

Towards Better Integration of Water and Sanitation in PRSPs in Sub-Saharan Africa¹

Lessons from Uganda, Malawi and Zambia

Poor Integration of Water and Sanitation in PRSPs

With the increased prominence of Poverty Reduction Strategy Papers (PRSPs) in setting national policy agendas and mobilizing resources within developing countries, it is becoming increasingly important for sectors to engage in the PRSP process. However, the Water and Sanitation Sector (WSS) has been poorly integrated into PRSP and budgetary processes, contrasting sharply with sectors such as Education and Health that are lent greater priority in PRSP documentation, and subsequently benefit from larger resource allocations.

This brief examines why WSS has not fared well in PRSP processes in Africa. Based on a study commissioned by the Water and Sanitation Program–Africa, the paper analyzes the integration of WSS in PRSPs in three Sub-Saharan African countries – Uganda, Zambia and Malawi – and compares this to generic experiences in Education and Health sectors. It provides recommendations on how WSS actors can better align themselves towards PRSP process and take actions to help the sector gain priority in PRSP and budget processes.

Factors behind a successful PRSP process

Successful PRSP processes rely on a combination of institutional capacity to develop and implement policy, as well as political commitment to reduce poverty. Many Sub-Saharan African countries, however, have both weak political commitment and institutional capacities that undermine the likelihood of a successful PRSP process.

Countries that have made progress in strengthening budgetary systems and sectoral programming – such as Uganda – have found it easier to develop and implement successful PRSPs. Donors too play important roles in building institutional capacities, and can improve the incentive for government actors to engage in the PRSP process; by channelling development assistance through budget systems, and subjecting these funds to the budgetary process. However, the incentive for sectors to engage in the process is undermined where political commitment is weak, as in Malawi and Zambia, and where there are high levels of project funding, even if the administrative capacity is available.

A major premise in the PRSP approach is that the participatory process of developing a PRSP will help build political commitment. Donors and civil society can, through supporting such participatory processes, help provide the external impetus needed to ensure that poverty reduction remains on the political agenda. However, there is no guarantee that this will create commitment. It is still inconclusive whether participatory processes can build the levels of political commitment required for PRSPs to become instruments that can be implemented and actually deliver results.



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Factors behind Success and Failure in the WSS

Malawi, Zambia and Uganda share many common features on the status of WSS, health and education delivery, as well as some significant differences. In Uganda, safe water provision has a higher budgetary priority than in Malawi and Zambia, benefiting from a substantial proportion of Heavily Indebted Poor Countries (HIPC) debt relief. The sector is also better aligned with the PRSP. On other hand, the Health and Education sectors in all three countries have gained higher priority and advanced their reform processes more than in water and sanitation. In Zambia, civil society succeeded in raising the profile of water and sanitation through the PRSP process, ensuring high visibility in the PRSP document. However this success was not accompanied by increased budget priority, or better alignment of the sector towards the PRSP, indicating lower political commitment to the PRSP.

Three common features can be identified from sectors in Uganda that are closely aligned with PRSPs. These features are absent in the Water and Sanitation Sectors in Zambia and Malawi:

- **Advancement of sector reforms, with clearer costing and delineation of roles.** As illustrated in Figure 1 below, Uganda is far ahead of Zambia and Malawi in terms of development of sector reforms (SWAPs) and the PRSP process itself. This, combined with a strong and sector-focused budgetary process, has strengthened coordination within and between sectors. The Ministry of Finance has also played an important role in driving all sectors including the WSS to prepare strategic plans, subsequently enabling it to engage better in the PRSP process. In the Ugandan water sector, the roles of local government and the ministries responsible for water and finance are fairly clear compared against the other two countries. The Health and Education sectors are also generally further ahead in the development of SWAPs, and a tendency towards reduced institutional fragmentation has enabled straightforward development of sector programs. The development of SWAPs has provided important opportunities for dialogue and agreement over actions to be taken to improve performance within the sector.
- **Political Commitment to Poverty Reduction and budgetary reforms.** Again, as reflected in Figure 1., the most important element of Uganda's success is political commitment to poverty reduction within the government. Since the late 1990s the government has provided a supportive environment for critical decisions to be made on poverty reduction, especially within the PRSP and budgetary processes. Even so, Health and Education Sectors tend to have more powerful line ministries than those responsible for water, and usually benefit from greater political

support, because, ex ante, they tend to have larger budgets and greater donor support. This puts them in a stronger position than other actors when lobbying for budgetary resources and engaging in the PRSP process.

