential platform for Arab countries.
- 6** A new Charter is drafted with the involvement of UN-Habitat management, the GWOPA Steering Committee, and GWOPA Secretariat. The new Charter should clearly delineate mandates, roles and responsibilities for all parties involved, including regional and national platforms.
- 7** The GWOPA Strategy for 2018-2022 should be drafted in consultation with the Alliance members and partners. The Strategy should emphasise increased cooperation with regional and national WOP platforms, and interface with UN's other interventions in the water and sanitation sector as relevant – and include a monitoring framework that adequately document socio-economic and physical results.
- 8** Negotiation with donors that have indicated their support to WOPs should be conducted in order to define the potential level of engagement for GWOPA, and consultations with donors that have strong focus on water and sanitation, e.g. Japan, Germany and Switzerland.
- 9** A GWOPA Congress and Assembly should take place when outlines of the GWOPA Strategy 2018-2022 are reasonably consolidated and when prospects for donor support are somewhat clarified.
- 10** An Exit Strategy should be prepared in case host funding for the Secretariat is not forthcoming.
- 11** Following the outcomes of consultations on and clarifications of relevant issues during 2018 for GWOPA's future, a review of the prospects for GWOPA should be conducted. The GWOPA Charter and 2018-2022 Strategy should subsequently be finalised based on inputs from the delegates at the GWOPA Assembly and Congress.

There is a growing momentum among water utilities to localize the global sustainability goals and help utilities around the world to do the same.

www.gwopa.org

www.unhabitat.org

UN  **HABITAT**
FOR A BETTER URBAN FUTURE