

**Independent Evaluation of the
Infrastructure Partnerships Program and
the Water and Sanitation Initiative Global Program**

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Aid Activity Summaries

Aid Activity Name	The Infrastructure Partnerships Program (IPP)		
AidWorks initiative number	INH466		
Commencement date	1 July 2007	Completion date	30 June 2013
Total Australian \$	\$173,804,000.00		
Total other \$	N/A		
Delivery organisation(s)	East Asia and Pacific Infrastructure for Growth Fund, South Asia Regional Infrastructure for Growth Fund, Clean Energy Financing Partnerships Facility, Water Financing Partnerships Facility, Public Private Infrastructure Advisory Facility, Energy Sector Management Assistance Program, Global Road Safety Facility, Cities Alliance, Clinton Climate Initiative		
Implementing Partner(s)	The World Bank, the Asian Development Bank		
Country/Region	Global		
Primary Sector	Infrastructure		

Aid Activity Name	The Water and Sanitation Initiative (WSI) Global Program		
AidWorks initiative number	INI691		
Commencement date	10 June 2009	Completion date	30 June 2013
Total Australian \$	\$26,935,000.00		
Total other \$	N/A		
Delivery organisation(s)	The Water and Sanitation Program (WB), UNICEF-WASH, The World Health Organisation and the Water Supply and Sanitation Collaborative Council		
Implementing Partner(s)	The World Bank, UNICEF, The World Health Organization, and the Water Supply and Sanitation Collaborative Council		
Country/Region	Global		
Primary Sector	Water, Sanitation and Hygiene		

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Author's Details

Sanjivi Rajasingham (Team Leader/Infrastructure Specialist) recently retired from the World Bank after a long career, most recently serving in the Africa Region as Sector Manager for Transport for several years.

Catherine Gwin (Monitoring and Evaluation Specialist), a retired World Bank staff, recently undertook an evaluation by the World Bank's Independent Evaluation Group (IEG) of the entire Trust Funds portfolio in the World Bank.

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2. TERMS OF REFERENCE

Executive Summary

The Infrastructure Partnerships Program (IPP) comprises Australian contributions to single donor and multi donor trust funds administered by several multilateral organisations to further Australia's objectives under the Infrastructure For Growth Initiative (IFGI) and the Economic Infrastructure Initiative (EII). The Water and Sanitation Initiative (WSI) Global Program comprises a mix of agreements with multilateral organisations with a proven record of leadership and excellence in WASH. Thirteen partnerships are covered under these two arrangements – nine under IPP and four under WSI. Nine of the thirteen partnerships are structured as multi-donor trust funds (MDTFs), and the remaining as single donor trust funds (SDTFs) where Australia is the sole donor.

The purpose of the evaluation was to assess the performance of trust funds under the IPP and WSI Global Program against AusAID's evaluation criteria (except impact),¹ and IPP and WSI specific criteria. The review also added an additional criterion, Governance and Partner Engagement, given the importance of these factors in external partnerships (which also answered one of the IPP/WSI specific criteria). Each of the thirteen partnerships was assessed against each of the criteria and the results were aggregated to arrive at the ratings for the two programs.

The relevance rating for both the IPP and WSI is overall high quality, with IPP scoring slightly higher as it has several partnerships with broader missions that relate to multiple AusAID goals and objectives. The high score for this criterion is evidence of selectivity in choosing partners under these programs, against the backdrop of the increasing size of Australia's aid program. The diverse partnerships moreover are helpful in minimizing strategic gaps. Despite concerns about fragmentation and proliferation of trust funds, the ones that were reviewed seem to be, for the most part, fully justified.

All but one of the partnerships are rated effective or better, and indeed the overall rating for both IPP and WSI averaged around 5. There was no particular correlation of the type of trust fund with effectiveness, but generally partnerships with strong technical input and rigorous activity screening processes and substantive contact with clients were the most effective.

Administrative costs as a share of total expenditures (as a measure of efficiency) varied substantially across the thirteen partnership, but it is cautioned that the numbers themselves are not entirely equivalent. Several partnerships are taking steps to reduce administrative expenses. Cost associated with implementation activities are generally higher (and justifiably so) as compared with knowledge generation, and this was also a factor in the slightly higher rating for the IPP partnerships (with a larger focus on knowledge activities) than WSI.

Overall, both programs are rated as sustainable, with some exceptions. Partnerships with high sustainability ratings tended to have strong links into operational activities – with a path from country dialogue, lending and technical assistance ultimately into country systems. Another approach, for partnerships not hosted by financing agencies, has been to promote wide ownership/collaboration from a range of stakeholders which facilitates sustainability.

Gender equality figured only incidentally in most of the partnerships, while six partnerships provided a substantial degree of explicit attention to gender in their analytic work and/or technical assistance. WSP and CA stand out as examples of good practice in this regard.

Monitoring and evaluation is a moderately satisfactory element of the trust fund programs reviewed. Generally M&E is stronger in the MDTFs overall and recent improvements of several were catalysed by independent evaluations. SDTFs report regularly to AusAID on their activities but the bulk of this reporting is at the individual activity level with little extension to outcomes and aggregation of results.

Performance on analysis and learning was mixed. Some partnerships, especially those focused on knowledge, have established themselves as global sources for knowledge and learning. Overall both IPP and WSI programs were rated satisfactory. In IPP there are

¹ Although impact was not specifically evaluated the effectiveness criterion did look at potential for impact.

several knowledge and technical assistance programs with strong systems such as PPIAF, and in WSI both WSSCC and WSP have strong knowledge programs, and WSP's decentralized structure also facilitates dissemination.

The respective governance arrangements of the MDTFs and the SDTFs are reasonably appropriate. Programs with a broad donor base demonstrate the best prospects of financial sustainability, although economic constraints in the donor community has led to some multi-year budget reductions, and streamlining.

AusAID's engagement is widely appreciated, both for its financial contributions which have grown and provided core funding (which enhances program efficiency) and for its participation in annual consultations and staff interactions. Although participation has not been regular, when AusAID staff attend their contributions are substantive. Country posts' awareness of, and input to, MDTF activities is scant, and this needs to be rectified. Also, AusAID is missing an opportunity to raise its profile by failing to provide better mechanisms for partnerships and client countries to systematically access the world class Australian expertise in areas such as water resource management and road safety.

Several additional partnership opportunities that could underpin Australia's strategic goals for international development were identified.²

Conclusions

Good fit: The IPP and WSI Partnership programs support a diverse group of partnerships that fits well with the programs' respective mandates and Australia's objectives for aid. The partnerships are generally well managed, and the ratings reflect these attributes.

Programmatic Support: Partnerships aiming to promote and achieve transformative change work best through programmatic support which includes, in addition knowledge generation, technical assistance and implementation support to client countries, and close linkages with partners/agencies which provide investment financing.

Results frameworks need improvement: All the programs track outputs but have varying degrees of tracking for outcomes and impacts. Monitoring and Evaluation (M&E) is stronger in the multi-donor programs than in the single donor programs, but even there more remains to be done.

Uneven attention to gender equality: Gender Equality was addressed to a limited extent in most of the 13 trust fund programs. With two exceptions, however, these appear ad hoc and not systematically programmed. Good practice would entail gender mainstreaming and inclusion of gender equality in program results frameworks.

Country Posts Interaction with Partnerships could be More Robust: Country posts do not have a familiarity with all of the 13 programs, especially those not engaged in TA on the ground, and there is not always good coordination of the partnerships with AusAID country programs where that would be beneficial.

Valued Australian Participation in MDTFs (financial and technical): AusAID's modality for financial contributions to the MDTF's – predominantly through global or regional core funding that is not earmarked -- is appreciated. Australia's participation in the MDTF meetings is valued but not very regular. When they do attend AusAID representatives have provided substantive guidance.

Some strategic gaps remain: The partnerships for the most part cover the key development objectives of Australia's aid. From a sectoral standpoint, however, there is no thematic coverage for water resource management – a key development issue. From a geographical standpoint, Africa and the Middle East is a priority region, yet there is not a partnership similar to those in other priority regions. Finally, mechanisms to foster uptake of the world-class expertise available in Australia on issues such as water resource management and road safety could be strengthened to the benefit of the programs, client countries and Australia.

² The discussion of additional partnerships has been excluded from the publicly released version for sensitivity reasons.

Summary Recommendations

1. AusAID should continue to encourage results frameworks in its partnerships - especially given its own heightened accountability for results. SARIG and EAAIG should develop a common results framework. Systematic inclusion of gender equality would be helpful in increasing focus on this issue.
2. AusAID should establish a more consistent approach to attending partnership meetings and providing substantive guidance especially on issues important to Australia's aid objectives.
3. Country Posts' awareness of and interaction with IPP and WSI partnerships must be enhanced by effective information sharing and by establishing focal points in Canberra to serve as a link to ensure two information floor and collaboration on the ground.
4. Strategic gaps that have been identified in this review (regional, sectoral and involvement of Australian experts) present opportunities for Australia to broaden its presence in IPP and WSI partnerships and should be considered to further enhance Australia's aid effectiveness.

Evaluation Criteria Ratings

IPP Partnerships

Evaluation Criteria	Rating (1-6)	Explanation
Relevance	5	Several of the IPP partnerships had very high quality for their relevance ratings. These partnerships have broad objectives which made them relevant to several AusAID key development objectives and goal of enhanced aid effectiveness.
Effectiveness	5	All but one of the IPP partnerships are demonstrating progress in meeting their own objectives, and all are adequately staffed with competent personnel. There was no difference between SDTFs and MDTFs in this regard.
Efficiency	5	Efficiency, as measured by administrative costs as a share of total program expenditure and responsiveness of procedures was rated satisfactory overall for IPP programs. However, administrative costs shares vary across partnerships, reflecting differences in the nature of their program activities.
Sustainability	4	Most IPP partnership activities are likely to become sustainable as they lead to follow-up activities of their hosts. In addition, using the MDB safeguards policies aids sustainability
Gender Equality	3	While several of the programs support activities of potentially direct benefit to women (such as access to energy and improved sanitation), only two provide substantial explicit attention to gender equality in their analytic work and policy and capacity building activities.
Monitoring & Evaluation	4	Seven of the nine programs have been found to have moderately satisfactory M&E systems involving independent evaluations and routine monitoring of outputs and outcomes (at the activity but not at the program level). None of the programs have developed and implemented solid results frameworks with monitorable performance indicators.
Analysis & Learning	4	The several knowledge/technical assistance partnerships have contributed to an overall robust analysis and learning in the IPP group, but one partnership is not performing satisfactorily which weighs on the overall rating.
Governance and Partner Engagement	5	The governance arrangements of all nine programs (both the SDTF and MDTF programs) appear reasonably appropriate. In the SDTFs and most, but not all the MDTFs, a high level of Australian funding has corresponded with AusAID's active engagement with the partnerships.

Rating scale: 6 = very high quality; 1 = very low quality. Below 4 is less than satisfactory.

WSI Partnerships

Evaluation Criteria	Rating (1-6)	Explanation
Relevance	5	The objectives for the WSI partnerships are narrower than the IPP partnerships but nonetheless are highly relevant to AusAID key development objectives and goal of enhanced aid effectiveness.
Effectiveness	5	All the WSI partnerships were demonstrating satisfactory achievement of their objectives. Effectiveness was generally better when funds were not earmarked, leaving programs with flexibility to resources on the basis of ownership, need and performance.
Efficiency	4	Efficiency, as measured by administrative costs as a share of total program expenditure is rated satisfactory for all WSI partnerships, noting that the WSI partnerships are all engaged in implementation activities.
Sustainability	4	The sustainability of the WSI program is enhanced by the comprehensive choice of partnerships that cover all aspects of Water, Sanitation, and Hygiene (WASH) activities. The association with the World Bank and UN specialised agencies ensure appropriate use of environmental and social safeguards.
Gender Equality	4	All of the programs support activities of potential direct benefit to women (such as access to safe water and improved sanitation) and give some significant degree of attention to gender issues in their programming, with one now undertaking an audit of its gender mainstreaming in one region to build understanding of how to improve mainstreaming globally.
Monitoring & Evaluation	4	There is variation in the strength of the M&E systems among the four programs, with one of high quality having developed and implemented a results framework that tracks outputs and outcomes at a program as well as activity level and is now serving as a model for other programs.
Analysis & Learning	4	WSSCC and WSP are notable in strong analysis and dissemination programs, with WSP's largely decentralized structure aiding knowledge dissemination at the country and regional level.
Governance and Partner Engagement	5	The governance arrangements of all four programs appear appropriate. There are periodic interactions between program and AusAID staff, and typically, but not always good interaction on the ground.

Rating scale: 6 = very high quality; 1 = very low quality. Below 4 is less than satisfactory.

Introduction

Activity Background

The Infrastructure Partnership Program (IPP)

The Infrastructure Partnerships Program (IPP) comprises Australian contributions to single donor and multi donor trust funds operated by a number of different multilateral organisations to further Australia's objectives under the Infrastructure For Growth Initiative (IFGI) and the Economic Infrastructure Initiative (EII). Australia's stated objectives under the IFGI and the EII are to contribute to reducing poverty by financing high priority infrastructure and by providing expertise to improve infrastructure policies. The IPP emphasises strong partnerships with Multilateral Development Banks (MDBs) and the private sector while still retaining Australia's bilateral identity and country programming focus. This is achieved by targeting activities that complement, and are able to strengthen, AusAID's bilateral assistance program.

The Water and Sanitation Initiative Global Program (WSI)

Australia's water, sanitation and hygiene (WASH) program aims to improve public health by increasing access to safe water and basic sanitation, improving hygiene behaviour and supporting sustainable service delivery. According to the 2010 Report of the UNICEF-WHO Joint Monitoring Programme *Progress on Sanitation and Drinking Water*, almost 900 million people in the world do not have access to safe drinking water. The situation concerning access to basic sanitation is worse, with 2.6 billion people not using basic sanitation facilities. At the current rate of progress the world will miss the MDG target for sanitation by about 13 per cent with over 2.7 billion people still lacking access to basic sanitation.

The Water and Sanitation Initiative (WSI) Global Program comprises a mix of agreements with multilateral organisations that have a proven record of leadership and excellence in WASH. Funding complements Australian bilateral WASH programs by providing broader regional coverage and longer program engagement. The Global Program also provides the opportunity for AusAID to engage in strategic and policy discussions and to enhance learning and information exchange opportunities. The multilateral organisations funded under the WSI were selected based on their experience and technical expertise in WASH and the effectiveness of sanitation programs, acknowledging the importance of ensuring funding to this niche of the sector.

Evaluation Objectives and Question

The purpose of the evaluation was to assess the performance of trust funds under the IPP and WSI Global Programs against the criteria detailed under evaluation scope and methods and in accordance with the Terms of Reference for the evaluation (Annex 2).

Evaluation Scope and Methods

This evaluation reviewed the thirteen partnerships listed below:

IPP Partnerships:

- EAAIG- East Asia AusAID Infrastructure for Growth Facility (Host: World Bank, SDTF)
- SARIG- South Asia AusAID Infrastructure for Growth Facility (WB, SDTF)
- CEPF- Clean Energy Financing Partnership Facility (Asian Development Bank, MDTF)
- WFPF- Water Financing Partnership Facility (ADB, MDTF)
- CA- Cities Alliance (WB, MDTF)
- CCI- Clinton Climate Initiative (Clinton Foundation, SDTF)
- ESMAP- Energy Sector Management Partnership (WB, MDTF)
- PPIAF- Public-Private Infrastructure Advisory Facility (WB, MDTF)
- GRSF- Global Road Safety Facility (WB, MDTF)

WSI Partnerships

- WHO- AusAID/WHO Water Quality Partnership (WHO, SDTF)
- WSSCC- Water Supply and Sanitation Collaborative Council (UNOPS, MDTF)
- UNICEF-WASH- Water, Sanitation and Hygiene (UNICEF, MDTF)
- WSP- Water and Sanitation Program (WB, MDTF)

The review evaluated the infrastructure trust funds from July 2007 until June 2011 and was undertaken in accordance with the Evaluation Criteria set out below.

Relevance: to assess whether the activities in the IPP and WSI Global Program contribute to higher level objectives of the Australia's aid program as outlined in 'An Effective Aid Program for Australia'.

Effectiveness: to assess whether the IPP and WSI Global Programs are achieving their stated objectives, both at the overall program level and at the sub-fund level.

Efficiency: to assess whether the trust funds in the IPP and WSI Global Program are achieving value for money for AusAID from inputs of funds, staff and other resources, and how risks are being managed.

Sustainability: to assess whether the trust funds appropriately address sustainability so that the benefits of the activity will continue after funding has ceased, with due account of partner government systems, stakeholder ownership and the phase-out strategy. This criterion should also consider each trust fund's consideration of social and environmental safeguards.

Monitoring & Evaluation: to assess whether the monitoring and evaluation framework effectively measures progress towards meeting the objectives of each fund.

Gender Equality: to assess whether the activity advances gender equality and promotes women (considering the four dimensions of gender equality: access, decision-making, women's rights, capacity-building).

Analysis & Learning: to assess whether the activity is based on sound technical analysis and continuous learning.

Governance and Partner Engagement: to assess the extent to which the activity has robust governance arrangements, strong donor base to assure financial sustainability, and the extent of Australia's participation in its oversight and strategic direction. (While not one of the standard AusAID criterion, this was felt to be necessary to more fully assess the partnerships and also answer a WSI/IPP specific request to look at AusAID engagement.)

IPP and WASH specific criteria: The review also examined two additional issues: (i) the relative pros and cons of single donor and multi-donor trust funds, and (ii) forward looking identification of effective trust funds that AusAID could fund in the future that align with its strategic goals, as well any potential for consolidation.

Method

The evaluation consisted of a desk review of relevant documents and consultation with each of the program managers and associated key decision makers, including a consultation visit to the World Bank in Washington DC, USA, and the ADB in Manila, Philippines. Face-to-face interviews were conducted with ten Trust Fund Programme Managers and their staff, and telephone interviews with three Trust Fund Programme Managers (UNICEF WASH, WHO, and WSSCC). At least two members of the Evaluation Team were present at each interview for greater objectivity in ratings. All interviews were preceded by perusal of independent reviews, annual reports, progress reports, and other types of documentation provided by AusAID, the Partnerships, or obtained from the Web. The three Trust Funds interviewed by telephone provided written answers to the 30-question questionnaire prior to the interviews. Interviews were also conducted with AusAID officials in Canberra as well as by teleconference in Manila and New Delhi, and a questionnaire was also submitted to posts. In addition, at the request of AusAID, the team spoke with staff at ADB and the Secretariat of the Pacific Community to gauge the activities of the partnerships in the Pacific. A list of individuals interviewed or met is included as Annex 3.

Evaluation Team

Sanjivi Rajasingham (Team Leader/Infrastructure Specialist) recently retired from the World Bank after a long career, most recently serving in the Africa Region as Sector Manager for Transport for several years.

Catherine Gwin (Monitoring and Evaluation Specialist), a retired World Bank staff, recently undertook an evaluation by the World Bank's Independent Evaluation Group (IEG) of the entire Trust Funds portfolio in the World Bank.

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Evaluation Findings

Relevance

The relevance of each partnership was assessed on the extent of its alignment with a combination of: (1) one or more of AusAID's five strategic goals; (2) one or more of the related ten key development objectives; (3) one or more of the pillars in the relevant thematic strategy; and (4) general contribution to enhanced development effectiveness (through focus on enhanced coordination and/or results)

All thirteen entities are at least satisfactory in this regard; five received a very high quality rating. All but one of the rest received a high quality rating. The partnerships with broader objectives generally have higher ratings, although the approach did look at the extent and how deeply the goals, objectives and pillars were addressed. Generally, the IPP partnerships had broader mandates than the WSI ones, but the latter generally went further with implementation.

EAAIG: Taking Strategic Goals from Knowledge to Action

The green growth and sustainable energy thematic pillars of the EAAIG mirror one of Australia's strategic goals. The Energy Access Flagship Report ('One Goal, Two Paths' -- 1G2P) outlines an ambitious program to overcome energy poverty in the EAP region by 2030. The report urges the governments in the region to work simultaneously on two paths: (i) achieve universal electricity access by accelerating both grid and off-grid programs; and (ii) increase access to clean cooking fuels (natural gas, liquefied petroleum gas, and biogas) and advanced cooking stoves

Following the launch of 1G2P in October 2011, the policy and investment agenda presented in the report became a blue print for the EAP response to the UN declaration of 2012 as the year of "Sustainable Energy For All". This year, the EAP region started a Clean Stove Initiative in China, Indonesia, Mongolia and Lao PDR, in close collaboration with governments, development partners and local and international NGOs. At the same time, the Renewable Energy for Electrification Project entered the Bank pipeline in Indonesia (which is home to about half of EAP households without access to electricity) and the rural electrification projects in other parts of EAP received additional support.

Judgements were not made as to whether one parameter was more important than another, but overall contribution to the development agenda and coordination was examined. While there was clear evidence of the pro-poor nature of several interventions (choice of countries and regions for WASH, access to energy for cooking, and rural off grid lighting initiatives, for instance) it was not a specific lens for judging relevance given the wide swathe covered by the partnerships, and their multiple objectives.

The high score for this criterion is good evidence of the degree of selectivity in the trust funds chosen under the IPP and WSI Global programs over the past several years, especially in the context of Australia's increasing aid program and inevitable pressure that is bound to occur in finding suitable partnerships to leverage Australia's aid resources. Moreover, the diversity of partnerships demonstrates that in this effort to expand Australia's aid the net was widely cast, and the two AusAID partnership programs have been able to support several entities whose objectives are coherent with Australia's own goals.

This broad based harnessing of global partnerships and windows in multilateral organizations is in line with Australia's policy to deliver aid through such organizations to leverage expertise and geographic reach. The review also suggests some additional partnership possibilities for consideration by AusAID going forward. All these partnerships (existing and forward looking) should be viewed in the context of the ongoing Australian Multilateral Assessment (AMA) which is looking at the overall effectiveness of Australia's key multilateral partners and future support to partnerships should be predicated on that review. While one partnership has run its course and is closing the remaining ones are very relevant to Australia's aid program and justify continued support. However, greater coordination among both the SDTFs and several of the MDTFs is strongly recommended. Finally, Australia must make sure it has sufficient technical capacity within AusAID to provide adequate oversight of and guidance to the partnerships it does participate in.

Effectiveness

The effectiveness of the partnerships was assessed on the ability and demonstrated progress of each partnership to achieve their stated objectives. The assessment of effectiveness was limited because there is more evidence on outputs than on outcomes, and moreover reflects the lack of strong results frameworks in most programs (discussed elsewhere).

Based on available evidence, the review team concluded that most of the partnerships are reasonably effective. All but one of the partnerships are rated as satisfactory, in this regard, and in fact both IPP and WSI partnerships scored an average rating of 5 or slightly less. There was no correlation between the type of trust fund (SDTF or MDTF) and degree of effectiveness. Partnerships benefit from solid technical input, which is helpful in creating robust activities both for knowledge products which are effective in downstream implementation and technical assistance and implementation support built on best practices and cutting edge knowledge. Similarly, programs with good selection criteria and screening procedures that emphasize client readiness and commitment to reform/implementation tend to demonstrate greater effectiveness.

Effectiveness was generally helped when there were no earmarks (which can conflict with performance based allocation of resources) and where a programmatic approach was used (which helped guide individual activities in a coordinated and objected-oriented way). For example, WSP has made significant strides in moving from a project approach to a programmatic approach and in defining specific business areas which allows it to

ESMAP: From Knowledge to Policy to Investment A Tool for Assessment of City Energy

ESMAP's Tool for Rapid Assessment of City Energy (TRACE) enables city authorities to compare their energy use against peer cities, and implement suggested measures. In 2010, TRACE was field tested with positive results in Quezon City, Philippines. The tool has since been deployed by the World Bank's regional operations staff as part of their sustainable cities and energy programs in three other cities in Asia: Surabaya, Indonesia, Cebu, Philippines, and Da Nang, Vietnam – with the support of EAAIG, another AusAID supported partnership reviewed in this evaluation, as well as in a number of cities in Eastern Europe. Application of TRACE led to the city authorities focusing on improved land use and transport planning and traffic demand management in Da Nang; methane capture from landfills and wastewater in Cebu, public procurement and lighting in Surabaya, and the results from TRACE are being used by a Turkish development bank to analyse the potential for municipal energy efficiency lending.

focus more closely on activities that are in line with its objectives. ESMAP thus far only has core funding and is effective. However this particular issue should not be overstated. WSP noted that it is able to be responsive to donors, who sometimes do have specific preferences, in applying resources from both its core and regional funds. ESMAP is also looking at some future activities which may or may not end up with non-core funding. In any event, the preference of Australia to provide its resources generally as core global or regional funds without specific earmarks (except in the case of emergency funds) was seen as highly constructive by all partnerships. There were no discernible differences in effectiveness between IPP and WSI programs in terms of score, but generally the IPP programs focussed on knowledge and upstream activities, while some of the WASH programs also worked on implementation.

With regard to the different types of activities undertaken by the WSI and IPP group, all the WSI partnerships are involved in knowledge and advocacy. WSSCC, UNDP-WASH are closer to actually delivering access to water supply and sanitation services than WHO and WSP. The AusAID/WHO Partnership of Water Quality has prepared a large number of Water Safety Plans but most of these are unlikely to have been implemented. The mandate of WSP is not to finance anything beyond pilot projects although the expectation and specific experience is that the demonstration effect from successful pilot projects will be scaled up with MDB support. Among the IPP partnerships, all except CCI are involved in knowledge and advocacy, and all of them support technical assistance and project preparation to varying degrees. None of the IPP partnerships are directly involved in implementation except as pilots and through other entities.

Efficiency

The efficiency of the trust funds that support the IPP and WSI has been assessed on the basis of two indicators (i) the administrative share of total expenditure and (ii) the evidence of administrative procedural efficiency.

Administrative costs vary substantially, ranging from 5% to 25%, although it is cautioned that the measures are not directly comparable. It is at times difficult to separate the resources devoted for knowledge management and advocacy from the administrative costs. Moreover, the trust funds with the lowest explicit administrative cost share are the ones that support the World Bank and ADB activities, and the staff resources of the host institutions for many activities do not show up explicitly in the costing. On average the administrative costs are about 10%-15%, and many of the higher cost partnerships are taking steps to reduce costs. WSSCC, which has the highest share of administrative costs, has begun a gradual shift away from advocacy and knowledge management in headquarters in high-cost Geneva towards implementation of the Global Sanitation Fund in client countries. UNICEF WASH is making a concerted effort of reducing in absolute terms some of its administrative costs. With regard to administrative efficiencies most trust funds are performing well, on the basis of independent evaluations available, and some have set service standards.