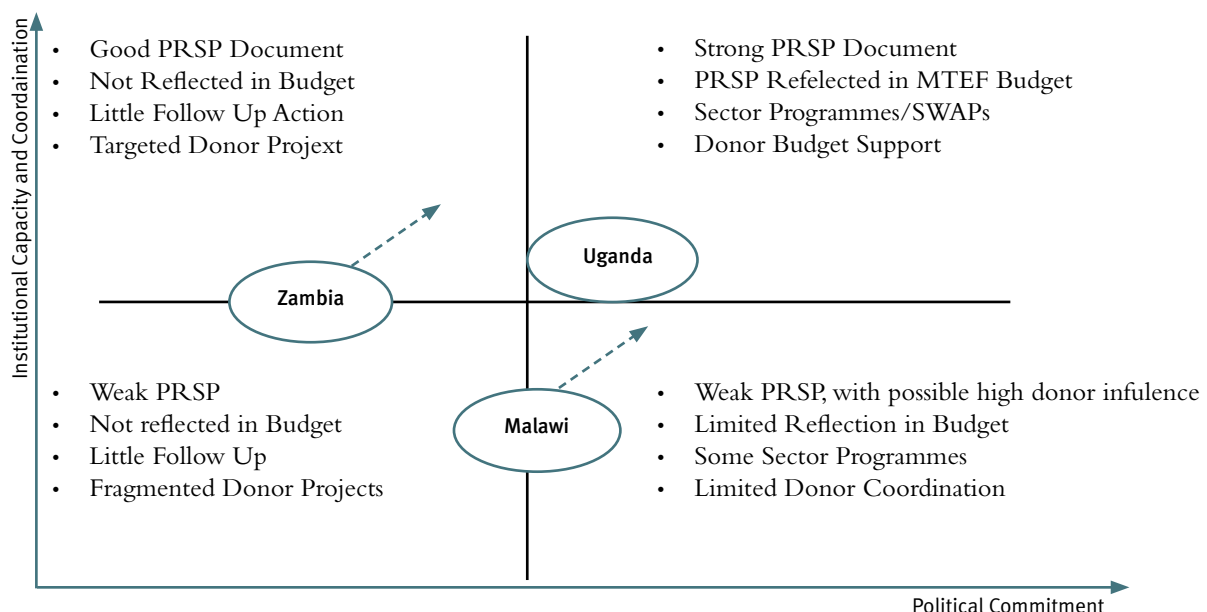


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- **Greater On-Budget Funding.** The Education and Health sectors tend to have a far higher proportion of government's own revenues allocated to them, making the budget process more important for them to engage in, despite the uncertainties in budget implementation. Unlike WSS where the bulk of funding comes from donors, these sectors need to engage in dialogue with the Ministry of Finance. The Uganda WSS, since benefiting from the HIPC initiative, now has a far greater incentive to engage in the budgetary process, as donor funding now constitutes a smaller contribution. The WSSs in Zambia and Malawi are still driven by donor project support. Lobbying of donors by WSS actors for additional project funding is therefore often a more lucrative strategy.

An important observation could explain why the Uganda WSS received a large increase in funding. The timing of a

FIGURE 1. INSTITUTIONAL CAPACITY & COMMITMENT TO POVERTY REDUCTION



Participatory Poverty Assessment – a key input into the PRSP process – revealed safe water as a key concern of the poor, and coincided with Uganda’s qualification for enhanced HIPC funding. The Ministry of Finance used this to justify substantial allocation of HIPC assistance to WSS. Therefore, an opportunity was seized by a key ‘driver for change’ in the PRSP and budgetary processes. Despite Uganda’s success in the alignment and prioritisation of WSS within the PRSP and budget, the WSS reforms in Uganda have yet to yield substantial improvements in efficiency and effectiveness, although implementation has been scaled up countrywide. Sanitation performance also remains poor, and appears to fare no better than in other countries. There is therefore substantial potential for improvement, and sectoral review processes are beginning to grapple with the issue of value for money in the sector.