The type of activity also influences the efficiency indicators: it is frequently the case that administering the implementation of activities on the ground takes more resources than administering studies. This is reflected in the ratings of efficiency for IPP and WSI programs respectively. The former with a higher share of knowledge products have an overall rating of 5, and the WSI Program, which support relatively large amounts of implementation activities, have an overall rating of 4.

CCI Experience: Delays caused by weak enabling conditions and multiple actors

According to the CCI program manager, early efforts focused on building up both the demand and “buy-in” from stakeholders as well as capacity to deliver and access global technologies. Before the Building Retrofit program could have a series of buildings in the project implementation pipeline, private enterprise partners needed to be convinced to enter a new market; building owners needed to understand the favourable conditions CCI had pre-negotiated for them; and retail bankers had to be trained to understand Building Retrofit as a financial product. Achieving this combination of market readiness, capacity and transformation has required substantial time.

Sustainability

Most of the IPP and WSI trust fund activities are likely to be sustainable. For several partnerships hosted in funding organizations (World Bank and ADB), their objectives have influenced and been taken on by activities of their host organisations. Such associations link the trust fund activities progressively in country dialogue, policy reforms, lending, and ultimately inclusion in country systems. Sustainability is also likely for the UNICEF WASH, WHO, WSP, and WSSCC. Although they are not funding agencies, they promote wide ownership from all stakeholders of the benefits flowing from their respective activities. In the WSI program, the partnerships are

CEFPF: Fostering Sustainability by Enabling Private Finance for Concentrated Solar Power

CEFPF is financing the TA that will undertake the preparatory work for a non-sovereign project that will finance specific renewable energy sub-projects including the development of an aggregate 100 megawatt capacity of concentrated solar power (CSP) generation plants in Gujarat solar power parks and other power generation sub-projects from other renewable energy sources. Specifically, CEFPF resources amounting to \$225,000, will be used to conduct the required due diligence for the project including the technical, economic/financial, safeguard assessments; corporate governance; financial management; various risk assessments; and other due diligence requirements. The ensuing project would support the creation of an enabling policy framework for the deployment of 20,000 MW of solar power by 2022, including increased capacity of 1,000 MW of grid connected solar power generation by 2013. It will contribute to the transfer of knowledge, adoption of best practices and piloting of CSP generation in India.

working toward that improvements in water supply and sanitation predicated on better access and constancy of drinking water supply, adequate sanitation, and improved hygiene practices which together contribute to sustainability. Association with multilateral development banks and UN Specialized Agencies require that appropriate social and environmental safeguard policies are followed in all activities, which is also an important factor for sustainability.

Sustainability varies significantly between the partnerships, as would be expected. In one case, CCI, most activities are too recent to have produced any outcomes and the program acknowledges that without the continued trust fund support they are at risk. In another case, GRFSF, success is illustrated by its influence on Argentina, which is now borrowing from the World Bank to implement programs that incorporate the knowledge and action programs developed by the partnership.

It should be noted that partnerships with recent independent reviews consistently received lower ratings – attributable to the benefit of the doubt accorded to entities without such reviews, and to the fact that the link between outputs of upstream activities and beneficial outcomes is not always assured. For example, the AusAID WHO Cooperative Partnership on Water Quality and Health is off to a good start with the preparation of Water Safety Plans but the sustainability of their objectives of improving the quality of water service would be strengthened if there were clearer and wider links with financing of the substantial costs for training, and capital investment that is necessary to translate the WSPs from plans into hard evidence of better service and safe water.

Gender Equality

Gender equality was assessed on the extent to which program activities benefitted or were likely to benefit women/girls and programs addressed explicitly gender issues in their analytical, policy and/or capacity building work.

Gender equality figures only incidentally in most of the 13 trust fund programs reviewed. While all but one of the programs support activities that are potentially of direct benefit to women (given their focus on such issues as access to energy, safe water, improved sanitation services and hygiene practices), only six provide a substantial degree of explicit attention to gender equality in their analytic, policy and capacity building activities.

CA, PPIAF, and WSP stand out as programs with good practice examples of programs that aim to benefit and empower women. Notably, slum upgrading strategies funded by CA are generally formulated against recognition of gender-related issues such as participation, land-rights, hygiene, sanitation and insecurity. Several dimensions of PPIAF's work have strongly positive implications for gender equality—for example women receive the main benefit from increased access to water because they are the main providers of household water and access to safe and reliable transport increase economic opportunities for both men and women. WSP supports gender-related technical assistance, policy and institutional advice, and project support. As part of its increasing emphasis on Africa, WSP has also developed an Africa gender strategy. Moreover, both CA and WSP have embraced gender mainstreaming as a program objective, with WSP currently undertaking a gender audit of its South Asia program to gain increased understanding of how to achieve this mainstreaming in its operations globally.

In these cases, AusAID has played a key role in promoting attention to gender equality through its engagement with the programs and its representation on program governing bodies. It should seek to do that more broadly, and it might be useful for AusAID to encourage inclusion of gender in all program monitoring and evaluation frameworks (as it has done in the case of the ADB's FPF).

Cities Alliance: Targeting women-headed households in Costa Rica

Cities Alliance has supported the government of Costa Rica in its formulation of a national pro-poor policy and strategy for slum improvement that establishes the levels of competence and responsibility of national, provincial and local governments, including a component of effective citizen participation and focus on women-headed households. Implementation of neighbourhood improvement pilot interventions in 12 districts (sub-municipal division) covering approximately 120 neighbourhoods with an estimated 6.000 families.

Monitoring and Evaluation

The assessment of monitoring and evaluation was based on three indicators: (i) whether a program had had an independent evaluation in recent years; (ii) it monitored outputs, outcomes and results at a program as well as activity level; and (iii) it based its M&E on a results framework with monitorable performance indicators covering program and activity level achievements.

Overall, monitoring and evaluation is a moderately satisfactory feature of the TF programs. Only two of the 13 TF programs were found to have very high quality M&E systems. This means that they: (a) have had an independent evaluation in the last 3-5 years (or one is planned for this year); (b) have developed and implemented a results framework with monitorable performance indicators that track outputs and outcomes at the program as well as activity level; (c) link the results framework to a multiyear Business Plan; and (d) report at least annually to AusAID and any other partners on progress at least in terms of outputs and intermediate outcomes if not outcomes and results. Another eight programs have M&E frameworks that track outputs and outcomes at the activity level, but not yet at the aggregate program level so as to know what aspects of the program work well and which work less well.

Notably, M&E is stronger in the multi-donor programs overall than in the single donor programs. While all of the multi-donor global partnership programs have had (or are planning) independent evaluations, and all have some form of M&E framework which underlies annually reporting to donors, no single donor program has had an independent evaluation. Moreover, each single donor program reports regularly to AusAID but this reporting focuses primarily on outputs with little systematic documenting of outcomes and impacts. In line with AusAID's increased focus on aid effectiveness and results, IPP and WSI might want to play a more proactive role in encouraging good practice M&E in the multi-donor partnership programs that are lagging and in all the programs for which AusAID is the single donor.

WSP: A model of M&E system design

WSP has developed a Global Results Framework with monitorable output and intermediate outcome objectives linked to the intended outcomes of its 10-year strategy. Its current Business Plan includes performance indicators and time-bound targets at the country and program level. Last year, WSP began implementation of its results framework in each of its 24 focus countries. For a schematic of WSP's M&E framework see Annex 1 (individual briefs).

Analysis and Learning

Analysis and learning were evaluated on several attributes: technical analysis, systems in place for learning from experience, quality of dissemination and whether dissemination was active or passive.

Almost all the partnerships have significant scope to leverage their activities through analysis and learning. While this is especially true for the knowledge partnerships, it is also the case for several of the single donor funds that put out knowledge products. However, performance on analysis and learning is mixed. Some partnerships do very well, having established themselves as key sources of global knowledge and learning and were effective in disseminating knowledge while others are not as adept in learning and subsequent dissemination.

SARIG: South-South Knowledge Transfer from BRAC University Programs

Well managed Land Acquisition (LA) and Resettlement & Rehabilitation are important to avoid costly delays to infrastructure projects. In Bangladesh besides building capacity at four infrastructure companies that are Bank clients, a course was started at BRAC University with SARIG support and is now part of the Masters of Development Practice. The knowledge developed by BRAC University has been transferred to Africa through twinning with African universities, and several workshops on policy reform.

Overall both IPP and WSI programs are rated satisfactory on this criterion. There are several primarily knowledge and technical assistance programs under the IPP. Among these the strong knowledge components of the two World Bank SDTFs and that of PPIAF stand out.

ESMAP has a strong knowledge program but its dissemination had been weak and is now being retooled. On the WSI side both WSSCC and WSP have strong programs and WSP's decentralized structure has facilitated very efficient dissemination and knowledge sharing with its stakeholders at the country and regional level. The availability of experienced specialists and active knowledge dissemination practices has been particularly useful program features. Also, some programs have notably increased their support of South-South learning to demonstrated effect (see Box). Learning and Analysis improvements in several of the partnerships reviewed have been triggered by external reviews and external feedback which seem to suggest that partnerships should build in systematic feedback from stakeholders on relevance of their knowledge products and the effectiveness of their dissemination systems into their learning and analysis processes.

A question that can be raised is the extent of learning between the partnerships. Notably, several of the global programs deal with inter-related issues and activities (for example ESMAP and CA), and some have begun to interact more deliberately but this review saw the limited learning across programs as a missed opportunity. Clearly there are commonalities for partnerships housed in a single institution. The two partnerships in the ADB are housed in the Sustainable Infrastructure Department which facilitates sharing of information. Similarly several of the World Bank administered partnerships are in the Sustainable Development office, and share information, and collaborative work is undertaken from time to time. Nonetheless, there is room for further exchange and joint work, and this should be encouraged. For example, as noted elsewhere the preparation of a joint results framework for SARIG and EAAIG will enhance learning between the two SDTFs.

Some programmes have explicitly incorporated south-south learning quite effectively. For example EAAIG supports two sub-regional learning networks and SARIG has now sponsored twinning arrangements between South Asian and African universities. Several of the multilateral partnerships have decentralized operations which also further this objective. Nonetheless there continues to be scope across many of these programs for more south-south (horizontal) learning, which should be encouraged, and for inclusion of knowledge activities in program results frameworks.

Governance and Partner Engagement

The assessment of governance and partner engagement reflects the effectiveness of program governance arrangements, the financial sustainability of a program, and the substantive engagement between a program and AusAID centrally and in-country (where applicable).

In general, the varied governance arrangements of the single donor and multi-donor funds appear reasonably appropriate for each of the individual programs. Six of the thirteen programs are global partnerships with their own governing bodies (such as a consultative group or steering committee) comprising representatives of program donors and other program partners. The other seven programs are governed by donor agreements and the structures and processes of their host institutions. CA is notable for the inclusive composition of its member-based Consultative Group (comprising governments, multilateral institutions, global organizations of local authorities, and global NGOs) and fora linked to annual CG meetings through which beneficiaries can express their voice (a feature not common across the programs).

Those programs with a broad donor base (such as CA, ESMAP, PPIAF, UNICEF-WASH, and WSP) show the best prospects of financial sustainability, though economic constraints in the international donor community have already led to some planned multi-year budget reductions and program streamlining. For example, WSP's FY11-FY15 Business Plan incorporates a budget decline over the plan period. As financial constraints may well continue in the near term, AusAID will need going forward to be proactive in asserting its interests in programs' financial planning and strategic direction, particularly for the programs of its highest priority.

IPP and WASH Specific Criteria

AusAID's engagement: AusAID was the largest donor (over the period of this review) in two of the nine multi-donor programs (CEPF and WFPF) and among the top five donors in all but one of the other global partnership programs. In most, but not all programs, a high level of funding has corresponded with AusAID's active engagement within the partnerships, notably through participation in annual consultations and staff interactions. The usual modality of its financial participation in the MDTF's – predominantly through core funding that is not earmarked -- is appreciated. Core funding allows for much more efficiency in the allocation of resources, and the review also observed that partnerships generally were more effective when their resources were not earmarked

Partnership staff are typically familiar with AusAID's overall objectives under its IPP or WSI, and in most cases program staff have been provided with opportunities to comment on AusAID's evolving thematic strategies. Many, though, have not yet been made aware of the new AusAID strategy, "Making a Difference." There is, however, a marked difference between SDTFs and MDTFs in their interaction with AusAID. The single donor programs are shaped by close contact between program and AusAID staff. For example, in the case of SARIG and EAAIG, there are yearly (or more) consultations in Canberra with the program management, AusAID is provided with activity Concept Notes on a routine basis, and at the operational level coordination is maintained with the AusAID posts in the region through briefings by task team leaders and portfolio reviews.

Overall, AusAID/program engagement has worked best when it has involved technical expertise on the AusAID side and regular AusAID participation in governing body meetings (or equivalent annual consultations).

AusAID representatives have not always been able to attend partnership meetings, presumably because of distance. However when they do attend they provide substantive guidance, and have been influential in several areas, most notably on results measurements, and gender equality. Fulfilling its membership obligation in partnerships requires that AusAID has sufficient human resources to participate and provide guidance systematically in such meetings.

GRSF: Harnessing Australia's Knowledge in Road Safety Programs

The GRSF Core Advisory Group (CAG) functions as an independent technical panel that provides independent advice and guidance on GRSF goals, missions and work program. One of the four CAG representatives is from Australia's National Road Safety Council and shares the experience that has made Australia one of the top countries in road safety. Through the use of Australian representatives on Trust Fund independent technical panels and annual consultation meetings the Trust Funds can benefit from Australia's leading edge knowledge in a number of sectors, relevant to each Trust Fund.

Country posts were frequently unaware of partnerships activities in their countries, and even when they were aware, the work was not always well coordinated with AusAID's own bilateral work. Availability of information about partnerships and their relevance to bilateral country activities need to be made available on a systematic basis and the partnerships must consistently keep posts aware of their travel to countries and activities. Conversely, channels need to be kept open to capture information from country posts on their experiences with the partnerships and how partnerships can be most helpful, and must be consolidated as part of the guidance provided by Australia to the partnerships as part of its governance responsibilities. For this to happen on a systematic basis, 'focal points' need to be established in Canberra, especially in the context of the ongoing devolution, so that guidance and feedback to the partnerships are clear and coherent.

Finally, several partnerships also noted that they would like to take better advantage of the expertise available in Australia on issues such as water resource management, road safety, and water safety. Australia is a global leader in these fields (and others), and its knowledge and experience is highly sought after. AusAID is missing an opportunity to have simple mechanisms to harness and make available the significant knowledge resources in the country in the context of its support for the several partnerships that it is involved in. Such mechanisms could range from current, industry-supplied lists of experts to streamlined

procedures for funding that would raise Australia's profile in these specialized areas among low and middle income countries.

Attributes of Single Donor and Multi Donor Trust Funds: The performance of SDTF and MDTF do not differ significantly on most criteria ratings. MDTFs have been around longer than the SDTFs supported by AusAID, and as a result are more advanced in the area of independent evaluations and results frameworks. Generally SDTFs through the World Bank have broad scope for activities and are engaged in areas beyond the areas that are covered in the MDTFs. On the other hand for knowledge partnerships MDTF have several advantages, by leveraging resources and bringing together a broader array of expertise from donors. SDTFs have a much simpler governance structure, and as a result can be fully responsive to Australia's strategic objectives. Country post feedback indicates that the SDTFs (EAAIG and SARIG) are the best known of the TFs AusAID supports and most relevant to the day to day work of AusAID's programs on the ground. The collaborative process that has been set up for review and sign-off of proposals by AusAID country posts before activities receive final approval will further increase the level of relevance of SDTF activities to AusAID's own programs.

Activities of the Partnerships in the Pacific: In line with the request made by AusAID's Pacific office to review the extent of the involvement of the partnerships in the Pacific, the evaluation team also met with staff the Pacific office of the ADB in Manila, the Sydney Office of the World Bank, and also spoke to the SPC in Suva. Both the World Bank and the ADB used the Pacific Regional Infrastructure Facility (PRIF) as their primary source of partnership resources. In the case of the ADB, CEFPP and WFPF have been used somewhat but given the constraint on funds, it has been more effective to access PRIF. In the case of the World Bank the EAAIG has not been used at all since the establishment of PRIF in 2009, and appears to reflect a strategic balancing of how the World Bank uses the two partnerships. Overall the conclusion for the two banks would be that given the relative size of the Pacific program, tapping the specialized PRIF has been more effective, than competing for funds from the broader in-house partnerships. ADB noted that approvals through the PRIF governance process took time, while the World Bank felt the governance structure was reasonably effective. With regard to the other partnerships, their involvement was mixed. SPC reported activities with WHO-WSP (in several countries) with UNICEF-WASH, and also with WSSC. ADB reported work with PPIAF, ESMAP, Cities Alliance, and UNICEF-WASH, but also noted that several bilateral donors were active in the region, but are not well coordinated. The World Bank reported that WSP was active in Timor-Leste and had also collaborated with Melbourne Water, ESMAP was active (with a special contribution from Denmark) as well as PPIAF in PNG, and had had some collaboration with the Clinton foundation on energy.

Evaluation Criteria Ratings

IPP Partnerships

Evaluation Criteria	Rating (1-6)	Explanation
Relevance	5	Several of the IPP partnerships had very high quality for their relevance ratings. These partnerships have broad objectives which made them relevant to several AusAID key development objectives and goal of enhanced aid effectiveness.
Effectiveness	5	All but one of the IPP partnerships are demonstrating progress in meeting their own objectives, and all are adequately staffed with competent personnel. There was no difference between SDTFs and MDTFs in this regard.
Efficiency	5	Efficiency, as measured by administrative costs as a share of total program expenditure and responsiveness of procedures was rated satisfactory overall for IPP programs. However, administrative costs shares vary across partnerships, reflecting differences in the nature of their program activities.
Sustainability	4	Most IPP partnership activities are likely to become sustainable as they lead to follow-up activities of their hosts. In addition, using the MDB safeguards policies aids sustainability
Gender Equality	3	While several of the programs support activities of potential direct benefit to women (such access to energy and improved sanitation), only two provide substantial explicit attention to gender equality in their analytic work and policy and capacity building activities.
Monitoring & Evaluation	4	Seven of the nine programs have been found to have moderately satisfactory M&E systems involving independent evaluations and routine monitoring of outputs and outcomes (at the activity but not program level). None of the programs have developed and implemented solid results frameworks with monitorable performance indicators.
Analysis & Learning	4	The several knowledge/technical assistance partnerships have contributed to an overall robust analysis and learning in the IPP group, but one partnership is not performing satisfactorily which weighs on the overall rating.
Governance and Partner Engagement	5	The governance arrangements of all nine programs (both the SDTF and MDTF programs) appear reasonably appropriate. In the SDTFs and most, but not all the MDTFs, a high level of Australian funding has corresponded with AusAID's active engagement with the partnerships.

Rating scale: 6 = very high quality; 1 = very low quality. Below 4 is less than satisfactory.

WSI Partnerships

Evaluation Criteria	Rating (1-6)	Explanation
Relevance	5	The objectives for the WSI partnerships are narrower than the IPP partnerships but nonetheless are highly relevant to AusAID key development objectives and goal of enhanced aid effectiveness.
Effectiveness	5	All the WSI partnerships were demonstrating satisfactory achievement of their objectives. Effectiveness was generally better when funds were not earmarked, leaving programs with flexibility to resources on the basis of ownership, need and performance.
Efficiency	4	Efficiency, as measured by administrative costs as a share of total program expenditure is rated satisfactory for all WSI partnerships, noting that the WSI partnerships are all engaged in implementation activities.
Sustainability	4	The sustainability of the WSI program is enhanced by the comprehensive choice of partnerships that cover all aspects of Water, Sanitation, and Hygiene (WASH) activities. The association with the World Bank and UN specialised agencies ensure appropriate use of environmental and social safeguards.
Gender Equality	4	All of the programs support activities of potential direct benefit to women (such as access to safe water and improved sanitation) and give some significant degree of attention to gender issues in their programming, with one now undertaking an audit of its gender mainstreaming in one region to build understanding of how to improve mainstreaming globally.
Monitoring & Evaluation	4	There is variation in the strength of the M&E systems among the four programs, with one of high quality having developed and implemented a results framework that tracks outputs and outcomes at a program as well as activity level and is now serving as a model for other programs.
Analysis & Learning	4	WSSCC and WSP are notable in strong analysis and dissemination programs, with WSP's largely decentralized structure aiding knowledge dissemination at the country and regional level.
Governance and Partner Engagement	5	The governance arrangements of all four programs appear appropriate. There are periodic interactions between program and AusAID staff, and typically, but not always good interaction on the ground.

Rating scale: 6 = very high quality; 1 = very low quality. Below 4 is less than satisfactory.

Conclusion and Recommendations

Conclusions

Good Fit: The IPP and WSI Partnership programs support a diverse group of partnerships that fits well with their respective mandates and with Australia's objectives for aid. The partnerships are generally well managed, and the ratings reflect these attributes. Overall, the partnerships score well in areas of Relevance, Effectiveness and Efficiency. Moreover partnerships allow AusAID to tap several sources of expertise to leverage its aid program and to build strong relationships with several international development agencies.

Programmatic Support: Partnerships aiming to promote and achieve transformative change work best through programmatic support which includes, in addition knowledge generation, technical assistance and implementation support and close linkages with partners/agencies which provide investment financing.

Weakness in monitoring and evaluation: All the programs track outputs but have varying degrees of tracking for outcomes and impacts. M&E is stronger in the multi-donor programs overall than in the single donor programs. All of them have undergone, or are in the process of undergoing, an independent evaluation, but no SDTF has yet had one done. The MDTFs are also ahead in installing results frameworks.

Uneven attention to gender equality: Gender Equality figures incidentally in most of the 13 trust fund programs, given that all but one of the programs support activities that are potentially of direct benefit to women. Almost all of the partnerships have gender activities, but in many instances these appear ad hoc, and not systematically programmed. Good practice would entail gender mainstreaming and inclusion of gender equality in program results frameworks. There are exceptions however: both CA and WSP stand out as examples of good practice for gender equality.

Country Posts Interaction with Partnerships could be More Robust: AusAID's country units do not have broad familiarity with the 9 MDTFs supported by IPP and WSI. Their input to, and utilisation of, the work of these programs varies. Conversely mechanisms to consolidate and convey post concerns and suggestions to partnerships steering groups could be better. There would seem to be the need for an established "focal point" (or focal points) in Canberra to serve as the link between global programs and country/regional posts—with the aim of ensuring a two-way flow of information on programs, priorities, and opportunities for collaboration.

Valued Australian Participation in MDTFs: AusAID's modality for financial contributions to the MDTF's – predominantly through core funding that is not earmarked -- is appreciated, as partnerships generally were more effective when their resources were not earmarked. Australia's participation in the MDTF meetings is valued, but it is not always present. When they do attend they are one of a select group of donors that provide substantive guidance, and they have been influential in several areas, most notably on results measurements, and gender equality. Nonetheless, fulfilling its membership obligation in partnerships requires that AusAID has sufficient human resources to participate and provide guidance systematically.

Some Gaps Remain: The partnerships for the most part comprehensively cover, within the infrastructure and WASH areas, the key development objectives under the strategic goals for sustainable economic development, and saving lives. From a sectoral standpoint, however, there is no thematic coverage of water resource management through these programs – a key development issue which has become even more urgent in the context of climate change – although some individual activities on this issue are run out of the regional SDTFs. From a geographical standpoint, similarly, Africa and the Middle East are becoming more prominent areas for Australia's aid, and Australia should seek instruments to provide assistance through partnerships to this region as it does in the other regions in which it is very active. Finally, several partnerships also noted that they would like to take better advantage of the expertise available in Australia on issues such as water resource management, road safety, and water safety, but mechanisms through AusAID to exploit this were weak. Indeed, involving the Australian community is included as an element of making aid more effective in "Making a Real Difference".

Recommendations

1. **Continue to Encourage Strong Results Frameworks.** AusAID should continue to encourage strong results frameworks, especially given its own accountability for effectiveness. EAAIG and SARIG should develop a common results framework. Neither SDTF currently has a results framework, although their objectives and operations are broadly similar. Joint development of a common results framework would be more efficient and allow more direct comparability of their effectiveness.
2. **AusAID technical experts should consistently attend partnership meetings and provide substantive guidance.** Efforts should be made for more systematic attendance –and to encourage issues of importance as it has been doing (e.g. pushing for results frameworks and gender equality components in activities). For the two SDTFs that are being transferred to regional units, continued AusAID technical input in the formulation and approval of activities and work programs must be ensured.
3. **Better Integration of Country Posts into the Activities of Partnerships.** Canberra should ensure that information on partnerships and their relevance to country programs is readily available to posts; and there should be a clear channel for communications back to the partnerships on posts' concerns and suggestions. Establishing "focal point" (or focal points) in Canberra to serve as the link between global programs and country/regional posts—with the aim of ensuring a two-way flow of information on programs, priorities, and opportunities for collaboration would be helpful in this regard.
4. **AusAID might consider some additional activities in its partnerships.**³

³ *The names of the partnerships suggested have been excluded here for sensitivity reasons.*

Individual Partnership Reviews

East Asia and Pacific Region Infrastructure for Growth Trust Fund (EAAIG)

EAAIG – a single donor Trust Fund – was established by the World Bank and AusAID in 2007. Its objectives are to foster an enabling environment for infrastructure development, facilitate infrastructure service delivery, and to enhance cooperation between AusAID and the World Bank to improve aid effectiveness in the region. As of June 2011, 96 analytical activities had been undertaken, roughly half of which are ongoing, and the rest completed. After agreement of the second amendment in December 2011, total pledges to EAAIG are about USD45 million (AUD 47.7 million). The EAAIG work program under implementation is about USD 23 million through June 30, 2011, roughly equal to contribution receipts. The work program for the current fiscal year, FY12, is even larger, at about USD13 million, and leaves roughly USD 9 million for future programming.

Relevance to AusAID Programs

As a single donor fund, with close communication with its donor, EAAIG is highly relevant to AusAID's strategic objectives and has been effective in implementing specific undertakings in Australia's Infrastructure for Growth Initiative (IFGI). Country post feedback indicates that the single donor funds (EAAIG and SARIG) are the best known of the TFs AusAID supports and most relevant to the day to day work of AusAID's programs on the ground. The collaborative process that has been set up for review and sign-off of proposals by AusAID country posts before activities receive final approval will further increase the level of relevance to AusAID's own programs but care must be taken to ensure a streamlined and efficient process.

On the sectoral side, AusAID has shared its draft policy notes on Sustainable

Development and WASH with program staff that have provided comments in the context of the EAP region and the trust fund. Program staff is aware of

the 2011 Aid Policy, and comments provided to AusAID on draft policies make explicit reference to that document. Originally five thematic pillars were established for EAAIG work: Sustainable Energy, Green Growth, Urban Resilience, Water, and Transport. This has now been expanded to also include Urban, and Environmental and Social Safeguards. These correspond closely to AusAID's pillars of action.

Effectiveness

EAAIG supports analytical work, project support activities which have led to lending appraisal of projects by the World Bank as well as project supervision, and capacity building activities that have enhanced the effectiveness of client countries in the region. Several regional studies have been completed and disseminated, such as Eco2 Cities, a regional flagship report on energy, and several subsequent initiatives to foster low carbon growth, and energy access. Almost 100 activities have been undertaken since inception, and there are about 60 open activities, mainly in project support and capacity building. Several refinements were introduced into the operation of the EAAIG as a result of consultations between the AusAID and the World Bank to increase its effectiveness. Specifically the fund now follows a multi-

Taking Strategic Goals from Knowledge to Action

The green growth and sustainable energy thematic pillars of the EAAIG mirror one of Australia's strategic goals. The Energy Access Flagship Report ('One Goal, Two Paths' -- 1G2P) outlines an ambitious program to overcome energy poverty in the EAP region by 2030. The report urges the governments in the region to work simultaneously on two paths: (i) achieve universal electricity access by accelerating both grid and off-grid programs; and (ii) increase access to clean cooking fuels (natural gas, liquefied petroleum gas, and biogas) and advanced cooking stoves

Following the launch of 1G2P in October 2011, the policy and investment agenda presented in the report became a blue print for the EAP response to the UN declaration of 2012 as the year of "Sustainable Energy For All". This year, the EAP region started a Clean Stove Initiative in China, Indonesia, Mongolia and Lao PDR, in close collaboration with governments, development partners and local and international NGOs. At the same time, the Renewable Energy for Electrification Project entered the Bank pipeline in Indonesia (which is home to about half of EAP households without access to electricity) and the rural electrification projects in other parts of EAP received additional support.

year programmatic approach, focussing on specific regional thematic areas, and the core infrastructure work. Practice leaders in the region now submit multi-year sectoral and thematic concept notes for review to Bank and AusAID management, reducing isolated and disparate initiatives in the program.

Efficiency

The administration of the EAAIG is closely linked to the management team of the Bank's East Asia and Pacific Region, and thus there are significant efficiencies in its administration. This is borne out by the low ratio of administrative costs to overall expenditures -- EAAIG's program management costs average about 5% of outlays. Indeed, the multi-year programmatic approach with thematic concept notes approved by management also leads to a more streamlined set of procedures and oversight, which also helps with efficiency. Value for money is part of that review process which also helps ensure efficient use of resources. There have been some drawbacks of activities in the past necessitated by programming getting ahead of receipts but a procedure is now in place to ensure this is not repeated.

Sustainability

The EAAIG resource envelope is an important source of funding for the East Asia and Pacific Region (EAP). Sustainability is therefore a matter of the sustainability of the Bank's own projects and programs. Roughly half the trust-funded activities under implementation are project support and most of the remainder is capacity building – both embedded in the Bank's own activities. During the last fiscal year, EAAIG-funded activities pushed forward roughly 46% of the region's lending, and in addition to project development also supported supervision and monitoring and evaluation. Overall results for sustainability of the region's outcomes are strong, and so by extension are the EAAIG's activities. Analytical work supported by EAAIG have been taken up both in the region and elsewhere through dissemination by the networks supported by the fund.

Monitoring and Evaluation

There is no results framework established for the EAAIG. Outputs are agreed and reported upon, but broader indicators of effectiveness and contributions to longer term outcomes and impacts are not documented systematically. To a large extent this is a result of the nature of the trust fund – catering specifically to inputs that have been defined in AusAID's aid programs that are consistent with the Bank's own strategy in the region. However given the importance of demonstrating the mutual synergies of the partnership a robust M&E framework is essential. The SARIG Trust fund is in a similar situation, and has begun exploring possibilities for establishing a results framework. It would be in the interest of the Bank and AusAID if this objective were to be pursued jointly by the two regions, so that a common framework, consistent with the objectives of the donor could be put in place.

Gender Equality

There has been one activity, specifically targeting gender undertaken by the EAAIG – a workshop on Gender issues in transport – in October 2010. The agenda for the workshop was quite comprehensive, with sessions on country experiences, approaches to monitoring gender sensitive results in transport through case studies and several tools. Three additional activities were also identified which included a gender dimension – the regional flagship study in energy access looked at home cooking and health issues of indoor pollution, and two HIV/AIDS activities – a regional toolkit for transport projects, and an awareness and prevention program in the Mekong delta which had specific gender components. Overall however EAAIG could be more systematic in including gender activities in its thematic concept notes, and subsequent activities.

Analysis and Learning

Roughly half of EAAIG's annual work program is devoted to studies and building client capacity. The partnership has supported flagship analytical pieces under the five original thematic pillars, which has led to progress on several initiatives to foster the enabling environment for low carbon growth, urban transport, and tools to help policy makers better understand, and mitigate disaster risks. The FY12 work program also includes work on a more systematic and strategic approach to safeguards management. The partnership also is

the sole supporter of two regional knowledge networks, which are mechanisms for south-south learning.

While EAAIG has generally performed well in its activities regarding learning and dissemination, there remains scope to enhance its coordination and cooperation with several other partnerships, notably SARIG (the sister single donor fund for South Asia) as well as multi-donor knowledge partnerships in the infrastructure sectors, so as to improve its knowledge sharing and dissemination, both by disseminating its own knowledge work more widely and by incorporating a broader set of knowledge products in its own regional dissemination.

Governance and Partner Engagement

Synergies are strong between the Bank's ability to deliver a robust work program, and Australia's objective to support effective partnerships as way to leverage its international development objectives and there are mutual advantages to continuing the relationship. It is clear that the Bank's EAP program would have been more modest without the support of the EAAIG, and in turn Australia would have missed an opportunity to harness an effective partner to implement its objectives in international development in the East Asia region.

As a single donor trust fund, governance arrangements are straightforward. Consultations between the World Bank and AusAID are held semi-annually. Procedures are in place for thorough vetting of thematic concept notes by both institutions. In the initial years of the fund there was some earmarking of funds for themes (primarily Water, and a small amount also for HIV/AIDS) at the request of AusAID but this has ended. AusAID has been active in providing feedback and making its views known in this process. In addition the recent refinement to ensure that country posts are made aware of and clear individual activities will further increase donor engagement. In the coming year, the EAAIG will be transferred from IWS to the East Asia regional program. This will help to further increase coordination between the activities in the regional group (and country posts) of AusAID and the World Bank but it will be important to ensure that the thematic group in AusAID also provides adequate input and is in a position to influence the implementation of the partnerships activities in line with the thematic priorities set out in Australia's new aid policy.

South Asia Regional Infrastructure for Growth Fund (SARIG)

SARIG is a SDTF executed by the World Bank South Asia Region (SAR). SARIG became operational in 2008 and its purpose is to support the AusAID Infrastructure for Growth Initiative in the South Asia Region (SAR IFGI) in partnership with the World Bank. The objective of the trust fund is to foster an enabling environment for infrastructure delivery and to improve infrastructure delivery. The initiative covers energy, transport, irrigation, urban development, water and sanitation and telecom sectors. The countries covered are Afghanistan, Pakistan, Nepal, India, Bangladesh, Bhutan, Maldives and Sri Lanka. A total of AUD 19.5m has been received as contributions from AusAID after the TF became operational in April 2008, almost all of which has been allocated. The fact that the SARIG activities are closely integrated with SAR lending (where infrastructure may account for a significant portion) underpins the likelihood that its activities will translate into changes on the ground, rather than merely remaining upstream work.

Relevance to AusAID Programs

The financed activities support all five of AusAID's strategic goals of saving lives, providing opportunities for all, promoting sustainable economic development, effective governance, and preparing for disaster response. The SARIG activities also contribute to a number of key development objectives such as improving governance to deliver services. Finally, the aggregate activities underpin all four of the pillars of action in delivering sustainable transport infrastructure, facilitating increased access to basic water and sanitation infrastructure services, creating reliable energy services, and supporting urban infrastructure planning and development. South Asia constitutes a priority region for AusAID. The region is home to the largest numbers of people living in poverty. Economic growth, while generating additional revenue and increasing fiscal space, has put immense pressure on the demand for infrastructure especially as the rate of urbanization continues to rise. As demonstrated in the thematic flagship study "The Infrastructure GAP in South Asia" (financed by SARIG) the infrastructure gap is likely to become a serious bottleneck for economic growth. SARIG has also followed up with a series of studies of which water and sanitation sector account for 24%, regional and cross-sectoral infrastructure 24%, energy and transport 19% each, and the remaining 14% comprised by urban development, irrigation, environment and telecom.

Effectiveness

Activities are selected to underpin the two TF objectives of supporting an enabling environment for infrastructure delivery and improving infrastructure delivery. Some 46% of resources have been used for preparation, appraisal and supervision, and the balance of 54% used for TF regional analytical work and country specific analytical and policy work. The SAR traces the leverage associated with each activity in the form of additional funding under the activities and projects that it has supported. SARIG has also moved into thematic studies that influence further TA and project activities. For example, an analysis of the cumulative impact of large scale development of hydropower on the Alaknanda river, an important tributary of the Ganga, furthered the debate on hydro development in India, leading to a request for TA to the National Ganga River Basin Authority. Similarly technical assistance for preparation and implementation of an urban sustainable transport program led to the demonstration of pilots of sustainable technologies, and made possible the adoption of best practice designs and latest technologies among the cities that were part of a \$ 300 million project.

South-South Knowledge Transfer from BRAC University Programs

Well managed Land Acquisition (LA) and Resettlement & Rehabilitation are important to avoid costly delays to infrastructure projects. In Bangladesh besides building capacity at four infrastructure companies that are Bank clients, a course was started at BRAC University with SARIG support and is now part of the Masters of Development Practice. The knowledge developed by BRAC University has been transferred to Africa through twinning with African universities, and several workshops on policy reform.

Efficiency

Efficiency of use of SARIG funds is underpinned by vesting control over the activities directly with the SAR Sustainable Development Sector Director's office. All activities are monitored on a monthly basis and deeper monitoring of progress is done quarterly. The risks that lagging progress can endanger the achievement of any of the SARIG activities are managed monthly and slow progress can prompt reallocations of funding in favour of activities that are faster moving. The World Bank Administration Fee is 2% of Trust Fund capitalizations, and the reimbursable SAR program management costs are 4%, implying that 94% of Trust Fund contributions are available for activities. The efficiency in benefit/cost terms differ between the different activities but is likely favoured by the fact there is a close relationship between TF activities and SAR lending. With respect to allocations under the first four rounds of funding received prior to December 2011, 97% is committed and 88% is disbursed. The move to thematic concept notes has increased efficiency and promoted increased sharing of knowledge.

Sustainability

The availability of SARIG funding adds value through improving the quality of the SAR infrastructure lending operations. Knowledge management products also influence lending when the knowledge gained becomes embedded in subsequent project designs. One such example is the work in Public Private Partnerships that have multiple benefits in the form of better projects and increased capacity in developing and operating infrastructure.

Monitoring and Evaluation

There has been no independent evaluation of the entire SARIG program. However, the tight management of individual program activities ensures that SARIG is proactive at every stage from selection of proposals for funding to support for task teams whose activities are funded and oversight of the funded activities. Considerable thought is given to this so that proposals meet the objectives of the TF and offer maximum leverage and additionally. Stand-alone or one off tasks or activities not supported by clients are not funded. Monitoring of individual activities (although not for the entire SARIG program) tracks output, outcome, achievement of TF objectives and the leveraging of additional funds. One Impact Evaluation was started of a rural access project in Afghanistan but has not yet been concluded due to the worsening security situation. Work has begun on a comprehensive results framework and this would benefit from collaboration and joint development with EAAIG that also lacks a Results Framework.

Gender Equality

Gender equality is not an explicit objective of SARIG activities but many, if not most, of the higher-level objectives pursued under its activities promote gender equality. SARIG activities in sectors such as water supply and sanitation are of direct importance (albeit upstream) for gender equality since women bear a disproportionate burden of the absence of good quality water supply and sanitation services. There has not been any activity specific to gender equality. Nor are there explicit references to Gender Equality in studies where one would have expected to find them, such as in the Beneficiary Assessment of the Second Community Water Supply and Sanitation Project in Sri Lanka. However, gender equality is gaining prominence and the successor to SARIG is an Umbrella Trust Fund that has a dedicated window for activities that promote gender equality.

Analysis and Learning

Each financed activity is required to contain a dissemination strategy at the time of the application for SARIG funding. The dissemination is subsequently monitored as part of the monitoring of the entire program. There has been a conscious effort to keep AusAID Posts abreast of the learning from individual SARIG activities through the requirement that individual task team leaders make a special effort to inform AusAID Posts. The SAR flagship study "Can South Asia Close its Infrastructure Gap?" was partly funded by the SARIG and has been widely disseminated. About 54% of SARIG activities were in the area of Analytical and Advisory Assistance (AAA) where a major objective is learning and with an associated dissemination strategy. Dissemination would benefit from SARIG actively sharing its

knowledge products with other partnerships, such as EAAIG, ESMAP, PPIAF and WSP among others.

Governance and Partner Engagement

SARIG is a SDTF and is therefore entirely dependent on AusAID contributions. As compared to total commitments of AUD 33 million SARIG has received a total of AUD 13.0 million for Rounds 1 and 2 in the first year 2008, nothing in 2009, AUD 2.0 million for Round 3 in 2010, and AUD 4.5 million for Round 4 in 2011. SARIG is managed by SAR which is in close contact with its counterparts in AusAID. There were three visits to Canberra by SAR management in 2011. These exchanges point to the increasing importance which SAR gives to its AusAID partnership. AusAID is provided with copies of the activity Concept Notes on a routine basis for information. At the program level close coordination is maintained both with Canberra and the AusAID Posts in the region. The SARIG program administrator meets with the AusAID Country Managers and Counsellors at the India, Bangladesh and Sri Lanka Posts for Annual Portfolio Reviews. In an effort to build stronger working relationships with the Posts task teams brief the Posts from time to time on tasks funded by AusAID TFs. In line with this, in India and Bangladesh the Task Team Leaders briefed the AusAID Country teams on tasks funded by SARIG. SAR commented on the AusAID's WASH and Infrastructure Policy Notes.

For future activities SAR has agreed with AusAID on the use of a more flexible Umbrella Trust Fund agreement that would contain a number of separate windows for different sectoral activities. The Umbrella Trust Fund became operational in June 2011 with three windows: (1) Water and Sanitation India (WSI); (2) Sri Lanka North East WASH (SL NE WASH); and (3) South Asia Gender Initiative (SAGE) with USD 9.3 million in funds. A new infrastructure window is planned for the additional tranches to SARIG with possibly as much as AUD 20 million. Discussions are ongoing regarding opening other windows with the Posts and the South Asia regional unit at AusAID.

Clinton Climate Initiative (CCI)

CCI was established as a program of the Clinton Foundation to which AusAID contributed USD2 million over three and a half years for a program of advisory services in support of climate change demonstration projects in three cities in Vietnam (Ho Chi Min City and Hanoi) and Indonesia (Jakarta). Assistance has focused on reducing greenhouse emissions through activities in five program areas: 1) energy efficiency building retrofit, 2) public (street) lighting, 3) solid waste management, 4) transportation, and 5) regional finance.

This support, initially designated for implementation over a period of two years, was extended (at no cost) through the end of 2011. The grant is now closed, and CCI's "Cities Program" is no longer managed by the Clinton Foundation, having been absorbed in late 2011 by the C40 Cities Climate Leadership Group.⁴ The Clinton Foundation is now in the process of designing a new climate change program for Asia.

Relevance to AusAID Programs

The CCI Southeast Asia program activities directly contribute to Australia's strategic goal of sustainable economic development and the related objective of reducing the negative impacts of climate change. In addition, CCI's approach—of bringing together technical, business, and financial actors to support public and market-based solutions to the delivery of such services as energy efficient building retrofits, solid waste management and public lighting—contributes to Australia's objectives of promoting effective public service delivery and private sector development. While the various program activities align with all four pillars of the infrastructure strategy, they have primarily been narrowly focused on city level measures, initially in three cities, with limited engagement at a national level.

Effectiveness

CCI's work in helping cities develop and implement projects, build client capacity, foster market-driven solutions, and mobilize project financing has been focussed on a clear objective and its efforts have the potential to contribute to the effectiveness of the IPP through demonstrating innovative approaches to key climate change responses. But its results to-date have mainly been upstream analysis, and it is too soon to assess the impact and contribution of most of its work, since few undertakings have progressed beyond the stage of underlying analysis to actual project implementation.

Considerable delay occurred in the start up of funded projects, so it has only been in 2010 and 2011 that CCI has been able to show much progress. In this period, CCI has played a proactive role as facilitator and project developer, working with government and the private sector. Although a relatively new program at the beginning of the funding period, CCI has succeeded in promoting innovative activities in all three cities and all program areas. For example, in building retrofits, it facilitated analyses and project designs in Ho Chi Minh City and Jakarta, using a model that included energy service companies as technology providers, a pipeline of building clients, and financing options from private and public (development) banks. In public lighting, it helped promote and design measures to advance the introduction of LED lamps for street lighting in Ho Chi Minh City and Jakarta. In transportation, it worked with the Vietnam government to design and launch an emissions testing pilot program for motorbikes. Also, in solid waste management, it is currently working to identify and develop environmentally and economically viable projects to assist the Government of Jakarta reduce reliance on landfill disposal at an existing site and decrease emissions of GHGs associated with the transportation and management of municipal solid waste.

While the necessary enabling conditions for program activities were identified by the program at the outset, it took more time than anticipated to develop government interest and local market conditions, causing delays in the start up of intended activities. A candid CCI report of

⁴ There has been no independent evaluation of the CCI Southeast Asia Program. This review therefore relies largely on the program's three year progress report to AusAID for 2008-11 and information from a structured interview with program staff.

progress over the three year funding period has acknowledged that “the initial engagement was more difficult than expected due to the nature of collaborating with cities....”⁵ (See box for elaboration.)

As a consequence, while many CCI projects are reported to be “now reaching a breakthrough,” there is a considerable ways to go to achieve intermediate outcomes much less real impact. Based on the last two years of experience, CCI staff sees significant opportunities for an acceleration and multiplication of results.

Efficiency

CCI has been nimble in identifying opportunities and, reportedly, “gaining the trust” of public and private actors across its several program areas. Operating with few administrative staff and limited overhead costs, its reported administration costs are below the 10 per cent of overall program outlays (as specified in the CCI-AusAID agreement).

It may be, however, that the program could have achieved more value for money if it had not spread itself across so many program areas before gaining deeper understanding of the enabling environment for its work and real program traction in working with selected cities.

Sustainability

Sustainability of CCI activities is predicated on an approach designed to “transform public private partnership programs into market driven, business propositions that reduce GHG emissions.” To accomplish this aim, the program has worked closely with government to introduce cost effective technology solutions and new financing options. For example, it facilitated, through a purchasing alliance, a window film application project for a landmark commercial building in Ho Chi Minh City. It is also currently working with the ADB to develop preferential financing mechanisms to support energy efficiency investments. There are, however, too few concrete project results to make a judgment on actual sustainability of the benefits of any of the activities, especially as the CCI is focussed on cutting edge measures in cities with enormous development challenges and limited public or private sector capacities in climate change areas. As reported by CCI, “after three years, there is marked progress with critical momentum but achievements are at risk of stagnating if the Foundation’s initiatives were to cease.”⁶

Monitoring and Evaluation

CCI has provided AusAID annual progress reports and is completing a three year report which includes details on project activities, their status and outputs (such as upstream analysis, consultation, facilitation of government and private sector interaction, and promotion of financing options), and intermediate outcomes to the extent that any have occurred. CCI has not developed a results framework with monitorable indicators to guide and report on its work, and AusAID has not asked for one.

Gender Equality

Gender has not been an explicit focus of CCI work, and there is no reporting of any gender specific outputs or outcomes. Given the narrow technical scope of its advisory activities, it is not clear how this would in fact have figured into its work targeted on reducing GHG emissions.

Delays caused by weak enabling conditions and multiple actors

According to the CCI program manager, early efforts focused on building up both the demand and “buy-in” from stakeholders as well as capacity to deliver and access global technologies. Before the Building Retrofit program could have a series of buildings in the project implementation pipeline, private enterprise partners needed to be convinced to enter a new market; building owners needed to understand the favourable conditions CCI had pre-negotiated for them; and retail bankers had to be trained to understand Building Retrofit as a financial product. Achieving this combination of market readiness, capacity and transformation required substantial time.

⁵ Clinton Climate Initiative, “Summary 2010-2011.”

⁶ Clinton Foundation, “Southeast Asia—Progress Report 2008-2011,” December 2011, page 19.

Analysis and Learning

Most of CCI's work takes the form of analysis and advisory services for projects intended to have a demonstration effect. Program staff reports that there is much learning to be shared from their program approach and project by project work, but that they have not had the resources to devote to dissemination and learning. The concept of demonstration project appears to have had limited meaning under these circumstances, at least beyond the city in which the project has been undertaken.

Governance and partner engagement

The agreement between AusAID and CCI constitutes the governance arrangement for this program. The CCI's Southeast Asia Program was the result of a request to the Clinton Foundation from AusAID for the development of climate-related work, based on an ongoing interaction in the region between the two organizations in another issue area. CCI staff is therefore cognizant of AusAID's specific program objectives. However, there has been limited ongoing interaction with the Canberra unit providing the funding other than through the program's annual reporting and virtually no interaction with counterparts on the ground.

The sustainability of the initial CCI program now resides with the C40 Climate Change leadership Group (as noted in footnote 1) and the Clinton Foundation is in the process of developing a new climate change program which it proposes to extend to the national and provincial levels, to include 2nd tier cities. If AusAID were to consider further support for the Foundation's new program, it would be prudent to require a strategic plan with monitorable objectives and related performance indicators rather than fund another program conducted as opportunistically as the initial CCI effort.

Clean Energy Financing Partnership Facility (CEFPF)

The CEFPF was set up in 2007 to catalyse and accelerate ADB's nascent program in clean energy launched under the Energy Efficiency Initiative which was designed to support the Bank's country and regional strategies and action plans and subsequent investments through 2010, later extended to 2013. The CEFPF was one of the early partnerships established under the ADB's Financing Partnership Facilities (FPF) which was set up with the aim of fostering multi-partner cooperation for long-term strategic activities in support of its operational work. FPFs were designed to encompass a broad set of possible interventions -- multi or single donor trust funds, joint and parallel cofinancing arrangements, cooperation arrangements for knowledge provision and exchange and other forms of cooperation that donors and ADB could agree on from time to time. Along these lines, CEFPF sought to strengthen Developing Member Country capacity, and to facilitate clean energy investments.

There are three trust funds that provide financing for the CEFPF: (a) the Clean Energy Fund (CEF) -- a multi-donor trust fund (MDTF) funded by four donors including Australia (contributions USD32.7 million as of December 2011); (b) the Asian Clean Energy Fund (ACEF) -- a single donor trust fund (SDTF) funded by Japan (USD 57.1 million); and (c) the Carbon Capture and Storage Fund (CCSF) -- funded by the Global Carbon Capture and Storage Institute (USD17.3 million). Total contributions to the CEFPF as of 2011 were USD 107.1 million. Australia was the first, and is the largest contributor to the CEF at USD10.7 million (of which USD4.2 million was received during 2011). Australia accounts for roughly 33% of CEF and 10% of all CEFPF resources.⁷

Relevance to AusAID Programs

CEFPF is highly relevant to the third strategic goal in Australia's aid policy which includes investing in sustainable economic growth and private sector development. CEFPF activities, answer to the Australia's key development objectives 6 and 7, and which cover infrastructure development, improving incomes and employment opportunities in rural and urban areas, and reducing impacts of climate change. CEFPF is also aligned with the energy pillar of AusAID's infrastructure policy. Apart from the high level meetings between AusAID and the ADB management that are held from time to time on cooperation, the CEFPF has annual consultations with its donors. The CEFPF management is also well aware of the importance that Australia has placed on South East Asia and the Pacific and although there are no specific earmarking, the CEFPF manages its overall allocation taking due account of this and has a relatively large program in Pacific.

Effectiveness

ADB's energy policy, which CEFPF supports, has an annual target of clean energy investments of USD2 billion by 2013 which is expected to be reached in advance of that date. In that sense the CEFPF has been highly effective in its objective of catalysing clean energy investments. To date, CEFPF's work program totalling USD66.7 million has leveraged roughly USD1.8 billion in ADB clean energy investments (leverage ratio of 1:27). The CEF had been largely allocated as of the end of 2011, and remaining funding will come primarily from the ACEF until the program ends in 2013. A Special Evaluation Study (SES) of the FPFs by ADB's Independent Evaluation Department in 2010 also concluded that although it was too early to assess outcomes, the partnerships were effective, as "a useful platform for strategic, long-term and multi-partner cooperation, and in delivering its intended outputs."

In particular, CEFPF has taken steps to develop innovative investment programs and financing mechanisms, by engaging experts, implementing studies, and learning from lessons through workshops. In addition, CEFPF has catalysed finance for smaller energy efficient projects and for projects that provide clean energy to rural populations. CEFPF has also financed early costs of clean energy technology, in order to encourage their mainstreaming in its borrowing countries. For example, energy policies, regulatory frameworks and demand-side efficiencies were analysed and recommendation provided for five Pacific islands, smart

⁷ In addition ADB has contributed about USD 3 million for TA activities in clean energy and has also set up a parallel Climate Change Fund with USD 30 million of its own resources to address CC mitigation.

grid technology for increased efficiency of renewable energy utilization was developed in China, and in Thailand a demonstration project for large scale solar farm is being supported through a contingency mechanism. Overall, the SES concluded that outputs of the CEFPP – increasing clean energy investments in client countries, helping deploy demonstration projects, and reducing barriers to new technologies – were likely to be achieved.