Some similarities can be observed across the Health, Education and Water and Sanitation sectors. Even though conventional wisdom argues for the need to carry out rigorous poverty analysis of these sectors for them to gain priority in the PRSP and budget processes, this has not been done. All these sectors also suffered from inefficiencies resulting from multiple donor projects, before SWAp-type reforms. Again, like in the WSS, education and health are often plagued with problems related to lack of accountability.

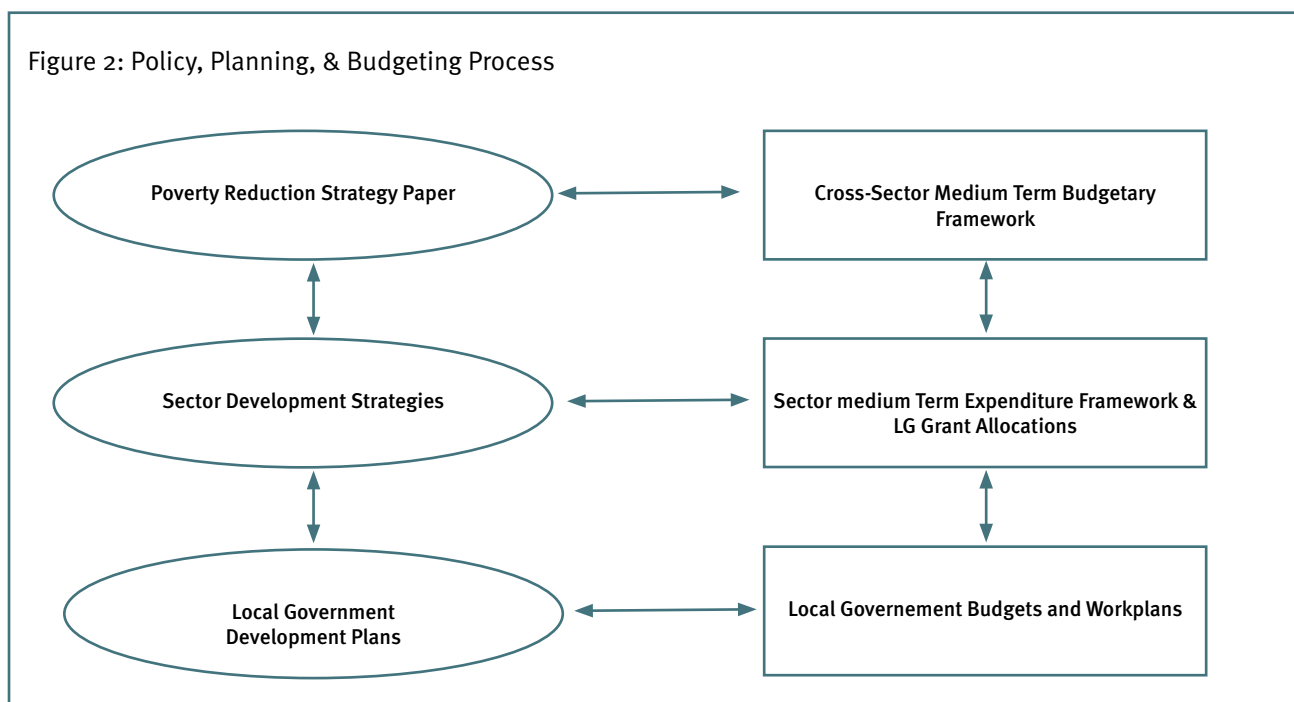
Towards Better Integration of the WSS in PRSPs

The strength of the overall PRSP process, political commitment to it, plus credibility of the Ministry of Finance as driver of the budgetary process, are key factors in enabling and motivating any sector to align properly with PRSPs. However, the strength of a national PRSP process varies and is largely beyond the control of individual WSS actors in a country. Further, it is only

a part of policy, planning and budgeting processes, as illustrated in Figure 2.