Efficiency

The SES showed that only 41% of CEFPP overall funds had been allocated, and in general rated the FPFs as *less efficient* in resource use due to (i) project implementation delays and (ii) high costs compared to the size and number of financing partners. CEFPP staff note however that several factors that caused delays were beyond the control of the facility, and there was ambiguity in how the costs were measured.

In any event there are significant differences between the MDTFs that have delegated allocation authority to the ADB and the SDTFs. The CEF -- the instrument to which Australia contributes -- was almost 100% allocated by end of 2010. There have been increases in resources since then, from Australia and Norway to the CEF and Japan to the ACEF, but by the end of 2011, the CEF had approximately USD6 million available for allocation.

The SES also pointed to a fairly efficient approval process: 100% of grants and 77% of TA proposals were reviewed and if approved funded within 60 days, and for cofinancing under SDTFs there was one extra step compared to normal ADB loan procedures for the MDTFs and the CCSF (that have delegated approval to ADB) which caused procedural delays of about a month on average. Clearly in terms of efficiency the Clean Energy MDTFs fared much better in this category than the SDTF. (Anecdotal evidence pointed to ADB staff avoiding tapping the SDTFs because of their longer delays due to the burden of procedures.) The Direct Charge financing mechanism, which has minimal requirements has been the most popular financing mode and has contributed to efficiency. However the SES noted that the mechanism is not mainstreamed into ADB's procedures, places a heavy burden on the Secretariat to track and monitor these funds, and recommended that possibilities for mainstreaming direct charges be examined. ADB has decided however not to mainstream direct charges for the time being, since they are small, and hence the resources for tracking, monitoring and managing them would be disproportionately large.

Sustainability

The SES evaluation also indicated that CEFPP outputs and outcomes were on track to being achieved, or already achieved, notably, clean energy investments increased in its client countries, facilitating the deployment of new technologies with strong demonstrative efforts, and lowering barriers to new technology. Coupled with the rapid uptake of clean energy investments in ADB's operational portfolio, and the likelihood that the target for CE lending will be achieved early, it can be concluded that the prospect for sustainability of CEFPP's activities is promising.

Monitoring and Evaluation

As noted earlier, the CEFPP was evaluated along with the other FPFs in 2009 by ADB's Independent Evaluation Department, which noted that the partnership had well formulated output statements and performance targets. Indeed, the CEFPP has been proactive on results measurement. It was clear within a year of its establishment that the CEFPP's original Design and Monitoring Framework (DMF) was not adequately ambitious and it was updated

Fostering Sustainability Enabling Private Finance for Concentrated Solar Power

CEFPP is financing the TA that will undertake the preparatory work for a non-sovereign project that will finance specific renewable energy sub-projects including the development of an aggregate 100 megawatt capacity of concentrated solar power (CSP) generation plants in Gujarat solar power parks and other power generation sub-projects from other renewable energy sources. Specifically, CEFPP resources amounting to \$225,000, will be used to conduct the required due diligence for the project including the technical, economic/financial, safeguard assessments; corporate governance; financial management; various risk assessments; and other due diligence requirements. The ensuing project would support the creation of an enabling policy framework for the deployment of 20,000 MW of solar power by 2022, including increased capacity of 1,000 MW of grid connected solar power generation by 2013. It will contribute to the transfer of knowledge, adoption of best practices and piloting of CSP generation in India.

to more accurately reflect donors' reporting needs. The DMF was again updated in early 2011 to provide a joint DMF for all clean energy funds administered by the ADB, building on the recommendations of the SES evaluation and taking account of lessons learned during the first three years of operation. AusAID has been involved in this process and encouraged ADB to include gender in the framework.

Gender Equality

To date, there have been few gender oriented outputs and outcomes reported, partly because the previous DMF did not give gender explicit attention. The new DMF has a benchmark that 80% of access to energy projects will have gender benefits by 2013, which should improve the Program's achievements in this area. Indeed, in 2011 specific projects identifying intended gender benefits were proposed. The 2011 Annual report (due to be finalized in February 2012) is expected to provide more data on how this approach has been implemented.

Analysis and Learning

CEFPF's projects typically support production or dissemination of knowledge products and/or contribute capacity building with regard to its work on clean energy. Through its direct charge mechanism (which allows relatively small amounts to be allocated quickly) it has sponsored several workshops, seminars, and other knowledge forums, and is supporting technical assistance to enhance knowledge on Climate Technology that will help client countries ready themselves to participate fully in global discussions on 'green' finance. Projects it supports will also contribute to the development of national and local policies for clean energy and carbon capture and storage, and for assessing suitable financing models.

Governance and Partner Engagement

Governance arrangements for the CEFPF are consistent with ADB's overall management of Trust Funds. The Clean Energy Steering Committee consisting of relevant department heads and chaired by the Regional Sustainable Development Department (RSDD), provides strategic direction. RSDD also houses the secretariat for the CEFPF. ADB will screen and select projects, which must be consistent with the institution's energy efficiency initiative, introduce innovative solutions, be participatory, have demonstration value, and be replicable. Donor consultations are held annually in March and donor input is substantial, as evidenced by the changes in the DMF and continuing contributions for the last two years of the partnership.

AusAID's involvement with the CEFPF has been steady. High level consultation between the institutions help guide overall cooperation, and at the partnership level Australia has been involved in the strategic direction of the CEFPF. CEFPF is aware of its preferences for geographical distribution of resources, and has endeavoured to take this into account in its approval of activities. AusAID was active in providing input into the recent update of the DMF, as noted earlier. The CEFPF is intended to support clean energy investments under the ABD's energy strategy through 2013. As noted earlier the target for clean energy will almost certainly be surpassed by then, and CEFPF has had significant leverage in catalysing that objective. Beyond that however, the situation needs to be reviewed. ADB will be formulating its new strategy for energy during 2012 under its Strategy 2020 and in this context ADB will need to think through if and how a partnership facility should be structured to support this strategy. A parallel example is the WFPF (another partnership under the FPF): the partnership, which originally supported the Water Financing Program from 2006-2010, is proposed for renewal to support ADB's Water Operational Plan 2011-2020.

The Water Financing Partnership Facility (WFPF)

The WFPF was established in December 2006 within the Asian Development Bank (ADB) for an initial period of five years (2007-2011). Its objective is to provide additional financial and knowledge resources in support of the ADB Water Financing Program (WFP). The WFPF was one of the early partnerships set up under the ADBs' Financing Partnership Facilities (FPF) to foster multi-partner cooperation for long-term strategic activities in support of its operational work. FPFs were designed to encompass a broad set of possible interventions -- multi or single donor trust funds, joint and parallel cofinancing arrangements, cooperation arrangements for knowledge provision and exchange and other forms of cooperation that donors and ADB could agree on from time to time.

The WFPF has two windows: (i) Project support for which about 70% of resources are allocated; and (ii) Quality enhancement of planned and ongoing projects for which about 30% is allocated. The most important WFP targets are to provide by 2011 an additional 200 million people with drinking water and sanitation, 100 million with reduced risks to flooding, and an additional 40 million with more efficient irrigation and drainage services, for a total of 340 million beneficiaries. In order to achieve the WFP targets the ADB foresees that the ADB water lending will rise from 14% to 25% of total ADB lending with a relative increase of lending for sanitation. The WFP targets were updated under a new Water Operational Plan (2011-2020) with the targeted beneficiaries by 2020 increased to 500 million provided with water supply and sanitation services, 170 million services benefitting from reduced risks of flooding, and 95 million provided with more efficient irrigation and drainage services, for a total of 765 million beneficiaries.

Relevance

The WFPF objectives and activities are well aligned with Australia's development objectives. The activities support directly and indirectly AusAID's strategic goals of saving lives, providing opportunities for all, creating the conditions for sustainable economic development, promoting effective governance, and providing humanitarian and disaster responses. The activities also address a number of AusAID's key development objectives such as enhancing disaster preparedness, and one of the four pillars of action of AusAID's WASH policy: facilitating increased access to safe water and basic sanitation. The WFPF is attaching special importance to the sanitation sector, just like AusAID, and has the goal that 20% of the WFPF resources should be allocated to sanitation activities. The WFPF is active in all of the five ADB regions of which the majority are accorded high priority by AusAID.

Effectiveness

The ultimate effectiveness of WFPF is measured by the outcome and impact of the WFP that commands much larger resources than the WFPF itself.

However, it is too early to measure this ultimate outcome and impact from WFP since its first activities financed by the WFPF did not take place until 2008, and projects generally take about six years for implementation. Instead, results are estimated *ex ante* using targets of WFPF supported projects in terms of incremental population provided with water supply and sanitation services, given more efficient irrigation services, and benefitting from lower risk of flooding. The final tally of beneficiaries will not be available until the conclusion of these projects that may still be a few years off. Anecdotal evidence is available to show that small but timely WFPF financing can have a considerable impact. One such example has been the

Strengthening Endangered Reservoirs in Shandong Province

Ninety percent of reservoirs in PRC were built during the Great Leap Forward and the Cultural Revolution (1968-1976) with inadequate standards, designs, and construction. Many of the dams are damaged and need to be repaired and strengthened to meet modern safety standards. These endangered reservoirs cannot control floods, supply irrigation water, generate hydropower, or provide household water all year-round. Strengthening these reservoirs will increase water supply at a lower cost and with less adverse impact on the environment than building new reservoirs. The WFPF co-financed TA that led to a 2010 project to rehabilitate such damaged reservoirs.

financing of an Output Based Aid (OBA)-mechanism to accelerate the provision of sanitation under an ADB project in Nepal.

Another example from Nepal shows the close link between a WFPF-financed comprehensive institutional and policy assessment to facilitate the design of institutional strengthening in the sector and ADB-financed investment projects for water supply and sanitation in small towns of Nepal. The WFPF-funded study was to ensure alignment with the decentralization policy in Nepal. The WFPF funded this activity to define (i) a vision for the sector, supported by the required institutional framework and roadmap; (ii) the roles and responsibilities of the Department of Water Supply and Sewerage within a decentralized scheme; and (iii) the organizational structure and institutional mandates. This activity has successfully facilitated a \$45.1 million ADB investment project (Second Small Towns Water Supply and Sanitation Project) that was approved in September 2009.

An example of WFPF-financing to generate innovative knowledge was in support of the \$300 million multitranche financing facility (MFF) loan for the Sindh Cities Improvement Investment Program in Pakistan. WFPF financed analytical work to (i) develop a practical model for sound wastewater management planning and investment preparation, and (ii) expedite contracting of civil works under tranche 1 of the MFF loan. Expedient contracting was considered essential to maintain political and community support for the major institutional reforms planned in water supply and sanitation. Specific activities included (i) development of a method for wastewater management strategic planning, (ii) preparation of the associated Khairpur Wastewater Management Strategic Plan and Priority Investment Program, (iii) preparation of detailed engineering designs and contract documentation for selected priority investments, (iv) review and evaluation of bids submitted by the contractor for selected priority works, and (v) organization and delivery of an educational workshop to present the methodology and provide a practical illustration of the method.

Efficiency

The ADB Independent Evaluation Department undertook a Special Evaluation Study (SES) of the three FPFs, including WFPF, covering the period 2006-2009. The SES rated them broadly as *less efficient*. Efficiency of the WFPF can be measured by several indicators. The first indicator is the processing speed of financing requests. By that token, the WFPF efficiency is rated *satisfactory* since the WFPF approves or rejects funding requests within five weeks upon receipt of the financing proposals. Requests for Direct Charge financing, up to US\$ 150,000 at the present time, are processed even faster (within 7 days) but this type of financing constitutes a minor share of total WFPF financing. The second indicator is the administrative charges that the ADB debits the WFPF. Currently these are set at 5% of the financing approved. It is likely that the ADB indirectly subsidizes the administrative costs but the level of subsidies is difficult to gauge since the ADB lacks a time recording system. The third indicator of efficiency is related to the net economic returns on the financed activities. These returns are not regularly calculated but can be surmised to be fairly high. The ADB has made a virtue of necessity since the financial constraints on WFPF have resulted in a high degree of selectivity in approvals so that only those described as “small but with high returns” are considered.

Sustainability

The ultimate sustainability of the WFPF-financing is not yet available since those projects that have received WFPF are not yet completed. The fact that the WFPF is a lever for making the larger WFP more effective and efficient increases the likelihood that the WFPF objectives will be sustained. Demand for financing has far outpaced available resources, which suggests the priority that client countries and the ADB accord the water sector in the region.

Monitoring and Evaluation

As noted above ADB's Independent Evaluation department conducted an SES on the WFPFs in 2010. The overall assessment combines both facility-level assessment and project-level assessment. The facility level and the project-level assessments are largely in line with the overall assessment.

The WFTF has had a Results framework for monitoring and evaluating its activities since the start. This Design and Monitoring Framework (DMF) has recently been updated in response to one of the recommendations contained in the Special Evaluation Study.

Gender Equality

Gender equality is accorded high priority by the WFPF administration but there are few projects that bear this out. The ADB has set an internal target to identify 15 water projects that have had a meaningful impact on higher gender equality but has not been able to achieve that target as yet. Nonetheless, in a broad sense, WFPF activities are positive for gender equality since women shoulder the major burden of drawing water in unimproved water supplies that the WFPF activities aim to alleviate.

Analysis and Learning

The positive lessons from the WFPF-financed activities are disseminated through the ADB Water Website that has 21,000 subscribers. Further work is underway to assess how often and for how long these subscribers access the ADB Water Web site. Good practice papers are continuously prepared and posted on the ADB Water Website.

Governance and Partner Engagement

The governance and management arrangements are well embedded in ADB structures. The financing Partners and ADB meet annually in March to review progress, administration, Annual Work Programs, and the strategic direction of the Facility. A WFPF Steering Committee (WSC) provides strategic direction to the Facility. The WSC, chaired by the DG of the ADB Regional and Sustainable Development Department, with the DGs of all regional departments as members, is the designated authority for approving the allocation of WFPF resources. All applications for funding are evaluated by ADB's Water Committee. This Committee is composed of water experts and practitioners representing all regional departments and is responsible for steering ADB's water operations. The Sustainable Infrastructure Division (RSID) of RSDD serves as the WFPF Secretariat with its Director designated as Facility Manager. The Office of Cofinancing Operations (OCO) facilitates contributions to the Facility, and acts as the official channel of communication for financial issues between ADB and WFPF partners. OCO also leads negotiations and discussions with such partners on procedural agreements for contributions and framework agreements, where applicable.

WFPF Program staff is familiar with Australia's role as a donor and its overall objectives under the IPP and WSI and have had opportunities to provide comments on AusAID's evolving strategies. The WFPF organizes annual consultations in March where AusAID has regularly participated quite actively. Program staff expressed their appreciation of the valuable role that AusAID has played in these annual consultations. Donors are provided with the WFPF annual reports prior to each meeting on which they are requested to comment. The subsequent WFPF responses are then added to the donor comments and presented in a matrix at the annual consultation.

WFPF is hybrid of a Multi Donor Trust Fund with five contributing countries: Australia, Austria, Norway, Spain, Switzerland, and one Single Donor Trust Fund with the Netherlands. The MDTF commitments for the period 2007-2011 are about US\$ 52 million, and the SDTF commitments about US\$ 20 million, for a total of US\$ 72 million. Australia is the major donor, having contributed US\$ 24 million, or about one third of total commitments. The ADB has extended the Water Financing Program and the WFPF in support of its recently updated Water Operational Plan 2011-2020. A resource mobilization strategy for WFPF is one of the priority actions.

Public-Private Infrastructure Advisory Facility (PPIAF)

PPIAF is a multi-donor technical assistance facility that helps developing countries use public-private partnerships to improve the quality of their infrastructure and thereby reduce poverty. Launched in July 1999, PPIAF was designed to support the World Bank Group's Infrastructure Action Program and to reinforce the actions of all participating donors. PPIAF's membership today includes bilateral and multilateral development agencies and international financial institutions. PPIAF also includes a non-core window, the Sub-National Technical Assistance (SNTA) program which mobilizes technical assistance to help sub-national entities improve their creditworthiness and market access. PPIAF is governed by a Program Council made up of representatives of these donors, and managed by the World Bank through a Program Management Unit (PMU). PPIAF is financed by 18 multilateral and bilateral donors. Over time the active donor group to PPIAF has changed and since 2008 the principal donors to the fund, excluding SNTA, are UK (43%), Switzerland (16%), and Australia (11%)..

Relevance to AusAID Programs

PPIAF contributes directly to the AusAID strategic goals of saving lives and investing in food security, sustainable economic growth and private sector development. PPIAF's support for activities in the water sector has helped deliver access to safe water supplies for people in developing countries, with direct benefits for their health.

Support for specific ICT investments (as in Lesotho) is expected to connect rural health centres and provide for greatly improved health services to communities which have little access. PPIAF's support to rural electrification and broadband promote educational and economic opportunity, contributing to the strategic goal on promoting opportunities for all. Its activities in the transport, power and telecommunications sectors directly support sustainable economic growth. PPIAF contributes directly to key development objectives 6 and 7 by improving incomes, employment and enterprise opportunities, both rural and urban, and opening markets. The partnership is relevant to all four pillars of AusAID's infrastructure Policy, with activities in transport, water, energy and ICT and urban development. The focus of PPIAF's work is to involve the private sector in the delivery of this infrastructure, both in the large-scale investment needed for major infrastructure as well as the local and community investment in smaller infrastructure.

Increasing Relevance by Adapting to Evolving Needs

Over the past few years, PPIAF has quickly adapted to emerging challenges (e.g. the financial crisis) and different priorities set by clients and donors (e.g. climate change) through the launch of specific funding windows and initiatives. More recent initiatives have included targeting fragile and post-conflict states, as well as small island states.

The Sub-National Technical Assistance program (SNTA - to which AusAID is now a donor) was launched to help sub-national entities respond to some of the key challenges associated with urbanization and decentralization through their accessing private financing. The SNTA program was recently reviewed by Ernst & Young and obtained high ratings on all key performance indicators.

Effectiveness

PPIAF has documented the outputs and outcomes of its activities on its impressive website. It is evident that many successes have been achieved across several countries -- specific laws and regulations have been instituted and in some cases infrastructure projects have been brought to fruition. PPIAF is also contributing to opening economies to broader and more effective private sector activity by strengthening regulatory institutions and building capacity. As the 2009 external review pointed out however, the results of PPIAF activities have not been uniform across countries—with Asian countries showing unambiguous successes in contrast to many of the countries in Sub-Saharan Africa. The study recommended that PPIAF be more strategic in its operations and project selection – a change which PPIAF has taken on board.

Efficiency

PPIAF has also evolved its processes and strategic management over time, in the light of experience. A strategic review of the program was conducted in 2009 by Cambridge

Economic Policy Associates (CEPA) and came at a time when the program's donor resources were affected by the financial crisis. The results of the report and the financial crisis forced a rethinking of PPIAF's business processes which has resulted in much more selective funding decisions and has put the partnership on a more results oriented and sustainable trajectory. PPIAF's screening process has facilitated selection of stronger and more relevant activities for PPIAF support. It has increased its phasing and sequencing of related activities instead of large one-time (and riskier) undertakings, and has increased its coordination with World Bank and IFC operational management to better ensure that activities which it finances are consistent with country and sector strategies.

The PPIAF Charter caps program cost at 30%, with 15% for PMU costs and up to 15% for supervision of activities. The PMU has 15 program staff, after staff reductions of about 25% from prior years. While its administrative costs were about 17% of disbursements in 2011 (up from 12% in the previous year) this was a result of the sharp reduction in outlays (a lagged result of low contributions during the fiscal crisis years) rather than an increase in costs. Over time, the ratio is expected to stabilize at a lower level, and indeed the ratio of costs to contributions is currently around 10-11%. PPIAF has begun using a 10% cap on supervision, and encouraging task team leaders to seek cofinancing for supervision, thereby encouraging greater leverage in the use of PPIAF resources.

Sustainability

The revised procedures for project selection, coupled with stronger linkages of PPIAF's PMU to regional management, have put the activities of the partnership on a much stronger footing with regard to sustainability. Before new activities are proposed formally, PMU staff work with the proponent to determine its suitability based on its cost, scope, potential for reliability and prior work on the issue. In line with the CEPA recommendations, the PMU has a preference for financing activities that fit in a cluster together, which tend to be more successful than isolated activities.

Monitoring and Evaluation

As noted earlier, an independent review of PPIAF activities was carried out in 2009. The review looked at overall results as well in-depth country studies in several regions and provided useful insights which the partnership has taken on board. As a provider of primarily upstream services that help develop enabling environments, PPIAF recognizes that it is difficult to track outcomes and impacts of activities it undertakes on behalf of its clients. There is ongoing monitoring of the portfolio which informs proposed activities and recovers funds from slow-moving ones. Country write-ups summarizing PPIAF's work and relevant lessons learned are compiled about each activity.

A monitoring and evaluation system that was formulated very recently by PPIAF (2011) proposes standardized output, outcome and impact measures that the program will endeavour to track. The M&E system is comprehensive at the activity level but may need some additional work in order to aggregate results across countries and regions – especially given the disparate success rates of PPIAF activities, as noted in the evaluation report in the period prior to the revised activity screening processes. The M&E system was developed in house by the PMU and initially presented at the 2011 Program Council meeting in Casablanca. An update reporting on the progress of the M&E system will be presented to the Program Council at its 2012 meeting. Prior to that the PMU intends to have the system reviewed externally and provide the results of that review to the Program Council.

Gender Equality

Several dimensions of PPIAF's work have strongly positive implications for gender equity and have been documented by the partnership. For example, women receive greater benefit from increased access to water because they are the main providers of household water, and PPIAF's work to support small scale water providers and rural water systems and improve connectivity are relevant in this regard. Similarly, access to safe and reliable transport increases economic opportunities, access to services, and personal safety. Moreover, a number of PPIAF activities, such as the Accra Urban Transport study which highlighted safety concerns for women using transport services, focus on the needs of women in transport. Similar opportunities also exist in PPIAF's work in energy (especially small scale and off-grid)

and solid waste management. In addition, the lessons learned and knowledge gained are being used for future projects and activities.

Analysis and Learning

As a long-standing partnership, PPIAF has accumulated a body of knowledge and experience that is impressive. The 2009 evaluation noted that PPIAF has significant experience and knowledge on private public partnerships. The PMU has established a state-of-the-art website which not only caters to the donors through a donor portal but also has painstakingly documented each of its activities with regard to inputs, outputs, outcomes and impacts. The website also contains a set of dedicated 'lessons learned' pages. The PPIAF website is impressive and would be a good model for other partnerships to emulate.

Governance and Partner Engagement

PPIAF's governing body is the Program Council, constituted of participating donors, and is chaired by the World Bank. The Council meets annually, and is charged with defining PPIAF policies and strategies, approving the annual work program and financial plan, and reviewing the performance of PPIAF's activities through an ex post evaluation by the Technical Advisory Panel (TAP). TAP provides advice on issues relating to private involvement in infrastructure in developing countries, reviews the partnership's strategies, and evaluates the impact of PPIAF's annual work program through ex-post reviews.

Partner engagement has been mixed. Some partners appear to take a more passive role on the governing council, but Australia, UK and Switzerland have been quite active and tended to send more experienced and knowledgeable representatives to Council meetings. It was also noted that Australia has been proactive with its contributions, and in fact was able to unlock matching contributions from Switzerland and the UK by switching a part of its overall contribution to the SNTA program. Financial sustainability of PPIAF has recovered from the financial crisis period and seems strong, with roughly 14 active donors on its roster (although not all contribute annually).

Energy Sector Management Assistance Program (ESMAP)

ESMAP is a global partnership supported by Bank-administered MDTFs with 14 donors as of 2011, and about USD63 million in cumulative contributions since 2008. Australia provides about 5% of the partnership's resources, and is currently its fifth largest donor. ESMAP is entering the last two years of its 2008-2013 Business Plan which projected annual disbursements at about USD15 million (in 2010 disbursements were about USD18 million and administrative costs -- which also include monitoring and evaluation -- were about USD2 million (roughly 10%).

Relevance

The approach of ESMAP to sponsor country specific, regional, and global activities addresses issues across a range of energy related topics that are highly relevant to Australia's own objectives. ESMAP's activities contribute directly to Australia's development goals in sustainable economic development and also private sector development and in particular to its key development objectives 7 and 8 that focus on improving the lives of people and mitigating climate change. Its work on energy security, renewable energy and clean cooking technology, energy efficiency, and low carbon initiatives are fully consistent with the energy and ICT pillar of AusAID's infrastructure policy and its climate change agenda.

Going forward ESMAP's relevance to AusAID's goals could increase further. The partnership is putting forward several initiatives for cross cutting themes such as energy for cities, as well as deepening its involvement in clean energy through initiatives on renewable energy resource mapping and unlocking the potential for geothermal energy.

Effectiveness

ESMAP's work has contributed to IPP by helping governments to define policies, increasing client capacity, and introducing new ideas. Its knowledge products complement the World Bank's energy operations. In fact, its technical assistance, capacity building, and knowledge products influences trends in the Bank's own energy portfolio but ESMAP has been careful not to substitute for the Bank's own project preparation work. For example, its support of analytical work on concentrated solar power which began in 2008 has led to the development of investment programs for such plants in Middle East, North Africa, India and South Africa. In Morocco, for instance, a large scale Concentrated Solar Power (CSP) plant has just been approved by the World Bank's Board, following studies and dissemination work carried out by ESMAP. It has supported initiatives such as Lighting Africa, clean options for household energy and cooking, and has also worked in other sectors such as transport, water and wastewater, and urban development in fostering work on fuel efficient transport, energy efficient municipal services, and cleaner cities.