Although sector alignment is more difficult in the absence of a strong PRSP and budgetary process, as is the case in Malawi and Zambia, it is neither impossible nor without reward. A coherent national sector programme developed in the context of a weak PRSP is better than the status quo of a sector dominated by fragmented, inefficient donor projects. The three actions set out below have the potential of tackling some of the current problems in the water and sanitation sector, as well as facilitating better alignment with the PRSP process:

- **Promoting sector programming as a means for getting the basics of national systems right.** Countries should be supported in the development of sector programs, such as SWAp-type arrangements in the water sector, with emphasis on the development of national systems for service delivery. This should include the development of: systems for implementation, monitoring and evaluation countrywide, using governments’ own policies and institutions; systems for financing the sector; interpretation of institutional roles and responsibilities; and costing implementation of those sector programmes. The focus should be on proper sequencing of implementing interventions, starting with these basic building blocks. These would also make it easier to move towards the more complex elements, such as specific technologies, demand responsive approaches and cost recovery, that tend to dominate current policy debates.
- **Aligning and harmonising donor approaches.** In the absence of a credible PRSP process, which is common in many Sub-Saharan African countries, the significance of donors re-thinking their approaches towards the PRSP process becomes even greater. Sector donors need to establish modalities for



coordination, harmonise their approaches, and ensure they speak with a common voice. Joint sectoral review processes are good starting points for building coherent dialogue with government, and alignment with government systems. Donors should place equal attention on dialogue between sector agencies themselves and ministries of finance, as the custodians of the budgetary and PRSP processes. Donor discussions on policy and sector implementation should be focused on the Ministry responsible for Water, while consultations on financing should be with the Ministry of Finance (and with the sector involved). Ultimately, donor support should be channelled through national budgetary systems, but this may not be possible or desirable at the initial stage. Instead, donors can consider collective support – through basket funding – to a single national programme, for which the Ministry of Finance and sector agencies will be responsible for developing and implementing, and also be involved in developing the financing modalities. Insofar as it is possible this should be integrated with existing financing mechanisms. Sector donors can also play an important role in building the credibility of the PRSP process among sector agencies by using it as the starting point for discussions with the Government on water and sanitation issues.



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- **Lobbying for Water and Sanitation Sector priority in the PRSP and Budget.** Organised lobbying by civil society and donors in both the budgetary and PRSP processes can build political preference for water and sanitation interventions, and raise the profile of the WSS. The focus should be on democratic institutions – Parliament and the Executive – rather than at technical levels within ministries. Where country data does not exist, universal advocacy messages on the importance of water and sanitation interventions in poverty reduction can have powerful impact on policy makers.

What future for Sanitation?

The question still remains about the future of sanitation, which receives relatively low priority in all three countries. Sanitation is a cross-cutting issue. The many institutions across several sectors that are involved

in sanitation activities, including water ministries, tend give it secondary attention. Conventional SWAp-type instruments have proven ineffective in handling cross-cutting issues, and cannot be used to tackle unconventional sectors such as sanitation.

A programmatic approach within a strong PRSP and budgetary process appears to be a potential alternative entry point of changing the way sanitation is handled. A National Sanitation Program could be developed with sub-programmes under the responsibility of different institutions, including the ministries responsible for water and health, finance or any other central ministry responsible for coordination of sectors.

This requires widespread commitment to pro-poor reform and sanitation. The Ministry of Finance must ensure that the sanitation program is allocated adequate resources and that implementation is prioritised as a whole and within all line agency budgets.

Supporting the sanitation sector as a cross-cutting programme, rather than as a part of the water and sanitation sector, especially when there is a strong, evidence based PRSP process, might yield better results. A weak PRSP and budgetary process, however, would carry inherent risks, and may not deliver much benefit.

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Endnotes

¹ Based on Williamson, T., Slaymaker, T. & Newborne, P. (2004) *Factors behind the poor integration of water and sanitation sector in PRSPs in sub-Saharan Africa: lessons from Malawi, Uganda and Zambia*. Report for the Water and Sanitation Program, Africa. Mimeo

² Often referred to as Sector Wide Approaches (SWAps)

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