From Knowledge to Policy to Investment A Tool for Assessment of City Energy

ESMAP's Tool for Rapid Assessment of City Energy (TRACE) enables city authorities to compare their energy use against peer cities, and implement suggested measures. In 2010, TRACE was field tested with positive results in Quezon City, Philippines. The tool has since been deployed by the World Bank's regional operations staff as part of their sustainable cities and energy programs in three other cities in Asia: Surabaya, Indonesia, Cebu, Philippines, and Da Nang, Vietnam -- with the support of EAAIG, another AusAID supported partnership -- reviewed in this evaluation, as well as in a number of cities in Eastern Europe. Application of TRACE led to the city authorities focusing on improved land use and transport planning and traffic demand management in Da Nang, methane capture from landfills and wastewater in Cebu, public procurement and lighting in Surabaya, and the results from TRACE are being used by a Turkish development bank to analyse the potential for municipal energy efficiency lending.

For example, the Bank's East Asia/Pacific energy unit deployed ESMAP's Tool for Rapid Assessment of City Energy (TRACE) in cities in Vietnam, Indonesia and Philippines in an AusAID-funded Bank program on energy efficient cities in the region (see box). It has collaborated with other IPP funded partnerships such as Cities Alliance but this has been opportunistic, and there is scope for making such collaboration more systematic as called for

in the strategic business plan. ESMAP is now developing more focused programmatic partnerships with other global programs, such as promoting public-private partnerships for results-based approaches to energy access in Africa (through a joint offer with PPIAF and GPOBA) and on energy poverty in urban/peri-urban areas (working through Cities Alliance's country programs).

As a provider of upstream analytical work and technical assistance it is not straightforward to attribute ESMAP's works to outcomes in the energy sector. ESMAP's new comprehensive M&E framework which will facilitate a more systematic measurement of its performance only became operational in 2011. Nonetheless it is clear that ESMAP has been skilful in picking trends and commissioning work that has led to operational activities that have significant objectives and strong outputs.

Efficiency

Moving to a single MDTF for the core ESMAP program and using block grants to allocate its resources for regional work have been instrumental in enhancing the partnership's efficiency. While ESMAP takes broad account of donor's thematic preferences with regard to areas which they want to emphasize in its annual work program, there are no earmarks of inputs. Country eligibility was discussed at the last CG meeting and it was agreed that ESMAP's support would be confined to the OECD DAC list of ODA recipients. Over and above that however, ESMAP uses a transparent set of performance-based rules for allocation of block grants among regions. Administrative costs are roughly 10% of overall outlays, which is about average. An October 2011 benchmarking study of AAA costs undertaken by ESMAP found that there was, however, substantial variation of costs of activities even in the same category. The study also identified attributes of activities at the top and bottom end of the cost spectrum. This study is timely and is a first step toward establishing cost-effectiveness benchmarks for ESMAP products.

Sustainability

ESMAP's activities are almost entirely 'upstream'. As such attribution to outcomes of projects and other subsequent activities will be weak. However, judged from the standpoint of uptake and application of its outputs, sustainability of ESMAP's activities have been generally robust, especially in middle income countries. The Egypt energy pricing study has been quoted often as a prime example of a high quality policy relevant analytical work. Similarly examples were cited by the team on work in several middle income countries, such as Turkey Mexico, Vietnam, on electricity markets and low-carbon strategies which has led to new legislation and other actions by governments. Although, the 2010 QAG review pointed to vulnerability in Africa where capacity is weak, the past year has demonstrated significant regional demand. The region has several large region-wide initiatives that are either getting underway or expanding: Africa Electrification Initiative, Africa Clean Cooking Initiatives, Lighting Africa, and urban energy efficiency, in addition to country-specific grants (such as Sector-Wide Approaches for energy access in Rwanda and Kenya, which mobilized significant donor funding for national programs).

Monitoring and Evaluation

While ESMAP has not been evaluated independently for some time, an extensive evaluation is ongoing (see footnote1) and the results will be available in time for the May 2012 CG meeting. In response to donors' requests, a robust M&E framework is now coming to fruition. At the March 2010 CG, a new M&E framework, in line with the proposal set out in the 2008-2013 Strategic Business Plan, was endorsed. The framework has four components, in line with the main business lines of ESMAP – Energy Assessment and Strategy Programs (EASP), Energy Efficient Cities Initiative (EECI), and Renewable Energy Market Transformation (REMTI), and Pro-poor Energy Access Technical Assistance Programs (PEATAP). The new results frame has a specific component on pro-poor energy access (and a subcomponent on Africa) which will help quantify ESMAP's contributions to reducing poverty. The framework is exhaustive and takes account of knowledge work, technical assistance, and dissemination in line with ESMAP's primarily upstream engagement, and has a log frame that carefully tracks through formulation of projects and activities, the outputs of individual tasks, the adoption or mainstreaming of the outputs and the consequent influence on ESMAP's program level objectives. Although the framework became formally operational in 2011, ESMAP is tracking results back to 2009.

Gender Equality

Access to energy is determined in large measure by gender and ESMAP has established a gender and energy team on the access aspect of the energy agenda -- particularly looking at the links to energy poverty and household energy as a starting point to integrate gender more broadly into the energy practice. However, thus far attention to gender has been project-based, and has had limited attention as an overall program requirement. In the Africa region, through ESMAP's Africa Renewable Energy Access Program (AFREA), a targeted program is being developed to support client countries to integrate gender into their projects and activities. Through this program work is ongoing in a Mali project on rural energy access as a pilot for assessing the gender aspects of access to energy; in Senegal gender equity principles were developed to be included in results framework of the energy project; and similar activities are beginning elsewhere. More generally, however, there have not been any significant activities that systematically incorporate gender equality issues, despite a promising discussion in the 2008-2013 Business Plan on gender and energy development strategies, but ESMAP is aware of this and intends to use its work in Africa to build similar programs in other regions.

The new M&E framework signals significant emphasis on this issue, with a sub-component under PEA-TAP dealing exclusively with gender and energy access. Specific milestones have been established in the framework for energy specific gender strategies, capacity building programs and forums for discussions between clients, and experts in both gender and energy, and the preparation of best practice guidance notes. Most of the outputs are due in FY11 and beyond. It is doubtful that this approach - a separate subcomponent for gender work -- will lead to better outcomes than if gender was integrated into issues such as rural electrification, household energy, vulnerability, access etc. In this regard, ESMAP notes that it is working with the Bank's Energy anchor on the broader questions of how to mainstream gender in its activities and is contributing to the Bank's plans for follow up on the World Development Report 2012 on Gender and Development.

Analysis and Learning

ESMAP, as a knowledge partnership, has pushed the frontier in areas such as assessing vulnerability, energy access, technical assistance to client countries, and new products. With regard to making the world aware of this knowledge, however, the QAG 2010 report noted that dissemination was weak. ESMAP is now putting in place a more innovative and responsive knowledge clearing house system. The website is being revamped, and its system of periodic electronic communications is being overhauled. ESMAP is also working on ways to include dissemination of South-South collaboration in Technical Assistance and analytical work. The M&E framework reflects quantification of the various knowledge dissemination efforts, but the extent to which this will translate to the outcome of increased awareness and capacity will depend on the efficacy of the approaches used for dissemination.

Governance and Partner Engagement

The Consultative Group structure, coupled with a Technical Advisory Group (TAG) seems to be working well, with a good balance of delegation of work to the program staff and the provision of technical high level guidance. The consultative group is seen as being equally split between 'generalists' and 'specialists'. Clearly having the 'right chemistry' is important and the current TAG composition is seen as very positive. There continues to be strong donor support for ESMAP through the end of the current business plan, although one large pledge is still outstanding. In 2012 the ESAMP program team will begin work on the business plan for the subsequent four years. ESMAP's donors are also aware of the importance of client countries' voice. The Knowledge Forum that is held just prior to the CG meeting and the procedures for aligning the block grants with country strategies through the CMU are designed to help with this objective.

The donor base is Eurocentric, and Australia's increasing presence as a donor contributor and its substantial pledge for 2010 -2013 is welcomed. Program staff is cognizant of Australia's role as a donor and its overall objectives under the IPP, but has not had the opportunity for extensive consultations with AusAID on the recent 2011 policy document "An Effective Aid Program for Australia". Australia was not represented at the last Consultative

Group meeting, but has been helpful, especially in providing strong input to the results framework that was recently been adopted by ESMAP.

Global Road Safety Facility (GRSF)

The GRSF was established in 2005 to increase funding and technical assistance to client countries in order to target and overcome weaknesses in country safety management. In partnership with the founding donors (the Foundation for the Automobile and Society, Netherlands, SIDA, and AusAID), the World Bank provided funding from its Development Grant Facility (DGF). To date AusAID has remitted about 8%⁸ of total donor commitments. The activities of the GRSF are driven by estimates that by 2030 road deaths and injuries will rank 7th as a major cause of death, ahead of tuberculosis (10th) and malaria (15th). Conservative estimates are that the associated economic costs are from 2-4% of GDP apart from the social costs and suffering. Around 90% of the injury occurs in low and middle-income countries.

The GRSF funds road safety country capacity reviews which focus on the state of infrastructure, effectiveness of policing, institutional management, and condition of vehicles in order to establish investment priorities in countries. To this end, the GRSF funds the international road assessment programme for the development and application of infrastructure safety rating tools. The GRSF also funds innovative research, for example through the Road Traffic Injuries Research Network and the Harvard Initiative for Global Health (now Harvard School of Public Health).

Relevance to AusAID Programs

GRSF activities are relevant to Australia's aid program since they save lives (one of Australia's five strategic goals), improve incomes and enterprise opportunities (one of the ten development objectives) and deliver sustainable transport infrastructure (one of the four pillars of AusAID's infrastructure policy). The fact that Australia is ranked among the top countries in road safety points to the potential synergies of tapping into Australia's knowledge of how to reduce road accidents in support of the GRSF activities in its client countries.

Effectiveness

Documenting the effectiveness of GRSF activities for reducing road death and injury has a long gestation period. Often countries may have to improve the information systems to record and classify road deaths. According to its own estimates, the GRSF has managed to leverage its expenditure since 2005 of US\$15 million to an estimated \$70 million in new road safety related investments. Investments in capacity building may spawn lending from the World Bank and other lenders. Some World Bank client countries, such as Argentina, are now borrowing to implement the Safe System Approach that has been developed under the auspices of the GRSF.

The GRSF supported a number of innovative approaches during 2010. An example of the International Road Assessment Program was where the National Highway Authority of India (NHAI) and the World Bank created the 'Safer-Greener Highway Pilot', to develop a 'model road' that has safety standards that are comparable to those in high-income countries. US \$25 million has been allocated for this pilot under the restructured Lucknow-Muzaffarpur National Highway Project that is financed by the World Bank. The GRSF will assist in developing a plan for the 'safer' component of the pilot, which focuses on about 30 km the National Highway 1 (NH-1) and 86 km of the Panipat Toll Road. The estimated benefit cost ratio of the "safer road approach" is estimated at 4:1 with the prevention of about 5,000 deaths and serious injuries.

Another example of an International Road Assessment Program for the Indian state of Andhra Pradesh estimated the benefit cost ratio of the safe road approach at 7:1.

An example of the Country Capacity Reviews (CCR) was the Nepal CCR that was linked with the ongoing World Bank financed Road Sector Development Project (RSDP). The CCR allowed the government to formulate a consensus on the need for a short, medium and long-

⁸ At the end of World Bank's Financial Year 2011 (30 June 2011), AusAID contributions were at 8% of total donor remittances to GRSF. With the new contributions from AusAID in World Bank Financial Year 2012, AusAID contributions now account for 20% of total donor remittances to the GRSF.

term investment plan in road safety, both in terms of improved physical works and institutional reform and has influenced the design of a road safety component within the RSDP.

Efficiency

The efficiency of each year's GRSF activities is indicated by the fact that there is a continuous and strong demand for assistance from the GRSF, far in excess of available resources. Faced with a relatively modest annual budget in the order of US\$3 million the Facility administration is obliged to select only the highest priority activities through a process of triage. The GRSF administration is small and made an effort to leverage its efforts through advocacy work and links to the World Bank and other lenders.

Sustainability

The sustainability of the GRSF activities is suggested by the high and growing demand for its services. The fact that the United Nations declared the Decade of Action for Road Safety for the 2011-2020 shows the strong and universal political backing of the work that the GRSF undertakes. Backing of the GRSF activities is also attested to by the joint statement from seven multilateral Banks, outlining a common framework for addressing road safety issues in their client countries, and reaffirmed by the first Global Ministerial Meeting for Road Safety in Moscow in 2009. Sustainability is also promoted by the establishment of the Hubei Road Safety Training Centre (HRSTC) in 2007 that has developed into a flagship centre for training in the areas of road safety, and is one of GRSF's key regional projects. The HRSTC represents a multidisciplinary centre to strengthen road safety awareness, raise the quality of road infrastructure, and to establish a feedback network of road safety. Since its establishment, there have been over 3,000 trainees.

Monitoring and Evaluation

GRSF has been the object of several evaluations. First, there was a review by the World Bank's Quality Assurance Group (QAG) in 2007. Second, there was an Independent Evaluation conducted by the Universal Management Group in 2009. The independent evaluation found, among other points, that the resources that the GRSF commanded were insufficient to meet the demand for assistance from client countries. Third, a mid-term review of the facility was completed in 2010, on the eve of the proclamation of the Decade of Action for Road Safety 2011-2020.⁹ The Mid-Term Review recommended that the GRSF strengthen its results framework and performance monitoring framework. This recommendation resulted in an updated Results Framework.

Gender Equality

Gender equality is not a major consideration in the prioritization of the GRSF activities. Studies show that it is males who are the primary victims of road death and injury. However, it should not be forgotten that the social costs and suffering of such road fatalities and injuries are borne by the surviving family members. The GRSF could well explore ways of protecting family members from the financial fallout from road accidents, such as through enhanced insurance policies with payouts to family members following road death and injury.

⁹The UN General Assembly Resolution 6/255 of March 10, 2010 proclaimed the period 2011 – 2020 as the Decade of Action for Road Safety

Analysis and Learning

The GRSF has a website for dissemination of its knowledge database. At the country level, the results of the Capacity Reviews are widely disseminated through country workshops. Some of the Capacity Reviews (such as the Serbia one) have broken new ground by triggering improvements in many areas relevant to road safety, including the establishment or improvement of statistical systems to track road death and injuries by location, type etc. There

are also semi-annual meetings with the UN Road Safety Collaborative Council to disseminate the learning gained in the development of methodology and from actual country activities.

Harnessing Australia's Knowledge in Road Safety Programs

The GRSF Core Advisory Group (CAG) functions as an independent technical panel that provides independent advice and guidance on GRSF goals, missions and work program. One of the four CAG representatives is from Australia's National Road Safety Council and shares the experience that has made Australia one of the top countries in road safety. Through the use of Australian representatives on Trust Fund independent technical panels and annual consultation meetings points the Trust Funds can benefit from Australia's leading edge knowledge in a number of sectors, relevant to each Trust Fund.

Governance and Partner Engagement

The QAG review in 2007 rated the Governance of the GRSF relatively highly and noted that that the governance arrangements are an important strength of the Facility. "The Implementation unit has considerable autonomy for the management of day-to-day operations, large donors automatically join the Executive Board which only meets twice a year and consequently is appropriately focused on policy issues, and there is a Core Advisory Group that advises the Board, providing an independent view of the issues in the sector."

The GRSF donor funds are channelled through its several Trust Funds: a Global Multi-Donor Trust Fund (MDTF), an African Regional Multi-Donor Trust fund and a Bloomberg Philanthropies Fund, and through the World Bank's DGF. Total pledges since 2005 amount to about USD21 million of which some USD15 million have been received. There were three relatively large pledges in 2011: AUD6 million from AusAID, USD2.4 million equivalent from DFID, and USD2 million from the Bloomberg Philanthropies Fund. The GRSF administration plans to take advantage of the start-up of the Decade of Road Safety in order to seek higher and more sustained donor funding that would allow it to step up the level of its activities.

The AusAID financial support is particularly valuable to the GRSF because it is untied and can be used for leveraging up GRSF activities and fund-raising from other donors. AusAID has been represented at GRSF Board meetings and contacts may accelerate with AusAID's the higher pledging levels.

Cities Alliance (CA)

CA is a global partnership for urban poverty reduction and the promotion of the role of cities in sustainable development. Administered by the World Bank, it provides funding for activities, focused primarily on slum upgrading and the development of city development strategies, which are sponsored by its members and implemented by cities, member organizations or other partners. Over the period 2007-11, the program received \$75.5 million in contributions from 24 donors (including 16 governments, 5 international organizations, and 3 non-governmental organizations). Australia, which signed a new \$4.3 million three-year agreement in FY11, is currently one of the three largest donors of core funds. In FY11, the Program allocated \$12.3 million, of which \$8.2 million went to country/regional projects, \$0.6 million to global knowledge and communication activities, and \$3.5 to partnership and secretariat (program and administrative) costs.¹⁰

CA is now at the end of a transformation period, which began with the adoption of a Mid-Term Strategy in 2008, and culminating with adoption of a new Charter and business model in 2010 and the draft of a Business Plan (FY12-14) in November 2011. The objectives of CA, as formulated in the new Charter, are: 1) to strengthen and promote the role of cities in poverty reduction and sustainable development; 2) to capture and strengthen the synergies between and among members and partners; and 3) to improve the quality of urban development cooperation and lending. The transformation has led to a substantial redesign of the CA changing its mode of operation from support for ad hoc projects to a more systemic and catalytic approach comprising four business lines: country partnership programs (CPP), catalytic projects, knowledge activities, and advocacy.

Relevance to AusAID Programs

CA's activities contribute directly to three AusAID strategic goals (saving lives, sustainable economic development, and effective governance) and their related development objectives (of improving public health by increasing access to safe water and sanitation, improving incomes, and improving governance to deliver better services) through support for slum upgrading, city development strategies that promote equitable growth and an improved quality of life for all, and national policies on urban development and local government. The activities are also strongly aligned with two of the infrastructure pillars (related to water and sanitation and urban development). Also, CA's approach of providing platforms at the urban, national and global level for partner coordination, knowledge exchange, and joint action contributes to AusAID's new strategic goal of making aid more effective.

Effectiveness

CA has contributed to the effectiveness of IPP by providing a unique platform for international urban development cooperation that brings together key actors including bilateral donors, multilateral organizations, associations and NGOs. There are many good examples of individual projects that have been successful in increasing awareness, introducing new ideas and approaches, encouraging inclusive city development planning, and increasing capacity among key stakeholders. For example, with CA support Ekurhuleni, South Africa, has adopted an approach to slum upgrading that goes beyond a focus on housing to providing opportunities for economic growth that meet livelihood and

Slum Upgrading adopted as part of National Housing Policy

In South Africa, with the help of CA's National Upgrading Support Program in 2008, slum upgrading has for the first time become part of the South African Housing policy, offering more flexible approaches to large scale subsidized housing production. With a government unit set up to coordinate program and project implementation, 46 of 49 target municipalities have been briefed on the program and, to-date, 23 municipalities have put upgrading strategies and programs in place.

¹⁰ This review draws heavily on the 2007-2011 independent evaluation of CA now in draft and the program's annual report of achievements in 2009-11.

social needs of the poor within the city's informal settlements. CA has also contributed to policy change in some countries, as in the case of South Africa. In South Africa, with the help of CA's National Upgrading Support Program slum upgrading has for the first time become part of the South African Housing policy, offering more flexible approaches to large scale subsidized housing production. Overall, progress in achieving objectives has occurred in particular in middle income countries. As reported in the draft evaluation, however, CA has not gathered data that make it possible to provide an assessment of the extent of this progress (e.g., in terms of number of urban poor experiencing improved lives, reduced number of slum dwellers, or reduced slum areas).

The new business model, which has only been operational for a short period of time, has begun to improve CA's work considerably, especially by the introduction of country partnership programs now operational in five countries. For example, the Uganda CPP has potential for scaling up through a World Bank investment program built on CA program experience. The business model also promises to improve the coherence of effort between members and other partners and a more focused and innovative knowledge production through joint work programs (among members). The new Catalytic Fund (which has replaced CA's use of an open access grant facility) is designed to achieve a more strategic allocation of short-term project grants. In addition, once operational, CA's new comprehensive M&E framework will facilitate a more systematic monitoring of performance.

Efficiency

CA's administrative costs (management, finance, communication and administrative operations) amounted to \$1.7 million in FY11, or just under 14 percent of total program costs. In addition, \$1.3 million was approved for Secretariat "operations" (including grant-making and identifying and disseminating lessons); and another \$0.5 million covered partnership costs (including staff support to regional programs and partner events such as the CA Policy Advocacy Forum). These costs cover on an annual basis the Secretariat processing of some 25 new activities and management of a portfolio of some 80—100 ongoing projects. As reported in the draft evaluation, members view CA as an efficient operation—with a small staff and large mandate. Program efficiency is likely to be further enhanced by key features of the new business model—notably the CPP approach involving larger grant allocations, the shift under the new Catalytic Fund to grant allocations through scheduled calls for proposals, and support for joint work programs among CA members and partners—notably, joint actions by UNEP, UN-Habitat, and the World Bank around issues of cities and climate change.

The location of the CA secretariat in the World Bank ensures the application of Bank fiduciary standards and practices and gives CA an opportunity to exert influence on the World Bank and its lending operations.

Sustainability

The sustainability of CA's activities in the past has not been robustly demonstrated according to the forthcoming evaluation. Although there are examples where countries have mobilized more resources for urban development and slum-upgrading, the current evaluation finds limited evidence of achievements in retaining donor and country commitments to continued financing. Also, some projects focusing exclusively on the city level have run into barriers caused by weak national policy and planning frameworks. The new CPP approach is expected to address this issue by increasing ownership and leadership of cities and countries, encouraging multi-donor/partner programming, and focusing on long-term support and leveraging of investment. Implementation of CA's new M&E framework will be important to determining these results.

Monitoring and Evaluation

A 2007-11 independent evaluation of CA will be submitted to the CG at this year's annual meeting. To-date, CA has tracked and reported outputs and outcomes on an activities level (if not completely systematically when it comes to outcomes), but it has not done so at a country or global program level. Though CA has been slow to respond to recommendations to strengthen its monitoring and evaluation, it is now in the final stages of putting in place a robust M&E framework (modelled on the Framework developed by WSP). The need to develop a framework with monitorable indicators is essential for the success of CA's move from a demand-led project funding mechanism to a partnership program with four business

lines guided by agreed objectives and priorities. Inclusion of the results framework in the Business Plan is an important first step, and its design and implementation should be a matter for Australia and other members' close attention.

Gender Equality

Gender receives considerable, explicit attention in CA activities. Slum-upgrading strategies funded by CA generally take account of gender-related issues, such as participation, land rights, hygiene and sanitation and insecurity. For example, with CA support Costa Rica has developed a national neighbourhood improvement and slum eradication policy and strategy which give special attention to women-headed households. Partnerships, notably involving Slum Dwellers International with strong support from Norway, help CA raise the profile of gender in urban development. In recognition of the potential to do still more, gender mainstreaming is one of the corporate objectives of CA's FY12-14 Business Plan.

Cities Alliance: Targeting women-headed households in Costa Rica

Cities Alliance has supported the government of Costa Rica in its formulation of a national pro-poor policy and strategy for slum improvement that establishes the levels of competence and responsibility of national, provincial and local governments, including a component of effective citizen participation; and focus on women-headed households. Implementation of neighbourhood improvement pilot interventions in 12 districts (sub-municipal division) covering approximately 120 neighbourhoods with an estimated 6.000 families.

Analysis and Learning

As reported in the draft evaluation, CA is in a unique position to facilitate knowledge and learning to other cities and countries based on the experience gained in CA-funded activities. It has a useful website which provides access notably to a CA projects database and CA and non-CA publications. But its position has not been fully utilised. The increased focus on knowledge and advocacy activities in the new charter and business plan promises a substantial upgrade of CA's effort in this area, but real achievement will require the development of focused strategies for knowledge and learning and for advocacy and communication.

Governance and partner engagement

The governance arrangement established is well articulated and works well to bring about legitimate and effective governance. Legitimacy is ensured by the broad composition of the CG, notable for its inclusive representation of donor/members (which include national governments, multilateral organizations, the global organizations of local authorities (UCLG and Metropolis), and international networks of organizations), and by CA's ability to bring the voices of the poor into various decision-making forums—though the current evaluation finds that some members of CA think that cities are not adequately represented. The new Charter's establishment of an Executive Committee with powers previously ill-defined and largely assumed by the Secretariat is a big change supportive of enhanced governance effectiveness. CA hopes to bring in some new developing country donor/members as part of an effort to diversify funding as well as give voice to countries with current development and recipient experience.

CA's draft Business Plan acknowledges that "financially it has been a difficult time for CA and its members." While core funding has held stable (at a level of some \$7 million over the three years), FY11 is the last year of major World Bank core funding (in accordance with rules of the World Bank's Development Grant Facility). With the change in the business model, substantial targeted funding from the Gates Foundation is now directly tied into core business lines. Nonetheless, just over half of CA's 24 donors are relatively small contributors, the Business Plan makes clear that CA needs to further diversify its major sources of funding, and the draft evaluation emphasizes the need for "a more clearly defined strategy to attract new funding and thereby maintain medium and long term sustainability."

Though AusAID has been a CA member on the CG for some four years and is now one of the program's largest contributors, staff report that they have not been made aware of AusAID's strategy and objectives and that there has not been much substantive engagement due to

lack of continuity in AusAID staff attending CG meetings and in ongoing interaction with CA staff.

AusAID World Health Organization (WHO) Water Quality Partnership for Health

The AusAID WHO Partnership is a single donor trust fund (SDTF) established within the previous and current WHO/Government of Australia Partnership Framework 2009-2013 which sets a broad context for collaboration towards furthering the attainment of MDGs related to health and the environment. It recognizes that strengthening country capacity in water safety planning (WSP) is essential for preventing diarrhoea and other water-borne diseases. The Program objectives are to: (i) increase WSP development and implementation and improve water safety practices; (ii) ensure WSPs are an integral part of policies and the institutional framework; (iii) mobilize resources to support infrastructure improvements identified through WSPs; (iv) develop resources and tools to support WSP implementation; and (v) design a Phase 3 proposal for scaling up and mainstreaming WSPs in 12 countries.

WHO is the implementation agency in cooperation with partner governments (mostly ministries charged with water supply, and/or ministries of health, and their line agencies), national water supply associations, NGOs, academic institutions, private sector and water utilities.

Relevance

The Water Quality Partnership is directly relevant for three of AusAID's core strategic goals of saving lives, sustainable economic development, and preparing for humanitarian and disaster response. It supports "improving public health" which is one of AusAID's ten development objectives. Its activities will contribute to the AusAID pillar of action that concerns facilitating increased access to safe water supply. Also, the WSPs are expected to focus attention on the sustainability and quality of service once access has been assured. The Partnership's concentration on the East and South Asia regions and on collaboration with the Secretariat of the Pacific Community in Fiji further enhances the program's relevance for AusAID. In addition, the fact that Australia possesses leading edge knowledge in the preparation and implementation of WSPs adds to the Partnership's relevance.

Effectiveness

The WSP capacity building programme in Asia has completed two phases that each cost about US\$3 million. Phase 1 of the Partnership, from 2005 to 2009, conducted activities in Bangladesh, Bhutan, Cambodia, China, Lao PDR, Myanmar, Nepal, Viet Nam), with AusAID support amounting to AUD\$3 million. This work led to all countries having gained practical WSP experience through pilots and training. Phase 2 of the Partnership continued this work in Bangladesh, Bhutan, Nepal, Lao PDR, Philippines and Viet Nam (countries selected on agreed criteria relating to the Phase 1 outcome) from July 2010 to June 2011. Phase 3 would add six countries and is budgeted at USD 19.3 million during the period 2012-2017. The effectiveness so far is measured by the fact that (i) about 150 Water Safety Plans have been prepared; (ii) the importance of WSP has been accepted in Bangladesh, Nepal, Nepal, Lao PDR, Philippines, and Viet Nam; and (iii) the Asian Development Bank (ADB) became the most interested potential partner in financing water supply projects in Viet Nam subject to the commitment of borrowing utilities to the WSPs. Bangladesh has signed a Memorandum of Understanding in support of WSPs.

Efficiency

The efficiency of each trust fund evaluated has been assessed on the basis of the share of total trust fund expenditure that the administrative costs constitute. In the case of the AusAID WHO Water Quality Partnership the efficiency is reduced because of the dual program administration from both WHO headquarters and from a regional South East Asia Regional Office (SEARO) program hub. Thus Phase 2 of the Water Quality Partnership was budgeted at around USD 4.5 million of which 47% for country activities, 41% for regional hub activities, and the remaining 12% for support of the WHO central budget. The planned Phase 3 budget of USD 19.3 million is for direct country activities (55%); tools, appraisal and advocacy (22%); 11% for project oversight and coordination at the regional hubs; and the remaining 12% for program support costs paid directly into the WHO central budget. The end result is that the

program administration reaches about 23% of total expenditure which is at the high end as compared to the other trust fund administrative cost shares. The efficiency of the program output could also be indicated by the overall cost-effectiveness of the WSPs. The Partnership tracks the per capita costs of the WSPs prepared and these costs are very low, about US\$11,000 per WSP, or in the order of US\$ 0.1 per person potentially benefitting from a WSP. However, it is difficult to judge the cost effectiveness of the WSPs since there are few comparator data for villages and towns of a comparable size. The ultimate effect on the quality of drinking water supply will only be known, some time after WSPs have been implemented. The WSP costs per capita, while apparently low, are but the first of many steps and substantial investments to make the water supplies in those systems safe and thus cannot be viewed in isolation. A safe water supply requires, in addition, training and motivating utility staff, metering consumption, and a combination of demand management and increases of safe water. The complete costs and benefits of the WSPs will only be known during the implementation of Phase 3 of the AusAID-WHO Partnership.

Sustainability

The sustainability of the WSPs in the program countries is contingent on success in the three phase policy reform where (i) country sector policies would have to change to incorporate the concept of WSPs; (ii) countries would have to adopt the legislation, create the capacity, train the staff, and ensure the financial resources to create the instruments for implementation; and (iii) the long-term implementation of the WSPs with strong and continuous political backing. These three stages have not yet been fully implemented since the key Phase 2 of the Partnership only became operational in 2010 and was implemented in 12 months instead of the planned 18 months. Phase 3 of the Partnership is important to underpin sustainability since program intervention would be deepened and scaled up. The sustainability of the ultimate objectives of ensuring higher

Significant Benefits from Implementing Water Safety Plans

An existing water supply system that does not provide convenient and safe drinking water defeats much of its purpose. Where service is less than continuous on a 24/7 basis the risk of intrusion from polluted groundwater into the periodically empty water pipes is always present. In such a case pathogens may actually spread through the distribution system. When consumers come to regard the public water supply as unreliable in quantity and quality they will invest in parallel systems and such coping costs may be higher than the tariff in the public water supply. The poor are particularly suffering from poor and unsafe public water supplies since they cannot afford to invest in parallel supplies. The WSPs define the responsibility for each step in ensuring safe water, assess the current water supply system, identify the hazards, assess the corresponding risks, list measures to mitigate each risk, suggest a plan for improvements, quantify the investments to solve the problem, and a system of continuous monitoring of water quality. A full implementation of the WSP will avoid the substantial costs of unsafe service.

quality water and incrementally safer water service will require larger investment and technical assistance resources than the Partnership alone can provide. WHO reports that there are signs of increasing interest on the part of governments, NGOs and donors (including ADB) to support WSPs and the investments identified by the WSPs and this key factor in ensuring sustainability will be given priority attention in Phase 3.

Gender Equality

The Partnership has prepared a number of case studies and videos with examples of how women have taken on responsibility for the management of water supply and benefited from improved water quality and service delivery. However, it is fair to say that gender analysis has not been a priority of the Partnership. This will be addressed in Phase 3 when WHO intends to commission a study to look specifically at the poverty and gender impacts of WSPs and at how communication programmes could support WSP implementation.

Analysis and Learning

The Partnership has prepared case studies and videos on the Asia Pacific WSP Network website and presented at international conferences and events. Materials distributed globally are also disseminated through WHO's extensive network. An important lesson learned from Phase 2 is that longer term systematic support to water suppliers will be required for them to implement all aspects of water safety planning effectively (as was the case in Australia).

Monitoring and Evaluation

No comprehensive independent evaluation of the Partnership has been conducted but Expert Assessments have been undertaken for between three and five WSPs in Bangladesh, Bhutan, Lao, Nepal and the Philippines. WHO reports that a similar assessment is planned for Viet Nam in March 2012. The TF administration in WHO considers the Partnership's "Objectives and Monitoring Table" a results framework. It has been applied during Phase 2 that lasted 12 months. A Quality at Entry review was conducted by AusAID staff in 2010 to improve on the design of Phase 2. A number of suggestions were made and improvements were agreed upon, including fixing performance indicators.

Governance and Partner Engagement

The sustainability of the Partnership activities is dependent on contributions from AusAID which is the sole donor to this program. WHO and AusAID have maintained a close relationship during Phase 2 of the program. Two stakeholder meetings were held during the one year duration of Phase 2 (one in Manila in October 2010 and one in Bhutan in April 2011) which both AusAID and WHO (country, region and HQ staff) attended along with country implementing partners. These meetings gave AusAID a close insight into progress and partner attitudes as Phase 2 proceeded. An Australian/International Technical Advisory Group to review Partnership activities annually would probably improve the expert assessment and advisory input, and using Australian expertise in the drafting and implementation of WSPs would benefit the Partnership.

United Nations Children's Fund (UNICEF) WASH

UNICEF is a United Nations agency with the mandate to protect and advance the rights of children. UNICEF's overall programme achieves results across a range of sectors including health, nutrition, education, HIV/AIDS and child protection. UNICEF's overall programming is guided by its Medium Term Strategic Plan, within which WASH is a Key Results Area.

The UNICEF WASH programme is guided by its WASH Strategy 2006-2015. The overall objective of UNICEF in the area of water, sanitation and hygiene (WASH) is to contribute to the realization of children's rights to survival and development through promotion of the sector and support to national programmes that increase equitable and sustainable access to, and use of, safe water and basic sanitation services, and promote improved hygiene. UNICEF WASH is active in over 100 countries to help them reach the Millennium Development Goal (7c) of halving, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation. It also helps countries ensure that all schools have adequate child-friendly water and sanitation facilities and hygiene education programmes.

The program receives support from a broad and robust donor group. AusAID contributions are equivalent to about 5% of annual expenditures. About one quarter of AusAID contributions is thematic and is particularly useful since the funding enables the most efficient use of resources. The rest is earmarked for emergency campaigns and for specific countries. AusAID financing planned to focus on WASH in sub-Saharan Africa (particularly in schools), and on sanitation in South Asia. Collaboration between AusAID and UNICEF-WASH has been close and effective with AusAID sponsoring two WASH conferences in Melbourne and in Brisbane with UNICEF-WASH participation.

Relevance to AusAID Programs

UNICEF WASH activities support directly AusAID strategic goals of saving lives, providing opportunities for all, underpinning sustainable economic development, promoting effective governance, and responding to humanitarian disasters. Its activities also respond to a number of development objectives such as improving public health and enabling more children to attend school. Finally, UNICEF WASH programs are relevant for AusAID's WASH pillar of action of facilitating increased access to water supply and sanitation. AusAID's explicit objective of supporting the goal of reaching the water supply and sanitation targets under the MDGs is congruent with those of the UNICEF WASH goals. UNICEF's "Call to Action for WASH in Schools" campaign was formally launched in 2010 and is generating new donor contributions and new programming initiatives for WASH in Schools (WinS). There are WinS activities in 94 countries in 2010. WinS fits with the AusAID goal of devoting 20% of its ODA to the education sector and is key for instilling good hygiene habits in future generations.

Effectiveness

UNICEF WASH reports that in 2010 it provided humanitarian support in multiple emergencies in 60 countries, being in the leadership in WASH interventions. Achievements in 2010 include: helping 3.8 million households gain access to an improved drinking water source and more than 2.4 million gain accesses to improved sanitation facilities; launching a WASH campaign in schools; affecting the use of best practice for cost-effective boreholes; and continuing to serve as the Secretariat of the alliance Sanitation and Water for All (SWA). In addition UNICEF-WASH has led the campaign for scaling up Community Approaches to Total Sanitation (CATS), especially in Africa, which is now the dominant model for UNICEF sanitation.

The AusAID contribution to Global WASH programs has been spent primarily in Africa and relatively little for South Asia. Out of the total AusAID about 58% was spent on WASH activities, including sanitation in primary schools, in Burundi, Ghana, Guinea Bissau, Liberia, and Tanzania. Another 9% was spent on sanitation programs in Cameroon, and 7% on hygiene promotion in Chad. Finally 16% was spent on various regional WASH programs and the remainder of 10% on WASH activities directed from the New York Headquarters.

UNICEF WASH is particularly effective in saving lives because of its focus on children's survival and well-being; its presence in about 100 countries worldwide; its 450 dedicated staff; its mandate that is enshrined in international human rights law and its unique access to

government that enables scaling up of successful approaches. In terms of Disability Adjusted Life Years (DALYs) saving the lives of infants and young children has the largest effect upon the total benefits of lives saved from water supply and sanitation campaigns. The insistence that it is necessary to include all three aspects of water supply, sanitation, and hygiene (WASH) in order to bring down mortality and morbidity is central to UNICEF WASH activities.

Efficiency

A recent Multilateral Aid Review conducted by the United Kingdom (DFID) concluded that UNICEF provided “excellent value for money”. UNICEF WASH has an ongoing program to reduce running costs. Some successes are reported such as a sharp reduction in travel costs through the use of modern teleconferencing. The cooperation with alliances such as Sanitation and Water for All (SWA) increases program efficiency and reach. UNICEF WASH provides the secretariat for the SWA that has been created in part to ensure better targeting and has introduced a National Planning Results Initiative (NPRI) as a key partnership instrument for supporting planning and strategy development in countries. There is a standard deduction of 7% of donor contributions to UNICEF to defray UNICEF’s administrative expenditure. There is an explicit restriction within UNICEF WASH of the share of total expenditures that is spent in headquarters. About 98% of WASH expenditures take place in the program countries, and 94% of all WASH professional staff is deployed at national or sub-national levels.

Sustainability

The sustainability of benefits under the WASH programs in countries is favoured by the three-prong approach of combining better water, adequate sanitation, and hygiene education to sustain benefits of better health. It is now commonly accepted that the priority for sustaining better environmental health is to first invest in hygiene education and in the changes of social norms, then to disseminate sanitary methods of defecation and excreta disposal (in order to cut the transmission of pathogens and dispose of them in a sanitary fashion), and finally to provide water that is safe to drink. UNICEF WASH is disseminating this knowledge widely, and is focusing on Community Approaches to Total Sanitation (CATS) that first aim at making communities Open Defecation Free (ODF) and then at ensuring sound sanitation habits. Meanwhile UNICEF WASH continues its decades-long program of providing safe water to communities, much of it from well-drilling programs. About one third of UNICEF WASH expenditure is spent on capacity building and advocacy to increase the sustainability of programs.

Monitoring and Evaluation

UNICEF has strong systems to monitor the effectiveness of its interventions. UNICEF’s programming cycles include an annual review of all its programmes. UNICEF is putting in place systems to reinforce monitoring for results. UNICEF also produces an annual WASH report that sets out the results achieved in its water and sanitation programming world wide. The most recent external evaluation of the effectiveness of the Community Approaches to Total Sanitation (CATS) campaigns was in 2010 in the West Africa region. An independent evaluation of the total WASH program is planned for 2012-2013. Also, since 2010, the UN-Water Global Annual Assessment of Sanitation and Drinking-Water (GLAAS) has been tracking patterns of sector funding and problems related to the targeting of aid. Monitoring and evaluation is done on country by country basis. Countries report annually to New York and results are compiled in the Global WASH Annual Report. There is a varying depth and intensity of M&E from country to country, depending on the overall funding level and ability to invest. The progress towards the global Millennium Development Goals (MDG) targets on water supply and sanitation (MDG 7c) is monitored by the WHO/UNICEF Joint Monitoring Programme (JMP) for water supply and sanitation, which receives some funding support from AusAID. This draws on data from household surveys, such as the Multiple Indicator Cluster Survey, that is supported by UNICEF. The sharper focus on monitoring the target and implementation of national programs is also facilitated by the SWA initiative where UNICEF WASH plays a central role since it provides the SWA Secretariat and convenes the High-Level Meeting of finance ministers and ministers of development cooperation.

Gender Equality

Gender equality is supported by UNICEF WASH programs since women pay a disproportionate share of the costs from not having improved water supplies, adequate sanitation, and good hygiene habits. A key outcome in UNICEF in 2010 was the drafting of the gender guidance document for programming for young child survival and development, including WASH components. For example, in Tanzania 36,000 school girls and their teachers have learnt ways to meet the challenges of puberty which have contributed to reducing the dropout rate of girls from school at that age, improved attendance, and improved their school environment. UNICEF's inputs included the printing and distributing 40,000 copies of the "Growth and Change" book, as well as construction/installation and evaluation of female hygiene products incinerators in schools.

UNICEF WASH: Gender-Sensitive WASH Programs

UNICEF actively encourages the development and use of gender-sensitive WASH technologies. Notably, the WASH in Schools programme stresses the use of private, girl-friendly sanitation and washing facilities. In Bangladesh getting women to help in the design has led to modifications in hand-pump platforms to better accommodate pregnant women. In Cambodia household rainwater jars were designed specifically to reduce the workload of women users, and in Burkina Faso rickshaws are used to collect water from distant sources upon the recommendation of women's groups.

Analysis and Learning

Learning and dissemination are central to UNICEF activities. For example, early positive experience in using Community Approaches to Total Sanitation (CATS) in countries such as Zambia and Nepal were replicated, leading to the number of countries supporting such programmes having more than doubled in the past three years. Small scale efforts to promote low-cost techniques for drilling boreholes in Africa, such as manual drilling, have proved successful and led to scale up within the initial countries and expansion to other countries. A WASH curriculum has been developed that is offered to WASH country office staff through internet-based learning events. For WASH-in-Schools a collaboration with Emory University has led to an e-certificate being offered to staff that will earn them university credits and has proved highly popular. Training of staff to prepare them for responding to WASH needs in emergencies has been extended to non-UNICEF standby partners who are often deployed in such emergencies. Lessons are being disseminated more broadly through partnerships, publications, and presentations at conferences. Key partnerships, such as hand washing, WASH-in-Schools, household water treatment, as well as emergencies, provide excellent mechanisms for sharing of UNICEF experience with other organisations and for UNICEF to learn from others.

Governance and Partner Engagement

UNICEF has its governance structure including its executive board, which provides intergovernmental support and oversight to the organization, in accordance with the overall policy guidance of the United Nations General Assembly and the Economic and Social Council. The Executive Board reviews UNICEF activities and approves its policies, country programmes and budgets. It comprises 36 members, representing the five regional groups of Member States at the United Nations. Executive Board reports are available to the public via the UNICEF website. There is periodic interaction between UNICEF WASH and AusAID staff, both in New York and in Australia. There have been some specific invitations, e.g. for AusAID staff to attend donor meetings about the JMP. At country level UNICEF country staff interacts with AusAID posts. UNICEF often coordinates donor groups on WASH and facilitates interaction with government counterparts where all external partners, including AusAID, are represented.

The UNICEF WASH program receives 86 per cent of funding from donor partners and the balance from UNICEF core funds, with the proportion of raised resources steadily increasing. Of the funds provided by donors, about half are earmarked for humanitarian responses and the rest for regular development WASH programmes. Australia is the fifth largest contributor to WASH programmes. In 2010, it provided WASH thematic funding, with which UNICEF financed high-priority multi-country initiatives, and critical unfunded programmes in priority countries. In addition, UNICEF National Committees (NatComs) provided \$28 million, or nine per cent of all donations in 2010.

Water and Sanitation Program (WSP)

Established in 1978, the Water and Sanitation Program (WSP) is a multi-donor program administered by the World Bank, comprising a field-based network in four regional locations (Africa, East Asia, Latin America, and South Asia). Over the period 2007-11, the program received \$235.3 million in contributions from 15 donors (14 bilateral donors and the Bill and Melinda Gates Foundation). Australia provided about 18% of that total through its support for regional funds for Africa, East Asia and Pacific and South Asia. It is currently WSP's third largest donor.¹¹

WSP is now in the second year of a \$200 million FY11-15 Business Plan (with first year, FY11, disbursements of \$36.9 million, and program and administrative costs of \$5.9 million of which \$3.7 million were for activities in the field). The objective of the program over this 5-year period is "to support governments scale up improved water supply and sanitation services and hygiene programs for poor people." This objective is pursued by providing technical assistance, capacity building, and knowledge sharing in 24 focus countries, and knowledge activities at the regional and global level.

Relevance to AusAID Programs

WSP overall (and in the three regions supported by AusAID) contributes directly to all five of AusAID's core strategic goals and the three pillars of the WSI strategy. Notably, it contributes to the objective of saving lives through its scaling up rural sanitation and hygiene, to promoting opportunities for all through its support for pro-poor sector reform, and to effective governance through assistance to all levels of government to improve WSS service delivery. In addition, attention to adapting WSS service delivery to climate change impacts is relevant to AusAID's objective of sustainable economic development, and its growing attention to fragile states is relevant to the objective of humanitarian and disaster response, though both the climate change and fragile states work are in an early stage and neither account for a large portion of WSP activities.

Effectiveness

Overall, WSP's work in helping governments define policies, strengthen institutions, and improve sector investments is focused and has contributed to the effectiveness of the WSI. According to WSP's 2009 external evaluation, which covered the period 2004-2008, the program "plays a significant role in the water and sanitation sector" and "represents a unique source of global knowledge, policy advice, and practical experience that is valued by its clients and partners." The 2009 evaluation's findings were generally positive for all three of the regions supported by AusAID. At the same time, the evaluation noted a general need across all regions for increased implementation capacity building and support

Since 2009, WSP has made significant strides in three areas that provide opportunities for achieving and demonstrating even more effectiveness over time. First, WSP has made a strategic shift from a project to a programmatic approach consistent with its new global strategy and initial five-year Business Plan which includes six business areas with performance indicators for each area.¹² Second it has developed a more formal approach to leverage its on-the-ground knowledge at global and regional levels through three global projects and, currently, five global practice teams. In addition, the development and application of a new global results framework is beginning to provide ongoing information on program results.

¹¹ Two external evaluations have been conducted covering the periods 2002-04 and 2004-08. This current review builds largely on the findings of the second evaluation and the program's annual report of achievements in 2009-11.

¹² The six business areas are: 1) scaling up rural sanitation and hygiene, 2) creating sustainable services through DPSP, 3) supporting poor-inclusive WSS sector reform, 4) targeting the urban poor and improving services in small towns, 5) mitigating and adapting WSS delivery to climate change impact, and 6) delivering WSS services in fragile states.

Information provided by WSP on regional results for FY11 (the first year of the new Business Plan) shows that WSP-Africa's work, which is focused on scaling up WSS services through technical assistance and capacity building of governments, has achieved results in five of WSP's six business areas: 1) scaling up rural sanitation; 2) creating sustainable services through domestic private sector participation; 3) supporting poor-inclusive WSS sector reform; 4) targeting the urban poor and improving services in small towns; and 5) delivering WSS services in fragile states (notably of Zimbabwe and DRC). Since 2009, AusAID's funding to WSP's East Asia and Pacific MDTF has supported the achievement of results in four areas of activity: 1) small water utilities improvement and financing; 2) pooling and upgrading community-based water supply and sanitation systems; 3) strengthening regional knowledge building and inter-country support mechanisms; and 4) the start up of a East Timor WSP program. In addition, and with AusAID agreement, WSP has used EAP MDTF funding to begin engagement in Papua New Guinea. Finally, in South Asia, where WSP operations follow a programmatic approach to support improved service delivery (aligned with AusAID's

WASH thematic strategy), activities have been focused and results have been achieved in four business areas: 1) scaling up rural sanitation; 2) creating sustainable services through domestic private sector participation; 3) supporting poor-inclusive WSS sector reform; and 4) targeting the urban poor and improving services in small towns. While space prohibits detailed identification of these regional results, the box below provides illustrative examples from each region provided by the WSP secretariat.

Four factors would appear to be key to WSP's effectiveness: 1) its sustained country

presence and programs, which has enabled the program to earn the confidence and partnership of governments and to jointly embark on complex and time-consuming agendas of institutional development, policy reform, and capacity building; 2) the technical quality of its work; 3) its promotion of coordination across the sectors of water, sanitation and hygiene; and 4) its global reach enabling widespread cross-country and cross-regional exchange on good practices and innovation.

Efficiency and Risk Mitigation

With some 90 percent of its staff/consultants based in the field, WSP is viewed as an efficiently run program. According to the 2009 evaluation, "based on the interviews conducted, there is a generally positive perception of the relationship between program benefits and costs (value for money) among WSP partners, particularly donors." Since then, the program has managed to keep down its costs while increasing its disbursements. Also, a major innovation in WSP's business model—shifting its business from targeted project financing to program funding channelled mainly through global and regional MDTFs—is responsive to past concerns about WSP coordination on the ground with other organizations (such as the World Bank) and the impact of its projects.

Sustainability

WSP FY11 results—examples from the three AusAID-supported regions

Africa: 1) in Rwanda, a pilot initiated by WSP in five districts worked to build capacity at the community level in environmental health promotion has recently been scaled up by the Ministry of health to all districts in the country and 2) the Kenyan-Republic Bank project with support from WSP has financed 18 water supply projects.

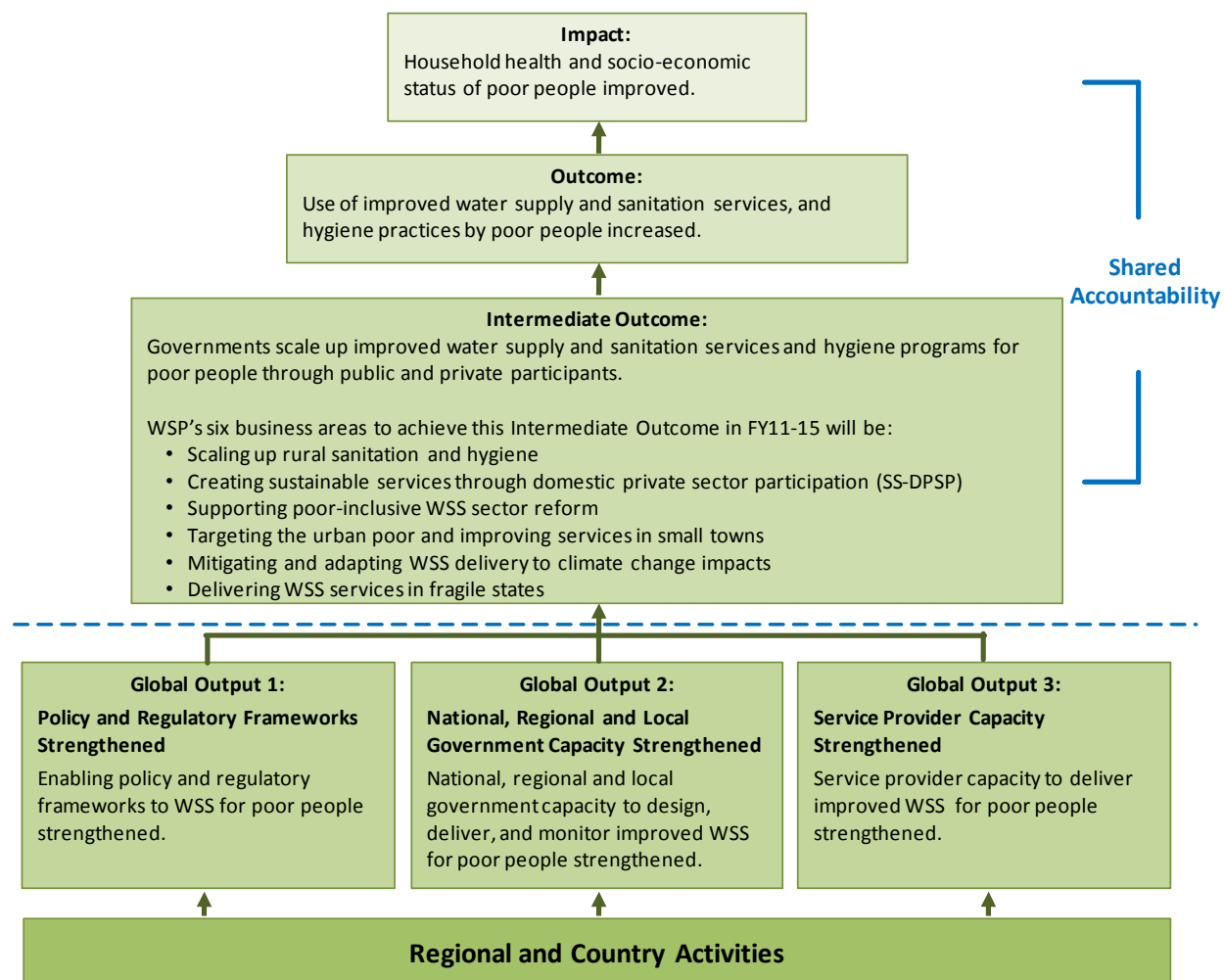
EAP: 1) in the Philippines, WSP supported development of an innovative revolving fund at the National Water Resources Board through which small water utilities can purchase the services of accredited technical assistance providers to improve their performance and 2) WSP established a partnership with the Melbourne Water Utilities mandated by the Timorese Council of Ministers to develop a Drainage and Sanitation masterplan for Dili.

South Asia: 1) in Bangladesh, WSP has improved access to technical options and credit facilities for sanitation entrepreneurs, resulting in 16,000 consumers using improved quality sanitation services and 2) in Pakistan, the Federal Government adopted a unified "Pakistan Approach towards Total Sanitation" (PATS) with WSP support in the development of the framework and consensus building among government and non-government stakeholders

While there is no hard evidence on the sustainability of the benefits arising from program activities, three features of WSP's mode of operation appear supportive of the likely sustainability of benefits achieved on the ground: 1) sustained engagement with its clients; 2) cross-sectoral interventions which involve citizens and service providers, policy reforms and business environment change, and enhanced government capacity to track progress; and 3) its concentration in a limited number of focus countries which demonstrate potential for reform and learning. In Tanzania for example, WSP's technical assistance helped bring sanitation solutions from rural communities to a national scale, as part of a National Sanitation Campaign. In addition, location within the WB has enabled the leveraging of innovative practices into major investment funding and WSP compliance with World Bank's social and environmental safeguards.

Monitoring and Evaluation

The most recent independent evaluation of WSP was completed in 2009, and covered the period 2004-08. Since that evaluation which was critical of the WSP's M&E system, the program has made impressive progress in strengthening its M&E processes. Notably, it has developed a Global Results Framework with monitorable output and intermediate outcome objectives linked to the intended outcome and impacts of its strategy for FY09-18. Its FY11-15 Business Plan includes performance indicators and time-bound targets at the country and program level. (See box below for a diagram of the results framework.) In addition, FY11 was the first year WSP implemented its improved results-management strategy in every WSP focus country. As reported, program-wide tools were developed and used by country teams to prepare baselines and set targets for 2015. This strengthening of WSP's M&E system still remains a work in progress in that not all business areas have quantitatively or qualitatively precise indicators. Nonetheless, the progress made and system now in place has already served as a model for Cities Alliance and could be considered a model of M&E for global partnership programs generally.



Gender Equality

Gender is given considerable, explicit attention in WSP's work, through gender-related technical assistance, policy and institutional advice, and project support. For example, in support of a World Bank water and sanitation project in Kenya, WSP developed a gender mainstreaming toolkit targeting gender issues at project, utility, and institutional levels. (See box for elaboration.)

In addition, as part of WSP's increasing emphasis on Africa, the program has developed an Africa gender strategy which aims to equip the various stakeholders with motivation and skills to identify and respond to gender issues as they arise in sector work and to share best practices.¹³ WSP is also undergoing a gender audit of its South Asia program to gain better understanding of how to improve gender mainstreaming in operations globally.

Analysis and learning

Gender mainstreaming in the Kenyan water and sanitation services sector

In FY11, WSP developed a gender mainstreaming toolkit targeting gender issues at project, utility and institutional levels associated with a World Bank \$150 million project that aims to expand access to safe water and sanitation services in 27 districts in Kenya. Preliminary results from the initiative include: 1) reduced barriers to access by women, 2) improved understanding for targeting women's and men's needs, 3) increased participation by women in planning services, and 4) increased equity in access to paid work.

¹³ The WSP approach to gender is set out in its brief report, "Gender in the Water and Sanitation Program," (May 2009).

WSP's work in generating and sharing knowledge within and across regions, generating and disseminating global knowledge products, and supporting horizontal learning has made it a recognized unique source of global/sector knowledge. As a field-based program, much of its analysis and learning takes place in direct interaction with relevant stakeholders. Increasingly, WSP has facilitated horizontal, South-South learning which has proved effective at producing results at the utility, provincial and national levels. (See Box for examples.) Its website provides easy access to its newsletter and publications. Still, WSP remains in the process of strengthening and systematizing global learning and knowledge exchange, as was recommended by the 2009 evaluation and addressed in its current Business Plan.

South-South learning helps deliver results

Recent experiences show the benefit of increasing WSP support for south-south learning.

- At the utility level, the Lusaka Water and Sewerage Company introduced a sanitation levy and fund and developed a sanitation marketing strategy based on exposure to experiences in Burkina Faso, Senegal, Brazil and Peru.
- At the national level, with the benefit of a learning exchange by Lao PDR government officials to WSP sites in East Java, Indonesia, the Lao PDR is adopting a national sanitation marketing approach; and to Nicaragua is now scaling up an approach to creating sanitation markets learned from Peru.

Governance and partner engagement

WSP's governance and management arrangements are clear, from the WSP Council down to the regional hubs and country offices. The Council, which is the governing body of the Program, is comprised of representatives of donors, country-level members, strategic sector partners, and the World Bank. The strengths of the Council are: 1) the technical expertise of members and 2) the participation of almost all Program donors which helps WSP gain a broad view on issues and maintain strong relationships with donors through transparent communications. The introduction in recent years of Council sub-committees has improved the efficiency and effectiveness of oversight and strategic planning.

WSP has experienced strong donor support for a growing program in recent years. Its broad donor base and the flexibility provided to donors regarding funding options avoids dependence on any one of its donors for continuity. Still, taking account of the global financial environment, the FY11-15 Business Plan is built on an anticipated resource envelop of \$200 million which incorporates an overall budget reduction over the life of the plan. To-date, WSP has raised \$140 million of the planned \$200 million. This leaves a funding gap of \$60 million with a number of existing donors having not yet indicated their levels of support beyond FY11 or FY12; including Australia whose funding ends this fiscal year.

AusAID has conveyed its strategic goals and objectives to WSP through long-standing participation on the WSP Council. Also, WSP staff is made cognizant of AusAID's overall objectives under the WSI through continuous discussions with AusAID's water team. Over the years the strength of AusAID engagement with the program has reflected the strong technical expertise of the agency's representatives. While a couple of country units report that there is not always good interaction between WSP and AusAID programs on the ground, the program manager states that WSP has "been making a strong effort to coordinate well with country offices of donors, and we thought the AusAID relationships were consistently very strong."

Water Supply and Sanitation Collaborative Council (WSSCC)

WSSCC is a global membership organisation with a sharply focused objective to promote sanitation and hygiene practices among the poorest population segments in about 36 countries. It was established in 1990 and played a key role during the Johannesburg summit on sustainable development that set a target of reducing the proportion of the population without safe sanitation by the year 2015.

Since 2011, the WSSCC MDTF has received funds from six major bilateral donors (Australia, UK, Norway, Sweden, Switzerland, and the Netherlands) and the Bill and Melinda Gates Foundation. The annual commitments in 2011 were about \$30 million. Australia, which has provided about 13% of the WSSCC resources over the period 2007-11, is its third largest donor. WSSCC is executing its Medium Term Strategic Plan (MTSP) that runs from 2012-2016 and that foresees annual disbursements rising to US\$100 million. At present there are 12 Global Sanitation Fund program countries.¹⁴

WSSCC activities have three functions: 1) advocacy of sanitation and hygiene programs; 2) knowledge management in the sanitation and hygiene field; and 3) implementation through the Global Sanitation Fund (GSF) of sanitation and hygiene programs. The first two functions are implemented by WSSCC members around the world funded through a Sanitation Leadership Fund from Geneva while the GSF is implemented in each of the program countries through Executing Agencies that in turn contract with sub-grantee organizations that are mostly NGOs and that concentrate on hygiene education and training of artisans for the construction of latrines. The GSF is rapidly growing relative to the advocacy and knowledge management functions, and may constitute up to 90% of WSSCC expenditure at the end of the MTSP.

Relevance to AusAID Programs

WSSCC activities are congruent with Australia's development objectives of supporting the provision of sustainable sanitation in the poorest countries in support of the sanitation target under the Millennium Development Goals (MDGs). In particular, the WSSCC activities respond to the strategic goal of saving lives. It is estimated that 2 billion people worldwide lack proper sanitation and that close to 2 million deaths annually can be attributed to the lack of sanitation. Further, WSSCC activities are relevant to the AusAID development objectives of improving public health and enabling more children to attend school. (UK DFID reports that 11% more girls attend school when sanitation is available.) Finally, through the WSSCC programs support AusAID's WASH policy pillar of action of facilitating increased access to water supply and sanitation.

Effectiveness

The highly effective WSSCC advocacy campaign culminated with the establishment of sanitation as a target of the MDGs. The priority is now to work in support of actually implementing sanitation and changing hygiene practices among the poorest in about three dozen countries. WSSCC has established a goal of providing 12 million people with sustainable sanitation by 2016. This target entails not only ensuring Open Defecation Free (ODF) practices but actually changing the hygiene and sanitation habits of the beneficiaries. The GSF became operational in 2010 and its first biannual review reports that 0.1 million

WSSCC: Promoting Adequate Sanitation and Changing Hygiene Behaviour

The WSSCC has clear but challenging objectives: To provide adequate sanitation and change the behaviour of those without good hygiene practices. It has also chosen to target the poorest populations in about three dozen countries. The WSSCC does this through Executing Agencies that then contract with sub-grantees (often NGOs) to implement the programs of hygiene education and sanitation. If successful, the payoff can be very large. Hand-washing at critical times can reduce the incidence of diarrhoea by up to 47% (UN Water) and an integrated approach of providing water, sanitation, and hygiene reduces the number of deaths caused by diarrheal diseases by an average of 65% (WHO).

¹⁴ Madagascar, Senegal, Burkina Faso, Uganda, Ethiopia, Malawi, Tanzania, Togo, India, Nepal, Nigeria, Cambodia

people had received improved toilets as of February 1, 2012. This accomplishment may not appear significant in comparison to the 5-year target by 2016 of providing 12 million people with improved toilets. However, the GSF country programs entail large front-loaded investment in creating the institutions and motivation and, once set up, a scaling up of efforts and results would be greatly facilitated. It should also be recalled that 2012 is the first year of the five-year MTSP.

The latest External Review of WSSCC, conducted from March 2010 through January 2011 and covering the period 2005-2010, gives a nuanced view of the WSSCC effectiveness. The External Review is fairly positive about WSSCC's effectiveness in Networking and Knowledge Management although it notes that WSSCC will likely not be a main generator of new sanitation knowledge until the Global Sanitation Fund implementation gains speed. Similarly, the External Review concludes that advocacy has been a major strength of the WSSCC. The External Review is the most ambivalent in its opinion of the effectiveness of the Global Sanitation Fund that at the conclusion of the External Review in late 2010 had not disbursed appreciable amounts of money. Subsequently, the WSSCC management reports that about USD30 million has been committed to the Executing Agencies in about ten countries and that money has started flowing to the implementing organisations, the Sub-Grantees.

The effectiveness of the crucial GSF will be measured by how successful WSSCC will be in actually changing the sanitation habits of 12 million in the course of the 2012-2016 MTSP. So far there is decisive shift in disbursements towards the planning and implementation of the GSF:

Table: Shares of Expenditure for WSSCC Programs

Program	2007	2008	2009	2010	2010
Networking & Knowledge Management	31%	29%	28%	18%	15%
Advocacy & Communications	20%	30%	22%	16%	13%
Global Sanitation Fund	4%	11%	20%	57%	64%
Governance and Overhead	45%	30%	30%	9%	8%

Out of the seven Round 1 countries five (India, Madagascar, Nepal, Senegal, and Uganda) had investments in excess of USD 1 million for the two-year period 2010-11 whereas Burkina Faso and Pakistan had only token investments. For the nine Round 2 countries two (Cambodia and Malawi) had investments exceeding USD 1 million in the same period whereas the remaining seven (Bangladesh, Ethiopia, Kenya, Mali, Nigeria, Tanzania, and Togo) only had token investments. The challenge of meeting the 12 million people target during the 2012-2016 is considerable and will require substantially higher annual GSF expenditures than the maximum of USD 9 million reached in 2011.

Efficiency

WSSCC is attached to UNOPS in Geneva which is a high-cost location and from where all activities in advocacy and knowledge management are carried out. For reasons of efficiency and effectiveness the implementation of the sanitation and hygiene promotion is through the country-based Executing Agencies and the associated Sub-grantee NGOs. Both types of organizations are procured competitively to ensure competence in the field and the due economies. At the present time the WSSCC administrative costs are about one quarter of annual expenditure and are comprised by 8.5% to the host UN agency, UNOPS, and about 15% for administration. The proportion of administrative costs with regard to total expenditure can be expected to decrease as the GSF activities become relatively more important as compared to the advocacy and knowledge management work. The External Review concludes that WSSCC's advocacy and networking as well as its advocacy and communications represent good value for money. However, it also notes that the efficiency of the GSF remains to be proven.

Sustainability

The sustainability of the WSSCC sanitation programs demands that good sanitation and hygiene habits continue among the target populations once WSSCC has exited. This sustainability is still untested given the recent start-up of the Global Sanitation Fund but the fact that the GSF concentrates on hygiene education and changed social norms is arguably helpful for the sustainability of the programs.

Monitoring and Evaluation

The WSSCC and its donors commissioned an Independent Expert Review that was concluded in 2011 and reviewed the period 2005-2010. This Expert Review reaffirmed the high relevance of the WSSCC activities but also recommended that the WSSCC focus more rigorously on setting quantitative targets for the number of people that would receive sustainable sanitation and changed hygiene habits as a result of the WSSCC activities. This would mean a concentration on GSF activities which is the direction that the WSSCC is increasingly taking as noted above.

The WSSCC itself has introduced a results framework. WSSCC developed a Monitoring and Evaluation Protocol in 2009 against which its activities were monitored and reported in mid-year and annual narrative and financial progress reports. Under the MTSP 2012-2016 this has been fully incorporated into the Results Framework. WSSCC also has periodic independent evaluations, previously mentioned. WSSCC is currently undertaking a work programme to improve its monitoring and communication of impact, particularly to report on results rather than activities carried out. The monitoring of the success of the country-based activities of the Global Sanitation Fund is entrusted to the sub-grantee NGOs with guidance from the Executing agencies and the WSSCC as a backstop. In addition, the sub-grantees and executing agency are independently monitored by a country program monitor that is procured on a competitive basis. The fact that WSSCC monitors the success of its sanitation and hygiene programs distinguishes it from the WHO-UNICEF Joint Monitoring Program (JMP) of the MDG water supply and sanitation targets that relies on country level data.

Gender Equality

Improved sanitation and hygiene has documented specific benefits for equity and quality of life for women and girls. In 2006, WSSCC and the Water Engineering Development Centre (WEDC) produced an evidence report, "[For her it's the big issue: Putting women at the centre of water supply, sanitation and hygiene.](#)" WSSCC's [Women Leaders for WASH initiative](#) advocates for gender awareness and attention in sanitation and hygiene issues and programmes. A recent example of WSSCC's work and its influence with sector practitioners was at WSSCC's [Global Forum on Sanitation and Hygiene](#) where participants talked about the barriers to accessing decent sanitation and hygiene with women, young men and girls who live in slum communities, parents of school children in slums, disabled people, and representatives of indigenous tribal communities.

Analysis and Learning

Learning lessons is a core part of WSSCC's work and its dissemination programme is led by the Networking and Knowledge Management Department. It is also embedded in its internal management, design and implementation of activities. The design of the GSF programme was based substantially on the 20 years of experience of members conducting sanitation programmes. WSSCC's learning and sharing work includes convening and sharing experience and lessons amongst members and publishing practitioner guides, such as (a) "Hygiene and Sanitation Software, An overview of approaches" (2010), (b) "Facilitating a "Hands-on" Training: Workshops for Community-Led Total Sanitation. A trainers' training guide" (2010), and (c) "Public Funding for Sanitation: The many faces of sanitation subsidies" (2009).

Another example is the lessons from the International Year of Sanitation 2008 (such as joint sector messages and effective advocacy), which WSSCC is taking forward in the Sanitation and Water for All partnership and the Sustainable Sanitation: Drive to 2015. The dissemination of findings from the expanding activities of the GSF is also done through the individual members of the WSSCC, estimated to be about 2,000. (Members are accepted through a system of self-certification and the membership roster is recertified annually.)

Governance and Partner Engagement

The WSSCC governance system is publicly described on its website. WSSCC has an elected Steering Committee consisting of members that meets twice a year. WSSCC's Steering Committee and Host Agency meet the WSSCC's donors at an annual Donor Accountability Meeting. Australia has regularly participated in the annual Donor and Steering Committee meetings.

The partnership seems to have successfully emerged from a crisis in 2006 when the WSSCC practically came to a standstill following a failed effort to switch hosting agency from WHO to UNICEF. A new energetic Executive Director, contracted in 2007, launched a fund-raising campaign among potential bilateral donors. Although this campaign coincided with the worldwide economic crisis in 2008, the fact that the MDG sanitation targets are at risk of not being reached and the fact that the WSSCC presents a credible *modus operandi* for promoting sustainable sanitation and hygiene habits, donor contributions have increased, and continued donor support of the WSSCC programs seems likely.

Annex 2

Independent Evaluation of the Infrastructure Partnerships Program and the Water and Sanitation Initiative Global Program

Terms of Reference

1. BACKGROUND

All developing countries have large infrastructure deficits. This constrains economic growth and results in disparities in the provision of basic services, such as transport, water supply and electricity, with the poor and vulnerable being the worst affected.

The development and maintenance of essential public infrastructure is an important ingredient for sustained economic growth and poverty reduction. Similarly, access to clean water and effective sanitation has a catalytic effect on many aspects of human development, being essential for a healthy population and environmental sustainability.

Infrastructure contributes to the overall goals of the aid program in serving Australia's international humanitarian interests as well as its national security and national economic interests. It is also an important prerequisite to achieving all eight of the Millennium Development Goals.

1.2 Infrastructure

Australia's infrastructure program includes support for both physical infrastructure and advisory assistance in areas such as policy reform, improved governance and capacity building. The relative weighting given to each depends on the circumstances of our partner countries. Overall, Australia places more emphasis on support for physical infrastructure in smaller less developed countries and more on advisory assistance in emerging economies. In all cases, Australia seeks to make its assistance transformative and catalytic by introducing and demonstrating new and innovative ideas that can have an influence well beyond the resources provided.

The Infrastructure Partnerships Program

The Infrastructure Partnerships Program (IPP) comprises Australian contributions to single donor and multi donor trust funds operated by a number of different multilateral organisations to further Australia's objectives under the Infrastructure For Growth Initiative (IFGI) and the Economic Infrastructure Initiative (EII). Australia's stated objectives under the IFGI and the EII are to contribute to reducing poverty by financing high priority infrastructure and by providing expertise to improve infrastructure policies.

The IPP emphasises strong partnerships with Multilateral Development Banks (MDBs) and the private sector while still retaining Australia's bilateral identity and country programming focus. This is achieved by targeting activities that complement, and are able to strengthen, AusAID's bilateral assistance program.

The IPP complements AusAID's country program activities by:

- Creating administrative efficiencies for MDB led activities that AusAID country programs have an interest in supporting;
- Undertaking activities in regions where Australia has a strategic interest but does not have the resource capacity to undertake significant country-led programs;
- Undertaking new or innovative activities where the MDBs have significant technical expertise (including Public Private Partnerships); and
- Undertaking regional activities, such as knowledge sharing, which cannot be undertaken by individual country programs.

1.3 Water and Sanitation

Australia's water, sanitation and hygiene (WASH) program aims to improve public health by increasing access to safe water and basic sanitation, improving hygiene behaviour and supporting sustainable service delivery. According to the 2010 Report of the UNICEF-WHO Joint Monitoring Programme *Progress on Sanitation and Drinking Water*, almost 900 million people in the world do not have access to safe drinking water. The situation concerning access to basic sanitation is even worse, with 2.6 billion people not using basic sanitation facilities. At the current rate of progress the world will miss the MDG target for sanitation by about 13 per cent with over 2.7 billion people still lacking access to basic sanitation.

The Water and Sanitation Initiative Global Program

The Water and Sanitation Initiative (WSI) Global Program comprises a mix of agreements with multilateral organisations that have a proven record of leadership and excellence in WASH. Funding complements Australian bilateral WASH programs by providing broader regional coverage and longer program engagement. The Global Program also provides the opportunity for AusAID to engage in strategic and policy discussions and to enhance learning and information exchange opportunities. The multilateral organisations funded under the WSI were selected based on their experience and technical expertise in WASH and the effectiveness of sanitation programs, acknowledging the importance of ensuring funding to this niche of the sector.

2. PURPOSE

The purpose of the evaluation is to assess the performance of trust funds under the IPP and WSI Global Program against the criteria detailed in Section 4. In particular, the evaluation should assess what is working well, what is not (and why) and how AusAID might improve its engagement with the IPP trust funds and WSI partners.

The evaluation team should also assess how well aligned the current trust funds are to AusAID's strategic goals and whether there are other organisations and trust funds that AusAID could engage with in the future. The evaluation will also be used to guide decision-making on whether to continue providing support to the existing trust funds under the IPP and organisations that were previously funded by the WSI. The evaluation should also assess what level of funding to each organisation would achieve these objectives and maximise AusAID's engagement in the sector.

The Independent Review of Aid Effectiveness recommends an increase in core funding to multilateral organisations that can show effectiveness, capacity and relevance. AusAID is currently undertaking an Australian Multilateral Assessment (AMA). However, the scope of the AMA does not include evaluation of specific trust funds. For example the AMA will evaluate the effectiveness of the World Bank as a whole, while this evaluation is individually assessing seven different trust fund partnerships with the World Bank. The infrastructure partnerships evaluation team will meet with the Multilateral Policy and Partnership Branch as part of the AusAID consultation to discuss alignment between this process and AusAID's AMA.

3. SCOPE

This evaluation will include the thirteen partnerships listed in Annex 2. The review will evaluate the infrastructure trust funds from July 2007 until June 2011 and will be undertaken in accordance with the Evaluation Criteria set out in Section 4.

The evaluation will consist of a desk review of relevant documents (see Section 9) and consultation with relevant program managers and associated key decision makers, including a consultation visit to the World Bank in Washington DC, USA, the United Nations in New York, USA and if seen as necessary, the ADB in Manila, Philippines.

The following two trust funds are considered outside the scope of the review as these will be subject to other review processes:

- The Private Infrastructure Development Group (PIDG);
- The Global Program on Output-Based Aid (GPOBA).

4. EVALUATION CRITERIA

This review will address two sets of evaluation criteria – generic and IPP and WASH specific (see below). It is recognized that the extent to which the report can provide insights on this criteria will be largely determined by the depth of information contained in the documents that will form the basis of this desk review. Where evidence is not readily available from relevant reports the team would need to base their judgments on interviews and discussions with the trust fund managers and associated staff. Evaluation questions are listed in Annex 1.

4.1 Generic criteria

Relevance: to assess whether the activities in the IPP and WSI Global Program contribute to higher level objectives of the Australia's aid program as outlined in 'An Effective Aid Program for Australia'.

Effectiveness: to assess whether the IPP and WSI Global Programs are achieving their stated objectives, both at the overall program level and at the sub-fund level

Efficiency: to assess whether the trust funds in the IPP and WSI Global Program are achieving value for money for AusAID from inputs of funds, staff and other resources, and how risks are being managed.

Impact (where feasible): to assess whether the activities in the IPP and WSI Global Program produce positive or negative changes (directly or indirectly, intended or unintended). The degree to which the various aspects of impact can be assessed will vary according to the nature and duration of each trust fund. Whether impact can be assessed, or the way impact can be assessed will need to be determined by the independent evaluation team. As such, impact will not be rated but will be quantified where possible.

Sustainability: to assess whether the trust funds appropriately address sustainability so that the benefits of the activity will continue after funding has ceased, with due account of partner government systems, stakeholder ownership and the phase-out strategy. This criterion should also consider each trust fund's consideration of social and environmental safeguards.

Monitoring & Evaluation: to assess whether the monitoring and evaluation framework effectively measures progress towards meeting the objectives of each fund.

Gender Equality: to assess whether the activity advances gender equality and promotes women (considering the four dimensions of gender equality: access, decision-making, women's rights, capacity-building).

Analysis & Learning: to assess whether the activity is based on sound technical analysis and continuous learning.

4.2 IPP and WASH specific criteria

AusAID's engagement: to assess AusAID's capacity to harness information and improve knowledge sharing in the management of the trust funds and to identify what improvements can be made to improve the level of engagement both from the perspective of AusAID and trust fund managers.

Type of trust fund: to compare the operations of single donor and multi donor trust funds and to make an assessment on the relative advantages and disadvantages of each.

Forward looking: Consult with AusAID and partners to identify and consider other effective trust funds that AusAID could fund in the future that align with its strategic sectoral goals and the potential to discontinue any partnerships that are found not to be performing. The evaluation team should also consider the most effective funding allocations to existing and

new organisations given the expected budget for multilateral organisations over the next five years.

5. MANAGEMENT ARRANGEMENTS

AusAID (in particular, the Infrastructure, Water and Sanitation Section) will manage the evaluation process including procuring consultants (i.e. the evaluation team) and maintaining regular contact with them.

The consultants engaged to conduct the evaluation (known as the evaluation team) will individually or collectively have the following key skills:

- (1) demonstrated expertise in the infrastructure and/or WASH and development sector
- (2) demonstrated expertise in the evaluation of aid interventions, including experience working with AusAID and knowledge of multilateral organisations including ADB and World Bank systems of operation.¹⁵

AusAID will be responsible for approving the evaluation plan, providing feedback on the draft report and approving the final report.

6. METHODOLOGY

The review will be carried out in four stages. In the first stage the evaluation team will develop an evaluation plan for AusAID's approval. The plan will include the design and budget for the evaluation, having considered the key documents and discussed the proposed stakeholder consultations with AusAID. It will identify methods, tools and information sources to be used for addressing the evaluation questions and provide an indicative timetable (including the timing of meetings and delivery of outputs). This will be submitted to AusAID by email for comment and subsequent approval. AusAID will provide the evaluation team with relevant reports available to it on the trust funds, including any evaluation reports that may not be available in the public domain.

In the second stage, the evaluation team will carry out the review, consulting relevant AusAID sections and all other key stakeholders (including potentially through face-to-face meetings with the World Bank, the United Nations and the ADB and by teleconference with WSSCC and WHO) and reviewing key documentation.

In the third stage, the evaluation team will write a draft report of its key findings (using the AusAID template) and present it to AusAID for initial feedback. AusAID will then undertake a peer review process of this draft report with the participation of the evaluation team.

In the fourth stage the evaluation team will incorporate any changes based on the feedback received and then present the final report to AusAID.

7. SCHEDULE/timelines

The evaluation will be for a total of **40 working days commencing** in December 2011.

Within this timeframe, the evaluation team will undertake a consultation visit to the World Bank in Washington DC, the United Nations in New York, the ADB in Manila and AusAID in Canberra. Other key stakeholders will be contacted via teleconference where possible.

The draft report will be submitted to AusAID in February 2012.

8. OUTPUTS

The evaluation team will, under the direction of AusAID, produce the following outputs:

¹⁵ See Section 10 for further details on the consultant/s specifications.

- An evaluation plan, including a design and timeline for approval by AusAID
- An assessment report, which will include:
 - the findings and recommendations of the evaluation
 - any key issues as highlighted through the ratings against criteria in accordance with AusAID's quality reporting processes
 - the lessons learned and details of meetings held during the evaluation
 - clear recommendations to AusAID on supporting further phases of the IPP and future WASH multilateral funding (taking into account lessons learned and the suitability of objectives)
 - advice on how AusAID can most appropriately engage in the management of the trust funds to maximise relevance, effectiveness and efficiency
 - advice on potential trust funds for future support or existing partnerships that were found to be underperforming or that do not meet the strategic goals of AusAID.

9. REFERENCE MATERIALS

In undertaking the review, the evaluation team will read all key program documentation including those listed in the table below and any other progress/evaluation reports available on individual trust funds in consultation with AusAID. AusAID will make available to the team all relevant reports, including any evaluations that may not be available publicly but will be relevant to this review.

AusAID*	
<ul style="list-style-type: none"> • <i>An Effective Aid Program for Australia</i> (Government response to the Aid Effectiveness Review): • AusAID's Infrastructure Policy Notes: • IPP original design documents (to be supplied by AusAID) • Quality at Entry (QAE) documents (including peer review minutes) (to be supplied by AusAID) • Quality at Implementation (QAI) documents (to be supplied by AusAID) • WASH Performance Assessment Framework 	
Single donor trust funds	
SARIG	<ul style="list-style-type: none"> • SARIG Agreement (supplied by AusAID) • SARIG Annual Report 2010 (supplied by AusAID) • SARIG Annual Progress Report 2009 (supplied by AusAID) • Examples of proposals, to be provided by AusAID • Concept Notes for Pillars (supplied by AusAID): <ul style="list-style-type: none"> ○ Transport connectivity ○ Water Supply and Sanitation
EAAIG	<ul style="list-style-type: none"> • EAAIG Agreement (supplied by AusAID) • EAAIG Annual Report 2010 (supplied by AusAID) • EAAIG Status Report 2009 (supplied by AusAID) • Examples of proposals (supplied by AusAID) • Concept Notes for Pillars (supplied by AusAID): <ul style="list-style-type: none"> ○ Transport Program ○ Sustainable Energy Development ○ Green Infrastructure Finance ○ Urban Resilience ○ Water and Sanitation

Multi donor trust funds	
WFPF	<ul style="list-style-type: none"> Establishing the Water Financing Partnerships Facility: http://www.adb.org/Documents/Others/R309-06.pdf Design Monitoring Framework for WFPF (supplied by AusAID) WFPF Annual Report January to December 2010: http://www.adb.org/F5AB07FE-4697-4C27-B6BB-C928BB5558B8/FinalDownload/DownloadId-E2DD23AFCB6A6B55933E63B28EDE166F/F5AB07FE-4697-4C27-B6BB-C928BB5558B8/documents/reports/wfpf/2010/wfpf-2010-ar.pdf WFPF Semi-Annual Progress Report January to June 2011: http://www.adb.org/documents/reports/wfpf/2011/wfpf2011-sapr.pdf Special Evaluation Study of Financing Partnership Facilities http://www.adb.org/Documents/SES/REG/SES-OTH-2010-74/SES-OTH-2010-74.pdf
CEFPF	<ul style="list-style-type: none"> CEFPF Annual Report 2010: http://www.adb.org/Documents/Reports/CEFPF/CEFPF-AR2010.pdf CEFPF Semi-Annual Progress Report January to June 2011 (supplied by AusAID) Design Monitoring Framework for WFPF (supplied by AusAID) Establishment of the CEFPF: http://www.adb.org/Documents/Others/Cofinancing/R61-07.pdf Special Evaluation Study of Financing Partnership Facilities http://www.adb.org/Documents/SES/REG/SES-OTH-2010-74/SES-OTH-2010-74.pdf
PPIAF	<ul style="list-style-type: none"> PPIAF Work Program 2011-2013: http://www.ppiaf.org/ppiaf/sites/ppiaf.org/files/documents/PPIAF_work_program_concept_notes_Nov2010.pdf PPIAF Annual Report 2010: http://www.ppiaf.org/ppiaf/sites/ppiaf.org/files/documents/PPIAF_Annual_Report_2010_Final.pdf PPIAF Program Charter 1999: http://www.ppiaf.org/ppiaf/sites/ppiaf.org/files/publication/Program_Charter.pdf Technical Advisory Panel (TAP) Review of PPIAF Activities 2011(supplied by AusAID) PPIAF 2011 Monitoring and Evaluation Report (supplied by AusAID) SNTA Log Frame (supplied by AusAID) Ernst and Young SNTA Evaluation 2010 (supplied by AusAID)
ESMAP	<ul style="list-style-type: none"> 2008-2012 ESMAP Strategic Business Plan: http://www.esmap.org/esmap/sites/esmap.org/files/8192009121245_latestESMAPS_BP08.05.09singles[1].pdf ESMAP Annual Report 2010: http://www.esmap.org/esmap/sites/esmap.org/files/esmap-AR_2010_FINAL_6-1-11_0.pdf ESMAP Work Program for 2011-12 (supplied by AusAID) TAG Report – World Bank Energy Trust Funded Programs (ETFP): ESMAP and ASTAE 2010 (supplied by AusAID) QAG Report – ESMAP - 2010 (supplied by AusAID)
GRSF	<ul style="list-style-type: none"> GRSF Strategic Plan 2008-2015: http://siteresources.worldbank.org/EXTTOPGLOOASAF/Resources/2582212-1265307800361/GRSF_strategic_plan.pdf GRSF Activities Report 2006-2008: http://siteresources.worldbank.org/61FB2D40-

	3B0A-4F21-AC7D-CBA81C37EF67/FinalDownload/DownloadId-DDD1AFFE520A1E26CE99BA85C395B5FC/61FB2D40-3B0A-4F21-AC7D-CBA81C37EF67/EXTTOPGLOROASAF/Resources/GRSFActivitiesReport.pdf <ul style="list-style-type: none"> • GRSF Progress Report 2009 (supplied by AusAID). • GRSF Annual Report 2010 (supplied by AusAID). • Independent Evaluation of GRSF 2009 (supplied by AusAID).
Cities Alliance	<ul style="list-style-type: none"> • Cities Alliance Annual Report 2010: http://www.citiesalliance.org/ca/sites/citiesalliance.org/files/Annual_Reports/AR2010_FullText.pdf (also supplied by AusAID) • Cities Alliance Charter-Draft (supplied by AusAID) • Cities Alliance Business Plan (supplied by AusAID) • Independent Evaluation-Inception Report (supplied by AusAID) • Cities Alliance Financial and Budget Report FY 2011-12 (supplied by AusAID)
CCI	<ul style="list-style-type: none"> • Clinton Foundation Annual Report 2010: http://www.clintonfoundation.org/F5AB07FE-4697-4C27-B6BB-C928BB5558B8/FinalDownload/DownloadId-C1547D30E5FC965901E6F15560F872AE/F5AB07FE-4697-4C27-B6BB-C928BB5558B8/files/reports_cf/annualreport_cf_2010.pdf • CCI Southeast Asia – Annual Progress Report 2009 (supplied by AusAID) • AusAID-CCI Report Deliverables Table (supplied by AusAID) • CCI – Overview: Building Retrofit, Outdoor Lighting, Waste Management (supplied by AusAID) • CCI Overview (supplied by AusAID) • CCI Summary 2010-2011 (supplied by AusAID) • AusAID-CCI Agreement (supplied by AusAID) • AusAID CCI 2011 3 Year Report (supplied by AusAID)
UNICEF	<ul style="list-style-type: none"> • UNICEF Water, Sanitation and Hygiene Strategies for 2006-2015 http://www.unicef.org/about/execboard/files/06-6_WASH_final_ODS.pdf • UNICEF WASH Annual Report 2010 http://www.unicef.org/wash/files/UNICEF_WASH_2010_Annual_Report_15_06_2011_Final.pdf
WSP	<ul style="list-style-type: none"> • WSP Global Strategy 2009-2018: http://www.wsp.org/280EBF78-8CD7-490A-8695-DF1951918CCC/FinalDownload/DownloadId-FDE36B2D340737789074A2399F9009B7/280EBF78-8CD7-490A-8695-DF1951918CCC/wsp/sites/wsp.org/files/publications/Global_Strategy_July2008.pdf • Water and Sanitation Program External Review FY 2004-2008
WSSCC	<ul style="list-style-type: none"> • WSSCC Medium-Term Strategic Plan • WSSCC External Review • Global Sanitation Fund Progress Report August 2011
WHO	<ul style="list-style-type: none"> • Safe Water Guide for the Australian Aid Program • Water Safety Plans: Policy and Institutional strengthening and scaling up – Phase 2 and beyond February 2010 (supplied by AusAID) • Water Safety Plans as Normal Practice: Policy and Institutional Strengthening for WSP Mainstreaming – Phase 3 August 2011 (supplied by AusAID) •

* Other documents may also be provided by AusAID in consultation with the evaluation team.

10. SPECIFICATION OF THE CONSULTANTS

The evaluation team will consist of three consultants, detailed below. All consultants must be independent and impartial.

(1) Team Leader/ Infrastructure specialist – 40 days

Skills/competencies:

- Knowledge of best practice operations in the infrastructure sector and emerging trends;
- Knowledge of multilateral operations in infrastructure and the comparative advantage of different multilateral organisations;
- Experience in monitoring and impact assessment of infrastructure activities;
- An understanding of the positive effects economic infrastructure investment can have in supporting economic growth;
- Demonstrated analytical skills and proficiency in verbal and written communication, especially report writing.

Roles/responsibilities:

- Assist AusAID with selection of the other members of the evaluation team;
- Design the evaluation plan, including methodology and timeline;
- Provide technical advice on the activities within each trust fund with a particular focus on how each contributes to poverty reduction by financing high priority infrastructure projects and providing expertise to improve infrastructure policies;
- Assist the monitoring and evaluation specialist with undertaking the review of key documents and consulting key stakeholders;
- Undertake technical assessments of trust funds for inclusion in the report;
- Participate in the peer review;
- Lead in drafting the report and coordinating input from the WASH and monitoring and evaluation specialist;
- Make agreed changes and finalise the report.

(2) WASH specialist – 30 days

Skills/competencies:

- Knowledge of best practice operations in the WASH sector and emerging trends;
- Experience in monitoring and impact assessment of WASH activities;
- Demonstrated analytical skills and proficiency in verbal and written communication, especially report writing.

Roles/responsibilities:

- Provide input to the design of the evaluation plan, especially with regard to the evaluation questions and criteria, and structuring the approach to interviews;
- Provide technical advice on the activities currently funded by the WSI Global Program with a particular focus on how each contributes the strategic goals for the sector;
- Assist the infrastructure specialist with undertaking the review of key documents and consulting key stakeholders;
- Undertake technical assessments of activities currently funded by the WSI Global Program for inclusion in the report.

(3) Monitoring and Evaluation specialist – 30 days

Skills/competencies:

- Sound understanding of the operations of multilateral organisations;
- Considerable experience with reviewing and evaluating aid and development activities including an ability to adopt a participatory approach to research when liaising with stakeholders;
- Demonstrated analytical skills and proficiency in verbal and written communication, especially report writing.

Roles/responsibilities:

- Provide input to the design of the evaluation plan, especially with regard to the evaluation questions and criteria, and structuring the approach to interviews;
- Assist the infrastructure specialist with undertaking the review of key documents and consulting key stakeholders;
- Assess the extent to which the trust funds incorporate robust monitoring and evaluation and suggest areas for improvement.

Annex 1: Evaluation Questions for the IPP and WSI Global Program Independent Evaluation

Generic Criteria

Relevance:

- Assess the extent to which the trust funds are contributing to sustainable economic development and saving lives (two of AusAID's five core strategic goals).
- In particular, the extent to which the objectives of each trust fund are in line with AusAID's strategic goals and are contributing to the following pillars of action (where appropriate):

Transport

- Do the trust fund activities act as catalysts for innovation, deliver sustainable transport infrastructure and involve partner governments?
- Do the trust fund activities support the maintenance and preservation of existing infrastructure?
- Do the trust funds focus on improving transport networks, transport policy and planning for both rural and urban areas?

Water

- Do the trust fund activities facilitate increased access to services, hydropower and irrigation services and assist partner countries to develop policies to support sustainability?

Energy and information and communication technologies

- Do the trust fund activities support partner countries to create a reliable energy sector, extending services to the poor and promote less greenhouse gas-intensive energy sector development?
- Do the trust fund activities support information and communication technologies to help partner countries become more connected?

Urban development

- Do the trust fund activities assist to address the issues of urban development to ensure the poor located in cities have access to services and that cities remain effective economic centres?

Increased Access to Safe Water and Basic Sanitation

- Do the activities facilitate increased access to safe water and basic sanitation by funding activities that result in installation of facilities?

Improved Hygiene Behaviour

- Do the activities deliver hygiene promotion services that bring about sustainable behaviour change around hygiene practices?

Creating Sustainable Services

- Do the activities support policies and strategies that keep services operating after they are built? This includes strategies that support sustainability include improving governance through public sector reform and improving service delivery through partnerships with civil society and the private sector.

- Assess the compliance of the IPP and WSI Global Program with the Paris Declaration and Accra Agenda for Action

http://www.oecd.org/document/18/0,2340,en_2649_3236398_35401554_1_1_1_1,00.html.

Effectiveness:

- To what extent are the trust fund programs achieving their own objectives, Australia's overarching aid program objectives, and AusAID's objectives for the sector?

Efficiency:

- To what extent are the trust funds being managed to get value for money from AusAID's input of funds, staff and other resources?
- Have risks been mitigated appropriately? If so, how? If not, why not?

Impact:

- What obvious changes (intended and unintended) to the lives of beneficiaries and their environment are evident through the trust fund activities? Include any positive/negative impacts from external factors.

Sustainability:

- How is sustainability defined and measured by each of the trust funds?
- Most of the trust funds in the IPP are not involved directly in program delivery, therefore, are there processes in place to leverage sustainability beyond the life of each project?
- How well are cross cutting issues such as disability, environment and social protection addressed in these funds, and what safe guards are in place to address these issues?

Monitoring and Evaluation:

- Does the monitoring and evaluation framework effectively measure progress towards achieving the trust fund's objectives?

Gender Equality:

- What impact (if any) have the trust fund activities made toward achieving gender equality and the active participation of women and girls?

Analysis and Learning:

- What lessons can be learned to inform:
 - continued funding of existing trust funds?
 - future funding of other trust funds?
 - absorptive capacity and strategic levels of funding?

IPP and WASH specific criteria

AusAID's engagement:

- Is AusAID engaging enough with the trust funds in light of its own strategic goals?
- If not, how could it improve its engagement, especially given the constraints of some trust fund mandates (particularly multi-donor trust funds)?
- Are AusAID appropriately skilled to engage effectively in the management of the trust funds?

- What skill sets may staff need to develop to strengthen AusAID's engagement with the trust funds in the future?

Multi donor trust funds and single donor trust funds:

- What are the relative advantages and disadvantages of AusAID's involvement with single donor trust funds and multi donor trust funds?
- How much engagement and influence can AusAID expect to have with each type?

Forward looking:

- Are there other partnerships AusAID could support in the future that align with its strategic goals in the infrastructure and WASH sectors?
- Given a proposed five year budget, what funding profile should AusAID consider providing to existing and potential organisations that would maximise AusAID's engagement in the sector and meet strategic goals.

Annex 2: Partnerships for Evaluation in the IPP and WSI Global Program Independent Evaluation

Funding Partnerships

The individual trust funds under the IPP and WSI Global Program are outlined below, including their respective objectives. This mix of trust funds and partnerships have been chosen to enhance the infrastructure and WASH program's impact in two main ways: to support activities under AusAID's bilateral program; and to allow AusAID to build its presence in areas where it has limited involvement such as urban development, public private partnerships and output-based aid.

Single Donor Trust Funds

South Asia Regional Infrastructure for Growth Fund (SARIG) and East Asia and Pacific Infrastructure for Growth Fund (EAAIG)

The **SARIG** and **EAAIG** are World Bank managed trust funds that provide funding for policy reform and for upstream analytical and capacity building activities in support of large scale donor and/or counterpart financed infrastructure investments. Sectoral priorities have included energy, transport, water and sanitation, urban development, rural development, telecommunications and the environment.

The agreed objectives for the single-donor trust funds are:

- Development aspects - to foster an enabling environment for infrastructure development and facilitate infrastructure service delivery; and
- Partnership aspects - to enhance cooperation between AusAID and the World Bank in improving aid effectiveness in the East Asia and Pacific, and South Asia regions.

AusAID World Health Organisation (WHO) Water Quality Partnership for Health (WHO)

The WHO leads internationally on setting drinking water quality standards. Its 'Guidelines for Drinking-water Quality' are used by both developed and developing nations as the scientific basis for regulation and standard setting, and in their third edition established the international consensus approach to preventive management through 'water safety plans'. Australia is a leader in water safety planning and as a result AusAID partnered with the WHO on a project to introduce and build capacity on water safety planning.

Phase 1 of the Partnership led to activities at global, regional, and country levels with target countries being Bangladesh, Bhutan, Cambodia, China, Lao PDR, Myanmar, Nepal, Vietnam. The project led to all target countries gaining practical WSP experience through pilots and training and most developing or revising drinking-water quality-related sector policies, including the preparation of national strategies for scaling-up WSPs. Phase 2 was designed for a short period of time to align with WSI funding and sought to maintain the momentum of phase 1 and advance the implementation of WSPs.

A design for phase 3 has been received by AusAID and will provide stability for the program and enable capacity building and strong local ownership of the program, contributing to the sustainability of water safety planning in the program countries after the Partnership. It will also provide for expansion into additional countries based on readiness criteria.

Multi Donor Trust Funds

Ten multi donor partnerships in the IPP and WSI Global Program will be evaluated in this review. These are outlined below.

Water Financing Partnership Facility (WFPF) (ADB)

The Water Financing Partnership is a multi-donor facility managed by the ADB to provide financial and knowledge resources for implementation of the ADB's Water Financing Program, which includes project preparation support and technical assistance for:

- Water management in river basins (including integrated water resource management);
- Rural water supply, sanitation, irrigation and drainage; and
- Urban water supply, sanitation, wastewater management and environmental improvement.

The WFPF works in the regions of Southeast Asia, East Asia, South Asia and Pacific.

Clean Energy Financing Partnership Facility (CEFPF) (ADB)

The CEFPF is a multi-donor facility managed by the ADB. It provides financial resources and technical support to improve energy security in developing countries and promote technologies and practices that reduce greenhouse gas emissions by increasing both energy efficiency and renewable energy use. CEFPF resources are also intended to finance policy, regulatory, and institutional reforms that encourage clean energy development. The CEFPF works in the regions of Southeast Asia, East Asia, South Asia and Pacific.

Public Private Infrastructure Advisory Facility (PPIAF) (World Bank)

The PPIAF is a multi-donor technical assistance facility managed by the World Bank to improve infrastructure in developing countries through public-private partnerships. The facility operates through two main mechanisms:

- Channelling technical assistance to governments in developing countries on strategies and measures to tap the full potential of private involvement in infrastructure; and
- Identifying, disseminating, and promoting best practices on matters related to private involvement in infrastructure in developing countries.

The PPIAF also has the Sub-National Technical Assistance (SNTA) program. Its role is to help sub-national entities (for example local governments and utilities) improve their creditworthiness to access market-based financing without sovereign guarantees.

The PPIAF works in the regions of Africa, East Asia and the Pacific, Eastern Europe and Central Asia, South Asia, Latin America and the Caribbean and Middle East and North Africa.

Energy Sector Management Assistance Program (ESMAP) (World Bank)

ESMAP is a multi-donor facility managed by the World Bank that conducts analytic research, operational project support, technical assistance, capacity building, policy and legislative development. The partnership assists developing countries to achieve:

- Improved policy and regulatory environments for energy infrastructure;
- Increased access to energy and greater energy efficiency;
- Improved reliability of energy supply and reduced energy vulnerability; and
- Increased use of renewable energy.

ESMAP works in the regions of Africa, East Asia and the Pacific, Europe and Central Asia, Latin America and Caribbean, Middle East and North Africa and South Asia.

Global Road Safety Facility (GRSF) (World Bank)

GRSF is a multi-donor facility managed by the World Bank. The facility aims to generate increased funding and technical assistance for global, regional and country level activities

designed to accelerate and scale-up the efforts of low and middle-income countries to build scientific, technological and managerial capacities to prepare and implement cost-effective road safety programs.

GRSF works in countries in the regions of South Asia, East Asia and Pacific, Africa, Middle East and North Africa, Latin America and the Caribbean and Europe and Central Asia.

Cities Alliance (World Bank)

The objective of the Cities Alliance is to reduce urban poverty and improve the efficiency and impact of urban development in developing countries. Cities Alliance provides matching grants for city development strategies and slum upgrades. Land and housing tenure improvements are also a key feature of Cities Alliance's settlement upgrading work. Cities Alliance is also a resource for technical assistance in the urban sector and provides knowledge resources for urban programmers.

Countries that Cities Alliance works in include (but are not limited to) Indonesia, Kiribati, Vietnam, Mexico, Mongolia, Mozambique, Namibia, Jordan, Syria, Tanzania, Swaziland, Ethiopia, Uganda, India, Philippines and Brazil.

Clinton Climate Initiative (CCI)

CCI takes a holistic approach to address the major sources of greenhouse gas emissions and the people, policies, and practices that impact on them. Working with governments and businesses around the world to apply local solutions that are both economically and environmentally sustainable, CCI focuses on three strategic program areas: increasing energy efficiency in cities, catalyzing the large-scale supply of clean energy, and working to address deforestation.¹⁶ CCI works primarily in Vietnam and Indonesia.

UNICEF

UNICEF's WASH program works in 96 countries around the world with the aim to contribute to the realisation of children's rights to survival and development through promotion of the sector and support to national programmes that increase equitable and sustainable access to, and use of, safe water and basic sanitation services, and promote improved hygiene.

The vast majority of the funds provided to UNICEF were spent at the country level; less than 1 per cent was incurred at the global or regional level. At the country level, programs vary significantly in scope. Large programs typically have annual budgets of around US\$10 million and support a wide range of water, sanitation and hygiene activities, often country-wide. Other programs are much smaller and focus activities on particular geographic areas or on specific program elements that require special support, such as hand-washing campaigns or water quality. Support to school-based WASH activities has also increased significantly in recent years. UNICEF works towards making schools healthier and more attractive to children, especially girls, through WASH in schools programs.

UNICEF sponsor a wide range of activities and work with many partners, including families, communities, governments and like-minded organisations. For the 10 year period 2006 to 2015, UNICEF support for the sector is guided by two overarching targets:

- Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation (MDG target 7c); and
- Ensure that all schools have adequate child-friendly water and sanitation facilities and hygiene education programs.

¹⁶ NB: AusAID's funding to the CCI is currently slated to cease after December 2011.

Water and Sanitation Program (WSP) (World Bank)

The Water and Sanitation Program (WSP) is a multi-donor trust fund program administered by the World Bank, comprising a field-based network in four regional locations (Africa, East Asia, Latin America and South Asia) managed from a small headquarters team in Washington DC. WSP works in partnership with country client governments, external support agencies, regional partners, and other leading support agencies to strengthen national policy, coordination, institutional development and service delivery options to respond to global trends that may affect delivery of water and sanitation services and hygiene promotion. This includes rapid urbanisation, decentralisation, natural resource constraints in light of climate change, reduction in global poverty and rising income inequality, increase in private flows to infrastructure and changing aid infrastructure. WSP aims to ensure sustainability of services by focusing on a strategic framework of cross-sectoral interfaces:

- For citizens, increase demand for and access to sustainable services, especially with a focus on gender and underserved populations, by scaling up efforts to identify and strengthen collective behaviour and change embedded attitudes;
- For service providers, improve institutions and accountability and provide capacity support to decentralised levels of local governments;
- For the enabling environment, strengthen the legal, regulatory, institutional, and business framework between service providers and governments;
- For governments, support their ability to raise awareness and strengthen their ability to track improvements in water, sanitation and hygiene; and
- For all partners involved, align multiple donors and increase partnerships among stakeholders.

Water Supply and Sanitation Collaborative Council (WSSCC) (UNOPS)

WSSCC is a membership network of more than 2,600 individuals, academics, non-government organisations, community based organisations, international organisations, national governments and private sector members concerned with implementation, research and knowledge management in water and sanitation. WSSCC works to enhance collaboration between its members, generating and sharing knowledge and advocating in favour of water and sanitation.

WSSCC's mandate covers both water supply and sanitation, with a greater focus on sanitation and hygiene. During the 1990s, WSSCC's main activity was *networking and knowledge management*. In the period 2000-2006, it expanded its work to include *advocacy* at both global and national levels. Since 2007 the WSSCC started its *Global Sanitation Fund* (GSF). The GSF provides grants from a pooled fund to selected organisations in particular countries. The GSF became operational in 2008 and Round 1 countries receiving grants are India, Madagascar, Nepal, Cambodia, Senegal and Uganda.